

Intertrust reports Q4 & FY 2017 results

Amsterdam, the Netherlands – 8 February 2018 – Intertrust N.V. ("Intertrust" or "Company") [Euronext: INTER], a leading global provider of high-value trust, corporate and fund services, today publishes fourth quarter and full year 2017 results.

Q4 2017 Highlights

- Revenue increased 5.5% year-on-year (underlying +7.2%) to EUR 127.4 million (Q4 2016: EUR 120.7 million).
- Adjusted EBITA increased 5.9% (underlying 7.4%) to EUR 51.0 million (Q4 2016: EUR 48.1 million).
- Adjusted EBITA margin at 40.0% (Q4 2016: 39.9%).
- Adjusted EPS increased 9.0% to EUR 0.42 (Q4 2016: EUR 0.39).

FY 2017 Highlights

- Revenue increased 25.8% (underlying +4.4%) to EUR 485.2 million (FY 2016: EUR 385.8 million).
- Adjusted EBITA increased 20.4% (underlying +3.0%) to EUR 185.1 million (FY 2016: 153.8 million).
- Adjusted EBITA margin at 38.2% (FY 2016: 39.9%).
- Adjusted EPS up 20.4% to EUR 1.53 (FY 2016: EUR 1.27).
- Proposed final cash dividend of EUR 0.33 per share, subject to shareholder approval, resulting in total dividend of EUR 0.61.
- Total number of shares repurchased under the current share repurchase programme up to 31 December 2017 was 936,232 shares for a total aggregate consideration of EUR 14.0 million, which equates to around 28% of the total programme.
- Stephanie Miller appointed as new CEO and member of Management Board, started on 22 January 2018.
- FY 2018 guidance re-iterated.
- Publication of the Annual Report 2017 has been advanced and will now be published on 23 February 2018 (previously scheduled for 16 March 2018).

Intertrust Group Q4 2017 figures

	As reported			Adjusted ¹			
	Q4 2017	Q4 2016 ²	% Change	Q4 2017	Q4 2016 ²	% Change	% Underlying change ³
Revenue (€m)	127.4	120.7	5.5%	127.4	120.7	5.5%	7.2%
EBITA (€m)	48.2	40.2	19.9%	51.0	48.1	5.9%	7.4%
EBITA Margin	37.8%	33.3%	454bps	40.0%	39.9%	14bps	8bps
Net Income (€m)	29.9	15.9	88.3%	38.6	35.5	8.8%	
Earnings per share (€) ⁴	0.32	0.17	85.1%	0.42	0.39	9.0%	
Cash from operating activities (€m)	48.4	49.9	-3.0%				

¹ See Reconciliation of performance measures to reported results (see page 11) for further information on Adjusted figures

² Included in Q4 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 26.9m, EBITA EUR 9.2m)

³ Underlying: 2017 at constant currency and 2016 including Elian and Azcona figures (Management Estimate)

⁴ Average number of shares for Q4 2017: 91,787,418 shares; average for Q4 2016: 91,995,836 shares.

David de Buck, outgoing CEO of Intertrust, commented:

"We delivered a strong Q4 performance across our different reporting segments, resulting in a solid increase in revenue and EBITA for FY 2017, in line with our expectations and on the high end of our guidance. Regulatory changes enabled us to provide additional services to our clients in Q4, mainly related to mandatory UBO registrations. For the full year, Intertrust recorded revenue of EUR 485.2 million, up 4.4% underlying from 2016.

The performance of our Netherlands operations improved over the last quarter, benefitting from reduced staff turnover to normalised levels, but the market remains challenging. Having our new Managing Director Sara Douwes in place gives us confidence to further benefit from our leading market position. Our Luxembourg office saw strong growth, specifically driven by our Funds business. Limited competitive losses and growing regulatory and compliance related reporting services in Cayman have been catalysts for a significant improvement in performance, resulting in a modest growth in revenue versus 2016. Integration of Elian remained on track over 2017, with Jersey performing strongly across most service lines. In our Rest of the World segment, we reported good revenue growth and a substantial improvement of our margins, which evidences the attractive scalability of our business.

In the past year, we continued to invest in our technology platform, outsourcing IT and migrating our data centers. With the Elian IT integration continuing until mid-2019, realisation of revenue and cost synergies remained on track.

As a reflection of our confidence in the financial strength of the company, and based on FY 2017 adjusted EPS of EUR 1.53, we propose a full year 2017 cash dividend of EUR 0.61 per share, comprising the August 2017 interim dividend of EUR 0.28 and a final dividend of EUR 0.33 per share, payable in June 2018.

I am confident that our expanding services offering, global presence and new leadership team will allow us to further build on our position of strength to the benefit of our employees, clients and shareholders."

Intertrust Group FY 2017 figures

	As reported			Adjusted ¹			
	FY 2017	FY 2016 ²	% Change	FY 2017	FY 2016 ²	% Change	% Underlying change ³
Revenue (€m)	485.2	385.8 ⁴	25.8%	485.2	385.8 ⁴	25.8%	4.4%
EBITA (€m)	173.8	135.9	27.9%	185.1	153.8	20.4%	3.0%
EBITA Margin	35.8%	35.2%	59bps	38.2%	39.9%	-171bps	-52bps
Net Income (€m)	88.7	52.0	70.7%	139.5	113.2	23.2%	
Earnings per share (€) ⁵	0.97	0.58	66.8%	1.53	1.27	20.4%	
Cash from operating activities (€m)	156.9	152.4	3.0%				

¹ See Reconciliation of performance measures to reported results (see page 11) for further information on Adjusted figures

² Included in FY 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 28.5m, EBITA EUR 9.7m, No. of entities 14k)

³ Underlying: 2017 at constant currency and 2016 including Elian and Azcona figures (Management Estimate)

⁴ 2016 Revenue figures include EUR 28.5 million Elian contribution since 23 Sept 2016 closing

⁵ Average number of shares for FY 2017: 91,020,700 shares; average for FY 2016: 88,942,943 shares.

