

Euronext 1st quarter 2006 results:
Record results: revenues +20.5%, EBITA +72%

- Revenues increased: by 20.5% to €268.1m
- Costs well under control: decrease of 0.2%, to €158.4m
- EBITA amounts to €109.8m, up 72%
- EBITA margin at 40.9% (versus 28.7%)
- Net Profit* of €107.1m, up 136.6%

Amsterdam, 9th May 2006 - Today Euronext NV reports its results for the first quarter of 2006. Good market activity enabled the company to achieve record revenues and results: revenues reached €268.1m, up 20.5% on the €222.6m realised last year. Euronext's decision to concentrate all its IT operations in its joint-venture AEMS and the end of its migration programme led to a reduction in costs: overall quarterly costs decreased by 0.2%, to €158.4m. The combination of strong revenue growth and continued cost-cutting delivered a record quarterly EBITA of €109.8m, representing a margin of 40.9% (compared to 28.7% for the same quarter last year).

Net financing income increased from €1.7m in Q1, 2005 to €7m this year, as a result of higher net interest income, revaluation of Atos Origin shares and money market funds. The gain recognised by the sale of CIK to Euroclear amounted €15.5m.

Income from associates increased from €4m in Q1, 2005 to €13.4m this year, largely due to the good level of income from LCH.Clearnet (passing from €2.3m to €10.8m).

Net profit* for the first quarter more than doubled, from €45.3m in Q1, 2005 to €107.1m this year and the quarterly diluted EPS stood at €0.96 (from €0.41 in 2005), exceeding the EPS realised during the full first half of last year.

Key figures (unaudited) (in € mn)	1 st quarter 2006	1 st quarter 2005	% Change
Revenues	268.1	222.6	+20.5%
Expenses	158.4	158.7	-0.2%
EBITA	109.8	63.8	+72.0%
Profit Before Tax	145.6	69.5	+109.4%
Net profit*	107.1	45.3	+136.6%
EPS diluted (€)	0.96	0.41	+134.1%
Weighted diluted number of shares	111,894,924	111,035,164	+0.8%

* Net profit attributable to the holders of the parent company

◆ Operating performance

The good performance of all the business lines is explained below in the paragraph "Breakdown by business lines". Expenses this quarter have again been very well managed, totalling €158.4m, down 0.2% on the same quarter last year.

Staff costs totalled €65.4m for Q1, 2006, compared to €63.8m last year. Annual increase of salaries, the one-off costs of €3.3m related to the transfer of NECIGEF employees to Euroclear and the €3.8m higher reversal of bonuses provision in Q1, 2005 have been compensated by the decrease of headcount by 382 year-on-year from 1,528 to 1,146 (73 departures, 207 transfers to AEMS in July 2005 and 102 transfers of CIK's employees to Euroclear 1st January 2006), excluding MTS and the 25 employees of CompanyNews Group. GL Trade headcount was stable at 1,069 FTE.

IT expenses increased from €29.2m in Q1, 2005 to €42.6m this quarter. Costs have been tightly managed: taking into account the €16.3m impact of the transfer of LIFFE Market Solutions to AEMS (EBITA neutral in 2006 as already mentioned) and the impact of the consolidation of MTS (€2.4m), costs would be down to €23.9m. At the same time we improved the capacity and responsiveness of our IT infrastructures.

Office, Telecom and Consultancy costs were down by 15.1% over the period, to €22.8m, mainly due to early mentioned transfer of LMS to AEMS.

Depreciation decreased over the period from €15.4m to €7.4m as a result of the end of the migrations and of the above-mentioned transfer of LMS to AEMS.

Accommodation costs were reduced by 9.6%, from €12.6m in Q1, 2005 to €11.4m in Q1, 2006 due to the sale of CIK and to the transfer of LMS.

Marketing costs totalled €4.4m, slightly up on the €3.9m spent during the same quarter in 2005, relating to the marketing and promotion of our new ABC wholesale derivatives services (initiative aiming at capturing OTC business).

Finally, **other costs** decreased from €7.0m in Q1, 2005 to €4.4m mainly due to a fall in irrecoverable VAT following the transfer of LMS.

