2014

SEMI-ANNUAL FINANCIAL REPORT

as at June 30, 2014

EURONEXT

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Semi-Annual Report as at June 30, 2014

Important events in the first half - year 2014

For an overview of the main events that occurred during the first half of 2014 and their impact on the Unaudited Condensed Interim Consolidated Financial Statements as at June 30, 2014, please refer to the note 2 to the Condensed Interim Consolidated Financial Statements attached hereto and to the press release to be issued and available on 7 August 2014 on Euronext website www.euronext.com.

Transactions with related parties

Please refer to the note 12 to the Condensed Interim Consolidated Financial Statements attached hereto.

Risks and uncertainties

In the prospectus regarding Euronext N.V. dated 10 June 2014 in respect of the offering of ordinary shares, we have extensively described certain risks and risk factors which could have a material adverse effect on the Company's financial position and results. Those risk categories and risk factors are deemed incorporated and repeated in this report by reference.

For the second semester 2014, we currently believe none of them should be particularly emphasized.

Additional risks not known to us, or currently believed not to be material, could later turn out to have a material impact on our businesses or financial position.

Condensed Interim Consolidated
Financial Statements as at 30 June 2014

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Condensed Interim Consolidated Income Statement

	Note	Six months ended 30 June 2014 unaudited	Six months ended 30 June 2013 unaudited
		In thousands of euros (except per share data)	
Third party revenue	4	222,537	197,188
ICE transitional revenue and other income	4	16,503	42,233
Total revenue		239,040	239,421
Salaries and employee benefits	5	(63,832)	(69,166)
Depreciation and amortisation	6	(8,808)	(9,872)
Other operational expenses	7	(64,968)	(74,123)
Operating profit before exceptional items		101,432	86,260
Exceptional items	8	(19,887)	(2)
Operating profit		81,545	86,258
Net financing income / (expense)	9	(4,449)	1,717
Results from equity investments	10	2,850	7,947
Profit before income tax		79,946	95,922
Income tax expense	11	(43,704)	(10,310)
Profit for the period		36,242	85,612
Profit attributable to:			
– Owners of the parent		36,242	85,612
– Non-controlling interests		-	-
Earnings per share-basic and diluted	15	0.52	1.22

The notes on pages 10 to 17 are an integral part of these Condensed Interim Consolidated Financial Statements.

Condensed Interim Consolidated Statement of Comprehensive Income

	Six months ended 30 June 2014 unaudited In thousands of euros	Six months ended 30 June 2013 unaudited In thousands of euros
Profit for the period	36,242	85,612
Other comprehensive income for the period		
Items that will be subsequently reclassified to profit or loss:		
– Currency translation differences	5,269	(6,610)
Items that will not be reclassified to profit or loss:		
– Remeasurements of post-employment benefit obligations	(3,163)	(12,505)
Income tax impact	982	3,126
Total comprehensive income for the period	39,330	69,623

The notes on pages 10 to 17 are an integral part of these Condensed Interim Consolidated Financial Statements.

Condensed Interim Consolidated Balance Sheet

	Note	30 June 2014 unaudited In thousands of euros	31 December 2013 audited In thousands of euros
Assets			
Non-current assets			
Property, plant and equipment		28,346	27,782
Goodwill and other intangible assets		320,417	323,916
Deferred income tax assets		9,985	21,951
Equity investments	2	109,704	48,075
Other receivables		2,240	2,046
Total non-current assets		470,692	423,770
Current assets			
Trade and other receivables		107,545	121,268
Income tax receivable		554	1,180
Related party loans	12	-	268,778
Derivative financial instruments		-	1,893
Financial investments		10,000	-
Cash and cash equivalents		186,533	80,827
Total current assets		304,632	473,946
Total assets		775,324	897,716
Equity/Parent's net investment and liabilities			
Equity/Parent's net investment			
Issued capital	14	112,000	-
Share premium		116,565	-
Retained earnings		31,679	-
Parent's net investment		-	234,790
Other comprehensive income (loss)		1,979	(1,109)
Total equity/parent's net investment		262,223	233,681
Non-current liabilities			
Borrowings	2	248,020	-
Related party borrowings	12	-	40,000
Deferred income tax liabilities		533	530
Post-employment benefits		11,726	9,488
Provisions	2	23,896	5,246
Other liabilities		2,169	2,925
Total non-current liabilities		286,344	58,189
Current liabilities			
Borrowings		165	-
Related party borrowings	12	-	407,025
Current income tax liabilities		99,701	49,483
Trade and other payables		113,563	143,661
Provisions		13,328	5,677
Total current liabilities		226,757	605,846
Total equity/parent's net investment and liabilities		775,324	897,716

The notes on pages 10 to 17 are an integral part of these Condensed Interim Consolidated Financial Statements.