Intertrust Group KPIs

	Q4 2017	Q4 2016 ¹	% Change	% Change (CC)	% Underlying change ²	FY 2017	FY 2016 ³	% Change	% Change (CC)	% Underlying change ²
Revenue (€m)	127.4	120.7	5.5%	8.0%	7.2%	485.2	385.8	25.8%	28.3%	4.4%
Adjusted EBITA (€m) ⁴	51.0	48.1	5.9%	8.5%	7.4%	185.1	153.8	20.4%	22.8%	3.0%
Average number of FTEs	2,472	2,375	4.1%			2,444	1,882	29.9%		
Number of entities (000's, end of period)						50.4	51.9	-3.0%		
ARPE (€k)						9.6	7.4	29.6%	32.2%	7.6%
Revenue/FTE (€k)						198.6	205.0	-3.1%		
Adj. EBITA/FTE (€k)						75.8	81.7	-7.3%		

¹ Included in Q4 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 26.9m, EBITA EUR 9.2m)

² Underlying: 2017 at constant currency and 2016 including Elian and Azcona figures (Management Estimate)

³ Included in FY 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 28.5m, EBITA EUR 9.7m, No. of entities 14k)

⁴ See [Reconciliation of performance measures to reported results](#) (see page 11) for further information on Adjusted figures

Financial review

Revenue

In Q4 2017, revenue amounted to EUR 127.4 million, an increase of 5.5% (underlying +7.2%) compared to EUR 120.7 million in Q4 2016. On a full year basis, revenue was EUR 485.2 million (FY 2016: EUR 385.8 million), an increase of 25.8% (underlying 4.4%). Year-on-year revenue growth was mainly driven by growth in Luxembourg (underlying 12.1%) and Jersey (underlying 9.1%). In the course of 2017 the 4th Anti Money Laundering Directive was implemented which includes an explicit requirement for legal entities, to hold adequate, accurate, and current information on their ultimate beneficial ownership (i.e. UBO Register), increasing demand for compliance services.

Entity / ARPE development

Gross inflow of entities in 2017 was 6,993 and gross outflow was 8,533 resulting in a net outflow of 1,540 entities during the year, in line with our expectations but with outflow elevated due to definition harmonisation¹ adjustments in Q2 related to 676 former Elian entities. End-of-life continues to account for more than half of all outflow.

In 2017, ARPE was EUR 9.6 thousand. On a like-for-like basis, ARPE in 2016 was EUR 9.1 thousand, resulting in a year-on-year increase of 7.6%.

Adjusted EBITA (margin)

Adjusted EBITA in Q4 2017 increased 5.9% (underlying +7.4%) to EUR 51.0 million, compared to EUR 48.1 million in Q4 2016. The one-off costs in Q4 2017 consisted for the largest part of integration and transformation costs. In 2017, on a full year basis, adjusted EBITA increased 3.0% underlying to EUR 185.1 million (2016: EUR 153.8 million). For a detailed overview of the one-off items see [page 11](#).

Adjusted EBITA margin amounted to 40.0% in Q4 2017 compared to 39.9% in the same period last year and 38.2% for FY 2017, a -52bps underlying decline compared to 39.9% in FY 2016.

¹ Harmonisation adjustments related mainly to the definition of (former Elian) entities, where entities with a low ARPE (GBP 400-600) and a low risk profile were excluded.

Financing and tax expenses

Reported financial result of EUR 25.9 million for FY 2017 included interest expenses of EUR 27.3 million.

Income tax expenses amounted to EUR 18.9 million in 2017 compared to EUR 19.5 million in the previous year. The effective tax rate in 2017 was 17.6% versus 27.3% in 2016. The lower tax rate in 2017 was mainly a result of the mix of profits and tax rates in the various jurisdictions (see reconciliation on page 10).

The EUR 5.4 million one-off tax expense related to the pre-IPO period, as recorded in Q3 2017, was adjusted to EUR 0.3 million after a EUR 5.1 million release in Q4 2017 (see page 11).

Earnings per share (EPS)

Adjusted EPS for the quarter was EUR 0.42 versus EUR 0.39 in Q4 2016. On an adjusted basis, EPS for 2017 increased 20.4% to EUR 1.53 from EUR 1.27 in 2016. In 2017, the average number of shares was 91,020,700, while in 2016 the average number of shares was 88,942,943.

Cash, working capital and capex

Net cash from operating activities amounted to EUR 156.9 million in 2017, compared to EUR 152.4 million in the previous year.

Working capital follows a seasonal pattern with a peak level at the end of the third quarter and a low level at the end of the first quarter. This pattern primarily results from the annual billing run in Cayman in Q4 each year and in the Netherlands and Luxembourg in January of each year.

Capex² for FY 2017 reduced to 1.5% of revenue (EUR 7.5 million) due to lower IT capex as a result of the migration to IaaS, down from 2.9% of revenue (EUR 11.3 million) in FY 2016.

During the year, the Company repurchased 1,856,354 shares for a total amount of EUR 34.0 million to cover a deferred obligation under the Elia acquisition. This programme was completed on 11 May 2017.

Additionally, under the programme announced on 13 November 2017, the Company repurchased 936,232 shares for a total aggregate consideration of EUR 14.0 million up to 31 December 2017.

Net debt

Net debt decreased to EUR 720.7 million at the end of Q4 2017 (from EUR 724.7 million at end of Q3 2017). The leverage ratio decreased to 3.66x (end Q4 2017) from 3.69x (end Q3 2017), which complies with our bank covenant of 4.50x.

Elia integration update

The Elia-related revenue and cost synergies remained on track. The integration of Elia is expected to be completed in mid-2019 as previously communicated.

² Investments in property, plant, equipment and other intangible assets not related to acquisitions.

Performance in key jurisdictions

Please note that FY 2016 figures include the Elia contribution since 23 September 2016. For more information on how the Elia contribution was allocated per segment, please refer to the respective footnotes.