◆ Breakdown by Business Lines

31 March 2006 (€,000)

	Listing	Cash Trading	Derivatives Trading	MTS fixed income	Information Services	Settlement & Custody	Sales of Software	Holding & Unallocated	Total
<i>Revenues by segment:</i>									
External sales	8,869	73,064	97,770	5,984	26,176	3,537	44,547	8,176	268,123
Intersegment reallocations	39	2,787	4,868	1,587	-7,492	46	232	-2,067	
Segment revenue	8,908	75,851	102,638	7,571	18,684	3,583	44,779	6,109	268,123
Segment expense	-6,263	-32,271	-55,063	-5,532	-9,010	-1,293	-37,124	-11,811	-158,367
EBITA	2,645	43,580	47,575	2,039	9,674	2,290	7,655	-5,702	109,756
Margin (%)	29,7%	57,5%	46,4%	26,9%	51,8%	63,9%	17,1%	ns	40,9%

31 March 2005 (€,000)

	Listing	Cash Trading	Derivatives Trading	Information Services	Settlement & Custody	Sales of Software	Holding & Unallocated	Total
<i>Revenues by segment:</i>								
External sales	10,996	50,832	75,834	21,945	8,395	50,314	4,234	222,550
Intersegment reallocations	61	3,293	11,068	-6,353	308	-7,167	-1,210	-
Segment revenue	11,057	54,125	86,902	15,592	8,703	43,147	3,024	222,55
Segment expense	-4,845	-32,450	-62,059	-7,717	-5,227	-35,255	-11,191	-158,744
EBITA	6,212	21,675	24,843	7,875	3,476	7,892	-8,167	63,806
Margin (%)	56,2%	40,0%	28,6%	50,5%	39,9%	18,3%	ns	28,7%

Listing fees

A total of 20 new listings were achieved in Q1, 2006 (9 of which were on Alternext). This is the best start to the year for IPOs in 5 years and this positive trend is expected to continue in the rest of the year. However, revenues are below the level achieved in 2005, which was then boosted by the SANEF IPO. The strategy to win more international listings involved an increase in costs: the quarterly EBITA margin stood at 29.7%



Cash trading

Market conditions have been strong since the beginning of 2006. The number of cash trades increased by 46.3% in Q1, 2006. The increase in transactions from 39.5 million in 2005 to 57.7 million this year, made the first quarter the busiest ever for Euronext's markets.

This activity has driven revenues to €73.1m, up 43.7% on the €50.8m achieved during the same period last year. This was combined with tight control of costs (-1.1% over the period), enabling the EBITA to double compared to Q1, 2005, to €43.8m. The EBITA margin was 57.7%.

Derivatives trading

Record activity also ensured a strong first quarter for Euronext.liffe across all product lines. The number of equity contracts traded grew by 37.5% (individual equity contracts volumes increased by nearly 45% while index products were up 27%). Volumes from our ABC initiative have begun well, with more than 7.5 million contracts traded in the first quarter.

Amsterdam volumes are continuing at similar levels to the end of 2005, demonstrating strong growth generated by rising retail and institutional customer volumes. Volume growth has been strong for both the individual equity options (+ 56%) and index futures and options market (+35%).

Ongoing favourable market conditions and tight cost control (achieving a reduction of 11.1% from €62.1m to €55.2m) enabled the Derivatives Business Unit to record its best quarterly performance ever.

MTS fixed-income

Quarterly revenues were up 2.5% compared to the same quarter in 2005, totalling €6.0m (from €5.8m last year). As a result of strong management of costs, EBITA amounted to €2.0m, representing a margin of 26.9% (compared to 17.7% last year). Please remember that as MTS was consolidated from 1 December 2005, it was not included in Q1, 2005.

Settlement and custody

Following the sale of CIK from 1 January 2006 the settlement and custody segment represents only the performance of Interbolsa in Portugal. Revenues amounted to €3.5m, an increase of 33% compared to last year (on like-for-like basis).

Information services

This segment included CompanynewsGroup from 1 March 2006. Quarterly performance has been strong with revenues growing 19.3% from €21.9m in Q1, 2005 to €26.2m in Q1, 2006. This was due to the full effect of the price rise implemented on 1 April 2005 as well as to the year-on-year increase in the number of terminals. The EBITA margin increased again, to 51.8% (compared to 50.5% in the same quarter last year).

