IMPORTANT NOTICE

THIS PRELIMINARY OFFERING MEMORANDUM (THE "**OFFERING MEMORANDUM**") IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QUALIFIED INSTITUTIONAL BUYERS ("**QIBs**") WITHIN THE MEANING OF RULE 144A ("**RULE 144A**") UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**US SECURITIES ACT**"), OR (2) NON-US PERSONS IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S ("**REGULATION S**") UNDER THE US SECURITIES ACT (AND, IF INVESTORS ARE RESIDENT IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("**EEA**"), QUALIFIED INVESTORS, WITHIN THE MEANING OF ARTICLE 2(1)(E) OF DIRECTIVE 2003/71/EC (AS AMENDED, THE "**PROSPECTUS DIRECTIVE**"), AND ANY RELEVANT IMPLEMENTING MEASURE IN EACH MEMBER STATE OF THE EEA).

IMPORTANT: You must read the following before continuing. The following disclaimer applies to this Offering Memorandum following this notice, and you are therefore advised to read this carefully before reading, accessing or making any other use of this Offering Memorandum. In accessing this Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Issuer as a result of such access. This Offering Memorandum has been prepared in connection with the proposed offer and sale of the notes described herein (the "**Notes**"). This Offering Memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE US SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THIS OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE US SECURITIES ACT, APPLICABLE STATE OR LOCAL SECURITIES LAWS OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NOTES DESCRIBED HEREIN.

Confirmation of your representation: In order to be eligible to view this Offering Memorandum or make an investment decision with respect to the Notes, you must be either (1) a QIB, or (2) a non-US person purchasing the Notes in offshore transactions in reliance on Regulation S; provided that if you are resident in a member state of the EEA you are a qualified investor (within the meaning of the Prospectus Directive and any relevant implementing measure in each member state of the EEA). This Offering Memorandum is being sent at your request. By accessing this Offering Memorandum or accepting an e-mail with this Offering Memorandum attached, you shall be deemed to have represented to us and the initial purchasers named as such in this Offering Memorandum (the "**Initial Purchasers**") that:

(1) you consent to delivery of such Offering Memorandum by electronic transmission; and

(2) either:

  (a) you and any customers you represent are QIBs; or

  (b) (i) you and any customers you represent are non-US persons outside the United States and (ii) the e-mail address that you gave the Issuer and to which the e-mail has been delivered is not located, and will not be deemed to be located, in the United States, its territories and possessions (including Puerto Rico, the US Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any State of the United States or the District of Columbia; and

(3) if you are resident in a member state of the EEA, you are a qualified investor (within the meaning of the Prospectus Directive and any relevant implementing measure in each member state of the EEA).

You are reminded that this Offering Memorandum has been delivered to you on the basis that you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located, and you may not, nor are you authorized to, deliver this Offering Memorandum to any other person. The materials relating to any offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that any offering be made by a licensed broker or dealer and the Initial Purchasers or any of their affiliate(s) is a licensed broker or dealer in that jurisdiction, such offering shall be deemed to be made by such Initial Purchaser or affiliate on behalf of us in such jurisdiction. Under no circumstances shall this Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Prospective purchasers that are QIBs are hereby notified that the seller of the Notes will be relying on the exemption from the provisions of Section 5 of the US Securities Act pursuant to Rule 144A.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any "retail investor" in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. This Offering Memorandum has been prepared on the basis that any offer of Notes in any member state of the EEA will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of notes. This Offering Memorandum is not a prospectus for the purposes of the Prospectus Directive. No prospectus is required in accordance with the Prospectus Directive for the offer of the Notes.

Each subscriber for or purchaser of the Notes in the Offering located within a member state of the EEA will be deemed to have represented, acknowledged and agreed that it is not a retail investor (as defined above). The Issuer, the Initial Purchasers and their affiliates and others will rely upon the trust and accuracy of the foregoing representation, acknowledgement and agreement.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

This Offering Memorandum has not been approved by an authorized person in the UK and is for distribution only to persons who (i) fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), (ii) fall within Article 49(2)(a) to (d) (such as certain high net worth companies and unincorporated associations) of the Financial Promotion Order, (iii) are outside the UK, or (iv) are persons to whom an invitation or inducement to engage in investment activity within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**") in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). This Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons.

This Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently neither the Initial Purchasers, nor any person who controls the Initial Purchasers, nor any of their respective directors, officers, employees or agents accepts any liability or responsibility whatsoever in respect of any difference between this Offering Memorandum distributed to you in electronic format and any version that will be made available to you at a later date on request from the Initial Purchasers.

The information in this preliminary offering memorandum is not complete and may be changed. This preliminary offering memorandum is not an offer to sell the Notes and it is not soliciting offers to buy the Notes in any jurisdiction where such offer or sale is not permitted.

Subject to completion, dated November 5, 2018

Preliminary Offering Memorandum

Strictly Confidential
Not for general distribution
in the United States

Intertrust

Intertrust Group B.V.

€500,000,000 % Senior Notes due 2025

Intertrust Group B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands (the "**Issuer**"), is offering (the "**Offering**") €500,000,000 aggregate principal amount of its % Senior Notes due 2025 (the "**Notes**"). Interest on the Notes will be payable semi-annually in arrear on each and , beginning on , 2019. The Notes will mature on , 2025.

The Issuer may redeem the Notes in whole or in part at any time on or after , 2021 at the redemption prices set forth in this preliminary offering memorandum (the "**Offering Memorandum**"). Prior to , 2021, the Issuer will be entitled, at its option, to redeem all or a portion of the Notes at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest and additional amounts, if any, plus a "make-whole" premium, as described in this Offering Memorandum. Prior to , 2021, the Issuer will also be entitled, at its option, to redeem up to 40% of the aggregate principal amount of the Notes with the net cash proceeds from certain equity offerings at a redemption price set forth in this Offering Memorandum. The Issuer may also redeem all, but not less than all, of the Notes upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain events constituting a change of control as described in this Offering Memorandum, the Issuer may be required to make an offer to repurchase the Notes at 101% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, to the date of repurchase.

The Notes will be the Issuer's senior unsecured obligations and will (i) rank *pari passu* in right of payment with all of the Issuer's existing and future senior obligations that are not subordinated in right of payment to the Notes, including obligations under the New Facilities Agreement; (ii) rank senior in right of payment to all of the Issuer's future obligations that are expressly subordinated in right of payment to the Notes, if any; (iii) be effectively subordinated to any existing and future secured obligations of the Issuer and the Guarantors to the extent of the value of the property and assets securing such obligations; (iv) be structurally subordinated to all obligations of the Parent Guarantor's subsidiaries that do not guarantee the Notes; and (v) be guaranteed by the Guarantors (as defined below), subject to contractual limitations that reflect limitations under applicable law.

The Parent Guarantor and certain subsidiaries of the Parent Guarantor (together the "**Guarantors**") will, subject to contractual limitations that reflect limitations under applicable law, jointly and severally guarantee the Notes (the "**Guarantees**"). The Guarantees will be senior, unsecured, joint and several obligations of the Guarantors and will (i) rank *pari passu* in right of payment with all existing and future senior obligations of such Guarantor that are not expressly subordinated in right of payment to such Guarantor's Guarantee, including obligations under the New Facilities Agreement; (ii) rank senior in right of payment to all future obligations of such Guarantor that are expressly subordinated in right of payment to such Guarantor's Guarantee, if any; and (iii) be effectively subordinated to all existing and future secured obligations of such Guarantor to the extent of the value of the property and assets securing such obligations. Not all of the Parent Guarantor's subsidiaries will guarantee the Notes.

This Offering Memorandum includes information on the terms of the Notes and the Guarantees, including redemption and repurchase prices, covenants, events of default and transfer restrictions.

There is currently no public market for the Notes. Application has been made to list the Notes on the Official List of the Luxembourg Stock Exchange for trading on the Luxembourg Stock Exchange's Euro MTF Market. There is no assurance that the Notes will be listed on the Official List of the Luxembourg Stock Exchange or be admitted to trading on the Luxembourg Stock Exchange's Euro MTF Market.

Investing in the Notes involves a high degree of risk. See "Risk Factors" beginning on page 22.

Issue price for the Notes: %, plus accrued interest from the issue date, if any.

The Notes and the Guarantees have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or the securities laws of any other jurisdiction. The Notes and the Guarantees may not be offered or sold within the United States, except to qualified institutional buyers ("**QIBs**") within the meaning of and pursuant to Rule 144A of the US Securities Act ("**Rule 144A**") or to non-US persons in offshore transactions in reliance on Regulation S of the US Securities Act ("**Regulation S**"). For a description of certain restrictions on transfers of the Notes, see "*Plan of Distribution*" and "*Notice to Investors*."

The Notes will initially be issued in the form of global notes in registered form in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. We expect delivery of the Notes to be made in book-entry form through a common depositary of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream**") on November , 2018.

Joint Global Coordinators

Deutsche Bank **Goldman Sachs International**

Joint Bookrunners

ABN AMRO **HSBC** **ING**

Co-Managers

Mizuho Securities **MUFG** **NatWest Markets** **SMBC Nikko**

The date of this Offering Memorandum is November , 2018.

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IMPORTANT INFORMATION

You should rely only on the information contained in this Offering Memorandum. The Issuer has not, and Deutsche Bank AG, London Branch, Goldman Sachs International and ABN AMRO Bank N.V., HSBC Bank plc, ING Bank N.V., London Branch, Mizuho International plc, MUFG Securities EMEA plc, NatWest Markets Plc and SMBC Nikko Capital Markets Limited (the "**Initial Purchasers**") have not, authorized anyone to provide you with any information or represent anything about the Issuer or the Offering that is not contained in this Offering Memorandum. If given or made, any such other information or representation should not be relied upon as having been authorized by the Issuer or by the Initial Purchasers. You should not assume that the information contained in this Offering Memorandum is accurate as of any date other than the date on the front cover of this Offering Memorandum.

The Issuer is not, and the Initial Purchasers are not, making an offering of the Notes in any jurisdiction where the Offering is not permitted. You must comply with all laws applicable in any jurisdiction in which you buy, offer or sell any Notes or possess or distribute this Offering Memorandum, and you must obtain all applicable consents and approvals. Neither the Issuer nor the Initial Purchasers shall have any responsibility for any of the foregoing legal requirements. See also "*Notice to Investors.*"

Neither we, the Initial Purchasers nor any of our or their respective representatives are making any representation to you regarding the legality of an investment in the Notes, and you should not construe anything in this Offering Memorandum as legal, business, tax or other advice. You should consult your own advisors as to the legal, tax, business, financial and related aspects of an investment in the Notes. In making an investment decision regarding the Notes, you must rely on your own examination of the Issuer and the terms of the Offering, including the merits and risks involved.

This Offering Memorandum is based on information provided by us and other sources that we believe to be reliable. In this Offering Memorandum, we have summarized certain documents and other information in a manner we believe to be accurate, but refer you to the actual documents for a more complete understanding.

The information contained in this Offering Memorandum is believed to be correct as of the date hereof. Neither the delivery of this Offering Memorandum at any time after the date of publication nor any subsequent commitment to purchase the Notes shall, under any circumstances, create an implication that there has been no change in the information set forth in this Offering Memorandum or in our business since the date of this Offering Memorandum.

We accept responsibility for the information contained in this Offering Memorandum. To the best of our knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything material that is likely to affect the import of such information.

The Initial Purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Offering Memorandum. Nothing contained in this Offering Memorandum is, or shall be relied upon as, a promise or representation by the Initial Purchasers as to the past or future.

The Initial Purchasers will provide prospective investors with a copy of this Offering Memorandum and any related amendments or supplements. By receiving this Offering Memorandum, you acknowledge that you have had an opportunity to request from us for review, and that you have received, all additional information you deem necessary to confirm the accuracy and completeness of the information contained in this Offering Memorandum. You also acknowledge that you have not relied on the Initial Purchasers in connection with your investigation of the accuracy of this information or your decision whether to invest in the Notes.

The information set out in relation to sections of this Offering Memorandum describing clearing and settlement arrangements, including in the section entitled "*Book-Entry; Delivery and Form*," is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream currently in effect. While we accept responsibility for accurately summarizing the information concerning Euroclear and Clearstream contained herein, we accept no further responsibility in respect of such information. Neither Euroclear nor Clearstream are under any obligation to perform or continue to perform under such clearing arrangements and such arrangements may be modified or discontinued by either of them at any time. We will not, nor will any of our agents, have responsibility for the performance of the respective obligations of Euroclear or Clearstream or their respective participants. Investors wishing to use these clearing systems are advised to confirm the continued applicability of these arrangements.

The Notes will be available initially only in book-entry form. We expect that the Notes offered hereby will be issued in the form of one or more global notes (the "**Global Notes**"), which will be deposited with, or on behalf of, a common depositary for the accounts of Euroclear and/or Clearstream. Beneficial interests in the Global Notes will be shown on, and transfers of beneficial interests in the Global Notes will be effected only through, records maintained by Euroclear and/or Clearstream and their participants, as applicable. After the initial issuance of the Global Notes, Notes in certificated form will be issued in exchange for the Global Notes only as set forth in the Indenture. See "*Book-Entry; Delivery and Form*."

The Initial Purchasers are acting only for us in connection with the Offering and not acting for any other party. The Initial Purchasers will not be responsible for providing the protections offered to their clients to any party other than us, nor for providing advice in relation to the Offering or any transaction, arrangement or other matter referred to herein.

None of the US Securities and Exchange Commission (the "**SEC**"), any state securities commission or any other regulatory authority has approved or disapproved of the Notes and the Guarantees, nor have any of the foregoing authorities passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary could be a criminal offense in certain countries.

The Notes are subject to restrictions on transferability and resale and may not be transferred or resold, except as permitted under the US Securities Act and the applicable state securities laws, pursuant to registration or an exemption therefrom. As a prospective investor, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. Please refer to the sections in this Offering Memorandum entitled "*Plan of Distribution*" and "*Notice to Investors*." By possessing this Offering Memorandum or purchasing any Note, you will be deemed to have represented and agreed to all of the provisions contained in those sections of this Offering Memorandum.

We reserve the right to withdraw the Offering at any time. We are making the Offering subject to the terms described in this Offering Memorandum and the purchase agreement relating to the Notes and the Guarantees (the "**Purchase Agreement**"). We and the Initial Purchasers also reserve the right to reject any offer to purchase the Notes and the Guarantees in whole or in part for any reason or no reason and to allot to any prospective purchaser less than the full amount of the Notes sought by it. We and the Initial Purchasers also reserve the right to sell less than all the Notes offered by this Offering Memorandum. The Initial Purchasers and certain of their respective related entities may also acquire or may have already acquired, for their own accounts, a portion of the Notes.

Application has been made to the Authority for the listing of the Notes on the Official List of the Luxembourg Stock Exchange and to be admitted for trading on the Luxembourg Stock Exchange's Euro MTF Market in accordance with the rules and regulations of that exchange.

In the course of any review by the relevant competent authority, we may be requested to make changes to the financial and other information included in this Offering Memorandum in producing listing particulars for such listing. Comments by a competent authority may require significant modification or reformulation of information contained in this Offering Memorandum or may require the inclusion of additional information. The appropriate competent authority may also require us to update the information in this Offering Memorandum to reflect changes in its business, financial condition or results of operations and prospects. There can be no assurance that the Notes will be listed on the Official List of the Luxembourg Stock Exchange, that such permission to deal in the Notes on the Luxembourg Stock Exchange's Euro MTF Market will be granted or that such listing will be maintained, and settlement of the Notes is not conditioned on obtaining this listing. Any investor or potential investor in the European Economic Area (the "**EEA**") should not base any investment decision relating to the Notes on the information contained in this Offering Memorandum after publication of the listing particulars and should refer instead to those listing particulars.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

We expect that delivery of the Notes will be made against payment on the Notes on or about the date specified on the cover page of this Offering Memorandum, which will be five business days (as such term is used for purposes of Rule 15c6-1 of the US Securities Exchange Act of 1934, as amended (the "**Exchange Act**")) following the date of pricing of the Notes (this settlement cycle is being referred to as "**T+5**"). Under Rule 15c6-one of the Exchange Act, trades in the secondary market generally are required to settle in two business days unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of this Offering Memorandum or the next two successive business days will be required to specify an alternative settlement code at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to make such trades should consult their own advisors. See "*Plan of Distribution*."

STABILIZATION

IN CONNECTION WITH THE OFFERING DEUTSCHE BANK AG, LONDON BRANCH (THE "STABILIZATION MANAGER") (OR PERSON(S) ACTING ON BEHALF OF THE STABILIZATION MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILIZATION MAY NOT NECESSARILY OCCUR. ANY STABILIZATION ACTION, IF COMMENCED, MAY BEGIN ON OR AFTER THE DATE OF ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THE OFFER OF THE NOTES AND MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 CALENDAR DAYS AFTER THE ISSUE DATE AND 60 CALENDAR DAYS AFTER THE DATE OF ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVER ALLOTMENT MUST BE CONDUCTED BY THE STABILIZATION MANAGER (OR PERSON(S) ACTING ON BEHALF OF THE STABILIZATION MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

NOTICE TO INVESTORS

NOTICE TO INVESTORS IN THE UNITED STATES

The Offering is being made in the United States in reliance upon an exemption from the registration requirements of the US Securities Act for an offer and sale of the Notes which does not involve a public offering. In making your purchase, you will be deemed to have made certain acknowledgments, representations and agreements. See "*Important Notice.*" The Notes have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered or sold in the United States, except to QIBs, in reliance on the exemption from the registration requirements of the US Securities Act provided by Rule 144A. Prospective investors are hereby notified that sellers of the Notes may be relying on the exemption from the registration requirements of Section 5 of the US Securities Act provided by Rule 144A. The Notes may also be offered and sold to non-US persons in offshore transactions in reliance on Regulation S.

Neither the SEC nor any US state securities commission has approved or disapproved of the Notes or determined that this Offering Memorandum is accurate or complete. Any representation to the contrary is a criminal offense.

NOTICE TO CERTAIN EUROPEAN INVESTORS

European Economic Area

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any "retail investor" in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation. This Offering Memorandum has been prepared on the basis that any offer of Notes in any member state of the EEA (a "**Member State**") will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of notes. This Offering Memorandum is not a prospectus for the purposes of the Prospectus Directive. No prospectus is required in accordance with the Prospectus Directive for the Offering.

Each subscriber for or purchaser of the Notes in the Offering located within a member state of the EEA will be deemed to have represented, acknowledged and agreed that it is not a retail investor (as defined above). The Issuer, the Initial Purchasers and their affiliates and others will rely upon the trust and accuracy of the foregoing representation, acknowledgement and agreement.

United Kingdom

This Offering Memorandum is not being distributed, nor has it been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA**"), by a person authorized under the FSMA. In the UK, this Offering Memorandum is directed solely at persons who are: (a) investment professionals, within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Financial Promotion Order**"), (b) persons falling within Article 49(2)(a) to 49(2)(d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order, (c) outside the UK, or (d) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any Notes may otherwise be lawfully communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). This Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. In the UK, any investment or investment activity to which this Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this Offering Memorandum or any of its contents. No part of this Offering Memorandum should be published, reproduced, distributed or otherwise made available in whole or in part to any person who is not a relevant person without the Issuer's prior written consent. The Notes are not being offered or sold to any person in the UK, except in circumstances which will not result in an offer of securities to the public in the UK within the meaning of Part VI of the FSMA.

The Netherlands

The Notes (including the rights representing an interest in the Notes in global form) which are the subject of this Offering Memorandum, have not been, are not and may not be offered, sold, transferred or delivered in the Netherlands other than to persons or entities which are qualified investors within the meaning of Article 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (which implements the definition of qualified investors in the Prospectus Directive), unless such offer is made in accordance with the Dutch Financial Supervision Act.

For the purposes of the abovementioned paragraph, the expression "offered, sold, transferred or delivered" in relation to any Notes in the Netherlands means the announcement or communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

No approved prospectus within the meaning of the Prospectus Directive is required to be made generally available in connection with the Offering.

Luxembourg

The Notes will not have the benefit of any exchange offer or other registration. The Notes may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this Offering Memorandum nor any other circular, prospectus, form of application, advertisement or other material may be distributed, or otherwise made available in or from, or published in, the Grand Duchy of Luxembourg except in circumstances which do not constitute a public offer of securities to the public subject to prospectus requirements in accordance with the Luxembourg Act of July 10, 2005 on prospectuses for securities, as amended.

Switzerland

Neither this Offering Memorandum nor any other offering or marketing material relating to the Offering, the Issuer or the Notes has been or will be filed with or approved by any Swiss regulatory authority. In particular, this Offering Memorandum will not be filed with, and the offer of Notes will not be supervised by, the Swiss Financial Market Supervisory Authority, and the offer of Notes has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (the "**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of the Notes.

France

This Offering Memorandum has not been prepared in the context of a public offering of financial securities in France within the meaning of article L.411-1 of the French Monetary and Financial Code (*monétaire et financier*) (the "**French Monetary and Financial Code**") and Title I of Book II of the French financial markets authority (*règlement général de l'autorité des marchés financiers*) ("**AMF**"). Consequently, the Notes may not be, directly or indirectly, offered or sold to the public in France (*offre au public de titres financiers*), and neither this Offering Memorandum nor any offering or marketing materials relating to the Notes must be made available or distributed in any way that would constitute, directly or indirectly, an offer to the public in France.

The Notes may only be offered or sold in France to qualified investors (*investisseurs qualifiés*), other than individuals, and/or to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour le compte de tiers*), all as defined in and in accordance with articles L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code.

Prospective investors are informed that:

- this Offering Memorandum has not been and will not be submitted for prior approval and clearance procedure to the AMF;
- in compliance with articles L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code, any qualified investors subscribing for the Notes should be acting for their own account; and
- the direct and indirect distribution or sale to the public of the Notes acquired by them may only be made in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 of the French Monetary and Financial Code.

Germany

In the Federal Republic of Germany, the Notes may only be offered and sold in accordance with the provisions of the Securities Prospectus Act of the Federal Republic of Germany (*Wertpapierprospektgesetz*) (the "**Securities Prospectus Act**") and any other applicable German law. No application has been made under German law to offer the Notes to the public in or out of the Federal Republic of Germany. The Notes are not registered or authorized for distribution under the Securities Prospectus Act and accordingly may not be, and are not being, offered or advertised publicly or by public promotion. This Offering Memorandum is strictly for private use and the offer is only being made to recipients to whom this Offering Memorandum is personally addressed and does not constitute an offer or advertisement to the public. In Germany, the Notes will only be available to, and this Offering Memorandum and any other offering material in relation to the Notes is directed only at, persons who are qualified investors (*qualifizierte Anleger*) within the meaning of Section 2 No. 6 of the Securities Prospectus Act or who are subject to another exemption in accordance with Section 3 paragraph 2 of the Securities Prospectus Act. Any resale of the Notes in Germany may only be made in accordance with the Securities Prospectus Act and other applicable laws.

Italy

The Offering has not been registered pursuant to Italian securities legislation and, accordingly, the Notes may not be offered, sold or delivered, nor may copies of this Offering Memorandum or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(a) to qualified investors (*investitori qualificati*), as defined in Article 100 of Legislative Decree No. 58 of February 24, 1998, as amended (the "**Financial Services Act**") and Article 34-ter, first paragraph, letter b) of Regulation No. 11971 of May 14, 1999, as amended from time to time ("**Regulation No. 11971**") by the Italian Companies and Exchange Commission (*comissione nationale per le societá e la borsa*) ("**CONSOB**"); or

(b) in other circumstances which are exempted from the rules on public offerings pursuant to the Financial Services Act and Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of this Offering Memorandum or any other document relating to the Notes in the Republic of Italy under (a) or (b) above must:

(i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of October 29, 2007 (as amended from time to time) and Legislative Decree No. 385 of September 1, 1993, as amended (the "**Banking Act**"); and

(ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

In accordance with Article 100-bis of the Financial Services Act, where no exemption applies under (a) and (b) above, Notes which are initially offered and placed in Italy or abroad to qualified investors only but in the following year are regularly (*sistematicamente*) distributed on the secondary market in Italy to non-qualified investors become subject to the public offer and the prospectus requirement rules set out in the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.

Spain

The Notes may not be listed, offered or sold in Spain other than by institutions authorized under the restated text of the Spanish securities market law approved by Royal Legislative Decree 4/2015 of October 23, 2015 (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*) (the "**Securities Market Law**"), and Royal Decree 217/2008 of February 15, 2008 on the Legal regime applicable to investment services companies (*Real Decreto 217/2008, de 15 de febrero, sobre el Régimen Jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión*), to provide investment services in Spain, and in compliance with the provisions of the Securities Market Law and any other applicable legislation. The Notes may not be offered, sold or distributed, nor may any subsequent resale of the Notes be carried out in Spain, except in circumstances which do not constitute a public offer of securities in Spain within the meaning of the Securities Market Law or without complying with all legal and regulatory requirements under Spanish securities laws. Neither the Notes nor this Offering Memorandum have been registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*) and therefore this Offering Memorandum is not intended for any public offer of the Notes in Spain.

NOTICE TO INVESTORS IN CANADA

The distribution of Notes in Canada is being made only in the provinces of Ontario, Quebec, Alberta and British Columbia on a private placement basis exempt from the requirement that we prepare and file a prospectus with the securities regulatory authorities in each province where trades of the Notes are made. Any resale of the Notes in Canada must be made under applicable securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the Notes.

By purchasing Notes in Canada and accepting delivery of a purchase confirmation, a purchaser is representing to us and the Initial Purchasers that:

- the purchaser is entitled under applicable provincial securities laws to purchase the Notes without the benefit of a prospectus qualified under those securities laws as it is an "accredited investor" as defined under National Instrument 45-106—Prospectus Exemptions or Section 73.3(1) of the Securities Act (Ontario), as applicable;
- the purchaser is a "permitted client" as defined in National Instrument 31-103—Registration Requirements, Exemptions and Ongoing Registrant Obligations;
- where required by law, the purchaser is purchasing as principal and not as agent; and
- the purchaser has reviewed the text above under Resale Restrictions.

Canadian purchasers are hereby notified that the Initial Purchasers are relying on the exemption set out in section 3A.3 or 3A.4, if applicable, of National Instrument 33-105—Underwriting Conflicts from having to provide certain conflict of interest disclosure in this Offering Memorandum.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

All of our directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon us or those persons. All or a substantial portion of our assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against us or those persons in Canada or to enforce a judgment obtained in Canadian courts against us or those persons outside of Canada.

Canadian purchasers of the Notes should consult their own legal and tax advisors with respect to the tax consequences of an investment in the Notes in their particular circumstances and about the eligibility of the Notes for investment by the purchaser under relevant Canadian legislation.

NOTICE TO INVESTORS IN SINGAPORE

This Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor;

(b) or a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**CMP Regulations 2018**"), the Issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains "forward-looking statements" within the meaning of the US federal securities laws and the securities laws of other jurisdictions. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology such as "believe," "estimate," "aim," "anticipate," "expect," "intend," "may," "will," "plans," "continue," "ongoing," "future," "potential," "predict," "project," "guidance," "target," "seek," "could" or "should" or, in each case, their negative or other variations or comparable terminology or by discussions of strategies, plans, objectives, targets, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them. They appear in a number of places throughout this Offering Memorandum and may include statements that concern, among other things:

- strategies, outlook and growth prospects;
- future plans and potential for growth;
- trends affecting our financial condition or results of operations;
- our ability to realize cost-savings as a stand-alone business;
- trends and developments affecting the markets in which we operate;
- our liquidity, capital resources and capital expenditure;
- the general economic outlook and industry trends;
- competition in areas of our business; and
- our plans to launch new or expand existing products and services.

These forward-looking statements are based on plans, estimates and projections as they are currently available to our management. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update any of them in light of new information or future events. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties. These statements are based on management's current expectations and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Our actual results may differ materially as a result of various factors including, but not limited to:

- an inability to attract, integrate, manage and retain qualified personnel or key employees;
- potential litigation and investigations and risks associated with indemnifying employees;
- adverse regulatory changes in jurisdictions in which our clients operate, including those relating to corporate and tax law;
- risks associated with prospective amendments to double tax treaties;
- our competitive environment;
- the impact of ongoing global and regional regulatory reform;
- an inability to maintain our business reputation and brand;
- risks associated with our IT systems;
- insufficient insurance coverage;
- failure to develop and implement new initiatives successfully;
- risks associated with the international nature of our business, including economic, legal and tax risks;
- potential failure of our compliance controls;

- a reduction in foreign direct investment;
- a prolonged or significant economic downturn;
- risks associated with the exit of the UK from the EU;
- decline in demand due to clients conducting services in-house;
- inadvertent acquisition of potential or actual liabilities;
- risks associated with past or future acquisitions;
- failure to identify suitable acquisition candidates or investment opportunities;
- inability to raise capital to execute our strategic plans;
- improper disclosure of sensitive data protected by data protection laws;
- failure to comply with applicable international sanctions, anti-bribery laws or anti-money laundering laws;
- failure to expand into jurisdictions or services required by our clients;
- exchange control restrictions or restrictions regarding the repatriation of funds;
- risks related to exchange rate fluctuations;
- interest rate risks;
- risk of impairment of significant intangible assets held on our balance sheet;
- risks related to our tax position;
- risks related to changes in our effective tax rate;
- risks related to changes in tax treaties, laws, rules or interpretations or an adverse outcome of tax audits;
- risks related to tax rules limiting the deductibility of interest expenses;
- risks related to transfer pricing arrangements; and
- other risks related to the Notes and our structure, as discussed under "*Risk Factors—Risks Related to the Notes and our Structure.*"

The foregoing factors and others described under "*Risk Factors*" should not be construed as exhaustive. Due to such uncertainties and risks, investors are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this Offering Memorandum. We urge you to read this Offering Memorandum, including the sections entitled "*Risk Factors*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Business*," for a more complete discussion of the factors that could affect our future performance and the industry in which we operate. Moreover, we operate in a very competitive and rapidly changing environment. We may face new risks from time to time, and it is not possible to predict all such risks; nor can we assess the impact of all such risks on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not place undue reliance on forward-looking statements as a prediction of actual results.

We undertake no obligation, and do not intend, to release publicly the result of any revisions to the forward-looking statements which may be made to reflect events or circumstances after the date of this Offering Memorandum, including changes in its business or strategy or planned capital expenditure, or to reflect the occurrence of unanticipated events.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

FINANCIAL DATA

The historical and other consolidated financial data presented in this Offering Memorandum have been derived from the unaudited interim condensed consolidated financial statements of the Group as of and for nine months ended September 30, 2018, prepared in accordance with the recognition and measurement requirements of International Accounting Standard 34, *Interim Financial Reporting* and reviewed by KPMG, our independent auditors (the "**2018 Interim Condensed Consolidated Financial Statements**") and the audited annual consolidated financial statements of the Group as of and for each of the years ended December 31, 2017, 2016 and 2015, prepared in accordance with IFRS (as adopted by the EU) and audited by KPMG, our independent auditors (the "**Annual Consolidated Financial Statements**," and together with the 2018 Interim Condensed Consolidated Financial Statements, the "**Financial Statements**") included elsewhere in this Offering Memorandum. The 2018 Interim Condensed Consolidated Financial Statements contain comparative financial information as of and for the nine months ended September 30, 2017, which has not been reviewed by KPMG, our independent auditors.

The financial information presented for the twelve months ended September 30, 2018 is derived by adding the unaudited consolidated statement of profit and loss for the nine months ended September 30, 2018 to the audited consolidated statement of profit and loss for the year ended December 31, 2017 and deducting the unaudited consolidated statement of profit and loss for the nine months ended September 30, 2017. The consolidated statement of profit and loss for the twelve months ended September 30, 2018 has been prepared for illustrative purposes only and is not necessarily representative of the Group's results of operations for any future period or the Group's financial condition at any future date. The consolidated statement of profit and loss for the twelve months ended September 30, 2018 is not prepared in the ordinary course of our financial reporting or in accordance with IFRS.

CERTAIN KEY PERFORMANCE INDICATORS

This Offering Memorandum also presents certain key performance indicators ("**KPIs**") including Adjusted EBITA, Adjusted EBITA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Other Operating Expenses, Adjusted Revenue, ARPE, Free Cash Flow, Ratio of Adjusted EBITDA Minus Additions in PPE and Intangible Assets to Adjusted EBITDA and Underlying Revenue. These KPIs, which have not been audited or reviewed, are not recognized measures of financial performance or liquidity under IFRS. Nevertheless, these measures are used by management to monitor the underlying performance of our business and operations. These KPIs may not be indicative of our historical operating results, nor are such measures meant to be predictive of our future results. We have presented these KPIs in this Offering Memorandum because we believe that these measures provide an important indication of trends in our financial performance, our financial condition and our results of operations. Furthermore, we believe that these KPIs are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity.

However, there are limitations inherent to the use of KPIs resulting from the fact that they exclude expenses and other items that are required to be included in corresponding measures under IFRS. In analyzing our future performance, investors should be cautioned not to place undue reliance on these KPIs and are also advised to consider these KPIs together with the presentation of our financial condition and results of operations under IFRS, rather than as an alternative to IFRS financial measures. Furthermore, not all companies calculate such KPIs in the same manner or on a consistent basis. As a result, these measures may not be comparable to measures used by other companies under the same or similar names. Below is an overview of the main KPIs and related definitions used in this Offering Memorandum:

- "**Adjusted EBITA**" refers to Adjusted EBITDA less depreciation and amortization of other intangible assets (which for purposes of this KPI does not take into account amortization of acquisition-related intangible assets);
- "**Adjusted EBITA Margin**" refers to Adjusted EBITA for the specified period divided by revenue for the specified period;

- "**Adjusted EBITDA**" refers to profit/(loss) from operating activities adding back depreciation and amortization of other intangible assets and amortization of acquisition-related intangible assets, and further adjusted for Specific Items;
- "**Adjusted EBITDA Margin**" refers to Adjusted EBITDA for the specified period divided by revenue for the specified period;
- "**Adjusted Other Operating Expenses**" refers to other operating expenses for the specified period adjusted for the 2015 Settlement. Under IFRS we were required to offset the amount of a settlement with a client with the revenue generated from such client. As a result, our other operating expenses line item for the year ended December 31, 2015 was reduced by the amount of the 2015 Settlement, which only affected the other operating expenses of our Luxembourg segment and therefore of the Group for the year ended December 31, 2015 and had no effect on the other operating expenses for the years ended December 31, 2016 and 2017 and for the nine months ended September 30, 2017 and 2018;
- "**Adjusted Revenue**" refers to revenue for the specified period adjusted for the €0.3 million revenue generated from a client in our Luxembourg segment with which we entered into the 2015 Settlement. Under IFRS we were required to offset the amount of the 2015 Settlement with the revenue generated from such client. As a result, our revenue line item for the year ended December 31, 2015 was reduced by the amount of the 2015 Settlement, which only affected the revenue of our Luxembourg segment and therefore of the Group for the year ended December 31, 2015 and had no effect on the revenue for the years ended December 31, 2016 and 2017 and for the nine months ended September 30, 2017 and 2018;
- "**ARPE**" refers to the average revenue for the specified period per client entity as of the specified date;
- "**Free Cash Flow**" refers to net cash from operating activities minus capital expenditures and interest paid;
- "**Ratio of Adjusted EBITDA Minus Additions in PPE and Intangible Assets to Adjusted EBITDA**" refers to the difference between Adjusted EBITDA and additions to property, plant, equipment and intangible assets other than acquisition related assets, divided by Adjusted EBITDA;
- "**Specific Items**" refers to specific items of income or expense that, based on their significance in size or nature, should be separately presented to provide further understanding about the financial performance of the Group. Specific items include (i) transaction costs; (ii) integration and transformation costs; (iii) share-based payment upon IPO; (iv) share-based payment upon integration; (v) other income or expenses; (vi) one-off revenue; and (vii) one-off expenses. Such specific items are not of an operational nature and do not represent the Group's core operating results; and
- "**Underlying Revenue**" refers to revenue calculated on a constant currency and like-for-like basis excluding the impacts of currency exchange fluctuations, including *pro forma* revenue generated by acquisitions and excluding *pro forma* revenue generated by divestments for the period specified; "**on an Underlying Basis**" and "**Underlying Change**" are to be construed accordingly.

For more information on these key performance indicators see "*Summary—Summary Historical Consolidated Financial and Other Data—Other Consolidated Financial Data*."

PRO FORMA FINANCIAL MEASURES

We also present certain unaudited *pro forma* financial information and adjustments, which have been prepared for illustrative purposes only. Because of their nature, the *pro forma* financial information and adjustments address hypothetical situations and, therefore, do not represent our actual financial condition or results of operations for the periods presented or as of the presented dates. *Pro forma* adjustments are based on available information and certain assumptions and estimates that we believe are reasonable in the circumstances. However, these assumptions and estimates are inherently uncertain, subject to a wide variety of significant business, economic and other risks and may differ materially from our actual financial condition or results of operations. The *pro forma* adjustments presented in this Offering Memorandum are directly attributable to the Transactions, thereby giving effect to the Transactions as if the Transactions had occurred on September 30, 2018.

The *pro forma* financial information and adjustments presented in this Offering Memorandum have not been prepared in accordance with the requirements of Article 11 of Regulation S-X of the US Securities Act, the Prospectus Directive or any generally accepted accounting standards. In addition, the *pro forma* financial information and adjustments presented have neither been prepared in accordance with IFRS nor been audited or reviewed in accordance with any applicable auditing standards, and you should not place undue reliance on them. The *pro forma* financial information and adjustments should be read in conjunction with the information contained under "*Summary—Summary Historical Consolidated Financial and Other Data*" and the balance sheet information contained in the Financial Statements included elsewhere in this Offering Memorandum. We have presented these *pro forma* financial information and adjustments to represent similar measures that are widely used by certain investors, securities analysts and other interested parties as supplemental measures of financial position, financial performance and liquidity. We believe these measures enhance the investor's understanding of our indebtedness and our ability to fund our ongoing operations, and our ability to meet and service our obligations. However, these *pro forma* financial information and adjustments are not measures determined based on IFRS or accounting principles accepted in other relevant jurisdictions, and you should not consider such items as an alternative to the historical financial position or other indicators of our cash flow and forward position based on IFRS measures. The *pro forma* financial information and adjustments may not be comparable to similarly titled measures as presented by other companies due to differences in the way our *pro forma* financial information and adjustments are calculated. The *pro forma* financial information and adjustments contained in this Offering Memorandum are not intended to comply with the reporting requirements of the SEC and will not be subject to review by the SEC. Even though the *pro forma* financial information and adjustments are commonly used by investors, they have important limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our position or results as reported under IFRS.

In this Offering Memorandum, each of the following *pro forma* measures has the following meaning:

- "***pro forma* cash and cash equivalents**" refers to the cash and cash equivalents of the Group after giving effect to the Transactions;
- "***pro forma* cash interest expense**" refers to the annual interest expense that would be incurred on the *pro forma* total debt;
- "***pro forma* net debt**" refers to *pro forma* total debt less *pro forma* cash and cash equivalents;
- "***pro forma* total debt**" refers to the total borrowings of the Group after giving effect to the Transactions;
- "**ratio of Adjusted EBITDA to *pro forma* cash interest expense**" refers to Adjusted EBITDA divided by *pro forma* cash interest expense; and
- "**ratio of *pro forma* net debt to Adjusted EBITDA**" refers to *pro forma* net debt divided by Adjusted EBITDA.

For more information on these pro forma financial measures see "*Summary—Summary Historical Consolidated Financial and Other Data—Pro Forma Financial Data*."

ROUNDING

Certain numerical information and other amounts and percentages presented in this Offering Memorandum, including financial data, industry data, market data and operational data are presented in millions or thousands; and values, fractions, proportions or percentages describing market sizes or shares, have in each case been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables may not conform exactly to the total figure given for that column or row, or the sum of certain numbers presented as a percentage may not conform exactly to the total percentage given.

CURRENCY PRESENTATION

Unless otherwise indicated, all financial information in this Offering Memorandum is presented in euro.

All references in this Offering Memorandum to: (i) **£**, **GBP** or **pound sterling** are to the lawful currency of the UK; (ii) **€**, **EUR** or **euro** are to the single currency of the participating member states of the European Monetary Union; and (iii) **$**, **USD** or **US dollar** are to the lawful currency of the United States.

INDUSTRY AND MARKET DATA

Unless otherwise indicated, statements in this Offering Memorandum regarding the market environment, market developments, growth rates, market trends and the competitive situation in the markets and segments in which we operate are based on data, statistical information, sector reports and third-party studies as well as on our own estimates.

The market data and certain economic and industry data and forecasts used in this Offering Memorandum were obtained from publications by international organizations and independent industry sources, other publicly available information and reports prepared by reputable consultants (collectively the "**Industry Data Providers**" and each individually an "**Industry Data Provider**"). Sources used in the "Industry" section of this Offering Memorandum include "IMF, World Economic Outlook Database, April 2018" and "PwC Asset & Wealth Management Revolution: Embracing Exponential Change, 2017."

To the extent that information was taken from third parties, such information has been accurately reproduced in this Offering Memorandum and, as far as we are aware and able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, market studies and analyses are frequently based on information and assumptions that may not be accurate or technically correct, and their methodology is by nature forward-looking and speculative. In particular, no responsibility or liability can be accepted by any Industry Data Provider or any of its affiliates, nor any of its directors nor employees for any errors or omissions in any data from the Industry Data Providers included in this Offering Memorandum nor for any loss arising from reliance placed on such data. When information in this Offering Memorandum is attributed to multiple external sources, including one or more Industry Data Providers, such information is based on our analysis thereof.

We have not verified the figures, market data and other information used by third parties in our studies, publications and financial information, or the external sources on which our estimates are based. We therefore assume no liability for and offer no guarantee of the accuracy of the data from studies and third-party sources contained in this Offering Memorandum or for the accuracy of data on which our estimates are based.

This Offering Memorandum also contains estimations of market data and information derived from such data that cannot be obtained from publications by market research institutes or from other independent sources. Such information is partly based on our own market observations, the evaluation of industry information (such as from conferences and sector events) or internal assessments. We believe that our estimates of market data and the information we have derived from such data helps investors to better understand the industry we operate in and our position within it. Our own estimates have not been checked or verified externally. We nevertheless believe that our own market observations are reliable. We give no warranty for the accuracy of our own estimates and the information derived from them. They may differ from estimates made by our competitors or from future studies conducted by market research institutes or other independent sources.

CERTAIN DEFINITIONS

References to "**Group**," "**we**," "**our**," "**us**" and "**Intertrust**" in this Offering Memorandum refer to the Parent Guarantor and its direct and indirect subsidiaries from time to time, unless the context otherwise requires.

For a glossary of certain industry related terms used in this Offering Memorandum, see *"Glossary."*

ATC	ATC Group, a specialist in fiduciary, management and administration services globally.
Azcona	Azcona y Asociados de Consultoría Tributaria, Jurídica y Contable, S.L., a professional services provider.
Blackstone	The Blackstone Group L.P. or, as the context may require, one or more funds, managed accounts or limited partnerships managed or advised by The Blackstone Group L.P. or any of its affiliates or direct or indirect subsidiaries from time to time.
CAGR	Compounded annual growth rate which is calculated by dividing the relevant figure at the end of the period referred to by the comparable figure at the beginning of the period referred to, in each case with respect to the metric for which the CAGR is being calculated; by raising the result of such division to the power of one divided by the number of years over which the CAGR is calculated; and by subtracting one from the result thereof.
CorpNordic	CorpNordic Holding A/S, a provider of expert administrative services in the Nordic countries.
Elian	Elian Fiduciary Services (Jersey) Limited, a specialist in capital market solutions, private equity, real estate and fund administration and corporate services as well as private client solutions.
Existing Facilities	The term facilities established under the Existing Facilities Agreement, including the euro-denominated bank loan in an amount of €587,500,000, the US dollar-denominated bank loan in an amount of $100,000,000 and the pound sterling-denominated bank loan in an amount of £94,000,000.
Existing Facilities Agreement	The existing facilities agreement originally entered into on October 1, 2015 (as amended and restated on August 1, 2016), governing the Existing Facilities and the Existing Revolving Credit Facilities, between, among others, the Issuer as the borrower, certain lenders defined therein and Deutsche Bank Luxembourg S.A. as facility agent.
Existing Revolving Credit Facility	The existing €75 million multicurrency revolving credit facility and any ancillary facilities established under the Existing Facilities Agreement.
Facility Agent	Deutsche Bank Luxembourg S.A., as facility agent under the New Facilities Agreement.
Guarantees	The Parent Guarantee together with the Subsidiary Guarantees.

Guarantors	The Parent Guarantor together with the Subsidiary Guarantors.
IFRS	International Financial Reporting Standards as adopted by the EU and as issued by the International Accounting Standards Board.
Indenture	The indenture to be dated on or around the Issue Date by and between, among others, the Issuer, the Guarantors and the Trustee governing the Notes offered hereby.
Initial Purchasers	Deutsche Bank AG, London Branch, Goldman Sachs International, ABN AMRO Bank N.V., HSBC Bank plc, ING Bank N.V., London Branch, Mizuho International plc, MUFG Securities EMEA plc, NatWest Markets Plc and SMBC Nikko Capital Markets Limited.
Issue Date	On or about November , 2018.
Issuer	Intertrust Group B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands.
New Facilities	The New Term Facilities and the New Revolving Credit Facility established under the New Facilities Agreement.
New Facilities Agreement	The facilities agreement originally entered into on November , 2018 governing the New Facilities, between, among others, the Issuer as the borrower, certain lenders defined therein and the Facility Agent, as amended, restated or otherwise modified or varied from time to time, as described more fully under "*Description of Other Indebtedness—New Facilities Agreement.*"
New Revolving Credit Facility	The €150,000,000 multicurrency revolving credit facility and any ancillary facilities established under the New Facilities Agreement.
New Term Facilities	The term facilities established under the New Facilities Agreement, including the US dollar-denominated bank loan in an amount of $200,000,000 and the pound sterling-denominated bank loan in an amount of £100,000,000.
Notes	The €500,000,000 in aggregate principal amount of % senior notes due 2025 offered hereby.
Offering	The offering of the Notes hereby.
Parent Guarantee	The senior subordinated guarantee of the Notes to be issued by the Parent Guarantor.
Parent Guarantor	Intertrust N.V., a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands.
Seed Outsourcing	Seed Outsourcing Pty Ltd., a boutique Australian expert administrative services firm, providing corporate secretarial, director, domiciliation and payroll services to private equity and real estate fund managers.

SFM Spain	Structured Finance Management (Spain), S.L., a capital markets service provider to financial institutions and alternative investment funds active in Spain, of which we acquired 75% as part of the Elian acquisition in 2016 and 25% as part of the Azcona acquisition in 2017.
Subsidiary Guarantees	The senior subordinated guarantees of the Notes to be issued by the Subsidiary Guarantors.
Subsidiary Guarantors	Intertrust (Netherlands) B.V., Intertrust Administrative Services B.V., Intertrust Management B.V., Intertrust Corporate Services (Cayman) Limited, Intertrust SPV (Cayman) Limited, Intertrust Fiduciary Services (Jersey) Limited and Intertrust International Management Limited.
Transactions	The Offering and the entry into the New Facilities Agreement, together with the refinancing of the Existing Facilities Agreement.
Trustee	Deutsche Trustee Company Limited.

EXCHANGE RATE INFORMATION

The following tables set forth, for the periods indicated, certain Bloomberg Composite Rates expressed in US dollar per €1.00. The Bloomberg Composite Rate is a "best market" calculation, in which, at any point in time, the bid rate is equal to the highest bid rate of all contributing bank indications and the ask rate is set to the lowest ask rate offered by these banks. The Bloomberg Composite Rate is a mid-value rate between the applied highest bid rate and the lowest ask rate.

The average rate for a year means the average of the Bloomberg Composite Rates on the last day of each month during a year. The average rate for a month, or for a partial month, means the average of the daily Bloomberg Composite Rate during that month, or partial month, as the case may be.

The Bloomberg Composite Rate for the US dollar against the euro on November 2, 2018 was $1.1388 per €1.00.

Year	High	Low	Average	Period End
	(US dollar per €1.00)			
2013	1.3802	1.2780	1.3285	1.3743
2014	1.3934	1.2098	1.3284	1.2098
2015	1.2002	1.0496	1.1098	1.0862
2016	1.1534	1.0388	1.1070	1.0517
2017	1.2036	1.0405	1.1300	1.2005
2018 (through November 2, 2018)	1.2510	1.1312	1.1891	1.1388
Month				
May 2018	1.1993	1.1540	1.1813	1.1693
June 2018	1.1800	1.1554	1.1672	1.1684
July 2018	1.1751	1.1639	1.1686	1.1691
August 2018	1.1707	1.1344	1.1548	1.1602
September 2018	1.1777	1.1553	1.1662	1.1604
October 2018	1.1593	1.1312	1.1481	1.1312
November 2018 (through November 2, 2018)	1.1408	1.1388	1.1398	1.1388

The rates in the foregoing table may differ from the actual rates used in the preparation of the financial information appearing in this Offering Memorandum. These exchange rates are provided solely for the convenience of potential investors.

The rates should not be construed as a representation that euro amounts could have been, or could be, converted into US dollar amounts at the rates set forth herein or at any other rate.

SUMMARY

OVERVIEW

General

Intertrust is a global leader in providing expert administrative services to clients operating and investing internationally. As of September 30, 2018, we had more than 2,500 employees across 41 offices and 29 jurisdictions in Europe, the Americas, Asia Pacific and the Middle-East. We focus on delivering high-quality tailored services to our clients with a view to building long-term relationships. Our business services are offered across four service lines, comprising:

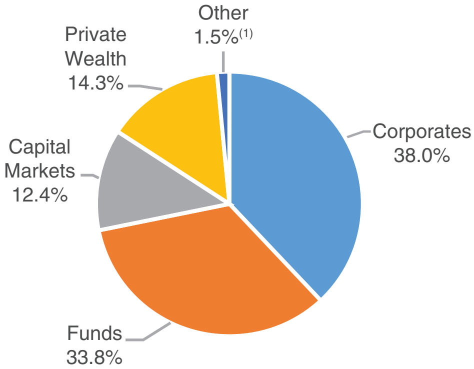
Corporates service line consisting of incorporation, management and unwinding of our clients' corporate investment and finance structures.

Funds service line consisting of incorporation and administration of funds, including private equity funds, real estate funds and hedge funds.

Capital Markets service line consisting of trustee and agency services in capital markets transactions and incorporation, management and unwinding of securitization and structured finance transactions for issuers and originators.

Private Wealth service line consisting of fund and trust and foundation establishment and administration for entrepreneurs, family offices and high net worth individuals.

Over all our service lines, including revenue related to rental income and income generated in relation to service agreements with third-party service providers, we generated €490.8 million of revenue, €197.9 million of Adjusted EBITDA (with an Adjusted EBITDA Margin of 40.3%) and €186.8 million of Adjusted EBITA (with an Adjusted EBITA Margin of 38.1%) in the twelve months ended September 30, 2018. Each of our four service lines contributed to our revenue for the nine months ended September 30, 2018, as set forth in the below figure:



(1) Other includes rental income and income generated in relation to service agreements with third-party service providers.

For the year ended December 31, 2017, we were the leading expert administrative services provider in the Netherlands and Jersey, the number two provider in Luxembourg and the Cayman Islands, and we had leading market positions in most of our key jurisdictions in our Rest of the World segment based on revenue for the year ended December 31, 2017.

As of September 30, 2018, we had a large and diversified mix of more than 16,000 clients for which we administered approximately 48,300 entities. As of September 30, 2018, our clients were based in approximately 140 jurisdictions and included approximately 60% of the Top 10 and 50% of the Top 50 of the Fortune Global 500 companies, as well as approximately 80% of the Top 50 of the Private Equity International 300. We believe that our clients value the quality of our comprehensive expert administrative services offering, our global network, our commitment to client relationships and our expertise, reliability and responsiveness.

We had a highly qualified workforce with more than 2,500 full-time employees ("**FTEs**") as of September 30, 2018, the majority of whom have higher education degrees or qualifications. The quality and expertise of our employees is key to providing our clients with high-quality value-added services and building long-term relationships with our clients. Through our Global Intertrust Academy, we continuously train and educate our employees on technical skills, as well as leadership, business development and relationship management skills to ensure a global high standard of capabilities.