Figures presented in EUR million tables are calculated before roundings.

The Netherlands

24% of FY 2017 Group revenue

The Netherlands	Q4 2017	Q4 2016 ¹	% Change	% Underlying change ²	FY 2017	FY 2016 ³	% Change	% Underlying change ²
Revenue (€m)	31.3	29.1	7.6%	7.6%	117.2	117.1	0.1%	-0.4%
Adjusted EBITA (€m)	19.2	18.1	6.2%	6.2%	72.0	74.8	-3.7%	-3.6%
Adjusted EBITA margin	61.3%	62.2%	-84bps		61.4%	63.8%	-241bps	
Average number of FTEs					437	438	-0.2%	
Number of entities (000's, end of period)					3.9	4.3	-9.1%	
ARPE (€k)					29.7	27.0	10.1%	9.6%
Revenue/FTE (€k)					268.2	267.4	0.3%	
Adj. EBITA/FTE (€k)					164.7	170.7	-3.5%	

¹ Included in Q4 2016 are items related to Elia acquisition separately disclosed in prior year (Revenue EUR 0.3m)

² Underlying: 2017 at constant currency and 2016 including Elia figures (Management Estimate)

³ Included in FY 2016 are items related to Elia acquisition separately disclosed in prior year (Revenue EUR 0.3m, No. of entities 0.1k)

The Netherlands generated revenue in Q4 2017 of EUR 31.3 million, a 7.6% increase compared to EUR 29.1 million in Q4 2016, driven by increased productivity as staff turnover normalised in the quarter. Revenue of EUR 117.2 million in full year 2017 was in line with 2016 (EUR 117.1 million).

Adjusted EBITA in the quarter was EUR 19.2 million compared to EUR 18.1 million in Q4 2016, an increase of 6.2%. For the full year adjusted EBITA declined 3.6% to EUR 72.0 million mainly driven by higher staff-related expenses and recruitment costs in the first half of the year. Adjusted EBITA margin was 61.3% in Q4 2017 (Q4 2016: 62.2%) and amounted to 61.4% for the full year (2016: 63.8%).

The market in the Netherlands remains soft due to a mixed effect of higher demand for increasingly complex compliance and regulatory requirements and uncertainty about tax changes. The number of entities declined 9.1% mainly due to end-of-life entities. ARPE increased 9.6% underlying year-on-year, mainly as a result of more hours spent per entity due to higher compliance and transparency requirements.

As previously communicated, Ms Sara Douwes started as Managing Director of Intertrust Netherlands and member of the Executive Committee, as of 1 January 2018.

Luxembourg

20% of FY 2017 Group revenue

Luxembourg	Q4 2017	Q4 2016 ¹	% Change	% Underlying change ²	FY 2017	FY 2016 ³	% Change	% Underlying change ²
Revenue (€m)	25.4	25.1	1.3%	1.3%	97.1	82.5	17.7%	12.1%
Adjusted EBITA (€m)	13.5	14.2	-4.5%	-4.5%	51.4	43.6	17.8%	17.4%
Adjusted EBITA margin	53.2%	56.4%	-322bps		52.9%	52.9%	4bps	
Average number of FTEs					454	376	20.9%	
Number of entities (000's, end of period)					2.8	3.0	-6.7%	
ARPE (€k)					34.2	27.2	26.1%	20.2%
Revenue/FTE (€k)					213.7	219.6	-2.7%	
Adj. EBITA/FTE (€k)					113.0	116.1	-2.6%	

¹ Included in Q4 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 1.6m, EBITA EUR 0.4m)

² Underlying: 2017 at constant currency and 2016 including Elian figures (Management Estimate)

³ Included in FY 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 1.6m, EBITA EUR 0.4m, No. of entities 0.3k)

Revenue was EUR 25.4 million in the quarter (Q4 2016: EUR 25.1 million) and EUR 97.1 million in FY 2017 (FY 2016: EUR 82.5 million). This year-on-year increase of 12.1% was mainly driven by strong growth in the Funds market supported by an increase of billable staff. The growth in the Funds service line reaffirmed the position of Luxembourg as a leading Funds jurisdiction. In Q4, our Luxembourg office also received authorisation from the local regulator CSSF to provide AIFM ManCo services.

Adjusted EBITA for the quarter was EUR 13.5 million, a decline of 4.5% year-on-year underlying compared to the same quarter last year (Q4 2016: EUR 14.2 million). On a full year basis, adjusted EBITA in Luxembourg increased 17.4% to EUR 51.4 million (FY 2016: EUR 43.6 million). Adjusted EBITA margin amounted to 53.2% in Q4 2017 (-322bps year-on-year) driven by higher staff-related costs. Full year 2017 adjusted EBITA margin was in line with the previous year at 52.9% (FY 2016: 52.9%)

In 2017 the number of entities decreased 6.7% to 2.8 thousand, for the main part due to end-of-life but also impacted by the harmonisation adjustments (132 entities). ARPE grew 20.2% underlying year-on-year to EUR 34.2 thousand, driven mainly by additional regulatory and compliance requirements, resulting in increased reporting and complexity per client entity.

Cayman Islands

14% of FY 2017 Group revenue

Cayman Islands	Q4 2017	Q4 2016 ¹	% Change	% Change (Constant Currency)	% Underlying change ²	FY 2017	FY 2016 ³	% Change	% Change (Constant Currency)	% Underlying change ²
Revenue (€m)	18.7	19.3	-3.0%	5.0%	5.0%	68.9	57.5	19.7%	22.4%	1.6%
Adjusted EBITA (€m)	11.9	11.1	8.1%	16.4%	16.4%	40.6	32.8	23.7%	26.4%	10.7%
Adjusted EBITA margin	63.9%	57.4%	654bps			59.0%	57.1%	191bps		
Average number of FTEs						182	143	27.3%		
Number of entities (000's, end of period)						19.1	20.1	-5.2%		
ARPE (€k)						3.6	2.9	26.3%	29.1%	7.2%
Revenue/FTE (€k)						378.8	402.9	-6.0%		
Adj. EBITA/FTE (€k)						223.5	230.0	-2.8%		

¹ Included in Q4 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 4.6m, EBITA EUR 2.3m)

² Underlying: 2017 at constant currency and 2016 including Elian figures (Management Estimate)

³ Included in FY 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 4.8m, EBITA EUR 2.3m, No. of entities 4.6k)

Cayman generated revenue of EUR 18.7 million in Q4 2017, a 5.0% underlying increase compared to EUR 19.3 million in Q4 2016. For the full year, revenue increased 1.6% underlying to EUR 68.9 million (FY 2016: 57.5 million). The increase was driven by growth of regulatory and compliance related services.