Condensed Interim Consolidated Statement of Cash Flows

	Note	Six months ended 30 June 2014 unaudited In thousands of euros	Six months ended 30 June 2013 unaudited In thousands of euros
Profit before income tax		79,946	95,922
Adjustments for:			
- Depreciation and amortisation	6	8,808	9,872
- Share based payments (b)	5	3,326	3,591
- Gain on disposal of equity investments	10	-	(7,944)
- Changes in working capital		(6,742)	(29,811)
Income tax paid		(5,025)	14,570
Net cash provided by operating activities		80,313	86,200
Cash flow from investing activities			
Proceeds from disposal of equity investment		-	27,804
Net purchase of short-term investments		(8,073)	1,366
Purchase of property, plant and equipment		(3,941)	(914)
Purchase of intangible assets		(4,132)	(1,091)
Proceeds from sale of property, plant and equipment and intangible assets		708	13
Net cash provided by / (used in) investing activities		(15,438)	27,178
Cash flow from financing activities			
Proceeds from borrowings, net of transaction fees		248,185	-
Net interest paid		(114)	(757)
Share Capital repayment		(161,500)	-
Transfers (to) / from Parent, net (a)		91,948	(20,179)
Net change in short-term loans due to/from Parent		(137,948)	(94,658)
Net cash provided by / (used in) financing activities		40,571	(115,594)
Non-cash exchange gains/(losses) on cash and cash equivalents		260	(43)
Net increase / (decrease) in cash and cash equivalents		105,706	(2,259)
Cash and cash equivalents - Beginning of period		80,827	13,560
Cash and cash equivalents - End of period		186,533	11,301

The notes on pages 10 to 17 are an integral part of these Condensed Interim Consolidated Financial Statements.

(a) Total contributions to- and from Parent of €147.4 million as included in the Statement of Changes in Net Parent Investment and Shareholders' Equity, includes several elements that have been settled through equity and as a consequence are not reflected in the cash flows from Financing activities. These elements include settlement of a Related Party loan, the contribution of Euroclear shares and the recognition of Onerous contract provision for the Cannon Bridge House lease contract as explained in Note 2.

(b) Share-based payment expenses recognised in the income statement for shares granted to directors and selected employees in 2014 for the period amounted to €3.3 million, which included mainly €2.4 million for vesting acceleration and €0.5 million for discount on Employee shares plan recorded as exceptional items (see Note 5 and Note 8).

Condensed Interim Consolidated Statement of Changes in Parent's Net Investment and Shareholders' Equity

In thousands of euros

	Issued capital	Share premium	Retained Earnings	Parent's net investment	Other Comprehensive Income: Retirement benefit obligation related items	Other Comprehensive Income: Currency translation reserve	Other Comprehensive Income: Change in value of available-for-sale financial assets	Other Comprehensive Income: Total other comprehensive income	Total equity	
Balance as at 31 December 2012	-	-	-	127,613	(17,002)	4,791	-	(12,211)	115,402	audited
Profit for the period	-	-	-	85,612	-	-	-	-	85,612	
Other comprehensive income for the period	-	-	-	-	(9,379)	(6,610)	-	(15,988)	(15,988)	
Total comprehensive income for the period	-	-	-	85,612	(9,379)	(6,610)	-	(15,988)	69.624	
Share based payments	-	-	-	3,591	-	-	-	-	3,591	
Contributions from Parent	-	-	-	(20,007)	-	-	-	-	(20.007)	
Balance as at 30 June 2013	-	-	-	196,809	(26,381)	(1,819)	-	(28,199)	168,610	
Balance as at 31 December 2013	-	-	-	234,790	(3,144)	1,601	434	(1,109)	233,681	audited
Profit for the period	-	-	28,611	7,631	-	-	-	-	36,242	
Other comprehensive income for the period	-	-	-	-	(2,181)	5,269	-	3,088	3,088	
Total comprehensive income for the period	-	-	28,611	7,631	(2,181)	5,269	-	3,088	39,330	
Share based payments	-	-	3,068	258	-	-	-	-	3,326	
Contributions from Parent	-	38,623	-	108,763	-	-	-	-	147,386	
Share Capital repayments (Note 2)	-	(161,500)	-	-	-	-	-	-	(161,500)	
Issuance of common stock and formation of Group	112,000	239,442		(351,442)	-	-	-	-	-	
Balance as at 30 June 2014	112,000	116,565	31,679	-	(5,325)	6,870	434	1,979	262,223	unaudited

The notes on pages10 to 17 are an integral part of these Condensed Interim Consolidated Financial Statements.