Our business is organized and managed on a geographic basis and operates through the following five main jurisdictional segments: the Netherlands, Luxembourg, the Americas, Jersey and the Rest of the World. The table below sets forth the revenue derived from our segments, our Adjusted EBITDA and our Adjusted EBITA for the twelve months ended September 30, 2018.

	Twelve months ended September 30, 2018					
	revenue (€ in millions)	% of revenue	Adjusted EBITDA (€ in millions)	% of Adjusted EBITDA	Adjusted EBITA (€ in millions)	% of Adjusted EBITA
The Netherlands(1)	116.4	23.7%	71.0	35.9%	70.6	37.8%
Luxembourg(2)	105.2	21.4%	59.5	30.0%	58.7	31.4%
The Americas(3)	85.1	17.3%	47.1	23.8%	46.8	25.1%
Jersey(4)	57.6	11.7%	29.5	14.9%	28.9	15.4%
Rest of the World(5)	126.5	25.8%	49.7	25.1%	48.6	26.0%
HQ and IT costs	N/A	N/A	-58.8	-29.7%	-66.8	-35.7%
Total	**490.8**	**100%**	**197.9**	**100%**	**186.8**	**100%**

(1) The Netherlands includes our offices in Amsterdam and Rotterdam.
(2) Luxembourg includes our office in Luxembourg.
(3) The Americas includes our offices in Atlanta; the Bahamas; the British Virgin Islands (Road Town); the Cayman Islands (George Town); Chicago; Curacao (Willemstad); Delaware; Houston; New York; San Francisco; Sao Paulo and Toronto.
(4) Jersey includes our office in St Helier.
(5) Rest of the World includes our offices in Abu Dhabi, Beijing; Brussels; Copenhagen; Cyprus (Limassol); Dubai; Dublin; Frankfurt am Main; Guangzhou; Guernsey (St. Peter Port); Geneva; Helsinki; Hong Kong; Istanbul; London; Madrid; Malmö; Oslo; Shanghai; Singapore; Stockholm; Sydney; Tokyo; Zug and Zürich.

HISTORY

We were incorporated as "NV Trust Corporation Pierson, Heldring & Pierson" in 1952 by merchant bank Pierson, Heldring & Pierson. In 1993, the expert administrative services activities of Pierson, Heldring & Pierson were rebranded to MeesPierson Trust as part of MeesPierson, then under ownership of ABN AMRO. In 1998, Fortis Group acquired MeesPierson from ABN AMRO. We rebranded to Intertrust in 2009 and were acquired by Waterland Private Equity Investments and certain of our employees and managers in January 2010. Blackstone, together with certain of our employees and managers, subsequently acquired us from Waterland in April 2013. We listed our common shares in an initial public offering on the regulated market operated by Euronext Amsterdam N.V. ("**Euronext Amsterdam**") in October 2015 and as of October 31, 2018 we had a free float of approximately 85%. As of October 31, 2018, Intertrust had a market capitalization of approximately €1.3 billion.

We have completed eight selective and successful acquisitions since 2011, and four acquisitions since January 1, 2015: the acquisition of CorpNordic, a provider of expert administrative services in the Nordic countries, completed in June 2015; the acquisition of Elian, a specialist in capital market solutions, private equity, real estate and fund administration and corporate services as well as private client solutions, completed in September 2016; the acquisition of the 25% minority stake in Spain SFM (thereby bringing our ownership to 100%), together with the affiliated professional services provider Azcona completed in February 2017; and the acquisition of Seed Outsourcing, a boutique Australian expert administrative services firm, providing corporate secretarial, director, domiciliation and payroll services to private equity and real estate fund managers, completed in July 2018.

OUR KEY STRENGTHS

Leading global provider in the expert administrative services industry with a comprehensive service offering

We are a leading global provider of expert administrative services to clients operating and investing internationally and as of December 31, 2017, based on revenue, we were the market leader in the Netherlands and Jersey, the number two provider in Luxembourg and the Cayman Islands and we had leading market positions in most of our key jurisdictions in the Rest of the World. As of September 30, 2018, we operated from a global network of 41 offices in 29 jurisdictions from which we administered approximately 48,300 entities for our clients, enabling them to grow successfully, operate their businesses efficiently and responsibly and fulfill their international legal, administrative and regulatory duties. In addition to our offices, as of September 30, 2018, we had a network of approximately 40,000 business partner contacts (including in jurisdictions in which we were present), who referred work to us, and a network of third-party service providers ("**TPSPs**") in 144 jurisdictions in which we did not have a presence, allowing us to assist our clients by referring them to our partners in jurisdictions where we do not have an operational presence. Our leading global position provides an advantage over smaller providers who may provide a narrower service offering or who operate in fewer jurisdictions.

We provide a wide range of expert administrative services to our clients across our service lines: Corporates; Funds; Capital Markets and Private Wealth. We also provide various regulatory and compliance services which are offered across all our four service lines. Our services are supported by our continuously developing technology foundation and include core services offered in nearly all offices and more specialized services provided from selected locations. We are an experienced and expert player, servicing our clients for 66 years in an increasingly complex global environment and a market becoming increasingly focused on quality. Our customers have come to trust our reputable and global brand to deliver mission critical services.

Global secular and sustainable growth factors across highly regulated markets

Our addressable market, representing our service lines in the 13 key expert administrative services jurisdictions (including the US, Luxembourg, the Netherlands, the Cayman Islands, Jersey, Guernsey, Switzerland, Hong Kong, the UK, Ireland, Singapore, Curacao and Spain) which we primarily focus on is approximately €6.5 billion in size and has grown at approximately 3% to 5% annually between 2015 and 2018, driven by growth in most of our service lines. Our Funds service line is currently within the fastest growing market among our service lines, with annualized forecast growth of 7% to 9% for the period from 2018 to 2021. Our clients operate in an increasingly complex global environment focused on compliance, business ethics and transparency and we have a strong track record of successful cooperation with regulators in key jurisdictions. Regulation is an important and resilient driver of our market growth, in addition to increased complexity and specialization of the services that our clients require. Historically, we have seen the consistent introduction of regulation, and the pace and magnitude of change is increasing. As such, our client entities often require additional services in order to ensure compliance with new regulations, resulting in higher ARPE across our service lines. There are a number of ongoing and future regulation initiatives which represent further opportunity, such as the Fourth and Fifth Anti-Money Laundering Directive ("**AMLD**") and the US tax reform as well as potential legislation concerning the upcoming departure of the UK from the EU ("**Brexit**"). In addition to increasing global regulation, our addressable market benefits from a number of other underlying and continued drivers of growth:

- *Globalization, Economic Growth and M&A Activity*. Our markets are continuing to grow due to the increased internationalization of corporate and investment activities. As global assets under management continue to grow, our clients require our services in order to deploy and monitor capital in a way which is compliant, transparent and ethical and which fulfills specific legal, administrative and regulatory duties. Corporations investing across numerous jurisdictions require our services to implement tax efficient entities and assist them in compliance with both local and international standards. Regulatory developments and changes in the tax environment (such as the Action Plan on Base Erosion and Profit Shifting ("**BEPS**"), the Anti-Tax Avoidance Directive ("**ATAD**") and the Multilateral Convention to

Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting) may result in greater services per entity to maintain compliance, while reducing entity growth in certain jurisdictions.

- *Regulation, Substance Requirements, Complexity of Client Entities, Need of Additional Services and Outsourcing.* In addition to increasing regulatory complexity, increasing compliance requirements for clients drive the demand for transparency and substance related services (which in turn drives billable hours per entity and ARPE). Clients are increasingly relying on expert external providers to handle growing regulatory, risk management and compliance requirements due to their specialized capabilities and greater scale. This increased outsourcing allows organizations to focus on their core capabilities, reduce administrative burden, manage costs and reduce organizational complexity.

Resilient business model providing mandatory and "mission critical" services on a recurring basis.

We provide mission critical, non-discretionary services, which help to ensure that clients are compliant with relevant regulations and are therefore considered critical from a legal, regulatory, financial, reputational and risk management perspective. For our clients, the costs associated with providing our range of administrative services are often considered to be non-discretionary, since our clients generally require these services irrespective of their financial or operational performance, given the costs of failure can be high, both in terms of the severity of penalties (including fines or criminal prosecution) and the potential reputational damage suffered as a result of non-compliance.

We estimate that approximately 90% of our total revenue is generated by on-going compliance and maintenance services of client entities which for the most part can be considered as recurring. The remaining 10% relates to non-recurring revenue such as revenue generated by incorporations and liquidations.

Our business model benefits from added resilience due to the high-cost of switching administrative service providers, both financially and through the risk that critical services might not be provided to the same quality. In addition, the non-discretionary nature of our offering means that macro-economic fluctuations have historically had limited impact on our industry as expert administrative services required are not dependent on financial or operational performance. Our wide range of expert administrative services provides a complete solution for both event driven demands and for the ongoing requirements of doing business.

Diversified client base across service lines and geographies

Our longstanding clients are diversified across our service lines: Corporates; Funds; Capital Markets; and Private Wealth. In addition our clients are also diversified across geographies. As of September 30, 2018, we had clients based in approximately 140 jurisdictions and were not reliant on any single jurisdiction for our revenue. The Netherlands accounted for €116.4 million (23.7%), Luxembourg for €105.2 million (21.4%), the Americas for €85.1 million (17.3%), Jersey for €57.6 million (11.7%) and the Rest of the World for €126.5 million (25.8%) of our revenue for the twelve months ended September 30, 2018 amounting to €490.8 million. Similarly, we had a diversified client portfolio with our ten largest clients accounting for approximately 8% of our revenue for the year ended December 31, 2017, and none of our clients representing more than 1.6%.

Our wide range of services provides a diversified product offering, including core services such as incorporation, management, legal and tax compliance, reporting and liquidation, and also specialized services such as fund administration, depository services, portfolio administrative services, treasury and investment services and investor reporting. Core services are offered across all our four service lines, whereas specialized services are more specific to the relevant service line. Core services represented approximately 75% of our revenue in the twelve months ended September 30, 2018, and our specialized services represented approximately 25% of our revenue in the twelve months ended September 30, 2018.

We have a high quality client base representing a broad array of industries and are focused on multinational corporations, financial institutions, fund managers, high net worth individuals and family offices. As of September 30, 2018, our client base included 60% of the Top 10 and 50% of the Top 50 Fortune 500 companies as well as 80% of the Top 50 of the Private Equity International Top 300. Our longstanding relationship with our high quality clients supports our ability to secure multi-year contracts and to cross-sell our wide range of services.

Proven track record of synergetic acquisitions and well positioned for further consolidation in a fragmented industry

We have a proven track record for successful and value-accretive acquisitions in a historically fragmented market, completing eight selective and successful acquisitions since 2011. Our number of client entities grew from approximately 40,000 at the end of 2015 to approximately 50,400 at the end of 2017, primarily as a result of strategic acquisitions. Our number of FTEs grew from approximately 1,700 at the end of 2015 to approximately 2,500 as of September 30, 2018, approximately 650 of which were attributable to our strategic acquisitions. We aim to capture and diversify our service offering and our strategic rationale is to further increase scale, provide complementary services, expand our footprint and acquire technology enablers. For example, our acquisition of Elian in September 2016 strengthened our capital markets, as well as our private equity and real estate fund administration services, expanded our geographic presence to Jersey and added scale in other key jurisdictions such as Ireland, the United Kingdom and the Cayman Islands.

We have instituted acquisition and integration procedures aimed at identifying and assessing targets against clear strategic rationale and priorities, as well as potential risks and are selective through strict criteria such as: revenue growth and profitability; potential to fit into and complement our business; and quality of client portfolio. We have a robust internal M&A process framework in place with oversight and final sign-off provided at the Parent Guarantor's supervisory board ("**Supervisory Board**") level and procedures for integration to ensure risk mitigation. Integration is focused on fostering organic growth and our aim is to retain services of key individuals and clients.

There are further opportunities for consolidation within the fragmented expert administrative services market and we are in a strong position to source value-enhancing opportunities and extract synergies given our global platform and wide-reaching in-jurisdiction presence, with a clear focus on verticalization and expansion into selected new jurisdictions and regions such as the US and the Asia Pacific region and expansion and diversification of our services in new and existing sectors such as private equity and real estate fund administration, compliance services and capital markets.

Industry leading risk management standards

As a global player, we have enjoyed the reputation of applying high compliance and risk management standards across our global network as the potential failure by us in this regard could have a material adverse effect across our business. The responsibility for establishment and oversight of our risk management framework lies within our management board ("Management Board"), but we have also adopted a "three lines of defense" model to manage our risk:

First line of defense—Business: Our business teams bear primary responsibility for identifying, controlling and monitoring the risks within their processes, maintaining effective internal control frameworks and adhering to global compliance policies and standards.

Second line of defense—Compliance and Risk Management: Our compliance and risk management team ("**Compliance and Risk Management team**") is globally responsible for coordinating, developing and monitoring our risk management processes and adherence to compliance standards and procedures. The Compliance and Risk Management team is responsible for providing the independent risk reports to the executive committee ("**Executive Committee**"), Supervisory Board and our audit and risk committee ("**Audit and Risk Committee**"). The Compliance and Risk Management team also monitors changes that may impact the risk profile of the business and whether it is appropriate to provide new services to existing clients. The Compliance and Risk Management team further ensures that employees in every office receive compliance training, in addition to the mandatory Group-wide e-learning courses on anti-money laundering ("**AML**") and other relevant topics.

Third line of defense—Internal Audit: The independent internal audit team ("**Internal Audit team**") conducts audits that provide insights into how and to what extent we control the risks that may jeopardize our strategic and other objectives. These audits provide management with additional assurance on the effectiveness of internal controls and risk management.

High margins and strong cash flow generation

Our business model has historically demonstrated consistently high and stable margins and is highly cash generative, with Adjusted EBITDA margins of 40.3% for the twelve months ended September 30, 2018, and 40.4%, 42.1% and 42.8% for the years ended December 2017, 2016 and 2015, respectively. Similarly, our Adjusted EBITA margins were 38.1% for the twelve months ended September 30, 2018, and 38.2%, 39.9% and 40.7% for the years ended December 31, 2017, 2016 and 2015, respectively.

As a provider of expert administrative services, we have relatively limited requirements for capital expenditure such as investment in property, plant and equipment. Since 2015, total capital expenditure has been below 4% of revenue. Operational efficiencies are additionally supported by our continued focus on and investment in our IT systems and technology foundation, for which we have reduced the number of data centers in use and have enhanced the speed to market of new applications such as client portals. We have low effective tax rates in our key markets (the Netherlands, Luxembourg, the Cayman Islands and Jersey) and low net working capital requirements. As a result, we have strong cash generation.

Experienced management team with a clear strategy, supported by dynamic and engaged talent pool

The transition of our management team is now complete. Our management team benefits from an average experience of approximately 20 years in the financial services industry and has implemented a clear strategy focused on clients and services, innovation and technology and our people in order to achieve operational excellence. In addition, our management was supported by a dynamic and engaged global talent pool with more than 2,500 employees from 87 nationalities, as of September 30, 2018, the majority of whom have higher education degrees or qualifications. Our employees include trained financial experts, lawyers, tax lawyers and accountants with 74.6% of employees in billable FTE roles as of September 30, 2018.

We emphasize the importance of developing and maintaining our talent through strong teams, creating platforms for personal and professional growth and a values-focused culture based on our four key values: responsiveness; innovation; collaboration; and excellence. For example, we developed the Global Mobility Program, in which we seek to support the international mobility of our staff with a view to further developing the skillsets of our employees and further increasing cooperation, knowledge sharing and cross-selling across our global network, and the Global Intertrust Academy, in which we train and educate our employees on technical skills, as well as leadership, business development and relationship management skills.

OUR PURPOSE AND STRATEGY

In an increasingly complex global environment, we help our clients with their administrative challenges to grow and implement solutions to operate their business efficiently and responsibly. Focusing on compliance, business ethics and transparency, we support our clients in fulfilling their legal, administrative and regulatory duties in international business. We seek to consistently and clearly communicate our strategy to ensure all stakeholders understand how we deliver value.

Capture opportunities to expand and diversify our service offering both organically and through M&A activity

We seek opportunities to expand and diversify our service offering across all service lines in existing and new jurisdictions. With a more complete service offering, we are able to target increased levels of cross-selling revenue from other service lines, and increased revenue for clients and entities requiring more complex service requirements and substance. We recently created a global client solutions team to further accelerate our services and product development as we aim to adapt to the changing needs of our clients.

In our Corporates service line, we seek to grow and diversify our service offering primarily within specialized services in existing jurisdictions. Identified growth areas include the development and rollout of integrated office solutions ("**IOS**") and global corporate secretarial ("**CoSec**") solutions; the rollout of our performance and reward management ("**PRM**") services in other key jurisdictions of our Rest of the World segment; growing our recruitment and payroll services; and expanding our global footprint to new jurisdictions.

In our Funds service line, we see opportunities in existing and new geographies including Luxembourg, Ireland, Spain, Jersey and the Americas. Key growth areas include expansion of private equity and real estate fund administration; broadening our management company ("**ManCo**") services and fund services administration in Luxembourg and Ireland respectively; introducing outsourced fiduciary services such as assisting the money laundering reporting officer ("**MLRO**") and the money laundering compliance officer ("**MLCO**") of our clients with investor onboarding procedures; expanding our compliance services, especially alternative investment fund managers ("**AIFM**"), AML and customer due diligence ("**CDD**") compliance; and leveraging our specialized sales force in the UK and the US.

In our Capital Markets service line, we see the opportunity to offer domestic services in the US and the Asia Pacific region; grow our debt capital market services in the US and in Europe; and leverage our specialized sales force in the UK and the US.

In our Private Wealth service line, we see the opportunity to grow our ability to support family offices with CoSec and accounting services; facilitate the globalization of multi-generational family wealth and increase cross-selling towards our Corporates service line.

In addition to organic initiatives, we aim to increase our scale, complement our service offering, expand our footprint and enhance our technology by pursuing selective and value enhancing acquisitions. Over the past eight years, we have demonstrated our ability to identify, execute and integrate acquisitions in the expert administrative services industry with the acquisitions of Close Brothers Cayman, WMS, ATC, CRS, CorpNordic, Elian, SFM Spain and Azcona as well as Seed Outsourcing. We intend to continue to take a disciplined and selective approach to pursue strategic acquisitions and to apply a strict set of selection criteria when evaluating potential acquisition candidates with a clear focus on strategic growth.

Develop our financial policy to serve our growth strategies

We intend to further strengthen and develop our financial policy in order to serve our growth strategies and the expansion and diversification of our service offering. This includes targeting a net leverage of approximately 3.0x in the absence of M&A. In terms of liquidity, we expect to have the borrowings available under the New Revolving Credit Facility, and a minimum cash balance for operations of €40 million. Under our dividend policy we expect to target a dividend payout of approximately 40% of adjusted net income, with opportunistic share buy-backs subject to our net leverage target. Under our M&A strategy we expect to continue to selectively pursue value accretive acquisitions on the back of a strong M&A track record, and we intend to maintain a strong cash flow profile supporting inorganic expansion. Under our hedging policy we intend to use interest rate swaps for approximately 50% of our floating rate debt, with no foreign exchange hedging and an external debt mix expected to reflect the foreign exchange mix in our Adjusted EBITDA.

Further develop our technology foundation to serve changing client needs

Our ambition is to further develop our technology foundation to serve client needs. We seek to provide insight to clients through the consolidation of client data and empowering decision making. We seek to enhance transparency, providing better and consistent oversight over activities, deadlines and regulatory changes. We seek to utilize automation to digitize client-facing processes and generate efficiencies. We seek to provide control through managing risks and ensuring clients operate in a compliant environment and with security of information. We seek to reap the benefits of new technology—including regulatory technology ("**RegTech**"), client onboarding, robotic process automation and blockchain—in a changing market and regulatory landscape.

Key Intertrust initiatives currently in development include the creation and deployment of a client and payment portal, a virtual boardroom solution and self-service reporting solutions. These will enable us to continue to develop as a technology enabled corporate and fund solutions provider.

Develop and maintain a dynamic and engaged global talent pool

We believe that the knowledge, local expertise and business relationships of our employees are crucial to delivering high-quality services to our clients and generating new sustainable business. We intend to continue to focus on attracting, developing and retaining the best talent in our industry. Our talent strategy is centered on strong teams, platforms for growth and our values-driven culture. Purpose-led and values-driven teams increase employee engagement, reinforce our strong brand and positioning in the market and improve performance. To train our employees, we have developed several platforms for personal and professional growth, such as the Global Mobility Program (in which we seek to support the international mobility of our staff with a view to further developing the skillsets of our employees and further increasing cooperation, knowledge sharing and cross-selling across our global network), the Global Intertrust Academy (in which we train and educate our employees on technical skills, as well as leadership, business development and relationship management skills), "One Journey" (a program which aims to develop a positive workplace culture and environment as well as an "Intertrust way" of working) and our Talent Program (a global talent development program which offers a range of classes and assignments to develop leadership within the global business environment).

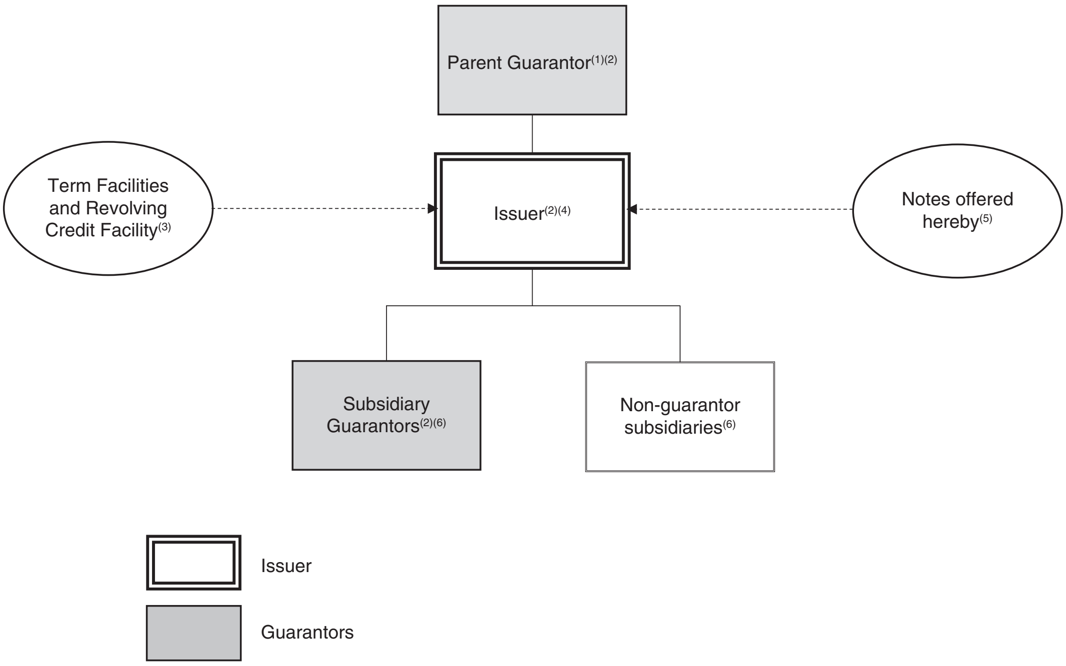
Enable our strategic ambitions through best practice execution, including maintaining industry-leading standards on compliance and risk management

To best execute our strategy, we adopt best practices including: global process standardization; the creation of centers of excellence; and the outsourcing of certain business processes to nearby countries to improve our customer service. The implementation of these strategies is underway and is expected to support and enhance our Adjusted EBITDA margin and cash generation profile over the medium term.

We believe that we are recognized by our clients and the business partners who refer new business opportunities to us as having industry-leading standards on compliance and risk management. We further believe that our strong relationships and ongoing dialogue with regulators to discuss new legislative and regulatory developments and to promote best practice standards in relation to compliance is expected to further improve the quality of our sector. We have four independent risk monitoring functions: compliance and risk management; legal; tax; and internal audit. Our Compliance and Risk Management team had approximately 55 FTEs as of September 30, 2018, including HQ and local teams, and is responsible for developing and monitoring our compliance and risk management processes and adherence to compliance and risk management standards and procedures. Our Internal Audit team had two FTEs as of September 30, 2018 at HQ, and our Tax and Legal teams had three and four FTEs at HQ as of September 30, 2018, respectively, not including local office teams. We intend to maintain our high standards on compliance and continue to invest in our risk management functions in order to support further sustainable growth of our business. To this effect, our Supervisory Board is assisted by its Audit and Risk Committee, which is responsible for ensuring the proper supervision on our compliance, risk management and audit functions. We believe that our clients value our services and select us as their preferred expert administrative services provider in part because of the high standards that we have consistently applied throughout our global network. This has made us a reliable partner to whom clients can outsource certain of their activities on a global basis and in a responsible manner.

Summary Corporate and Financing Structure

The diagram below illustrates, in simplified form, our corporate and financing structure after giving effect to the Transactions. The diagram does not include all entities in the Group. For more details on the debt obligations identified in this diagram, see "*Capitalization*," "*Description of Other Indebtedness*" and "*Description of the Notes.*"



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(1) Intertrust N.V. (the "**Parent Guarantor**"), is a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands on September 8, 2014, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands.

(2) As of September 30, 2018, the Issuer and the Guarantors represented 70% of the Group's net assets (excluding investments in subsidiaries, intangibles arising on business combination, intercompany balances and clearing-related assets). For the twelve months ended September 30, 2018, the Guarantors (excluding the Parent Guarantor and the Issuer, both of which are holding companies and had negative Adjusted EBITDA) represented 92% of the Group's Adjusted EBITDA and 47% of the Group's revenue. As of September 30, 2018, after giving effect to the Transactions, the non-Guarantor subsidiaries of the Parent Guarantor would not have had any external financial indebtedness outstanding.

(3) On or about the date of pricing of the Notes, the Issuer will enter into the New Facilities Agreement comprised of the New Term Facilities and the New Revolving Credit Facility. The New Term Facilities include the US dollar-denominated bank loan in an amount of $200,000,000 and the pound sterling-denominated bank loan in an amount of £100,000,000. The New Term Facilities are primarily intended to refinance existing indebtedness of the Group. The New Revolving Credit Facility will provide for revolving commitments of up to €150,000,000. The New Revolving Credit Facility may be used for general corporate purposes, to fund acquisitions and to fund working capital of the Group. The Issuer will be the original borrower under the New Term Facilities and the New Revolving Credit Facility. Subject to agreed guarantee principles and limitations, the New Term Facilities and the New Revolving Credit Facility will be guaranteed by the Guarantors. At the Issue Date, we do not expect the New Revolving Credit Facility to be drawn, however, we will roll over €3.4 million of bank guarantees outstanding under ancillary facilities from the Existing Revolving Credit Facility to the New Revolving Credit Facility as off-balance sheet liabilities. We therefore expect to have approximately €146.6 million available for borrowing under the New Revolving Credit Facility on the Issue Date. See "*Description of Other Indebtedness—New Facilities Agreement.*"

(4) Intertrust Group B.V. (the "**Issuer**"), is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands on November 22, 2012, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands.

(5) Comprises €500,000,000 aggregate principal amount of   % Senior Notes due 2025. The Notes will be the Issuer's senior unsecured obligations and be guaranteed by the Guarantors, subject to contractual limitations that reflect limitations under applicable law. The Guarantees will be senior unsecured obligations of the Guarantors. We intend to use the gross proceeds of the Offering, together with cash on hand and borrowings under the New Term Facilities: (i) to repay in full borrowings under the Existing Facilities and the Existing Revolving Credit Facility; and (ii) to pay costs, fees and expenses incurred in connection with the Offering, including underwriting and/or arranging commissions and fees for legal, accounting, ratings advisory and other professional services. See "*Use of Proceeds.*"

(6) Intertrust (Netherlands) B.V., Intertrust Administrative Services B.V., Intertrust Management B.V., Intertrust Corporate Services (Cayman) Limited, Intertrust SPV (Cayman) Limited, Intertrust Fiduciary Services (Jersey) Limited and Intertrust International Management Limited (the "**Subsidiary Guarantors**") are subsidiaries of the Parent Guarantor. Not all of the Parent Guarantor's subsidiaries will guarantee the Notes. Intertrust (Luxembourg) S.à r.l. ("**Intertrust Luxembourg**") is a material subsidiary of the Group that, due to regulatory restrictions, is currently prohibited from guaranteeing third-party debt, including the Notes offered hereby and borrowings under the New Term Facilities and the New Revolving Credit Facility. If we become aware of a change in the regulatory environment such that Intertrust Luxembourg would be permitted to guarantee the Notes, the New Term Facilities and the New Revolving Credit Facility, we will use commercially reasonable efforts to provide such guarantees.

The Offering

The following is a brief summary of certain terms of the Offering. It is not intended to be complete and it is subject to important limitations and exceptions. For a more complete understanding of the Notes and the Guarantees, including certain definitions of terms used in this summary, see "*Description of the Notes.*"

Issuer:	Intertrust Group B.V., is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands on November 22, 2012, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands. The Issuer is registered with the Dutch Trade Register of the Chamber of Commerce under number the number 56528582.
Notes Offered:	€500,000,000 aggregate principal amount of % Senior Notes due 2025.
Form and Denomination:	The Issuer will issue the Notes in global form in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof maintained in book-entry form.
Issue Date:	November , 2018.
Issue Price:	%.
Maturity Date:	, 2025.
Interest Rate:	Interest on the Notes will accrue from the Issue Date at a rate of % per annum. Interest on the Notes will be payable in cash.
Interest Payment Dates:	Semi-annually in arrear on each and , commencing , 2019.
Ranking of the Notes:	The Notes will be senior unsecured obligations of the Issuer and will: • rank *pari passu* in right of payment with all of the Issuer's existing and future senior obligations that are not subordinated in right of payment to the Notes, including obligations under the New Facilities Agreement; • rank senior in right of payment to all of the Issuer's future obligations that are expressly subordinated in right of payment to the Notes, if any; • be effectively subordinated to any existing and future secured obligations of the Issuer and the Guarantors to the extent of the value of the property and assets securing such obligations; • be structurally subordinated to all obligations of the Parent Guarantor's Subsidiaries that do not guarantee the Notes; and • be guaranteed by the Guarantors, subject to contractual limitations that reflect limitations under applicable law.

Guarantors:	Intertrust N.V., Intertrust (Netherlands) B.V., Intertrust Administrative Services B.V., Intertrust Management B.V., Intertrust Corporate Services (Cayman) Limited, Intertrust SPV (Cayman) Limited, Intertrust Fiduciary Services (Jersey) Limited and Intertrust International Management Limited.
Guarantees:	The Notes will be, subject to contractual limitations that reflect limitations under applicable law, guaranteed, jointly and severally, on a senior unsecured basis, by each of the Guarantors. The Guarantees may be released without the consent of the holders of the Notes under certain circumstances. See "*Description of the Notes—Guarantees*" and "*Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations*." Not all of the Parent Guarantor's Subsidiaries will guarantee the Notes. In the event of a bankruptcy, liquidation or reorganization of any of these non-guarantor Subsidiaries, the non-guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to their parent entity. As of September 30, 2018, the Issuer and the Guarantors represented 70% of the Group's net assets (excluding investments in subsidiaries, intangibles arising on business combination, intercompany balances and clearing-related assets). For the twelve months ended September 30, 2018, the Guarantors (excluding the Parent Guarantor and the Issuer, both of which are holding companies and had negative Adjusted EBITDA) represented 92% of the Group's Adjusted EBITDA and 47% of the Group's revenue. As of September 30, 2018, after giving effect to the Transactions, the non-Guarantor subsidiaries of the Parent Guarantor would not have had any external financial indebtedness outstanding. For additional information on the Guarantors, see "*Listing and General Information—Guarantor Information*." The Guarantees are subject to the limitations as set forth under "*Description of the Notes—Guarantees*" and "*Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations.*"
Ranking of the Guarantees:	Each Guarantee will be, subject to contractual limitations that reflect limitations under applicable law, a senior, unsecured, joint and several obligation of the relevant Guarantor and will: • rank *pari passu* in right of payment with all existing and future senior obligations of such Guarantor that are not expressly subordinated in right of payment to such Guarantor's Guarantee, including obligations under the New Facilities Agreement; • rank senior in right of payment to all future obligations of such Guarantor that are expressly subordinated in right of payment to such Guarantor's Guarantee, if any; and

- be effectively subordinated to all existing and future secured obligations of such Guarantor to the extent of the value of the property and assets securing such obligations.

Optional Redemption: . . . . At any time prior to , 2021, the Issuer may redeem the Notes in whole or in part at a redemption price equal to 100% of the principal amount of the Notes, plus a "make-whole" premium as described under "*Description of the Notes—Optional Redemption*," plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption.

At any time prior to , 2021, the Issuer may redeem up to 40% of the aggregate principal amount of the Notes with the net cash proceeds from certain equity offerings at a redemption price as described under "*Description of the Notes—Optional Redemption*," plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption.

At any time on or after , 2021, the Issuer may redeem the Notes in whole or in part at the redemption prices set forth under "*Description of the Notes—Optional Redemption*," plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption.

See "*Description of the Notes—Optional Redemption*."

Withholding Taxes; Tax Redemption: . . . . All payments made by or on behalf of the Issuer or any Guarantor on the Notes or any Guarantee (as applicable) will be made free and clear of, and without withholding or deduction for, or on account of, any present or future Taxes unless the withholding or deduction of such Taxes is then required by law. If withholding or deduction is required by law in any relevant taxing jurisdiction, subject to certain exceptions and limitations, the Issuer or relevant Guarantor will pay such Additional Amounts as may be necessary so that the net amount received by each holder of Notes after such withholding or deduction will not be less than the amount such holder would have received if such withholding or deduction had not been required. See "*Description of the Notes—Withholding Taxes*."

In the event of certain developments affecting taxation that become effective after the Issue Date, the Issuer may redeem all, but not less than all, of the Notes at 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption. See "*Description of the Notes—Redemption for Taxation Reasons*."

Change of Control: . . . . Upon the occurrence of a Change of Control, the Issuer will be required to offer to repurchase all outstanding Notes at a purchase price in cash equal to 101% of the aggregate principal amount thereof on the date of repurchase, plus accrued and unpaid interest and additional amounts, if any, to the date of repurchase. See "*Description of the Notes—Repurchase at the Option of Holders—Change of Control*."

Certain Covenants: . . . . The Indenture contains certain covenants that limit, among other things, the ability of the Parent Guarantor and its Subsidiaries to:

- enter into guarantees with respect to the New Facilities Agreement, certain other credit facilities or certain public indebtedness without concurrently guaranteeing the Notes; and
- incur liens on their principal properties to secure indebtedness.

The Parent Guarantor and the Issuer are limited in their ability to undertake certain mergers, consolidations or sales of all or substantially all of their respective assets and the Parent Guarantor is required to make available periodic financial reports under the Indenture.

These covenants are subject to important exceptions and qualifications. For a more detailed description of these covenants, see "*Risk Factors—Risks Related to the Notes and our Structure*" and "*Description of the Notes—Certain Covenants*."

Use of Proceeds: . . . . The Issuer intends to use the proceeds from the Offering, together with cash on hand and borrowings under the New Term Facilities to: (i) repay in full borrowings under the Existing Facilities Agreement; and (ii) pay costs, fees and expenses incurred in connection with the Transactions, including certain financing fees with respect to the New Facilities, including the New Revolving Credit Facility, Initial Purchasers' fees, legal and accounting expenses and other transaction costs. See "*Use of Proceeds*."

Transfer Restrictions: . . . . The Notes and the Guarantees have not been, and will not be, registered under the US Securities Act or the securities laws of any other jurisdiction and are subject to restrictions on transferability and resale. See "*Notice to Investors*" and "*Plan of Distribution*."

No Prior Market: . . . . The Notes will be new securities for which there is currently no established trading market. Accordingly, there can be no assurances as to the development or liquidity of any market for the Notes.

Listing: . . . . Application has been made for the listing of the Notes on the Official List of the Luxembourg Stock Exchange and to be admitted for trading on the Luxembourg Stock Exchange's Euro MTF Market in accordance with the rules and regulations of that exchange. There can be no assurances that the Notes will be listed on the Official List of the Luxembourg Stock Exchange, that such permission to deal in the Notes will be granted, that such listing will be maintained or that the Notes will be admitted to trading on the Luxembourg Stock Exchange's Euro MTF Market.

Governing Law for the Notes, the Guarantees and the Indenture: . . . . New York.

Trustee: . . . . Deutsche Trustee Company Limited.

Paying Agent: . . . . Deutsche Bank AG, London Branch.

Registrar and Transfer Agent: . . . . Deutsche Bank Luxembourg S.A.

Listing Agent: . . . . Deutsche Bank Luxembourg S.A.

Investing in the Notes involves substantial risks. See "*Risk Factors*" for a description of certain risks you should carefully consider before investing in the Notes.

Summary Historical Consolidated Financial and Other Data

This section contains (i) historical consolidated financial information of our Group as of the dates and for the periods indicated, which has been derived from the 2018 Interim Condensed Consolidated Financial Statements and the Annual Consolidated Financial Statements, included elsewhere in this Offering Memorandum and (ii) certain other operational data.

The financial information presented for the twelve months ended September 30, 2018 is derived by adding the unaudited consolidated statement of profit and loss for the nine months ended September 30, 2018 to the audited consolidated statement of profit and loss for the year ended December 31, 2017 and deducting the unaudited consolidated statement of profit and loss for the nine months ended September 30, 2017. The consolidated statement of profit and loss for the twelve months ended September 30, 2018 has been prepared for illustrative purposes only and is not necessarily representative of the Group's results of operations for any future period or the Group's financial condition at any future date. The consolidated statement of profit and loss for the twelve months ended September 30, 2018 is not prepared in the ordinary course of our financial reporting or in accordance with IFRS.

We also present several KPIs, including Adjusted EBITDA and Adjusted EBITA. None of these KPIs is a measure of financial performance under IFRS. Nevertheless, we believe that these measures provide an important indication of trends in our financial performance, our financial condition and our results of operations. Furthermore, we believe that these KPIs are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. However, there are limitations inherent to the use of KPIs resulting from the fact that they exclude expenses and other items that are required to be included in corresponding measures under IFRS. See "Presentation of Financial and Other Information."

Also presented below are certain unaudited pro forma financial information and adjustments, which have been prepared for illustrative purposes only. Because of their nature, the pro forma financial information and adjustments address hypothetical situations and, therefore, do not represent our actual financial condition or results of operations for the periods presented or as of the presented dates. Pro forma adjustments are based on available information and certain assumptions and estimates that we believe are reasonable in the circumstances. However, these assumptions and estimates are inherently uncertain, subject to a wide variety of significant business, economic and other risks and may differ materially from our actual financial condition or results of operations. The pro forma adjustments presented below are directly attributable to the Transactions, thereby giving effect to the Transactions as if the Transactions had occurred on September 30, 2018.

This section should be read in conjunction with the information contained under "Presentation of Financial and Other Information," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations," the 2018 Interim Condensed Consolidated Financial Statements, including the notes thereto, and the Annual Consolidated Financial Statements, including the notes thereto, included elsewhere in this Offering Memorandum and other financial data appearing elsewhere in this Offering Memorandum.

SUMMARY FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(€ in millions)	Year ended December 31, 2015	Year ended December 31, 2016	Year ended December 31, 2017	Nine months ended September 30, 2017	Nine months ended September 30, 2018	Twelve months ended September 30, 2018
Revenue[(1)]	**344.6**	**385.8**	**485.2**	**357.8**	**363.4**	**490.8**
Staff expenses	-144.9	-170.7	-214.5	-160.5	-164.6	-218.6
Rental expenses	-17.2	-20.1	-24.2	-17.9	-18.1	-24.4
Other operating expenses[(1)]	-41.6	-50.5	-62.0	-45.8	-46.9	-63.1
Other operating income	3.7	0.1	0.2	0.2	0.1	0.1
Depreciation and amortization[(2)]	-37.3	-42.5	-52.0	-39.0	-39.1	-52.1
Profit/(loss) from operating activities	**107.3**	**102.1**	**132.8**	**94.8**	**94.6**	**132.6**
Financial result	-100.6	-30.6	-25.9	-18.2	-21.4	-29.1
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	—	—	0.7	-0.2	0.1	0.9
Profit/(loss) before income tax	**6.6**	**71.5**	**107.6**	**76.4**	**73.3**	**104.5**
Income tax	-4.0	-19.5	-18.9	-17.7	-13.2	-14.4
Profit/(loss) for the period	**2.6**	**52.0**	**88.7**	**58.7**	**60.1**	**90.1**

(1) For the year ended December 31, 2015, Adjusted Revenue was €344.9 million and Adjusted Other Operating Expenses were €41.9 million as a result of the addback to revenue of the €0.3 million revenue generated from a client in our Luxembourg segment with which we settled a claim in 2015 (the "**2015 Settlement**") and as a result of the €0.3 million expenses in relation to the 2015 Settlement. Under IFRS we were required to offset the amount of a settlement with a client with the revenue generated from such client. As a result, both our revenue and other operating expenses line item for the year ended December 31, 2015 were reduced by the amount of the 2015 Settlement, which only affected the revenue and other operating expenses of our Luxembourg segment and therefore of the Group for the year ended December 31, 2015 and had no effect on the revenue and other operating expenses for the years ended December 31, 2016 and 2017 and for the nine months ended September 30, 2017 and 2018 (and neither for the twelve months ended September 30, 2018).

(2) Depreciation and amortization includes depreciation, amortization of acquisition-related intangible assets and amortization of other intangible assets.

CONSOLIDATED BALANCE SHEET

(€ in millions)	As of December 31, 2015	As of December 31, 2016	As of December 31, 2017	As of September 30, 2017	As of September 30, 2018
Total non-current assets	1,087.2	1,607.7	1,510.4	1,527.8	1,494.0
Total current assets	203.2	226.8	232.3	193.0	239.4
thereof cash and cash equivalents	*80.5*	*69.9*	*66.6*	*60.5*	*98.0*
Total assets	**1,290.4**	**1,834.4**	**1,742.7**	**1,720.8**	**1,733.3**
Total equity	**562.3**	**759.8**	**705.1**	**719.1**	**713.9**
Total non-current liabilities	607.9	881.5	861.3	865.6	864.6
Total current liabilities	120.1	193.1	176.3	136.2	154.9
Total liabilities	**728.1**	**1,074.6**	**1,037.6**	**1,001.8**	**1.019.5**
Total equity and liabilities	**1,290.4**	**1,834.4**	**1,742.7**	**1,720.8**	**1,733.3**

CONSOLIDATED CASH FLOW STATEMENT

(€ in millions)	Year ended December 31, 2015	2016	2017	Nine months ended September 30, 2017	2018
Net cash from operating activities	127.5	152.4	156.9	108.6	115.5
Net cash from/(used in) investing activities	-34.2	-182.1	-12.8	-12.1	-9.3
Net cash from/(used in) financing activities	-51.0	22.5	-136.6	-91.3	-85.2
Net changes in cash and cash equivalents	**42.3**	**-7.2**	**7.5**	**5.2**	**21.0**

OTHER CONSOLIDATED EARNINGS DATA

(€ in millions, unless otherwise indicated)	Year ended December 31, 2015	2016	2017	Nine months ended September 30, 2017	2018	Twelve months ended September 30, 2018
Adjusted EBITDA[(3)]	147.6	162.5	196.2	142.4	144.1	197.9
Adjusted EBITA[(4)]	140.4	153.8	185.1	134.2	135.8	186.8
Adjusted EBITDA Margin[(5)]	42.8%	42.1%	40.4%	39.8%	39.7%	40.3%
Adjusted EBITA Margin[(6)]	40.7%	39.9%	38.2%	37.5%	37.4%	38.1%

(3) Adjusted EBITDA is defined as profit/(loss) from operating activities adding back depreciation and amortization of other intangible assets and amortization of acquisition-related intangible assets, and further adjusted for certain specific items of income or expense that, based on their significance in size or nature, should be separately presented to provide further understanding about the financial performance of the Group ("**Specific Items**"). Specific Items include: (i) transaction costs; (ii) integration and transformation costs; (iii) share-based payment upon IPO; (iv) share-based payment upon integration; (v) other income or expenses; (vi) one-off revenue; and (vii) one-off expenses. Such Specific Items are not of an operational nature and do not represent the Group's core operating results The following table shows a reconciliation of profit/(loss) from operating activities to Adjusted EBITDA for the periods indicated.

(€ in millions)	Year ended December 31, 2015	2016	2017	Nine months ended September 30, 2017	2018	Twelve months ended September 30, 2018
Profit/(loss) from operating activities	**107.3**	**102.1**	**132.8**	**94.8**	**94.6**	**132.6**
Depreciation and amortization of other intangible assets	7.2[(a)]	8.7	11.0	8.2	8.3	10.9
Amortization of acquisition-related assets	30.1[(b)]	33.8	41.0	30.8	30.8	41.1
Transaction costs[(c)]	5.3	4.2	0.1	0.1	0.1	0.1
Integration and transformation costs[(d)]	3.1	8.5	7.8	5.8	9.2	11.2
Share-based payment upon IPO[(e)]	4.4	4.1	2.1	1.7	0.9	1.3
Share-based payment upon integration[(f)]	—	0.4	1.1	1.0	0.1	0.2
Other (income)/expenses	-3.7[(g)]	0.5	0.3	—	0.1	0.3
One-off revenue	0.3[(h)]	—	—	—	—	—
One-off expenses	-6.3[(i)]	0.3	—	—	—	—
Adjusted EBITDA	**147.6**	**162.5**	**196.2**	**142.4**	**144.1**	**197.9**

(a) To reconcile the amount of depreciation and amortization of other intangible assets for the year ended December 31, 2015, the amortization of software (€3.8 million) set out in note 16 of the financial statements as of and for the year ended December 31, 2016 needs to be added to the amount of depreciation (€3.4 million) set out in note 15 of the financial statements as of and for the year ended December 31, 2016.

(b) To reconcile the amount of amortization of acquisition-related intangible assets for the year ended December 31, 2015, the amortization of software (€3.8 million) set out in note 16 of the financial statements as of and for the year ended December 31, 2016 needs to be deducted from the total amount of amortization (€33.9 million) set out in note 16 of the financial statements as of and for the year ended December 31, 2016.

(c) Transactions costs for the year ended December 31, 2015 consisted of transaction costs related to: (i) external legal fees and due diligence costs incurred in connection with the acquisition of CorpNordic and other potential transactions that did not materialize; and (ii) costs incurred in connection with the listing of the Parent Guarantor, excluding expenses directly attributable to the equity transaction and recorded in equity, and monitoring fees charged by Blackstone, as former parent of the Group prior to the listing on Euronext Amsterdam, for advisory services provided to the Group. Transactions costs for the year ended December 31, 2016 primarily consisted of transaction costs related to external legal fees and due diligence costs incurred in connection with the acquisition of Elian. Transactions costs for the year ended December 31, 2017 consisted of transaction costs related to the Azcona asset deal. Transactions costs for the nine months ended September 30, 2017 consisted of transaction costs related to the Azcona asset deal. Transactions costs for the nine months ended September 30, 2018 consisted of transaction costs related to the acquisition of Seed Outsourcing.

(d) Integration and transformation costs for the year ended December 31, 2015 primarily consisted of integration and transformation costs related to the acquisition of ATC and CorpNordic. Integration and transformation costs for the year ended December 31, 2016 primarily consisted of costs incurred for the integration of ATC, CorpNordic and Elian. Integration and transformation costs for the year ended December 31, 2017 primarily consisted of costs incurred for the integration of Elian and Azcona. Integration and transformation costs for the nine months ended September 30, 2017 primarily consisted of costs related to the integration of Elian and Azcona. Integration and transformation costs for the nine months ended September 30, 2018 primarily consisted of costs related to the integration of Elian, Azcona and Seed Outsourcing and transformation costs related to the headcount alignment program.

(e) Share-based payments upon IPO consist of payments made to members of our Management Board and selected eligible employees under the equity-settled share-based payment arrangements implemented following the listing of the Parent Guarantor's shares on Euronext Amsterdam in 2015.

(f) Share-based payments upon integration consist of payments made to selected eligible employees following the Elian acquisition in September 2016 and the Azcona asset deal in February 2017.

(g) Other income for the year ended December 31, 2015 related to the indemnity received from former shareholders for the Dutch tax claim for the fiscal years 2011, 2012 and 2013, and the gain on the sale of Intertrust Bank (Cayman) Limited.

(h) One-off revenue for the year ended December 31, 2015 represented revenue generated from a client with which we entered into the 2015 Settlement and which was offset as part of the 2015 Settlement. Under IFRS we were required to offset the amount of a settlement with a client with the revenue generated from such client. As a result, our revenue line item for the year ended December 31, 2015 was reduced by the amount of the 2015 Settlement.

(i) One-off expenses for the year ended December 31, 2015 consisted mainly of the benefit under IFRS related to the change of the pension plan in the Netherlands and Switzerland which was partly offset by one-off expenses related to legal claims, such as the 2015 Settlement, and reorganizations.

(4) Adjusted EBITA is defined as Adjusted EBITDA less depreciation and amortization of other intangible assets (which, for purposes of this KPI does not take into account amortization of acquisition-related intangible assets). The following table shows a reconciliation of Adjusted EBITDA to Adjusted EBITA for the periods indicated:

	Year ended December 31,			Nine months ended September 30,		Twelve months ended September 30,
(€ in millions)	**2015**	**2016**	**2017**	**2017**	**2018**	**2018**
Adjusted EBITDA	**147.6**	**162.5**	**196.2**	**142.4**	**144.1**	**197.9**
Depreciation of leasehold improvements	-0.8	-1.3	-1.9	-1.5	-1.4	-1.9
Depreciation of equipment and motor vehicles	-0.7	-0.8	-0.8	-0.6	-0.5	-0.7
Depreciation of IT equipment	-1.8	-2.1	-3.3	-2.5	-2.1	-2.9
Amortization of other intangible assets	-3.8[(a)]	-4.5	-5.0	-3.6	-4.4	-5.7
Adjusted EBITA	**140.4**	**153.8**	**185.1**	**134.2**	**135.8**	**186.8**

(a) Amortization of other intangible assets for the year ended December 31, 2015 refers to the amortization of software as set out in note 16 of the financial statements as of and for the year ended December 31, 2016.

(5) Adjusted EBITDA Margin for the periods indicated is defined as Adjusted EBITDA for the periods indicated divided by revenue for the periods indicated.

(6) Adjusted EBITA Margin for the periods indicated is defined as Adjusted EBITA for the periods indicated divided by revenue for the periods indicated.

OTHER CONSOLIDATED CASH FLOW DATA

(€ in millions)	Year ended December 31, 2015	2016	2017	Nine months ended September 30, 2017	2018
Adjusted EBITDA(3)	**147.6**	**162.5**	**196.2**	**142.4**	**144.1**
Adjustments for non-cash and Specific Items(7)	-9.9	-11.0	-7.1	-4.9	-7.2
Cash flow from change in working capital(8)	-3.0	7.2	-18.3	-19.1	-2.0
Cash flow from change in provisions and foreign currency(9)	-2.0	-0.6	-0.5	-1.1	3.7
Income tax paid	-5.2	-5.7	-13.3	-8.7	-23.2
Net cash from operating activities	**127.5**	**152.4**	**156.9**	**108.6**	**115.5**
Cash capital expenditures(10)	-13.1	-11.4	-8.3	-5.5	-4.6
Free cash flow (pre-interest)	**114.5**	**141.0**	**148.6**	**103.1**	**110.9**
Interest paid	-52.7	-17.2	-23.2	-17.4	-18.6
Free Cash Flow	**61.8**	**123.8**	**125.4**	**85.7**	**92.3**

(7) Adjustments for non-cash and specific items represent adjustments for the cash-out effect of Specific Items net of non-cash items (such as share-based payments, pension related valuation adjustments and cash-outs related to Specific Items).

(8) Cash flow from change in working capital represents the (increase)/decrease in trade working capital and the (increase)/decrease in other working capital.