Adjusted EBITA in the quarter increased 16.4% underlying to EUR 11.9 million compared to EUR 11.1 million in Q4 2016. For the full year, adjusted EBITA increased 10.7% on an underlying basis to EUR 40.6 million in 2017, compared to EUR 32.8 million in the previous year.

Adjusted EBITA margin was 63.9% in Q4 2017, an improvement of 654bps year-on-year. FY 2017 adjusted EBITA margin amounted to 59.0%, compared to 57.1% for FY 2016.

In 2017, gross inflow of entities was 1,598 and gross outflow was 2,646, resulting in a total number of 19.1 thousand entities at year-end. End-of-life accounted for half of all outflows, and competitive losses reduced significantly in 2017 compared to 2016. The harmonisation adjustments impacted 41 entities. ARPE grew 7.2% underlying to EUR 3.6 thousand year-on-year, driven mainly by growth in value-add services and fewer lower-value entity registrations.

Jersey

12% of FY 2017 Group revenue

Jersey	Q4 2017	Q4 2016 ¹	% Change	% Change (Constant Currency)	% Underlying change ²	FY 2017	FY 2016 ³	% Change	% Change (Constant Currency)	% Underlying change ²
Revenue (€m)	14.4	12.9	11.4%	13.8%	13.8%	58.5	14.0	317.9%	321.8%	9.1%
Adjusted EBITA (€m)	7.3	5.7	27.2%	29.9%	29.9%	30.0	6.1	390.7%	395.3%	27.4%
Adjusted EBITA margin	50.6%	44.3%	627bps			51.2%	43.6%	760bps		
Average number of FTEs						339	354 ⁴	-4.1%		
Number of entities (000's, end of period)						4.3	4.6	-6.7%		
ARPE (€k)						13.6	12.2 ⁴	12.0%	13.0%	16.9%
Revenue/FTE (€k)						172.3	158.2 ⁴	8.9%		
Adj. EBITA/FTE (€k)						88.3	69.0 ⁴	27.9%		

¹ Included in Q4 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 12.9m, EBITA EUR 5.9m)

² Underlying: 2017 at constant currency and 2016 including Elian figures (Management Estimate)

³ Included in FY 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 14.0m, EBITA EUR 6.1m, No. of entities 4.6k)

⁴ Calculated based on annualised figures

Total revenue in Q4 2017 increased 13.8% on an underlying basis to EUR 14.4 million, compared to EUR 12.9 million in Q4 016. Full year revenue of EUR 58.5 million increased 9.1% on an underlying basis. The revenue increase in Jersey was driven by strong demand across most service lines, especially Funds.

Adjusted EBITA for the quarter was EUR 7.3 million, an increase of 29.9% on an underlying basis compared with the same quarter last year (Q4 2016: EUR 5.7 million). On a full year basis, adjusted EBITA amounted to EUR 30.0 million compared to EUR 6.1 million. The underlying year-on-year increase of 27.4% was driven by cost synergies and other operating leverage.

The number of entities decreased 6.7% during the year to 4.3 thousand at year-end, mainly as a result of end-of-life but also impacted by the definition harmonisation adjustments in Q2 for 147 entities. ARPE was EUR 13.6 thousand for FY 2017, an underlying increase of 16.9% year-on-year.

Rest of the World (ROW)

30% of FY 2017 Group revenue

Rest of the World	Q4 2017	Q4 2016 ¹	% Change	% Change (Constant Currency)	% Underlying change ²	FY 2017	FY 2016 ³	% Change	% Change (Constant Currency)	% Underlying change ²
Revenue (€m)	37.7	34.4	9.4%	13.0%	9.6%	143.6	114.6	25.3%	29.0%	3.4%
Adjusted EBITA (€m)	16.0	10.9	46.1%	50.3%	42.8%	54.4	38.5	41.5%	45.7%	15.3%
Adjusted EBITA margin	42.5%	31.8%	1068bps			37.9%	33.6%	434bps		
Average number of FTEs						848	692	22.5%		
Number of entities (000's, end of period)						20.3	19.8	2.1%		
ARPE (€k, annualised)						7.1	5.8	22.7%	26.4%	1.3%
Revenue/FTE (€k, annualised)						169.4	165.6	2.3%		
Adj. EBITA/FTE (€k, annualised)						64.2	55.6	15.5%		

¹ Included in Q4 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 7.6m, EBITA EUR 2.4m)

² Underlying: 2017 at constant currency and 2016 including Elian and Azcona figures (Management Estimate)

³ Included in FY 2016 are items related to Elian acquisition separately disclosed in prior year (Revenue EUR 7.7m, EBITA EUR 2.6m, No. of entities 4.3k)

In ROW revenue in the quarter was EUR 37.7 million (Q4 2016: 34.4 million) and EUR 143.6 million for the full year (FY 2016: EUR 114.6 million). This growth reflects increased revenue from Corporate Services in the Nordics as well as higher revenue in Fund and Capital Market Services in Ireland and Spain. In February 2017, Intertrust acquired the remaining 25% stake in SFM Spain together with the Azcona business.

Adjusted EBITA increased from EUR 10.9 million in Q4 2016 to EUR 16.0 million in Q4 2017. For the full year adjusted EBITA amounted to EUR 54.4 million, an increase of 15.3% on an underlying basis. This was mainly the result of operating leverage, partly offset by a legal claim in the first half of 2017.