Notes to the Condensed Interim Consolidated Financial Statements

1. Basis of preparation

The Group has prepared these Condensed Interim Consolidated Financial Statements in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. These Condensed Interim Consolidated Financial Statements should be read in conjunction with the Group's Combined Financial Statements as of and for the fiscal year ended 31 December 2013, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

The following significant changes were made to the basis of preparation for the six-months period ended 30 June 2014, compared to the basis used for the fiscal year ended 31 December 2013 and the six-months period ended 30 June 2013:

Demerger

In March 2014, the Demerger was consummated and the Continental Europe operations of Legacy Euronext were contributed to a newly incorporated entity domiciled in the Netherlands, which was subsequently renamed Euronext N.V. ("the Group" or "the Company"), in exchange for the issuance of 70.0 million shares of common stock. As of 31 March 2014, all legal entities comprising the Group business are legally owned by Euronext N.V.

The contribution of the Legacy Euronext Continental Europe business into the Company has been accounted for as an internal reorganization. Accordingly, the assets, liabilities and results of operations of the Legacy Euronext Continental Europe operations are presented for all periods based on the carrying values recognized in the combined financial statements of the Group immediately prior to the Demerger. The Parent's net investment has been converted into share capital and share premium, as described in Note 14.

The financial statements of the Group for periods prior to the Demerger reflect the combination of the legal entities which have been contributed to Euronext N.V. at the date of the Demerger; the financial statements of the group for the periods after the Demerger reflect the consolidation of Euronext N.V. and its subsidiaries.

Initial Public Offering (IPO)

Euronext N.V was a fully-owned subsidiary of Intercontinental Exchange, Inc ("ICE", or "the Parent") until the initial public offering (IPO) of the ordinary shares of the Company on 20 June 2014 ("the Separation"). After the IPO, ICE owns a 6.29% non-controlling interest in the Group. From 20 June 2014 onwards, the transactions with ICE do not qualify as "related party transactions" under IAS24. To keep on recognizing separately in the income statement the services rendered to ICE that are transitional and accordingly not expected to be recurring beyond fiscal year 2014, the description of the revenue line has been changed from "Related party revenue" to "ICE transitional Revenue and other income".

Cost allocations

Historically, the Group did not operate as a standalone entity but as part of a larger group controlled by NYSE Euronext until 13 November 2013 and by ICE, since then up to 20 June 2014. Until 1 January 2014, the combined financial statements include allocations of shared costs made in accordance with the historical transfer pricing agreements between the legal entities. These historical transfer pricing agreements provided for the allocation of (i) global shared costs, including global corporate management, global support functions and global UTP software development costs, which were allocated between Legacy Euronext and the US operations of the Parent, and (ii) European shared costs, including IT infrastructure, data center facilities, corporate support and other costs of operating the Legacy Euronext Derivatives business, which were allocated among the European entities of Legacy Euronext. These global and European shared costs, including overheads and mark-up, were generally allocated in proportion to revenues. Management believes these historical cost allocations were made on a reasonable basis. However, since the Group did not operate as a standalone entity, the condensed combined financial information for the comparative semester ended 30 June 2013 is not necessarily indicative of what the Group's results of operations, cash flows and financial position would have been had the Group operated as a standalone entity apart from NYSE Euronext and ICE during that period.

In March 2014, upon consummation of the Demerger, the transfer pricing agreements have been terminated and replaced by transitional and long-term Service Level Agreements ("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 have been 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 the Parent are made on a consistent basis throughout the half year ended 30 June 2014.

Services rendered to ICE primarily include the IT support to Liffe, which is expected to be terminated by the end of 2014, when Liffe has completed its migration to another IT platform, as well as various ancillary services. All such services are transitional and, accordingly, the related party revenue is not expected to be recurring beyond fiscal year 2014.

Services received from ICE include the use of data center infrastructure, corporate information systems and web support, as well as certain market data, market operations, risk, internal audit, regulation and other services. With the exception of data center infrastructure, the services received from ICE are expected to be transitional.

The Group will continue to benefit from a perpetual license to use the UTP technology on a royalty-free basis. However, the Group will no longer share with ICE the costs and benefits of subsequent UTP developments.

2. Significant events and transactions

In connection with the Separation of the Group from ICE and the IPO, the following other events and transactions have occurred during the half year:

- In March 2014, all short-term related party loans and borrowings with the Parent have been cash-settled.

- The €40 million long term related party borrowing has been equity-settled, and accordingly, is reflected as a contribution received from Parent in the Statement of Changes in Parent's Net Investment and Shareholders' Equity in the quarter ended 31 March 2014.