(9) Cash flow from change in provisions and foreign currency represents the increase/(decrease) in provisions and the changes in foreign currency.

(10) Cash capital expenditures represents the purchase of property, plant and equipment and the purchase of intangible assets.

PRO FORMA FINANCIAL DATA

(€ in millions, unless otherwise indicated)	As of or for the twelve months ended September 30, 2018
Pro forma total debt(11)	785.5
Pro forma cash and cash equivalents(12)	71.3
Pro forma net debt(13)	714.2
Pro forma cash interest expense(14)	
Ratio of pro forma net debt(13) to Adjusted EBITDA(3)	3.6x
Ratio of Adjusted EBITDA(3) to pro forma cash interest expense(14)	x

(11) *Pro forma* total debt is defined as the total borrowings of the Group after giving effect to the Transactions. See "*Use of Proceeds*" and "*Capitalization.*"

(12) *Pro forma* cash and cash equivalents is defined as the cash and cash equivalents of the Group after giving effect to the Transactions. See "*Use of Proceeds*" and "*Capitalization.*"

(13) *Pro forma* net debt is defined as *pro forma* total debt less *pro forma* cash and cash equivalents.

(14) *Pro forma* cash interest expense represents the annual interest expense that would be incurred on the *pro forma* total debt.

OPERATIONAL DATA

(€ in millions, unless otherwise indicated)	As of or for year ended December 31,			As of or for the nine months ended September 30,	
	2015	2016	2017	2017	2018
Revenue per billable FTE(15) (€ in thousands)	282.7	272.7	260.4	260.2	261.5
Billable FTEs(15) as % of total FTEs	74.6%	75.0%	76.0%	76.7%	74.6%
HQ and IT costs(16)	36.5	42.0	63.3	43.8	50.6
thereof HQ costs	16.6	17.8	29.5	18.5	24.1
thereof IT costs	19.8	24.3	33.7	25.3	26.5
HQ and IT costs(16) as % of revenue	10.6%	10.9%	13.0%	12.2%	13.9%
Number of client entities (in thousands)	40.1	51.9	50.4	51.1	48.3
thereof regular client entities(17)	N/A	23.6	23.5	23.8	23.2
thereof high volume, low value client entities(18)	N/A	28.3	26.9	27.3	25.1
ARPE(19) (*for the last twelve months, € in thousands*)	8.6	9.1	9.6	9.3	10.2
average revenue per regular entity(17)	N/A	16.8	17.4	16.9	18.0
average revenue per high volume, low value entity(18)	N/A	2.7	2.9	2.9	2.9
Underlying Revenue(20) growth	8.1%	3.0%	4.4%	3.5%	3.6%
Ratio of Adjusted EBITDA Minus Additions in PPE and Intangible Assets to Adjusted EBITDA(21)	92.6%	93.0%	96.2%	96.6%	96.8%

(15) Billable FTEs refers to fee earning or client facing FTEs who assist in the provision of services to our clients for more than 30% of their time.

(16) HQ and IT costs refer to expenses incurred by Group-supporting functions for the benefit of our whole Group, including general management, finance, compliance, IT, HR, marketing and operations functions. The IT costs referred to in this footnote include all IT expenses including staff expenses and office rental expenses related to IT staff. The IT expenses referred to in footnote 9 of the Annual Consolidated Financial Statements only include external IT expenses and do not include staff expenses and office rental expenses related to IT staff. Revenue was €363.4 million, €357.8 million, €485.2 million, €385.8 million and €344.6 million for the nine months ended 2018 and 2017, and for the years ended December 31, 2017, 2016 and 2015, respectively.

(17) Regular client entities are client entities which are not high volume, low value client entities.

(18) High volume, low value client entities are client entities categorized as such by our management based on the services provided and expected to be provided to such client entities. High volume, low value client entities are mostly incorporated in the Cayman Islands, the British Virgin Islands and the US, as well as selected client entities from other jurisdictions based on management estimations and usually with an estimated ARPE below €1,000.

(19) ARPE refers to the average revenue for the specified period per client entity as of the specified date.

(20) Underlying Revenue refers to revenue calculated on a constant currency and like-for-like basis excluding the impacts of currency exchange fluctuations, including revenue generated by *pro forma* acquisitions and excluding revenue generated by *pro forma* divestments for the period specified.

(21) Ratio of Adjusted EBITDA Minus Additions in PPE and Intangible Assets to Adjusted EBITDA refers to the difference between Adjusted EBITDA and additions to property, plant, equipment and intangible assets other than acquisition related assets, divided by Adjusted EBITDA. Additions to property, plant, equipment and intangible assets were €4.6 million, €4.8 million, €7.5 million, €11.3 million and €10.9 million for the nine months ended 2018 and 2017, and for the years ended December 31, 2017, 2016 and 2015, respectively. This KPI has not been audited or reviewed and is not a recognized measures of financial performance or liquidity under IFRS. There are limitations inherent to the use of this KPI resulting from the fact that it excludes certain cash items that would be appropriate to be included in corresponding measures under IFRS. In analyzing our future performance, investors should be cautioned not to place undue reliance on this KPI and are also advised to consider this KPI together with the presentation of our financial condition and results of operations under IFRS, rather than as an alternative to IFRS financial measures. See "*Presentation of Financial and Other Information.*"

RISK FACTORS

An investment in the Notes involves a high degree of risk. You should carefully consider the risk factors described below and all other information contained and incorporated by reference in this Offering Memorandum. These risks and uncertainties are not the only ones we face. We also face additional risks and uncertainties that are not currently known to us or that we currently consider immaterial. The occurrence of the risks described below or such additional risks could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes. Furthermore, before making an investment decision with respect to any Notes, prospective investors should consult their financial, legal and tax advisors and consider such an investment decision in light of their personal circumstances.

This Offering Memorandum contains forward-looking statements based on assumptions that involve risks and uncertainties. Actual results could differ materially from those that we discuss in these forward-looking statements. Investors should read "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

The loss of certain employees, the failure to attract and retain employees with appropriate qualifications, experience and business relationships, or the increase of personnel expenses could have a material adverse effect on our business.

Our business, future growth and success depend to a large extent on the experience, knowledge and business relationships of our client facing employees. In particular, their knowledge of local markets and their long-standing client and business partner relationships are extremely valuable to our business. Our employees may decide to leave us and join our competitors or pursue independent business opportunities.

Competition in our industry for suitably qualified employees is intense and is expected to further intensify. The loss of client facing employees, particularly to our competitors, has in the past and may in the future result in us losing clients with whom such employees have business relationships. Although we believe our clients generally choose to work with us as a company, in the event that certain employees leave us, clients may decide to follow and continue working with such employees rather than with us. In addition, if we were to lose a substantial number of our client facing employees, we would have to incur significant costs in identifying, hiring, training and retaining replacements for such departing employees. From time to time our industry is confronted with a shortage of suitably qualified personnel in certain regions. Such shortages have in the past limited, and may in the future limit, our ability to attract employees to operate and further grow our business.

In addition, salaries and related benefits of our employees are among our most significant costs. As a result, wage, salary and related benefit increases, due to labor shortages or other reasons, can have a significant impact on our operating profits, in particular if we are unable to pass on increased costs to our clients.

Our future growth and success also depend upon the leadership and performance of the members of our management team, many of whom have significant experience in the expert administrative services sector in which we operate and could be difficult to replace. We may lose members of our management team and be unable to replace such members in a timely manner.

The materialization of any or all of these risks could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

As a provider of expert administrative services, we operate in a litigation sensitive environment and are susceptible to litigation and claims.

We provide expert administrative services to our clients and operate in a litigation sensitive environment. We currently are, and expect that we will from time to time continue to be, involved in litigation related to our business. For a summary of our current material legal and arbitration proceedings, see "*Business—Legal and Arbitration Proceedings.*" The claims we typically face usually allege breach of directors' or trustees' fiduciary duties, fraud, misappropriation of funds, willful misconduct, gross negligence, negligence or breach of contract. Our contracts with clients typically require us to perform our services in accordance with certain standards and requirements. If our services fall short of these agreed standards or requirements, we may be subject to claims by our clients for damages that could be substantial depending on the nature of the matter. For example, we have been and may continue to be subject to claims relating to the late filing of tax returns, financial reports and other regulatory filings. We and client entities, structures and vehicles to which we render expert administrative services (including directorships and trustee services) have also been and may continue to be subject to other claims and judicial, administrative, tax and criminal proceedings incurred in the course of our operations, including fraud and tort claims. For example, if investors in assets held through structures and vehicles to which we render services lose part or all of their investment, such investors (as well as liquidators and counterparties of those structures and vehicles) may seek to recover losses from service providers involved with the relevant structure or vehicle. This may include us, under the assumption that we may have contributed to the losses of such entity or failed to comply with our legal duties or obligations. Our risk of becoming subject to such claims or litigation increases if the relevant client entity is or becomes unable to meet its financial or other obligations. Consequently, we have been and continue to be subject to claims where we acted as administrator, trustee or director of investment, holding, financing, fund or other structures and vehicles. Some of those claims seek damages for the entire amount of the underlying investment plus damages, which may be very substantial. A negative outcome of any material pending or future proceedings could have a material adverse effect on our business, results of operations and financial condition. Furthermore, responding to and defending claims can be expensive and time consuming, and can result in a diversion of management resources.

As of September 30, 2018, our business operated with 2,532 FTEs in 29 jurisdictions, each with different laws, practices, standards and regulations. Our employees may in the course of providing services to our clients or otherwise expose us to risks and liabilities. As part of our business, our employees act as trustees or directors of corporate entities of our clients, including entities formed to administer significant investments or assets. We are currently and have in the past been subject to claims based upon the actions or failures to act of our employees when acting as trustees or directors of corporate entities or trusts of our clients, and we typically indemnify our employees for claims against them in such capacity, except in the event of fraud or willful misconduct. Accordingly, actions of our employees, particularly when acting as directors or trustees of corporate entities or trusts of clients, could expose us to significant liability which could have a material adverse effect on our business, results of operations and financial condition. Furthermore, we may also suffer reputational harm should an employee act inappropriately while representing us. In addition, fiduciary duties of directors and trustees are increasing and standards governing those duties are becoming increasingly strict in the jurisdictions in which we operate, which increases the likelihood that we can successfully be held liable for a breach of directors' or trustees' fiduciary duties. Consequently, our involvement in litigation or potential litigation may increase beyond current or historical levels. This may result in increased exposure to claims and liabilities, and an increase in our legal and regulatory costs and insurance premiums.

We also rely in certain jurisdictions to a limited extent upon our business and joint venture partners. We may experience incidents of our business or joint venture partners not complying with our policies, committing fraud or breaching local or national law and regulations. Any of these issues may result in litigation, regulatory consequences or reputational damage, which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We have no material provisions for legal matters and as a result we may incur substantially more costs and expenses associated with defending claims, and may be required to increase our provisions for litigation liabilities as a result of new developments in ongoing litigation proceedings and the commencement of new litigation proceedings. We also have no material provisions for any fines or other penalties should any such fines or penalties result from any such investigations or proceedings.

Any significant judgment against us or other liabilities incurred by us may not be adequately covered by the indemnities we generally receive from our clients under our client contracts. In addition, we may incur liabilities or expenses in excess of our insurance coverage, outside of the scope of our insurance coverage or subject to substantial insurance deductibles. Litigation can also lead to regulatory investigation, criminal proceedings and other scrutiny, and could adversely affect our reputation. Litigation proceedings and the outcome thereof may adversely affect the continuity of our business and could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

A significant change in the laws and regulations of the jurisdictions in which our clients operate or where client entities are domiciled, particularly any unfavorable amendments to corporate and tax laws and regulations and double tax treaties, may have an adverse effect on our business.

Many of our clients invest through or utilize tax efficient holding, investment and finance structures in jurisdictions that have efficient, flexible and relatively stable corporate and tax law frameworks, as well as extensive double tax treaty networks, such as the Netherlands and Luxembourg. As a result, a large portion of our revenue is generated from expert administrative services that we provide in such jurisdictions. Revenue generated in the Netherlands and Luxembourg for the year ended December 31, 2017 was €117.2 million and €97.1 million respectively, which together represented 44% of total revenue for the period. The consolidated Adjusted EBITA generated in the Netherlands and Luxembourg for the year ended December 31, 2017 was €123.4 million, representing 67% of total Adjusted EBITA for the period. Any amendment to or the termination of favorable corporate and tax laws and regulations or double tax treaties of these jurisdictions or the ways in which they are interpreted or compliance with them is scrutinized or enforced (for instance as a result of BEPS or ATAD), could make the jurisdictions in which we operate our business less attractive or impossible for holding, investment or finance structures. In this respect we note that a motion was submitted by members of the Dutch Parliament requesting the Dutch government to explore possibilities for making it impossible for the Dutch trust sector, of which we are part, to provide domiciliation services to conduit companies and letterbox companies. This in turn could deter our clients from investing through or utilizing such jurisdictions and decrease significantly the need for our services, which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

The ongoing global, regional and local political pressure to reduce tax avoidance and measures to prevent tax evasion, fraud and terrorist financing have resulted in greater complexity and increased regulation. Relevant developments to reform international tax rules, double tax treaties and regulations (with respect to, among other things, the international exchange of information, substance requirements, anti-abuse rules and transfer pricing rules) include:

- the BEPS measures as developed by the Organisation for Economic Co-Operation and Development ("**OECD**") and supported by the G20 (the "Group of Twenty" of the world's largest advanced and emerging economies), which aims, among other things, to equip governments with domestic and international instruments to address tax avoidance, ensuring that profits are taxed where economic activities generating the profits are performed and where value is created;

- the Multilateral Instrument ("**MLI**"), which transposes the results of BEPS into bilateral tax treaties worldwide and which implements in such tax treaties agreed minimum standards to counter treaty abuse and to improve dispute resolution mechanisms;

- ATAD, which implements the anti-BEPS measures at the level of the EU, and which provides for limitations to the deductibility of interest, exit taxation, a general anti-abuse rule, controlled foreign company rules and rules to tackle hybrid mismatch arrangements;

- the amended EU Parent-Subsidiary Directive, which requires the member states of the EU ("**Member States**") to include in their domestic legislation provisions against hybrid financing arrangements and to implement a general anti-abuse rule, pursuant to which the benefits of the directive are withheld in case of artificial structures; and

- the Mandatory Disclosure Directive ("**DAC 6**"), which requires intermediaries (including us, under certain circumstances) or taxpayers themselves to report cross-border tax planning structures that meet certain criteria, to the tax authorities in their Member State of residence.

The precise interpretation and implementation by local governments and local tax authorities of such reforms, and the abovementioned developments in particular, are not yet fully known, making the full impact thereof still uncertain. However, these reforms to the international tax rules, double tax treaties and regulations may impact the way in which our clients conduct their business operations, and setup and organize their corporate structures. If such impact turns out to be significant, the demand for our services could decrease significantly which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Certain prospective amendments to double tax treaties may have an adverse effect on our business.

The MLI aims to implement the outcome of BEPS actions 2 (hybrid mismatches), 6 (treaty abuse), 7 (avoidance of permanent establishment status), and 14 (dispute resolution) in more than 3,000 bilateral tax treaties currently in force worldwide. Consequently, bilateral tax treaties covered by the MLI may be amended to provide, among other things, for a denial of treaty benefits in respect of certain hybrid mismatches, the inclusion of a principal purpose test and provisions to counter the artificial avoidance of permanent establishments. Pursuant to the aforementioned principal purpose test, the benefits of double tax treaties may be denied in situations where it is reasonable to conclude that one of the principal purposes of an arrangement or transaction was for such benefit to be obtained. As a result thereof, certain holding, investment and finance structures may going forward no longer qualify for the benefits of applicable bilateral tax treaties, which may impact the way in which our clients conduct their business operations, and setup and organize their corporate structures. If such impact turns out to be significant, the demand for our services could decrease significantly which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We operate in a competitive market and if we are unable to compete effectively, retain our existing clients, provide additional or new services to our existing clients, or attract new clients, our market share, profitability and revenue could be materially and adversely impacted.

We face competition in providing services to our clients. The extent of such competition varies by service line, geography and competitors' capabilities. For more information on our competitive environment, see "*Industry.*" If we are unable to compete effectively in our markets, our market share, profitability and revenue could be negatively impacted which could have a material adverse effect on our business, results of operations and financial condition. Our ability to compete effectively is dependent on, among other things, the quality, pricing and perceived value of our service offerings, our reputation, our ability to attract and retain clients as well as our ability to introduce new and sell additional services to our clients. In each of the jurisdictions in which we are active, we may face increased competition from global competitors and from local or regional competitors in relation to certain services they offer, particularly if there is further consolidation of regional or local markets which may result in stronger competitors with a broader service offering compared with ours.

In connection with acquisitions, we have in the past and may in the future obtain non-competition or non-solicitation agreements from the parties who sell us their business. Such non-competition and non-solicitation agreements have generally ranged from two to three years from the date of the acquisition and have been limited in geographic scope and in the activities such acquired businesses cover. Such non-competition and non-solicitation agreements may not always be effective or enforceable and typically have limited duration. Furthermore, certain activities may be carved out of, or otherwise may not be prohibited by, these arrangements. We cannot assure that one or more of the parties from whom we acquire or have acquired a business will not compete with us or solicit our employees or clients in the future. Such parties, because they have a historic relationship with the employees and clients of the business they sold to us, may be able to compete more effectively with us, or be more successful in soliciting our employees and clients, than other competitors.

Some of our competitors have strong and long standing relationships with clients and persons who may serve as references for new work which may make it difficult to gain market share from such competitors. In addition, other service providers, such as law firms, banks and accounting firms, have in the past started, and may in the future start, competing with us and offer the services we provide themselves. As a result of such competition we may not only lose business and market share to such new entrants, but we also no longer benefit from the referral of business that we strive to receive from these other service providers. There can be no assurance that we will be able to compete successfully against future competitors or that the competitive pressures we face will not materially adversely affect us. In particular, as we believe our clients prefer to work with a global service provider that can offer an integrated comprehensive set of expert administrative services, the emergence of further such global players, whether as a result of consolidation in the industry, new market entrants or otherwise, could materially adversely affect us. Any increase in competition generally or as a result of further consolidation by our competitors could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We are subject to laws and regulations relating to the expert administrative services industry in which we operate, the impact of ongoing global and regional regulatory reform, and to supervision by a number of regulatory authorities, and compliance with regulations may trigger costs that could have a material adverse effect on our business, results of operations and financial condition.

We are subject to expert administrative services laws and regulations, and to supervision by regulatory authorities that have administrative power over us in most of the jurisdictions in which we operate. See "*Regulation.*" The laws and regulations to which we are subject are expected to become increasingly complex. Regulators are therefore expected to exert increased scrutiny on the industry in which we operate. For example, 2017 saw increasingly stringent regulation in the Netherlands by the Dutch Central Bank, increased demand for transparency and increased compliance costs for corporate, fund, capital markets and private wealth service providers. Furthermore, the federal government in the US has pursued policy changes and regulatory reform across multiple areas, including tax, immigration and international trade. For instance the Tax Cuts and Jobs Act, which was signed into law on December 22, 2017, could disincentive US entities to set up international structures. This may place an increasing burden on our resources and employees. Regulations to which we are or may become subject, may limit our activities and may negatively impact our ability to make autonomous decisions in relation to our operations and business. This in turn may limit our ability to implement our strategy and further grow our business.

Compliance with applicable laws and regulations is time-consuming and personnel-intensive. Further changes in laws and regulations have increased and may continue to increase. Consequently, the cost of compliance is substantial and is expected to increase. Our compliance procedures may be found to be inadequate or otherwise ineffective in ensuring compliance with applicable laws and regulations, including as a result of human or operational errors in their implementation. Failure to comply with any applicable laws and regulations has in the past and may in the future subject us to administrative penalties and other measures imposed by governmental or regulatory authorities. This could lead to financial penalties, unanticipated costs associated with remedying such failures and adverse publicity, and could harm our reputation, cause temporary interruption of operations, and could result in revocation or temporary suspension of our licenses. If we were to lose any of our regulatory licenses in a particular jurisdiction or if any such licenses were to be suspended, we would not be able to continue to offer all or certain of our services in the relevant jurisdiction. If we were to lose the ability to offer all or certain of our services in a particular jurisdiction, we may lose business from clients that require us to provide an integrated service offering to them across a number of jurisdictions.

In most of the regulated jurisdictions, our key employees are subject to increased scrutiny by regulators. If their conduct is deemed to violate applicable law, this may have implications for their involvement in our business, including that they may no longer be considered fit or qualified to hold their position within our business operations.

The continuing introduction of new global and regional regulations could significantly impact the demand for our services and the manner in which we operate and could materially and adversely affect our business, results of operations and financial condition. Although the impact of these regulatory initiatives cannot be determined, their requirements could have material adverse consequences for the industry in which we operate, including for us.

The materialization of any or all of the above risks could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Any damage to our business reputation or brand could have a material adverse effect on our business, results of operations and financial condition.

Our business is dependent on our reputation and well-established brand. We rely on our relationships with our current and prospective clients, business referrers, the investment management and financial services communities and the industries that these entities and people serve. Any damage to our reputation or brand, whether arising from litigation, regulatory, tax, supervisory, criminal or enforcement actions or from lack of compliance with regulatory or administrative rules and regulations, negative publicity (such as the current international debate on tax avoidance) or otherwise, could have a material adverse effect on our ability to obtain new business and retain existing clients. In particular, we believe that since one of the reasons our clients choose to work with us is because of our reputation for applying high compliance and risk management standards across our global network, any failure by us in this regard could have a material adverse effect on us across our business. In addition, if one of our clients were to suffer reputational damage due to improper or illegal behavior, a criminal, regulatory, tax or other investigation, or otherwise, our business reputation could be consequently damaged as a result of us providing services to such client, including in our capacity as director or trustee of a client entity. Any damage to our reputation or brand as a result of any of the foregoing or otherwise could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Failures or disruptions in our IT and other operational systems could have a material adverse effect on our business, results of operations and financial condition.

We rely on IT and other operational systems to ensure that our network of 41 offices in 29 jurisdictions as of September 30, 2018, remains connected and to provide an integrated services offering to our clients across jurisdictions. We could experience a failure of our systems, our employees could fail to monitor and implement enhancements or other modifications to a system in a timely and effective manner, or our employees could fail to complete all necessary data reconciliation or other conversion controls when implementing new software systems or implementing modifications to existing systems. We rely heavily on the services of one IT supplier which provides one of our new core IT applications. If this IT supplier or other IT suppliers were to fail in their delivery of IT services to us, this could have a material adverse effect on our ability to run our business and service the needs of our clients. For more information on IT and operational systems, see "*Business—Information Technology.*" We continuously review the sourcing strategy of our IT systems and may from time to time decide to insource or outsource certain parts of our IT systems. Any such changes in the sourcing of our IT systems may lead to disruptions to those systems. Furthermore, we may be subject to disruptions of our IT systems and applications arising from events that are wholly or partially beyond our control, such as loss of connectivity of our IT and other operational systems, computer viruses, cyber-based attacks and attempts by hackers and similar unauthorized users to gain access to or corrupt our IT systems, and electrical or telecommunications outages. Our network security measures and business continuity plans may fail to prevent disruptions to our IT systems caused by such events or to re-install our IT systems after the occurrence of such disruptions. Further, there can be no assurance that we will be able to successfully integrate the IT systems of acquired companies in a timely manner, if at all. Similarly, rising IT costs could prevent us from implementing all necessary modifications to our existing systems, or from implementing new systems. Each of the foregoing factors may have a significant effect on our ability to service the needs of our clients and could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We rely on our insurance coverage, in particular our outside directors' and officers' insurance and professional indemnity insurance and we may be unable to obtain or maintain such coverage in the future, such coverage may prove to be inadequate and we may have disputes with our insurers.

We maintain insurance coverage against certain business and other risks. However, some of the risks related to our business may not be adequately covered by our insurance policies or may not be covered at all. In addition, our insurance policies have deductibles, coverage exclusions (including with respect to fraud, negligence and misconduct) and maximum levels of recovery. Consequently, we may not be adequately insured against all types of risks that are associated with the conduct of our business. We are in particular exposed to risks of claims made against us and our directors, officers and employees. Such claims could involve those made by our clients due to, for example, losses incurred as a result of declines in fund assets administered by us, losses in investment, holding, financing, fund or other structures or structured finance transactions administered by an entity incorporated by us or managed by us. In such circumstances, third parties could bring claims against us and our directors, officers and employees. Any liability incurred by us as a consequence of such claims may not be covered by our insurance policies, may exceed our insurance coverage, or may be subject to a substantial deductible. Additionally, any claims made under an insurance policy potentially limit the maximum amount of insurance coverage for us in the future and may increase our insurance premiums. The maximum amount recoverable under our insurance policies is typically calculated on an aggregate annual basis. Therefore, any claim against our insurance policies reduces our potential recovery for all such claims made in the same year. We may not be able to, or may choose not to, obtain or maintain insurance coverage for certain potential losses, claims or litigation that we are exposed to. If we are unable to obtain insurance at an acceptable cost or otherwise protect against potential claims, we will be exposed to significant potential liabilities. A successful claim brought against us in excess of, or a successful claim excluded from, our insurance coverage could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We may have disputes with our insurers regarding issues such as the level of deductible for a particular loss or claim, what insurance policy a particular claim or potential claim may fall under and whether a particular loss, claim or potential claim is covered by the insurance policy. We may be materially adversely affected as a result of any such dispute as we may be uninsured for a particular claim or ultimately be exposed to greater liability to the underlying litigation or circumstances as a result of a dispute with our insurers. Even if a loss, liability or claim is covered by one of our insurance policies, a substantial period of time may elapse between the date on which we are required to pay out with respect to such loss, liability or claim and the date on which we are reimbursed under the relevant insurance policy which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

If we are not able to develop and implement new initiatives successfully, our business and profitability could be harmed.

Our profitability and growth depend on the successful implementation of our business strategy and initiatives. We have recently launched new initiatives, including technological developments such as client portals and self-service reporting solutions, as part of our plan to develop our technology foundation to serve changing client needs, as well as an initiative to outsource certain business processes to nearby countries to improve our customer service. The development of such initiatives can be a time-consuming and expensive process. See "*Business—Our Strategy*." If our initiatives are not well received by our clients and employees, they may not have the intended effect of improving our client services and growing our business in the future. We may not be able to recover the costs incurred in developing our technology or other development projects and initiatives or to realize their intended or projected benefits, which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We are exposed to a variety of economic, legal, tax and other related risks due to the international nature of our business.

As of September 30, 2018, we provided our services to clients through various subsidiaries in 29 different jurisdictions. Accordingly, our business is subject to risks related to the differing legal, political, social and economic conditions of many jurisdictions. Risks inherent in international operations include the following:

- difficulties obtaining or renewing permits and governmental approvals;
- risks related to inadvertently providing services or undertaking activities in jurisdictions without all of the requisite regulatory consents or required consents, exposing us to fines and sanctions;
- exposure to different legal standards;
- exposure to political risk;
- risk of imposition or increase of withholding or other taxes or tariffs, changes to tax treaties, or of the adoption of other restrictions on trade or investment, including currency exchange controls;
- fluctuations in exchange rates may adversely affect the profitability in euro of services provided by us in markets where payments for our services are made in the local currency;
- difficulties in collecting amounts payable to us under our contracts and enforcing agreements, in particular if our clients undergo financial difficulties;
- general economic conditions in the countries in which we operate, including but not limited to uncertainties surrounding the Dutch fiscal climate; and
- changes in market conditions, especially in developing markets, as a result of economic or social instability or other developments not typical in more developed markets, and other difficulties typically associated with operating in developing markets.

Although we have a widespread network of offices, the Netherlands, Luxembourg, the Americas and Jersey represented 74.1% of our revenue for the nine months ended September 30, 2018. Consequently, if any of the abovementioned risks were to materialize in any of these jurisdictions in particular, our business, results of operations and financial condition could be materially and adversely affected. More generally, our overall success as a multinational business depends, in part, upon our ability to succeed in differing legal, regulatory, economic, social and political conditions. Accordingly, if we fail to adequately address any of the foregoing factors, this could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Failure of our KYC controls or compliance function could result in our representation of clients that may subject us to reputational damage, penalties and other regulatory action.

If a quality control issue or fraud in the checking of our clients or the monitoring of our clients' transactions occurs or if our compliance function does not function adequately, we may be exposed to significant reputational, business, legal and regulatory risks, including the loss of required regulatory licenses, decrease in fees, or civil and criminal fines. These risks and any resulting penalties could be substantial, particularly if we engage with one or more clients that are on US, United Nations, EU or other sanction lists or clients whose ultimate beneficial owners are associated with undesirable or criminal activities, and such penalties could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

A significant reduction in foreign direct investment could have a material adverse effect on our business.

The general global level of foreign direct investment has a significant impact on demand for our services since such investment is often structured through fund, holding, investment, finance and other vehicles and structures which are serviced by expert administrative service providers such as us. Foreign direct investment can be driven by a large number of macro-economic and jurisdiction specific factors, including local regulatory regimes, exchange controls, governments taking local protectionist actions or changes in a jurisdiction's double tax treaty network (for instance as a result of the MLI; see "*Risk Factors—Certain prospective amendments to double tax treaties may have an adverse effect on our business.*"). For example, the recent US tax reform moves from a worldwide to a territorial taxation system and reduces the corporate tax rate. This disincentives US corporate clients from structuring through foreign entities, and clients may restructure or repatriate funds to the US Additionally, changes in trade relations arising from policy initiatives implemented by the current US administration, which has been critical of existing and proposed trade agreements, and the retaliatory measures implemented in third countries may cause economic uncertainty and reduce levels of foreign direct investment. A significant shift or reduction in the level of foreign direct investment could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

A prolonged or significant economic downturn or a significant reduction of cross-border M&A, capital markets or hedge fund activity may adversely affect our business, results of operations and financial condition.

A prolonged or significant economic downturn or a significant reduction of M&A (in particular cross-border M&A), capital markets or hedge fund activity could result in a significant decline in demand for our services. A global or significant regional economic downturn or recession could harm us by adversely affecting our clients' and our prospective clients' access to capital to fund their businesses and their ability to sustain and grow their businesses, particularly their ability to expand internationally. Such events could result in a significant decline in demand for our services and could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Economic conditions and regulatory changes that may result from the UK's likely exit from the EU could adversely affect our business, financial condition and results of operations.

In June 2016, the UK held a referendum in which voters approved an exit from the EU, commonly referred to as "Brexit." The announcement of Brexit caused significant volatility in global stock markets and currency exchange rate fluctuations that resulted in the strengthening of the US dollar against foreign currencies in which we conduct business. The announcement of Brexit and likely withdrawal of the UK from the EU may also create further global economic uncertainty, which could particularly impact our British clients and our Jersey business but also reduce foreign direct investment within the EU and globally.

Brexit will require negotiations regarding the future terms of the UK's relationship with the EU, which could result in the UK losing access to certain aspects of the single EU market and the global trade deals negotiated by the EU on behalf of its members. On March 29, 2017, the UK gave formal notice of its intention to leave the EU. This notice has triggered the process of negotiating the UK's exit, which will occur two years from that date, unless the deadline is extended or a withdrawal agreement is negotiated sooner. Given the lack of comparable precedent, it is unclear how Brexit may negatively impact the economies of the UK, the EU countries and other nations. Brexit and the perceptions as to the impact of the withdrawal of the UK may adversely affect business activity, political stability and economic conditions in the UK, the EU and elsewhere, the impact of which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Our clients may seek to conduct the services we provide in-house, which would lead to a decline in the demand for our services.

Clients who currently retain our business services may for various reasons seek to bring certain or all of those services in-house. Clients may establish a sufficiently large presence in a jurisdiction in which they operate and may want certain or all functions of their operations carried out in-house by their own employees. If this were to occur, it could lead to a decline in demand for our services which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

In connection with acquisitions, we may have inadvertently acquired and may in the future inadvertently acquire actual or potential liabilities.

Since January 1, 2015, we have completed two material acquisitions, Elian and SFM Spain, and we completed two smaller acquisitions, CorpNordic and Seed Outsourcing. We expect to continue to expand our business through future acquisitions. We may have acquired, and we may continue to acquire, actual or potential liabilities in connection with acquisitions, including tort claims, claims or penalties as a result of breach of applicable laws or regulations, claims for breach of contract, claims for breach of fiduciary duties, employment-related claims or tax liabilities. Any due diligence that we perform on potential acquisition candidates is limited due to the confidential nature of the business of potential acquisition candidates and due to the number of clients that such acquisition candidates tend to service. Although acquisition agreements may include indemnities in our favor, these indemnities might not always be enforceable, might expire, might be limited in amount or we may have disputes with the sellers regarding their enforceability or scope. If any acquired liabilities are not adequately covered by an applicable and enforceable indemnity, keep well, guarantee or similar agreement from a creditworthy counterparty, we will be exposed to these liabilities. Such liabilities, if they materialize, could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We might be unable to successfully integrate or achieve the expected benefits from past or future acquisitions. Undertaking acquisitions increases the risk profile of our business.

We might not achieve the competitive advantage, increased market share, revenue growth through cross-selling efforts, cost savings, synergies or other benefits that we expect to achieve from past or future acquisitions. We cannot guarantee that the ongoing integration of acquired operations or the integration of any future acquisitions will generate benefits to us that are sufficient to justify the expenses we incurred or will incur in completing such acquisitions. Furthermore, acquisitions and investments involve risks, including as a result of inaccurate assumptions about revenue, costs, liabilities, expected synergies and the costs of equity or debt financing, lack of management control over the newly acquired business, client or key employee losses at the acquired businesses, and failures to successfully integrate the operational, IT, compliance and other systems of the newly acquired business with those of our business. In addition, undertaking acquisitions and investments is costly and diverts management and other resources from running our day-to-day business. These risks, if they materialize, could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We may fail to identify or acquire suitable acquisition candidates or investment opportunities or make unsuitable acquisitions or investments, which could impair our ability to achieve our strategic objectives.

Growth through acquisitions is an important element of our strategy. The execution of our strategy requires the continued pursuit of acquisitions and investments and will depend on our ability to identify suitable acquisition candidates and investment opportunities. We cannot guarantee that we will be able to identify and acquire, on reasonable terms, if at all, suitable acquisition candidates or investment opportunities or that we will be able to obtain the necessary funding on acceptable terms, if at all, to finance any of those potential acquisitions or investments. In addition, even where we are able to complete an acquisition or an investment, we cannot guarantee that such acquired entity, business or asset or such investment will perform in line with our assumptions or expectations or otherwise complement our business or strategy. With continuing concentration being a likely industry trend, we could be faced with increasing competition for attractive acquisition candidates. Failure to identify or acquire suitable candidates or investment opportunities or the acquisition of unsuitable candidates or the making of unsuitable investments could impair our ability to achieve our strategic objectives. Furthermore, failure to successfully participate in any ongoing consolidation in our industry could potentially put us at a competitive disadvantage with respect to scale, resources and our ability to retain and acquire clients. Finally, compliance with antitrust laws or other rules and regulations may delay proposed acquisitions or investments or prevent us from closing acquisitions or investments in the manner proposed, if at all. Each of these risks, should they materialize, could limit our potential to further grow our business and could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Our inability to raise capital could affect our ability to execute our strategic plans.

Growth through acquisitions is an important element of our strategy. See "*Business—Our Strategy.*" Acquisitions may be executed within a short timeframe, may occur at any time and may be significant in size relative to our existing assets and operations. We may not generate sufficient cash flow to finance such acquisitions. Consequently, the execution of our growth strategy may require access to external sources of capital, which may not be available to us on acceptable terms, or at all. Limitations on our access to capital, including on our ability to issue additional debt or equity, could result from events or causes beyond our control, and could include, among other factors, decreases in our creditworthiness or profitability, significant increases in interest rates, increases in the risk premium generally required by investors, decreases in the availability of credit or the tightening of terms required by lenders. Any limitations on our ability to secure external capital, continue our existing finance arrangements or refinance existing financing obligations could limit our liquidity, our financial flexibility or our cash flows and affect our ability to execute our strategic plans, which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Improper disclosure of sensitive data or data protected by data protection laws could result in liability and harm our reputation.

As part of our service offerings, we handle and process large amounts of sensitive or confidential information of our clients and other parties much of which is protected by data protection laws. Our security controls over personal data, the training of our employees and partners on data security, and other practices and procedures we follow may fail to prevent the improper disclosure of such sensitive information in breach of applicable laws or contracts. In addition, we retain confidential information in our IT systems. Any compromise of the security of our IT systems could result in unauthorized disclosure or use of sensitive or confidential information of our clients and other parties. Any improper disclosure of this information could harm our reputation, lead to legal action against us and our clients or subject us to liability under laws that protect data, resulting in increased costs and loss of revenue.

The Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (the "**GDPR**") became effective on May 25, 2018, replacing the Data Protection Directive 95/46/EC. The GDPR provides for more significant forfeitures and penalties for noncompliance than the regulation it replaces. Much remains unknown with respect to how regulators will interpret and implement the GDPR. Should we be found to not be in compliance with the GDPR, we could be subject to substantial monetary forfeitures and other penalties.

A failure to adequately protect the privacy of client information or perceived failure to adequately protect the privacy of client information could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Failure to comply with applicable international sanctions or the US Foreign Corrupt Practices Act, the UK Bribery Act 2010 or similar applicable worldwide anti-bribery laws or anti-money laundering laws could have a material adverse effect on our business.

Sanctions regimes imposed by governments, including those imposed by UN Security Council, the EU, the US, and other countries or international bodies prohibit us from engaging in trade and financial transactions with certain countries, businesses, organizations and individuals. Our operations and the services we render could bring us within the scope of such sanctions regimes. The legislation, orders, rules and regulations which establish sanctions regimes are often broad in scope and difficult to interpret, and in recent years, governments have increased and strengthened such regimes. Any violation by us of any applicable sanctions could result in fines and other penalties and may have a negative impact on our reputation and our ability to conduct business in certain jurisdictions or access international capital markets. Such impacts could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We are also subject to a number of international laws and regulations regarding anti-bribery, anti-corruption and anti-money laundering, including the US Foreign Corrupt Practices Act and the UK Bribery Act 2010. These laws and regulations, among other things, prohibit all forms of money laundering and bribery, including improper payments to foreign officials for the purpose of obtaining or retaining business and may include reporting obligations to certain regulatory and governmental bodies. The scope and enforcement of anti-corruption laws and regulations varies. Certain regulations may also have extraterritorial impact, such as, for example, the UK Criminal Finances Act of 2017, which allows British law enforcement agencies to impose penalties for certain activities outside the UK. Due to the international nature of our business and particularly because we provide services to clients that are active in parts of the world that have experienced governmental corruption, we are exposed to potential infringements of international laws and regulations regarding anti-bribery, anti-corruption and anti-money laundering. Our compliance programs and internal control policies and procedures may not always prevent bribery, money laundering or corruption committed, permitted or authorized by our employees or clients. Violations of these laws, or allegations of such violations, could lead to civil or criminal fines or penalties, harm our reputation or disrupt our business and could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We may not be able to expand into a particular jurisdiction or expand our service offering as required by current or potential clients.

Regulatory or tax changes can lead to demand for client services in jurisdictions where we do not have any presence or operations, or for new client services that we do not currently offer. If such demand were to occur, there may be regulatory, compliance related, competition and practical constraints that could prevent us from establishing an office or other form of presence in such a jurisdiction or from providing such new client services to meet client demand. Even if we were to be able to establish an office or other form of presence in such a jurisdiction or provide such new client services, we may not be able to do so as quickly as would be necessary to meet client demands. Such inability or delay could result in a loss of current and potential business and may have a material adverse effect on our business, results of operations and financial condition. Furthermore, if we are unable to provide services to our clients in a jurisdiction where clients require us to deliver such services to them, we may also lose business from those clients in the jurisdictions where we do have a presence or operations as a result of clients requiring their service providers to be able to provide an integrated service across the various jurisdictions in which such clients are active. Such loss of business could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Exchange control restrictions, regulatory restrictions or other restrictions regarding the repatriation of funds from certain countries in which we operate could limit our ability to make foreign investments, procure foreign denominated financings and extract dividends from our operating subsidiaries.

Exchange control restrictions, regulatory restrictions and restrictions regarding the repatriation of funds may restrict business transactions between residents of certain countries in which we operate and non-residents of such countries. For example, our subsidiaries in a particular country may generally not be permitted to export capital, hold foreign currency in excess of certain limits or incur indebtedness denominated in foreign currencies without the approval of the local authorities, be prohibited from using transfer pricing and excessive interest rates on foreign loans as a means of expatriating currency, or generally not be permitted to acquire an interest in a foreign venture without the approval of the local authorities or be subject to compliance with the investment criteria of such local authorities. It is difficult to predict what action, if any, governments may take in the future with respect to exchange controls and similar restrictions. If governments of countries where we do business were to tighten controls, these restrictions could hinder our ability to make foreign currency denominated investments, pay dividends from our subsidiaries and procure foreign currency denominated financings in the future, or pay interest expense on our debt (including the Notes) using our cash from our operating subsidiaries in such countries. An increase in such restrictions could therefore have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Exchange rate fluctuations could have a material adverse effect on our business, financial condition and results of operations.

Our functional and reporting currency is the euro. We are exposed to exchange rate risks in several ways, particularly with respect to foreign exchange translation effects, arising mainly from the relative value of the euro compared to the value of the US dollar, the pound sterling, the Swiss franc and the Hong Kong dollar. Due to the international nature of our business, substantial portions of our revenue and expenses are denominated in currencies other than the euro. For the nine months ended September 30, 2018, 44.0% of our revenue was recognized in a currency other than the euro. Significant fluctuations in exchange rates between the euro and such other currencies could materially and adversely affect our reported results from year to year. In some of our businesses, we incur costs in currencies other than those in which revenue are earned. The relative fluctuations between the exchange rates in the currencies in which costs are incurred and the currencies in which revenue are earned can materially and adversely affect the profits of those businesses, and could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We are exposed to interest rate risks.

Part of our existing and future debt and borrowings carry, or may carry, floating interest rates. On an adjusted basis, after giving effect to the Transactions, as of September 30, 2018, 36% (or €285.5 million) of our €785.5 million aggregate principal amount of indebtedness, carried floating interest rates, approximately 50% (or €142.8 million) of which would not be covered by the intended interest rate swaps. Our interest costs are therefore subject to fluctuations in interest rates. The use of derivatives is a highly specialized activity that involves investment techniques and risks different from those associated with our ordinary business. Depending on market conditions and movements in interest rates, our use of hedging transactions could enhance or harm our overall performance compared to that of our competitors. In addition, we will be subject to the creditworthiness of the counterparties under our hedging transactions, and we will be exposed to the risk of insolvency or default on the part of our hedge counterparties. Adverse fluctuations and increases in interest rates, to the extent that they are not hedged, could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Our consolidated financial statements include significant intangible assets which could be impaired.

We carry significant intangible assets on our balance sheet. As of September 30, 2018, the intangible assets (acquisition-related intangible assets and other intangible assets) on our balance sheet totaled €1,474.2 million, including €956.7 million in goodwill, €24.3 million in brand name and €480.4 million in customer relationships, resulting primarily from acquisitions. Pursuant to current accounting rules, we are required to assess goodwill for impairment at least annually or more frequently if impairment indicators are present. Impairment indicators include significant underperformance relative to historical or projected future operating results, a significant decline in share price or market capitalization and negative industry or economic trends. If such events were to occur, the carrying amount of our goodwill may no longer be recoverable and we may be required to record an impairment charge. Other intangible assets, such as brand name and customer relationships, are amortized on a yearly basis. However, if impairment indicators are present, we are required to test such intangible assets for impairment. A significant impairment of our intangible assets could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

We conduct business in multiple jurisdictions and are exposed to the tax laws of such jurisdictions, including the risks in connection with challenges to our tax position.

We are subject to a large number of different tax laws and regulations in the various jurisdictions in which we operate. These laws and regulations are complex and are subject to varying interpretations. The combined effect of the application of tax laws of one or more of these jurisdictions, including the application or disapplication of tax treaties and their interpretation by the relevant tax authorities, could, under certain circumstances, produce contradictory results. We often rely on generally available interpretations of tax laws and regulations to determine the existence, scope and level of our liability to tax in the jurisdictions in which we operate. In addition, we take positions in the course of our business with respect to various tax matters, including but not limited to the taxation of foreign exchange results, compliance with the at arm's length principles in respect of transactions with related parties, tax deductibility of interest and other costs, the amount of depreciation or write-down of our assets that we can recognize for tax purposes and the value-added tax treatment of our client services. There is no assurance that the tax authorities in any of the jurisdictions in which we operate will agree with our interpretation of these laws and regulations or with the positions taken by us. If our tax positions are challenged by relevant tax authorities, the imposition of additional taxes could increase our effective tax rate and cost of operations, and could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Significant changes in our effective tax rate could have a material adverse effect on us.

We operate a global business and each jurisdiction has its own corporate income tax rates. These tax rates vary from 0.0% in the Cayman Islands, the Bahamas and the British Virgin Islands to a tax rate of 26.01% in Luxembourg. Our effective tax rate for each of the periods under review is significantly impacted by any acquisitions completed during that period and the change to the proportion of the geographical segments relative to our total business. Based on the current proportions of our geographical segments relative to our total business, our effective tax rate for the nine months ended September 30, 2018 was 18.0%. Our estimate with respect to our effective tax rate is inherently subject to significant uncertainties, many of which are beyond our control. As a result, our actual effective tax rate going forward may vary from our estimate, and those variations may be material. The materialization of such risks could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes

Changes in tax treaties, laws, rules or interpretations or an adverse outcome of tax audits could have a material adverse effect on us.

The tax laws and regulations in the jurisdictions in which we operate, including the tax treaties concluded by such jurisdictions, may be subject to change, and there may be changes in interpretation and enforcement of such tax laws or regulations, including with respect to applicable transfer pricing rules regarding intercompany loans and intragroup services, and the value-added tax treatment of our client services. As a result, we may face increases in taxes payable if tax rates increase, or if tax laws or regulations are modified in an adverse manner, or if new tax laws or regulations are introduced by the competent authorities with or without retrospective effect. In this respect we note that in connection with two rulings from the European Court of Justice, the Dutch fiscal unity regime is envisaged to be amended with retroactive effect to January 1, 2018. As a result thereof certain provisions of Dutch law will as of such date have to be applied without giving effect to the existence of a Dutch fiscal unity. These provisions are the Dutch anti-base erosion rules, the exclusion of low-taxed passive subsidiaries from the application of the participation exemption, the excess participation debt rules and the tax loss carry-forward rules. On the date of this Offering Memorandum, it is not clear yet what the exact impact of the proposed change to the Dutch fiscal unity regime will be on our tax position.

Such changes or any future audit may require us to pay additional taxes plus accrued interest and penalties. In addition, tax authorities in the jurisdictions in which we operate periodically examine us and our subsidiaries. Tax audits typically include a review of interest deductibility, our transfer pricing arrangements, our fiscal unity, the taxation of foreign exchange results, and the amount of depreciation or write-downs of our assets that we recognize for tax purposes. Tax audits for periods not yet reviewed may consequently lead to higher tax assessments. Any additional taxes or other sums that become due could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

Tax rules limiting the deductibility of interest expenses could reduce our net income.

We incur a substantial amount of interest expense under the Notes and the New Facilities and we have incurred a substantial amount of interest expense under our Existing Facilities. In addition, some of our subsidiaries obtain intercompany financing and record interest expenses on such financing. The tax deductibility of interest on the Notes, the New Facilities and intercompany financing may be restricted under the applicable interest deduction limitations in the jurisdictions in which we operate. In this respect it is noted that ATAD requires Member States to implement a general interest limitation rule (known as the “earnings stripping rule”), which should enter into force on January 1, 2019. This rule provides that interest expenses (after having been balanced with interest income) in excess of a certain threshold will be non-deductible to the extent they exceed 30% of earnings before interest, taxes, depreciation and amortization, subject to certain further adjustments. Although the exact implementation and interpretation of this rule is not yet clear, based on first projections it appears that such rule, as implemented by the relevant Member States, could result in the limitation of the deductibility of the interest expenses on the Notes, the New Facilities and intercompany financing which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

The rules with respect to interest deduction limitations are often complex and are subject to varying interpretations. Tax authorities typically scrutinize the positions taken by a taxpayer in relation to the deductibility of interest payments, especially with respect to shareholder loans, acquisition debt or debt financing of subsidiaries. The tax authorities in the jurisdictions in which we operate may not agree with the positions taken by us in respect of the deductibility of interest on the Notes, the New Facilities and intercompany financing. Our tax positions have been challenged and may continue to be challenged by the relevant authorities. To the extent our interest expenses on the Notes, the New Facilities and intercompany financing are not deductible, we may incur higher taxable profits and as a result we may have to pay higher taxes. This could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

If the transfer pricing arrangements we have among our subsidiaries are determined to be inappropriate, our tax liability may increase.

We have transfer pricing arrangements on the basis of which we determine the pricing as well as terms and conditions for dealings among our subsidiaries in relation to various aspects of our business, in particular with respect to certain group service functions. Transfer pricing regulations applicable in the countries in which we operate require that any (international) transaction involving associated enterprises are conducted at arm's length terms. If a tax authority in any jurisdiction reviews any of our tax returns and determines that the prices or other terms we have applied in relation to such arrangements are not in accordance with the relevant transfer pricing rules, or that other income of our affiliates should be taxed in that jurisdiction, or that we have not complied with the requirements as to the preparation and availability of transfer pricing documentation, such tax authority may make adjustments and, as a result we may incur additional tax liabilities, including accrued interest and penalties, which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations, and could affect our ability to meet our obligations, including our ability to make payments on the Notes.

RISKS RELATED TO THE NOTES AND OUR STRUCTURE

Our significant leverage and substantial debt service obligations could adversely affect our business and prevent us from fulfilling our obligations with respect to the Notes and the Guarantees.

We use debt to finance our operations. As adjusted for the Transactions, our net indebtedness, amounted to €785.5 million as of September 30, 2018. In addition, we will have €146.6 million of available capacity under the New Revolving Credit Facility. See "*Capitalization*." Our substantial debt could have important consequences for our business and operations and for holders of the Notes, including, but not limited to:

- making it difficult for us to satisfy our obligations with respect to the Notes and other debt and liabilities, including the New Term Facilities;
- increasing our vulnerability to, and reducing our flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of our cash flow from operations to the payment of principal of, and interest on, indebtedness, thereby reducing the availability of such cash flow to fund working capital, capital expenditures, acquisitions, developments or other general corporate purposes;
- limiting our flexibility in planning for, or reacting to, changes in our business and the competitive environment and the industry in which we operate;
- placing us at a disadvantage to our competitors, to the extent they are not as highly leveraged;
- limiting our ability to borrow additional funds and increasing the cost of any such borrowing; and
- limiting our ability to upstream cash from our non-Guarantor subsidiaries to help meet our obligations under the Notes.

Any of these or other consequences or events could have a material adverse effect on our ability to satisfy our debt obligations, including under the Notes and the Guarantees. The terms of the Indenture do not prohibit our subsidiaries from incurring additional indebtedness, including additional indebtedness incurred by non-Guarantor subsidiaries of the Parent Guarantor. All of the debt of such non-Guarantor subsidiaries would rank structurally senior to the Notes. As adjusted for the Transactions, the non-Guarantor subsidiaries are not expected to have any indebtedness outstanding. If we incur new debt in addition to our current debt level, the related risks that we now face, as described above and elsewhere in these "*Risks Related to the Notes and our Structure,*" could intensify.

We are subject to restrictive covenants under the New Facilities Agreement and the Indenture, which could impair our ability to run our business.

Restrictive covenants under the New Facilities Agreement and the Indenture may restrict our ability to operate our business. Our failure to comply with these covenants, including as a result of events beyond our control, could result in an event of default that could materially adversely affect our financial condition and results of operations.

The New Facilities Agreement contains negative covenants restricting, among other things, our ability to:

- sell, lease, transfer or dispose of assets and subsidiary stock;
- pay dividends and make other restricted payments; and
- create or incur liens.

Each of these covenants is subject to important exceptions and qualifications.