Adjusted EBITA margin was 37.9% in 2017 (+434bps) compared to 33.6% in 2016.

The number of entities in 2017 increased 2.1% to 20.3 thousand at year-end, driven mainly by entities in lower-ARPE jurisdictions (Delaware & BVI). Outflow was impacted by the harmonisation adjustments in Q2 (355 entities). Increase in ARPE of 1.3% underlying to EUR 7.1 thousand was driven by additional regulatory and compliance requirements, offset by a unfavourable mix effect.

During Q4, we completed the sale of our 51% stake in a former ATC investment in Switzerland, resulting in a net gain. This transaction did not materially impact ROW results.

Daniel Jaffe, Managing Director of Rest of the World, joined Intertrust's Executive Committee to represent the other offices across Europe, Asia and Middle-East, effective 1 January 2018.

Group HQ & IT costs

Group HQ and IT	Q4 2017	Q4 2016 ¹	FY 2017	FY 2016 ²
Group HQ costs (€m)	(8.5)	(4.2)	(29.5)	(17.8)
IT costs (€m)	(8.5)	(7.6)	(33.7)	(24.3)
Total Group HQ and IT costs (€m)	(17.0)	(11.8)	(63.3)	(42.0)
As % of Revenue	13.3%	9.8%	13.0%	10.9%

¹ Included in Q4 2016 are items related to Elian acquisition separately disclosed in prior year (Costs EUR -1.6m)

² Included in FY 2016 are items related to Elian acquisition separately disclosed in prior year (Costs EUR -1.7m)

In FY 2017, Group HQ and IT costs increased by EUR 21.2 million. This increase includes EUR 5.4 million related to the inclusion of Elian IT costs and EUR 4.4 million related to the inclusion of Elian HQ related costs.

More specifically in HQ, and in addition to the Elia inclusion, the cost variance in FY 2017 is due to a larger number of central staff as a result of the upgrades of Group functions. Higher professional fees and higher Long-Term Incentive Plan (LTIP) and bonus related spend added to the increase. The annual run rate for HQ costs was approximately EUR 30 million by the end of 2017.

The increase in IT costs in FY 2017 is mainly due to higher IT depreciation (EUR 1.3 million) following the completion of IT investments and higher operating expenses related particularly to IT outsourcing (EUR 2.0 million) and migration of data centres (EUR 1.5 million). IT cash expenditure (capex and costs excluding depreciation) amounted to EUR 37.1 million in 2017, compared to EUR 27.1 million in 2016 (6.6% versus 7.0% of revenue respectively). The annual run rate for IT opex costs was approximately EUR 33 million by the end of 2017. IT capex reduced from 2.2% of revenue in FY 2016 to 1.2% of FY 2017 revenue.

Full year 2018 outlook

The Trust, Corporate and Fund Services industry is expected to grow at 3 – 5% annually in the coming years ('16 – '21)³. Intertrust management reiterates the following outlook for the full year 2018, as originally announced in November 2017:

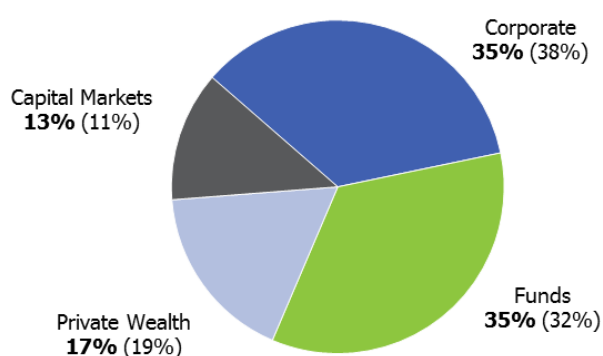
- Underlying revenue growth guidance for 2018: at least 3% year-on-year.
- Adjusted EBITA margin guidance for 2018: at least 37%, reflecting continued investments in Group HQ and IT.
- Capex expected to be less than 1.5% of revenue.
- Dividend policy continues to be 40–50% of adjusted net income. This policy is expected to result in progressively increasing absolute dividend pay-outs.
- Effective tax rate of approximately 18%.

Client segmentation

An updated client segmentation analysis for FY 2017 is presented below. Corporate clients represented 35% of revenue (down from 38% in FY 2016), while Fund clients revenue increased to 35% (FY 2016: 32%) of total Group revenue. Revenue from Capital Markets clients increased to 13% (FY 2016: 11%), while Private Wealth client revenue decreased slightly from 19% in 2016 to 17% in 2017.

FY 2017 Revenue mix by client type

(FY 2016 comparables presented in brackets).



³ Market growth between 2016 – 2021 according to external market study.

Explanatory tables

Free cash flow

(EUR million)	Q4		FY	
	2017 Unaudited	2016 Unaudited	2017 Unaudited	2016 Unaudited
Adjusted EBITA	51.0	48.1	185.1	153.8
<i>Adjustments for:</i>				
Depreciation and amortisation of other intangible assets	2.8	2.7	11.0	8.7
Other non-cash items	(0.1)	0.7	1.3	1.9
Net cash used for specific items	(2.1)	(6.6)	(8.4)	(12.9)
<i>Changes in:</i>				
(Increase)/decrease in working capital (excl. current tax)	0.8	7.1	(18.3)	7.2
Others	0.5	0.9	(0.5)	(0.6)
Income tax paid	(4.6)	(3.0)	(13.3)	(5.7)
Cash flow from operating activities	48.4	49.9	156.9	152.4
Capex paid	(2.8)	(4.2)	(8.3)	(11.4)
Interests and other finance expenses paid	(5.9)	(5.8)	(23.2)	(17.2)
Free cash flow	39.7	39.9	125.4	123.8