- Certain legal entities of the Group disposed of certain IT assets and businesses to the Parent, in exchange for cash. The corresponding assets, liabilities, revenue and expenses have been excluded from the scope of the combined financial statements for all periods presented. The cash proceeds received from the Parent, net of income tax impact, were reflected as a contribution received from Parent in the Statement of Change in Parent's Net Investment and Shareholders' Equity in the quarter ended 31 March 2014.

- On April 29, 2014, the company received €250 million in cash from the Parent in exchange for a short-term promissory note. On the IPO date, this promissory note was repaid from the proceeds of the bank facility described below.

- On April 30, 2014, the Parent contributed to the Group a 2.75% ownership interest into Euroclear plc, an unlisted company involved in the settlement of securities transaction and related banking services. The estimated fair value of the investment is €63 million recognised as non-current equity investments.

- On May 2, 2014, the Group made cash distributions to Parent in the form of share premium repayment, for an amount of €161.5 million recognised as a decrease of share premium.

- On May 6, 2014, the Group entered into a syndicated bank loan facilities agreement ("the Bank Facilities"), 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. The Group drew down the term loan on the IPO date in order to refinance the short-term promissory note due to the Parent. The transaction costs amounting to €2 million have been capitalised and amortized over the facility expected life of three years resulting in a net non current borrowing of €248 million as of 30 June 2014. The Bank facilities include certain covenants and restrictions, applicable to disposal of assets beyond certain thresholds, grant of security interests, incurrence of financial indebtedness, share redemptions, dividend distributions above 50% of net income, investments, and other transactions. The Bank Facilities also require compliance with a total debt to EBITDA ratio.

- Historically Liffe was the tenant of the operating lease for the Cannon Bridge House ("CBH") facility, based in London, which includes a disaster recovery center used by both the Group and Liffe, and office space, primarily used by Liffe. The Combined Financial Statements for the three years ended 31 December 2013 reflect the Group's share of the costs of using the disaster recovery center. On May 19, 2014, in connection with the Separation, (i) the CBH operating lease was reassigned from Liffe to the Group who, as new tenant, became obliged to make rental payments until the expiration of the non-cancellable term of the lease in 2017; and (ii) a short-term subleasing agreement was put in place between the Group and Liffe. This subleasing is expected to terminate by the end of 2014, when Liffe will have completed the relocation of its corporate offices and its migration to another IT platform, see Note 12. With respect to the office space component of the contract, the unavoidable costs of the operating lease until 2017 are in excess of expected subleasing benefits to be received from ICE in the short term and from third parties in subsequent periods. The resulting onerous lease liability assumed from the Parent, which is estimated to be approximately €21.2 million, has been recorded in the quarter ended 30 June 2014 (€17.6 non-current provision, €3.6 million current provision) with a corresponding reduction to Shareholders' equity. The Group is working on an alternative scenario to decrease the liability.

- On the date of the IPO, the €200 million undrawn credit facility previously granted by Parent was terminated.

- In connection with the Separation, the Dutch financial markets regulator, the Stichting Autoriteit Financiële Markten ("AFM"), has notified certain regulatory capital requirements applicable to the Group on a consolidated basis. These requirements include, among other things (i) maintaining a minimum consolidated shareholders' equity of €250.0 million, (ii) reserving at least €100.0 million of the committed undrawn revolving credit facility available to the Group, (iii) achieving a positive regulatory equity (defined as consolidated shareholders' equity less consolidated intangible assets, including goodwill) by 31 December 2017, and maintaining such positive regulatory equity from the date this is achieved and thereafter. The Group is also subject to certain qualitative requirements regarding its capital structure. The AFM can impose further regulatory capital requirements on the Group. These regulatory capital requirements, which are applicable on a consolidated basis, are in addition to those applicable on an individual basis to certain regulated entities of the Group. Since March 31, 2014, none of the Group entities are subject to regulation applicable to credit institutions.

Derivatives Clearing agreement

On 14 October 2013, the Group entered into a new clearing agreement with LCH.Clearnet in respect of the clearing of trades on our continental Europe derivatives markets (the "Derivatives Clearing Agreement"). Under the terms of the Derivatives Clearing Agreement, effective starting 1 April 2014, we have agreed with LCH.Clearnet to share revenues and we receive clearing fee revenues based on the number of trades on these markets cleared through LCH.Clearnet, in exchange for which we have agreed to pay LCH.Clearnet a fixed fee plus a variable fee based on revenues. Derivatives clearing revenue amounts to €10.6 million and derivatives expenses to €6.4 million for the quarter ended 30 June 2014 (see Notes 4 and 7). 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. According to the management analysis (i) the clearing fees received are classified as post trade revenues (ii) the fixed and variable fees paid to LCH. Clearnet are recognized as other operational expenses.