In addition, the Indenture governing the terms of the Notes contains negative covenants restricting, among other things, our ability to:

- merge or consolidate with other companies;
- enter into guarantees with respect to the New Facilities Agreement, certain syndicated facilities or certain public indebtedness without concurrently guaranteeing the Notes; and
- create or incur liens.

Each of these covenants is subject to important exceptions and qualifications. For a more detailed description of these covenants, see "*Description of the Notes—Certain Covenants*."

The restrictions contained in the New Facilities Agreement and the Indenture could affect our ability to operate our business and may limit our ability to react to market conditions or take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect our ability to finance our operations, make strategic acquisitions, investments or alliances, restructure our organization or finance our capital needs. Additionally, our ability to comply with these covenants and restrictions may be affected by events beyond our control. These include prevailing economic, financial and industry conditions. If we breach any of these covenants or restrictions, we could be in default under the New Facilities Agreement or the Indenture.

If there were an event of default under any of our debt instruments that is not cured or waived, the holders of the defaulted debt could terminate their commitments thereunder and cause all amounts outstanding with respect to such indebtedness to be due and payable immediately, which in turn could result in cross defaults under our other debt instruments, including the Notes and the New Facilities Agreement. Any such actions could force us into bankruptcy or liquidation, and we may not be able to repay our obligations under the Notes and the New Facilities Agreement in such an event.

The Indenture will contain limited restrictive covenants and will not restrict our ability to make investments, incur indebtedness, pay dividends, repurchase capital stock or enter into affiliate transactions.

The Indenture will contain limited restrictive covenants and the Indenture will not restrict our ability to:

- make capital expenditures;
- invest in affiliates, associates or non-Guarantor subsidiaries (including by servicing indebtedness at such affiliates, associates or non-Guarantor subsidiaries), repurchase ordinary or preferred stock, make distributions or issue dividends;
- issue preferred securities or incur unsecured indebtedness; or
- enter into transactions with affiliates.

Our taking such actions under the Indenture could adversely affect our ability to pay amounts due on the Notes.

The Issuer may be unable to repurchase the Notes as required upon a Change of Control.

Upon the occurrence of a Change of Control (as defined under "*Description of the Notes—Certain Definitions*"), the Issuer would be required to make an offer to repurchase all outstanding Notes at a price of 101%, of their principal amount, plus accrued and unpaid interest, if any, to the date of repurchase. However, the Issuer may be unable to do so because it may not have enough available funds, particularly since a Change of Control could in certain circumstances cause part or all of our other debt to become due and payable. In addition, restrictions in our then-existing contractual obligations, including the New Facilities Agreement, may not allow it to make such required repurchases upon the occurrence of certain events constituting a Change of Control. See "*Description of the Notes—Repurchase at the Option of Holders—Change of Control.*"

The Issuer's ability to pay principal and interest may be affected by our organizational structure. The Issuer is dependent upon payments from other members of the Group to fund payments to you on the Notes. The Parent Guarantor, the Issuer and certain other Guarantors are holding companies, each of which is dependent upon cash flow from its respective subsidiaries to meet its obligations under the Notes and the Guarantees.

The Issuer does not have any material assets or material sources of income. As a result, the Issuer's ability to make payments on the Notes is dependent directly upon other payments it receives from other members of the Group.

The Parent Guarantor and the Subsidiary Guarantors will guarantee the Notes. The Parent Guarantor is a holding company with no business operations or material assets other than the equity interests in, and any intercompany receivables from, its subsidiaries. The Parent Guarantor is dependent upon the cash flow from its operating subsidiaries in the form of dividends, loans, interest and payments on intercompany loans or other distributions to meet its obligations, including its obligations under its Guarantee as Parent Guarantor. Furthermore, such operating subsidiaries will also be restricted by the terms of their present and future indebtedness in their ability to make distributions or advance upstream loans to enable the Issuer and the Guarantors to make payments in respect of the Notes or the Guarantees, as the case may be. In addition, applicable tax laws may subject such payments to further taxation, and may limit the amounts that some of our subsidiaries will be permitted to pay as dividends or distributions on their equity interests or even prevent such payments. Therefore, there can be no assurance that the dividend and distribution capacity will be adequate to fund distributions in amounts and at times sufficient for the Issuer to pay its obligations as they become due under the Notes. For more information about limitations on distributions, see "*Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations.*"

The Notes and the Guarantees will be structurally subordinated to all of the debt and liabilities of the Parent Guarantor's subsidiaries that are not Guarantors and effectively subordinated to the extent of collateral to all secured creditors.

The Notes and the Guarantees will be structurally subordinated to all of the debt and liabilities of the Parent Guarantor's subsidiaries that do not guarantee the Notes. The terms of the Indenture do not prohibit the Parent Guarantor's non-Guarantor subsidiaries from incurring additional indebtedness. Generally, claims of creditors of a subsidiary that does not provide a Guarantee, including trade creditors and claims of other shareholders, if any, of such subsidiary, will have priority with respect to the assets and earnings of such subsidiary over the claims of creditors of its parent entity. In the event of any foreclosure, dissolution, winding up, liquidation, reorganization, administration or other bankruptcy or insolvency proceeding of any of the Parent Guarantor's subsidiaries that do not provide a Guarantee, holders of their indebtedness and their trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to its parent entity. As such, the Notes and the Guarantees will be structurally subordinated to the creditors (including trade creditors) and other shareholders, if any, of the Parent Guarantor's subsidiaries that do not provide a Guarantee. The Parent Guarantor's subsidiaries may not have sufficient funds to pay (or receive sufficient funds to pay) all their respective creditors, and you may not receive any payment on the Notes or receive less, rateably, than the holders of debt of the Parent Guarantor's subsidiaries and other liabilities. Subject to certain limitations, the Parent Guarantor's subsidiaries will be permitted to incur additional debt and liabilities in the future under the terms of the Indenture. As of September 30, 2018, the Issuer and the Guarantors represented 70% of the Group's net assets (excluding investments in subsidiaries, intangibles arising on business combination, intercompany balances and clearing-related assets). For the twelve months ended September 30, 2018, the Guarantors (excluding the Parent Guarantor and the Issuer, both of which are holding companies and had negative Adjusted EBITDA) represented 92% of the Group's Adjusted EBITDA and 47% of the Group's revenue. As of September 30, 2018, after giving effect to the Transactions, the non-Guarantor subsidiaries of the Parent Guarantor would not have had any external financial indebtedness outstanding.

Claims by any secured creditors of the Parent Guarantor, the Issuer or the Subsidiary Guarantors will have priority with respect to the assets securing their indebtedness over the claims of the holders of the Notes. As such, any claims of the holders of the Notes will be effectively subordinated to any secured indebtedness and other secured obligations of the Parent Guarantor, the Issuer or the Subsidiary Guarantors.

Your right to receive payments on the Notes will be effectively subordinated to the rights of our existing and future secured creditors. Further, the Guarantees will be effectively subordinated to all of the Guarantors' existing and future secured indebtedness.

The Notes and the Guarantees will be senior obligations. Lenders under any secured indebtedness will have claims that are prior to your claims as holders of the Notes to the extent of the value of the assets securing that other indebtedness. The Notes will be effectively subordinated to such secured indebtedness and any other secured indebtedness to the extent of the value of the assets securing such indebtedness. In the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, reorganization or other bankruptcy proceeding, holders of such secured indebtedness will have a prior claim to those of our and the Guarantors' assets that constitute their collateral, and will be entitled to be paid in full from such collateral before any payment is made on the Notes. In any of the foregoing events, we cannot assure you that there will be sufficient assets to pay amounts due on the Notes. As a result, holders of the Notes may receive less than the amounts due under the Notes or nothing at all.

As of September 30, 2018, after giving effect to the Transactions, the non-Guarantor subsidiaries of the Parent Guarantor would not have had any external financial indebtedness outstanding. We will be permitted to incur substantial additional indebtedness, including secured debt, in the future under the terms of the Indenture governing the Notes. While the Indenture includes restrictions on the incurrence of certain liens on our principal property or on shares of stock of any subsidiary of the Parent Guarantor to secure indebtedness for money borrowed, such restrictions are subject to various permissive baskets and *de minimis* thresholds, do not apply to other forms of indebtedness and do not capture liens on assets that do not fall within the definition of "Principal Property" or which, in the opinion of a responsible financial or accounting officer of the Parent Guarantor, is not of material importance to the total business conducted by the Parent Guarantor and its Subsidiaries taken as a whole.

We may incur substantially more debt in the future, which may make it difficult for us to service our debt, including the Notes, and impair our ability to operate our business.

We may incur substantial additional debt in the future. Additionally, the Indenture will not contain any restriction on the incurrence of additional debt. Moreover, the debt we may incur in the future could be structurally senior to the Notes, could mature prior to the Notes or may be secured by collateral. In addition, the Indenture will not prevent us from incurring obligations that do not constitute debt under those agreements, including settlement obligations. The incurrence of additional debt would increase the leverage-related risks described in this Offering Memorandum.

Our failure to comply with the covenants under the Indenture or our other outstanding debt agreements, including as a result of events beyond our control, could result in an event of default which could materially and adversely affect our financial condition and results of operations.

The Indenture will require the Parent Guarantor and its subsidiaries, including the Issuer, to comply with various covenants, and the New Facilities Agreement requires the Parent Guarantor and its subsidiaries to comply with various covenants, including a leverage financial maintenance covenant, which requires the Parent Guarantor and certain of its subsidiaries to maintain a specified net leverage ratio and comply with certain other undertakings. See "*Description of the Notes—Certain Covenants*" and "*Description of Other Indebtedness*." The Parent Guarantor's and its relevant subsidiaries' ability to meet this financial ratio could be affected by deterioration in our operating results, as well as by events beyond our control, including unfavorable economic conditions, and there can be no assurance that the Parent Guarantor and its relevant subsidiaries will be able to meet this financial ratio. Moreover, the New Facilities Agreement includes certain events of default (such as breaches of representations, warranties and undertakings and if the Parent Guarantor or its subsidiaries fail to make payment when due on certain other debt) that are different from the events of default set forth in the Indenture. If an event of default occurs under the New Facilities Agreement, the Indenture or any of our other debt instruments and is not cured or waived within the applicable grace periods, the holders of the defaulted debt could terminate their commitments and declare all outstanding debt, together with accrued and unpaid interest and other fees, to be immediately due and payable. Borrowings under our debt instruments, including the Notes, that contain cross-acceleration or cross-default provisions also may be accelerated or become payable on demand as a result of an event of default under the New Facilities Agreement or other debt instruments. In these circumstances, our assets and cash flow may not be sufficient to repay in full the defaulted debt and its other debt, including the Notes then outstanding. If some or all of these instruments were accelerated, then we could be forced into bankruptcy or liquidation, and we may not be able to repay our obligations under the Notes in such an event.

To service our indebtedness, we require a significant amount of cash, and our ability to generate cash will depend on many factors beyond our control.

Our ability to make payments on and to refinance our indebtedness, and to fund planned capital expenditures depends in part on our ability to generate cash in the future. This depends on the success of our business strategy and on general economic, financial, competitive, legislative, regulatory and other factors, as well as the other factors discussed under "*—Risks Relating to our Business and Industry*," many of which are beyond our control.

There can be no assurance that we will generate sufficient cash flow from operations, that we will realize operating improvements on schedule or that future borrowings will be available to us in an amount sufficient to enable us to service and repay our indebtedness or to fund our other liquidity needs. Furthermore, applicable law and future contractual arrangements may impose restrictions on certain of our subsidiaries' ability to make payments to the Issuer or the Parent Guarantor, which could impact the Issuer's or Parent Guarantor's ability to pay their respective obligations as they mature or to fund their liquidity needs.

If we are unable to satisfy our debt obligations, we may have to undertake alternative financing plans, such as refinancing or restructuring its indebtedness, selling assets, reducing or delaying capital investments or seeking to raise additional capital. There can be no assurance that any refinancing or debt restructuring would be possible, or if possible, that it would be on similar terms to those of our debt instruments existing at that time, that any assets could be sold or that, if sold, the timing of the sales and the amount of proceeds realized from those sales would be favorable to us or that additional financing could be obtained on acceptable terms. Disruptions in the capital and credit markets, as have been seen in recent years, could adversely affect our ability to meet our liquidity needs or to refinance our indebtedness, including our ability to draw on our existing credit facilities or enter into new credit facilities. Banks that are party to our existing credit facilities may not be able to meet their funding commitments if they experience shortages of capital and liquidity or if they experience excessive volumes of borrowing requests from us and other borrowers within a short period of time.

Relevant insolvency laws in the Netherlands, and other jurisdictions may provide you with less protection than US bankruptcy law or the bankruptcy laws of other jurisdictions with which you may be more familiar.

The Notes will be issued by the Issuer, a company which is incorporated under the laws of the Netherlands, and will be guaranteed by the Parent Guarantor and the Subsidiary Guarantors, which are incorporated under the laws of the Netherlands, the Cayman Islands, Jersey and Guernsey. The insolvency laws of certain of these jurisdictions may not be as favorable to your interests as the laws of the United States or other jurisdictions with which you may be more familiar. In the event that any one or more of the Issuer, the Parent Guarantor, the Subsidiary Guarantors or any other of the Parent Guarantor's subsidiaries experience financial difficulty, it may not be possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. A brief description of certain aspects of insolvency law in the Netherlands, the Cayman Islands, Jersey and Guernsey is set out under "*Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations*."

Enforcing your rights as a holder of the Notes or under the Guarantees across multiple jurisdictions may prove difficult.

The Notes will be issued by the Issuer, a company that is incorporated under the laws of the Netherlands, and will be guaranteed by the Parent Guarantor and the Subsidiary Guarantors, which are incorporated under the laws of the Netherlands, the Cayman Islands, Jersey and Guernsey. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in the jurisdictions mentioned above. Such multi-jurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of your rights. Your rights under the Notes and the Guarantees will be subject to the insolvency and administrative laws of several jurisdictions and there can be no assurance that you will be able to effectively enforce your rights in such complex, multiple bankruptcy, insolvency or similar proceedings.

In addition, the bankruptcy, insolvency, administrative, examinership and other laws of the Issuer's, the Parent Guarantor's and the Subsidiary Guarantors' jurisdictions of organization may be materially different from, or in conflict with, each other and those of the United States, including in the areas of rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's law should apply, adversely affect your ability to enforce your rights under the Notes and the Guarantees in those jurisdictions or limit any amounts that you may receive. See "*Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations*" with respect to some of the jurisdictions mentioned above.

The laws of certain of the jurisdictions in which the Guarantors are organized limit the ability of these subsidiaries to guarantee debt of a related company. See "*—Corporate benefit, capital maintenance laws and other limitations on the Guarantees may adversely affect the validity and enforceability of the Guarantees.*"

There are circumstances other than repayment of the Notes under which Guarantees may be released, without your consent or the consent of the Trustee.

Under various circumstances, Guarantees may be released, including:

- in connection with any sale or other disposition of all or substantially all of the assets of a Subsidiary Guarantor (including by way of merger or consolidation) to a person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a subsidiary of the Parent Guarantor;
- in connection with any sale or other disposition of capital stock of a Subsidiary Guarantor or its direct or indirect parent entity to a person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a subsidiary of the Parent Guarantor, if the Subsidiary Guarantor ceases to be a subsidiary as a result of the sale or other disposition;
- upon the release of its guarantee by a Subsidiary Guarantor under the New Facilities Agreement (including, without limitation, upon repayment of obligations outstanding under the New Facilities Agreement); provided that no other indebtedness is at that time guaranteed by the relevant Subsidiary Guarantor that would have otherwise given rise to an obligation to guarantee the Notes pursuant to the covenant described under "*Description of the Notes—Certain Covenants—Limitation on Issuance of Guarantees of Indebtedness by Subsidiaries*" had the relevant subsidiary not already been a Subsidiary Guarantor; provided further that should such Subsidiary Guarantor thereafter guarantee obligations under the New Facilities Agreement (or such guarantee under the New Facilities Agreement is reinstated or renewed), then such Subsidiary Guarantor will guarantee the Notes on the terms and conditions set forth in the Indenture;

- in connection with a defeasance of discharge of the Notes, as provided under "*Description of the Notes—Legal Defeasance and Covenant Defeasance*" and "*Description of the Notes—Satisfaction and Discharge*";
- with the consent of Holders of at least 66 2/3% in aggregate principal amount of the Notes then outstanding; or
- upon the release of the guarantee that gave rise to the requirement to guarantee the Notes pursuant to the covenant described under "*Description of the Notes—Certain Covenants—Limitation on Issuance of Guarantees of Indebtedness by Subsidiaries*," so long as no event of default exists at the time of such release or would arise as a result thereof, and so long as no other indebtedness is at that time guaranteed by the relevant Subsidiary Guarantor that would have otherwise given rise to an obligation to guarantee the Notes pursuant to such covenant had the relevant subsidiary not already been a Subsidiary Guarantor.

You may not be able to recover in civil proceedings for US securities laws violations.

The Issuer and a majority of our operating subsidiaries, including the Guarantors, are organized outside the United States, and their business is conducted primarily outside the US. Although the Issuer and the Guarantors will submit to the jurisdiction of certain New York courts in connection with any action under US securities laws or under the Indenture, you may be unable to effect service of process within the US on the directors and executive officers of the Issuer and the Guarantors. In addition, because a majority of the assets of the Issuer and the Guarantors and their respective subsidiaries and all or a majority of the assets of their directors and executive officers are located outside of the US, you may be unable to enforce judgments obtained in the US courts against them. Moreover, actions of the Issuer and the Guarantors may not be subject to the civil liability provisions of the federal securities laws of the US. See "*Enforcement of Civil Liabilities*."

The US is not currently bound by a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards, rendered in civil and commercial matters with the Netherlands, the Cayman Islands, Jersey and Guernsey. There is, therefore, doubt as to the enforceability in such countries of civil liabilities based upon US securities laws in an action to enforce a US judgment in such countries. In addition, the enforcement in such countries of any judgment obtained in a US court based on civil liabilities, whether or not predicated solely upon US securities laws, will be subject to certain conditions. There is also doubt that a court in any of the foregoing countries would have the requisite power or authority to grant remedies sought in an original action brought in such country on the basis of US securities laws violations. For further information see "*Enforcement of Civil Liabilities*."

Corporate benefit, capital maintenance laws and other limitations on the Guarantees may adversely affect the validity and enforceability of the Guarantees.

The laws of certain of the jurisdictions in which the Guarantors are organized limit the ability of these entities to guarantee debt of a related company. These limitations arise under various provisions or principles of corporate law which include rules governing capital maintenance, under which, among other things, the risks associated with a Guarantee on account of a direct or indirect parent company's debt need to be reasonable and economically and operationally justified from the Guarantor's perspective, as well as thin capitalization and fraudulent transfer principles. If these limitations are not observed, the Guarantees by the Guarantors could be subject to legal challenge. In accordance with the applicable laws of these jurisdictions, the Guarantees will contain language limiting the amount of debt guaranteed so that applicable local law restrictions will not be violated. Accordingly, if you were to enforce the Guarantees by a Guarantor in one of these jurisdictions, your claims are likely to be limited. In some cases, where the amount that can be guaranteed is limited by reference to the net assets and legal capital of the Guarantor or by reference to the outstanding debt owed by the relevant Guarantor to the Issuer under intercompany loans, that amount might have reached zero or close to zero at the time of any insolvency or enforcement. Therefore the Guarantee provided by such a Guarantor will contain language limiting the Guarantor's obligations and liabilities not to include any obligations and liabilities to the extent those would be contrary to the applicable laws or regulatory requirements. Further, though we believe that the Guarantees will be validly given by the Guarantors, in accordance with local law restrictions, there can be no assurance that a third-party creditor would not successfully challenge the Guarantees in legal proceedings.

Similarly, the laws of certain jurisdictions in which the Guarantors are organized prohibit, under certain conditions and unless available exemption procedures were carried out, so-called financial assistance such as direct or indirect, and whether by means of a loan, guarantee, the provision of security or otherwise, financial assistance for or in connection with a purchase of or subscription from that company's shares or shares of its direct or indirect controlling entity. The consequence of a breach of the financial assistance prohibition would be the absolute invalidity or ineffectiveness of the respective transactions. In these jurisdictions, the Guarantees will contain language excluding certain types of obligations from the scope of such Guarantees which, in turn, may limit the amount guaranteed or secured thereunder. See "*Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations.*"

The Issuer is part of a fiscal unity for Dutch corporate income tax purposes, which could expose it to an additional cost and may therefore affect its ability to repay the Notes.

The Issuer is part of a fiscal unity (*fiscale eenheid*) for Dutch corporate income tax (*vennootschapsbelasting*) purposes which has Intertrust N.V. as head of the fiscal unity (the "**Intertrust Fiscal Unity**"). Consequently, the Issuer, and each of the members of the Intertrust Fiscal Unity, are jointly and severally liable for any Dutch corporate income tax due by the Intertrust Fiscal Unity. The fact that the Issuer is part of a fiscal unity could expose it to an additional cost, which may therefore affect the Issuer's ability to repay the Notes.

Insolvency laws and other limitations on the Guarantees, including fraudulent conveyance statutes, may adversely affect their validity and enforceability.

The Issuer's obligations under the Notes will be guaranteed by the Parent Guarantor and the Subsidiary Guarantors. The Parent Guarantor is organized under the laws of the Netherlands. The Subsidiary Guarantors are organized under the laws of the Netherlands, the Cayman Islands, Jersey and Guernsey. Although laws differ among these jurisdictions, in general, applicable fraudulent transfer and conveyance and equitable principles, insolvency laws and, in the case of the Guarantees, limitations on the enforceability of judgments obtained in courts in such jurisdictions could limit the enforceability of a Guarantee against a Guarantor. A court may also in certain circumstances void a Guarantee where a Guarantor is close to or in the vicinity of insolvency.

In an insolvency proceeding, it is possible that creditors of the Guarantors or the appointed insolvency administrator may challenge the Guarantees, and intercompany obligations generally, as fraudulent transfers or conveyances or on other grounds. If so, such laws may permit a court, if it makes certain findings, to:

- void or invalidate or declare ineffective all or a portion of a Guarantor's obligations under its Guarantee;
- direct that holders of the Notes return any amounts paid under a Guarantee to the relevant Guarantor or to a fund for the benefit of the Guarantor's creditors; and
- take other action that is detrimental to you.

If the Issuer cannot satisfy its obligations under the Notes and any Guarantee is found to be a fraudulent transfer or conveyance or an improper transfer of assets or is otherwise set aside, there can be no assurance that the Issuer can ever repay in full any amounts outstanding under the Notes. In addition, the liability of each Guarantor under its Guarantee will be limited to the amount that will result in such Guarantee not constituting a fraudulent conveyance or improper corporate distribution. However, there can be no assurance as to what standard a court would apply in making a determination of the maximum liability. Also, there is a possibility that the entire Guarantee may be set aside, in which case, the entire liability may be extinguished.

In order to initiate any of these actions under fraudulent or improper transfer or other applicable principles, courts may need to make findings that, at the time the Guarantees were issued, a Guarantor:

- issued such Guarantee with the intent or knowledge of hindering, delaying or defrauding current or future creditors or with a desire to prefer some creditors over others, or created such security after its insolvency;

- was aware of the fact that some creditors were disadvantaged over other creditors by these actions;
- issued such Guarantee in a situation where a prudent businessman as a shareholder of such Guarantor would have contributed no equity to such Guarantor; or
- received less than reasonably equivalent value for incurring the debt represented by the Guarantee on the basis that the Guarantee was incurred for the Issuer's benefit, and only indirectly for the Guarantor's benefit, or some other basis and (i) was insolvent or rendered insolvent by reason of the issue of the Guarantee, or subsequently became insolvent for other reasons; (ii) was engaged, or about to engage, in a business transaction for which the Guarantor's assets were unreasonably small; or (iii) intended to incur, or believed it would incur, debts beyond its ability to make required payments as and when they would become due.

However, less-stringent requirements may be provided under the laws of certain jurisdictions.

Different jurisdictions evaluate insolvency on various criteria, but a Guarantor generally may, in different jurisdictions, be considered insolvent at the time it issued a Guarantee if:

- its liabilities exceed the fair market value of its assets;
- it cannot pay its debts as and when they become due; or
- the present saleable value of its assets is less than the amount required to pay its total existing debts and liabilities, including contingent and prospective liabilities, as they mature or become absolute.

Although we believe that the Issuer and the Guarantors are solvent, and will be so after giving effect to the Transactions, there can be no assurance which standard a court would apply in determining whether a Guarantor was insolvent as of the date the Guarantees were issued or that, regardless of the method of valuation, a court would not determine that a Guarantor was insolvent on that date, or that a court would not determine, regardless of whether or not a Guarantor was insolvent on the date its Guarantee was issued, that payments to holders of the Notes constituted fraudulent transfers on other grounds.

For an overview of the enforceability issues as they relate to the Guarantees, see "*Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations.*"

Transfer of the Notes will be restricted, which may adversely affect the value of the Notes.

Because the Notes have not been, and will not be, registered under the US Securities Act or the securities laws of any other jurisdiction, they may not initially be sold in the United States except to persons reasonably believed to be QIBs within the meaning of and pursuant to Rule 144A, and may not be offered or sold except to non-US persons outside the United States in offshore transactions in reliance on Regulation S or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and all other applicable laws. These restrictions may limit the ability of investors to resell the Notes. It is the obligation of investors in the Notes to ensure that all offers and sales of the Notes within the United States and other countries comply with applicable securities laws. See "*Description of the Notes—Transfer and Exchange*" and "*Notice to Investors*."

There may not be an active trading market for the Notes, in which case your ability to sell the Notes will be limited.

The Notes are new issues of securities for which there is currently no established trading market. There can be no assurance as to:

- the liquidity of any market in the Notes;
- your ability to sell your Notes; or
- the prices at which you would be able to sell your Notes.

Future trading prices of the Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities. The liquidity of a trading market for the Notes may be adversely affected by a general decline in the market for similar securities. Historically, the market for non-investment grade securities has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. Any such disruption may have a negative effect on you, as a holder of Notes, regardless of our prospects and financial performance. The Initial Purchasers have advised that they intend to make a market in the Notes after completing the Offering. However, they have no obligation to do so and may discontinue market-making activities at any time without notice. In addition, such market-making activity will be subject to limitations imposed by the US Securities Act and other applicable laws and regulations. As a result, there may not be an active trading market for the Notes. If no active trading market develops, you may not be able to resell your Notes at a fair value, if at all.

The Notes may not be listed or remain listed on the Luxembourg Stock Exchange.

If the Issuer cannot maintain the listing on the Official List of the Luxembourg Stock Exchange and the admission to trading on the Luxembourg Stock Exchange's Euro MTF Market or it determines that it will not maintain such listing, the Issuer may cease to make or maintain such listing on the Official List of the Luxembourg Stock Exchange, provided that it will use its commercially reasonable efforts to obtain and maintain the listing of the Notes on another recognized stock exchange, although there can be no assurance that the Issuer will be able to do so. Although no assurance is made as to the liquidity of the Notes as a result of listing on the Official List of the Luxembourg Stock Exchange or another recognized listing exchange for comparable issuers in accordance with the Indenture, failure to be approved for listing or the delisting of the Notes from the Official List of the Luxembourg Stock Exchange or another listing exchange in accordance with the Indenture may have a material adverse effect on a holder's ability to resell Notes in the secondary market.

The Notes will initially be held in book-entry form and therefore investors must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

The Notes will initially only be issued in global certificated form and held through Euroclear and Clearstream. Interests in the Global Notes will trade in book-entry form only, and Notes in definitive registered form ("**Definitive Registered Notes**"), will be issued in exchange for book-entry interests only in very limited circumstances. Owners of book-entry interests will not be considered holders of Notes. The common depositary, or its nominee, for Euroclear and Clearstream, will be the sole registered holder of the Global Notes representing the Notes.

Payments of principal, interest and other amounts owing on or in respect of the Global Notes will be made to the Paying Agent, which will make payments to Euroclear and Clearstream. Thereafter, these payments will be credited to participants' accounts that hold book-entry interests in the Global Notes representing the Notes and credited by such participants to indirect participants. After payment to the common depositary, or its nominee, for Euroclear and Clearstream, the Issuer, the Trustee and the Paying Agent will have no responsibility or liability for the payment of interest, principal or other amounts to the owners of book-entry interests. Accordingly, if investors own a book-entry interest, they must rely on the procedures of Euroclear and Clearstream, and if investors are not participants in Euroclear and Clearstream, they must rely on the procedures of the participant through which they own their interest, to exercise any rights and obligations of a holder of Notes under the Indenture.

Unlike the holders of the Notes themselves, owners of book-entry interests will not have the direct right to act upon the Issuer's solicitations for consents, requests for waivers or other actions from holders of the Notes. Instead, if an investor owns a book-entry interest, it will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear and Clearstream. The procedures implemented for the granting of such proxies may not be sufficient to enable such investor to vote on a timely basis.

Similarly, upon the occurrence of an event of default under the Indenture, unless and until Definitive Registered Notes are issued in respect of all book-entry interests, if investors own book-entry interests, they will be restricted to acting through Euroclear and Clearstream. The procedures to be implemented through Euroclear and Clearstream may not be adequate to ensure the timely exercise of rights under the Notes. See "*Book-Entry; Delivery and Form*."

Credit ratings may not reflect all risks, are not recommendations to buy, sell or hold securities and are subject to revision, suspension or withdrawal at any time.

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed in this Offering Memorandum and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and is subject to revision, suspension or withdrawal by the rating agency at any time. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the credit rating agency if, in its judgment, circumstances in the future so warrant. A revision, suspension, reduction or withdrawal at any time of the credit rating assigned to the Notes by one or more of the credit rating agencies may adversely affect the cost and terms and conditions of our financings and could adversely affect the value and trading of the Notes.

Investors may face foreign exchange risks by investing in the Notes.

The Notes will be denominated and payable in euros. An investment in the Notes denominated in a currency other than the currency by reference to which you measure the return on your investments will entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the euro relative to other relevant currencies because of economic, political or other factors over which we have no control. Depreciation of the euro against other relevant currencies could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss to you when the return on the Notes is translated into the currency by reference to which you measure the return on your investments. Investments in the Notes by US holders (as defined under "*Tax Considerations—Certain US Federal Income Tax Considerations*") may also have tax consequences as a result of foreign exchange gains or losses, if any. See "*Tax Considerations—Certain US Federal Income Tax Considerations*."

If certain changes to tax law were to occur, the Issuer would have the option to redeem the Notes.

If certain changes in the law of any relevant tax jurisdiction, as described under "*Description of the Notes—Withholding Taxes*," become effective that would impose withholding taxes or other deductions on the payments on the Notes and as a result the Issuer is required to pay additional amounts, the Issuer may redeem the Notes in whole, but not in part, at any time, at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, and additional amounts, if any, to the date of redemption. In addition, the Issuer will, subject to certain exceptions, be required to pay such additional amounts as may be necessary in order that the net amounts received in respect of such payments by the holder of the Notes after such withholding or other deduction equal the amounts which would have been received in respect of such payments in the absence of such withholding or deduction. Such additional amounts may be substantial and result in a sudden material increase in the Issuer's contractual commitments and the Issuer may not have enough available funds to comply with its obligation to pay such additional amounts. The Issuer is unable to determine whether such changes to any tax laws will be enacted and if such changes in the law do occur in any relevant tax jurisdiction, the Notes will be redeemable at the Issuer's option.

The introduction of a Dutch conditional withholding tax on interest payments may increase the amounts that we are obliged to pay under the Notes.

On October 10, 2017, the Dutch government released its policy statement (*Regeerakkoord 2017-2021 "Vertrouwen in de toekomst"*), which does not include concrete legislative proposals, but sets out a large number of policy intentions of the Dutch government. In the policy statement it was announced that the Netherlands will introduce a new conditional withholding tax on interest payments paid to low-tax jurisdictions. In a letter to the Dutch parliament dated February 23, 2018, the Dutch Under-Minister of Finance published more details about the proposed introduction of withholding tax on interest payments. The letter states that the interest withholding tax would apply to interest paid by a Dutch entity within a group to entities that are resident (i) in a jurisdiction with a low statutory rate or (ii) in a jurisdiction included in the EU list of non-cooperative jurisdictions. In addition, the letter states that measures will be taken to counteract abusive situations (*misbruiksituaties*). According to the letter, abusive situations include a situation where a payment of interest is not made directly to a low-tax or non-cooperative jurisdiction, but where such interest indirectly reaches such jurisdiction by means of an artificial construction. In his letter, the Dutch Under-Minister of Finance announced that it is intended for the withholding tax on interest payments to be effective from 2021 and that a legislative proposal will be submitted to the Dutch parliament in 2019. This was reiterated by the Dutch Under-Minister of Finance in one of the legislative proposals published on budget day 2018 (*Prinsjesdag 2018*). The exact scope of the proposed legislation is not yet certain. Therefore, it cannot be excluded that the envisaged interest withholding tax could have a wider application and, as such, it could potentially be applicable to payments made by the Issuer under the Notes. If such payments become subject to Dutch withholding tax under the envisaged legislation, the Issuer may be required to pay Additional Amounts (see "*Description of the Notes—Withholding Taxes*"), which may give rise to an event whereby the Issuer may be entitled to redeem the Notes (see "*Description of the Notes—Redemption for Taxation Reasons*").

USE OF PROCEEDS

The Issuer intends to use the proceeds from the Offering, together with cash on hand and borrowings under the New Term Facilities to: (i) repay in full borrowings under the Existing Facilities Agreement; and (ii) pay costs, fees and expenses incurred in connection with the Transactions, including certain financing fees with respect to the New Facilities, including the New Revolving Credit Facility, Initial Purchasers' fees, legal and accounting expenses and other transaction costs.

The following table sets forth the estimated sources and uses of the funds necessary to consummate the Transactions. Such amounts are subject to adjustments and may differ from the actual amounts depending on several factors, including the actual Issue Date, and differences from the Group's estimated fees and expenses.

Sources	Amount	Uses	Amount
	(€ in millions)		(€ in millions)
Notes offered hereby	500.0	Repayment of Existing Facilities and cancellation of Existing Revolving Credit Facility[(2)]	779.8
New Term Facilities[(1)]	285.5	Transaction fees and expenses[(3)]	12.5
Cash and cash equivalents	6.8		
Total sources	**792.3**	**Total uses**	**792.3**

(1) Represents: (i) the euro equivalent of the aggregate principal amount of $200,000,000 US dollar-denominated bank loan established under the New Facilities Agreement, at an exchange rate of $1.1576 to €1.00, which was the exchange rate as of September 30, 2018 used by the Group for internal purposes; and (ii) the euro equivalent of the aggregate principal amount of £100,000,000 pound sterling-denominated bank loan established under the New Facilities Agreement, at an exchange rate of £0.8873 to €1.00, which was the exchange rate as of September 30, 2018 used by the Group for internal purposes. See "*Description of Other Indebtedness—New Facilities Agreement.*"

(2) As part of the Transactions, we intend to repay on the Issue Date: (i) €587,500,000 of outstanding borrowings under the euro-denominated bank loan of the Existing Facilities (excluding break costs and accrued and unpaid interest thereon (assuming repayment on November 15, 2018) of approximately €1.0 million); (ii) $100,000,000 of outstanding borrowings under the US dollar-denominated bank loan of the Existing Facilities (excluding break costs and accrued and unpaid interest thereon (assuming repayment on November 15, 2018) of approximately $0.2 million) amounting to a euro equivalent of €86.4 million using an exchange rate of $1.1576 to €1.00 which was the exchange rate as of September 30, 2018 used by the Group for internal purposes; and (iii) £94,000,000 of outstanding borrowings under the pound sterling-denominated bank loan of the Existing Facilities (excluding break costs and accrued and unpaid interest thereon (assuming repayment on November 15, 2018) of approximately £0.2 million) amounting to a euro equivalent of €105.9 million using an exchange rate of £0.8873 to €1.00 which was the exchange rate as of September 30, 2018 used by the Group for internal purposes. As part of the Transactions, we also intend to cancel the Existing Revolving Credit Facility, pay the commitment fees and rollover the €3.4 million of bank guarantees outstanding under ancillary facilities established under the Existing Facilities Agreement which are off-balance sheet liabilities. Certain of the Initial Purchasers or their affiliates are lenders under the Existing Facilities Agreement and as a result will receive a portion of the net proceeds of the Notes. See "*Plan of Distribution*."

(3) Represents estimated fees and expenses in connection with the Transactions, including certain financing fees with respect to the New Facilities, including the New Revolving Credit Facility, Initial Purchasers' fees, legal and accounting expenses and other transaction costs.

CAPITALIZATION

The following table sets forth the consolidated cash and cash equivalents and the capitalization of the Group, adjusted to give effect to the Transactions as described under "*Use of Proceeds*" as if they had occurred on September 30, 2018.

This table should be read in conjunction with "*Use of Proceeds*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," "*Description of Other Indebtedness*" and the Financial Statements included elsewhere in this Offering Memorandum.

	Historical	Adjustments	Adjusted
	As of September 30, 2018	As of September 30, 2018	As of September 30, 2018
	(Unaudited, € in millions)		
Cash and cash equivalents	**78.1**(1)	**-6.8**	**71.3**(2)
Indebtedness:			
Existing Facilities(3)	779.8	-779.8	—
Existing Revolving Credit Facility(4)	—	—	—
Notes offered hereby	—	500.0	500.0
New Term Facilities(5)	—	285.5	285.5
New Revolving Credit Facility(6)	—	—	—
Total Financial Indebtedness	**779.8**	**5.7**	**785.5**
Shareholders' Equity	**713.9**	—	**713.9**
Total capitalization	**1,493.7**	**5.7**	**1,499.4**

(1) Represents cash attributable to the Group at the end of the period, which together with cash held on behalf of clients at the end of the period (€19.8 million) constitutes cash and cash equivalents at the end of the period of €98.0 million.

(2) Represents expected cash on balance sheet on the Issue Date as adjusted to give effect to the Transactions. See "*Use of Proceeds*."

(3) Represents non-current loans and borrowings amounting to €776.0 million and amortized costs amounting to €3.9 million which comprise the euro equivalent of the outstanding indebtedness under the Existing Facilities, converted at an exchange rate of $1.1576 to €1.00 with respect to the US dollar-denominated bank loan and £0.8873 to €1.00 with respect to the pound sterling-denominated bank loan (which were the exchange rates as of September 30, 2018 used by the Group for internal purposes), including break costs and accrued and unpaid interest thereon. The proceeds of the Offering are used to repay borrowings under the Existing Facilities using the same exchange rate. In connection with the repayment of floating rate obligations under the Existing Facilities using the proceeds from the Offering, we expect to terminate certain interest rate hedging arrangements, the termination of which we expect on a net basis to result in no costs to the Group.

(4) Does not include the bank guarantees outstanding under ancillary facilities established under the Existing Facilities Agreement amounting to €3.4 million.

(5) Represents: (i) the euro equivalent of the aggregate principal amount of $200,000,000 US dollar-denominated bank loan established under the New Facilities Agreement, at an exchange rate of $1.1576 to €1.00, which was the exchange rate as of September 30, 2018 used by the Group for internal purposes; and (ii) the euro equivalent of the aggregate principal amount of £100,000,000 pound sterling-denominated bank loan established under the New Facilities Agreement, at an exchange rate of £0.8873 to €1.00, which was the exchange rate as of September 30, 2018 used by the Group for internal purposes. See "*Description of Other Indebtedness—New Facilities Agreement.*"

(6) The New Revolving Credit Facility will provide for revolving commitments of up to €150,000,000. The New Revolving Credit Facility may be used for general corporate purposes, to fund acquisitions and to fund working capital of the Group. The Issuer will be the original borrower under the New Revolving Credit Facility. Subject to agreed guarantee principles and limitations, the New Revolving Credit Facility will be guaranteed by the Guarantors. At the Issue Date, we do not expect the New Revolving Credit Facility to be drawn, however, we will roll over €3.4 million of bank guarantees outstanding under ancillary facilities from the Existing Revolving Credit Facility to the New Revolving Credit Facility as off-balance sheet liabilities. We therefore expect to have approximately €146.6 million available for borrowing under the New Revolving Credit Facility on the Issue Date. See "*Description of Other Indebtedness—New Facilities Agreement.*"

SELECTED FINANCIAL AND OTHER INFORMATION

The selected historical consolidated financial information provided below has been derived from the Financial Statements. The selected historical consolidated financial information is qualified in its entirety by reference to, and should be read in conjunction with, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" *and the Financial Statements included elsewhere in this Offering Memorandum. See* "*Presentation of Financial and Other Information.*"

Prospective investors should read the summary data presented below in conjunction with "*Use of Proceeds,*" "*Capitalization,*" "*Summary—Summary Historical Consolidated Financial and Other Data,*" "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" *and our Financial Statements, together with the related notes thereto, included elsewhere in this Offering Memorandum.*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Year ended December 31,			Nine months ended September 30,		Twelve months ended September 30,
(€ in millions)	**2015**	**2016**	**2017**	**2017**	**2018**	**2018**
Revenue[1]	**344.6**	**385.8**	**485.2**	**357.8**	**363.4**	**490.8**
Staff expenses	-144.9	-170.7	-214.5	-160.5	-164.6	-218.6
Rental expenses	-17.2	-20.1	-24.2	-17.9	-18.1	-24.4
Other operating expenses[1]	-41.6	-50.5	-62.0	-45.8	-46.9	-63.1
Other operating income	3.7	0.1	0.2	0.2	0.1	0.1
Depreciation and amortization[2]	-37.3	-42.5	-52.0	-39.0	-39.1	-52.1
Profit/(loss) from operating activities	**107.3**	**102.1**	**132.8**	**94.8**	**94.6**	**132.6**
Financial result	-100.6	-30.6	-25.9	-18.2	-21.4	-29.1
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	—	—	0.7	-0.2	0.1	0.9
Profit/(loss) before income tax	**6.6**	**71.5**	**107.6**	**76.4**	**73.3**	**104.5**
Income tax	-4.0	-19.5	-18.9	-17.7	-13.2	-14.4
Profit/(loss) for the period	**2.6**	**52.0**	**88.7**	**58.7**	**60.1**	**90.1**

(1) For the year ended December 31, 2015, Adjusted Revenue was €344.9 million and Adjusted Other Operating Expenses were €41.9 million as a result of the addback to revenue of the €0.3 million revenue generated from a client in our Luxembourg segment with which we settled a claim in 2015 (the "**2015 Settlement**") and as a result of the €0.3 million expenses in relation to the 2015 Settlement. Under IFRS we were required to offset the amount of a settlement with a client with the revenue generated from such client. As a result, both our revenue and other operating expenses line item for the year ended December 31, 2015 were reduced by the amount of the 2015 Settlement, which only affected the revenue and other operating expenses of our Luxembourg segment and therefore of the Group for the year ended December 31, 2015 and had no effect on the revenue and other operating expenses for the years ended December 31, 2016 and 2017 and for the nine months ended September 30, 2017 and 2018 (and neither for the twelve months ended September 30, 2018).

(2) Depreciation and amortization includes depreciation, amortization of acquisition-related intangible assets and amortization of other intangible assets.

CONSOLIDATED BALANCE SHEET

(€ in millions)	As of December 31, 2015	2016	2017	As of September 30, 2017	2018
Total non-current assets	1,087.2	1,607.7	1,510.4	1,527.8	1,494.0
Total current assets	203.2	226.8	232.3	193.0	239.4
thereof cash and cash equivalents	*80.5*	*69.9*	*66.6*	*60.5*	*98.0*
Total assets	**1,290.4**	**1,834.4**	**1,742.7**	**1,720.8**	**1,733.3**
Total equity	**562.3**	**759.8**	**705.1**	**719.1**	**713.9**
Total non-current liabilities	607.9	881.5	861.3	865.6	864.6
Total current liabilities	120.1	193.1	176.3	136.2	154.9
Total liabilities	**728.1**	**1,074.6**	**1,037.6**	**1,001.8**	**1.019.5**
Total equity and liabilities	**1,290.4**	**1,834.4**	**1,742.7**	**1,720.8**	**1,733.3**

CONSOLIDATED CASH FLOW STATEMENT

(€ in millions)	Year ended December 31, 2015	2016	2017	Nine months ended September 30, 2017	2018
Net cash from operating activities	127.5	152.4	156.9	108.6	115.5
Net cash from/(used in) investing activities	-34.2	-182.1	-12.8	-12.1	-9.3
Net cash from/(used in) financing activities	-51.0	22.5	-136.6	-91.3	-85.2
Net changes in cash and cash equivalents	**42.3**	**-7.2**	**7.5**	**5.2**	**21.0**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of our financial condition and results of operations as of and for the nine months ended September 30, 2018 and 2017 and the years ended December 31, 2017, 2016 and 2015. This discussion and analysis should be read in conjunction with "Presentation of Financial and Other Information," "Selected Financial Information and Other Information," "Industry" and "Business" as well as with (i) the 2018 Interim Condensed Consolidated Financial Statements and accompanying notes and (ii) the Annual Consolidated Financial Statements and accompanying notes, included elsewhere in this Offering Memorandum. Prospective investors should read the entire Offering Memorandum and not just rely on the information set out below.

*In the following discussion and analysis of our financial condition and results of operations, "**Underlying Revenue**" refers to revenue calculated on a constant currency and like-for-like basis excluding the impacts of currency exchange fluctuations, including revenue generated by pro forma acquisitions and excluding revenue generated by pro forma divestments for the period specified, "**on an Underlying Basis**" and "**Underlying Change**" are to be construed accordingly.*

The following discussion and analysis of our financial conditions and results of operations contains forward-looking statements based on assumptions about our future business that involve risks and uncertainties. Our actual results could differ materially from those that we discuss in these forward-looking statements. Investors should read "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements. Investors should also read "Risk Factors" for a discussion of certain factors that may affect our business, results of operations and financial condition.

OVERVIEW

General

Intertrust is a global leader in providing expert administrative services to clients operating and investing internationally. As of September 30, 2018, we had more than 2,500 employees across 41 offices and 29 jurisdictions in Europe, the Americas, Asia Pacific and the Middle-East. We focus on delivering high-quality tailored services to our clients with a view to building long-term relationships. Our business services are offered across four service lines, comprising:

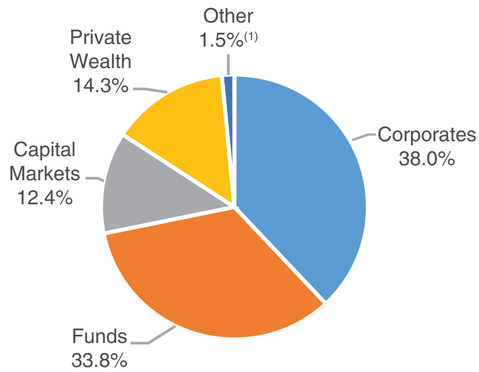
Corporates service line consisting of incorporation, management and unwinding of our clients' corporate investment and finance structures.

Funds service line consisting of incorporation and administration of funds, including private equity funds, real estate funds and hedge funds.

Capital Markets service line consisting of trustee and agency services in capital markets transactions and incorporation, management and unwinding of securitization and structured finance transactions for issuers and originators.

Private Wealth service line consisting of fund and trust and foundation establishment and administration for entrepreneurs, family offices and high net worth individuals.

Over all our service lines, including revenue related to rental income and income generated in relation to service agreements with third-party service providers, we generated €490.8 million of revenue, €197.9 million of Adjusted EBITDA (with an Adjusted EBITDA Margin of 40.3%) and €186.8 million of Adjusted EBITA (with an Adjusted EBITA Margin of 38.1%) in the twelve months ended September 30, 2018. Each of our four service lines contributed to our revenue for the nine months ended September 30, 2018, as set forth in the below figure:



(1) Other includes rental income and income generated in relation to service agreements with third-party service providers.

For the year ended December 31, 2017, we were the leading expert administrative services provider in the Netherlands and Jersey, the number two provider in Luxembourg and the Cayman Islands, and we had leading market positions in most of our key jurisdictions in our Rest of the World segment based on revenue for the year ended December 31, 2017.

As of September 30, 2018, we had a large and diversified mix of more than 16,000 clients for which we administered approximately 48,300 entities. As of September 30, 2018, our clients were based in approximately 140 jurisdictions and included approximately 60% of the Top 10 and 50% of the Top 50 of the Fortune Global 500 companies, as well as approximately 80% of the Top 50 of the Private Equity International 300. We believe that our clients value the quality of our comprehensive expert administrative services offering, our global network, our commitment to client relationships and our expertise, reliability and responsiveness.

We had a highly qualified workforce with more than 2,500 full-time employees ("**FTEs**") as of September 30, 2018, the majority of whom have higher education degrees or qualifications. The quality and expertise of our employees is key to providing our clients with high-quality value-added services and building long-term relationships with our clients. Through our Global Intertrust Academy, we continuously train and educate our employees on technical skills, as well as leadership, business development and relationship management skills to ensure a global high standard of capabilities.

Our business is organized and managed on a geographic basis and operates through the following five main jurisdictional segments: the Netherlands, Luxembourg, the Americas, Jersey and the Rest of the World. The table below sets forth the revenue derived from our segments, our Adjusted EBITDA and our Adjusted EBITA for the twelve months ended September 30, 2018.

	Twelve months ended September 30, 2018					
	revenue (€ in millions)	% of revenue	Adjusted EBITDA (€ in millions)	% of Adjusted EBITDA	Adjusted EBITA (€ in millions)	% of Adjusted EBITA
The Netherlands(1)	116.4	23.7%	71.0	35.9%	70.6	37.8%
Luxembourg(2)	105.2	21.4%	59.5	30.0%	58.7	31.4%
The Americas(3)	85.1	17.3%	47.1	23.8%	46.8	25.1%
Jersey(4)	57.6	11.7%	29.5	14.9%	28.9	15.4%
Rest of the World(5)	126.5	25.8%	49.7	25.1%	48.6	26.0%
HQ and IT costs	N/A	N/A	-58.8	-29.7%	-66.8	-35.7%
Total	**490.8**	**100%**	**197.9**	**100%**	**186.8**	**100%**

(1) The Netherlands includes our offices in Amsterdam and Rotterdam.
(2) Luxembourg includes our office in Luxembourg.
(3) The Americas includes our offices in Atlanta; the Bahamas; the British Virgin Islands (Road Town); the Cayman Islands (George Town); Chicago; Curacao (Willemstad); Delaware; Houston; New York; San Francisco; Sao Paulo and Toronto.
(4) Jersey includes our office in St Helier.
(5) Rest of the World includes our offices in Abu Dhabi, Beijing; Brussels; Copenhagen; Cyprus (Limassol); Dubai; Dublin; Frankfurt am Main; Guangzhou; Guernsey (St. Peter Port); Geneva; Helsinki; Hong Kong; Istanbul; London; Madrid; Malmö; Oslo; Shanghai; Singapore; Stockholm; Sydney; Tokyo; Zug and Zürich.

FACTORS AFFECTING COMPARABILITY

The analysis of the business is organized on and managed from a geographical perspective. We changed our business segments in 2017 and 2018 and as a result, the comparability of the results per geographic segment over the different periods for certain of our business segments is limited.

Since January 2018, our reporting structure is comprised of the following segments: the Netherlands; Luxembourg; the Americas; Jersey; and the Rest of the World. The Cayman Islands are now included in the new Americas segment together with the Bahamas, Brazil, the British Virgin Islands, Curacao and the United States, which were previously part of the Rest of the World segment.

From January 2017 to December 2017, our operating segments were the Netherlands, Luxembourg, the Cayman Islands, Jersey and the Rest of the World segment.

Before January 2017, our operating segments were the Netherlands, Luxembourg, the Cayman Islands, Guernsey and the Rest of the World segment.

