SEMI-ANNUAL FINANCIAL REPORT

as at 30 June 2018

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Semi-Annual Financial Report as at 30 June 2018

Important events in the first half-year 2018

For an overview of the main events that occurred during the first six months of 2018 and their impact on the unaudited Condensed Interim Consolidated Financial Statements as at 30 June 2018, please refer to Note 3 “Significant events and transactions” of the Condensed Interim Consolidated Financial Statements attached hereto and to the Press Release, issued and available on Euronext’s website (**www.euronext.com**) as from 3 August 2018.

Related party transactions

Euronext has related party relationships with its associates and joint ventures. Transactions with subsidiaries are eliminated on consolidation. For more details, please refer to Note 21 “Related parties” of the Condensed Interim Consolidated Financial Statements attached hereto.

Risks and uncertainties

In the 2017 Registration Document issued by Euronext N.V. on 29 March 2018, Euronext has 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 did not materially change during the first six months of 2018 and can be found in the 2017 Registration Document on pages 3 to 7 and page 51 (section 2.2.1.1).

For the second half-year of 2018, Euronext currently believes none of these risk categories and risk factors should be particularly emphasized. Additional risks not known to Euronext, or currently believed not to be material, could later turn out to have a material impact on Euronext’s business or financial position.

Condensed Interim Consolidated Financial Statements as at 30 June 2018

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Condensed Interim Consolidated Statement of Profit or Loss

In thousands of euros (except per share data)	Note	Six months ended 30 June 2018	30 June 2017
Revenue	8	303,983	263,879
Total revenue		**303,983**	**263,879**
Salaries and employee benefits	9	(54,835)	(49,959)
Depreciation and amortisation	10	(10,811)	(7,071)
Other operational expenses	11	(72,419)	(64,249)
Operating profit before exceptional items		**165,918**	**142,600**
Exceptional items	12	(7,176)	(4,489)
Operating profit		**158,742**	**138,111**
Finance costs	13	(2,170)	(1,719)
Other net financing income/(expense)	13	720	127
Results from equity investments	14	4,336	4,575
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method		2,599	157
Profit before income tax		**164,227**	**141,251**
Income tax expense	15	(49,484)	(43,282)
Profit for the period		**114,743**	**97,969**
Profit attributable to:			
– Owners of the parent		113,951	97,818
– Non-controlling interests		792	151
Basic earnings per share	18	**1.64**	**1.41**
Diluted earnings per share	18	**1.63**	**1.40**

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

Condensed Interim Consolidated Statement of Comprehensive Income

In thousands of euros	Note	Six months ended 30 June 2018	30 June 2017
Profit for the period		**114,743**	**97,969**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
– Exchange differences on translation of foreign operations		3,763	(79)
– Change in value of available-for-sale financial assets		-	40,228
– Income tax impact on change in value of available-for-sale financial assets		-	(8,978)
Items that will not be reclassified to profit or loss:			
– Change in value of equity investments at fair value through other comprehensive income	20	(547)	-
– Income tax impact on change in value of equity investments at fair value through other comprehensive income		139	-
– Remeasurements of post-employment benefit obligations		(221)	2,604
– Income tax impact on remeasurements of post-employment benefit obligations		(27)	(209)
Other comprehensive income for the period, net of tax		**3,107**	**33,566**
Total comprehensive income for the period		**117,850**	**131,535**
Comprehensive income attributable to:			
– Owners of the parent		116,918	131,384
– Non-controlling interests		932	151

The above Condensed Interim Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Condensed Interim Consolidated Balance Sheet

In thousands of euros	Note	As at 30 June 2018	As at 31 December 2017
Assets			
Non-current assets			
Property, plant and equipment		35,641	27,782
Goodwill and other intangible assets	16	661,811	515,134
Deferred tax assets		5,606	7,991
Investments in associates and joint ventures		73,633	75,004
Financial assets at fair value through other comprehensive income	20	152,470	-
Financial assets at amortised cost	20	6,995	-
Other non-current assets		884	-
Available-for-sale financial assets		-	147,503
Other receivables		-	7,968
Total non-current assets		**937,040**	**781,382**
Current assets			
Trade and other receivables		101,354	94,986
Other current assets		12,969	-
Income tax receivables		2,298	1,428
Derivative financial instruments	20	3,331	-
Other current financial assets	20	4,300	-
Cash and cash equivalents		352,639	187,785
Total current assets		**476,891**	**284,199**
Total assets		**1,413,931**	**1,065,581**
Equity and liabilities			
Equity			
Issued capital	17	112,000	112,000
Share premium		116,560	116,560
Reserve own shares		(22,902)	(17,269)
Retained earnings		462,977	468,882
Other reserves		38,311	35,096
Shareholders' equity		**706,946**	**715,269**
Non-controlling interests		13,581	14,211
Total equity		**720,527**	**729,480**
Non-current liabilities			
Borrowings	19	500,574	164,682
Other non-current financial liabilities	20	10,000	10,000
Deferred tax liabilities		22,958	19,834
Post-employment benefits		12,365	11,713
Provisions		5,063	5,081
Total non-current liabilities		**550,960**	**211,310**
Current liabilities			
Borrowings		1,220	203
Other current financial liabilities	20	6,851	6,654
Current income tax liabilities		12,249	17,429
Trade and other payables		89,268	99,161
Contract liabilities		30,785	-
Provisions		2,071	1,344
Total current liabilities		**142,444**	**124,791**
Total equity and liabilities		**1,413,931**	**1,065,581**

The above Condensed Interim Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Condensed Interim Consolidated Statement of Cash Flows

In thousands of euros	Note	Six months ended 30 June 2018	30 June 2017
Profit before income tax		**164,227**	**141,251**
Adjustments for:			
• Depreciation and amortisation	10	10,811	7,071
• Share based payments	9	1,479	1,835
• Share of profit from associates and joint ventures		(2,599)	(157)
• Changes in working capital and provisions		(19,891)	(11,766)
Cash flow from operating activities		**154,027**	**138,234**
Income tax paid		(52,352)	(36,877)
Net cash generated by operating activities		**101,675**	**101,357**
Cash flow from investing activities			
Acquisition of associates and joint ventures		(853)	(1,157)
Acquisition of subsidiaries, net of cash acquired		(148,562)	(2,990)
Purchase of available-for-sale financial assets		-	(9,594)
Redemption of other current financial assets		14,380	-
Purchase of property, plant and equipment		(3,943)	(3,470)
Purchase of intangible assets	16	(6,139)	(8,939)
Dividends received from associates		4,884	-
Proceeds from sale of property, plant and equipment and intangible assets		134	5
Net cash (used in) investing activities		**(140,099)**	**(26,145)**
Cash flow from financing activities			
Proceeds from borrowings, net of transaction fees	19	496,595	-
Repayment of borrowings, net of transaction fees	19	(165,000)	(71,147)
Interest paid		(494)	(357)
Interest received		138	139
Dividends paid to the company's shareholders	17	(120,441)	(98,809)
Dividends paid to non-controlling interests		(1,600)	-
Transactions in own shares	17	(6,031)	1,460
Employee Share transactions		(204)	-
Net cash (used in) financing activities		**202,963**	**(168,714)**
Net (decrease)/increase in cash and cash equivalents		**164,539**	**(93,502)**
Cash and cash equivalents - Beginning of period		187,785	174,501
Non-cash exchange (losses)/gains on cash and cash equivalents		315	159
Cash and cash equivalents - End of period		**352,639**	**81,158**