Capital employed

(EUR million)	31.12.2017 Unaudited	31.12.2016 Unaudited
Acquisition-related intangible assets	1,474.2	1,565.4
Other intangible assets	14.8	15.1
Property, plant and equipment	16.5	20.2
Total working capital	(0.9)	(8.1)
Other assets	4.4	6.2
Total Capital employed (Operational)	1,509.0	1,598.8
Total equity	705.1	759.8
Net debt	720.7	758.4
Provisions, deferred taxes and other liabilities	83.2	80.5
Total Capital employed (Finance)	1,509.0	1,598.8

Tax reconciliation

(EUR million)	31.12.2017 Unaudited		31.12.2016 Unaudited		Change
Profit before income tax		107.6		71.5	36.1
Income tax using the Company's domestic tax rate	25.0%	(26.9)	25.0%	(17.9)	(9.0)
Effect of tax rates in foreign jurisdictions		10.4		4.9	5.6
Effect of non taxable and other items		(2.4)		(6.5)	4.1
Income tax	17.6%	(18.9)	27.3%	(19.5)	-9.7%
<i>Of which:</i>					
Current tax (expense)/gain		(24.4)		(20.0)	(4.4)
Deferred tax (expense)/gain		5.5		0.5	5.0

Reconciliation of performance measures to reported results

(EUR 000)

	Q4		FY	
	2017 Unaudited	2016 Unaudited	2017 Unaudited	2016 Unaudited
Profit/(loss) from operating activities	37,982	29,006	132,781	102,113
Amortisation of acquisition-related intangible assets	10,184	11,159	41,029	33,774
Specific items – Transaction costs ¹	-	(543)	83	4,153
Specific items – Integration and transformation costs	2,006	7,453	7,804	8,462
Specific items – Share-based payment upon IPO	431	458	2,098	4,119
Specific items – Share-based payment upon integration	89	358	1,060	358
Specific items – Other operating (income)/expenses	264	458	277	453
One-off expenses	-	(223)	-	339
Adjusted EBITA	50,956	48,126	185,132	153,771

¹ Transaction costs related to Azcona acquisition in 2017 and Elian acquisition in 2016

Adjusted EBITA is defined as EBITA before specific items. Specific items of income or expense are income and expense items that, based on their significance in size or nature, should be separately presented to provide further understanding on financial performance. Specific items are not of an operational nature and do not represent core operating results. The one-off expenses are related to redundancies, legal costs and settlement fees. The Company uses this measure to analyse the operational performance of the company and its reportable segments.

(EUR 000)

	Q4		FY	
	2017 Unaudited	2016 Unaudited	2017 Unaudited	2016 Unaudited
Adjusted EBITA	50,956	48,126	185,132	153,771
Net finance costs – excluding net foreign exchange loss ¹	(6,988)	(7,056)	(27,794)	(21,036)
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	880	(18)	689	(29)
Income tax (adjusted) ²	(6,280)	(5,596)	(18,540)	(19,518)
Adjusted Net income	38,568	35,456	139,487	113,188

¹ Foreign exchange gain/(loss) for FY 2017 was EUR 1,898k (FY 2016: (EUR 9,572k)); Q4 2017 was (EUR 724k) (Q4 2016: (EUR 436k))

² Income tax for the purpose of Adjusted Net Income has been adjusted for a tax correction related to the pre-IPO period for EUR 353k for FY 2017 and EUR (5,067k) reversal in Q4 2017

Adjusted Net Income equals adjusted EBITA minus Net finance costs, minus share of Profit & Loss from equity-accounted investees and minus Income tax. The Finance costs exclude the foreign exchange gains and losses. Income tax is adjusted for any tax related to the pre-IPO period. In Q3 2017 Intertrust took a one-off tax expense of EUR 5.4 million related to the pre-IPO period. Meanwhile an agreement has been reached with the respective tax authorities resulting in a release of EUR 5.1 million of this amount in Q4 2017. This results in a full year adjustment of EUR 0.3m related to the pre-IPO period.

Additional information

Intertrust N.V. Financial Calendar

Date	Event
23 February 2018	Publication of Annual Report 2017 and audited financial statements
18 April 2018	Record date for Annual General Meeting
26 April 2018	Q1 2018 results
17 May 2018	Annual General Meeting
21 May 2018	Share quotation ex-final dividend 2017
22 May 2018	Record date final dividend 2017 entitlement
12 June 2018	Payment date final dividend 2017
2 August 2018	Q2/H1 2018 results
1 November 2018	Q3 2018 results

Analyst call / webcast

Today, Intertrust's outgoing CEO David de Buck and interim CFO Hans Turkesteen will hold an analyst / investor call at 13:00 CET. Newly appointed CEO Stephanie Miller will also join the call. A webcast of the call will be available on the Company's website. The webcast can be accessed [here](#). The supporting presentation can be downloaded from our [website](#).

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About Intertrust

Intertrust is a leading global provider of high-value trust, corporate and fund services, with approximately 2,500 employees located throughout a network of 39 offices in 28 jurisdictions across Europe, the Americas, Asia and the Middle-East. The Company delivers high-quality, tailored services to its clients with a view to building long-term relationships. Intertrust's business services offering is comprised of corporate services, fund services, capital market services, and private wealth services. Intertrust has leading market positions in selected key geographic markets of its industry, including the Netherlands, Luxembourg, Jersey and the Cayman Islands. Intertrust works with global law firms and accountancy firms, multi-national corporations, financial institutions, fund managers, high net worth individuals and family offices.

Forward-looking statements and presentation of financial and other information

This press release may contain forward looking statements with respect to Intertrust's future financial performance and position. Such statements are based on Intertrust's current expectations, estimates and projections and on information currently available to it. Intertrust cautions investors that such statements contain elements of risk and uncertainties that are difficult to predict and that could cause Intertrust's actual financial performance and position to differ materially from these statements. Intertrust has no obligation to update or revise any statements made in this press release, except as required by law.

This press release includes unaudited financial information.