The reconciliation table below shows our restated revenue for the year ended December 31, 2017 according to the 2018 segmentation:

	2017 presented in 2018 segmentation		2017 presented in 2017 segmentation	
(€ in millions, unless otherwise indicated)	Revenue	% Revenue	Revenue	% Revenue
The Netherlands	117.2	24.2%	117.2	24.2%
Luxembourg	97.1	20.0%	97.1	20.0%
The Americas	89.2	18.4%	—	—
The Cayman Islands	—	—	68.9	14.2%
Jersey	58.5	12.1%	58.5	12.1%
Rest of the World	123.2	25.4%	143.2	29.6%
TOTAL	**485.2**	**100%**	**485.2**	**100%**

The reconciliation table below shows our restated Adjusted EBITA for the year ended December 31, 2017 according to the 2018 segmentation:

(€ in millions, unless otherwise indicated)	2017 presented in 2018 segmentation		2017 presented in 2017 segmentation	
	Adjusted EBITA	% Adjusted EBITA	Adjusted EBITA	% Adjusted EBITA
The Netherlands	72.0	38.9%	72.0	38.9%
Luxembourg	51.4	27.8%	51.4	27.8%
The Americas	46.4	25.1%	—	—
The Cayman Islands	—	—	40.6	21.9%
Jersey	30.0	16.2%	30.0	16.2%
Rest of the World	45.4	24.5%	54.4	29.4%
HQ and IT costs	-60.0	-32.4%	-63.3	-34.2%
TOTAL	**185.1**	**100%**	**185.1**	**100%**

KEY FACTORS AFFECTING OUR BUSINESS AND RESULTS OF OPERATIONS

The following factors have contributed significantly to the development of our business and results of operations and are expected to continue to have a significant effect on our business and results of operations.

Organic Growth

Our results of operations are impacted by the organic growth of our business. The key drivers of the organic growth of our business are the net inflow of new client entities, the increase of the average revenue per client entity that we service, operational efficiencies, the expansion of our business geographically by opening offices in new locations and the broadening of our existing service offering.

The net inflow of client entities is determined as the difference between the inflow of new client entities and the outflow of existing client entities. Historically, the ARPE of new client entities has generally been higher than the ARPE of existing client entities flowing out. This is mainly due to the additional services that we are generally asked to provide to new client entities driven by, among other things, additional regulatory, compliance and business reporting requirements. In addition to the net inflow of new client entities, our organic growth is driven by our ability to generate additional revenue from our existing clients by providing additional services to existing entities, by providing services to new entities of existing clients and through cross-selling across our global network, through our business partners who refer new business opportunities to us and through our direct selling activities.

Cross-selling comprises the referral of new business from one office of our global network to another. Cross-selling has been and continues to be an important source of new business. In addition to our cross-selling efforts, we rely on our business partners, which include financial institutions, law firms, auditors and financial advisory firms, to refer new business to us. Furthermore, our direct sales efforts and the proactive solicitation of new clients generate new business opportunities. In that regard, we recently created a global client solutions team to further accelerate our services and product development as we aim to adapt to the changing needs of our clients. In addition, we added specialized sales capabilities to our teams in the UK and the US in order to improve our business development efforts in these regions. The level of new business that we acquire through our cross-selling efforts, through referrals from our business partners and through our direct sales approach impacts our revenue and operating profits.

In addition, our organic growth is impacted by our ability to improve the utilization of our billable FTEs, our ability to offer additional higher value-added services to our clients and our ability to increase our prices. Achieving operational efficiencies, for example, through implementing improvements to our IT system, enables our employees to spend less time on non-billable activities which generally increases our billing ratio. We also seek to provide additional value-added services to our clients and the client entities that we service. These services can include, for example, substance related services, additional legal administration services (such as organizing more frequent board meetings), additional accounting and reporting services (such as quarterly reporting and IFRS reporting services) and compliance services. Finally, we seek to selectively increase our prices in line with inflation. A successful implementation of these initiatives generally results in an improvement of our revenue and operating profits.

Finally, our organic growth is driven by our ability to expand our business geographically by opening offices in new locations to attract new clients and new business from existing clients and our ability to diversify our revenue by expanding our service offering with additional and complementary services to our existing service lines. We typically open new offices when we receive a significant number of requests from existing clients or prospective clients to provide services in new locations or when we see increasing demand for our services coming from a specific region. Depending on the location, our new offices focus on operational or sales activities. For example, we began operating in Australia in July 2018 after having acquired Seed Outsourcing and we have recently opened a new sales office in Abu Dhabi, the United Arab Emirates. New operational offices, however, typically operate at a loss for a period of time as we acquire the necessary infrastructure, such as office space and personnel, before revenue generated by our services are sufficient to cover our operating costs. We also strive to diversify our revenue by expanding our service offering with additional and complementary services, such as FATCA consulting, compliance services, including compliance consulting and compliance outsourcing services, and AIFM ManCo services. Expansion through opening new offices and by adding complementary services to our service offering has positively impacted and is expected to continue to impact our operating profits.

Growth through Acquisitions

We have completed four acquisitions since January 1, 2015: CorpNordic, a provider of expert administrative services in the Nordic countries, completed in June 2015; Elian, a specialist in capital market solutions, private equity, real estate and fund administration and corporate services as well as private client solutions, completed in September 2016; Azcona, a professional services provider, completed in February 2017; and Seed Outsourcing, a boutique Australian expert administrative services firm, providing corporate secretarial, director, domiciliation and payroll services to private equity and real estate fund managers, completed in July 2018. We have successfully delivered on the projected synergies following the acquisitions and integrations of ATC (2013), CorpNordic (2015) and Elian (2016). In general, following any acquisition, our results of operations are impacted by the results of the newly acquired business, debt incurred to acquire the business, if any, and expenditures made in connection with the acquisition and to integrate the newly acquired business into the Group. When seeking to integrate and improve a newly acquired business, we generally look to several key areas: (i) reviewing current service lines and prices and seeking to improve operational processes and cost structures to achieve satisfactory operating margins; (ii) implementing organizational changes to bring the acquired business in line with our Group-wide standards; (iii) exploring ways to increase collaboration between our existing and our newly acquired businesses and benefit from economies of scale including with respect to the use of non-billable support staff; (iv) sharing knowledge and experience and implementing Group-wide best practices; and (v) leveraging our ability to raise financing. Many of these integration measures require expenditure by us. As a result, we incurred transaction costs of €0.1 million, €0.1 million, €4.2 million and €5.3 million, as well as integration and transformation costs of €9.2 million, €7.8 million, €8.5 million and €3.1 million for the nine months ended September 30, 2018 and for the years ended December 31, 2017, 2016 and 2015, respectively, which primarily include costs with respect to renegotiations or termination of contractual arrangements, employee redundancies and other administrative expenses related to the reorganization of existing or newly acquired businesses.

In connection with the acquisitions, we have also recognized significant intangible assets relating to goodwill, customer relationships and brand name. Intangible assets relating to goodwill as of September 30, 2018 and December 31, 2017, 2016 and 2015 amounted to €956.7 million, €948.5 million, €981.3 million and €627.1 million, respectively, which represented 64.0%, 62.8%, 61.0% and 57.7% of our total non-current assets, respectively. Intangible assets relating to customer relationships as of September 30, 2018 and December 31, 2017, 2016 and 2015 amounted to €480.4 million, €500.4 million, €555.9 million and €392.0 million, respectively, which represented 32.1%, 33.1%, 34.8% and 36.1% of our total non-current assets, respectively. Intangible assets relating to brand name as of September 30, 2018 and December 31, 2017, 2016 and 2015 amounted to €24.3 million, €25.3 million, €28.1 million and €30.1 million, respectively, which represented 1.6%, 1.7%, 1.7% and 2.8% of our total non-current assets, respectively. Total non-current assets were €1,494.0 million, €1,510.4 million, €1,607.7 million and €1,087.2 million as of September 30, 2018 and December 31, 2017, 2016 and 2015, respectively. The non-current assets consist primarily of goodwill, customer relationships and brand name associated with the consummated acquisitions. Goodwill is measured at cost less accumulated impairment losses. We are required to subject goodwill to impairment testing. Accordingly, on at least an annual basis, we must assess whether there have been any impairments in the carrying value of our goodwill. If the carrying value of the asset is determined to be impaired, then such asset is written down to fair value and an impairment loss is recorded in our income statement. Customer relationships and brand name are measured at cost less accumulated amortization and accumulated impairment losses. Customer relationships and brand name as well as other intangible assets are amortized on a yearly basis. However, if impairment indicators are present, we are required to test such intangible assets for impairment. For the nine months ended September 30, 2018 and the years ended December 31, 2017, 2016 and 2015, there were no impairments to our intangible assets. For further information, see "*Risk Factors—Our consolidated financial statements include significant intangible assets which could be impaired.*"

As a result of these acquisitions, and the intra-year timing of these acquisitions, the historical consolidated financial information does not comprise the results of operations of our entire business undertaking as it exists at the date of this Offering Memorandum for the nine months ended September 30, 2018 and 2017 and the years ended December 31, 2017, 2016 and 2015. Accordingly, the comparability of the historical consolidated financial information and over each of these periods is limited. For further information on the preparation of the financial information included in this Offering Memorandum, see "*Presentation of Financial and Other Information.*"

Wages and Salaries

Our largest expense consists of personnel costs, the majority of which consists of wages and salaries. As of September 30, 2018, we employed 2,532 FTEs worldwide, of which 1,890 FTEs (74.6% of our total FTEs) were categorized as billable and the remainder were categorized as non-billable. Consequently, we have been able to achieve economies of scale by being able to adjust increasing demand for our services with an increase in billable FTEs without a proportionate increase in non-billable FTEs, which has led to improvements in our operating margins. As we aim to remain efficient, we completed a headcount alignment program in 2018, which involved around 60 employees across different locations. The program was implemented to ensure we keep our staff costs under control and allocate the right resources to the right positions. We expect to launch similar programs in the future to further maintain our efficiency. The total costs associated with this program amounted to approximately €6.0 million and were categorized as one-off integration and transformation costs.

Foreign Currency Fluctuations and Translation

Our reporting currency is the euro. Our exposure to the risk of changes in exchange rates relates primarily to our operating activities where the revenue or expenses related to those activities is denominated in a different currency than our reporting currency. Our exposures to foreign currency fluctuations are mainly with respect to the US dollar, the pound sterling and the Hong Kong dollar. For the nine months ended September 30, 2018, 44.0% of our revenue was recognized in a currency other than the euro.

Foreign currency transactions are converted to the respective functional currencies of the relevant operating subsidiary using the exchange rates prevailing at the dates of the transactions. Foreign currency gains and losses resulting from such transactions are recognized in our income statement. For the nine months ended September 30, 2018, foreign currency differences arising from foreign currency transactions resulted in a loss of €0.1 million. Foreign currency differences resulted in a gain of €1.9 million for the year ended December 31, 2017, a loss of €9.6 million for the year ended December 31, 2016 and a loss of €1.6 million for the year ended December 31, 2015. In the course of 2017 we settled the majority of the intercompany positions which were causing the foreign currency fluctuations, by offsetting intercompany payables and receivables that were the result of the Elian acquisition and the subsequent intercompany restructuring, which resulted in lower exposure from these positions.

At a Group level, all assets and liabilities of foreign operations are translated to euro at exchange rates at the relevant reporting date. Income and expenses of foreign operations are translated to euro at the relevant reporting date using exchange rates as of the dates of the relevant transactions. Foreign currency gains and losses resulting from the translation to our reporting currency are recognized in equity.

Our loans and borrowings are denominated in euro, pound sterling and US dollar. The objective in selecting the relevant denominations for such loans and borrowings is to match the main cash flow generated by our underlying operations with our debt, which provides an economic hedge.

Taxation

We operate a global business and each jurisdiction has its own statutory corporate income tax rates. These tax rates vary from 0.0% in the Cayman Islands, the Bahamas and the British Virgin Islands to a tax rate of 26.01% in Luxembourg. Based on the current proportions of our geographical segments relative to our total business, our effective tax rate for the nine months ended September 30, 2018 was 18.0%. Our estimate with respect to our effective tax rate is inherently subject to significant uncertainties, many of which are beyond our control. As a result, our actual effective tax rate going forward may vary from our estimate, and those variations may be material.

Regulatory Environment

Increasing compliance requirements and regulatory complexity contributes to the growth of our business. The implementation of new regulations aiming to increase transparency and reporting requirements and to discourage aggressive tax planning measures tends to result in more complexity, a greater administrative burden and higher compliance costs for our clients and potential clients. The trend towards increasing complexity in the regulatory environment has historically tended to more than offset initiatives aimed at regulatory and legal simplification or international harmonization. Increased compliance requirements for clients also drives the demand for substance services, which in turn further drives hours per client entity. An example of recent regulation increasing transparency requirements is the EU's Fourth Anti-Money Laundering Directive. Following the implementation deadline of June 26, 2017, we generated a small amount of incremental billable hours for assisting clients with the ultimate beneficial owners register filings.

Our clients adjust their presence and activities to different tax laws and regulations across jurisdictions. The political pressure to curb tax avoidance has led to, and we believe will lead to further legislation changes, which contribute to differences in tax attractiveness between jurisdictions. As a result, we see a trend of increased activities in onshore jurisdictions compared to offshore jurisdictions. See also "*Risk Factors—A significant change in the laws and regulations of the jurisdictions in which our clients operate or where client entities are domiciled, particularly any unfavorable amendments to corporate and tax laws and regulations and double tax treaties, may have an adverse effect on our business.*" and "*Risk Factors—Certain prospective amendments to double tax treaties may have an adverse effect on our business.*"

Another example of a recent trend is the relocation of activities by international clients driven by regulatory changes, which benefit global organizations like us who have local presence in multiple jurisdictions and can facilitate cross-border transfers.

We maintain an ongoing dialogue with regulators to ensure we stay at the forefront of our industry. We believe that our industry should be regulated in all key markets and promote a more stringent regulatory oversight. We actively discuss with regulators how to further improve the quality of our sector.

Outsourcing Trends

On the back of increased regulatory complexity, outsourcing has increased as clients no longer have the time, expertise or risk appetite to perform the required services in-house. This is particularly the case for activities where in-house provision of services would result in sub-scale operations or where limited internal institutional knowledge exists, as is often the case for support functions in new geographic markets. Our business benefits from clients and prospective clients looking to achieve cost savings and improved service by outsourcing their corporate service requirements to us because of our specialized capabilities and larger scale.

DESCRIPTION OF KEY LINE ITEMS

Set out below is a brief description of the composition of key line items in our financial statements.

Revenue

Our primary source of revenue is from the provision of services to clients. Our services are provided on a time and cost basis or on a fixed price basis or a combination of both. Our revenue from services comprises income and commissions from our expert administrative client services. Our revenue is driven by growth from acquisitions, organic growth and other factors such as foreign currency fluctuations.

Staff Expenses

Staff expenses consist of wages and salaries, social security contributions, pension costs, share-based payments related to the IPO in 2015, share-based payments upon integration after the Elian and Azcona acquisitions, share-based payments in relation to the long-term incentive plan and other personnel costs (such as temporary staff costs and training costs).

Rental Expenses

Rental expenses consist of expenses related to the rental of office space for our personnel, utilities and maintenance costs.

Other Operating Expenses

Other operating expenses include marketing and sales expenses, IT expenses, travel, insurance costs, professional fees and other costs associated with our business operations. It also includes (i) transaction costs and (ii) integration and transformation costs, which are specific expenses incurred not in the ordinary course of business and which are separately disclosed by virtue of their size or incidence to enable a full understanding of our financial performance. Transaction costs include costs related to transactions such as acquisition due diligence costs, external legal and other advisory fees incurred in connection with acquisitions and advisory fees incurred in preparation for the Offering. Integration and transformation costs include costs incurred in connection with the integration of acquisitions, such as moving costs, IT expenses, severance payments and temporary employee costs as well as the transformation and restructuring of the business.

Other Operating Income

Other operating income includes those items related to transactions giving rise to income primarily from gains on disposals.

Depreciation and Amortization

Depreciation and amortization includes depreciation and amortization of tangible and intangible assets. Intangible assets include customer relationships, our brands and other intangible assets such as computer software. Tangible assets include leasehold improvements, furniture and fittings, office and computer equipment and motor vehicles.

Financial Result

Financial result comprises interest expense on borrowings, which we calculate using the effective interest method, commitment fees, capitalized finance costs, interest income on funds invested, gains and losses on disposals of financial assets, gains and losses on hedging instruments and foreign exchange gains and losses.

Income Tax

Income tax consists of current and deferred income tax. Income tax is recognized in our income statement except to the extent it relates to items recognized directly in equity in which case it is recognized as equity. As we generate revenue and recognize income throughout our network of foreign subsidiaries, we may recognize a different statutory tax rate than the Netherlands, which is the jurisdiction of incorporation of the Parent Guarantor. As a result, our effective tax rate at the consolidated level can vary significantly from our statutory tax rate in the Netherlands in any given taxable period. See "*—Key Factors Affecting Our Business and Results of Operations—Taxation.*"

Current income tax is the expected tax payable on the taxable income for the year, using tax rates substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

SELECTED KEY PERFORMANCE INDICATORS

Adjusted EBITDA

Our Adjusted EBITDA increased by €1.7 million, or 1.2%, to €144.1 million for the nine months ended September 30, 2018, from €142.4 million for the nine months ended September 30, 2017. This increase was primarily due to strong growth in our Luxembourg and Rest of the World segments, partly offset by increased HQ and IT expenses and lower revenue in our Netherlands and Jersey segments.

Adjusted EBITA

Our Adjusted EBITA increased by €1.6 million, or 1.2%, to €135.8 million for the nine months ended September 30, 2018, from €134.2 million for the nine months ended September 30, 2017. This increase was primarily due to strong growth in our Luxembourg and Rest of the World segments, partly offset by increased HQ and IT expenses and lower revenue in our Netherlands and Jersey segments.

The table below sets forth our Adjusted EBITA per business segment for the nine months ended September 30, 2018 and 2017.

	Nine months ended September 30,		
(€ in millions, unless otherwise indicated)	**2018**	**2017**	**Change**
The Netherlands	51.4	52.8	-2.5%
Luxembourg	45.2	37.9	19.5%
The Americas	33.0	32.6	1.2%
Jersey	21.6	22.7	-4.9%
Rest of the World	35.2	32.1	9.8%
HQ and IT costs	-50.6	-43.8	15.5%
TOTAL	**135.8**	**134.2**	**1.2%**

RESULTS OF OPERATIONS

Comparison of Results of Operations for the Nine Months Ended September 30, 2018 and 2017

The following table and subsequent discussion summarizes our financial performance and certain operating results for the nine months ended September 30, 2018 and 2017.

(€ in millions, unless otherwise indicated)	Nine months ended September 30, 2018	Nine months ended September 30, 2017	Change
Revenue	**363.4**	**357.8**	**1.6%**
Staff expenses	-164.6	-160.5	2.6%
Rental expenses	-18.1	-17.9	1.5%
Other operating expenses	-46.9	-45.8	2.4%
Other operating income	0.1	0.2	NM
Depreciation and amortization	-39.1	-39.0	0.2%
Profit/(loss) from operating activities	**94.6**	**94.8**	**-0.2%**
Financial result	-21.4	-18.2	17.5%
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	0.1	-0.2	NM
Profit/(loss) before income tax	**73.3**	**76.4**	**-4.0%**
Income tax	-13.2	-17.7	-25.3%
Profit/(loss) for the nine months	**60.1**	**58.7**	**2.4%**

Revenue

Our revenue increased by €5.6 million, or 1.6%, to €363.4 million for the nine months ended September 30, 2018, from €357.8 million for the nine months ended September 30, 2017. Our Underlying Revenue increased by 3.6%. This increase was primarily due to strong performance in Luxembourg and the Rest of the World, partly offset by performance in Jersey and the Netherlands.

Revenue per Segment

The table below sets forth our revenue per business segment for the nine months ended September 30, 2018 and 2017.

(€ in millions, unless otherwise indicated)	Nine months ended September 30, 2018	Nine months ended September 30, 2017	Change	Underlying Change
The Netherlands	85.1	85.9	-0.9%	-0.9%
Luxembourg	79.8	71.7	11.4%	11.4%
The Americas	61.0	65.1	-6.3%	0.5%
Jersey	43.2	44.1	-2.1%	-0.9%
Rest of the World	94.2	90.9	3.6%	6.1%
TOTAL	**363.4**	**357.8**	**1.6%**	**3.6%**

The Netherlands: Our revenue in the Netherlands slightly decreased by €0.8 million, or 0.9%, to €85.1 million for the nine months ended September 30, 2018, from €85.9 million for the nine months ended September 30, 2017. This change was primarily the result of challenging market conditions due to upcoming tax and regulatory changes.

Luxembourg: Our revenue in Luxembourg increased by €8.1 million, or 11.4%, to €79.8 million for the nine months ended September 30, 2018, from €71.7 million for the nine months ended September 30, 2017. This change was primarily the result of continued strong performance in Funds, with market conditions remaining attractive for private equity and real estate funds.

The Americas: Our revenue in the Americas decreased by €4.1 million, or 6.3%, to €61.0 million for the nine months ended September 30, 2018, from €65.1 million for the nine months ended September 30, 2017 as a result of the depreciation in value of the US dollar in the nine months ended September 30, 2018. However, Underlying Revenue increased slightly by 0.5%, as we benefited from increased client activity levels and increased demand for regulatory services.

Jersey: Our revenue in Jersey slightly decreased by €0.9 million, or 2.1%, to €43.2 million for the nine months ended September 30, 2018, from €44.1 million for the nine months ended September 30, 2017. Underlying Revenue decreased by 0.9% in the same period. These changes were primarily the result of Brexit-related uncertainties and a continued effect of the decision of a large Private Wealth client to insource services we had previously provided.

Rest of the World: Our revenue in the Rest of the World increased by €3.3 million, or 3.6%, to €94.2 million for the nine months ended September 30, 2018, from €90.9 million for the nine months ended September 30, 2017, and Underlying Revenue increased by 6.1%, driven by Funds performance in Hong Kong, continued growth of the Corporates and Funds businesses in Spain, and positive performance across all services lines in the Nordics.

Staff Expenses

Our staff expenses increased by €4.1 million, or 2.6%, to €164.6 million for the nine months ended September 30, 2018, from €160.5 million for the nine months ended September 30, 2017. This increase was primarily driven by an increase in headcount following the growth of our client services.

Rental Expenses

Our rental expenses slightly increased by €0.3 million, or 1.5%, to €18.1 million for the nine months ended September 30, 2018, from €17.9 million for the nine months ended September 30, 2017.

Other Operating Expenses

Our other operating expenses increased by €1.1 million, or 2.4%, to €46.9 million for the nine months ended September 30, 2018, from €45.8 million for the nine months ended September 30, 2017. Excluding transaction costs, integration and transformation costs, share-based payments related to the IPO in 2015, share-based payments upon integration after the Elian and Azcona acquisitions and other income/expense, other operating expenses decreased by €0.7 million, to €36.5 million for the nine months ended September 30, 2018, from €37.3 million for the nine months ended September 30, 2017. This decrease was mainly driven by a one-off legal claim and related fees recognized in the nine months ended September 30, 2017.

Depreciation and Amortization

Our depreciation and amortization charges for the nine months ended September 30, 2018 were €39.1 million, compared to €39.0 million for the nine months ended September 30, 2017. Our charges for depreciation and amortization of other intangibles slightly increased by €0.1 million, or 1.4%, to €8.3 million for the nine months ended September 30, 2018, from €8.2 million for the nine months ended September 30, 2017.

Profit/(Loss) from Operating Activities

As a result of the foregoing factors, our profit from operating activities for the nine months ended September 30, 2018 was €94.6 million, in line with the profit from operating activities of €94.8 million for the nine months ended September 30, 2017.

Financial Result

Our financial result decreased by €3.2 million, or 17.5%, to a financial loss of €21.4 million for the nine months ended September 30, 2018, from a financial loss of €18.2 million for the nine months ended September 30, 2017. This decrease was primarily the result of unfavorable foreign exchange losses in the nine months ended September 30, 2018, compared to the foreign exchange gains in the nine months ended September 30, 2017. Our finance expenses for the nine months ended September 30, 2018 of €21.4 million included €17.9 million bank interest, €2.7 million amortization of financing fees, net foreign exchange losses of €0.1 million, €0.2 million loss in net change in fair value of derivatives, as well as other costs of €0.5 million. Our finance expenses for the nine months ended September 30, 2017 of €18.2 million include €17.1 million bank interest, €3.4 million amortization of financing fees, net foreign exchange gains of €2.6 million, €0.3 million gain in net change in fair value of derivatives, as well as other costs of €0.6 million.

Income Tax

Our income tax expense decreased by €4.5 million, or 25.3%, to an income tax charge of €13.2 million for the nine months ended September 30, 2018, from €17.7 million for the nine months ended September 30, 2017. This decrease was primarily the result of the higher income tax expense in the nine months ended September 30, 2017 due to a one-off tax expense of €5.4 million which we provisionally booked in relation to the period before the IPO (2012 to 2015) following discussions with the Dutch tax authorities. In the fourth quarter of 2017 we reached an agreement with the Dutch tax authorities reducing the €5.4 million tax expense for the nine months ended September 30, 2017 to €0.3 million. During the nine months ended September 30, 2018, our effective tax rate was 18.0%, based on a profit before income tax for nine months of €73.3 million. Our effective tax rate was impacted by the effect of the tax rates in foreign jurisdiction as described above, by, among other things: (i) non-tax-deductible expenses; (ii) the generation of tax exempt income; (iii) the change in recognized deductible temporary differences; (iv) the recognition of previously unrecognized tax losses; (v) the current year losses for which no deferred tax has been recognized; and (vi) the under- and overprovision in previous years.

Profit/(Loss) for the Nine Months

As a result of the foregoing factors, our profit for the period increased by €1.4 million, or 2.4%, to €60.1 million for the nine months ended September 30, 2018, from a profit of €58.7 million for the nine months ended September 30, 2017.

Comparison of Results of Operations for the Years Ended December 31, 2017 and 2016

The following table and subsequent discussion summarizes our financial performance and certain operating results for the years ended December 31, 2017 and 2016.

(€ in millions, unless otherwise indicated)	Year ended December 31, 2017	2016	Change
Revenue	**485.2**	**385.8**	**25.8%**
Staff expenses	-214.5	-170.7	25.7%
Rental expenses	-24.2	-20.1	20.1%
Other operating expenses	-62.0	-50.5	22.8%
Other operating income	0.2	0.1	NM
Depreciation and amortization	-52.0	-42.5	22.4%
Profit/(loss) from operating activities	**132.8**	**102.1**	**30.0%**
Financial result	-25.9	-30.6	-15.4%
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	0.7	—	—
Profit/(loss) before income tax	**107.6**	**71.5**	**50.5%**
Income tax	-18.9	-19.5	-3.2%
Profit/(loss) for the year	**88.7**	**52.0**	**70.7%**

Revenue

Our revenue increased by €99.5 million, or 25.8%, to €485.2 million for the year ended December 31, 2017, from €385.8 million for the year ended December 31, 2016. On an Underlying Basis, our revenue increased by 4.4%. This increase was primarily driven by the growth of our business in Luxembourg (with an Underlying Revenue increase of 12.1%) and Jersey (with an Underlying Revenue increase of 9.1%). In the course of 2017, the Fourth Anti-Money Laundering Directive had to be implemented in Member States as the deadline for implementation into national law was June 26, 2017. The Fourth Anti-Money Laundering Directive introduced an explicit requirement for legal entities to hold adequate, accurate and current information on their ultimate beneficial owners which increased demand for our compliance services in Member States.

Revenue per Segment

The table below sets forth our revenue per business segment for the years ended December 31, 2017 and 2016.

(€ in millions, unless otherwise indicated)	Year ended December 31, 2017	Year ended December 31, 2016	Change	Underlying Change
The Netherlands	117.2	117.1	0.1%	-0.4%
Luxembourg	97.1	82.5	17.7%	12.1%
The Cayman Islands	68.9	57.5	19.7%	1.6%
Jersey	58.5	14.0	NM	9.1%
Rest of the World	143.6	114.6	25.3%	3.4%
TOTAL	**485.2**	**385.8**	**25.8%**	**4.4%**

The Netherlands: Our revenue in the Netherlands for the year ended December 31, 2017 was €117.2, which was in line with our revenue in the Netherlands for the year ended December 31, 2016 (€117.1 million). The market in the Netherlands remained flat due to a mixed effect of higher demand for increasingly complex compliance and regulatory requirements and uncertainty about tax changes.

Luxembourg: Our revenue in Luxembourg increased by €14.6 million, or 17.7%, to €97.1 million for the year ended December 31, 2017, from €82.5 million for the year ended December 31, 2016. Underlying Revenue increased by 12.1%, mainly driven by strong growth in our Funds service line, supported by an increase of billable staff. The growth in our Funds service line reaffirmed the position of Luxembourg as a leading jurisdiction in funds services.

The Cayman Islands: Our revenue in the Cayman Islands increased by €11.3 million, or 19.7%, to €68.9 million for the year ended December 31, 2017, from €57.5 million for the year ended December 31, 2016. Underlying Revenue increased by 1.6%. This change was primarily driven by growth in our regulatory and compliance services line.

Jersey: Our revenue in Jersey increased by €44.5 million, to €58.5 million for the year ended December 31, 2017, from €14.0 million for the year ended December 31, 2016. Revenue increased by 9.1% on an Underlying Basis. The revenue increase in Jersey was driven by strong demand across most service lines, especially Funds.

Rest of the World: Our revenue in the Rest of the World increased by €29.0 million, or 25.3%, to €143.6 million for the year ended December 31, 2017, from €114.6 million for the year ended December 31, 2016. Underlying Revenue growth for 2017 was 3.4%. This change was primarily the result of the increased revenue generated by our Corporates services line in the Nordic countries, as well as the result of the higher revenue generated by our Funds and Capital Markets service lines in Ireland and Spain. Our revenue also increased due to the additional revenue generated after our acquisition of the remaining 25% stake in SFM Spain together with Azcona in February 2017.

Staff Expenses

Our staff expenses increased by €43.8 million, or 25.7%, to €214.5 million for the year ended December 31, 2017, from €170.7 million for the year ended December 31, 2016. This increase was primarily driven by the increase in the average number of FTE employees resulting from the full year inclusion of the FTE employees of Elian in 2017 as opposed to the inclusion of the FTE employees of Elian for less than four months in 2016 due to the intra-year timing of the acquisition.

Rental Expenses

Our rental expenses increased by €4.0 million, or 20.1%, to €24.2 million for the year ended December 31, 2017, from €20.1 million for the year ended December 31, 2016. This increase was mainly driven by the full year inclusion of the rental expenses of Elian in 2017 as opposed to the inclusion of the rental expenses of Elian for less than four months in 2016 due to the intra-year timing of the acquisition.

Other Operating Expenses

Our other operating expenses increased by €11.5 million, or 22.8%, to €62.0 million for the year ended December 31, 2017, from €50.5 million for the year ended December 31, 2016. Excluding transaction costs, integration and transformation costs, share-based payments related to the IPO in 2015, share-based payments upon integration after the Elian and Azcona acquisitions and other income/expenses, other operating expenses increased by €17.7 million, to €50.6 million for the year ended December 31, 2017, from €32.9 million for the year ended December 31, 2016. This increase was mainly driven by the full year inclusion of the operating expenses related to Elian in 2017 as opposed to the inclusion of the operating expenses of Elian for less than four months in 2016 due to the intra-year timing of the acquisition.

Depreciation and Amortization

Our depreciation and amortization charges increased by €9.5 million, or 22.4%, to €52.0 million for the year ended December 31, 2017, from €42.5 million for the year ended December 31, 2016. This increase was primarily the result of the Elian acquisition and the amortization of the related intangibles acquired as part of the acquisition. Our charges for depreciation and amortization of other intangibles increased by €2.3 million, or 26.1%, to €11.0 million for the year ended December 31, 2017, from €8.7 million for the year ended December 31, 2016. This increase was mainly driven by investments in IT related intangibles in 2017, which are capitalized and then amortized.

Profit/(Loss) from Operating Activities

As a result of the foregoing factors, our profit from operating activities increased by €30.7 million, or 30.0%, to €132.8 million for the year ended December 31, 2017, from €102.1 million for the year ended December 31, 2016.

Financial Result

Our financial result decreased by €4.7 million, or 15.4%, to €25.9 million for the year ended December 31, 2017, from €30.6 million for the year ended December 31, 2016. This decrease was primarily the result of the financial gains (€1.9 million) recognized in 2017 compared to the financial losses (€9.6 million) accounted for in 2016. Our finance expenses for the year ended December 31, 2017 of €28.1 million included €22.9 million of interest expenses, €4.5 million amortization of financing fees as well as other costs of €0.7 million. Our finance expenses for the year ended December 31, 2016 of €30.8 million included €16.5 million of interest expenses, €4.0 million amortization of financing fees, net foreign exchange losses of €9.6 million, as well as other costs of €0.7 million.

Income Tax

Our income tax expense decreased by €0.6 million, or 3.2%, to an income tax charge of €18.9 million for the year ended December 31, 2017, from €19.5 million for the year ended December 31, 2016. This decrease was primarily the result of the mix of profits and tax rates in the various jurisdictions, where a larger portion of our profits were generated in jurisdictions with lower tax rates. During the year ended December 31, 2017, our effective tax rate was 17.6%, based on a profit before income tax for the year of €107.6 million. Our effective tax rate was impacted by the effect of the tax rates in foreign jurisdiction as described above, by, among other things, non-tax-deductible expenses, the generation of tax exempt income, the change in recognized deductible temporary differences, the recognition of previously unrecognized tax losses, the current year losses for which no deferred tax has been recognized and by the under- and overprovision in previous years.

Profit/(Loss) for the Year

As a result of the foregoing factors, our profit for the period increased by €36.7 million, or 70.7%, to €88.7 million for the year ended December 31, 2017, from a profit of €52.0 million for the year ended December 31, 2016.

Comparison of Results of Operations for the Years Ended December 31, 2016 and 2015

The following table and subsequent discussion summarizes our financial performance and certain operating results for the years ended December 31, 2016 and 2015.

(€ in millions, unless otherwise indicated)	Year ended December 31, 2016	2015	Change
Revenue[(1)]	**385.8**	**344.6**	**11.9%**
Staff expenses	-170.7	-144.9	17.8%
Rental expenses	-20.1	-17.2	16.6%
Other operating expenses[(1)]	-50.5	-41.6	21.2%
Other operating income	0.1	3.7	-97.1%
Depreciation and amortization	-42.5	-37.3	14.1%
Profit/(loss) from operating activities	**102.1**	**107.3**	**-4.8%**
Financial result	-30.6	-100.6	-69.6%
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	—	—	—
Profit/(loss) before income tax	**71.5**	**6.6**	**NM**
Income tax	-19.5	-4.0	NM
Profit/(loss) for the year	**52.0.**	**2.6**	**NM**

(1) For the year ended December 31, 2015, Adjusted Revenue was €344.9 million and Adjusted Other Operating Expenses were €41.9 million as a result of the addback to revenue of the €0.3 million revenue generated from a client in our Luxembourg segment with which we settled a claim in 2015 (the "**2015 Settlement**") and as a result of the €0.3 million expenses in relation to the 2015 Settlement. Under IFRS we were required to offset the amount of a settlement with a client with the revenue generated from such client. As a result, both our revenue and other operating expenses line item for the year ended December 31, 2015 were reduced by the amount of the 2015 Settlement, which only affected the revenue and other operating expenses of our Luxembourg segment and therefore of the Group for the year ended December 31, 2015 and had no effect on the revenue and other operating expenses for the year ended December 31, 2016.

Revenue

Our revenue increased by €41.2 million, or 11.9%, to €385.8 million for the year ended December 31, 2016, from €344.6 million for the year ended December 31, 2015. On an Underlying Basis, our revenue increased by 3.0%. The growth in our revenue was driven by the acquisition of Elian (which contributed 8.3% or €28.5 million to our revenue in 2016), and the year-on-year growth in Luxembourg (€5.6 million, a 7.4% increase on an Underlying Basis), the Netherlands (€4.8 million, a 4.3% increase on an Underlying Basis) and the Rest of the World (€8.4 million). The growth in revenue generated in the Rest of the World was mainly due to the full year contribution to our revenue by CorpNordic in 2016, whereas CorpNordic only contributed to the revenue of the Rest of the World for six months during 2015. The increase in our revenue was partly offset by the decline in the revenue generated by our business in the Cayman Islands (€6.1 million less compared to 2015, a 10.6% decline on an Underlying Basis) as a result of the re-entry of a competitor in the Cayman Islands market. The increase in our revenue was further partly offset by the decrease of the revenue generated in Guernsey as a result of the weakening of the pound sterling.

Adjusted Revenue per Segment

For comparison of the revenue per segment for the years ended December 31, 2016 and 2015, we use Adjusted Revenue instead of revenue as we believe that such information is the most relevant in evaluating the results of the respective segments for these periods. Our Adjusted Revenue for the year ended December 31, 2015 was €344.9 million as a result of the addback to revenue of the €0.3 million revenue set off as a result of the 2015 Settlement. The table below sets forth our Adjusted Revenue per business segment for the years ended December 31, 2016 and 2015.

(€ in millions, unless otherwise indicated)	Year ended December 31, 2016	2015	Change	Underlying Change
The Netherlands	116.9	112.1	4.3%	4.3%
Luxembourg	80.9	75.3	7.4%	7.4%
The Cayman Islands	52.7	58.8	-10.4%	-10.6%
Guernsey	27.7	27.9	-0.9%	11.9%
Elian	28.5	0	—	—
Rest of the World	79.1	70.8	11.8%	3.9%
TOTAL	**385.8**	**344.9**	**11.9%**	**3.0%**

The Netherlands: Excluding the revenue generated by the Elian entities, our Adjusted Revenue in the Netherlands increased by €4.8 million, or 4.3%, to €116.9 million for the year ended December 31, 2016, from €112.1 million for the year ended December 31, 2015 (an increase of 4.3% on an Underlying Basis). This change was primarily the result of the growth of our Corporates service line, due to an increase in market share as a result of a competitive inflow of client entities, despite a slowdown of the demand for expert administrative services in the market.

Luxembourg: Excluding the revenue generated by the Elian entities, our Adjusted Revenue in Luxembourg increased by €5.6 million, or 7.4%, to €80.9 million for the year ended December 31, 2016, from €75.3 million for the year ended December 31, 2015 (an increase of 7.4% on an Underlying Basis). This change was primarily the result of the addition of billable employees combined with a higher billing ratio per employee.

The Cayman Islands: Excluding the revenue generated by the Elian entities, our Adjusted Revenue in the Cayman Islands decreased by €6.1 million, or 10.4%, to €52.7 million for the year ended December 31, 2016, from €58.8 million for the year ended December 31, 2015 (a decrease of 10.6% on an Underlying Basis). This change was primarily the result of a decline in registered office entities administered by us mainly due to the re-entry of a competitor in the Cayman Islands market. The decline was also the result of the sale of our representative banking activities in the Cayman Islands at the end of 2015.

Guernsey: Excluding the revenue generated by the Elian entities, our Adjusted Revenue in Guernsey for the year ended December 31, 2016 was €27.7 million which was in line with the Adjusted Revenue generated for the year ended December 31, 2015 which amounted to €27.9 million. On an Underlying Basis, our Adjusted Revenue generated in Guernsey increased by 11.9% as a result of an increase in regulatory and compliance services.

Rest of the World: Excluding the revenue generated by the Elian entities, our Adjusted Revenue in the Rest of the World increased by €8.4 million, or 11.8%, to €79.1 million for the year ended December 31, 2016, from €70.8 million for the year ended December 31, 2015 (an increase of 3.9% on an Underlying Basis). This change was primarily the result of the strong growth of our business in Spain, Ireland, UK and Singapore.

Staff Expenses

Our staff expenses increased by €25.8 million, or 17.8%, to €170.7 million for the year ended December 31, 2016, from €144.9 million for the year ended December 31, 2015. This increase was primarily driven by the increase in the average number of FTE employees resulting from the acquisition of Elian and the full year inclusion of the FTE employees of CorpNordic in 2016 as opposed to the inclusion of the FTE employees of CorpNordic for only six months in 2015 due to the intra-year timing of the acquisition. Furthermore, the staff expenses in 2015 were also lower because of a €6.7 million reduction in our pension liabilities derived from a change in our Dutch pension plan. Staff expenses for 2016 included €4.1 million of equity share-based payments in relation to the IPO.

Rental Expenses

Our rental expenses increased by €2.9 million, or 16.6%, to €20.1 million for the year ended December 31, 2016, from €17.2 million for the year ended December 31, 2015. This increase can be almost fully attributed to the rental expenses of Elian, acquired in the course of 2016, and the full year inclusion of the rental expenses of CorpNordic in 2016 as opposed to the inclusion of the rental expenses of CorpNordic for only six months in 2015 due to the intra-year timing of the acquisition.

Other Operating Expenses

Our other operating expenses increased by €8.8 million, or 21.2%, to €50.5 million for the year ended December 31, 2016, from €41.6 million for the year ended December 31, 2015. Excluding transaction costs, integration and transformation costs, share-based payments related to the IPO in 2015, share-based payments upon integration after the Elian acquisition and other income/expenses, other operating expenses increased by €0.4 million, to €32.9 million for the year ended December 31, 2016, from €32.6 million for the year ended December 31, 2015. This increase was mainly driven by the integration of Elian and the increase in IT expenses following our investments in our IT systems during 2016.

Other Operating Income

Our other operating income decreased by €3.6 million, or 97.1%, to €0.1 million for the year ended December 31, 2016, from €3.7 million for the year ended December 31, 2015. The operating income reported for the year ended December 31, 2015 consisted mainly of the indemnity of €2.4 million received from former shareholders for the Dutch tax claim for tax years 2011 to 2013 and of €1.3 million for a gain on the sale of Intertrust Bank (Cayman) Limited.

Depreciation and Amortization

Our depreciation and amortization charges increased by €5.3 million, or 14.1%, to €42.5 million for the year ended December 31, 2016, from €37.3 million for the year ended December 31, 2015. This increase was primarily the result of the amortization of intangible assets acquired in connection with the Elian acquisition. Our charges for depreciation and amortization of other intangibles increased by €1.6 million, or 21.8%, to €8.7 million for the year ended December 31, 2016, from €7.2 million for the year ended December 31, 2015. This increase was mainly driven by the higher depreciation and amortization of our software as a result of the higher capital expenditures relating to the implementation of the business application roadmap and other investments in our IT systems.

Profit/(Loss) from Operating Activities

As a result of the foregoing factors, our profit from operating activities decreased by €5.2 million, or 4.8%, to €102.1 million for the year ended December 31, 2016, from €107.3 million for the year ended December 31, 2015.

Financial Result

Our financial result decreased by €70.0 million, or 69.6%, to €30.6 million for the year ended December 31, 2016, from €100.6 million for the year ended December 31, 2015. This decrease was primarily the result of the refinancing of our then existing senior facilities and second lien facilities using the proceeds of the IPO and the Existing Facilities and restructuring of our shareholder loans. Our finance expenses for the year ended December 31, 2016 of €30.8 million included €20.5 million bank interest, €0.7 million other related costs and foreign exchange losses of €9.6 million. Our finance expenses for the year ended December 31, 2015 of €100.7 million included €47.0 million bank interest, €7.0 million shareholder loan interest, €33.7 million write-off of financing fees in relation to our senior facilities and second lien facilities in place before the IPO, €5.5 million amortization of financing fees, net foreign exchange losses of €1.6 million, as well as expenses relating to the termination of our senior facilities and second lien facilities in place before the IPO and other costs of €5.9 million.

Income Tax

Our income tax expense increased by €15.5 million to an income tax charge of €19.5 million for the year ended December 31, 2016, from €4.0 million for the year ended December 31, 2015. This increase was primarily the result of the increase of profit before income tax by €64.9 million. During the year ended December 31, 2016, our effective tax rate was 27.3%, based on a profit before income tax for the year of €71.5 million. Our effective tax rate was impacted by non-tax-deductible interest expenses in the fiscal unity of Intertrust Luxembourg and by non-tax-deductible specific items (transaction costs and share-based payment expenses related to the Elian acquisition).

Profit/(Loss) for the Year

As a result of the foregoing factors, our profit for the period increased by €49.3 million to €52.0 million for the year ended December 31, 2016, from a profit of €2.6 million for the year ended December 31, 2015.

Liquidity and Capital Resources

Our principal source of liquidity is cash flows from operating activities and proceeds from indebtedness incurred by the Group. Our principal liquidity requirements are for working capital, capital expenditures, general corporate use and for servicing our debt.

Our working capital is composed of work-in-progress (which represents the gross unbilled amount expected to be collected from clients for time-based work performed to date), trade receivables, other receivables, prepayments and cash held on behalf of clients less deferred income, trade payables and other payables. Our working capital amounted to €5.9 million as of September 30, 2018, which represented 1.2% of our revenue for the twelve months ended September 30, 2018.

Cash Flows

The table below summarizes our consolidated cash flows for the periods indicated.

(€ in millions)	Year ended December 31,			Nine months ended September 30,	
	2015	2016	2017	2017	2018
Net cash from operating activities	127.5	152.4	156.9	108.6	115.5
Net cash from/(used in) investing activities	-34.2	-182.1	-12.8	-12.1	-9.3
Net cash from/(used in) financing activities	-51.0	22.5	-136.6	-91.3	-85.2
Net changes in cash and cash equivalents	**42.3**	**-7.2**	**7.5**	**5.2**	**21.0**
Cash attributable to the Parent Guarantor at the beginning of the period	23.2	66.5	51.7	51.7	56.2
Effect of exchange rate fluctuations on cash held	1.0	-7.5	-3.1	-2.0	1.0
Cash attributable to the Parent Guarantor at the end of the period	**66.5**	**51.7**	**56.2**	**54.9**	**78.1**
Cash held on behalf of clients at the end of the period	14.0	18.1	10.5	5.7	19.8
Cash and cash equivalents at the end of the period	**80.5**	**69.9**	**66.6**	**60.5**	**98.0**

Cash Flow from/(used in) Operating Activities

Net cash from operating activities increased by €6.9 million to an inflow of €115.5 million for the nine months ended September 30, 2018 from an inflow of €108.6 million for the nine months ended

September 30, 2017, mainly due to higher cash flow from working capital for the nine months ended September 30, 2018 compared to the nine months ended September 30, 2017, partly offset by higher tax payments in the nine months ended September 30, 2018 compared to the nine months ended September 30, 2017.

Net cash from operating activities increased by €4.5 million to an inflow of €156.9 million for the year ended December 31, 2017 from an inflow of €152.4 million for the year ended December 31, 2016, mainly due to better operational results.

Net cash from operating activities increased by €24.9 million to an inflow of €152.4 million for the year ended December 31, 2016 from an inflow of €127.5 million for the year ended December 31, 2015, mainly due to better operational results and a higher inflow from working capital.

Cash Flow from/(used in) Investing Activities

Net cash used in investing activities decreased by €2.8 million to an outflow of €9.3 million for the nine months ended September 30, 2018 from an outflow of €12.1 million for the nine months ended September 30, 2017 primarily due to the lower amount of cash used for acquisitions in the nine months ended September 30, 2018 (related to the earn-out in connection with the Azcona acquisition and the consideration for the acquisition of Seed Outsourcing) compared to the amount of cash used for acquisitions in the nine months ended September 30, 2017 (related to the cash consideration for the acquisition of the remaining stake in SFM Spain and Azcona).

Net cash used in investing activities decreased by €169.3 million to an outflow of €12.8 million for the year ended December 31, 2017 from an outflow of €182.1 million for the year ended December 31, 2016 primarily due to the Elian acquisition in 2016, causing an outflow of an amount of €171.5 million in investing activities compared to an outflow of €7.7 million in 2017.

Similarly, net cash used in investing activities increased by €147.9 million to an outflow of €182.1 million for the year ended December 31, 2016 from an outflow of €34.2 million for the year ended December 31, 2015 primarily due to the above explained impact of the acquisition of Elian, compared to the €22.3 million invested in acquisitions during 2015.

Cash Flow from/(used in) Financing Activities

Net cash used in financing activities decreased by €6.1 million to an outflow of €85.2 million for the nine months ended September 30, 2018 from an outflow of €91.3 million for the nine months ended September 30, 2017 due to the repayment of ancillary facilities under the Existing Revolving Credit Facility in 2017 (€18.0 million) partially offset by the higher dividend payment and a higher amount spent on the acquisition of treasury shares in the nine months ended September 30, 2018.

Net cash from/(used in) financing activities decreased by €159.1 million to an outflow of €136.6 million for the year ended December 31, 2017 from an inflow of €22.5 million for the year ended December 31, 2016 primarily due to the impact of the share issuance of €120.8 million in 2016, a treasury share buyback of €47.0 million in 2017 and a higher dividend payment in 2017 (€48.3 million in 2017 compared to €22.1 million in 2016), partly offset by the refinancing of our borrowings with borrowings of a lower amount in 2016.

Net cash from/(used in) financing activities increased by €73.5 million to an inflow of €22.5 million for the year ended December 31, 2016 from an outflow of €51.0 million for the year ended December 31, 2015. The difference in cash from/(used in) financing activities is mainly due to the higher repayment amounts of the loans and bank borrowings and interest and other financing expenses in 2015 compared to 2016.

Capital Resources

Short-term indebtedness

As of September 30, 2018, we had no short-term indebtedness and as of September 30, 2018, after giving effect to the Transactions as described under "*Use of Proceeds*," we would have had no short-term indebtedness either.

Long-term indebtedness

We have significant long-term debt service obligations. As of September 30, 2018, our long-term indebtedness consisted of borrowings under the Existing Facilities and the Existing Revolving Credit Facilities amounting to €779.8 million. As of September 30, 2018, after giving effect to the Transactions as described under "*Use of Proceeds*," our long-term indebtedness would have consisted of €500.0 million aggregate principal amount of Notes offered hereby and €285.5 million of borrowings under the New Term Facilities. We do not expect the New Revolving Credit Facility to be drawn, however, we will roll over €3.4 million of bank guarantees outstanding under ancillary facilities from the Existing Revolving Credit Facility to the New Revolving Credit Facility as off-balance sheet liabilities. We therefore expect to have approximately €146.6 million available for borrowing under the New Revolving Credit Facility on the Issue Date. See "*Use of Proceeds*" and "*Capitalization*."

The Indenture governing the terms of the Notes contains negative covenants restricting, among other things, our ability to:

- merge or consolidate with other companies;
- enter into guarantees with respect to the New Facilities Agreement, certain other syndicated credit facilities or certain public indebtedness without concurrently guaranteeing the Notes; and
- create or incur liens.

The New Facilities Agreement governing the New Term Facilities and the New Revolving Credit Facility contains covenants restricting, among other things, our ability to:

- sell, lease, transfer or dispose of assets and subsidiary stock;
- pay dividends and make other restricted payments; and
- create or incur liens.

Each of these covenants is subject to important exceptions and qualifications. For a more detailed description of these risks, see "*Risk Factors—Risks Related to the Notes and our Structure—We are subject to restrictive covenants under the New Facilities Agreement and the Indenture, which could impair our ability to run our business.*"

Contractual Obligations and Commitments

The following table is a summary of our contractual obligations as of September 30, 2018, after giving effect to the Transactions as described under "*Use of Proceeds*," and not taking into account effects of exchange rates and interest expense.

(€ in millions)	September 30, 2018	Not later than one year	Between one and five years	Later than five years
Notes offered hereby	500.0	—	—	500.0
New Term Facilities(1)	285.5	—	—	285.5
New Revolving Credit Facility(2)	—	—	—	—
Total	**785.5**	—	—	**785.5**

(1) Represents: (i) the euro equivalent of the aggregate principal amount of $200,000,000 US dollar-denominated bank loan established under the New Facilities Agreement, at an exchange rate of $1.1576 to €1.00, which was the exchange rate as of September 30, 2018 used by the Group for internal purposes; and (ii) the euro equivalent of the aggregate principal amount of £100,000,000 pound sterling-denominated bank loan established under the New Facilities Agreement, at an exchange rate of £0.8873 to €1.00, which was the exchange rate as of September 30, 2018 used by the Group for internal purposes. See "*Description of Other Indebtedness—New Facilities Agreement.*"

(2) The New Revolving Credit Facility will provide for revolving commitments of up to €150,000,000. The New Revolving Credit Facility may be used for general corporate purposes, to fund acquisitions and to fund working capital of the Group. The Issuer will be the original borrower under the New Revolving Credit Facility. Subject to agreed guarantee principles and limitations, the New Revolving Credit Facility will be guaranteed by the Guarantors. At the Issue Date, we do not expect the New Revolving Credit Facility to be drawn, however, we will roll over €3.4 million of bank guarantees outstanding under ancillary facilities from the Existing Revolving Credit Facility to the New Revolving Credit Facility as off-balance sheet liabilities. We therefore expect to have approximately €146.6 million available for borrowing under the New Revolving Credit Facility on the Issue Date. See "*Description of Other Indebtedness—New Facilities Agreement.*"

Capital Expenditure

We define capital expenditure not related to acquisitions as investments in property, plant, equipment and software. We generally have low levels of capital expenditure unrelated to acquisitions as our business is capital light, which in turn results in limited related depreciation.