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

Condensed Interim Consolidated Statement of Changes in Equity

					Other reserves							
In thousands of euros	Issued capital	Share premium	Reserve own shares	Retained Earnings	Currency translation reserve	Fair value reserve of financial assets at FVOCI	Change in value of available-for-sale financial assets	Total other reserves	Total Shareholders' equity	Non-controlling interests	Total equity	
Balance as at 31 December 2016	**112,000**	**116,560**	**(18,883)**	**332,271**	**125**	**-**	**5,945**	**6,070**	**548,018**	**-**	**548,018**	audited
Profit for the period	-	-	-	97,818	-	-	-	-	97,818	151	97,969	
Other comprehensive income for the period	-	-	-	2,395	(79)	-	31,250	31,171	33,566	-	33,566	
Total comprehensive income for the period	**-**	**-**	**-**	**100,213**	**(79)**	**-**	**31,250**	**31,171**	**131,384**	**151**	**131,535**	
Share based payments	-	-	-	1,835	-	-	-	-	1,835	-	1,835	
Recognition of redemption liability	-	-	-	(8,200)	-	-	-	-	(8,200)	-	(8,200)	
Dividends paid	-	-	-	(98,809)	-	-	-	-	(98,809)	-	(98,809)	
Net disposal of own shares	-	-	1,460	-	-	-	-	-	1,460	-	1,460	
Non-controlling interests on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	378	378	
Other movements	-	-	417	(482)	-	-	-	-	(65)	-	(65)	
Balance as at 30 June 2017	**112,000**	**116,560**	**(17,006)**	**326,828**	**46**	**-**	**37,195**	**37,241**	**575,623**	**529**	**576,152**	unaudited
Balance as at 31 December 2017	**112,000**	**116,560**	**(17,269)**	**468,882**	**(2,549)**	**-**	**37,645**	**35,096**	**715,269**	**14,211**	**729,480**	audited
Change in accounting policy	-	-	-	-	-	37,645	(37,645)	-	-	-	-	
Restated total equity at 1 January 2018	**112,000**	**116,560**	**(17,269)**	**468,882**	**(2,549)**	**37,645**	**-**	**35,096**	**715,269**	**14,211**	**729,480**	
Profit for the period	-	-	-	113,951	-	-	-	-	113,951	792	114,743	
Other comprehensive income for the period	-	-	-	(248)	3,623	(408)	-	3,215	2,967	140	3,107	
Total comprehensive income for the period	**-**	**-**	**-**	**113,703**	**3,623**	**(408)**	**-**	**3,215**	**116,918**	**932**	**117,850**	
Share based payments	-	-	-	1,479	-	-	-	-	1,479	-	1,479	
Dividends paid	-	-	-	(120,441)	-	-	-	-	(120,441)	(1,600)	(122,041)	
Acquisition of own shares	-	-	(6,031)	-	-	-	-	-	(6,031)	-	(6,031)	
Non-controlling interests on acquisition of subsidiary	-	-	-	-	-	-	-	-	-	38	38	
Other movements	-	-	398	(646)	-	-	-	-	(248)	-	(248)	
Balance as at 30 June 2018	**112,000**	**116,560**	**(22,902)**	**462,977**	**1,074**	**37,237**	**-**	**38,311**	**706,946**	**13,581**	**720,527**	unaudited

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

Notes to the Condensed Interim Consolidated Financial Statements

1. General information

Euronext N.V. ("the Group" or "the Company") is a public limited liability company incorporated and domiciled at Beursplein 5, 1012 JW Amsterdam in the Netherlands and is listed on all Continental Euronext local markets i.e. Euronext Amsterdam, Euronext Brussels, Euronext Lisbon and Euronext Paris.

The Group operates securities and derivatives exchanges in Continental Europe and Ireland (Euronext Dublin). It offers a full range of exchange- and corporate services, including security listings, cash and derivatives trading, and market data dissemination. It combines the Amsterdam, Brussels, Dublin, Lisbon and Paris exchanges in a highly integrated, cross-border organisation.

The Group also has a securities exchange in London (Euronext London Ltd.), operates Interbolsa S.A. (the Portuguese national Central Securities Depositories) and has a majority stake in FastMatch Inc., a US-based Electronic Communication Network in the spot foreign exchange market. The Group's in-house IT function supports its exchange operations. In addition, the Group provides software licenses as well as IT development and operation and maintenance services to third-party exchanges.

These Condensed Interim Consolidated Financial Statements were authorised for issuance by Euronext N.V.'s Supervisory Board on 2 August 2018.

2. Significant events and transactions

The following significant events and transactions have occurred during the six-months period ended 30 June 2018:

Acquisition of the Irish Stock Exchange plc.
On 27 March 2018, the Group announced the completion of the acquisition of 100% of the shares and voting rights of the Irish Stock Exchange plc., Ireland's incumbent stock exchange operator and a leading global debt and fund listing venue. The total purchase consideration of the transaction amounted to €174.5 million. The Irish Stock Exchange plc. will operate under the business name Euronext Dublin.

Bond issue and repayment of Bank Loan facility
On 11 April 2018, the Group launched a €500 million, 7-year inaugural bond issue, rated "A" by S&P, with an annual coupon of 1% and listed on Euronext Dublin. The proceeds of the issue will be used to (i) refinance in whole the existing €165 million Bank Loan facility and drawings under the revolving credit facility in connection with the acquisition of Euronext Dublin, and (ii) for general corporate purposes in line with the Agility for Growth strategy. For further details on the Bond issue and the repayment of the €165 million Bank Loan facility, reference is made to Note 19.

Long-term incentive plan 2018 ("LTI 2018")
On 17 May 2018, a Long-Term Incentive plan ("LTI 2018") was established under the revised Remuneration Policy that was approved by the AGM on 6 May 2015. The LTI cliff vests after 3 years whereby performance criteria will impact the actual number of shares at vesting date. The share price for this grant at grant date was €55.00 and 130,018 RSU's were granted. The total share based payment expense at the vesting date in 2021 is estimated to be €7.0 million. Compensation expense recorded for this LTI 2018 plan amounted to €0.2 million in the first half-year of 2018. As part of its LTI 2018 plan, the Group will repurchase 105,000 of its own shares under a repurchase program, which will be implemented and directed by an independent agent.

3. Basis of preparation, significant accounting policies and judgments

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 Consolidated Financial Statements as of and for the fiscal year ended 31 December 2017, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

Significant accounting policies and judgments
The principal accounting policies and critical accounting estimates and judgments applied in the preparation of these Condensed Interim Consolidated Financial Statements are the same as those described in the Consolidated Financial Statements as of and for the year ended 31 December 2017, except for (i) 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, and (ii) the adoption of new and amended standards effective as of 1 January 2018, which are set out below.

New IFRS standards, amendments and interpretations
A number of new or amended standards became applicable for the current reporting period and the Group had to change its accounting policies as a result of adopting the following standards:

- IFRS 9 *'Financial Instruments'*
- IFRS 15 *' Revenue from Contracts with Customers' (including 'Clarifications to IFRS15')*

The impact of the adoption of these standards and the new accounting policies are disclosed in Note 5 'Changes in accounting policies'.

The following other amendments and interpretations also apply for the first time in 2018, but did not have a material impact on the Group's Condensed Interim Consolidated Financial Statements:

- Amendments to IFRS 2 *'Classification and Measurement of Share-based Payment Transactions'*
- Amendments to IFRS 4 *'Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts'*
- Amendments to IAS 40 *'Transfer of Investment Property'*
- Amendments to IAS 28 '*Investments in Associates and Joint-Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice*'
- Amendments to IFRS 1 *'First-time Adoption of International Financial Reporting Standards – Deletion of short-term exemptions for first-time adopters'*
- IFRIC 22 *'Foreign Currency Transactions and Advance Considerations'*

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Impact of standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2018, which the Group has not applied in preparing these Condensed Interim Consolidated Financial Statements.