Sales of developed software/solutions

Following the transfer of LMS to AEMS, revenues from sales of software decreased from €50.3m to €44.6m during the period. On a segmental basis revenues increased by 3% and the EBITA margin achieved was 17.1% for the quarter.

Appendix: Extracts from financial reporting for the quarter ended 31 March 2006

1st quarter 2006 results are available on our website: www.euronext.com



◆Key dates

	Press release
Annual General Meeting	23/05/2006
Ex-ordinary dividend date	29/05/2006
Ordinary Dividend Payment	30/05/2006
Q2, 2005 revenues	9/08/2006
Ex-« super Dividend » date	10/08/2006
“Super Dividend” Payment	11/08/2006
Half-Year results	30/08/2006

About Euronext

Since its creation in 2000, Euronext has been working towards the consolidation of financial markets by integrating local markets across Europe to provide users with a single market that is broad, highly liquid and extremely cost-effective. After the initial three-way merger of the local exchanges of Amsterdam, Brussels and Paris, Euronext acquired the London-based derivatives market LIFFE and merged with the Portuguese exchange in 2002. The implementation of Euronext's horizontal market model, designed to generate synergies by incorporating the individual strengths and assets of each local market, has proved that the most successful way to merge European exchanges is to apply global vision at a local level. This unique business model has been implemented on all of Euronext's markets, and covers technological integration, the reorganisation of activities into cross-border, streamlined strategic business units (SBUs) and the harmonisation of market rules and the regulatory framework.

Euronext's IT integration was completed in 2004, when a four-year migration plan resulted in harmonised IT platforms for Cash trading (NSC), derivatives (LIFFE CONNECT[®]) and clearing. As a result, every market participant now has a single point of access to trading. Another step forward in the rationalisation of Euronext's IT structure was made in 2005 with the creation of Atos Euronext Market Solutions (AEMS), an IT services-related vehicle between Euronext and Atos Origin that is a leading global provider of technology services to the capital markets.

◆ Financial Information Euronext N.V

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Euronext N.V.

**Extracts from interim financial statements for the
period ended 31 March 2006**

UNAUDITED

Amsterdam, 9 May 2006

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1. Financial key figures for the period ended 31 March 2006 (unaudited)

In thousands of euros

	31 March 2006	31 March 2005	
	(A)	(B)	A-B %
Total revenues	268,123	222,550	20.5
Profit from operations	109,756	63,806	72.0
Profit for the year, attributable to shareholders of the parent company	107,060	45,257	136.6
Cash flows from operating activities	68,496	27,877	
Cash flows from investing activities	(2,670)	50,918	
Cash flows from financing activities	3,139	3,275	
Net increase cash and cash equivalents	67,855	86,282	
Average number of employees (full time equivalents):			
Euronext N.V. (excluding MTS and GL TRADE)	1,091	1,408	(22.5)
MTS *	49	-	N/a
GL TRADE	1,069	1,069	-
Total	2,209	2,477	(10.8)
Total assets **	2,711,731	2,601,736	
Group capital and reserves **	1,825,852	1,721,256	
Basic earnings per share (in euros)	0.97	0.41	136.6
Diluted earnings per share (in euros)	0.96	0.41	134.1

* This reflects 51% of MTS's number of FTE's

** Comparative balance sheet as at 31 December 2005

2. Extract from interim consolidated financial statements (unaudited)

2.1 Consolidated income statement

In thousands of euros

	31 March 2006	31 March 2005
Revenues		
Cash trading	73,064	50,832
Listing fees	8,869	10,996
Derivatives trading	97,770	75,834
MTS fixed income	5,984	-
Settlement and custody	3,537	8,395
Information services	26,176	21,945
Sales of software	44,547	50,314
Other income	8,176	4,234
Total revenues	268,123	222,550
Costs and expenses		
Salaries and employee benefits	65,367	63,831
Depreciation	7,411	15,437
IT expenses	42,639	29,198
Office, telecom and consultancy	22,770	26,824
Accommodation	11,394	12,609
Marketing	4,362	3,853
Other expenses	4,424	6,992
Total costs and expenses	158,367	158,744
Profit from operations	109,756	63,806
Net financing income	6,959	1,718
Gain on sale of subsidiaries	15,454	-
Income from associates	13,386	4,002
Total	35,799	5,720
Profit before tax	145,555	69,526
Income tax expense	35,569	20,514
Profit for the period	109,986	49,012
Attributable to:		
Shareholders of the parent company	107,060	45,257
Minority interest	2,926	3,755
	109,986	49,012