Capital expenditure for the nine months ended September 30, 2018 amounted to €4.6 million (of which €2.9 million related to additions of intangible assets, and €1.7 million related to additions of property, plant and equipment). For the years ended December 31, 2017, 2016 and 2015, capital expenditure amounted to €19.2 million (of which €11.7 million related to business combinations with incoming entities, €5.0 million related to additions of intangible assets, and €2.5 million related to additions of property, plant and equipment), €556.4 million (of which €538.5 million related to business combinations with incoming entities in intangible assets, €6.6 million related to business combinations with incoming entities in property, plant and equipment, €7.1 million related to additions of property, plant and equipment and €4.3 million related to software additions) and €36.9 million (of which €25.8 million related to business combinations with incoming entities in intangible assets, €0.2 million related to business combinations with incoming entities in property, plant and equipment, €7.5 million related to additions of intangible assets, and €3.4 million related to additions of property, plant and equipment), respectively. We expect to spend approximately 2% of our revenue on capital expenditure in 2018 and 2019.

Contingent and Other Off-Balance Sheet Liabilities

We are not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on our financial condition, results of operations, liquidity, capital expenditure or capital resources, except for certain commercial leases on motor vehicles and office equipment and lease agreements for real estate. As of September 30, 2018, on a consolidated basis, we were a party to off-balance sheets arrangements in relation to commercial leases on motor vehicles and office equipment and lease agreements for real estate amounting to €69.6 million, IT commitments related to communication networks and outsourced activities amounting to €16.1 million and bank guarantees outstanding under ancillary facilities established under the Existing Facilities Agreement amounting to €3.4 million.

Qualitative and Quantitative Disclosure about Credit Risk, Liquidity Risk and Market Risk

Overview

We have exposure to the following main risks from our financial instruments: credit risk; liquidity risk; and market risk (including currency risk and interest rate risk). We have implemented policies and procedures designed to measure, manage, monitor and report risk exposures, which are regularly reviewed by our Management Board.

Framework

Our Management Board has overall responsibility for the establishment and oversight of our risk management framework. Our risk management framework is based on the COSO Enterprise Risk Management Framework. The framework identifies four risk categories: strategic; operational; reporting/finance; and compliance. Periodic reporting with respect to the four risk categories takes place on the following items:

- reporting on pre-defined key risk indicators;
- reporting on incidents; and
- reporting on periodic risk self-assessments, which are performed annually.

Local offices prepare and discuss monthly risk reports in local risk committees. These reports are also submitted to our Head of Internal Audit who is responsible for preparing a monthly consolidated report for the Executive Committee and our Management Board.

We have adopted a “three lines of defense” model to manage our risk:

- the first level of risk management is performed by the business. Our business teams bear primary responsibility for identifying, controlling and monitoring the risks within their processes, maintaining effective internal control frameworks and adhering to global compliance policies and standards;
- the second level of risk management is risk oversight. The Compliance and Risk Management team is globally responsible for coordinating, developing and monitoring our risk management processes and adherence to compliance standards and procedures. The Compliance and Risk Management team is responsible for providing the independent risk reports to the Executive Committee, our Supervisory Board and our Audit and Risk Committee. The Compliance and Risk Management team also monitors changes that may impact the risk profile of the business and whether it is appropriate to provide new services to existing clients. The Compliance and Risk Management team further ensures that employees in every office receive compliance training, in addition to the mandatory Group-wide e-learning courses on AML and other relevant topics; and
- the third level of risk management concerns assurance of the effectiveness of internal controls and general governance of our Group provided by our Internal Audit team. The independent Internal Audit team conducts audits that provide insights into how and to what extent we control the risks that may jeopardize our strategic and other objectives. These audits provide management with additional assurance on the effectiveness of internal controls and risk management.

In addition, our Group finance function manages our funding, liquidity and exposure to currency and interest rate risk.

Our Supervisory Board, in particular the Audit and Risk Committee of our Supervisory Board, supervises our risk management framework.

Credit Risk

Credit risk is the risk that a counterpart will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk primarily for trade receivables and cash at banks. Customer credit risk is managed by each of our entities subject to our policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are monitored and followed up continuously. We make provisions when there is objective evidence that we will not be able to collect the debts (for example, if there is an indication that the debtor is experiencing significant financial difficulty or default, probability of bankruptcy, problems to contact the clients or disputes with a customer). Analysis is done on a case by case basis in line with policies. We write off bad debts when identified.

The cash and cash equivalents and interest receivable that we hold are held mainly with banks which are rated “A” or higher by Standard & Poor’s Rating Services or Fitch Ratings Ltd.

Liquidity Risk

Liquidity risk includes the risk to a shortage of funds and the risk that we will encounter difficulty in meeting our obligations associated with our financial liabilities.

We monitor our risk to a shortage of funds using a recurring liquidity planning tool: we make global cash flow forecasts each three months covering the next six month period and we make global cash flow forecasts each December for the next twelve-month period.

Our subsidiaries prepare their own cash flow forecasts and they are centrally consolidated by our Group finance function. Our Group finance function monitors rolling forecasts of our liquidity requirements, as well as our actual cash and receivables position to ensure that we have sufficient cash to meet operational needs while maintaining sufficient headroom on our committed borrowings facilities to ensure that we do not breach borrowing limits or covenants.

We keep the amounts required for working capital management and our Group finance function determines the best use of any excess cash, including for the repayment of loans, deposits or otherwise.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect our income or the value of our holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk: Our exposure to the risk of changes in exchange rates relates primarily to our operating activities (when revenue or expenses is denominated in a different currency from our functional currency). Our exposure is mainly with respect to the US dollar (USD) and the pound sterling (GBP).

Our loans and borrowings are denominated in the euro, the pound sterling and the US dollar. The objective is to match the main cash flows generated by our underlying operations with the debt which provides an economic hedge.

Interest rate risk: Interest rate risk relates to our long-term debt obligations with floating interest rates. To manage the interest rate fluctuations exposure on our loans and borrowings, we enter into interest rate swaps. As of September 30, 2018, the notional amounts of the interest rate swaps that we had entered into were €253 million, £41 million and $30 million, covering the floating rate of interest payments on 42% of the nominal value of our loans and borrowings outstanding at that time. After completion of the Offering, the notional amounts of the interest rate swaps that we intend to enter into are £50 million and $100 million, covering the floating rate of interest payments on 50% of the nominal value of our floating rate loans and borrowings outstanding on the Issue Date.

Critical Accounting Policies

Except as otherwise indicated, our financial information included in this Offering Memorandum has been prepared and presented in accordance with IFRS. See "*Presentation of Financial and Other Information*" and the notes to the Financial Statements contained in this Offering Memorandum. In particular, see Note 3 of our Annual Consolidated Financial Statements "*Significant accounting policies and standards.*"

The preparation of financial statements requires our management to make a number of estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, of revenue and expenses and the disclosure of contingent assets and liabilities. All assumptions, expectations and forecasts used as a basis for certain estimates within our financial statements represent good faith assessments of our future performance for which our management believes there is a reasonable basis.

These estimates and assumptions represent our view at the times they are made, and only then. They involve risks, uncertainties and other factors that could cause our actual future results, performance and achievements to differ materially from those forecasted. The estimates and assumptions that may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. We have discussed the development and selection of these significant accounting policies and estimates with our independent auditors.

Revenue

We recognize revenue to the extent that it is probable that the economic benefits will flow to us and the revenue can be reliably measured. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, rebates and sales taxes or duty. Revenue comprises the revenue generated by our Corporates, Funds, Capital Markets and Private Wealth service lines as well as rental income generated by subleasing to Group clients. Revenue is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to the related service performed to date as percentage of total services to be performed. When we act in the capacity of an agent rather than as a principal in a transaction, the revenue recognized is the net amount of commission made by us.

Intangible Assets

Goodwill and Business Combinations

We account for business combinations using the acquisition method as of the acquisition date, which is the date in which control is transferred to us. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit and loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized as profit or loss.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of an equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of this investment, and any impairment loss is allocated to the carrying amount of the equity-accounted investee as a whole.

Other Intangible Assets

Intangible assets that are acquired separately by us and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses. We do not have intangible assets with indefinite useful lives.

Foreign Currency

Foreign Currency Transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at the reporting date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are generally recognized in profit or loss, except for the following differences which are recognized in other comprehensive income arising on the retranslation of:

- available-for-sale equity investments (except on impairment in which case foreign currency differences that have been recognized in other comprehensive income are reclassified to profit or loss);

- financial liabilities designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to euro at exchange rates at the reporting date. The income and expenses of foreign operations are translated to euro at exchange rates at the dates of the transactions.

We do not own or control any material foreign operations in hyperinflationary economies.

Foreign currency differences are recognized in other comprehensive income, and accumulated in the foreign currency translation reserve (the "**Translation Reserve**") in equity. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportion of the translation difference is allocated to relevant non-controlling interests.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the Translation Reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When we dispose of only part of our interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When we dispose of only part of our investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign currency gains and losses arising from such item are considered to form part of a net investment in the foreign operation and are recognized in other comprehensive income, and presented in the Translation Reserve in equity.

Income Tax

Income tax comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current Tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that such temporary differences will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

IFRS 16 Leases

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments for all leases with a term of more than 12 months, unless the underlying asset is of low value. The standard is effective for annual reporting periods beginning on or after January 1, 2019. The Group has a significant number of operating lease contracts, mainly for real estate, and therefore significant changes are expected upon transition to IFRS 16. It is not currently possible to quantify the impact as it will be dependent on the finalization of our detailed assessment, as well as accounting policy elections and judgments that should be considered before applying the new standard.

INDUSTRY

The market data and certain economic and industry data and forecasts used in this Offering Memorandum were obtained from publications by Industry Data Providers. See "Industry and Market Data."

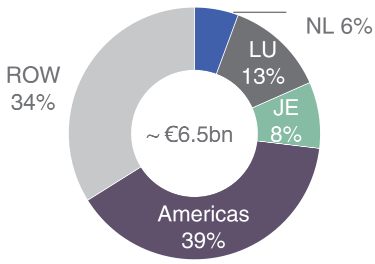
The following discussion contains forward-looking statements based on assumptions that involve risks and uncertainties. Actual results could differ materially from those that we discuss in these forward-looking statements. Investors should read "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements. Investors should also read "Risk Factors" for a discussion of certain factors that may affect our business, results of operations and financial condition.

The Expert Administrative Services Market

Market

The global expert administrative services industry is a key component of the global asset management network. The industry provides a wide range of value-added administrative services to clients, assisting them in setting up, managing, monitoring and unwinding their corporate, investment, finance and fund entities within regulated markets. Expert administrative service providers also assist clients in their compliance with relevant local and international regulations but typically do not provide legal or tax advisory services, instead they implement legal and tax advice given by external lawyers, tax advisers and accountants. These external advisers often act as business partners, referring clients to expert administrative service providers.

The 13 key expert administrative services jurisdictions we primarily focus on include the US, Luxembourg, the Netherlands, Jersey, Cayman Islands, Guernsey, Switzerland, Hong Kong, United Kingdom, Ireland, Singapore, Curacao and Spain. Based on total revenue figures, these jurisdictions together accounted for approximately €6.5 billion or 77% of revenue of the global expert administrative services market in 2017, and together form our addressable market. Our addressable market is expected to grow at a CAGR of approximately 3% to 5% from 2018 to 2021. The below chart shows the split of our addressable market over our five reporting segments for the year ended December 31, 2017:



Note: The Americas includes the US, the Cayman Islands and Curacao; ROW includes Guernsey, Hong Kong, Singapore, China, Spain, Ireland and UK; other market sizes are high-level estimates based on number of expert administrative services licenses and number of entities in jurisdictions

Important factors which determine a jurisdiction's attractiveness for the expert administrative services industry are international reputation, legal environment, bilateral asset protection treaties, infrastructure and local expertise. In particular, the sophistication, predictability and stability of a jurisdiction's legislative, regulatory and judiciary landscape are important. The global expert administrative services market is comprised of approximately 80 jurisdictions.

Each jurisdiction typically attracts a specific set of clients depending on the above factors. Due to our focus on Corporates and Funds clients, we consider the Netherlands, Luxembourg, Jersey and the Americas (consisting primarily of the US, Curacao and the Cayman Islands) our four main reporting segments, which together accounted for approximately €4.4 billion or approximately 50% of revenue of the global expert administrative services market in 2017, and comprise the jurisdictions where most of our revenue generating clients are located.

The expert administrative services market is highly fragmented with many providers worldwide, most of whom operate on a local basis with a limited service offering. We are one of the few global service providers, with geographic coverage in 29 jurisdictions across all continents in the expert administrative services market. Other global players include TMF Group, Vistra, SGG and Citco, based on presence in multiple jurisdictions. We aim to differentiate ourselves from our competitors through our global presence, our economies of scale, and our wider service offering of high value services such as process agent, ManCo services, regulatory and compliance services. Other expert administrative service providers include, on the one hand, multi-regional and regional providers, who offer a broad range of services but focus on specific jurisdictions in one or more regions, and, on the other hand, medium-sized and local providers, who have a narrower service offering and a smaller geographical coverage. Some major banks, fund administrators, legal and accounting firms also compete in specific service lines.

Clients

The client base in the expert administrative services industry can be divided into four categories:

Corporates clients, including multinational corporations and small and medium enterprises, which accounted for approximately €2.2 billion or 35% of the €6.5 billion revenue of the expert administrative services market in the 13 key jurisdictions we focus on in 2017;

Funds clients, including alternative investment funds (including private equity, hedge funds and real estate funds) and retail funds, which accounted for approximately €1.8 billion or 28% of the €6.5 billion revenue of the expert administrative services market in the 13 key jurisdictions we focus on in 2017;

Capital Markets clients, including securitization and structured finance clients and alternative finance providers, which accounted for approximately €1.1 billion or 17% of the €6.5 billion revenue of the expert administrative services market in the 13 key jurisdictions we focus on in 2017; and

Private Wealth clients, including family offices, high net worth individuals ("**HNWI**"), ultra high net worth individuals ("**UHNWI**") and entrepreneurs, which accounted for approximately €1.3 billion or 20% of the €6.5 billion revenue of the expert administrative services market in the 13 key jurisdictions we focus on in 2017.

Services

All client categories generally require services with respect to the formation and implementation of entities, the domiciliation and management of entities, legal administration (including company secretarial) and accounting and reporting. The particular scope of service that a client requires depends on the category of client and the level of substance required in a relevant jurisdiction. Substance refers to the creation of a presence through office and decision-making processes in a local jurisdiction. In addition to general services, there are specific services relevant to particular client categories. These include, for example, depositary or ManCo services for Funds clients, and portfolio administration services or process agency for Capital Markets clients.

The below figure summarizes core, specialized and other services which comprise the expert administrative services industry.

Scope of expert administrative services solutions

Customer service lines		Core expert administrative services	Specialized services	Other services
Corporates	Large Medium Small	• Formation & implementation • Domiciliation • Management & trustee services • SPV entity accounting & reporting • Liquidation services • Legal administration	• Compliance services • Escrow • Process agent • Intellectual property • Treasury management	• Performance & Rewards Management: Administration services for corporate share plans; pension plans; and deferred compensation plans
Funds	Private Equity Real Estate Infrastructure a.o.	SPV • Formation & implementation • Domiciliation • Management & Trustee services • SPV entity accounting & reporting • Liquidation services • Legal administration	Admin • SPV services • Investor reporting • Fund administration / legal admin • Depository services	• ManCo: Governance support for funds in order to decrease regulatory burden and cost inefficiency
Private Wealth	Family offices Ultra HNWI HNWI	• Formation & implementation • Domiciliation • Legal administration • SPV entity accounting & reporting • Liquidation services	• Treasury and investment services • Intellectual property	
Capital markets	Securitizations Structured Finance Alternative Finance Transactions	• Formation & implementation • Domiciliation & Management • Accounting & reporting • SPV Administration	• Process agent • Portfolio administration services • Agency services • Investor reporting	

Service characteristics

Expert administrative services facilitate cross-border investments and acquisitions, with a mix of business, legal and tax considerations. Business and legal considerations include risk management and asset protection, well-established location for establishment of investment funds, neutrality for international joint ventures (i.e., a neutral jurisdiction providing a level playing field for the joint venture partners), legal certainty, political, financial and regulatory stability, access to capital markets, availability of experienced workforce, network of professional advisors (bankers, lawyers, auditors and consultants), travel connections, range and characteristics of available legal entity forms and cost of incorporation, maintenance and liquidation. Tax considerations can include attractiveness of local tax legislation (for example, local tax rates and participation exemption) and mitigation of double taxation (for example, double taxation treaty network).

Expert administrative service providers cover the entire life cycle of a client entity from incorporation, through to ongoing maintenance and compliance and the eventual liquidation. The average life of a client entity is estimated at approximately five to ten years, which typically results in predictable and recurring revenue for expert administrative service providers. Switching service providers during the life of a client entity can be cumbersome, costly, and may risk financial penalties and reputational damage if the new provider is unable to meet regulatory requirements to the necessary standard, which results in client retention and high revenue visibility. On average, maintenance activities such as domiciliation, management and trustee services, legal and tax compliance services or accounting and reporting services, account for approximately 90% of the revenue of expert administrative service providers whilst the remaining approximately 10% is split between event driven services such as incorporation and liquidation activities.

Clients in the expert administrative services industry tend to attribute high value to quality of service, reputation, personal relationships, expertise, reliability and responsiveness of service providers. Due to the specialized nature of the services provided, expert administrative services typically require specialist local expertise. The negative ramifications of errors, such as non-compliance with local rules and regulations, can be significant. In addition, pricing of expert administrative services is generally considered low compared to the potential savings or efficiencies to be achieved. As such, clients and business partners tend to be focused on securing high quality services and specific expertise from reputable and global firms.

New business is either sourced through direct sales efforts or through existing clients, business partners such as lawyers, tax advisers and accountants.

Growth Drivers

Globalization and Economic Growth

The expansion of the expert administrative services industry has been driven by the internationalization of corporate and investment activities. As global assets under management ("**AuM**") continue to grow, stakeholders require expert administrative services to deploy and monitor capital in ways which are compliant, transparent and ethical, and which fulfill specific legal, administrative and regulatory requirements. As corporations invest across numerous jurisdictions, they typically require expert administrative services to implement tax efficient entities and assist them in their compliance with local and international standards.

The increase in globalization, expressed in terms of global trade, has been uninterrupted over the period from 2005 to 2017 at a CAGR of 4%. Global gross domestic product ("**GDP**") during the same period has grown at a 4% CAGR. Going forward, global trade is expected to continue to grow at a CAGR of approximately 4% between 2018 and 2023, approximately in line with the expected global GDP growth of the same period.

AuM continue to grow rapidly, expecting to reach $145 trillion by 2025. Key drivers for this growth are the burgeoning wealth of HNWI and an increasing affluent global population, as well as a shift to defined contribution retirement saving. Alternative asset classes, in particular, real estate, private equity, hedge funds, infrastructure funds and commodities, are expected to grow faster than other asset classes at a CAGR of 8.7% between 2016 and 2025.

Regulation, Substance Requirements, Complexity of Client Entities, Demand For Additional Services and Outsourcing

Increasing regulatory complexity is a key driver of growth in the expert administrative services industry. The implementation of new regulation has increased substance and reporting requirements. Furthermore, strengthened measures to prevent tax evasion, fraud and terrorist financing has historically resulted in more complexity and increased demand for additional transparency, which generally results in a greater administrative burden and higher costs of compliance. These trends have historically offset initiatives aimed at regulatory and legal simplification or international harmonization.

Increased compliance requirements for clients drive the demand for transparency and substance services, which in turn drives the expert administrative services billable hours per client entity. The increasing complexity, administrative burden and attention to compliance for expert administrative service providers means that smaller expert administrative service providers may not have the appropriate infrastructure, scale or required expertise to continue to compete effectively, leading to further client migration to high quality global players against the backdrop of increasing regulation, increasingly global business and high costs of failure.

In 2013, OECD and G20 countries adopted a 15-point Action Plan on BEPS. BEPS relates primarily to instances where the interaction of different tax rules leads to double non-taxation or less than single taxation. It also relates to arrangements that achieve no or low taxation by shifting profits away from the jurisdictions where those profits are generated. Following the release of the BEPS package in October 2015, G20 leaders urged its timely implementation and called on OECD to develop a more inclusive framework with the involvement of interested non-G20 countries and jurisdictions, including developing economies. The OECD established the "Inclusive Framework on BEPS" in June 2016 so that all interested countries and jurisdictions can work together. Over 115 countries and jurisdictions have joined on an equal footing in developing standards on BEPS- related issues and reviewing and monitoring its consistent implementation. In order to implement the anti-BEPS measures at the EU level, the EU adopted ATAD, a minimum directive to be obliged by Member States in June 2016, consisting of five legally binding anti-abuse measures, which all Member States should apply against common forms of aggressive tax planning as from January 1, 2019.

The implementation of BEPS and ATAD is expected to bring opportunities to the expert administrative services market as well as adverse impacts:

- increased substance requirement in certain countries may increase the number of entities, billable hours, and price per hour, whilst the number of structures may decrease as pressure on structures set up in low-tax jurisdictions heightens;
- certain structures that are currently serviced by the expert administration services industry may no longer be viable and disappear; and
- individual jurisdiction attractiveness may change as a result of implementation by individual countries, negatively impacting some jurisdictions and positively impacting other jurisdictions.

The below figure summarizes the impact of certain regulatory and legislative changes on the overall expert administrative services market.

Regulation: Upcoming legislation positively impacts the activity level for our client portfolio

Forthcoming legislation	① BEPS	② ATAD	③ AMLD	④ Brexit	⑤ US Tax reform
Description	• OECD action plan against BEPS • Adoption and implementation of MLI (Action 15) to modify bilateral treaties	• Follow up to BEPS, the EU approved ATAD, a minimum directive to be obliged by Member States	• Directive to provide names of beneficial owners of legal entity to central register	• The potential departure of the UK from the EU	• The "Tax Cuts and Jobs Act" signed into law on December 22, 2017
Opportunity + / Risk -	+ Greater transparency creates more level playing field among jurisdictions + Substance requirements increase hours per entity and price per hour - Perception of jurisdiction attractiveness changes as political pressure rises on industry - Certain structures no longer possible		+ Increased filing requirements result in additional revenues - Trust structures for Private Wealth may be subject to public scrutiny	+ Increased demand for corporate services in the Netherlands, Germany and Ireland + Duplication of UK structures in the EU - Uncertainty for fund managers and investments	+ More restructurings and increased demand for jurisdictions such as Singapore and Ireland - Less incentives for US multi-national corporations to set up and maintain international structures

Impact on market dynamics

Increased service requirements ✓

Increased competitive advantage for large players ✓

Increased outsourcing ✓

As a result of increased regulatory complexity, outsourcing has increased as clients no longer have or wish to invest in expertise or resources to perform the required services in-house. The growth of outsourcing also reflects an increasing focus of organizations on their core capabilities. External expert administrative service providers have the professional know-how to ensure certainty of compliance, the potential to offer significant cost savings to clients, and improved service because of their specialized capabilities and greater scale. This is particularly the case for activities where in-house provision would result in sub-scale operations or where limited internal institutional knowledge exists, as is often the case for support functions in new geographic markets.

Key Industry Trends

The expert administrative services market has historically been growing at a faster pace than macro-economic growth (indicated by global GDP growth). Whilst this relatively strong growth is a continuation of historic performance, the composition of this growth is shifting, with the Funds service line becoming a more important growth driver.

Funds are seeing the strongest growth across all client categories, driven by the continued underlying volume growth on the back of increasing flow of capital into private equity and real estate funds asset classes. Another strong contributor to Funds growth is the trend to outsource fund administration activities, resulting in additional services offerings.

Opportunities for new services in the Corporates service line have grown, given tightening regulatory requirements. Despite the outflow of certain structures types (particularly aggressive tax structuring) due to stricter regulation and focus of governments on curtailing tax evasion and creating level-playing fields, real substance structures will remain and will likely see increasing billable hours of services.

The Private Wealth service line is also undergoing a shift in structure due to increasing regulatory requirements and recent negative publicity (for example, the Panama Papers). On the lower end of this service line, simple structures are under pressure, although there are continued opportunities for corporate-like structures and family offices.

In addition to the drivers above, the following trends affect the competitive landscape in the industry:

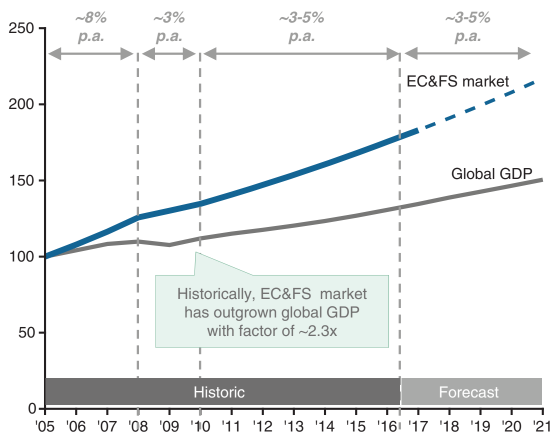
- consolidation: expert administrative services is a fragmented industry in which smaller players may find it difficult to operate in light of the growing regulatory complexity, increase scale in existing jurisdictions and acquire complementary substance services or expand their geographic footprint. Smaller players are often bound to certain jurisdictions and are less familiar with global legislation. They also face the risk of client attrition when clients seek to relocate to other jurisdictions where the smaller player does not have a presence, restricting their attractiveness to large clients. Larger providers on the other hand are able to adapt to changes in law quickly and have the scale to invest in capacity and capabilities (for example, global knowledge development and information technology resources). Large players have been able to expand through acquisitions that help them to broaden their service portfolio and geographic reach, and capture market share; and
- client preferences: as a result of globalization, there is a preference from clients to work with a single expert administrative services provider with a full service proposition and a global reach.

Historical and Forecasted Industry Growth

The expert administrative services industry has experienced revenue growth in the period from 2010 to 2017, with different service lines affected differently by general economic growth. The expert corporate and fund services market has demonstrated a long-term resilient growth above GDP over the last ten years. The below chart shows the growth trend of the expert corporate and fund solutions market against the growth of the global GDP.

EC&FS market grew ~ 5% p.a. over last 10 years

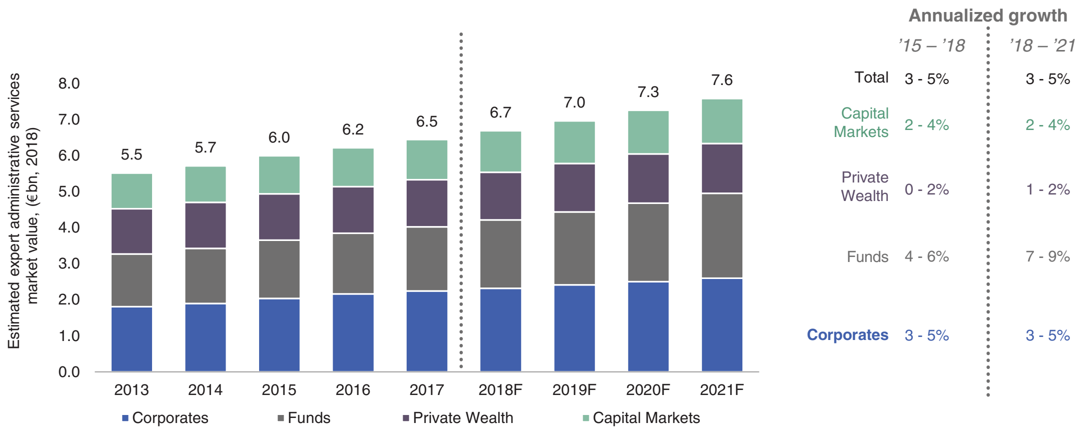
Growth trend EC&FS market vs Global GDP
(Indexed to 100 at end of 2005)



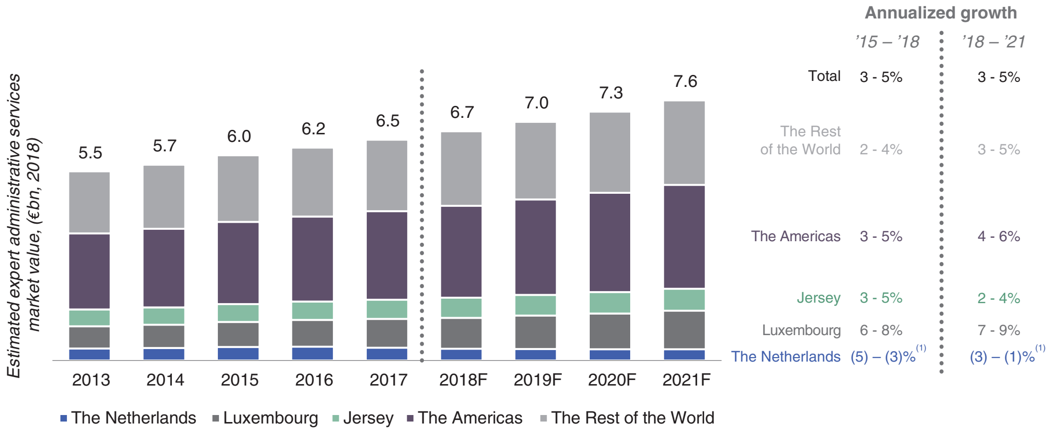
Notes: Expert Corporate & Fund solutions = EC&FS

The below figures summarize the growth of the expert administrative services industry by service line and by jurisdiction.

Expert administrative services market growth by services lines



Expert administrative services market growth by jurisdiction



Note: The Americas includes the US, the Cayman Islands and Curacao; the Rest of the World includes Guernsey, Hong Kong, Singapore, China, Spain, Ireland and UK; other market sizes are high-level estimates based on number of expert administrative services licenses and number of entities in jurisdictions

(1) Market decline in the Netherlands relates to impact of uncertainties in the fiscal climate and BEPS

Our main geographic markets, the Netherlands, Luxembourg, Jersey and the Americas, which accounted for 74.1% of our revenue for the nine months ended September 30, 2018, grew at a CAGR of approximately 4% during the period from 2015 to 2017 to reach total revenue of €4.4 billion in 2017. Historically, the industry has been able to generate a resilient revenue stream, largely due to the fact that approximately 90% of total revenue is recurring maintenance in nature. The remaining approximately 10% of revenue consists of formation and implementation services (approximately 5%) and liquidation services (approximately 5%), which have the characteristics of natural hedge with opposing correlations with economic growth. Naturally, incorporation activities will demonstrate an upward trend in booming economy whilst liquidation will subside and the reverse tends to happen in contracting economy. Between 2018 and 2021, our key geographic markets are expected to show a CAGR of 4%.

Regional Market Overview

The Netherlands

Market Size, Growth and Composition

The total revenue of the expert administrative services market in the Netherlands was approximately €350 to €380 million in 2017. The majority of the clients in the Dutch expert administrative services market in 2017 resided in Europe (66%) and North America (15%), with the remainder mainly from the Asia Pacific region. Clients comprise primarily of Corporates clients (73%), with the remainder being Funds (12%), Private Wealth (7%) and Capital Markets clients (8%). A key attraction of the Dutch market for corporate clients is the extensive network of tax treaties and financial stability of the market.

The Netherlands remains one of the most attractive jurisdictions for the Corporates service line clients given the high number of tax treaties, although BEPS, the MLI, ATAD and critical public opinion have recently and are further expected to negatively impact its position. In terms of revenue, the expert administrative services market in the Netherlands grew at a CAGR of 5% per year in the period from 2011 to 2016, but it experienced downsizing for the first time in 2017 and is expected to continue to demonstrate a similar pattern until 2020 before picking up in 2021. The principal driver for this decrease is the decline in the number of entities under maintenance as fewer Corporates clients are establishing holding companies in the Netherlands and are more quickly liquidating small entities. To offset the outflow of entities, remaining entities are expected to drive revenue per entity as a result of increased substance and compliance requirements.

Competitive Environment

The expert administrative services market in the Netherlands is fragmented with a relatively stable group of competitors. We consider ourselves to be the market leader with an estimated market share of approximately 31% by revenue as of 2017. The only other main global player in the Dutch expert administrative services market is TMF Group (approximately 18% market share). A few regional players such as SGG and Vistra also have meaningful market shares in the Corporates service line. The Funds service line is fragmented with global players such as TMF, Citco and Vistra taking up approximately 60% of the market, banks with 30% of the market, and other local players the remaining 10%. Typically these players tailor their services to larger clients and manage high volumes of more complex entities on clients' behalf. The remainder of the market is comprised of small, local players which generally service less complex entities with locally based clients.

Regulatory Environment

The Netherlands has a long tradition of political and social stability, with sophisticated legislation and a highly reputable and consistent fiscal system. The Netherlands is a popular location in Europe to establish a base for international operations and multinational group entities to structure complex transactions. For example, certain qualifying corporations benefit from the participation exemption in the Netherlands, which provides a tax exemption for dividends and capital gains of qualifying subsidiaries. In addition to the strong international business climate and excellent infrastructure, the

Netherlands also has high number of tax treaties, jurisdiction-specific tax advantages, liberal foreign exchange regulations and efficient and flexible incorporation procedures for Dutch legal entities. This makes the Netherlands an attractive base for domiciling international business operations. The expert administrative services market is further supported by the availability of a highly skilled workforce, positioning the Netherlands as an important jurisdiction within the expert administrative services market globally. Expert administrative services activities are subject to the supervision of the Dutch Central Bank, which acts as the primary regulator of the industry.

On September 18, 2018, the Dutch government presented the 2019 Dutch central government budget and the budget memorandum to the Dutch parliament (*Staten Generaal*) with further clarity on tax regime changes that will potentially impact the attractiveness of the Netherlands for the expert administrative services market. On October 5, 2018, the Dutch government announced that it was reconsidering certain measures included in the 2019 Dutch central government budget to increase the attractiveness of the Dutch business and investment climate. On October 15, 2018, the Dutch government officially announced the repeal of the previously announced proposal to eliminate the dividend withholding tax. At the same time, the Dutch government announced a further gradual reduction of the corporate income tax rate from 25% in 2018 to 20.5% in 2021, and its plans to revisit and defer the previously announced proposal to implement a conditional dividend withholding tax. We expect that companies with real economic activities and holding companies with substance should in particular benefit from these amendments. However, various anti-abuse provisions were also introduced in the budget memorandum. In particular, earning stripping rules, controlled foreign companies ("**CFCs**") and anti-hybrid rules will cause challenges for expert administrative service providers. Overall, the change in Dutch environment is likely to have a mixed effect with more positives than negatives, given increased requirements for substance, which is expected to lead to more billable hours and also higher revenue per billable hour.

Luxembourg

Market Size, Growth and Composition

The total revenue of the expert administrative services market in Luxembourg was approximately €820 to €860 million in 2017. About 37% of the client base is estimated to consist of Corporates clients, 45% of Funds, 14% of Capital Markets clients and the remaining 5% of Private Wealth clients. The majority of clients are from Europe (71%) and North America (13%). A key attraction of the Luxembourg market, predominantly for Funds and Corporates clients, is the attractive regulatory environment along with a reputation as a stable banking hub.

In terms of revenue, Luxembourg's expert administrative services market grew at a 7% CAGR between 2013 and 2017, and is expected to grow at a faster pace of 8% in the period between 2018 and 2021, primarily driven by strong underlying growth in the Funds service line and the relatively limited impact of BEPS. The total revenue of the expert administrative services market in Luxembourg is expected to reach a value of approximately €1.1 billion in revenue in 2021.

Competitive Environment

The Luxembourg expert administrative services market is fragmented, with the majority of the market comprised of small players with less than 5% market share each. We are one of the two largest players in the market based on revenue with an estimated market share of approximately 11%, at par with Alter Domus (11% market share), followed by SGG (8% market share), TMF Group (6% market share) and Vistra (3% market share).

Regulatory Environment

Luxembourg has a favorable regulatory environment which is promoted by the government as well as the private sector. Luxembourg has high economic standards and stability, characterized by banking, fund and tax advisor expertise, a well-educated workforce, high quality resources and infrastructure, predictable banking and legislative traditions and accommodating policies towards foreign investments. Similar to the Netherlands, Luxembourg has a favorable participation exemption, which adds to its attractiveness as an expert administrative services market. Furthermore, Luxembourg has an extensive tax treaty network, consisting of 83 bilateral tax treaties. The tax regime is facilitated through four main legal forms of investment vehicles (*Société de Participations Financières*, *Société d'investissement en Capital à Risque*, *Société de Gestion de Patrimoine Familial* and the Specialized Investment Fund), which offer flexible and tax-efficient holdings, further attracting a global clientele.

The expert administrative services market in Luxembourg is supervised by the Luxembourg Commission for the Supervision of the Financial Sector (*Commission de Surveillance du Secteur Financier*, or "**CSSF**").

The Cayman Islands

Market Size, Growth and Composition

The total revenue of the expert administrative services market in the Cayman Islands was approximately €520 to €580 million in 2017. The market is mainly characterized by Funds clients (52%) with the remainder of the market consisting of Corporates clients (26%), Capital Markets clients (12%) and Private Wealth clients (10%). The majority of clients are from North America (65%). The Cayman Islands market is a key jurisdiction for hedge fund domiciliation due to the absence of tax on income, profits, assets and capital gains. The key attraction of the Cayman Islands market is the benign tax environment, along with the profound expertise in hedge funds and banking, which makes the jurisdiction popular for both Corporates as well as Private Wealth clients.

Historically, gross inflow of entities has been impacted by GDP in the country of origin and private equity, hedge fund and M&A deal activity. Based on revenue, the Cayman Islands market has grown with a CAGR of 4% between 2013 and 2017. The Cayman Islands is a mature market that is expected to grow at a stable pace of 4.5% between 2018 and 2021. Revenue from SPV services for hedge funds are a key part of the market, and so the Cayman Islands are expected to see future growth from capital flows to hedge funds, private equity and real estate funds. There have been signs of slowed growth in the Corporates and Private Wealth service line due to the implementation of FATCA requirements. The total revenue of the expert administrative services market in the Cayman Islands is expected to reach a value of approximately €650 million in revenue in 2021.

Competitive Environment

We are the second largest independent expert administrative service provider in the Cayman Islands, with an estimated market share of approximately 18% in 2017. The largest player, Maples, held a market share of approximately 24% in 2017. Other players including DMS (approximately 10%), Citco (approximately 5%) and Walkers (approximately 5%), whilst other bank fund administrators have a smaller share of the total Cayman Islands market. The remainder of the market is serviced by local accounting and law firms as well as niche administrators, which offer a combination of expert administrative services and legal services.

Regulatory Environment

The benefits of the tax neutrality of the Cayman Islands have made it one of the most popular jurisdictions for funds and tax-efficient client entities for corporations. The Cayman Islands' financial attractiveness for the Funds, Corporates and Private Wealth service lines is driven by the absence of tax on income, profits, assets and capital gains. For global expert administrative service providers, the Cayman Islands serve as a gateway to access the US client base. The Cayman Islands operates under a stringent regulatory environment, supervised by the "Cayman Islands Monetary Authority."

The Cayman Islands expert administrative services market has been impacted by regulatory changes in certain countries of residency of the ultimate beneficial owners of Cayman-based expert administrative service client entities, especially in the US. New regulation (such as the FATCA, the OECD's Common Reporting Standard ("**CRS**") and the AIFMD) drives only a limited shift to US and EU jurisdictions, since expert administrative service providers in the Cayman Islands are able to offer FATCA, CRS and AIFMD compliant services.

Jersey

Market Size, Growth and Composition

The total revenue of the expert administrative service market in Jersey was approximately €550 to €600 million in 2017. Jersey has a solid international reputation regarding provision of expert administrative services across client categories due to its attractive taxation for Corporates and Private Wealth clients. The market is split roughly evenly among Private Wealth, Corporates and Funds in Jersey, who account for 36%, 32% and 31% of revenue of the expert administrative service market in Jersey in 2017, respectively. Jersey attracts Private Wealth clients with its friendly tax rules (for example, no capital gain tax or dividend tax) and its government's desire to maintain an advantageous tax system. Compared to the Netherlands and Luxembourg, Jersey has limited tax treaties, however it has an attractive tax policy for Corporates clients, which makes it a popular jurisdiction for companies to set up entities.

In the past five years, as a mature market, Jersey's entity volume growth has been broadly flat as a loss in liquidation activity is largely offset by an increase in incorporation and maintenance activities. However, increasingly complex regulatory requirements has resulted in significant growth in the hours required per entity under maintenance. This is reflected by a 3% annualized revenue growth between 2013 and 2017. Total market size is expected to continue to grow at an annualized rate of 3% between 2018 and 2021, reaching a value of approximately €650 million in revenue in 2021.

Competitive Environment

The Jersey expert administrative services market is fragmented, with a large number of licensed providers and no single provider occupying more than 10% of the market share. With an estimated market share of approximately 10% in 2017, we are the leading provider in Jersey. Sanne and Estera also hold meaningful positions in Jersey market with 5% and 4% market share respectively. Aztec Group is the largest player in the Funds service line but does not service all service lines. We are the only player in the Jersey market with the capability to provide a full range of services across Corporates, Funds, Capital Markets and Private Wealth service lines. Our scale, reputation and brand recognition ensure that we are well placed to gain market share in the current regulatory environment.

Regulatory Environment

Recent and upcoming legislation, including BEPS, AIFMD and FATCA, is expected to be positive for the Jersey expert administrative services market. Although not binding by law, the OECD BEPS action plan is likely to have a mixed impact on the Jersey market, as requirements for local presence and value-added services may increase revenue per entity whilst perception of jurisdiction attractiveness may be impacted by increasing political pressure and public scrutiny. Furthermore, the implementation of AIFMD may cause clients outflow from Jersey to Luxembourg as the EU becomes more attractive, which is expected to be partially be offset by the additional work required by AIFMD's increased compliance requirements. Overall the changing regulatory landscape may lead to a shift in jurisdictional preference but also an increase the volume of services provided as clients could be inclined to outsource on the back of increasing complexity.

BUSINESS

OVERVIEW

General

Intertrust is a global leader in providing expert administrative services to clients operating and investing internationally. As of September 30, 2018, we had more than 2,500 employees across 41 offices and 29 jurisdictions in Europe, the Americas, Asia Pacific and the Middle-East. We focus on delivering high-quality tailored services to our clients with a view to building long-term relationships. Our business services are offered across four service lines, comprising:

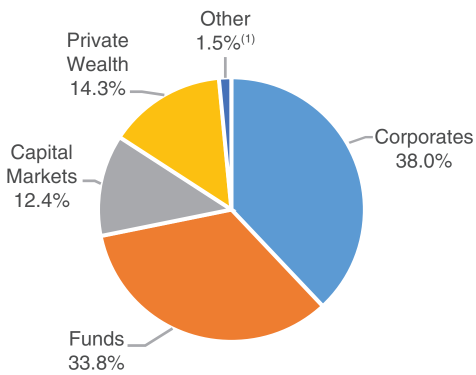
Corporates service line consisting of incorporation, management and unwinding of our clients' corporate investment and finance structures.

Funds service line consisting of incorporation and administration of funds, including private equity funds, real estate funds and hedge funds.

Capital Markets service line consisting of trustee and agency services in capital markets transactions and incorporation, management and unwinding of securitization and structured finance transactions for issuers and originators.

Private Wealth service line consisting of fund and trust and foundation establishment and administration for entrepreneurs, family offices and high net worth individuals.

Over all our service lines, including revenue related to rental income and income generated in relation to service agreements with third-party service providers, we generated €490.8 million of revenue, €197.9 million of Adjusted EBITDA (with an Adjusted EBITDA Margin of 40.3%) and €186.8 million of Adjusted EBITA (with an Adjusted EBITA Margin of 38.1%) in the twelve months ended September 30, 2018. Each of our four service lines contributed to our revenue for the nine months ended September 30, 2018, as set forth in the below figure:



(1) Other includes rental income and income generated in relation to service agreements with third-party service providers.

For the year ended December 31, 2017, we were the leading expert administrative services provider in the Netherlands and Jersey, the number two provider in Luxembourg and the Cayman Islands, and we had leading market positions in most of our key jurisdictions in our Rest of the World segment based on revenue for the year ended December 31, 2017.

As of September 30, 2018, we had a large and diversified mix of more than 16,000 clients for which we administered approximately 48,300 entities. As of September 30, 2018, our clients were based in approximately 140 jurisdictions and included approximately 60% of the Top 10 and 50% of the Top 50 of the Fortune Global 500 companies, as well as approximately 80% of the Top 50 of the Private Equity International 300. We believe that our clients value the quality of our comprehensive expert administrative services offering, our global network, our commitment to client relationships and our expertise, reliability and responsiveness.

We had a highly qualified workforce with more than 2,500 full-time employees ("**FTEs**") as of September 30, 2018, the majority of whom have higher education degrees or qualifications. The quality and expertise of our employees is key to providing our clients with high-quality value-added services and building long-term relationships with our clients. Through our Global Intertrust Academy, we continuously train and educate our employees on technical skills, as well as leadership, business development and relationship management skills to ensure a global high standard of capabilities.

Our business is organized and managed on a geographic basis and operates through the following five main jurisdictional segments: the Netherlands, Luxembourg, the Americas, Jersey and the Rest of the World. The table below sets forth the revenue derived from our segments, our Adjusted EBITDA and our Adjusted EBITA for the twelve months ended September 30, 2018.

	Twelve months ended September 30, 2018					
	revenue (€ in millions)	% of revenue	Adjusted EBITDA (€ in millions)	% of Adjusted EBITDA	Adjusted EBITA (€ in millions)	% of Adjusted EBITA
The Netherlands(1)	116.4	23.7%	71.0	35.9%	70.6	37.8%
Luxembourg(2)	105.2	21.4%	59.5	30.0%	58.7	31.4%
The Americas(3)	85.1	17.3%	47.1	23.8%	46.8	25.1%
Jersey(4)	57.6	11.7%	29.5	14.9%	28.9	15.4%
Rest of the World(5)	126.5	25.8%	49.7	25.1%	48.6	26.0%
HQ and IT costs	N/A	N/A	-58.8	-29.7%	-66.8	-35.7%
Total	**490.8**	**100%**	**197.9**	**100%**	**186.8**	**100%**

(1) The Netherlands includes our offices in Amsterdam and Rotterdam.

(2) Luxembourg includes our office in Luxembourg.

(3) The Americas includes our offices in Atlanta; the Bahamas; the British Virgin Islands (Road Town); the Cayman Islands (George Town); Chicago; Curacao (Willemstad); Delaware; Houston; New York; San Francisco; Sao Paulo and Toronto.

(4) Jersey includes our office in St Helier.

(5) Rest of the World includes our offices in Abu Dhabi, Beijing; Brussels; Copenhagen; Cyprus (Limassol); Dubai; Dublin; Frankfurt am Main; Guangzhou; Guernsey (St. Peter Port); Geneva; Helsinki; Hong Kong; Istanbul; London; Madrid; Malmö; Oslo; Shanghai; Singapore; Stockholm; Sydney; Tokyo; Zug and Zürich.

OUR KEY STRENGTHS

Leading global provider in the expert administrative services industry with a comprehensive service offering

We are a leading global provider of expert administrative services to clients operating and investing internationally and as of December 31, 2017, based on revenue, we were the market leader in the Netherlands and Jersey, the number two provider in Luxembourg and the Cayman Islands and we had leading market positions in most of our key jurisdictions in the Rest of the World. As of September 30, 2018, we operated from a global network of 41 offices in 29 jurisdictions from which we administered approximately 48,300 entities for our clients, enabling them to grow successfully, operate their businesses efficiently and responsibly and fulfill their international legal, administrative and regulatory duties. In addition to our offices, as of September 30, 2018, we had a network of approximately 40,000 business partner contacts (including in jurisdictions in which we were present), who referred work to us, and a network of third-party service providers ("**TPSPs**") in 144 jurisdictions in which we did not have a presence, allowing us to assist our clients by referring them to our partners in jurisdictions where we do not have an operational presence. Our leading global position provides an advantage over smaller providers who may provide a narrower service offering or who operate in fewer jurisdictions.

We provide a wide range of expert administrative services to our clients across our service lines: Corporates; Funds; Capital Markets and Private Wealth. We also provide various regulatory and compliance services which are offered across all our four service lines. Our services are supported by our continuously developing technology foundation and include core services offered in nearly all offices and more specialized services provided from selected locations. We are an experienced and expert player, servicing our clients for 66 years in an increasingly complex global environment and a market becoming increasingly focused on quality. Our customers have come to trust our reputable and global brand to deliver mission critical services.

Global secular and sustainable growth factors across highly regulated markets

Our addressable market, representing our service lines in the 13 key expert administrative services jurisdictions (including the US, Luxembourg, the Netherlands, the Cayman Islands, Jersey, Guernsey, Switzerland, Hong Kong, the UK, Ireland, Singapore, Curacao and Spain) which we primarily focus on is approximately €6.5 billion in size and has grown at approximately 3% to 5% annually between 2015 and 2018, driven by growth in most of our service lines. Our Funds service line is currently within the fastest growing market among our service lines, with annualized forecast growth of 7% to 9% for the period from 2018 to 2021. Our clients operate in an increasingly complex global environment focused on compliance, business ethics and transparency and we have a strong track record of successful cooperation with regulators in key jurisdictions. Regulation is an important and resilient driver of our market growth, in addition to increased complexity and specialization of the services that our clients require. Historically, we have seen the consistent introduction of regulation, and the pace and magnitude of change is increasing. As such, our client entities often require additional services in order to ensure compliance with new regulations, resulting in higher ARPE across our service lines. There are a number of ongoing and future regulation initiatives which represent further opportunity, such as the Fourth and Fifth Anti-Money Laundering Directive ("**AMLD**") and the US tax reform as well as potential legislation concerning the upcoming departure of the UK from the EU ("**Brexit**"). In addition to increasing global regulation, our addressable market benefits from a number of other underlying and continued drivers of growth:

- *Globalization, Economic Growth and M&A Activity*. Our markets are continuing to grow due to the increased internationalization of corporate and investment activities. As global assets under management continue to grow, our clients require our services in order to deploy and monitor capital in a way which is compliant, transparent and ethical and which fulfills specific legal, administrative and regulatory duties. Corporations investing across numerous jurisdictions require our services to implement tax efficient entities and assist them in compliance with both local and international standards. Regulatory developments and changes in the tax environment (such as the Action Plan on Base Erosion and Profit Shifting ("**BEPS**"), the Anti-Tax Avoidance Directive ("**ATAD**") and the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting) may result in greater services per entity to maintain compliance, while reducing entity growth in certain jurisdictions.
- *Regulation, Substance Requirements, Complexity of Client Entities, Need of Additional Services and Outsourcing.* In addition to increasing regulatory complexity, increasing compliance requirements for clients drive the demand for transparency and substance related services (which in turn drives billable hours per entity and ARPE). Clients are increasingly relying on expert external providers to handle growing regulatory, risk management and compliance requirements due to their specialized capabilities and greater scale. This increased outsourcing allows organizations to focus on their core capabilities, reduce administrative burden, manage costs and reduce organizational complexity.

Resilient business model providing mandatory and "mission critical" services on a recurring basis.

We provide mission critical, non-discretionary services, which help to ensure that clients are compliant with relevant regulations and are therefore considered critical from a legal, regulatory, financial, reputational and risk management perspective. For our clients, the costs associated with providing our range of administrative services are often considered to be non-discretionary, since our clients generally require these services irrespective of their financial or operational performance, given the costs of failure can be high, both in terms of the severity of penalties (including fines or criminal prosecution) and the potential reputational damage suffered as a result of non-compliance.