In the Consolidated Financial Statements of the Group as of and for the year ended 31 December 2017, the (potential) impact of these new standards and amendments were mentioned. No updates on these new standards and amendments are to be reported in these Condensed Interim Consolidated Financial Statements, except for the standard mentioned below.

- IFRS 16 *'Leases'*

IFRS 16 was issued in January 2016. It will result in the recognition of material lease contracts on the (Consolidated) Balance Sheet. The standard will affect the accounting of the Group's operating leases. During the first half-year of 2018, the Group continued its assessment of the impact of the new standard. However the Group has not yet determined the expected impact of these commitments on the recognition of right-of-use assets and lease liabilities on the Group's Balance Sheet and how this will affect the Group's profit and classification of cash flows. The Group will finalise its detailed assessment of the impact and subsequent implementation preparations in the second half-year of 2018. The Group does not intend to adopt the standard before its effective date of 1 January 2019.

4. Segment information

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

5. Changes in accounting policies

This note explains the impact of the adoption of IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Contracts with Customers' on the Group's financial statements and also discloses the new accounting policies that have been applied from 1 January 2018, where they are different to those applied in prior periods.

In accordance with the transitional provision in IFRS 9 and IFRS 15, both standards were adopted without restating comparative information. The adjustments arising from adoption of the new standards are therefore only reflected in the opening balance sheet on 1 January 2018.

The following table shows the adjustments recognised for each individual line item in the consolidated balance sheet. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

In thousands of euros	As originally presented 31 December 2017	IFRS 9	IFRS 15	Restated 1 January 2018
Assets				
Non-current assets				
Financial assets at fair value through OCI	-	147,503	-	147,503
Financial assets at amortised cost	-	7,013	-	7,013
Other non-current assets	-	955	-	955
Available-for-sale financial assets	147,503	(147,503)	-	-
Other receivables	7,968	(7,968)	-	-
Total non-current assets	**781,382**	**-**	**-**	**781,382**
Current assets				
Trade and other receivables	94,986	-	(8,281)	86,705
Other current assets	-	-	8,281	8,281
Other current financial assets	-	-	-	-
Cash and cash equivalents	187,785	-	-	187,785
Total current assets	**284,199**	**-**	**-**	**284,199**
Total assets	**1,065,581**	**-**	**-**	**1,065,581**
Equity and liabilities				
Equity				
Change in value of available-for-sale financial assets	*37,645*	*(37,645)*	*-*	*-*
Fair value reserve of financial assets at FVOCI	*-*	*37,645*	*-*	*37,645*
Other reserves	**35,096**	**-**	**-**	**35,096**
Total equity	**729,480**	**-**	**-**	**729,480**
Non-current liabilities				
Borrowings	164,682	-	-	164,682
Other non-current financial liabilities	10,000	-	-	10,000
Total non-current liabilities	**211,310**	**-**	**-**	**211,310**
Current liabilities				
Other current financial liabilities	6,654	-	-	6,654
Trade and other payables	99,161	-	(5,245)	93,916
Contract liabilities	-	-	5,245	5,245
Total current liabilities	**124,791**	**-**	**-**	**124,791**
Total equity and liabilities	**1,065,581**	**-**	**-**	**1,065,581**

5.1 IFRS 9 'Financial Instruments'

IFRS 9 replaces IAS 39 'Financial Instruments: Recognition and Measurement' for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The adoption of IFRS 9 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. On adoption the Group has not restated comparative periods but presents the cumulative effect of adopting IFRS 9 as a transition adjustment to the opening balance as per 1 January 2018. The effect of changes to the Group's financial statements due to the adoption of IFRS 9 are described below.

Classification and measurement of financial assets

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income (FVOCI)
- Financial assets measured at fair value through profit or loss (FVPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Except for trade receivables, at initial recognition the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. Trade receivables are initially measured at their transaction price if they do not contain a significant financing component in accordance with IFRS 15.

Debt instruments
Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss. This category includes the Group's *Trade and other receivables*, loans and deposits included under *(non-current) Financial assets at amortised cost*, short-term deposits with a maturity of more than three months included under *Other current financial assets* and *Cash and cash equivalents.* The implementation of IFRS 9 had no material impact on these items, as under IAS 39 they were also measured at amortised cost. As per 1 January 2018, the loans, deposits and prepayments that were previously presented together under *(non-current) Other receivables* are now presented as *(non-current) Financial assets at amortised cost* (Loans and deposits) and *Other non-current assets* (prepayments) to reflect their different nature.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Equity instruments
The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. This category includes all of the Group's unlisted equity securities that were classified as available-for-sale under IAS 39, because these investments are held as long-term strategic investments that are not expected to be sold in the foreseeable future. As a result, these assets were reclassified from *Available-for-sale financial assets* to *Financial assets at FVOCI* and the related cumulative fair value gains were transferred within equity from the *Available-for-sale financial asset reserve* to the *FVOCI reserve* on 1 January 2018.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

The assessment of the Group's business models was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at initial recognition of the asset.

Classification and measurement of financial liabilities
The accounting for the Group's financial liabilities remains largely the same as it was under IAS 39. The Group classifies derivative liabilities at fair value through profit or loss and all other financial liabilities at amortised cost. The implementation of IFRS 9 had no material effect on the classification and measurement of the Group's financial liabilities.

Impairment

From 1 January 2018, the group assesses on a forward looking basis the expected credit losses (ECLs) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and economic environment. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. On that basis the loss allowance as at January 2018 was determined. As the identified impact on the existing loss allowance on transition to IFRS 9 was considered insignificant, the Group determined not to adjust the opening balance sheet as per 1 January 2018.

For other debt financial assets, the ECL is based on the 12 month-ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts.

The Group considers its other debt financial assets to be at a low credit risk, as they have a low risk of default as their issuers have a strong capacity to meet their contractual cash flow obligations. As a result, the identified impairment loss on these financial assets was considered insignificant and therefore the Group has not adjusted the opening balance sheet as per 1 January 2018.

Hedge accounting

The Group has elected to adopt the new general hedge accounting model of IFRS 9. This requires the Group to ensure that hedge accounting relationships are aligned with its risk management objectives and strategy to apply a more quantitative and forward-looking approach to assessing hedge effectiveness. The adoption of the hedge accounting requirements of IFRS 9 had no significant impact on the Group's financial statements, as the Group did not apply hedge accounting prior to 1 January 2018.

5.2 IFRS 15 'Revenue from Contracts with Customers'

IFRS 15 replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and establishes a new five-step model that applies to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group adopted the standard by applying the modified retrospective method and has presented the cumulative effect of adopting IFRS 15 as an adjustment to the opening balance sheet as per 1 January 2018. The IFRS 15 related adjustments and reclassifications to the opening balance sheet are presented in the first section of Note 5.

In general the adoption of IFRS 15 only impacted the Group's revenue generated from hosting services within Market Solutions & other. For the other lines of business the adoption of IFRS 15 did not have any impact on the revenue, besides the recognition of contract liabilities instead of deferred revenue, which were previously presented in trade and other payables on the balance sheet (see Note 5.3). The Group's revenue recognition from listing admission services is still subject to debate, as described below at '*Listing*'.

The changes in accounting policies to the Group's primary revenue categories due to the adoption of IFRS 15 are described below.