3. Significant accounting policies and judgments

The principal accounting policies applied in the preparation of these Condensed Interim Consolidated Financial Statements are the same as those described in the Combined Financial Statements as of and for the year ended 31 December 2013, except for taxes on income in the interim periods which are accrued using the tax rate that would be applicable to expected total annual earnings in each tax jurisdiction.

The critical accounting estimates and judgments made by management in the preparation of these Condensed Interim Consolidated Financial Statements are the same as those described in the Combined Financial Statements as of and for the year ended 31 December 2013, except for cost allocations which are no longer made in accordance with historical transfer pricing agreements, as described in Note 1. In addition, the accounting judgments made in connection with the new clearing agreement are mentioned in Note 2.

Segment reporting

Segments are reported in a manner consistent with how the business is operated and reviewed by the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments. The chief operating decision maker of the Group is the Management Board. The organisation of the Group reflects the high level of mutualisation of resources across geographies and product lines. Operating results are monitored on a group-wide basis and, accordingly, the Group represents one operating segment and one reportable segment. Operating results reported to the Management Board are prepared on a measurement basis consistent with the reported Condensed Interim Consolidated Income Statement.

Adoption of new IFRS standards, amendments and interpretations

The following standards and interpretations have been adopted by the Group as of 1 January 2014. The adoption of these standards and interpretations did not have a material impact on the Condensed Interim Consolidated Financial Statements.

- IFRS 10, Consolidated Financial Statements, sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee.

- IFRS 11, Joint Arrangements, requires accounting for Joint Ventures under the equity-method and to recognise the investor's interest in the revenue, expenses, assets and liabilities of a Joint Operation.

- IFRS 12, Disclosure of Interests in Other Entities, defines the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special-purpose vehicles and other off-balance sheet vehicles.

4. Revenue

Third party revenue

In thousands of euros	Six months ended 30 June 2014	Six months ended 30 June 2013
Listing	32,357	26,577
Trading revenue	106,200	98,118
of which		
Cash trading	83,136	71,462
Derivatives trading	23,064	26,656
Market data & indices	45,436	40,388
Post-trade	21,669	10,710
of which		
Clearing (Note 2)	10,587	-
Custody and Settlement	11,082	10,710
Market solutions & other	16,695	21,395
Total third party revenue	222,537	197,188

The Group's revenue is not subject to significant seasonality patterns, except that there are generally lower trading volumes and listing admissions in August, however trading volumes are subject to potential volatility.

ICE Transitional revenue and other income

In thousands of euros	Six months ended 30 June 2014	Six months ended 30 June 2013
IT operations and maintenance services - Liffe	12,792	41,002
UTP R&D services	-	1,231
CBH Sublease rent - Liffe	1,765	-
Other ancillary services	1,946	-
Total ICE transitional revenue and other income	16,503	42,233

5. Salaries and employee benefits

In thousands of euros	Six months ended 30 June 2014	Six months ended 30 June 2013
Salaries and other short term benefits	(45,471)	(47,288)
Social security contributions	(17,118)	(17,018)
Share-based payment costs	(523)	(3,591)
Pension cost - defined benefit plans	(720)	(1,269)
Total	(63,832)	(69,166)

6. Depreciation and amortisation

In thousands of euros	Six months ended 30 June 2014	Six months ended 30 June 2013
Depreciation of tangible fixed assets	(3,648)	(3,777)
Amortisation of intangible fixed assets	(5,160)	(6,095)
Total	(8,808)	(9,872)

7. Other operational expenses

In thousands of euros	Six months ended 30 June 2014	Six months ended 30 June 2013
System and communications	(10,238)	(12,197)
Professional services	(25,575)	(28,526)
Clearing expenses (Note 2)	(6,387)	-
Accommodation	(11,205)	(8,810)
PSA retrocession (Note 12)	-	(7,876)
Other expenses (1)	(11,563)	(16,714)
Total	(64,968)	(74,123)

(1) Other expenses include marketing, taxes, insurance, travel, professional membership fees, corporate management recharges from the Parent (see Note 12), and other expenses.

8. Exceptional items

In thousands of euros	Six months ended 30 June 2014	Six months ended 30 June 2013
Initial public offering costs	(1,729)	-
Restructuring costs	(18,158)	(2)
Total	(19,887)	(2)

In 2014, exceptional items include:

- €1.7 million expense for costs directly related to the IPO project,
- €18.2 million restructuring costs incurred in connection with the Separation, including €7.5m for employee benefits related to the expected restructuring of the London IT operations (see below) and €10.7 million for termination benefits, vesting acceleration of share-based awards and related taxes, discount granted to the employees in the employee offering.