Earnings per share

In euros

	31 March 2006	31 March 2005
Basic earnings per share	0.97	0.41
Diluted earnings per share	0.96	0.41

2.2 Consolidated balance sheet

Before profit appropriation
In thousands of euros

	31 March 2006	31 December 2005
Assets		
Property and equipment	49,460	50,705
Intangible assets	868,940	837,740
Investments in associates	406,175	393,558
Other investments	405,263	383,216
Other receivables	6,605	10,563
Deferred tax assets	11,563	12,450
Total non-current assets	1,748,006	1,688,232
Income tax receivable	32	7
Other receivables	221,514	201,035
Short term financial investments	233,905	265,061
Cash and cash equivalents	508,274	429,523
Total current assets	963,725	895,626
Disposal group's assets classified as held for sale	-	17,878
Total assets	2,711,731	2,601,736
Equity and liabilities		
Issued capital	112,557	112,557
Share premium	1,080,944	1,080,944
Reserve own shares	3,776	647
Retained earnings	676,602	568,189
Currency exchange differences	(48,027)	(41,081)
Total capital and reserves	1,825,852	1,721,256
Minority interests	30,019	33,594
Total equity	1,855,871	1,754,850
Liabilities		
Non-current financial liabilities	407,646	377,157
Employee benefits provisions	18,520	19,059
Other provisions	3,074	3,425
Deferred tax liabilities	23,317	23,265
Total non-current liabilities	452,557	422,906
Current financial liabilities	16,378	27,493
Income tax payable	39,050	29,087
Other payables	337,675	345,255
Other provisions	10,200	14,837
Total current liabilities	403,303	416,672
Liabilities directly associated with disposal group's assets classified as held for sale	-	7,308
Total equity and liabilities	2,711,731	2,601,736

2.3 Consolidated cash flow statement

In thousands of euros

	31 March 2006	31 March 2005
I. Cash flows from operating activities		
Profit before tax	145,555	69,526
Adjustments for:		
Net financing income	(6,959)	(213)
Depreciation	7,411	16,686
Gain on sale of subsidiaries	(15,454)	-
Other non-cash or non-operational items	(16,787)	(8,993)
Total cash flow from operations before changes in working capital (a)	113.766	77.006
Decrease/(increase) in non-current receivables	3,973	(1,062)
Increase in other receivables	(23,676)	(38,665)
(Decrease)/increase in short-term payables	(4,176)	7,377
Total changes in working capital (b)	(23,879)	(32,350)
Cash generated from operations (a+b)	89,887	44,656
Income taxes paid	(22,672)	(16,944)
Interest received	5,844	5,020
Interest paid	(4,563)	(4,855)
Net cash flows from operating activities	68,496	27,877
II. Cash flows from investing activities		
Investments in tangible assets	(1,505)	(3,963)
Investments in intangible assets	(4,300)	(7,560)
Proceeds from sale of tangible and intangible assets	1,610	6
Acquisitions, net of cash acquired	(18,291)	-
Disposal of subsidiaries	(7,055)	-
Other investing activities	26,871	62,435
Net cash flows from investing activities	(2,670)	50,918
III. Cash flows from financing activities		
Loans redeemed	-	565
Own shares sold	396	2,312
Other financing activities	2,743	398
Net cash flows from financing activities	3,139	3,275
Effects of exchange rate changes on cash and cash equivalents	(2,562)	4,212
Effects of non-cash revaluation on cash and cash equivalents	1,452	-
Total cash flow over the period	67,855	86,282
Net increase in cash and cash equivalents		
At beginning of period	440,219 *)	523,705
At end of period	508,274	609,987
Movement in cash and cash equivalents	67,855	86,282

*) including € 10.9 million of cash and cash equivalents that were appropriated to Disposal groups assets classified as held for sale, in relation to the sale of CIK.