Listing

Listing fees primarily consist of original listing fees paid by issuers to list securities on the various cash markets (admission fees), subsequent admission fees for other corporate actions (such as admission of additional securities) and annual listing fees paid by companies whose financial instruments are listed on the cash markets.

When determining the performance obligations and related timing of listing revenue recognition, the Group considered its listing services consisting of two performance obligations: admission services and ongoing services with respectively a point in time and an over-time revenue recognition.

With respect to the identification of performance obligations relating to listing services, the IFRS Interpretations Committee (IFRIC) has officially placed the topic 'whether a stock exchange provides an admission service that is distinct from the ongoing listing' on the agenda for its next meeting (September 2018) for discussion. The outcome could potentially change the timing of recognition of revenue from listing admission services, resulting in an impact on the opening equity as per 1 January 2018. Until the outcome of this IFRIC procedure, the Group recognises its listing admission revenues as initially considered.

Trading

The Group earns cash trading fees for customer orders of equity securities, debt securities and other cash instruments on the Group's cash markets and earns derivative trading fees for the execution of trades of derivative contracts on the Group's derivative markets. Spot FX trading fees are earned for execution of trades of foreign exchange contracts on the FastMatch markets. Customers obtain control over the service provided at execution of the trade, which is the only performance obligation. Revenue is recognised at that point in time.

Market Data & Indices
The Group charges clients on a per-user basis for the access to its real-time and proprietary market data information services. The Group also collects periodic license fees from clients for the right to distribute the Group data to third parties. Customers obtain control over the market data service provided during the period over which it has access to the data. Consequently revenue is recognised over that period of time.

The Group generates indices revenues from Index licensing fees, which gives customers the right to apply Euronext Index Trademark names in their products and ETFs. The nature of an index-license is considered a distinct 'right-to-access' license as the customer can reasonably expect the Group to undertake ongoing activities to support and maintain the value of its trademark names. Revenue generated from these licenses are therefore recognised over time, being the contractual period of the license.

Post trade
Post-trade revenue primarily include clearing, settlement and custody fees. Clearing fees are recognised when the clearing of the trading transaction is completed. Customers obtain control over the service provided at completion of clearing the securities, which is the only performance obligation. Revenue is recognised at that point in time. As the Group does not own its own clearing operation, it has put in place an agreement with LCH S.A. in which the latter is providing clearing service as a service provider, executing the service under control of the Group. The nature of the promise is the execution of a cleared trade on the Group's trading platforms. The Group controls the services that are derived from that promise, before it is transferred to the customer. This makes the Group the principal in the transaction of providing clearing services to its customers and consequently the Group recognises its clearing revenue on a gross basis.

Settlement fees are recognised when the settlement of the trading transaction is completed. Customers obtain control over the service provided at completion of the settlement of the securities, which is the only performance obligation. Revenue is recognised at that point in time. Custody fees are recognised as the service of holding the customer's securities in custody is performed. Revenue is recognised over that period of time.

Market Solutions & other
Market solutions and other revenue include software license and maintenance services, IT (hosting) services provided to third-party market operators, connection services and data centre colocation services provided to market participants, and other revenue.

Software licenses that are distinct can be considered a 'right-to-use' license, given the significant stand-alone functionality of the underlying intellectual property. Consequently revenue will be recognised at the point in time of acceptance of the software and the source code by the customer. For software licenses that are combined with a significant modification service revenues are recognised over time, being the significant modification period, as the Group has no alternative use for these combined performance obligations and would have an enforceable right to payment for performance completed to date. Revenue from software maintenance services are recognised over time, being the maintenance agreement period.

The Group delivers hosting services to customers that are using the software installed in the Euronext datacentre to use the Group's trading platforms. Installation services provided before the start of a hosting service do not include significant client customisation of the software installed in the Euronext datacentre. As the installation service itself does not transfer a good or service to the customer, these installation services are combined with the hosting services and are used as inputs to produce the combined output specified in the contract. Consequently revenue generated from this combined performance obligation is recognised over time, being the full service period of the hosting contract. The adoption of IFRS 15 did have an impact on the Group's hosting revenue, as under IAS 18 revenue from installation services was already recognised at the moment that the installation service was finalised. However, as the identified impact on the Group's hosting revenue on transition to IFRS 15 was considered insignificant, the Group determined not to adjust the opening balance sheet as per 1 January 2018.

Connection services and data centre colocation services are provided under a revenue sharing agreement with Intercontinental Exchange (ICE). Euronext is providing ICE the right to provide services directly to Euronext customers who connect to its markets via the ICE SFTI® network or who rent colocation space in the ICE data centres that house Euronext's trading platforms. ICE receives fees from Euronext customers over the period of access to the SFTI® network and over the colocation rental period. The Group recognises its revenue share of those fees over that same period of time.

The Group also generates revenue from other connection services that trading members are using primarily for the purpose of placing their cash and derivatives trading orders. Members enter into contracts that generate access availability for placing trading orders (the active logon session). Customers obtain control over the service provided during the period of access to their active logon session. Revenue is recognised over that period of time.

5.3 Presentation and disclosure requirements

The Group has changed the presentation of certain amounts in the opening balance sheet as per 1 January 2018 to reflect the terminology of the new standards and the differences in nature.

Contract liabilities, primarily relating to annual listing, software maintenance, hosting services and indices licenses were previously presented in trade and other payables as deferred revenue. On 1 January 2018 an amount of €5.2 million was reclassified from trade and other payables to contract liabilities.

Prepayments were previously presented in trade and other receivables, but are now presented as other current assets to reflect their different nature. As a result, an amount of €8.3 million was reclassified from trade and other receivables to other current assets on 1 January 2018.

As required for condensed interim financial statements, the Group disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Refer to Note 8 for the disclosure on disaggregated revenue.

6. Group information

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

		Ownership	
Subsidiaries	**Domicile**	**As at 30 June 2018**	**As at 31 December 2017**
Enternext S.A.	France	100.00%	100.00%
Euronext Amsterdam N.V.	The Netherlands	100.00%	100.00%
Euronext Brussels S.A./N.V.	Belgium	100.00%	100.00%
Euronext IP & IT Holding B.V.	The Netherlands	100.00%	100.00%
Euronext Hong Kong Limited	Hong Kong	100.00%	100.00%
Euronext Lisbon S.A. (a)	Portugal	100.00%	100.00%
Euronext London Ltd.	United Kingdom	100.00%	100.00%
Euronext Paris S.A.	France	100.00%	100.00%
Euronext Technologies Holding S.A.S.	France	100.00%	100.00%
Euronext Technologies Ltd.	United Kingdom	100.00%	100.00%
Euronext Technologies S.A.S.	France	100.00%	100.00%
Euronext Technologies Unipessoal Lda.	Portugal	100.00%	100.00%
Interbolsa S.A. (b)	Portugal	100.00%	100.00%
The Irish Stock Exchange Plc. (c)	Ireland	100.00%	0.00%
ISE Old Co. Ltd. (c)	Ireland	100.00%	0.00%
Irish Stock Exchange Services Ltd. (c)	Ireland	100.00%	0.00%
European Wholesale Markets Ltd. (c)	Malta	80.00%	0.00%
Euronext Corporate Services B.V.	The Netherlands	100.00%	100.00%
Company Webcast B.V.	The Netherlands	51.00%	51.00%
iBabs B.V.	The Netherlands	60.00%	60.00%
MSI Services B.V.	The Netherlands	60.00%	60.00%
IR Soft Ltd.	United Kingdom	100.00%	100.00%
Euronext US Inc.	United States	100.00%	100.00%
Euronext Synapse LLC	United States	100.00%	100.00%
FastMatch Inc.	United States	89.78%	89.78%
FastMatch Asia Markets Pte Ltd. (d)	Singapore	89.78%	0.00%
InsiderLog AB (e)	Sweden	80.00%	0.00%
Stichting Euronext Foundation (f)	The Netherlands	0.00%	0.00%
Associates	**Domicile**		
Tredzone S.A.S.	France	34.04%	34.04%
European Central Counterparty N.V.	The Netherlands	20.00%	20.00%
LCH SA	France	11.10%	11.10%
Joint Ventures	**Domicile**		
Algonext Ltd.	United Kingdom	50.00%	50.00%
LiquidShare S.A.	France	13.57%	13.57%
Non-current investments	**Domicile**		
Sicovam Holding S.A.	France	9.60%	9.60%
Euroclear plc. (g)	United Kingdom	3.53%	3.34%
Algomi Ltd.	United Kingdom	7.74%	7.74%