We estimate that approximately 90% of our total revenue is generated by on-going compliance and maintenance services of client entities which for the most part can be considered as recurring. The remaining 10% relates to non-recurring revenue such as revenue generated by incorporations and liquidations.

Our business model benefits from added resilience due to the high-cost of switching administrative service providers, both financially and through the risk that critical services might not be provided to the same quality. In addition, the non-discretionary nature of our offering means that macro-economic fluctuations have historically had limited impact on our industry as expert administrative services required are not dependent on financial or operational performance. Our wide range of expert administrative services provides a complete solution for both event driven demands and for the ongoing requirements of doing business.

Diversified client base across service lines and geographies

Our longstanding clients are diversified across our service lines: Corporates; Funds; Capital Markets; and Private Wealth. In addition our clients are also diversified across geographies. As of September 30, 2018, we had clients based in approximately 140 jurisdictions and were not reliant on any single jurisdiction for our revenue. The Netherlands accounted for €116.4 million (23.7%), Luxembourg for €105.2 million (21.4%), the Americas for €85.1 million (17.3%), Jersey for €57.6 million (11.7%) and the Rest of the World for €126.5 million (25.8%) of our revenue for the twelve months ended September 30, 2018 amounting to €490.8 million. Similarly, we had a diversified client portfolio with our ten largest clients accounting for approximately 8% of our revenue for the year ended December 31, 2017, and none of our clients representing more than 1.6%.

Our wide range of services provides a diversified product offering, including core services such as incorporation, management, legal and tax compliance, reporting and liquidation, and also specialized services such as fund administration, depository services, portfolio administrative services, treasury and investment services and investor reporting. Core services are offered across all our four service lines, whereas specialized services are more specific to the relevant service line. Core services represented approximately 75% of our revenue in the twelve months ended September 30, 2018, and our specialized services represented approximately 25% of our revenue in the twelve months ended September 30, 2018.

We have a high quality client base representing a broad array of industries and are focused on multinational corporations, financial institutions, fund managers, high net worth individuals and family offices. As of September 30, 2018, our client base included 60% of the Top 10 and 50% of the Top 50 Fortune 500 companies as well as 80% of the Top 50 of the Private Equity International Top 300. Our longstanding relationship with our high quality clients supports our ability to secure multi-year contracts and to cross-sell our wide range of services.

Proven track record of synergetic acquisitions and well positioned for further consolidation in a fragmented industry

We have a proven track record for successful and value-accretive acquisitions in a historically fragmented market, completing eight selective and successful acquisitions since 2011. Our number of client entities grew from approximately 40,000 at the end of 2015 to approximately 50,400 at the end of 2017, primarily as a result of strategic acquisitions. Our number of FTEs grew from approximately 1,700 at the end of 2015 to approximately 2,500 as of September 30, 2018, approximately 650 of which were attributable to our strategic acquisitions. We aim to capture and diversify our service offering and our strategic rationale is to further increase scale, provide complementary services, expand our footprint and acquire technology enablers. For example, our acquisition of Elian in September 2016 strengthened our capital markets, as well as our private equity and real estate fund administration services, expanded our geographic presence to Jersey and added scale in other key jurisdictions such as Ireland, the United Kingdom and the Cayman Islands.

We have instituted acquisition and integration procedures aimed at identifying and assessing targets against clear strategic rationale and priorities, as well as potential risks and are selective through strict criteria such as: revenue growth and profitability; potential to fit into and complement our business; and quality of client portfolio. We have a robust internal M&A process framework in place with oversight and final sign-off provided at the Parent Guarantor's supervisory board ("**Supervisory Board**") level and procedures for integration to ensure risk mitigation. Integration is focused on fostering organic growth and our aim is to retain services of key individuals and clients.

There are further opportunities for consolidation within the fragmented expert administrative services market and we are in a strong position to source value-enhancing opportunities and extract synergies given our global platform and wide-reaching in-jurisdiction presence, with a clear focus on verticalization and expansion into selected new jurisdictions and regions such as the US and the Asia Pacific region and expansion and diversification of our services in new and existing sectors such as private equity and real estate fund administration, compliance services and capital markets.

Industry leading risk management standards

As a global player, we have enjoyed the reputation of applying high compliance and risk management standards across our global network as the potential failure by us in this regard could have a material adverse effect across our business. The responsibility for establishment and oversight of our risk management framework lies within our management board ("Management Board"), but we have also adopted a "three lines of defense" model to manage our risk:

First line of defense—Business: Our business teams bear primary responsibility for identifying, controlling and monitoring the risks within their processes, maintaining effective internal control frameworks and adhering to global compliance policies and standards.

Second line of defense—Compliance and Risk Management: Our compliance and risk management team ("**Compliance and Risk Management team**") is globally responsible for coordinating, developing and monitoring our risk management processes and adherence to compliance standards and procedures. The Compliance and Risk Management team is responsible for providing the independent risk reports to the executive committee ("**Executive Committee**"), our Supervisory Board and our audit and risk committee ("**Audit and Risk Committee**"). The Compliance and Risk Management team also monitors changes that may impact the risk profile of the business and whether it is appropriate to provide new services to existing clients. The Compliance and Risk Management team further ensures that employees in every office receive compliance training, in addition to the mandatory Group-wide e-learning courses on anti-money laundering ("**AML**") and other relevant topics.

Third line of defense—Internal Audit: The independent internal audit team ("**Internal Audit team**") conducts audits that provide insights into how and to what extent we control the risks that may jeopardize our strategic and other objectives. These audits provide management with additional assurance on the effectiveness of internal controls and risk management.

High margins and strong cash flow generation

Our business model has historically demonstrated consistently high and stable margins and is highly cash generative, with Adjusted EBITDA margins of 40.3% for the twelve months ended September 30, 2018, and 40.4%, 42.1% and 42.8% for the years ended December 2017, 2016 and 2015, respectively. Similarly, our Adjusted EBITA margins were 38.1% for the twelve months ended September 30, 2018, and 38.2%, 39.9% and 40.7% for the years ended December 31, 2017, 2016 and 2015, respectively.

As a provider of expert administrative services, we have relatively limited requirements for capital expenditure such as investment in property, plant and equipment. Since 2015, total capital expenditure has been below 4% of revenue. Operational efficiencies are additionally supported by our continued focus on and investment in our IT systems and technology foundation, for which we have reduced the number of data centers in use and have enhanced the speed to market of new applications such as client portals. We have low effective tax rates in our key markets (the Netherlands, Luxembourg, the Cayman Islands and Jersey) and low net working capital requirements. As a result, we have strong cash generation.

Experienced management team with a clear strategy, supported by dynamic and engaged talent pool

The transition of our management team is now complete. Our management team benefits from an average experience of approximately 20 years in the financial services industry and has implemented a clear strategy focused on clients and services, innovation and technology and our people in order to achieve operational excellence. In addition, our management was supported by a dynamic and engaged global talent pool with more than 2,500 employees from 87 nationalities, as of September 30, 2018, the majority of whom have higher education degrees or qualifications. Our employees include trained financial experts, lawyers, tax lawyers and accountants with 74.6% of employees in billable FTE roles as of September 30, 2018.

We emphasize the importance of developing and maintaining our talent through strong teams, creating platforms for personal and professional growth and a values-focused culture based on our four key values: responsiveness; innovation; collaboration; and excellence. For example, we developed the Global Mobility Program, in which we seek to support the international mobility of our staff with a view to further developing the skillsets of our employees and further increasing cooperation, knowledge sharing and cross-selling across our global network, and the Global Intertrust Academy, in which we train and educate our employees on technical skills, as well as leadership, business development and relationship management skills.

OUR PURPOSE AND STRATEGY

In an increasingly complex global environment, we help our clients with their administrative challenges to grow and implement solutions to operate their business efficiently and responsibly. Focusing on compliance, business ethics and transparency, we support our clients in fulfilling their legal, administrative and regulatory duties in international business. We seek to consistently and clearly communicate our strategy to ensure all stakeholders understand how we deliver value.

Capture opportunities to expand and diversify our service offering both organically and through M&A activity

We seek opportunities to expand and diversify our service offering across all service lines in existing and new jurisdictions. With a more complete service offering, we are able to target increased levels of cross-selling revenue from other service lines, and increased revenue for clients and entities requiring more complex service requirements and substance. We recently created a global client solutions team to further accelerate our services and product development as we aim to adapt to the changing needs of our clients.

In our Corporates service line, we seek to grow and diversify our service offering primarily within specialized services in existing jurisdictions. Identified growth areas include the development and rollout of integrated office solutions ("**IOS**") and global corporate secretarial ("**CoSec**") solutions; the rollout of our performance and reward management ("**PRM**") services in other key jurisdictions of our Rest of the World segment; growing our recruitment and payroll services; and expanding our global footprint to new jurisdictions.

In our Funds service line, we see opportunities in existing and new geographies including Luxembourg, Ireland, Spain, Jersey and the Americas. Key growth areas include expansion of private equity and real estate fund administration; broadening our management company ("**ManCo**") services and fund services administration in Luxembourg and Ireland respectively; introducing outsourced fiduciary services such as assisting the money laundering reporting officer ("**MLRO**") and the money laundering compliance officer ("**MLCO**") of our clients with investor onboarding procedures; expanding our compliance services, especially alternative investment fund managers ("**AIFM**"), AML and customer due diligence ("**CDD**") compliance; and leveraging our specialized sales force in the UK and the US.

In our Capital Markets service line, we see the opportunity to offer domestic services in the US and the Asia Pacific region; grow our debt capital market services in the US and in Europe; and leverage our specialized sales force in the UK and the US.

In our Private Wealth service line, we see the opportunity to grow our ability to support family offices with CoSec and accounting services; facilitate the globalization of multi-generational family wealth and increase cross-selling towards our Corporates service line.

In addition to organic initiatives, we aim to increase our scale, complement our service offering, expand our footprint and enhance our technology by pursuing selective and value enhancing acquisitions. Over the past eight years, we have demonstrated our ability to identify, execute and integrate acquisitions in the expert administrative services industry with the acquisitions of Close Brothers Cayman, WMS, ATC, CRS, CorpNordic, Elian, SFM Spain and Azcona as well as Seed Outsourcing. We intend to continue to take a disciplined and selective approach to pursue strategic acquisitions and to apply a strict set of selection criteria when evaluating potential acquisition candidates with a clear focus on strategic growth.

Develop our financial policy to serve our growth strategies

We intend to further strengthen and develop our financial policy in order to serve our growth strategies and the expansion and diversification of our service offering. This includes targeting a net leverage of approximately 3.0x in the absence of M&A. In terms of liquidity, we expect to have the borrowings available under the New Revolving Credit Facility, and a minimum cash balance for operations of €40 million. Under our dividend policy we expect to target a dividend payout of approximately 40% of adjusted net income, with opportunistic share buy-backs subject to our net leverage target. Under our M&A strategy we expect to continue to selectively pursue value accretive acquisitions on the back of a strong M&A track record, and we intend to maintain a strong cash flow profile supporting inorganic expansion. Under our hedging policy we intend to use interest rate swaps for approximately 50% of our floating rate debt, with no foreign exchange hedging and an external debt mix expected to reflect the foreign exchange mix in our Adjusted EBITDA.

Further develop our technology foundation to serve changing client needs

Our ambition is to further develop our technology foundation to serve client needs. We seek to provide insight to clients through the consolidation of client data and empowering decision making. We seek to enhance transparency, providing better and consistent oversight over activities, deadlines and regulatory changes. We seek to utilize automation to digitize client-facing processes and generate efficiencies. We seek to provide control through managing risks and ensuring clients operate in a compliant environment and with security of information. We seek to reap the benefits of new technology—including regulatory technology ("**RegTech**"), client onboarding, robotic process automation and blockchain—in a changing market and regulatory landscape.

Key Intertrust initiatives currently in development include the creation and deployment of a client and payment portal, a virtual boardroom solution and self-service reporting solutions. These will enable us to continue to develop as a technology enabled corporate and fund solutions provider.

Develop and maintain a dynamic and engaged global talent pool

We believe that the knowledge, local expertise and business relationships of our employees are crucial to delivering high-quality services to our clients and generating new sustainable business. We intend to continue to focus on attracting, developing and retaining the best talent in our industry. Our talent strategy is centered on strong teams, platforms for growth and our values-driven culture. Purpose-led and values-driven teams increase employee engagement, reinforce our strong brand and positioning in the market and improve performance. To train our employees, we have developed several platforms for personal and professional growth, such as the Global Mobility Program (in which we seek to support the international mobility of our staff with a view to further developing the skillsets of our employees and further increasing cooperation, knowledge sharing and cross-selling across our global network), the Global Intertrust Academy (in which we train and educate our employees on technical skills, as well as leadership, business development and relationship management skills), "One Journey" (a program which aims to develop a positive workplace culture and environment as well as an "Intertrust way" of working) and our Talent Program (a global talent development program which offers a range of classes and assignments to develop leadership within the global business environment).

Enable our strategic ambitions through best practice execution, including maintaining industry-leading standards on compliance and risk management

To best execute our strategy, we adopt best practices including: global process standardization; the creation of centers of excellence; and the outsourcing of certain business processes to nearby countries to improve our customer service. The implementation of these strategies is underway and is expected to support and enhance our Adjusted EBITDA margin and cash generation profile over the medium term.

We believe that we are recognized by our clients and the business partners who refer new business opportunities to us as having industry-leading standards on compliance and risk management. We further believe that our strong relationships and ongoing dialogue with regulators to discuss new legislative and regulatory developments and to promote best practice standards in relation to compliance is expected to further improve the quality of our sector. We have four independent risk monitoring functions: compliance and risk management; legal; tax; and internal audit. Our Compliance and Risk Management team had approximately 55 FTEs as of September 30, 2018, including HQ and local teams, and is responsible for developing and monitoring our compliance and risk management processes and adherence to compliance and risk management standards and procedures. Our Internal Audit team had two FTEs as of September 30, 2018 at HQ, and our Tax and Legal teams had three and four FTEs at HQ as of September 30, 2018, respectively, not including local office teams. We intend to maintain our high standards on compliance and continue to invest in our risk management functions in order to support further sustainable growth of our business. To this effect, our Supervisory Board is assisted by its Audit and Risk Committee, which is responsible for ensuring the proper supervision on our compliance, risk management and audit functions. We believe that our clients value our services and select us as their preferred expert administrative services provider in part because of the high standards that we have consistently applied throughout our global network. This has made us a reliable partner to whom clients can outsource certain of their activities on a global basis and in a responsible manner.

OUR SERVICES

We offer a comprehensive and integrated set of expert administrative services across Europe, the Americas, the Asia Pacific region and the Middle East. Our service offering comprises four service lines: Corporates; Funds; Capital Markets; and Private Wealth. Our wide range of services provides a diversified product offering. In each of our four service lines we offer our core services: formation and implementation services; domiciliation, management and trustee services; legal and tax compliance services; regulatory and compliance services; accounting and reporting services; and liquidation services. In addition to our core services, we also offer more specialized services, focused on the demands of our clients in each service line.

Core Services

Formation and implementation services. We offer our clients an efficient way to set up new client entities by incorporation of new entities or provision of existing shelf entities and we assist our clients with the implementation of structures and arrangements for their corporate, investment and finance transactions. In addition, we arrange for local registrations for each of these client entities.

Domiciliation, management and trustee services. We provide a registered office address or office space to our clients for the execution and operation of their business in various jurisdictions. We offer our clients the possibility to appoint us or our employees as director, proxy-holder, authorized representative or company secretary for client entities. We conduct the day-to-day management of these client entities in compliance with applicable laws and regulations. In addition, we support our clients' operational, regulatory and governance requirements and assist them with trustee requirements.

Legal and tax compliance services. We provide our clients and our client entities with compliance services in connection with their legal and tax requirements. We manage our clients' legal and tax requirements, maintain the necessary statutory records and prepare legal documentation and tax filings based on advice of external experts and input from our clients. Except for certain limited local tax advisory services that we provide to certain Private Wealth clients in Guernsey, we do not provide tax or legal advisory services as part of our general service offering, in order to avoid conflicts of interest between our services and to avoid competing with the law firms and audit firms that we rely on for the referral of new business opportunities.

Regulatory and compliance services. We identify regulatory reporting obligations and review, draft and submit all the relevant reports for several reporting regimes such as the US Foreign Account Tax Compliance Act and similar reporting regimes between the British Crown Dependencies and Overseas Territories and the United Kingdom as well as reporting under the global Common Reporting Standard. We also offer compliance consulting and compliance outsourcing services. Compliance consulting services include assisting clients with regulatory authorizations, licenses, permits or concessions, and audits, assessing compliance infrastructure, drafting and maintaining compliance policies and procedures and providing training. Our compliance outsourcing services include client due diligence, document management, risk identification, verification and screening.

Accounting and reporting services. We provide our clients with accounting, bookkeeping, financial reporting and consolidation services, as well as assistance with financial audits, internal controls, and VAT registration and administration. We offer payroll services and real estate investment services, engage in bank account management and pension fund administration, and provide services with respect to employee benefit trusts and the administration of trusts and foundations. We also assist our clients with their IFRS reporting requirements and with conversions between GAAP and IFRS.

Liquidation services. We assist our clients with unwinding and dissolving client entities and support our clients through the liquidation process of any of their entities.

Specialized Services

Corporates

With our Corporates service line, we assist clients with the setting up, structure, management and unwinding of legal entities for their corporate, investment and finance transactions. Our Corporates service line clients are multinational corporations and financial institutions with a large spread across industries and regions.

The specialized services we offer to our Corporates clients comprise:

- **corporate secretarial services (“CoSec”)**, consisting of, among other things, maintenance of statutory records, organization of shareholders and board meetings and preparation of legal documentation, specifically for corporate entities;
- **escrow services**, consisting of management of escrow agreements to secure a client’s financial obligations arising from, among other things, cross-border acquisitions, international projects, litigation procedures and transnational trading transactions;
- **performance and reward management**, consisting of provision of trustee and performance and reward plan administration services, assistance to clients in delivering and managing their reward and incentive arrangements across both senior management and the wider employee base;
- **process agent services**, consisting of acting as agent for the service of process for our clients; and
- **treasury management services**, consisting of front-office services (including cash management, cash pooling, interest rate management and liquidity forecast and requirements assessment), middle-office services (including risk management and performance reporting) and back-office services (including processing confirmations, payments, cash reconciliations, administration of cash pools and execution of loan agreements).

In our Corporates service line, we seek to grow and diversify our service offering primarily within specialized services in existing jurisdictions. Identified growth areas include the development and rollout of IOS and CoSec solutions; the rollout of our PRM services in other key jurisdictions of our Rest of the World segment; growing our recruitment and payroll services; and expanding our global footprint to new jurisdictions.

Funds

With our Funds service line we provide services covering the incorporation, administration, investor reporting and regulatory reporting for funds, including various forms of hedge funds, with a strong focus on real estate funds and private equity funds (with a high penetration of Private Equity International 300 and other reputable fund managers). Our 2016 acquisition of Elian provided us with a large team of fund professionals to offer full fund administration for private equity, venture capital, debt and real estate funds globally. See "*Summary—History.*" We have an integrated platform globally to provide the full suite of fund related services in key jurisdictions where we add value to our clients.

The specialized services we offer to our Funds clients comprise:

- **depositary services**, consisting of acting as a depositary for non-financial assets. Our depositary services include cash flow monitoring, asset verification and asset safekeeping and oversight services;
- **ManCo services**, consisting of a range of services in relation to management companies, provision of risk and regulatory compliance solutions to EU and non-EU Alternative Investment Funds ("**AIFs**"), including hedge funds, private equity funds and real estate funds, which provide significant cost, quality and governance benefits. We have a license from the Central Bank of Ireland and the CSSF to act as Alternative Investment Fund Manager to EU and non-EU funds that qualify as AIFs;
- **outsourced fiduciary services**, consisting of support to our Funds clients' operational, regulatory and governance requirements and assistance with director and trustee requirements. We provide our Funds clients with fund directorships, registered offices and authorized representatives for their funds and trustee services for unit trust structures; and
- **private equity and real estate fund administration services**, consisting of full private equity and real estate fund asset administration, including net asset value calculations, investor reporting, fund accounting, audit assistance, fund banking and payment services as well as performance fee calculations for investors in funds and asset and property management and reporting. We use market leading technology such as FIS Investran, to provide fund administration and investor reporting, and Yardi, to provide property level management and reporting as we believe this allows our people to deliver more value to our clients.

In our Funds service line, we see opportunities in existing and new geographies including Luxembourg, Ireland, Spain, Jersey and the Americas. Key growth areas include expansion of private equity and real estate fund administration; broadening our ManCo services and fund services administration in Luxembourg and Ireland respectively; introducing outsourced fiduciary services such as assisting the MLRO and MLCO of our clients with investor onboarding procedures; expanding our compliance services, especially AIFM, AML and CDD compliance; and leveraging our specialized sales force in the UK and the US.

Capital Markets

Our Capital Markets service line provides a wide variety of ancillary services for capital markets transactions. Clients of this service line are mostly financial institutions. The capital markets transactions include securitizations (such as residential mortgage backed securities, commercial mortgage backed securities, collateralized loan obligations and other asset backed securities transactions), bond issuances, secured loans/warehouse facilities, asset repackaging, commercial paper conduits and asset lease transactions. We are the number two provider of trustee services for EU securitization issuances since 2012.

The specialized services we offer to our Capital Markets clients comprise:

- **agency services**, consisting of calculation and payment agency services, such as the preparation and monitoring of cash flow waterfalls, principal and interest ledger calculations, monitoring of credit default swap calculations, monitoring of trigger events and the calculation and execution of payments to third parties. We also provide our clients with registrar and transfer agency services and trustee services for unit trust structures, and act as security agent and notes trustee;

- **corporate administration services**, consisting of, among other things, maintenance of statutory records, organization of shareholders and board meetings and preparation of legal documentation, specifically in relation to capital markets transactions;
- **investor reporting services**, consisting of reporting services to investors in the SPVs of our clients with regards to, among other things, portfolio analysis, cash flow generation, prepayments, waterfalls and arrears;
- **listing services**, consisting of support and facilitization of the listing of debt or equity securities on a securities exchange in cooperation with external listing agents;
- **portfolio administration services**, consisting of administrative services with respect to the underlying assets held by the clients. These services include, among others, asset cover testing, which entails the evaluation of the underlying assets against a set of predetermined criteria; and
- **process agent services**, consisting of acting as agent for the service of process for our clients.

In our Capital Markets service line, we see the opportunity to offer domestic services in the US and the Asia Pacific region; grow our debt capital market services in the US and in Europe; and leverage our specialized sales force in the UK and the US.

Private Wealth

Under our Private Wealth service line, we provide company and trust formation services to our diversified Private Wealth clients, such as Forbes 500 entrepreneurs, international entrepreneurial families and family offices. Our acquisition of Elian in 2016 broadened our spectrum of private wealth solutions, especially in the Channel Islands. See "*Summary—History*." The integrated organization enables us to service our global base of (ultra) high net worth individuals and families with a full suite of private wealth solutions in relevant jurisdictions. Our private wealth directors are qualified lawyers, accountants or trust professionals and every member of our business is experienced in private practice.

The specialized services we offer to our Private Wealth clients comprise:

- **business succession services**, consisting of assistance to clients with handing down a business to the next generation or selling an owner-managed business and putting in place the right framework for succession;
- **family governance services**, consisting of support to our clients to plan for the future and administration of assets and structures through our trusted network of contacts;
- **philanthropy and charitable trusts**, consisting of the creation of a focused strategy to support our clients' philanthropic and charitable goals by setting up and administering charitable and non-charitable purpose trusts, foundations, companies limited by guarantee and trust structures;
- **real estate services**, consisting of the performance of specialized accounting services to operational real estate companies and structures and the maintenance of relationships with property managers and third parties; and
- **treasury and investment services**, consisting of the structuring, management and administration of trusts, foundations and other vehicles that assist our private clients with respect to asset management and asset preservation. We also assist in the administration of personal pensions, wills and testamentary estates, and offer family office services. In addition, we assist our private clients with their accounting, financial reporting and consolidation obligations.

In our Private Wealth service line, we see the opportunity to grow our ability to support family offices with CoSec and accounting services; facilitate the globalization of multi-generational family wealth and increase cross-selling towards our Corporates service line.

Business Development

We recently created a global client solutions team to further accelerate our services and product development as we aim to adapt to the changing needs of our clients. Next to the development of new regulatory and non-regulatory services and solutions which add value for our clients, this team enhances our existing services, and looks to expand our existing services globally. The global client solutions team is based in our headquarters in Europe and serves all segments and service lines globally.

In addition, we added specialized sales capabilities to our teams in the UK and the US in order to improve our business development efforts in these regions. With a more complete service offering we are able to target increased levels of cross-sell revenue from other service lines, and increased revenue from clients and entities with more complex service requirements and substance.

We also have a marketing team with marketing specialists for each of our service lines and experts in digital marketing, public relations, marketing content and events. Our marketing team focuses on increasing and building brand awareness to enhance our market position.

Geographic Coverage

As of September 30, 2018, we provided our services from 41 offices in 29 jurisdictions across Europe, the Americas, the Asia Pacific region and the Middle East. In addition to our global network of offices, as of September 30, 2018, we had relationships with third parties in 144 other jurisdictions, allowing us to assist our clients with their global expert administrative services needs by referring them to these operating partners in jurisdictions where we do not have an operational presence. The following map provides an overview of our global network of offices as of September 30, 2018:

The following table provides an overview of our 41 offices split out and presented by our five operating segments: the Netherlands; Luxembourg; the Americas; Jersey; and the Rest of the World.

The Netherlands	Luxembourg	The Americas	Jersey	Rest of the World	
Amsterdam	Luxembourg	Atlanta	St Helier	Abu Dhabi	Istanbul
Rotterdam		The Bahamas		Beijing	London
		The British Virgin Islands(1)		Brussels	Madrid
		The Cayman Islands(2)		Copenhagen	Malmö
		Chicago		Cyprus(4)	Oslo
		Curacao(3)		Dubai	Shanghai
		Delaware		Dublin	Singapore
		Houston		Frankfurt am Main	Stockholm
		New York		Guangzhou	Sydney
		San Francisco		Guernsey(5)	Tokyo
		Sao Paulo		Geneva	Zug
		Toronto		Helsinki	Zürich
				Hong Kong	

(1) Road Town
(2) George Town
(3) Willemstad
(4) Limassol
(5) St. Peter Port

The Netherlands

Overview

The Netherlands has maintained a longstanding tradition of political and social stability as well as sophisticated legislation and a highly reputable and consistent fiscal system. The Netherlands benefits from attractive corporate tax legislation, and remains a popular jurisdiction in Europe to establish a corporate base for international operations, international group structures and for structuring complex international transactions. The Netherlands has an extensive network of bilateral double tax treaties (see also "*Risk Factors—Certain prospective amendments to double tax treaties may have an adverse effect on our business.*"), liberal foreign exchange regulations and flexible incorporation procedures for Dutch legal entities, making the Netherlands an attractive base for domiciling international business operations. All trust, corporate and fund services activities are subject to supervision by the Dutch Central Bank ("**DNB**"). Moreover, increasingly strict regulation by the DNB, demand for transparency by regulators and increased compliance costs for trust, corporate and fund services providers have contributed to further consolidation in the industry, a trend which is expected to continue.

In 2017, we were the leading provider of expert administrative services in the Netherlands with an estimated market share of approximately 31% based on revenue for the year ended December 31, 2017. In the nine months ended September 30, 2018, the Netherlands accounted for 23.4% of our revenue.

Services and Clients

We provide each of our four service lines in the Netherlands, however, our client base in the Netherlands predominantly consists of Corporates service line clients. Compared to December 31, 2017, the number of client entities decreased by 6.5% from approximately 3,900 to approximately 3,700 as of September 30, 2018, mainly due to client entities reaching the end of their cycle and client insourcing.

Key Initiatives

We have developed a number of initiatives aimed at facilitating the further growth of our business in the Netherlands. We intend to increase the number of clients that we provide our services to through a direct sales approach, through our network of business partners who refer business opportunities to us and by encouraging cross-selling efforts between the entities in our organization. We aim to sell additional value-added services to our existing clients with a view to increasing the revenue per client entity that we service in the Netherlands. We intend to continue to invest in our employees with a view to maintaining our position as an employer of choice in the expert administrative services industry. One of the examples to attract young and highly educated talent in the Netherlands was the launch of the "One Journey" program, which aims to develop a positive workplace culture and environment as well as an "Intertrust way" of working, and a new career website.

In addition, we are working to further develop and rollout our integrated office solutions ("**IOS**") to provide clients with a permanent presence in the Netherlands with a comprehensive system, built end-to-end, which can be easily integrated into their current business processes, supported with complementary services.

Luxembourg

Overview

Luxembourg is an internationally recognized banking hub with a favorable regulatory environment promoted by both the government and the private sector. It is considered to have a stable and predictable banking and legislative environment with an educated work force and accommodates policies toward foreign investments. Luxembourg has an extensive network of bilateral tax treaties, investment protection treaties and a favorable tax regime (see also "*Risk Factors—Certain prospective amendments to double tax treaties may have an adverse effect on our business.*"). Luxembourg also actively promotes the fund industry while maintaining the highest standards in compliance. Local trust, corporate and fund services activities are subject to supervision by the CSSF.

In 2017, we were the second largest provider of expert administrative services in Luxembourg with an estimated market share of approximately 11% based on revenue for the year ended December 31, 2017. In the nine months ended September 30, 2018, Luxembourg accounted for 22.0% of our revenue.

Services and Clients

We provide each of our four service lines in Luxembourg, however, our client base in Luxembourg predominantly consists of Funds service line clients. Compared to December 31, 2017, the number of client entities decreased by 2.5% to approximately 2,800 as of September 30, 2018, mainly due to client entities reaching the end of their cycle.

Key Initiatives

We have developed a number of initiatives aimed at facilitating the further growth of our business in Luxembourg. We continually look for opportunities to diversify our service offering to enable our clients to navigate successfully through the ever-changing regulatory landscape. An example of a regulatory change is the Fourth Anti-Money Laundering Directive. This led to additional reporting requirements and more work is now required to keep our clients' entities in good standing by, for example, supporting clients with mandatory ultimate beneficial owner registrations. In addition, legislative changes enabled us to expand our service offering in Luxembourg and helped us to obtain a license from Luxembourg's regulator CSSF to provide AIFM ManCo services.

The Americas

Overview

The Americas consists primarily of our business in the US, Curacao and the Cayman Islands. In the nine months ended September 30, 2018, the Americas accounted for 16.8% of our revenue. In the Cayman Islands, which accounts for the majority of our Americas segment, we were the second largest provider of expert administrative services in 2017, with an estimated market share of approximately 18% based on revenue for the year ended December 31, 2017. The Curacao expert administrative services market mainly services Private Wealth clients and small and medium size Corporates clients, with a total market size of approximately €140 million.

Services and Clients

From our offices in the Bahamas, the British Virgin Islands, the Cayman Islands, Curacao and Delaware, we provide a full range of services to international corporate clients, funds and private clients. Our other US offices and our offices in Brazil and Canada are representative offices serving as a first point of contact for clients that have their headquarters or regional headquarters in these jurisdictions. Compared to December 31, 2017, the number of client entities decreased by 4.1% from approximately 27,700 to approximately 26,500 as of September 30, 2018, mainly due to client entities reaching the end of their cycle and a number of competitive losses in the Cayman Islands, as well as administrative clean-ups in the Cayman Islands.

Key Initiatives

We recently added specialized sales capabilities to our teams in the US in order to improve our business development efforts. As part of our strategic ambitions, we are also growing our presence in the Americas by expanding our existing services offering to include fund and capital markets administration services as well as, subject to the approval of the relevant regulator, domestic trustee and directorship services. We are extending our operating capabilities in Delaware and expect that this will enable us to provide onshore services to US and international clients operating in every state of the US.

Jersey

Overview

Jersey is a well-established international finance center offering reliability, political and economic stability and a sophisticated and comprehensive legal system. According to the OECD, Jersey is one of the best regulated international financial centers. Jersey's highly skilled and experienced financial services providers, combined with a world class infrastructure makes it a popular and attractive jurisdiction for trusts and foundations, as well as for private equity and real estate funds. Jersey has a flat standard income tax rate for Jersey residents and no capital gains, inheritance, wealth or sales taxes.

With the acquisition of Elian in 2016, we gained a presence in the Jersey market, particularly in the capital markets and the private equity and real estate fund administration service lines. See "*Summary—History.*" In 2017, our estimated market share in Jersey in the expert administrative services market was approximately 10% based on revenue for the year ended December 31, 2017, which made us the largest expert administrative services provider in Jersey. In the nine months ended September 30, 2018, Jersey accounted for 11.9% of our revenue.

Services and Clients

We provide a broad range of services in Jersey, consisting of our Corporates, Funds and Private Wealth service lines. Our client base in Jersey consists of alternative investment funds, financial institutions, corporate and private clients. Compared to December 31, 2017, the number of client entities decreased by 13.9% from approximately 4,300 to approximately 3,700 as of September 30, 2018. This decline was mainly due to the impact of an administrative clean-up in the first half of 2018 (now completed), and also a large client choosing to insource in the second quarter of 2018.

Key Initiatives

We aim to maintain our leading market position in Jersey by continuing to invest in our foundations, specifically our people, and completing the Elian IT integration on schedule. We also continue to pursue growth opportunities, especially within our Funds service line but also for specialized services such as performance & reward management, treasury and investment services, and listing services. In September 2018, we broadened our capabilities in our Capital Markets service line in Jersey by becoming a Category 1 debt-listing member of The International Stock Exchange, a service that will be offered across our global network of offices.

On September 23, 2016, we completed the acquisition of Elian. See "*Summary—History.*" The integration of Elian in our Jersey business is progressing as planned and is expected to be completed by mid-2019. We completed merging Elian's offices with our offices in January 2017 and the related revenue and cost synergies are on track to be realized within the planned time frame.

Rest of the World

Our offices in our Rest of the World segment encompass our operational and representative offices in Europe (which are not otherwise captured and separately reported on), the Asia Pacific region and the Middle East. As of 2017, Guernsey became part of the Rest of the World segment.

As of September 30, 2018, in the Rest of the World segment, we had leading market positions in most of our key jurisdictions. In Asia we have strong positions in Singapore and Hong Kong. In Europe we are the leading provider in Guernsey and we are well positioned in the Nordic countries, Ireland, Spain and the UK. In the nine months ended September 30, 2018, the Rest of the World segment (including Guernsey) accounted for 25.9% of our revenue.

Europe

In addition to our offices in the Netherlands, Luxembourg and Jersey, we have offices in each of the major European jurisdictions, including Brussels, Copenhagen, Dublin, Frankfurt, Geneva, Istanbul, Limassol, London, Madrid, Malmö, Stockholm, St. Peter Port, Zug, Zurich, Oslo and Helsinki.

Asia Pacific

Our Asia Pacific offices are located in Beijing, Guangzhou, Hong Kong, Shanghai, Singapore, Sydney and Tokyo. Our offices located in China mainly assist our international clients in establishing their businesses in the Chinese market and our Chinese clients in establishing their businesses overseas. Our Hong Kong office works closely with our Chinese offices and has a substantial inbound Chinese client base, but also offers Corporates and Private Wealth services to clients in mainland China. Our office in Singapore mainly offers expert administrative services to inbound Singapore clients, either to establish themselves in the Singapore market or to maintain and strengthen their business in this region. In Japan we operate a sales office only.

The Middle East

We also have a Middle East office located in Dubai and have recently opened our second Middle East office in the United Arab Emirates located in Abu Dhabi.

Key Initiatives

In February 2017 we acquired the remaining 25% stake in SFM Spain together with the affiliated professional services activities of Azcona, a Spanish provider of corporate, funds and capital markets services, to further grow and improve our Corporates, Funds and Capital Markets service lines in Spain. See "*Summary—History.*"

During 2017, we closed our offices in Portugal and in Bahrain.

In July 2018 we expanded into Australia through the acquisition of Seed Outsourcing, a boutique Australian corporate and fund services firm, providing corporate secretarial, director, domiciliation and payroll services to private equity and real estate fund managers. See "*Summary—History.*" We have been working with Seed Outsourcing for more than five years, enabling our global clients to grow their business in Australia and New Zealand. The Seed Outsourcing team, led by founder Stephen Tamas, will now be integrated and work closely with our other offices going forward.

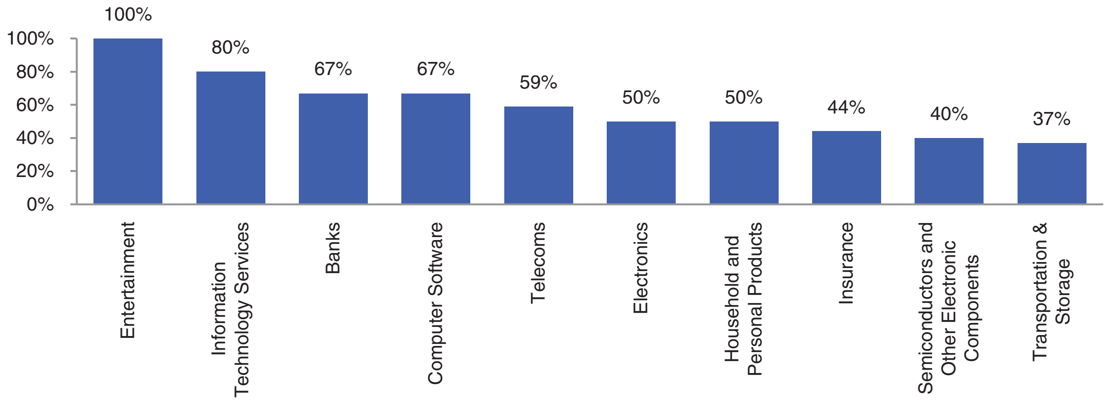
In August 2018, we were granted a Trust or Company Service Provider ("**TCSP**") license in Hong Kong under the new TCSP regime, which requires companies providing trust or corporate services in Hong Kong to be licensed by the Registrar of Companies and comply with the requirements of the AML regulation.

We recently added specialized sales capabilities to our teams in the United Kingdom in order to improve our business development efforts. In addition, we created a global client solutions team to further accelerate our services and product development as we aim to adapt to the changing needs of our clients.

CLIENTS, CLIENT ENTITIES AND CLIENT SERVICE CONTRACTS

Clients

We have a large and diversified client portfolio consisting of multinational companies, financial institutions, alternative investment funds, entrepreneurs and high net worth individuals. We group our clients in the following categories: Corporates clients; Funds clients; Capital Markets clients; and Private Wealth clients. As of September 30, 2018, our clients were based in approximately 140 jurisdictions and included approximately 60% of the Top 10 and 50% of the Top 50 of the Fortune Global 500 companies, as well as approximately 80% of the Top 50 of the Private Equity International 300. In the year ended December 31, 2017, our ten largest clients accounted for 8% of our revenue and none of our clients represented more than 1.6% of our revenue. Our clients within the Fortune Global 500 companies, represent a broad array of diversified industries. The below figure sets out our Fortune Global 500 clients by industry based on the 2018 list of Fortune 500 companies.



The following table sets out information on the breakdown of our client book across service lines for the year ended December 31, 2017.

	Year ended December 31, 2017(1)					
	Top 1	Top 2-5	Top 6-10	Top 11-25	Top 26-50	Other
Corporates	1%	3%	2%	4%	4%	86%
Funds	4%	10%	6%	11%	10%	59%
Capital Markets	3%	8%	6%	12%	12%	59%
Private Wealth	5%	7%	3%	7%	7%	71%

(1) Segmental client concentration based on 2017 billed amounts.

The following table sets out information on our revenue per service line for the nine months ended September 30, 2018:

	Nine months ended September 30, 2018	
	Revenue (€ in millions)	% of revenue
Corporates	138.0	38.0%
Funds	122.7	33.8%
Capital Markets	45.0	12.4%
Private Wealth	52.1	14.3%
Other	5.6	1.5%
Total	**363.4**	**100%**

We focus on delivering the highest quality, tailored services to our clients with a view to building long-term relationships with our clients. We believe that client retention is primarily driven by the quality of our services, the personal relationships we build with our clients, our comprehensive expert administrative services offering, our global network and our expertise, reliability and responsiveness. We believe that clients, in particular multinational companies, increasingly prefer to work with a global service provider that offers an integrated and comprehensive set of expert administrative services.

According to market research carried out by a third-party in 2017 among clients and business partners, our net promoter score ("**NPS**") was 23%, slightly lower than the NPS in 2016 of 25%, but well above the "Finance B2B" benchmark average of 14%. NPS is a client loyalty metric that is used to measure the loyalty of a firm's client relationships. An NPS can range from -100% to +100%. Respondents are asked to rate the likelihood that they would recommend a company on a zero to ten scale. An NPS that is positive is perceived to be favorable. Our NPS outperforms our key international and local competitors which we believe distinguishes us from them.

Client Entities

As of September 30, 2018 we administered approximately 48,300 client entities on behalf of more than 16,000 clients. As of September 30, 2018, approximately 3,700 of the client entities we administered were established in the Netherlands, approximately 2,800 in Luxembourg, approximately 26,500 in the Americas, approximately 3,700 in Jersey and approximately 11,600 in the Rest of the World.

The following table sets out information relating to the client entities serviced per geographical segment as of September 30, 2018:

	September 30, 2018(1)	
	Number of Entities (in thousands)	% of Total Entities
The Netherlands	3.7	7.6%
Luxembourg	2.8	5.7%
The Americas	26.5	54.9%
Jersey	3.7	7.7%
Rest of the World	11.6	24.1%
Total	**48.3**	**100%**

(1) Information is based on management's estimates.

(2) Average Revenue Per Entity is defined as our revenue for the nine months ended September 30, 2018 divided by the number of client entities as of September 30, 2018.

During the lifecycle of a client entity, we provide services relating to the incorporation, ongoing maintenance, compliance with applicable laws and regulations and liquidation of the entity. We consider these services to be non-discretionary since our clients require these services irrespective of a client's financial or operational performance. The remaining services we offer are what we consider discretionary services, namely those services that are specific to the occurrence of a certain event or to a request from a client during the lifetime of a client entity, including services in connection with restructurings, mergers and other transactions.

We estimate that approximately 90% of our total revenue is generated by on-going compliance and maintenance services of client entities which for the most part can be considered as recurring. The remaining 10% relates to non-recurring revenue such as revenue generated by incorporations and liquidations.

Client Service Contracts

When entering into a new engagement with a client, we enter into a client service contract which is based on our standard template client service contract. Our client service contracts generally include an indemnity given by the client pursuant to which the client indemnifies us against any damages that we incur in connection with the services that we render for the client, except for damages which are the result of our fraud, gross negligence or willful misconduct. Our client service contracts are generally entered into for an indefinite period of time and may be terminated upon relatively short notice. Material deviations from our standard template client service contract must be approved by our in-house legal department. We provide our services on an hourly rate basis or on a fixed fee basis, or a combination of both. If we provide our services on an hourly rate basis, our fees are calculated based on the time spent and direct expenses that are incurred. When we agree with a client to provide services on a fixed fee basis, we agree on a scope of work for the services to be provided and arrange that any services provided outside of the agreed scope of work will be invoiced separately or on an hourly rate basis.

INTERNAL ORGANIZATION AND RISK MANAGEMENT

General

Our business is centrally managed by the Executive Committee consisting of 11 members. See "*Management.*" Our centralized management organization enables us to initiate and roll-out sales, marketing, HR, finance, legal, compliance and risk management, internal audit, strategic and other initiatives in an integrated and coordinated manner throughout our global network and promote that our organization works together as "One Intertrust, One Team." We believe that this centralized management structure distinguishes us from most of our competitors who do not have the same centralized and coordinated approach on a global basis.

We adopted the "three lines of defense model" that outlines the relationships and responsibilities of the business, compliance and risk management, and internal audit functions.

First line of defense: Business

Our business teams bear primary responsibility for identifying, controlling and monitoring the risks within their processes, maintaining effective internal control frameworks and adhering to global compliance policies and standards.

Second line of defense: Compliance and Risk Management

The Compliance and Risk Management team is globally responsible for coordinating, developing and monitoring our risk management processes and adherence to compliance standards and procedures. The Compliance and Risk Management team is responsible for providing the independent risk reports to the Executive Committee, our Supervisory Board and our Audit and Risk Committee. The Compliance and Risk Management team also monitors changes that may impact the risk profile of the business and whether it is appropriate to provide new services to existing clients. The Compliance and Risk Management team further ensures that employees in every office receive compliance training, in addition to the mandatory Group-wide e-learning courses on AML and other relevant topics.

Third line of defense: Internal Audit

The independent Internal Audit team conducts audits that provide insights into how and to what extent we control the risks that may jeopardize our strategic and other objectives. These audits provide management with additional assurance on the effectiveness of internal controls and risk management.

Legal

As of September 30, 2018, our in-house legal department consisted of four FTEs at HQ (not including local teams) headed by our General Counsel who reports to our CEO. We operate in a regulated and litigation sensitive environment. We acknowledge the importance of managing our legal risks and monitoring any legal proceedings and potential claims and mitigating any potential risks and liabilities resulting from such legal proceedings and claims. In order to ensure that we control our legal risks, we have implemented certain procedures and controls aimed at identifying, reporting and monitoring the legal risks related to our operations. Our General Counsel is tasked with the observance of these procedures and controls.

The General Counsel is also heading the General Data Protection Office and has appointed employees responsible for GDPR or local Data Protection Officers in each jurisdiction, who together oversee all privacy matters, data protection policies and reporting of the Group.

Compliance and Risk Management Function

Our compliance and risk management department is headed by our Global Head of Compliance and Risk Management and consisted of 55 FTEs, including HQ and local teams, as of September 30, 2018. The Global Head of Compliance and Risk Management has the authority to issue binding instructions and non-binding recommendations to the local compliance teams. Our Global Head of Compliance and Risk Management reports to our CFO.

On a local level, our offices in the Netherlands, Luxembourg, the Cayman Islands, Jersey, Guernsey, British Virgin Islands, Hong Kong, the UK, Curacao, the Bahamas, the Nordics, Spain, Switzerland, Ireland, Singapore, Dubai, Belgium and China each have their own compliance officers. The compliance officers of each local office assist our local management in identifying and assessing potential compliance risks, providing guidance and training on compliance matters, and performing a monitoring and reporting role. Local compliance managers and directors functionally report to a group compliance director. Each local compliance director reports to the managing director of its local office. Offices that do not have a compliance officer are assisted by a group compliance director who in turn reports to the Global Head of Compliance and Risk Management.

We have a compliance manual which describes our compliance framework and details our risk assessment and acceptance procedures and policies. Our compliance manual serves as a tool to guide our employees when performing their tasks and responsibilities in the conduct of our day-to-day business. In addition, we have a compliance charter which sets forth the principles, roles and responsibilities of our compliance team in relation to our clients, client entities for which we provide services, regulators and governmental authorities.

Like in any company, risk is inherent in the decisions that we take to manage and run our business and in the business processes established to assist in the achievement of our business objectives. Changes in the way we carry out our operations resulting from, for example, the expansion of our business organically or through acquisitions or changes in the regulatory framework of our industry, can place strain on our control mechanisms and become sources of risk. We have established effective risk and control elements in our overall corporate governance framework to mitigate these risks.

Our Management Board has overall responsibility for the establishment and oversight of our risk management framework. Our risk management framework is based on the COSO Enterprise Risk Management Framework provided by the Committee of Sponsoring Organisations of the Treadway Commission. The framework identifies four risk categories: strategic; operational; reporting/finance; and compliance. Periodic reporting with respect to the four risk categories takes place on the following items:

- reporting on certain pre-defined key risk indicators;
- reporting on incidents; and
- reporting on periodic risk self-assessments, which are performed annually.

Local offices prepare and discuss quarterly risk reports in local risk committees. These reports are also submitted to our Global Head of Compliance and Risk Management who is responsible for preparing a quarterly consolidated report for the Executive Committee and our Management Board.

Know Your Customer Controls

In order to comply with applicable KYC requirements we have a client acceptance policy in place, containing procedures for the assessment of new clients and entities and the review of existing entities as well as the beneficial owners and directors of such entities. We are required by law to assist in detecting and preventing activities relating to money laundering, terrorist financing and fraud and declare suspicious transactions to the local anti-money-laundering authorities. We are required to verify the identity of our clients and their ultimate beneficial owners and perform diligence on the source of funds used in transactions. In 2017, following the acquisition of Elian, we initiated the design and testing of a new process for accepting clients using best practices from both Intertrust and Elian. This unified process will be applied by the local offices. The aim is to have a more efficient process resulting in more reliable data in our local ViewPoint or similar database (which is an IT solution for the administration and management of business entities) and leading to more consistency creating the possibility of more central oversight. The new process was tested in Luxembourg in the first quarter of 2018 and is currently being further rolled out with IT and workflow support.

An important part of our KYC policy and our risk assessment policy is to gain insight into the business rationale of the entities and transactions that we service. Consequently, our risk assessment procedures are based on three pillars on which we gather information: (i) the ultimate beneficial owner or client; (ii) the activities or purpose of the entities or client entity; and (iii) the services to be provided by us. This risk assessment classifies the risk level of a client entity into high, medium or low risk. Depending on the risk classification of the relevant client entity, the final decision on client acceptance is made by the local acceptance committee or local management. Each office that has its own compliance director has a local acceptance committee to carry out the acceptance procedures for high- and medium-risk client entities. We consider client entities to be high-risk when the beneficial owner or client is a higher risk politically exposed person or a resident of a high-risk jurisdiction, or when the client or the client entity is engaged in certain high-risk types of business. In addition, a local acceptance committee is involved in the acceptance process for medium-risk client entities, such as certain real estate investments or entities with an independent board of directors. The acceptance procedures for high- and medium-risk clients for offices that do not have their own local acceptance committee are carried out by our acceptance committee for the Rest of the World. The client acceptance procedure for low-risk client entities is carried out by local management. In addition, a more rigid acceptance procedure is applied with respect to the acceptance of clients that are politically exposed persons. Such acceptance procedure involves unanimous approval of the local managing director, the local compliance director and the Head of Compliance.

Once accepted, client entities are reviewed on a recurring basis to ensure that the verification documents are updated and the entity keeps complying with applicable laws, regulations and our own rules and standards. Depending on the risk qualification, all files are submitted to a periodic review.

Internal Audit Function

As of September 30, 2018, our Internal Audit team consisted of two FTEs at HQ (not including local teams) led by our Head of Internal Audit who reports to our CFO and the Audit and Risk Committee of our Supervisory Board. Like in any company, risk is inherent in the decisions that we take to manage and run our business and in the business processes established to assist in the achievement of our business objectives. Changes in the way we carry out our operations resulting from, for example, the expansion of our business organically or through acquisitions or changes in the regulatory framework of our industry, can place strain on our control mechanisms and become sources of risk. We have established effective risk and control elements in our overall corporate governance framework to mitigate these risks.

Tax

As of September 30, 2018, we had one FTE at HQ, our Group Head of Tax, supported on an *ad hoc* basis by local tax compliance professionals. We recognize the importance of tax and tax compliance in a worldwide environment, which is evolving more and more rapidly and getting more and more complex. In order to ensure that we are in control of our tax obligations and risks, we have implemented a system of policies, procedures, processes and controls. As part thereof we have adopted a tax risk manual, setting forth our procedures for the identification, mitigation, control and reporting of tax risks related to all entities that form part of our Group. Our Group Head of Tax, who reports to our CFO, is responsible for the observance of these policies, procedures, processes and controls. Our tax risk manual is part of our corporate governance model, which provides guidance on the management and the mitigation of risk across all areas of our business activity. In connection with the identification, mitigation, control and reporting of tax risks, our risk manual sets forth the roles and responsibilities for our tax department, as well as our finance department in those jurisdictions where we do not have a dedicated tax department. These roles and responsibilities include setting our tax policies, scoping and managing our tax risks, managing our tax basis and compliance requirements and supporting our senior management in transactions and operational decisions.

EMPLOYEES

We believe that the quality of our employees is key to providing our clients with high-quality services and building long-term relationships with our clients. We have a well-educated workforce, evidenced by a high proportion of our employees having higher education degrees or qualifications. As of September 30, 2018, our employees worked across 41 offices and 29 jurisdictions in Europe, the Americas, Asia Pacific and the Middle East.