This press release contains information that qualifies, or may qualify, as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

Appendix

Intertrust N.V. – consolidated financial statements for the full year ended 31 December 2017

2016 Audited financial statements were included in the Annual Report 2016, available on the Company website.

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Consolidated statement of profit or loss

(EUR 000)

	Q4		FY	
	2017 Unaudited	2016 Unaudited	2017 Unaudited	2016 Audited
Revenue	127,414	120,746	485,216	385,753
Staff expenses	(54,017)	(51,921)	(214,501)	(170,656)
Rental expenses	(6,274)	(6,401)	(24,155)	(20,116)
Other operating expenses	(16,146)	(19,595)	(61,950)	(50,460)
Other operating income	19	25	219	107
Depreciation and amortisation of other intangible assets	(2,830)	(2,689)	(11,019)	(8,741)
Amortisation of acquisition-related intangible assets	(10,184)	(11,159)	(41,029)	(33,774)
Profit/(loss) from operating activities	37,982	29,006	132,781	102,113
Financial income	2,184	9	2,193	172
Financial expense	(9,896)	(7,501)	(28,089)	(30,780)
Financial result	(7,712)	(7,492)	(25,896)	(30,608)
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	880	(18)	689	(29)
Profit/(loss) before income tax	31,150	21,496	107,574	71,476
Income tax	(1,213)	(5,596)	(18,893)	(19,518)
Profit/(loss) after tax	29,937	15,900	88,681	51,958
Profit/(loss) for the year after tax attributable to:				
Owners of the Company	29,649	15,840	88,324	51,884
Non-controlling interests	288	60	357	74
Profit/(loss)	29,937	15,900	88,681	51,958
Basic earnings per share (EUR)	0.32	0.17	0.97	0.58
Diluted earnings per share (EUR)	0.32	0.17	0.94	0.58

Consolidated statement of comprehensive income

(EUR 000)

	Q4		FY	
	2017 Unaudited	2016 Unaudited	2017 Unaudited	2016 Audited
Profit/(loss) after tax	29,937	15,900	88,681	51,958
Actuarial gains and losses on defined benefit plans	(393)	1,443	(245)	133
Items that will never be reclassified to profit or loss	(393)	1,443	(245)	133
Foreign currency translation differences - foreign operations	(5,461)	20,554	(49,072)	7,520
Net movement on cash flow hedges in other comprehensive income	236	1,269	1,040	(1,744)
Income tax on net movement on cash flow hedges in other comprehensive income	286	(317)	(261)	436
Items that are or may be reclassified to profit or loss	(4,939)	21,506	(48,293)	6,212
Other comprehensive income/(loss) for the year, net of tax	(5,332)	22,949	(48,538)	6,345
Total comprehensive income/(loss) for the year	24,605	38,849	40,143	58,303
<i>Total comprehensive income/(loss) for the year attributable to:</i>				
Owners of the Company	24,317	38,789	39,794	58,229
Non-controlling interests	288	60	349	74
Total comprehensive income/(loss) for the year	24,605	38,849	40,143	58,303

Consolidated statement of financial position

(EUR 000)	31.12.2017 Unaudited	31.12.2016 Audited
Assets		
Property, plant and equipment	16,470	20,167
Other intangible assets	14,849	15,120
Acquisition-related intangible assets	1,474,188	1,565,367
Investments in equity-accounted investees	196	707
Other non current financial assets	3,368	3,820
Deferred tax assets	1,357	2,480
Non-current assets	1,510,428	1,607,661
Trade receivables	103,103	99,160
Other receivables	18,937	15,021
Work in progress	33,078	31,984
Current tax assets	614	945
Other current financial assets	857	1,627
Prepayments	9,058	8,167
Cash and cash equivalents	66,620	69,858
Current assets	232,267	226,762
Total assets	1,742,695	1,834,423
Equity		
Share capital	55,200	55,200
Share premium	630,441	630,441
Reserves	(56,308)	42,345
Retained earnings	75,585	29,887
Equity attributable to owners of the Company	704,918	757,873
Non-controlling interests	225	1,930
Total equity	705,143	759,803
Liabilities		
Loans and borrowings	770,367	781,221
Other non current financial liabilities	2,216	1,763
Employee benefits liabilities	1,963	3,082
Deferred income	5,750	8,677
Provisions	579	1,147
Deferred tax liabilities	80,405	85,659
Non-current liabilities	861,280	881,549
Loans and borrowings	375	18,072
Trade payables	6,625	10,636
Other payables	66,773	66,974
Other current financial liabilities	5,000	-
Deferred income	62,602	71,467
Provisions	497	2,219
Current tax liabilities	34,400	23,703
Current liabilities	176,272	193,071
Total liabilities	1,037,552	1,074,620
Total equity and liabilities	1,742,695	1,834,423

Consolidated statement of changes in equity

(EUR 000)

	For the period ended 31 December 2017									
	Unaudited									
	Attributable to owners of the Company								Non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total		
Balance at 01 January 2017	55,200	630,441	29,887	7,627	(1,324)	(76)	36,118	757,873	1,930	759,803
Profit/(loss)	-	-	88,324	-	-	-	-	88,324	357	88,681
Other comprehensive income/(loss) for the year, net of tax	-	-	(245)	(49,064)	779	-	-	(48,530)	(8)	(48,538)
Total comprehensive income/(loss) for the year	-	-	88,079	(49,064)	779	-	-	39,794	349	40,143
<i>Contributions and distributions</i>										
Equity-settled share based payment	-	-	5,142	-	-	-	-	5,142	-	5,142
Business combination	-	-	-	-	-	-	-	-	-	-
Deferred consideration delivered	-	-	2,556	-	-	33,056	(35,612)	-	-	-
Purchase of treasury shares	-	-	-	-	-	(47,995)	-	(47,995)	-	(47,995)
Treasury shares delivered	-	-	(689)	-	-	689	-	-	-	-
Dividends paid	-	-	(48,290)	-	-	-	(506)	(48,796)	(54)	(48,850)
Total contributions and distributions	-	-	(41,281)	-	-	(14,250)	(36,118)	(91,649)	(54)	(91,703)
<i>Changes in ownership interests</i>										
Changes in non-controlling interest	-	-	150	-	-	-	-	150	(250)	(100)
Acquisition non-controlling interest	-	-	(1,250)	-	-	-	-	(1,250)	(1,750)	(3,000)
Total changes in ownership interest	-	-	(1,100)	-	-	-	-	(1,100)	(2,000)	(3,100)
Total transactions with owners of the Company	-	-	(42,381)	-	-	(14,250)	(36,118)	(92,749)	(2,054)	(94,803)
Balance at 31 December 2017	55,200	630,441	75,585	(41,437)	(545)	(14,326)	-	704,918	225	705,143