(a) Legal name of Euronext Lisbon S.A. is Euronext Lisbon - Sociedade Gestora de Mercados Regulamentados, S.A.
(b) Legal name of Interbolsa S.A. is Interbolsa - Sociedade Gestora de Sistemas de Liquidaçao e de Sistemas Centralizados de Valores Mobiliários, S.A.
(c) The acquired subsidiaries are part of The Irish Stock Exchange, which operates under the business name Euronext Dublin and was acquired on 27 March 2018 (see Note 7).
(d) FastMatch Asia Markets Pte Ltd. was incorporated on 7 May 2018.
(e) InsiderLog AB was acquired on 17 January 2018 for a cash consideration of €5.8 million (see Note 7).
(f) Stichting Euronext Foundation is not owned by the group but included in the scope of consolidation.
(g) The interest in Euroclear plc. increased to 3.53%, following the acquisition of the Irish Stock Exchange plc.

7. Business combinations

The acquisitions that occurred during the six months period ended 30 June 2018 are set out below.

7.1 Acquisition of the Irish Stock Exchange plc.

On 27 March 2018, the Group acquired 100% of the shares and voting rights of the Irish Stock Exchange plc., Ireland's incumbent stock exchange operator and a leading global debt and fund listing venue. The Group has acquired the Irish Stock Exchange plc. to expand the Group's federal model and increase the Group's growth opportunities by diversifying its top line. The combined Group will become the largest centre for debt and funds listings globally.

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

Purchase consideration:

In thousands of euros	Fair value
Cash paid	174,529
Total purchase consideration	**174,529**

The preliminary purchase price allocation yielded the following results:

In thousands of euros	Preliminary calculation Fair value
Assets	
Property, plant and equipment	7,571
Intangible assets: customer relations	20,600
Intangible assets: software platform	4,900
Financial assets at FVOCI	5,514
Current income tax receivables	1,103
Trade and other receivables	5,325
Other current financial assets	18,680
Cash and cash equivalents	33,819
Liabilities	
Deferred tax liabilities	(3,399)
Trade and other payables	(21,592)
Contract liabilities	(10,738)
Net identifiable assets acquired	**61,783**
Less: non-controlling interest	-
Add: Goodwill	112,746
Total purchase consideration	**174,529**

The goodwill is primarily attributable to the expected synergies and other benefits from combining the assets and activities of the Irish Stock Exchange plc., with those of the Group. The goodwill is not deductible for income tax purposes. See Note 16 for the changes in goodwill as a result from the acquisition.

Acquired receivables

The fair value of trade and other receivables was €5.3 million and included €2.9 million of trade receivables, which is not materially different to the gross contractual amount. As at 30 June 2018, none of the trade receivables have been impaired.

Revenue and profit contribution

From the date of the acquisition, the Irish Stock Exchange plc. has contributed €8.7 million of revenue and €0.6 million of net loss to the Group, due to exceptional items. If the acquisition would have occurred on 1 January 2018, consolidated revenue and profit for the six months ended 30 June 2018 would have been €321.4 million and €116.1 million respectively.

Acquisition related costs

Acquisition related costs of €2.9 million have been expensed and are included in professional services in profit or loss. In addition, €1.7 million of stamp duty taxes related to the acquisition were recognised in other operating expenses in profit or loss.

7.2 Acquisition of Insiderlog AB

On 17 January 2018, the Group acquired 80% of the capital of InsiderLog AB, a Stockholm-based leading player in the field of insider list management, for a cash consideration of €5.8 million. The net assets acquired amounted to €0.1 million and the related goodwill amounted to €5.7 million (see Note 16).

As the acquisition is considered individually immaterial, not all detailed information required under IFRS 3 is provided.

7.3 Information on acquisitions in the comparative period

On 14 February 2017, the Group acquired 51% of the ordinary shares in Company Webcast B.V. Details of this business combination were disclosed in Note 5 of the Group's Consolidated Financial Statements for the year ended 31 December 2017.

8. Revenue and geographical information

Revenue

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

Substantially all of the Group's revenues are considered to be revenues from contracts with customers.

Set out below is the disaggregation of the Group's revenue from contracts with customers for the six months ended 30 June:

In thousands of euros		Timing of revenue recognition			Timing of revenue recognition	
		Product or service transferred			Product or service transferred	
Major revenue stream	**2018**	at a point in time	over time	**2017**	at a point in time	over time
Listing	46,378	20,763	25,615	42,401	24,115	18,286
Trading revenue	141,850	141,850	-	117,536	117,536	-
of which						
Cash trading	*109,608*	*109,608*	-	*96,998*	*96,998*	-
Derivatives trading	*21,448*	*21,448*	-	*20,538*	*20,538*	-
FX trading	*10,794*	*10,794*	-	-	-	-
Market data & indices	59,053	-	59,053	51,735	-	51,735
Post-trade	38,755	28,870	9,885	35,245	26,212	9,033
of which						
Clearing	*27,652*	*27,652*	-	*25,069*	*25,069*	-
Custody & Settlement and other	*11,103*	*1,218*	*9,885*	*10,176*	*1,143*	*9,033*
Market solutions & other revenue	17,823	330	17,493	16,765	385	16,380
Other income	124	124	-	197	197	-
Total revenue from contracts with customers	**303,983**	**191,937**	**112,046**	**263,879**	**168,445**	**95,434**

Geographical information

Set out below is the geographical information of the Group's revenue:

In thousands of euros	France	Netherlands	United Kingdom	Belgium	Portugal	Ireland	United States	Sweden	Hong Kong	Total
Six months ended 30 June 2018										
Revenue	163,032	87,071	138	17,066	16,674	8,725	10,851	419	7	303,983
Six months ended 30 June 2017										
Revenue	158,315	73,585	180	14,350	17,401	-	-	-	48	263,879

Market data and Indices revenues are attributed to the country where the exchange is domiciled. Revenues from other categories are attributed to the billing entity.

9. Salaries and employee benefits

In thousands of euros	2018	2017
Salaries and other short term benefits	(40,258)	(35,691)
Social security contributions	(11,638)	(11,290)
Share-based payment costs	(1,479)	(1,835)
Pension cost - defined benefit plans	(670)	(619)
Pension cost - defined contribution plans	(790)	(524)
Total	**(54,835)**	**(49,959)**

10. Depreciation and amortization

In thousands of euros	2018	2017
Depreciation of tangible fixed assets	(3,569)	(3,289)
Amortisation of intangible fixed assets	(7,242)	(3,782)
Total	**(10,811)**	**(7,071)**

The increase in amortisation of intangible fixed assets related to software and customer relations amortisation from newly acquired companies during the last twelve months.