Concurrently with the IPO, the Company offered up to 328,947 Employee Shares to the eligible employees of the Group over the period starting on 10 June 2014 and ending on 18 June 2014. The purchase was made at a discount of 20 percent of the Offer Price through a collective investment vehicle. The Employee Offering was subscribed for approximately €3 million. The €0.5 million discount granted to the Employees was recognized in the quarter ending on 30 June 2014.

Due to the IPO of Euronext N.V. the LTIP 2013 share plan has been vested in full at the IPO date (20 June 2014). The impact of the vesting acceleration is included in the restructuring costs for an amount of €2.4 million.

In September 2013, the Group announced a restructuring of its London-based IT operations, which is expected to be implemented by the end of 2014, when the IT support services provided to Liffe will be terminated. Employee severance benefits payable upon termination are conditional upon future service and, accordingly, are accrued over the expected service period. In addition, retention payments are made to contractors. In the aggregate, a €7.5 million expense has been recognized in the half year ended 30 June 2014 for employee benefits and contractor bonuses in relation to the expected restructuring of the London IT operations.

9. Net financing income / (expense)

In thousands of euros	Six months ended 30 June 2014	Six months ended 30 June 2013
Interest income	238	577
Interest expense	(529)	(551)
Gain/(loss) on disposal of treasury investment	39	181
Net foreign exchange(loss)/gain (a)	(4,197)	1,510
Total	(4,449)	1,717

(a) Mostly offset by the currency impact recognised in the comprehensive income.

10. Result from equity investments

The following table provides the results of long-term equity investments classified as AFS financial assets.

In thousands of euros	Six months ended 30 June 2014	Six months ended 30 June 2013
Dividend income	2,850	3
Gain on partial disposal of LCH Clearnet	-	7,944
Results from equity investment	2,850	7,947

11. Income tax expense

Income tax expense for the interim period is recognised by reference to management's estimate of the weighted average income tax rate expected for the full fiscal year, with the exception of discrete "one-off" items which are recorded in full in the interim period. The increase in effective tax rate from 11% for the half year ended 30 June 2013 to 55% for the half year ended 30 June 2014 is primarily attributable to the discrete item discussed below.

In connection with the Demerger, certain sublicense agreements within IP entities of the Group have been terminated in April 2014. As a consequence of such legal reorganisation, the deferred tax assets held by certain IP entities do no longer meet the recoverability criteria as of 31 March 2014. These deferred tax assets were primarily arising from deductible temporary differences on intangible assets and tax losses carry-forwards. The de-recognition of the related deferred tax assets, which amounted to €15.3 million, was treated as a discrete item and, accordingly, was included in full in the income tax expense recorded for the half year ended 30 June 2014.

Management is considering certain tax planning actions, which will be subject to approval from the Dutch tax authorities, and may result in an increase in the tax base of the intangible assets held by another IP entity of the Group. The impact of such increase, if any, will be recorded if and when the Group obtains a tax ruling from the Dutch tax authorities.

12. Related parties

From the IPO on 20 June 2014, the transactions with ICE do not qualify as "related party transactions" under IAS24, consequently the related party Note reflects the transactions with ICE up to 20 June 2014.

Revenue and operating expenses from Parent

In thousands of euros	Six months ended 30 June 2014	Six months ended 30 June 2013	
IT revenue sharing - SFTI, Co-location	1,262	-	c
Total Market solutions & Other	1,262	-	
IT operations and maintenance services - Liffe	12,067	41,002	a
UTP R&D services		1,230	b
CBH Sublease rent - Liffe	1,377	-	d
Other ancillary services	1,835	-	e
Total ICE transitional revenue and other income (*)	15,279	42,232	
Total related party revenue	16,541	42,232	
PSA retrocession	-	(7,876)	f
Data center	(5,622)	(7,281)	g
UTP R&D services	-	154	b
Corporate, operations and other IT support	(6,425)	(8,855)	h
Total related party operating expenses	(12,047)	(23,858)	

(*) The subtotal of ICE transitional revenues reflects the related party position up to the IPO date of 20 June 2014 and is therefore not reconciling to the ICE transitional revenues position in Note 4.

Details of revenue and operating expenses from the Parent are as follows:

(a) Reflects IT support services provided to Liffe for the operation of its derivatives exchange in the UK and the US. In 2013, the recharge is made in accordance with the historical transfer pricing agreements, whereby the derivatives IT costs, including overheads and mark-up, are allocated to the exchange entities in proportion to their respective derivatives trading revenue. For the half year ended 30 June 2014, the recharge is made throughout the period in a manner consistent with a transitional SLA which provides for a flat fee per month based on an agreed-upon service level. Such SLA is expected to be terminated by the end of 2014, as soon as Liffe has completed its migration to another technology platform. Consequently, management expects this related party revenue to be non-recurring and has announced a restructuring of its London-based IT operations, which are primarily supporting the Liffe exchange and the Group's own Derivatives trading business.