(EUR 000)

	For the period ended 31 December 2016									
	Audited									
	Attributable to owners of the Company								Non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total		
Balance at 01 January 2016	51,133	513,423	(2,457)	107	(16)	-	-	562,190	124	562,314
Profit/(loss)	-	-	51,884	-	-	-	-	51,884	74	51,958
Other comprehensive income/(loss) for the year, net of tax	-	-	133	7,520	(1,308)	-	-	6,345	-	6,345
Total comprehensive income/(loss) for the year	-	-	52,017	7,520	(1,308)	-	-	58,229	74	58,303
<i>Contributions and distributions</i>										
Issue of ordinary shares	4,067	117,018	-	-	-	-	-	121,085	-	121,085
Equity-settled share based payment	-	-	5,988	-	-	-	-	5,988	-	5,988
Business combination	-	-	-	-	-	-	36,118	36,118	-	36,118
Purchase of treasury shares	-	-	-	-	-	(3,657)	-	(3,657)	-	(3,657)
Treasury shares delivered	-	-	(3,581)	-	-	3,581	-	-	-	-
Dividends paid	-	-	(22,080)	-	-	-	-	(22,080)	-	(22,080)
Total contributions and distributions	4,067	117,018	(19,673)	-	-	(76)	36,118	137,454	-	137,454
<i>Changes in ownership interests</i>										
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(177)	(177)
Acquisition of subsidiary with non-controlling interest	-	-	-	-	-	-	-	-	1,909	1,909
Total changes in ownership interest	-	-	-	-	-	-	-	-	1,732	1,732
Total transactions with owners of the Company	4,067	117,018	(19,673)	-	-	(76)	36,118	137,454	1,732	139,186
Balance at 31 December 2016	55,200	630,441	29,887	7,627	(1,324)	(76)	36,118	757,873	1,930	759,803

Consolidated statement of cash flows

(EUR 000)	Note	Q4		FY	
		2017 Unaudited	2016 Unaudited	2017 Unaudited	2016 Audited
Cash flows from operating activities					
Profit/(loss) for the period		29,937	15,900	88,681	51,958
<i>Adjustments for:</i>					
Income tax expense		1,213	5,596	18,893	19,518
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)		(880)	19	(689)	29
Financial result		7,712	7,492	25,896	30,608
Depreciation and amortisation of other intangible assets		2,830	2,689	11,019	8,741
Amortisation of acquisition-related intangible assets		10,184	11,159	41,029	33,774
(Gain)/loss on sale of non-current assets		63	460	61	473
Other non cash items		514	1,584	4,171	6,380
		51,573	44,899	189,061	151,481
<i>Changes in:</i>					
(Increase)/decrease in trade working capital	¹	(9,619)	3,330	(21,451)	4,691
(Increase)/decrease in other working capital	²	10,437	3,757	3,150	2,475
(Decrease)/increase in provisions		264	2,106	(2,155)	1,136
Changes in foreign currency		282	(1,193)	1,625	(1,735)
		52,937	52,899	170,230	158,048
Income tax paid		(4,581)	(3,035)	(13,296)	(5,653)
Net cash from/(used in) operating activities		48,356	49,864	156,934	152,395
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		1	2	10	23
Proceeds from sale of Investments		1,589	-	1,589	-
Purchase of property, plant & equipment		(110)	(3,630)	(2,498)	(7,086)
Purchase of intangible assets		(2,667)	(566)	(5,791)	(4,284)
Acquisitions, net of cash acquired		(144)	(377)	(7,652)	(171,541)
(Increase)/decrease in other financial assets		628	281	1,469	577
Dividends received		2	-	55	-
Interest received		34	9	43	172
Net cash from/(used in) investing activities		(667)	(4,281)	(12,775)	(182,139)
Cash flows from financing activities					
Proceeds from issue of share capital		25	-	-	120,780
Proceeds from bank borrowings		(719)	(1)	-	296,295
Acquisition of treasury shares		(12,998)	(334)	(46,966)	(3,657)
Payment of financing costs		(25)	(1,392)	(100)	(6,822)
Repayment of loans and borrowings banks		-	(22,190)	(18,000)	(344,579)
Interest and other finance expenses paid		(5,853)	(5,804)	(23,212)	(17,218)
Dividends paid		(25,756)	(22,080)	(48,290)	(22,080)
Dividends paid to non-controlling interest		-	(177)	(54)	(177)
Net cash from/(used in) financing activities		(45,326)	(51,978)	(136,622)	22,542
Net increase/(decrease) in cash		2,363	(6,395)	7,537	(7,202)
Cash attributable to the Company at the beginning of the period		54,860	56,259	51,733	66,472
Effect of exchange rate fluctuations on cash attributable to the Company		(1,066)	1,869	(3,113)	(7,537)
Cash attributable to the Company at the end of the period		56,157	51,733	56,157	51,733
Cash held on behalf of clients at the end of the period		10,463	18,125	10,463	18,125
Cash and cash equivalents at the end of the period		66,620	69,858	66,620	69,858

¹ Trade Working capital is defined by the net (increase)/decrease in Trade receivables, Work in progress, Trade payables and Deferred income

² Other Working capital is defined by the net (increase)/decrease in Other receivables, Prepayments and Other payables (excl. liabilities for cash held on behalf of clients)