11. Other operational expenses

In thousands of euros	2018	2017
Systems and communications	(12,567)	(10,475)
Professional services	(24,534)	(22,315)
Clearing expenses	(14,863)	(13,404)
Accommodation	(5,200)	(5,011)
Other expenses (a)	(15,255)	(13,044)
Total	**(72,419)**	**(64,249)**

(a) Other expenses include marketing, taxes, insurance, travel, professional membership fees and other expenses.

12. Exceptional items

In thousands of euros	2018	2017
Restructuring costs	(6,402)	(1,352)
Acquisition costs	-	(2,227)
Litigation provisions/settlements	-	(798)
Impairment intangible assets	(893)	-
Other	119	(112)
Total	**(7,176)**	**(4,489)**

For the six months ended 30 June 2018, the €6.4 million of restructuring costs related to expenses for employee termination benefits in various Euronext locations. In addition, €0.9 million of onerous contract costs related to impaired purchased software.

For the six months ended 30 June 2017, the €1.4 million of restructuring costs relates to expenses for employee termination benefits in the various Euronext locations. The acquisition costs of €2.2 million are primarily attributable to expenses related to the envisaged acquisition of LCH.Clearnet S.A. The €0.8 million of litigation provisions are attributable to two individual legal cases.

13. Net financing income / (expense)

In thousands of euros	2018	2017
Interest expense	(2,170)	(1,719)
Other finance costs	-	-
Finance costs	**(2,170)**	**(1,719)**
Interest income (effective interest method)	136	154
Interest income from interest rate swaps	1,014	-
Hedging result	(505)	-
Gain / (loss) on disposal of treasury investments	5	(2)
Net foreign exchange gain/(loss)	70	(25)
Other net financing income/(expense)	**720**	**127**
Total	**(1,450)**	**(1,592)**

Finance costs primarily increased following the accelerated amortisation of the issue costs related to the early terminated Bank Loan facility (see Note 19).

Other net financing income was positively impacted by income from interest rate swaps, as a result of the Group entering into interest rate swap agreements (see Note 19).

Hedging result consists of gains or losses resulting from the ineffective part of the fair value hedge between the interest rate swaps and the Bond (see Note 19).

14. Results from equity investments

In thousands of euros	2018	2017
Dividend income	4,336	4,575
Total	**4,336**	**4,575**

15. 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 effective tax rate decreased from 30.6% for the six months ended 30 June 2017 to 30.1% for the six months ended 30 June 2018.

16. Goodwill and other intangible assets

The Goodwill and other intangible assets held by the Group increased primarily as a result of the acquisitions of the Irish Stock Exchange plc. and Insiderlog AB. See Note 7 for further information on the acquisitions.

In thousands of euros	Goodwill	Internally developed software	Purchased softw. Constr. in Pr. Patents & TrMrk	Intangible assets recognised on acquisition of subsidiaries: Software	Customer Relations	Brand Names	Total
As at 31 December 2017							
Cost	474,953	80,365	43,689	7,708	52,208	6,899	665,822
Accumulated amortisation and impairment	(53,340)	(57,235)	(37,786)	(1,137)	(1,190)	-	(150,688)
Net book amount	**421,613**	**23,130**	**5,903**	**6,571**	**51,018**	**6,899**	**515,134**
As at 1 January 2018 net book amount							
Exchange differences	2,477	66	10	65	888	167	3,673
Additions	-	5,980	159	-	-	-	6,139
Impairment charge	-	(20)	(46)	-	-	-	(66)
Transfers and other	-	30	11	-	-	-	41
Acquisitions of subsidiaries	118,538	94	-	4,900	20,600	-	144,132
Amortisation charge (Note 10)	-	(2,702)	(1,259)	(1,476)	(1,805)	-	(7,242)
As at 30 June 2018 net book amount	**542,628**	**26,578**	**4,778**	**10,060**	**70,701**	**7,066**	**661,811**
As at 30 June 2018							
Cost	595,969	90,522	43,913	12,731	73,749	7,066	823,950
Accumulated amortisation and impairment	(53,341)	(63,944)	(39,135)	(2,671)	(3,048)	-	(162,139)
Net book amount	**542,628**	**26,578**	**4,778**	**10,060**	**70,701**	**7,066**	**661,811**

As there were no indicators for impairment, management has not updated any of the impairment calculations as per 30 June 2018.

17. Shareholders' equity

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

As of 30 June 2018, Euronext's issued share capital amounts to €112,000,000 and is divided into 70,000,000 Ordinary Shares. The Priority Share is currently not outstanding. 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.

Dividend

On 15 May 2018, the Annual General Meeting of shareholders voted for the adoption of the proposed €1.73 dividend per ordinary share. On 24 May 2018, a dividend of €120.4 million has been paid to the shareholders of Euronext N.V.

Treasury shares

Movements in treasury shares during the six-months period	# Shares 2018	# Shares 2017	Total Value 2018	Total Value 2017
			(In thousands of euros)	
Liquidity contract (a)	1,494	(32,951)	103	(1,460)
Share Repurchase Program (b)	104,500	-	5,928	-
From share-based payments (c)	(10,014)	(10,497)	(398)	(417)

(a) The movement in value of €0.1 million during the first half of 2018, relates to the transactions in Euronext N.V. shares conducted by the liquidity provider on behalf of the Group under the liquidity contract established.
(b) Under the Share Repurchase Program, the Group repurchased 104,500 shares during the first half of 2018.
(c) 10,014 shares were delivered to employees for whom share plans had already vested.

18. Earnings per Share

Basic

Earnings per share are computed by dividing profit attributable to the shareholders of the Company by the weighted average number of shares outstanding for the period. The number of weighted average shares used for the basic earnings per share calculation for the six months ended 30 June 2018 was 69,597,722 (30 June 2017: 69,562,035).

Diluted
Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the share plans the dilution was determined by the number of shares that could have been acquired at fair value (determined as the average quarterly market price of Euronext's shares) based on the fair value (measured in accordance with IFRS 2) of any services to be supplied to Euronext in the future under the share plan. The number of weighted average shares used for the diluted earnings per share calculation for the six months ended 30 June 2018 was 69,966,603 (30 June 2017: 69,951,659).

19. Borrowings

In thousands of euros	Balance at 31 December 2017	New issues	Repayments	Fair Value adjustment to interest rate hedge	Other movements	Balance at 30 June 2018
Non-current						
Borrowings						
Bank Loan facility	165,000	-	(165,000)	-	-	-
Senior Unsecured note	-	500,000	-	3,836	-	503,836
Bond discount	-	(2,880)	-	-	81	(2,799)
Issue costs	(318)	(525)	328	-	52	(463)
Total	**164,682**	**496,595**	**(164,672)**	**3,836**	**133**	**500,574**
Current						
Borrowings (accrued interest)	203	-	-	-	1,017	1,220
Total	**203**	**-**	**-**	**-**	**1,017**	**1,220**

On 18 April 2018, the Group issued a €500 million Bond ('Senior Unsecured note') to refinance its 2017 and 2018 acquisitions and diversify its financing mix.

The Bond has a seven year maturity, with an annual coupon of 1%. On 18 April 2018 the Bond, rated "A" by Standard & Poor's rating agency, was listed on Euronext Dublin.

The Bond issue included €2.9 million of Bond discount and €0.5 million of issue costs. These were capitalised and will be amortised over the period of the Bond.

In April 2018, following receipt of the proceeds of the Bond issue, the Group repaid the €165.0 million Bank Loan facility and €173.0 million temporary drawings under the revolving credit facility in connection with the acquisition of the Irish Stock Exchange plc.