2.4 Consolidated statement of changes in equity

Attributable to shareholders of the parent company

In thousands of euros

	Issued capital	Share premium	Reserve for own shares	Retained earnings	Currency exchange difference	Total	Minority interest	Total equity
Balance as at 1 January 2006	112,557	1,080,944	647	568,189	(41,081)	1,721,256	33,594	1,754,850
Exchange difference on translation of foreign operations	-	-	-	-	(6,946)	(6,946)	(225)	(7,171)
Valuation of available-for-sale investments	-	-	-	1	-	1	-	1
Other movements	-	-	-	-	-	-	219	219
Net income recognised directly in equity	-	-	-	1	(6,946)	(6,945)	(6)	(6,951)
Profit for the period	-	-	-	107,060	-	107,060	2,926	109,986
Total recognised income and expense for the period	-	-	-	107,061	(6,946)	100,115	2,920	103,035
Dividends	-	-	-	-	-	-	(2,370)	(2,370)
Share-based compensation plan	-	-	-	1,352	-	1,352	-	1,352
Proceeds from sale of shares in stock option plans	-	-	2,733	-	-	2,733	-	2,733
Sale of own shares	-	-	396	-	-	396	-	396
Increase investment in GL Trade resulting from put option	-	-	-	-	-	-	(4,125)	(4,125)
Balance as at 31 March 2006	112,557	1,080,944	3,776	676,602	(48,027)	1,825,852	30,019	1,855,871

Attributable to shareholders of the parent company

In thousands of euros

	Issued capital	Share premium	Reserve for own shares	Retained earnings *)	Currency exchange difference	Total	Minority interest	Total equity
Balance as at 1 January 2005	122,112	1,172,706	(227,073)	502,382	(54,003)	1,516,124	21,016	1,537,140
Adjustment opening balance *)	-	-	-	7,305	-	7,305	-	7,305
Balance as at 1 January 2005 - restated	122,112	1,172,706	(227,073)	509,687	(54,003)	1,523,429	21,016	1,544,445
Exchange difference on translation of foreign operations	-	-	-	-	9,543	9,543	(13)	9,530
Valuation of available-for-sale investments	-	-	-	14	-	14	-	14
Other movements	-	-	-	124	-	124	279	403
Net income recognised directly in equity	-	-	-	138	9,543	9,681	266	9,947
Profit for the period	-	-	-	45,257	-	45,257	3,755	49,012
Total recognised income and expense for the period	-	-	-	45,395	9,543	54,938	4,021	58,959
Dividends	-	-	-	-	-	-	(2,054)	(2,054)
Share-based compensation plan	-	-	-	388	-	388	-	388
Proceeds from sale of shares in stock option plans	-	-	846	-	-	846	-	846
Sale of own shares	-	-	691	-	-	691	-	691
Balance as at 31 March 2005	122,112	1,172,706	(225,536)	555,470	(44,660)	1,580,292	22,983	1,603,275

*) The comparative figures of deferred tax assets and retained earnings for 2004 have been adjusted by € 7.3 million, to take account of items that have subsequently been identified as deductible

3 Statement of compliance

The accounting policies and methods of computation used for the preparation of the financial information for the period ended 31 March 2006 are consistent with those used in the consolidated financial statements for the year ended 31 December 2005.

4 Changes in the scope of the consolidation

CompanynewsGroup

In the first quarter of 2006, the Group acquired CompanynewsGroup, a distributor of news from listed companies to the investment community, media professionals and the public. The purchase price of CompanynewsGroup amounted to € 5.6 million. The assets, liabilities, results and cash flows of CompanynewsGroup have been included in the consolidated financial statements of Euronext from 1 March 2006 onwards.

CIK S.A./N.V.

On 9 November 2005 Euroclear plc and Euronext signed a share purchase agreement for the full acquisition by Euroclear plc of CIK S.A./N.V., the central securities depository of Belgium that was a wholly owned subsidiary of Euronext. This transaction has been completed on 1 January 2006 and Euronext ceased to control and therefore to consolidate CIK from 1 January 2006. The capital gain recognised during January 2006 amounts to € 15.5 million.