(b) For the half year ended 30 June 2013, related party revenue and expenses reflect cross-charges to and from the US operations of the Parent, made in accordance with a global R&D cost-sharing agreement. Pursuant to this agreement, global UTP software development costs are shared in proportion to revenues. In 2014, the Group does no longer share costs and benefits of UTP development costs with the Parent.

(c) Reflects the commission received from ICE during the second quarter 2014 on SFTI connectivity and co-location technology businesses that have been transferred to ICE end of March 2014. In 2013, these technology businesses were operated by Euronext and the customers directly charged by the Group.

(d) Reflects the CBH sublease to Liffe from 19 May 2014, the date of the transfer of the lease to the Group. This subleasing is expected to terminate by the end of 2014, when Liffe will have completed the relocation of its corporate offices.

(e) Reflects other ancillary support services provided to the Parent for the operation of the Liffe derivatives exchange. These services include Market Data administration, Market Operations, Finance and Human Resources. For the half year ended 30 June 2014, these services are specifically identified and billed in accordance with transitional SLAs. For the half year ended 30 June 2013, under the historical transfer pricing agreements, services these were not charged on a specific identification basis. Instead, all operating expenses of the Legacy Euronext Derivatives business unit were allocated among the exchange entities under a PSA agreement, as explained in (f) below.

(f) Until 1 January 2014, Legacy Euronext was managed by business unit with a high level of cross-border integration. Accordingly, within each business unit, operating expenses were allocated to the local exchange entities (including Liffe) in proportion to revenue, in accordance with the PSA transfer pricing agreement (see Note 1 to the combined financial statements for the years ended 31 December 2013). The local entity who has incurred actual costs in excess of allocated costs per the PSA recharges the other entities for the difference, in order to generate consistent operating margin rate across entities (within each business unit). The application of the PSA mechanism within the Derivatives business unit of Legacy Euronext has resulted in certain reallocation of operating expenses between the Group and Liffe. Since 1 January 2014, the PSA agreement is no longer effective and is replaced by the recharge of specifically identified services, described in (e) above and (g) below.

(g) Reflects the recharge by the Parent of the cost of using the London-based data center and disaster recovery facilities. During the half year ended 30 June 2013, the data center recharge was based on actual cost incurred plus mark up of 7% and was allocated between the Group and certain IT service businesses retained by ICE in proportion to revenues. During the half year ended 30 June 2014, the data center recharge is based on a fixed fee per cabinet used and therefore reflects the actual utilization of the infrastructure by the Group. The disaster recovery centre is based in the CBH building. The disaster recovery facility has been charged by the Parent until 19 May 2014, date of the CBH lease transfer to the Group.

(h) Corporate, operations and other IT support are comprised of the following:

In 2013, in accordance with the historical transfer pricing agreements, the costs of certain global corporate functions, including corporate management, corporate information systems and web services, was shared in proportion to revenues, resulting in cross-charges to and from the Parent. The related party expense in the half year ended 30 June 2013 also included recharges by the Parent of costs incurred under certain global IT supply contracts.

Since 1 January 2014, the Group's and Parent's management functions have been fully separated and there is no further cross-charge of corporate management costs. The related party expense reflects various support services received from the Parent pursuant to various transitional SLAs. These support services include: global corporate systems, global web services, support from US IT team, market data administration, market operations, as well as risk, internal audit and regulation. The recharge is based on fixed fees agreed upon for a specified level of service.

Financial transactions with Parent

In thousands of euros	As at 30 June 2014	As at 31 December 2013
Period-end balances		
Related party loans - current	-	268,778
Related party borrowing - non current	-	(40,000)
Related party borrowing - current	-	(407,025)
Net (borrowing) / lending position with Parent	-	(178,247)

In thousands of euros	Six months ended 30 June 2014	Six months ended 30 June 2013
Income and expenses		
Related party interest income	119	168
Related party interest expense	(235)	(535)
Net interest (expense) / income from Parent	(116)	(367)

During the quarter ended 31 March 2014, substantially all short-term related party loans and borrowings were settled in cash with Parent entities. The non-current related party borrowing of €40 million was equity-settled in connection with the Demerger, resulting in an increase of Parent net investment and Shareholders' equity.

On April 29, 2014, the company received €250 million in cash from the Parent in exchange for a short-term promissory note. This promissory note was repaid at the IPO date from the proceeds of the bank facility.

Trade balances with Parent

In thousands of euros	As at 30 June 2014	As at 31 December 2013
Period-end balances		
Related party trade and other receivables	-	39,627
Related party trade and other payables	-	(33,289)

From the IPO on 20 June 2014, the transactions with ICE do not qualify as "related party transactions" under IAS24, consequently the trade balances with ICE as at 30 June 2014 are not disclosed as related party as at 30 June 2014.