The existing €250.0 million revolving credit facility ("RCF") agreement remained unchanged and matures on 12 April 2022, with a two times one year extension possibility.

The revolving credit facility agreement allows the Group to apply all amounts borrowed by it towards (i) general corporate and/or working capital purposes of the Group, (ii) satisfaction of the consideration payable for an acquisition and/or (iii) the payment of fees, costs and expense incurred in relation to an acquisition.

The revolving credit facility bears an interest rate of EURIBOR plus a margin initially set at 0.25% based on the A rating. It should be noted that as at 30 June 2018, no advances have been drawn under the revolving credit facility.

Euronext is required to maintain compliance with a maximum leverage ratio if the credit rating would drop below BBB+. The maximum leverage ratio measures Euronext total gross debt to EBITDA (as such terms are defined in the Facilities Agreement). Euronext is required to maintain a leverage ratio of no more than 3.5x.

Risk management activities

Fair value hedges for interest rate risk
In relation to the fixed-rate €500 million Bond, the Group uses interest rate swap agreements to reduce the variability of the fair value of the Bond attributable to the change in interest rate, allowing it to transform the fixed rate exposure to floating rate.

The Group has entered into three interest rate swap agreements totaling €500.0 million of notional amount, expiring on 18 April 2025. Under the swap agreements, the Group receives an annual fixed interest rate of 1%, which is equal to the annual coupon of the Bond, and pays a variable rate of six-month EURIBOR, plus a weighted average spread of 0.3825%. At 30 June 2018, the rate applicable to the floating leg of the swap for the aggregate notional of €500 million was 0.1125%.

The swap agreements are formally designated and qualify as fair value hedges and are recorded at fair value in the Consolidated Balance Sheet. Gains or losses resulting from the effective part of the hedge, due to changes in fair value of the interest rate swaps, offset changes in the fair value of the hedged portion of the Bond. Gains or losses resulting from the ineffective part of the hedge are recognised in *'hedging result'* in the Consolidated Statement of Profit or Loss.

As per 30 June 2018, the ineffective part of the hedge was a loss of €0.5 million recognised in *'hedging result'* in the Consolidated Statement of Profit or Loss.

The aggregate fair value of the interest rate swaps as of 30 June 2018 amounted to €3.3 million and is included in *'derivative financial assets'*. The Group does not hold or issue any derivative instrument for trading or speculative purposes.

20. Financial instruments

The financial instruments held by the Group are set out below. As explained in Note 5, the Group adopted IFRS 9 without restating comparative information. As a result, the comparative information follows the requirements of IAS 39.

20.1 Financial instruments by category

In thousands of euros	As at 30 June 2018 Amortised cost	FVOCI equity instruments	FVPL	Total
Financial assets				
Financial assets at fair value through other comprehensive income	-	152,470	-	152,470
Financial assets at amortised cost	6,995	-	-	6,995
Trade and other receivables	101,354	-	-	101,354
Derivative financial instruments	-	-	3,331	3,331
Other current financial assets	4,300	-	-	4,300
Cash and cash equivalents	352,639	-	-	352,639
Total	**465,288**	**152,470**	**3,331**	**621,089**
Financial liabilities				
Borrowings (non-current)	500,574	-	-	500,574
Other non-current financial liabilities	-	-	10,000	10,000
Other current financial liabilities	-	-	6,851	6,851
Trade and other payables	89,268	-	-	89,268
Total	**589,842**	**-**	**16,851**	**606,693**

In thousands of euros	As at 31 December 2017 Loans and receivables / payables	Available-for-sale	FVTPL	Total
Financial assets				
Available-for-sale financial assets	-	147,503	-	147,503
Trade and other receivables excluding prepayments	70,494	-	-	70,494
Cash and cash equivalents	187,785	-	-	187,785
Total	**258,279**	**147,503**	**-**	**405,782**
Financial liabilities				
Borrowings (non-current)	164,682	-	-	164,682
Other non-current financial liabilities	-	-	10,000	10,000
Other current financial liabilities	-	-	6,654	6,654
Trade and other payables	99,161	-	-	99,161
Total	**263,843**	**-**	**16,654**	**280,497**

20.2 Fair value measurement

This note provides an update on the judgments and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

20.2.1 Fair value hierarchy

The table below analyses financial instruments 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 2018			
Assets			
Financial assets at FVOCI			
Unlisted equity securities	-	-	152,470
Financial assets at FVPL			
Hedging derivatives - interest rate swaps	-	3,331	-
Total assets	**-**	**3,331**	**152,470**
Liabilities			
Financial liabilities at FVPL			
Contingent consideration payables	-	-	8,651
Redemption liability	-	-	8,200
Total liabilities	**-**	**-**	**16,851**
As at 31 December 2017			
Assets			
Available-for-sale financial assets			
Unlisted equity securities	-	-	147,503
Total assets	**-**	**-**	**147,503**
Liabilities			
Financial liabilities at FVPL			
Contingent consideration payables	-	-	8,454
Redemption liability	-	-	8,200
Total liabilities	**-**	**-**	**16,654**

The fair value of interest rate swaps is calculated as the present value of the estimated future net cash flows based on observable yield curves at the reporting date. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period. The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2018.

20.2.2 Fair value measurements using unobservable inputs (level 3)

The following table shows the changes in level 3 instruments for the six-months period ended 30 June 2018:

In thousands of euros	Unlisted equity securities	Contingent consideration payables	Redemption liability	Total
As at 31 December 2017	**147,503**	**(8,454)**	**(8,200)**	**130,849**
Revaluation recognised in OCI	(547)	-	-	(547)
Acquisition of subsidiaries	5,514	-	-	5,514
Exchange differences	-	(197)	-	(197)
As at 30 June 2018	**152,470**	**(8,651)**	**(8,200)**	**135,619**

There were no transfers between the levels of fair value hierarchy in the six-months period ended 30 June 2018.

Valuation process

Concerning the valuation process for fair value measurement categorised within level 3 of the fair value hierarchy, the Group's central treasury department collects and validates the available level 3 inputs and performs the valuation according to the Group's valuation methodology for each reporting period. The fair value estimates are discussed with-, and challenged by the Group Financial Controller and the Chief Financial Officer. Periodically the values of investments categorized in "level 3" are validated by staff with extensive knowledge of the industry in which the invested companies operate. Although valuation techniques are applied consistently as a principle, Management, upon advice from the Group's valuation experts, may decide to replace a valuation technique if such a change would improve the quality or the reliability of the valuation process.

Unlisted equity securities in Euroclear plc and Sicovam Holding S.A.

For measuring fair value of its long-term investments in unlisted equity securities in Euroclear plc. and Sicovam Holding S.A. the Group applied the Gordon valuation technique as its primary valuation method with normalised return on equity and expected dividend growth rate as key non-observable parameters.

As per 30 June 2018 , key assumptions were as follows:

In thousands of euros	**Fair value at 30 June 2018**	**Unobservable inputs *)**	**Range of inputs (probaility-weighted average)**	**Relationship of unobservable inputs to fair value**	
				Increase	**decrease**
Euroclear Plc	101,125	Return on equity	7.5% - 8.5% (8%)	8,915	(10,049)
		Expected dividend growth rate	1% - 2% (1.5%)		
Sicovam Holding S.A.	41,696	Return on equity	7.5% - 8.5% (8%)	3,467	(3,908)
		Expected dividend growth rate	1% - 2% (1.5%)		

As per 31 December 2017, key assumptions were as follows:

In thousands of euros	**Fair value at 31 December 2017**	**Unobservable inputs *)**	**Range of inputs (probaility-weighted average)**	**Relationship of unobservable inputs to fair value**	
				Increase	**decrease**
Euroclear Plc	96,159	Return on equity	7.9% - 8.9% (8.4%)	10,131	(6,321)
		Expected dividend growth rate	0.83% - 1.83% (1.33%)		
Sicovam Holding S.A.	41,696	Return on equity	7.9% - 8.9% (8.4%)	4,386	(2,374)
		Expected dividend growth rate	0.83% - 1.83% (1.33%)		

**) There were no significant inter-relationships between unobservable inputs that materially affect fair value*

The sensitivity analysis shows the impact on fair value using the most favorable combination (increase), or least favorable combination (decrease) of the unobservable inputs per investment in unlisted equity securities.

Unlisted equity securities in Algomi Ltd.

For the valuation of the long-term investment in unlisted equity securities of Algomi Ltd., the Group determined the purchase price to be best proxy for fair value as per 30 June 2018. This was confirmed by a recent transaction at similar valuation.

Contingent consideration payables and redemption liability

The inputs used for the valuation of the contingent consideration payables and the redemption liability did not substantially deviate from the ones described in Note 5 of the Consolidated Financial Statements as of, and for the year ended 31 December 2017. Management considers the impact of changes of these unobservable inputs not material for the total level 3 portfolio.

20.2.3 Fair values of other financial instruments

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. For these instruments the fair values approximate their carrying amounts.

21. Related parties

21.1 Transactions with related parties

The Group has related party relationships with its associates and joint ventures. The related party transactions in the six-month period ended 30 June 2018 do not significantly deviate from the transactions as reflected in the financial statements as at and for the year ended 31 December 2017.

Transactions with subsidiaries are eliminated on consolidation. The interests in group companies are set out in Note 6.

21.2 Key management personnel

During the first half-year of 2018, the following mutations in the Group's key management personnel have occurred:

Managing Board

In April 2018, Lee Hodgkinson, Head of Markets and Global Sales of Euronext and CEO of Euronext London Ltd. resigned from the Managing Board. In the process of searching for a permanent replacement, the Group appointed Paul Humphrey to fulfill these functions on an interim basis. On 30 July 2018, the Group announced that the Supervisory Board had approved unanimously the appointment of Chris Topple as CEO of Euronext London Ltd., Head of Global Sales and member of the Managing Board, subject to all relevant shareholder and regulatory approval.

At the Annual General Meeting held on 15 May 2018, Deirdre Somers was officially appointed as a member of the Managing Board and CEO of Euronext Dublin. On 28 June 2018, the Group announced that Deirdre Somers had resigned and the Supervisory Board of Euronext N.V. nominated Daryl Byrne as her successor, subject to formal appointment by an Extraordinary Shareholders' Meeting of Euronext N.V. and the usual regulatory non-objections.

Supervisory Board

Immediately after the Annual General Meeting (AGM) held on 15 May 2018, Rijnhard van Tets and Koenraad Dom stepped down from the Supervisory Board. The Supervisory Board has elected Dick Sluimers as its next Chairman. At the same meeting, Luc Keuleneer and Padraic O'Connor were appointed as new members of the Supervisory Board. Their appointments took effect on 6 June 2018.

With the exception of the above there were no other changes in key management personnel during the six months ended 30 June 2018. Other arrangements with key management have remained consistent since 31 December 2017.

22. Contingencies

The Group is involved in a number of legal proceedings that have arisen in the ordinary course of Euronext's business. Set out below are the legal proceedings that had changes in status, compared to what has been reported in Note 33 "Contingencies" of the Group's Consolidated Financial Statements for the year ended 31 December 2017. No new material legal proceedings occurred during the six months ended 30 June 2018.

Euronext Amsterdam Pension Fund

Approximately 120 retired and/or former Euronext Amsterdam employees, united in an association, served summons on Euronext Amsterdam on 3 April 2014. The claim is based on the fact that Euronext Amsterdam terminated its pension agreement with the pension fund Mercurius ("PMA") and transferred the pension of the current employees of Euronext Amsterdam to Delta Lloyd Asset Management ("Delta Lloyd"). The pension entitlements of the retired and/or former employees of Euronext Amsterdam have also been transferred by PMA to Delta Lloyd. The retired and/or former employees have been informed by PMA that the transfer of their entitlements to Delta Lloyd will result in a nominal pension entitlement without indexation in the future. The association claims that Euronext Amsterdam should guarantee the same pension entitlements of the retired Euronext Amsterdam employees under the same or similar conditions as those in the agreement between Euronext Amsterdam and PMA with the consideration that (i) the administration fee will be covered, (ii) the liability ratio will be covered and (iii) the loyalty and solidarity between retired and current employees is provided for. The amount will need to be calculated by an actuary.

After Euronext Amsterdam filed a statement of defence on 27 June 2014, the Subdistrict (Kanton) Division of the Court of Amsterdam on 11 July 2014 granted the retired and/or former employees of Euronext Amsterdam a term until 8 August 2014 in order to file a rejoinder. On that date the counterparty was granted a postponement until 5 September 2014 for its statement of reply. Both parties have filed all documents and statements and an oral hearing took place on 11 June 2015. The judge asked both parties to explore a settlement and Euronext assessed the costs of potential out of court solutions. The Court has been informed that no arrangement on such settlement could be reached. On 24 June 2016 the judge delivered a decision. The claim that Euronext Amsterdam should guarantee the same pension entitlements of the retired Euronext Amsterdam employees under the same or similar conditions as those in the agreement between Euronext Amsterdam and PMA is rejected. However, the judge did hold that there has been an attributable breach by Euronext Amsterdam in the performance of the pension agreements with the members of the association. Euronext Amsterdam is ordered to pay for damages resulting from the loss of indexation perspective incurred by the claimants other than the association. The association is not eligible to claim damages. The amount of the damages needs to be determined in a separate procedure (a “schadestaatprocedure”). Management believes that the decision is insufficiently motivated. On 21 September 2016, Euronext Amsterdam has filed for appeal against the decision. The grounds for appeal were filed on 6 December 2016. On 14 February 2017 claimants filed their responses and also filed for appeal against certain parts of the decision of 24 June 2016. Euronext Amsterdam has responded to the grounds for appeal raised by claimants on 25 April 2017. An oral hearing took place on 24 November 2017. A decision is expected on 21 August 2018. No provision has been booked in connection with this case.

23. Events after the reporting period

No event occurred between 30 June 2018 and the date of this report that could have a material impact on the economic decisions made based on these financial statements.

Amsterdam, 3 August 2018

Stéphane Boujnah
Chief Executive Officer and Chairman of the Managing Board

Giorgio Modica
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 consolidated 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, 3 August 2018

Stéphane Boujnah	**Giorgio Modica**
Chief Executive Officer and Chairman of the Managing Board	Chief Financial Officer

Independent auditor's review report

To: the Managing Board and Supervisory Board of Euronext N.V.

Introduction
We have reviewed the accompanying condensed consolidated interim financial statements of Euronext N.V., Amsterdam, which comprises the condensed interim consolidated balance sheet as at 30 June 2018, the condensed interim consolidated statements of profit or loss, the condensed interim consolidated statement of comprehensive income, the condensed interim consolidated statement of changes in equity, the condensed interim consolidated statement of cash flows for the six-month period then ended and the selected explanatory notes.

Management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim 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 Entity'. 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 Dutch 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 consolidated interim financial statements for the six-month period ended 30 June 2018 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

Amsterdam, 3 August 2018

Ernst & Young Accountants LLP

signed by A.B. Roeders