14. Shareholders' equity

Prior to the Demerger – Parent's net investment

The separate legal entities that comprise the Group were not held by a single legal entity prior to the Demerger and, consequently, Parent's net investment was shown in lieu of Shareholders' equity in these financial statements. Parent's net investment represents the cumulative net investment by the Parent in the combined entities forming the Group through the date of the Demerger.

Post the Demerger – Shareholders' equity

As described in Note 1, the Company issued 70,000,000 Ordinary Shares in connection with the Demerger. Upon the completion of the Demerger, the Parent's net investment was converted into Shareholders' equity. The Parent's net investment was converted as follows:

- Issued share capital: issued share capital was established at €112.0 million, based on the par value of €1.60 per share for the 70.0 million shares issued in connection with the Demerger;
- Share premium: the remaining Parent's net investment, after recording issued share capital, was reflected as share premium.

As of 30 June 2014, the Company has 125,000,000 authorised ordinary shares and 70,000,000 issued and outstanding ordinary shares each with a nominal value of €1,60 per share. 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. The Company also has one priority share authorized (with a nominal value of €1,60) and no priority share outstanding.

13. Geographical information

In thousands of euros	France	Netherlands	UK	Belgium	Portugal	Other	Total
Six months ended 30 June 2014							
Third party revenue(1)	128,745	60,692	660	12,700	19,740	-	222,537
ICE transitional revenue and other income (2)	13,150	987	2,366	-	-	-	16,503
Six months ended 30 June 2013							
Third party revenue(1)	113,965	53,788	1,429	11,563	16,443	-	197,188
ICE transitional revenue and other income (2)	42,233	-	-	-	-	-	42,233

(1) Trading, listing and market data revenue is attributed to the country where the exchange is domiciled. Other revenue is attributed to the billing entity.

(2) Related party revenue is billed by a French entity, however the majority of the related operations are based in the UK.

15. Earnings per Share

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 earnings per share for the periods prior to the Demerger were computed as if the shares issued at Demerger were outstanding for all periods presented. The number of shares used for the half years ended 30 June 2014 and 30 June 2013 were 70,000,000, which is the number of shares issued in connection with the Demerger.

16. Fair value of financial instruments

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 30 June 2014			
Equity investments	-	109,704	-
Derivative financial instruments			
- Assets	-	-	-
As at 31 December 2013			
Equity investments	-	48,075	-
Derivative financial instruments			
- Assets	-	1,893	-

As of 30 June 2014, there has been no material change in the valuation techniques used for the determination of the fair value of investments in unlisted equity securities, as compared to last year-end.

The fair values or trade and other receivables and payables approximate their carrying amounts.

17. Events after the reporting period

On August 5, 2014 the French Government published final guidelines on article 212 of the French Tax code (CGI), which will need to be accessed by management. As this relates to an uncertain tax position as per June 30, 2014, this could result in a partial release of this uncertain tax provision.

Amsterdam, August 7, 2014.

Dominique Cerutti
Chief Executive Officer and Chairman of the Managing Board

Amaury Dauge
Chief Financial Officer

Management statement

The Company Management hereby declares that to the best of its knowledge:

- The interim condensed consolidated financial statements prepared in accordance with IAS 34 "Interim Financial Reporting", give a true and fair view of the assets, liabilities, financial position and profit or loss of Euronext N.V. and the undertakings included in the consolidation as a whole; and

- The semi-annual report includes a fair review of the information required pursuant to section 5:25d(8 (9) of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht)

Amsterdam, August 7 2014

Dominique Cerutti
Chief Executive Officer and
Chairman of the Managing Board

Amaury Dauge
Chief Financial Officer

Appendix:
Review Report of the Independent Auditors

Review report

To: Management of Euronext N.V.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements for the six-month period ended 30 June 2014 of Euronext N.V., Amsterdam, which comprises the condensed balance sheet as at 30 June 2014, the condensed income statement, the condensed statement of comprehensive income, the condensed statement of changes in equity, the condensed statement of cash flows and the selected explanatory notes for the six-month period then ended. Management is responsible for the preparation and presentation of this condensed interim consolidated financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this condensed interim consolidated financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Independent Auditor of the company. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial information as at 30 June 2014 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Corresponding figures not audited or reviewed

We have not audited the condensed income statement, the condensed statement of comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the period ended 30 June 2013 nor have we performed a review engagement. Consequently the corresponding figures in the condensed income statement, the condensed statement of comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows have not been audited or reviewed.

Amsterdam, 7 August 2014
PricewaterhouseCoopers Accountants N.V.

Original has been signed by P.C. Dams RA Partner

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