Our employees include people trained as financial experts, lawyers, tax law professionals and accountants. Our workforce is comprised of employees of over 87 different nationalities. We put a lot of emphasis on talent development. To this effect, we have established our Global Intertrust Academy that provides a variety of training and education programs covering technical training, leadership development, business development and relationship management skills. Local faculties of the Global Intertrust Academy provide specific training programs aligned with local development needs. Through our Global Mobility Program, we seek to support the international mobility of our staff with a view to further developing the skillsets of our employees and further increasing cooperation, knowledge sharing and cross-selling across our global network. During 2017 and the nine months ended September 30, 2018, approximately 4% of our employees have undertaken an international assignment for a substantial period of time in one of the offices of our global network. We have a structured, global performance management and talent development process in place that supports our staff in maximizing their performance, achieve their ambitions and to prepare succession for our key positions.

In 2017 we launched a new global program called “One Journey” which aims to develop a positive workplace culture and environment as well as an “Intertrust way” of working. The program will have sustained delivery over a period of two to three years and result in a culture which we believe will make us an employer of choice. The launch of “One Journey” focused initially on the theme of building trust within teams and across the organization by exploring core building blocks of listening, developing a feedback culture and empowerment. To kick off the program we launched a global training initiative for 600 managers around the world to ensure they have the right skills to drive and embed our culture within their teams. A series of activities were designed so that every employee across the globe takes part in creating the workplace environment and culture they want to work in. At the same time, our aim is to remain an efficient organization. For instance, we therefore launched a headcount alignment program earlier this year, which involved around 60 employees and is aimed at maintaining efficiency in relation to the management of our staff related costs.

As of September 30, 2018, we employed 2,532 FTEs worldwide. As of September 30, 2018, approximately 75% of our employees were categorized as fee earning and assisted in the provision of services to our clients. The table below shows the number of FTEs per geographical segment at the dates indicated:

	September 30,	December 31,		
	2018	2017	2016	2015
The Netherlands	451	442	441	414
Luxembourg	478	464	421	383
The Americas	265	280	269	228
Jersey	303	329	350	N/A
Rest of the World	819	777	715	555
HQ and IT	217	175	164	134
Total	**2,532**	**2,468**	**2,359**	**1,714**

In 2017 we had 754 FTE joiners (excluding acquisitions) and 693 FTE leavers. Our 2017 annual turnover was 28.1%, of which 23.5% was voluntary (meaning staff who resigned as opposed to leaving for other reasons). The annual turnover for 2017 was higher than in previous years (25% in 2016 and 22% in 2015). As a result, we have accelerated our retention programs and increased our investment in recruitment and hiring capabilities (predominantly in the Netherlands and Luxembourg).

During 2017 we analyzed the causes of increased staff turnover further. Following this analysis, we undertook several initiatives to mitigate this:

- local employer branding and recruitment drive increased competition in local and international labor markets requires us to invest more time in local employer branding and recruitment efforts. Various countries use graduate events and social media to increase access to talent pools;
- management skills training and global culture program increased demand for career development opportunities, especially among younger workers, has led us to prioritize

management skills training and to launch our global culture program which will empower our managers to better guide the careers of their staff; and

- we believe we can retain staff better by investing more time and effort in onboarding. Various local initiatives were taken in 2017 to assist new recruits at the start of their Intertrust career and global initiatives have been taken in 2018 to create minimum standards for onboarding globally. For example, we are currently developing a global induction program that will ensure whichever location a new employee joins, they have a consistently positive global experience, designed to effectively induct them into our organization and allow them to become productive and settled quickly.

As of September 30, 2018, we had 712 FTE joiners (excluding acquisitions) and 615 FTE leavers. Our turnover for the nine months ended September 30, 2018 was 23%, of which 18% was voluntary (meaning staff who resigned as opposed to leaving for other reasons). The turnover for the nine months ended September 30, 2018 was higher than for the nine months ended September 30, 2017.

We operate an annual target setting and appraisal cycle supported by clear guidelines for performance indicators and a calibration process that is aimed at monitoring development in fixed and variable pay, ensuring fairness and diversification among our employees. We recognize the importance of a strong and cohesive corporate culture that is aligned with our strategy. To this effect, we have defined four corporate values: responsiveness; innovation; collaboration; and excellence. Each corporate value is paired with certain specific required behaviors which are measured as part of our annual appraisal cycle. We have a performance based reward policy, “Pay for Performance,” aimed at incentivizing our employees to participate in the success of our business. Performance is measured both on behavioral targets, 40%, and quantitative KPI’s, 60%.

Our HR strategy is centered on increasing employee engagement. We believe that the ability of our managers to speak with their teams about personal development and learning as well as to discuss feedback, is vital in creating a highly engaged workforce. To assist them, we run our annual global employee engagement survey and coordinate initiatives to follow up on these survey outcomes. During this process, each team creates an action plan based on the team results while managing directors create their own focusing on overall strengths and improvement for the office. The global results are used as input for the development of our “One Journey” culture program.

We have started to standardize our worldwide recruitment processes in order to maximize the effectiveness of our recruitment channels, including social networks and referrals. We have defined a clear communication approach to ensure the consistent messaging of our value proposition towards the labor market. In order to safeguard the quality of the people we hire and to safeguard our reputation, we apply strict pre-employment screening measures and use assessment tools in our selection process.

CORPORATE SOCIAL RESPONSIBILITY

We are aware of our role as gatekeeper and a facilitator of legitimate international investment and trade. We therefore make careful choices about the clients we work with and look to foster long-term relationships with them based on trust and transparency. We interact with our business partners on the same basis, to ensure our mutual clients’ needs are correctly met. To achieve these goals, we have nurtured a culture and implemented corresponding systems and procedures across our organization that are aligned to our values of partnership, people, commitment, integrity and quality. Directive 2013/34/EU also requires us to be increasingly transparent as a business. This directive covers issues such as: our business model; environmental, social and personnel matters; human rights; corruption and bribery prevention; and diversity among our leadership.

In addition, the revised corporate governance code puts more emphasis on the development and implementation of a policy directed at long-term value creation and transparency. In 2018 we formulated objectives and key performance indicators. In this way, we are able to show that we are delivering on our goals.

Our Corporate Social Responsibility program sets out a global approach to sustainability. It guides our actions by focusing on three key areas: Business ethics & compliance; People, culture & environment; and Intertrust Foundation (community).

- Business ethics & compliance

We recognize that by assisting reputable companies, financial institutions, funds and private individuals to comply with their legal, financial and regulatory reporting obligations we are creating conditions for the sound, transparent and lawful conduct of international trade and investment. Making choices about who we serve and how we serve them is an important part of this process. We therefore consider compliance and integrity within a stringent regulatory environment to be an integral part of our business identity.

- People, culture & environment

We endeavor to be the employer of choice in our sector and are committed to partnership and integrity in the workplace. We make substantial investments to ensure a sustainable growth path by fostering a healthy company culture and by developing our employees.

- Intertrust Foundation (community)

Our Corporate Social Responsibility program also consists of the Intertrust Foundation. The Intertrust Foundation has been established to support employee-led initiatives for the benefit of certain youth and education programs. The Intertrust Foundation has Intertrust ambassadors in each office that engage our staff in corporate giving. The Intertrust Foundation has developed and is maintaining an Early Childhood and Development Centre in Gambia, in partnership with Child Fund International. Our leadership development also focuses on corporate social responsibility and two leadership trips for our senior managers have been organized to Gambia. In 2017, the Intertrust Foundation initiated a new multi-year global project to mark our 65th anniversary. We announced a three year global partnership with SOS Children's Villages. The new corporate social responsibility charity partner was chosen by employees.

INSURANCE

We maintain a comprehensive insurance program for our businesses and operations. Our insurance program includes a combined directors' and officers' and professional indemnity insurance (including outside directorship liability), comprehensive crime, electronic and computer insurance, and general liability insurance. Our professional indemnity insurance provides coverage against claims arising in connection with services provided by our employees on our behalf, including services provided by our employees as directors of client entities. Pursuant to our standard employment agreements, we typically indemnify our employees for damages arising out of claims made by third parties in connection with the services that our employees provide in good faith to our clients on our behalf, except in the event of gross negligence or willful misconduct. We believe that we maintain insurance coverage in a manner consistent with customary practices in our industry. We cannot guarantee, however, that we will not incur any losses or be the subject of any claims that exceed the scope of the relevant insurance coverage. We continue to re-assess at each renewal the possibility to optimize our insurance structure taking into account both insurance market conditions and the expansion of our business.

We provide directors' and officers' liability insurance for all members of our Management Board, our Supervisory Board and the Executive Committee, as well as certain other persons within our Group.

INFORMATION TECHNOLOGY

We believe that a number of capabilities allowing us to differentiate our proposition from those of our competitors are enabled by our IT systems. Although we create value through people driven services, IT and technological innovation plays a key role in optimizing our service levels and increasing the interaction and retention of clients. At the same time we use our IT systems to improve collaboration and achieve efficiency gains. Our IT systems enable effective data processing and the protection of our clients' sensitive and confidential information. We mitigate the inherent risks to the usage of IT systems and the processing and storage of data by network security measures, business continuity planning, controls, planning and monitoring. For the period 2015 to 2021, our IT cost is expected to be on average 7.1% of our revenue, which would exceed the expected industry average IT cost of 4.7% of revenue over the same period. Over the same period, IT cost as a percentage of revenue in the industry is expected to vary between 2.0% in the lower quartile and 6.0% in the upper quartile, so our IT cost is expected to also exceed the upper quartile in the industry. This IT investment ahead of our peers has allowed us to develop the technology foundations of a digitally enabled firm.

Because of the importance of IT for our business, we have set out an IT roadmap ("**IT Roadmap**") pursuant to which we plan to continue to invest in innovation and technology with specific focus on the improvement of our global IT infrastructure and on the development of a solid and robust technology foundation to give our clients insight, transparency and controls of their data though portal technology. With regards to our IT infrastructure developments, we are focusing on a migration strategy to cloud infrastructures and services (IaaS, SaaS and PaaS) which is expected to enable us to ensure flexibility, scalability and continuation of critical IT services in the event of a disaster.

Furthermore, our IT Roadmap includes the implementation of a new reliable and easily scalable workspace hybrid solution consisting of local application installations and virtualization which is expected to be supported by a completely new network infrastructure. Full IT integration of recent mergers and acquisitions is also in our agenda, which is expected to benefit us by strengthening relationship with our clients and consolidating our IT infrastructure. We are in the process of implementing our IT Roadmap in our various geographical segments, and implementation of certain aspects of the IT Roadmap is already completed in the Netherlands, Luxembourg and the Rest of the World. We estimate that the IT Roadmap will be fully implemented by the end of 2019.

From a security perspective, we fully recognize the importance of maintaining a comprehensive information security program to protect confidential information in an integrated financial services environment. IT security is embedded in our information security policy and framework. The security policies are deeply integrated within all IT activities in our IT department. In addition, information security is not just an IT matter but is discussed globally between various functions, including audit, risk, compliance and legal, and there is regular communication with local management and local IT on security matters.

INTELLECTUAL PROPERTY

We are the owner of several trademarks, trade names and logos worldwide, including several trademarks for Intertrust and ATC, a provider of expert administrative services in various jurisdictions, based and registered in Luxembourg. We believe that our core intellectual property rights are adequately protected. Trademarks for the words and the word-and-picture combinations used by our Group companies have been registered, or are in the process of registration, in the countries in which they are located.

LEGAL AND ARBITRATION PROCEEDINGS

As a provider of expert administrative services, we operate in a litigation sensitive environment and the amounts of damages claimed from us can be material. See "*Risk Factors—Risks Related to our Business and Industry—As a provider of expert administrative services, we operate in a litigation sensitive environment and are susceptible to litigation and claims*." We are involved in a number of legal proceedings that have arisen in the ordinary course of our business. Other than as discussed below, we believe that there are no material legal, arbitration or governmental proceedings in which we are involved and which are currently pending or with which we have been threatened that may have a material adverse effect on our financial position or profitability. We intend to continue to defend the matters discussed below vigorously and although we believe that we have good arguments to defend ourselves against these claims, the outcome of legal proceedings can be extremely difficult to predict with certainty and we can offer no assurances as to the outcome. We maintain professional indemnity insurance and outside directors' and officers' insurance to protect ourselves against legal claims. Our professional indemnity insurance provides coverage against claims arising in connection with services provided by our employees on our behalf, including services provided by our employees as directors of client entities. See "—*Insurance*." Where appropriate, we record a provision for legal and arbitration proceedings when there is a sufficient probability that a dispute or claim will result in a loss and the amount of such loss can be reasonably estimated.

Legal Proceedings

In September 2012, a former managing director of a client entity involved two of our subsidiaries in Luxembourg in their respective capacities as former domiciliation agent and former supervisory auditor of the client entity in legal proceedings before the courts of Luxembourg relating to the bankruptcy of the client entity. Initially, the claimant sought damages in an amount of €33.8 million, alleging failure by the first subsidiary to forward the initial summons to court regarding the bankruptcy proceedings of the client entity in a timely fashion, as a result of which it is claimed that the client entity was prevented from taking action to avoid its bankruptcy. The claim further alleges that the subsidiary failed to prepare the annual accounts and failed to convene the shareholders' meetings of the client entity appropriately. A second subsidiary was joined to the proceedings in its capacity as former supervisory auditor of the client entity. In March 2014, the court of first instance dismissed all claims against our subsidiaries. In March 2018, the Luxembourg court of appeal confirmed the first judgment and dismissed the claims against one of our subsidiaries. The claimant may still file an appeal with the Luxembourg Supreme Court. Furthermore, there is one remaining claim against one of the subsidiaries, however, the Luxembourg court of appeal stayed the case until such subsidiary regularizes its legal representation. We have notified our insurance company and believe that the claim is covered by our professional indemnity insurance.

In August 2005, one of the shareholders of a client entity initiated legal proceedings before the courts of Switzerland against one of our subsidiaries in Switzerland which provided corporate director services to the client entity. The claimant demanded the return of 50% of the shares in the client entity to which he claimed to be entitled. In June 2012, the courts of Switzerland ruled that the relevant shares in the client entity had been wrongfully transferred and that the shares had to be transferred back to the claimant. The shares were subsequently transferred back. In June 2013, the claimant filed a preliminary claim before the courts of Switzerland, seeking compensation for damages in an amount of CHF 133.4 million. The claim alleged that our subsidiary, in its capacity as (former) director of the client entity, facilitated the aforementioned transfer of shares. In November 2013, the court granted the claimant three months to initiate formal legal proceedings, but no formal claim was filed. In January 2014, the claimant filed a second preliminary claim before the courts of Switzerland for a total amount of CHF 62.3 million in relation to the aforementioned transfer of shares. In April 2014, the court granted the claimant a further three months to initiate formal legal proceedings against our subsidiary. No legal proceedings have been initiated since. The claimant could, however, start legal proceedings against our subsidiary in the future. We believe that under the share purchase agreement with respect to the acquisition of our Group by Waterland Private Equity Investments in January 2010, our former shareholders are obliged to indemnify us for any liability arising out of this claim, although this indemnity is being contested by these former shareholders.

In June 2013, certain pension funds brought suit in the United States District Court in the Middle District of Louisiana against a number of parties, including one of our former employees who had provided director services to one of the funds, alleging, among other things, violation of the Louisiana Securities Act, breach of contract, negligent misrepresentation and unfair trade practices. The plaintiffs are seeking damages for lost investments in the amount of $100 million. Our former employee is one of many defendants in these proceedings and performed only a minor role with respect to the relevant funds. Consequently, we believe that the quantum of the claim bears no direct relation to any alleged culpability of our former employee. Our former employee has not been served with a formal claim. We have notified our insurance company and believe that the claim is covered by our professional indemnity insurance.

In August 2014, a publishing and communication company in Spain instituted legal proceedings before the Luxembourg courts against, among others, one of our client entities, two of our employees in Luxembourg (in their capacity as directors of that client entity) and a former employee of one of our subsidiaries in Luxembourg, who acted as a director of that client entity in the past. The claimant, a minority shareholder of the client entity, is seeking cancellation of a transaction regarding the transfer of shares that the client entity held in a Spanish company to a newly incorporated Dutch company in return for shares in that Dutch company. The claim is based on an alleged failure of the client entity's board of directors to comply with its articles of association and to convene an extraordinary general meeting of shareholders in order to approve the relevant transaction prior to implementation. The claimant alleges that, as a result of this transaction, its investment in the assets held through the client entity has reduced in value and claims an amount of approximately €10 million in damages in case the transaction cannot be annulled. We believe that the underlying matter is primarily a dispute between the relevant shareholders of the client entity. We have notified our insurance company and believe that the claim is covered by our professional indemnity insurance.

Since February 2015, one of our subsidiaries in the British Virgin Islands has received a number of notices from lenders under loan agreements entered into between such lenders and such subsidiary, acting in its capacity as trustee of a trust, as borrower. There are approximately 220 loan agreements concluded under the laws of Hong Kong with an aggregate outstanding principal amount of approximately $27.7 million. The loan proceeds received by the borrower/trustee were used to invest for the benefit of the trust in two funds managed by a third-party investment manager of the trust and of the two funds. As of June 2015, the trust had cash of approximately $1.9 million and the investments in the two funds had an estimated net value of approximately $1.5 million. The lenders' notices request full repayment of their loans and interest. The loan agreements provide that the borrower's liabilities under the loan agreements shall only be settled out of the borrower's claim to indemnity from the trust and the amount the borrower may receive from the undertaking provided by the trust's unit holder (i.e., the beneficiary of the trust which is in turn beneficially owned by the same natural person as the trust's investment manager) to repay the loan and interest in the event the borrower is unable to repay the same from the funds of the trust. Some lenders' notices have commented on the unusual structure of the trust and included allegations against our subsidiary, including allegations of misrepresentations, breaches of trust, failure to supervise the investment manager, failure to notify the lenders on a timely basis of losses incurred by the trust, and wrongful assistance to the investment manager and the unit holder in issuing and selling the loan agreements. No legal proceedings have been initiated against our subsidiary. We have notified our insurance company of the matter and believe that any claim that may arise from the matter should be covered by our professional indemnity insurance.

In November 2013, a beneficiary of a client entity established in Curacao filed a claim before the courts of Curacao against both the client entity and one of our subsidiaries in Liechtenstein which provided corporate director services to the client entity. The other beneficiary of the entity joined the proceedings, also filing a claim against the client entity and our subsidiary. The claims relate to past and future distributions made and to be made out of the client entity and other entities managed by our subsidiary to the beneficiaries and related entities. Both beneficiaries claim to be prejudiced and have requested the court to order our subsidiary to render account, while requests for declaratory judgments holding our subsidiary liable for an unspecified amount of damages have been commenced as well. The claims are based on allegations that our subsidiary breached its fiduciary duties by authorizing or failing to prevent certain unequal distributions made to the beneficiaries, for not providing required information and for treating the beneficiaries unequally. In July 2015, one of the beneficiaries filed another claim before the courts of Curacao and requested the reopening of proceedings that the relevant beneficiary started in 2000 before the courts of Curacao which resulted in a final judgment in 2007 (the "**2000 Legal Proceedings**"). In the 2000 Legal Proceedings, the beneficiary requested, among other things, a declaratory judgment that the assets of the foundation formed part of the inheritance of the beneficiary's testator and claimed that the client entity and our subsidiary be jointly and severally held liable to transfer the assets of the foundation to the legal heirs of the beneficiary's testator. Such claims were dismissed in 2007 as the beneficiary was unable to prove that the testator deposited funds in the foundation. Since then, a French court established that according to French law the capital of the foundation forms part of the testator's inheritance and information in relation to the foundation was made available to the beneficiaries. The relevant beneficiary saw cause for reopening the 2000 Legal Proceedings and the revocation of the judgments rendered therein. The request for reopening has lead the beneficiary to request the Court to stay the proceedings started in November 2013 until a final decision has been rendered upon the claims in the revocation proceedings. In

September 2017, the Court in Curacao ordered that the 2000 Legal Proceedings should be reopened. The other legal proceedings in Curacao are stayed. In 2016, the beneficiary initiated legal proceedings in Paris against the other beneficiary in order to have the inheritance reopened as it is alleged that assets would have been concealed. Two of our subsidiaries, together with the client entity, were summoned to intervene in these legal proceedings in May 2017. The Paris court has decided to stay the legal proceedings until decision in the Curacao legal proceedings is rendered. We have reasonable grounds to believe that under the share purchase agreement with respect to the acquisition of our Group by Waterland Private Equity Investments in January 2010, our former shareholders are obliged to indemnify us for any liability arising out of the claim related to the reopening.

In June 2015, a client company initiated legal proceedings in Luxembourg against the trustee of two trusts, in relation to two share and purchase agreements that were signed between the client company, as seller, and the trustee of two trusts, as buyers, whereby the client company was represented by its managing director, one of our former employees. The client company is contesting the validity of the share and purchase agreements and is therefore requesting the annulment or alternatively damages from the buyers in the amount of €10 million. One of the buyers has summoned, among others, our former employee, in March 2016 to be fully indemnified for any adverse judgment rendered against it and is also claiming an amount of €1 million as compensation for moral prejudice. We have notified our insurance company and believe that the claim is covered by our professional indemnity insurance.

In October 2018, a Dutch law firm filed a report at the Dutch Public Prosecution Office on behalf of an international campaign organization. The report is targeted at a number of entities that are alleged to be involved in money laundering activities. A company acquired by Intertrust in 2013 provided services to some of these entities from 2007 to 2008. Neither we nor any of our affiliates have had any dealings with these entities since 2008. While we do not believe that there has been any wrongdoing by us (including any member of the Group) in connection with this matter, we are continuing to monitor further developments.

Tax Matters

In 2015, the Belgian tax authorities delivered a notice to the third-party liquidator of one of our former subsidiaries for tax and penalties in the amount of approximately €16.4 million (to be increased with a late payment interest accruing as of May 1, 2012) in connection with Belgian dividend withholding tax over the payment of liquidation proceeds to a Swiss holding company in connection with the liquidation of the former subsidiary in 2012. No withholding tax was paid over the liquidation proceeds based on the EU/Switzerland agreement dated October 26, 2004 providing for measures equivalent to those laid down in Council Directive 2003/48/EC on taxation of savings income in the form of interest payments. The application of the exemption under this agreement has been challenged by the Belgian tax authorities on technical grounds. Formal tax complaints were filed as we believed we had good grounds to challenge the tax assessment and obtain either a full release or a considerable reduction of the tax amount and annulment of the penalties imposed. In 2017, the Belgian tax authorities delivered a formal decision containing a partial rescission of the imposed tax, and cancellation of the imposed penalties. The remaining assessment amounts to €9.8 million (to be increased with a late payment interest accruing as of May 1, 2012). The case was submitted to the relevant court in 2017 and the court procedure is ongoing. The outcome of the administrative proceedings or any appeal proceedings before the courts remains uncertain.

REGULATION

GENERAL

Certain of our subsidiaries are subject to regulatory oversight. Applicable rules and regulations require us to obtain licenses to perform certain of our business activities. In certain jurisdictions, we are subject to prudential supervision and certain business conduct requirements, such as minimum capital, solvency and liquidity requirements. In other jurisdictions without such requirements, we are supervised primarily through regulation governing corporate integrity and rules on accepting client business. A discussion of the regulatory requirements applicable to us in the Netherlands, Luxembourg, the Cayman Islands and Jersey is set out below.

THE NETHERLANDS

In the Netherlands, a number of our subsidiaries provide services that are regulated and subject to supervision by the Dutch Central Bank (*De Nederlandsche Bank*, the "**DNB**") and the Netherlands Authority for the Financial Markets ("**AFM**") in accordance with the Act on Supervision of Trust Offices (*Wet toezicht trustkantoren*, the "**Wtt**"), the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "**Wft**") and the Dutch Anti-Money Laundering and Counter-Terrorist Financing Act (*Wet ter voorkoming van witwassen en financieren van terrorisme*, the "**Dutch AML Act**").

Trust Activities

Pursuant to the Wtt, our subsidiaries that provide trust services in the Netherlands must obtain a license from DNB.

DNB has granted a group license to a number of our Group companies that provide trust services in the Netherlands. These licensed subsidiaries are subject to continuous supervision by DNB. The services which these subsidiaries provide include acting as a director for client companies and providing domiciliation services, corporate secretarial assistance, preparing tax returns, preparing annual accounts and bookkeeping.

The Wtt and associated regulations require for each of these subsidiaries that:

- the integrity of all members of the management board and supervisory board and factual policy makers is without doubt and each such person meets the applicable suitability and integrity requirements;
- any individual or entity, whether residing or established in the Netherlands or abroad, obtains prior approval from DNB for the acquiring or holding directly or indirectly of an equity interest of 10% or more in its capital;
- any change to the formal and actual control structure of the group of companies of which it is part obtains prior approval from DNB; and
- its business activities are carried out in accordance with the applicable provisions on integrity of business operations and administration, as well as the applicable requirements regarding administrative organization and internal control.

In addition, DNB must be informed in advance of any material changes in the direct or indirect shareholding structure of any of our subsidiaries that provide trust services. Significant changes in our business activities are discussed with DNB.

Pursuant to the Wtt, the formal and actual control structure of our subsidiaries that are licensed to provide trust services in the Netherlands must be sufficiently transparent to allow DNB to effectively supervise its business.

Non-compliance with the requirements promulgated under the Wtt may result in enforcement action being taken by DNB. Such action may take the form of, among other things, formal instructions (*aanwijzingen*), administrative fines, orders subject to an incremental penalty, increased regulatory compliance requirements or other potential regulatory restrictions on the our business, enforced suspension of operations and in extreme cases, withdrawal of licenses, removal of board members or criminal prosecution in certain circumstances. Accordingly, DNB can instruct the licensed trust company or its corporate bodies to implement certain changes in the composition of its management board or to replace certain policy makers that do not meet the applicable integrity requirements, may require that such persons no longer co-determine or determine the business policy of that licensed trust company, or require that the policy makers follow a certain course of action as determined by DNB.

Dutch Anti-Money Laundering and Counter-Terrorist Financing and Dutch Sanctions Act

Pursuant to the Wtt and the Dutch AML Act, trust offices regulated pursuant to the Wtt must, among other things: (i) perform a customer due diligence on all of its clients (either a simple or extensive due diligence, depending on the profile of the potential client) prior to entering into an agreement to provide services; (ii) perform an investigation on any ultimate beneficial owners that hold more than 25% of a client; (iii) monitor transactions by or on behalf of the client; (iv) report suspicious transactions to the Dutch Financial Intelligence Unit; and (iv) obtain significant knowledge on the purpose of and rationale for a structure. Non-compliance with the requirements promulgated under the Dutch AML Act may result in enforcement actions being taken by DNB or the AFM, which measures may take the form of, among other things, formal instructions (*aanwijzingen*), administrative fines, orders subject to an incremental penalty, increased regulatory compliance requirements or other potential regulatory restrictions on our business and in extreme cases, withdrawal of licenses, or criminal prosecution in certain circumstances.

Sanctions Act 1977

In accordance with the Dutch Sanctions Act 1977 (*Sanctiewet 1977*) our subsidiaries that provide trust services in the Netherlands must, in addition to their obligations under the Dutch AML Act, screen potential customers and transactions and take measures to verify whether their relationships appear on any sanction lists (such as EU decisions and/or regulations, decisions by the Dutch Minister of Foreign Affairs or UN Security Council Resolutions). The AFM and DNB, in their capacity of supervisory authorities, assess and enforce the effectiveness of the procedures and measures undertaken by institutions aimed at compliance with sanctions laws. A violation of the Dutch Sanctions Act 1977 constitutes a criminal offense and may have material implications such as criminal penalties and administrative fines.

AIFMD depositary Services

AIFMD-depositary Services

The depositary services provided by certain of our subsidiaries in the Netherlands are offered solely to open and closed-end alternative investment funds and their respective management companies as per the Alternative Investment Fund Management Directive ("**AIFMD**"). Intertrust Depositary Services B.V. ("**Intertrust Depositary Services**") is licensed by the AFM as a depositary in accordance with the Wft and it must comply with the applicable license requirements.

Legal Framework applicable to AIFMD-depositary and Custodian Services

The Wft and the rules promulgated thereunder require, among other things, that Intertrust Depositary Services:

- maintains a minimum capital of €730,000;
- ensures that the members of its management board and supervisory board and factual policy makers meet the applicable suitability and integrity requirements;
- requests the AFM's approval for any change to the formal and actual control structure of the group of companies of which it is part;
- pursues an adequate policy that safeguards controlled and sound business operations;

- implements asset segregation rules and procedures protecting the interests of the participants in the fund; and
- files its annual, audited financial statements with the AFM no later than four months after the end of the financial year.

LUXEMBOURG

Certain services that are performed by or through one of our subsidiaries in Luxembourg are regulated pursuant to the Luxembourg Law of April 5, 1993 on the financial sector, as amended ("**Luxembourg FS Act**") and subject to supervision by the Luxembourg Commission for the Supervision of the Financial Sector (*Commission de Surveillance Secteur Financier*, the "**CSSF**"). Certain of our subsidiaries hold a license as a specialized professional of the financial sector. Failure to comply with the Luxembourg FS Act and associated rules and regulations may result in criminal and administrative sanctions and fines in the case of significant breaches, or may result in limitations on the activities of or loss of license, each of which may result in an inability to perform a significant portion of our business in Luxembourg. The Luxembourg FS Act and associated rules and regulations are from time to time amended and we monitor such developments.

Trust Offices

Certain of our Luxembourg subsidiaries provide trust services, including services that are regulated under the Luxembourg FS Act, being the corporate domiciliation of client entities and the incorporation and management of client entities. For the management of client entities, our employees may act as administrator, director or manager of the client entity. In addition, we assist our clients in the communication with the Luxembourg public authorities.

Fund Services

Services provided under our Funds service line in Luxembourg include services that are regulated by the Luxembourg FS Act, such as acting as a registrar agent, professional depositary of assets other than financial instruments, corporate domiciliation agent, client communication agent, administrative agent of the financial sector, or assisting in the incorporation of a client entity and management services. Certain or our subsidiaries hold a license to provide administrative services to financial institutions, including credit institutions, professionals of the financial sector, insurance and reinsurance companies and investment funds. Accordingly, they are authorized to maintain confidential documents, transmit documents or information relating to client assets and services, manage mail granting access to confidential data, and consolidate financial positions held with different financial institutions.

Requirements

The Luxembourg FS Act requires to comply with prudential, organizational and audit rules, including the requirement that certain Luxembourg subsidiaries must:

- have sound administrative and accounting procedures, control and safeguard arrangements for electronic data processing, and adequate internal control mechanisms including, in particular, rules for personal transactions by its employees;
- maintain records of its executed transactions, which records must be sufficient to enable the CSSF to monitor the compliance with the relevant prudential rules, to be retained for the periods as set out in the Luxembourg Commercial Code and other laws;
- be adequately structured and organized to minimize the risk of prejudicing its clients' interests as a result of a conflict of interest;
- comply with minimum share capital requirements which, in connection with the different authorizations granted to certain of our Luxembourg subsidiaries should amount at all times to €500,000;
- communicate to the CSSF once a year the identities of the shareholders or members, whether direct or indirect and whether natural or legal persons holding any direct or indirect

holding representing 10% or more of the capital or of the voting rights or which makes it possible to exercise a significant influence over management (the "**Luxembourg Qualifying Holding**") and the amount of those Luxembourg Qualifying Holdings, and inform the CSSF as soon as it becomes aware of any change in such direct or indirect control or holding as described below; and

- have its annual accounts audited by one or more approved statutory auditors with adequate professional experience.

Change of Control

Any natural or legal person who has taken a decision to, directly or indirectly, acquire or dispose of a Luxembourg Qualifying Holding must notify the CSSF in writing, indicating the size of its intended holding. In addition, such person must notify the CSSF of its intention to increase or reduce its qualifying holding resulting in his percentage of voting rights or share capital exceeding or falling below certain thresholds, among other things.

Anti-money Laundering Regulations

Certain of our Luxembourg subsidiaries must comply with the professional obligations set forth in the law of November 12, 2004 as amended on the fight against money laundering and terrorist financing and associated rules and regulations, including, among other things, the obligation to (i) conduct customer due diligence for new and existing clients, as appropriate; (ii) arrange for adequate internal organization; and (iii) cooperate with the Luxembourg public authorities. Failure to comply with these rules may result in criminal sanctions.

Reporting and Supervision

Pursuant to the Luxembourg FS Act, certain of our Luxembourg subsidiaries are subject to certain reporting obligations. They may be subject to reviews and on-site audit processes conducted by the CSSF to verify their compliance with applicable laws, regulations and circulars.

THE CAYMAN ISLANDS

Certain of our Cayman subsidiaries provide services or are licensed in the regulated sectors of mutual fund administration, banking, company management, trust services. These subsidiaries have obtained certain licenses pursuant to the following Cayman Islands laws: the mutual funds law (as revised) (the "**Mutual Funds Law**"); the banks and trust companies law (as revised) (the "**Banks and Trust Companies Law**"); and the companies management law (as revised) (the "**Companies Management Law**").

As regulated entities, our Cayman subsidiaries are subject to supervision by the Cayman Islands Monetary Authority ("**CIMA**") under the laws pertaining to each regulated sector. Failure to comply with these laws or to cooperate with CIMA may result in criminal and administrative sanctions which may result in the inability to perform a significant portion of our business in the Cayman Islands. The relevant laws and statements of regulatory guidance as issued by the CIMA are periodically amended and we monitor such amendments and developments.

Although the regulation requirements vary per regulated sector, the Cayman subsidiaries subject to Cayman regulation must comply with the applicable minimum standard of corporate governance and administration and are required to monitor the controlling shareholdings in their share capital, in order to establish the fitness and propriety of its management and ownership. In addition, any acquisition of an interest in or control over such subsidiary requires approval from CIMA.

Certain of our Cayman subsidiaries are subject to review and on-site inspection by CIMA to ensure continued compliance with regulatory obligations. In addition, they are obligated to comply with minimum reporting requirements pursuant to the laws under which they are each licensed.

Mutual Fund Administration

Certain of our Cayman subsidiaries which provide services as a mutual fund administrator have obtained a license pursuant to the Mutual Funds Law. Acquiring a license is subject to the following requirements:

- sufficient expertise to administer regulated mutual funds;
- the business is administered by persons who are fit and proper to be directors, managers or officers, which relates to their honesty, integrity and reputation, competence and capability, and financial soundness; and
- a net worth of at least CI$400,000 unless CIMA is otherwise satisfied as to the applicant's financial viability; and
- having a place of business within the Cayman Islands and two individuals or a body corporate resident or incorporated in the Cayman Islands to act as agent, in the case of a full license.

Companies Management

Certain of our Cayman subsidiaries which provide management and registered office services have obtained a license pursuant to the Companies Management Law. Acquiring a license is subject to the following requirements:

- the applicant has sufficient expertise;
- the business is carried on by persons who are fit and proper to be directors, managers or officers having regard to their honesty, integrity and reputation, competence and capability, and financial soundness; and
- the applicant has a minimum net worth of CI$25,000.

For the provision of directorship services to client entities, the separate registration and licensing requirements under the Directors Registration and Licensing Law (as amended) apply.

Banks and Trust Companies

Certain of our Cayman subsidiaries which conduct banking or trust business from within the Cayman Islands have obtained a license pursuant to the Banks and Trust Companies Law. Acquiring a license is subject to the following requirements:

- the applicant has an approved place of business in the Cayman Islands which will be its principal office in the Cayman Islands;
- there are two individuals or an approved corporate body resident or incorporated in the Cayman Islands to be the applicant's agent; and
- the applicant has a net worth of at least CI$400,000 or such greater sum as may be determined by CIMA. After a license is granted the licensee must maintain this minimum net worth, and may be directed by CIMA as to the proportion of its resources that must be held in cash or cash equivalent instruments.

Certain of our Cayman subsidiaries which are licensed to conduct a banking or trust business must maintain a principal office in the Cayman Islands and require the prior consent from CIMA to change its office or agency arrangements. In addition, they must maintain a capital adequacy ratio of at least 10% or such other percentage as may be required by CIMA.

Certain of our Cayman subsidiaries which have obtained a trust license must maintain professional indemnity insurance or such alternative arrangements as approved by CIMA, in order to cover risks, which insurances or arrangements may include a financial commitment from a parent company.

Issue or Transfer of Shares

The issue, transfer, disposal or other dealings in the shares in the capital of certain of our Cayman subsidiaries may require prior approval of CIMA. However, because our shares are listed on Euronext

Amsterdam, the requirement for prior approval may be waived by CIMA, provided that CIMA is informed of any change of control or acquisition of more than 10% of issued share capital or total voting rights. CIMA has the authority to make the waiver of prior approval subject to other conditions.

Cayman Anti-Money Laundering and Counter-Terrorist Financing

Certain of our Cayman subsidiaries are required to comply with the anti-money laundering and terrorist financing provisions imposed under the Proceeds of Crime Law (as revised) of the Cayman Islands and the associated guidance published by CIMA. Certain of our Cayman subsidiaries are, among other things, required to maintain and perform adequate due diligence upon their clients, to ensure the operation of proper and adequate internal protocols and to pro-actively report suspicious activities to the relevant Cayman authorities. Certain of our Cayman subsidiaries are also required to ensure that client relationships and transactions do not infringe any sanction list which extends to the Cayman Islands. As a British Overseas Territory, all sanctions provisions implemented by the United Kingdom will generally extend to the Cayman Islands.

JERSEY

Certain of our Jersey subsidiaries provide services, and are registered for, financial services business within the meaning of Article 2 of the Financial Services (Jersey) Law 1998 ("**FSJL**"). These subsidiaries have been registered under Article 9 of FSJL for fund services business, investment business and/or trust company business.

As regulated entities, such Jersey subsidiaries are subject to supervision in Jersey by the Jersey Financial Services Commission (the "**JFSC**") pursuant to FSJL and its subordinate legislation, including the codes of practice issued by the JFSC ("**Codes of Practice**") which sets out the principles and detailed requirements that must be complied with in the conduct of financial services business. Failure to comply with the legislation and applicable Codes of Practice may result in criminal, administrative and monetary sanctions which may result in the inability to perform a significant portion of our business in Jersey. In addition to the Codes of Practice, the JFSC has issued various policy statements which it expects all regulated entities to comply with.

Fund Services Business

Certain of our Jersey subsidiaries are registered pursuant to Article 9 of FSJL to provide various classes of fund services business, including to act as manager, administrator, registrar and manager of a managed entity to funds that require a regulated service provider.

Our Jersey subsidiaries which hold a registration certificate for fund services business are required to comply with the relevant articles of FSJL as well as the code of practice for fund services business ("**Code of Practice for Fund Services Business**"). The Code of Practice for Fund Services Business includes eight core principles:

(1) a registered person must conduct its business with integrity;

(2) a registered person must have due regard for the interests of the fund;

(3) a registered person must organize and control its affairs effectively for the proper performance of its business activities and be able to demonstrate the existence of adequate risk management systems;

(4) a registered person must be transparent in its business arrangements with the fund;

(5) a registered person must maintain, and be able to demonstrate the existence of, both adequate financial resources and adequate insurance;

(6) a registered person must deal with the JFSC in an open and cooperative manner;

(7) a registered person must not make statements that are misleading, false or deceptive; and

(8) a registered person must, where relevant, comply with the applicable sections of the "Code of Practice for Alternative Investment Funds and AIF Services Business" (which includes detailed requirements and restrictions around each of the core principles with which our Jersey subsidiaries registered for fund services business must comply).

The Code of Practice for Fund Services Business includes detailed requirements and restrictions around each of the core principles with which our Jersey subsidiaries registered for fund services business must comply.

Investment Business

One of our Jersey subsidiaries is registered pursuant to Article 9 of FSJL to provide various classes of investment business, including dealing in investments, managing investments and giving investment advice.

The Jersey subsidiary which holds a registration certificate for investment business is required to comply with the relevant articles of FSJL as well as the code of practice for investment business ("**Code of Practice for Investment Business**"). The Code of Practice for Investment Business includes 7 core principles which are substantively similar to principles 1 to 7 (inclusive) of the Code of Practice for Fund Services Business, as set out above and again include detailed requirements and restrictions which must be complied with.

Trust Company Business

Certain of our Jersey subsidiaries are registered pursuant to Article 9 of FSJL to provide various classes of trust company business. Under Article 2 of FSJL a person carries on trust company business if the person carries on a business that involves the provision of (a) company administration services; (b) trustee or fiduciary services; (c) services to foundations; or (d) services to partnerships not being services described in (a) to (c) (inclusive), and in the course of providing those services the person provides services including (but not be limited to):

- acting as company formation agent, partnership formation agent or foundation formation agent;
- acting as or fulfilling the function of or arranging for another person to act as or fulfil the function of director or alternate director of a company, partner of a partnership or member of the council of a foundation;
- providing a registered office or business address for a company, partnership or foundation;
- acting as or fulfilling the function of or arranging another person to act as or fulfill the function of trustee of an express trust; and
- acting as or fulfilling or arranging for another person to act as shareholder or unitholder as nominee for another person.

The Jersey subsidiaries which hold a registration certificate for trust company business are required to comply with the relevant articles of FSJL as well as the code of practice for trust company business ("**Code of Practice for Trust Company Business**"). The Code of Practice for Trust Company Business includes 7 core principles which are substantively similar to principles 1 to 7 (inclusive) of the Code of Practice for Fund Services Business, as set out above and again includes detailed requirements and restrictions which must be complied with.

Change of Control

Pursuant to Article 14 of FSJL, no person shall become a principal person in relation to any entity which is registered to carry out any financial services business unless the person has given prior notification to the JFSC and the JFSC has confirmed that it has no objection. A "principal person" in relation to a company means:

(i) a person who, either alone or with any associate or associates:

    (A) directly or indirectly holds 10% or more of the share capital issued by the company;

    (B) is entitled to exercise or control the exercise of not less than 10% of the voting power in general meeting of the company or of any other company of which it is a subsidiary; or

(C) has a holding in the company directly or indirectly which makes it possible to exercise significant influence over the management of the company,

other than a person holding shares only as a custodian or its nominee and able to exercise the voting rights attached to the shares only under instructions given in writing (including by electronic means);

(ii) a director; or

(iii) a person in accordance with whose directions, whether given directly or indirectly, any director of the company, or director of any other company of which the company is a subsidiary, is accustomed to act (but disregarding advice given in a professional capacity).

In addition, no person who falls within limb (i) of the definition of principal person set out above shall increase, reduce or dispose of his or her holding in a regulated financial services business above or below certain thresholds unless the person has given prior notification to the JFSC and the JFSC has confirmed that it has no objection.

AML Regulations

Our Jersey subsidiaries are required to comply with the AML and terrorist financing provisions imposed under the Proceeds of Crime (Jersey) Law 1999, the Terrorism (Jersey) Law 2002 and the Money Laundering (Jersey) Order 2008 and various other primary and secondary legislation in this area. In particular, regulated financial services businesses are required to comply with the handbook for the prevention and detection of money laundering and the financing of terrorism (the "**Handbook**"). The Handbook requires the implementation of, and adherence to, effective systems and controls, including sound customer due diligence measures based on international standards.

MANAGEMENT

The following presents the governance of the Issuer and the Parent Guarantor as of the date of this Offering Memorandum.

THE ISSUER

The Issuer is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands on November 22, 2012, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands.

Management Board of the Issuer

The following table lists the members of the management board of the Issuer, their ages and positions as of October 31, 2018:

Name	Age	Position
Stephanie Miller	50	Management board member
Henk Pieter van Asselt	48	Management board member
Hans Turkesteen	54	Management board member

Summarized below is a brief description of the experience of the individuals who served as members of the management board of the Issuer as of October 31, 2018.

Stephanie Miller

Ms. Miller started as the Group's Chief Executive Officer (CEO) on January 22, 2018 and became member of the Management Board of the Parent Guarantor on February 7, 2018. She has over 27 years international leadership experience in the financial services sector, including executive roles in fund and corporate services businesses at listed companies. Most recently, she was senior vice president and managing director at SS&C Technologies, a global provider of investment and financial software-enabled services. Ms. Miller has previously held managing director positions at J.P. Morgan's fund administration business and Citco Fund Services. Ms. Miller holds a BA in Accounting and Management Information Systems from Queens College, City University of New York.

Henk Pieter van Asselt

Mr. van Asselt is the Group's Chief Commercial Officer (CCO) and since November 9, 2017 also member of the Management Board of the Parent Guarantor, responsible for Global Sales and Marketing and our four service lines. He started his career in 1997 at ABN AMRO Bank, where he held legal, commercial and management positions in the Netherlands, Curaçao and the US. He joined Intertrust in 2005 and expanded operations in North America before moving to London to re-start the UK and Ireland offices. He was appointed Global Head of Business Development in 2008 and became member of the Executive Committee as Global Head of Sales one year later. Mr. van Asselt holds a Master's degree in Civil Law from the University of Amsterdam.

Hans Turkesteen

Mr. Turkesteen has been the Group's Chief Financial Officer (CFO) *ad interim* since November 2017. He was appointed as CFO on August 1, 2018 and has been a member of the Management Board of the Parent Guarantor since October 17, 2018. He is a registered accountant and senior finance professional with over 25 years' experience in the professional services industry including roles at Arthur Andersen and Deloitte. More recently he served as CFO and member of the Management Board at listed Royal Imtech and before that at private equity-owned Stork. Mr. Turkesteen is also a member of the Supervisory Board and Chairman of the Audit Committee at Erasmus Medical Center

THE PARENT GUARANTOR

Supervisory Board and Management Board

As of the date of this Offering Memorandum, the Parent Guarantor was governed by a two-tiered board structure comprised of a Management Board and a Supervisory Board. Our Management Board is responsible for our strategy, policies, objectives and results, under the supervision of our Supervisory Board. Our Supervisory Board is responsible for supervising the policy of our Management Board and our general course of affairs and for advising our Management Board in determining our strategic direction. Our Management Board conducts the business of our Group in accordance with the applicable laws and regulations, the Parent Guarantor's Articles of Association and the Management Board Rules.

The address of each of the members of our Management Board and Supervisory Board is the registered office of the Parent Guarantor: Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands.

Supervisory Board of the Parent Guarantor

The following table lists the members of our Supervisory Board, their ages and positions as of October 31, 2018:

Name	Age	Position
Hélène Vletter-van Dort	54	Supervisory Board Chairperson
Lionel Assant	46	Supervisory Board Vice-Chairperson
Toine van Laack	55	Supervisory Board Member
Thony Ruys	71	Supervisory Board Member
Charlotte Lambkin	46	Supervisory Board Member
Paul Willing	53	Supervisory Board Member

Summarized below is a brief description of the experience of the individuals who served as members of our Supervisory Board as of October 31, 2018.

Hélène Vletter-van Dort

Mrs. Vletter-van Dort was appointed as Chairperson of our Supervisory Board in 2015. Mrs. Vletter-van Dort is a professor of European Financial Law & Governance at the Erasmus School of Law of the University of Rotterdam. She is the author of numerous books and articles on Financial Law and Corporate Governance. Her PhD research focused on the equal treatment of shareholders of listed companies when distributing price sensitive information. Mrs. Vletter-van Dort started her career in 1988 as an M&A lawyer at Clifford Chance in Amsterdam. Between 2004 and 2008 she served as a judge at the Enterprise Chamber of the Court of Appeal of Amsterdam. Mrs. Vletter-van Dort has held non-executive board positions with a variety of financial institutions, including Fortis Bank Netherlands and the Dutch Central Bank. From 2009 to 2018 she has been a member of the Dutch Monitoring Committee on Corporate Governance, appointed by the Dutch government. In October 2015, she was appointed to the Supervisory Board of NN Group, where she also serves as Chair of the Nomination & Governance Committee. In August 2017, she was appointed as non-executive Director in the Board of Barclays Bank PLC and Chair of the Remuneration Committee, and she was recently appointed as Chair of the protective foundation of Koninklijke Brill.

Lionel Assant

Mr. Assant was appointed as member of our Supervisory Board and vice-Chairperson in 2015. He is a Senior Managing Director and European Head of Private Equity for the Blackstone Group, based in London. Since joining Blackstone in 2003, Mr. Assant has been involved in various European investments and investment opportunities. Before joining Blackstone, Mr. Assant was an Executive Director at Goldman Sachs where he worked for seven years in the Mergers & Acquisitions, Asset Management and Private Equity divisions. Mr. Assant graduated from the École Polytechnique with a Master's degree in Economics. He serves as a Director of Tangerine, Armacell, Rhodia Acetow, Clarion Events, Schenck Process and Cirsa. Mr. Assant served on the boards of Gerresheimer, Kloeckner Pentaplast, Mivisa, United Biscuits and Alliance Automotive Group. He is also a Trustee of Impetus-PEF, a charitable foundation which provides resources to improve the lives of children and young people living in poverty.

Toine van Laack

Mr. van Laack was appointed as member of our Supervisory Board in 2017. He is a Registered Accountant with extensive international experience in the finance and accounting sector. He spent 25 years at EY where he held several senior positions, including Senior Audit Partner and Managing Partner for Transaction Advisory Services. More recently, he was Managing Director of Janivo Holding, an investment company and family office based in Zeist, the Netherlands. He has also held supervisory positions on various boards including TomTom, LBi and Nidera Capital. Earlier in his career at EY he spent several years working in Asia, including Singapore and Indonesia. Mr. van Laack also serves as non-executive director at Vroon Shipping, an international shipping company with headquarters in the Netherlands, as non-executive Chairman of Favorita Holdings, an investment holding company in Malta, and was recently appointed as non-executive director at EMS, a payment solutions company. He holds a Registered Accounting degree from NBA and also completed the Harvard Advanced Management Program.

Thony Ruys

Mr. Ruys was appointed as member of our Supervisory Board in 2015. Mr. Ruys is the former Chairman of the Executive Board of Heineken. He holds a degree in commercial law from the University of Utrecht and a Master's degree from Harvard Business School. He was appointed an Officer of the Order of Orange-Nassau by the Dutch government in 2005. Mr. Ruys commenced his career at Unilever in 1974. During his tenure at Unilever, he served at various senior positions, including that of Marketing Director and Chairman of various subsidiary companies in the Netherlands, Colombia and Italy. In 1993, he joined Heineken as a member of its Executive Board, became Vice Chairman in 1996 and Chairman in 2002 and remained in that position until 2005. Mr. Ruys has served as a non-executive Chairman of the Board of the Schiphol Group until April 2015, and he has served as a non-executive Board member of ABN AMRO, BAT (UK), ITC (India), Lottomatica (Italy) and Janivo Holding. Mr. Ruys holds a non-executive position at Stichting Beelden aan Zee. In January 2017, Mr. Ruys was appointed as member of the Board of Directors of HunterDouglas Group.

Charlotte Lambkin

Ms. Lambkin was appointed as member of our Supervisory Board in 2017. She is an experienced member of FTSE 100 executive committees and a seasoned corporate affairs and communications professional. Ms. Lambkin is also a member of Edelman's UK Advisory Board and a consultant to their corporate affairs practice. Edelman is one of the world's largest marketing communications firms. Most recently, she served as Executive Committee member and Corporate Relations Director at Diageo, the UK headquartered FTSE 10 listed global alcoholic beverages company. Prior to that, she spent ten years at BAE Systems, a UK-headquartered FTSE 30 listed defense, aerospace and security solutions company, as Executive Committee member and Group Communications Director. She started her career in a communications consultancy, advising boards of large multi-nationals. She is a graduate in History from Bristol University.

Paul Willing

Mr. Willing was appointed as member of our Supervisory Board in 2017. Mr. Willing is the former CEO of Elian, having held that position from 2009 until the acquisition of Elian by us in 2016. After joining Intertrust as a result of that acquisition, he became Managing Director Atlantic Region for the combined organization, until he stepped down from his executive responsibilities in July 2017. He has over 25 years of financial services experience, with an extensive career at PwC in both Jersey and Geneva. He is a graduate of the University of London and qualified as a Chartered Accountant in 1991. Mr. Willing is resident in Jersey and holds several non-executive Director positions at fund groups.

Management Board of the Parent Guarantor

The following table lists the members of our Management Board, their ages and positions as of October 31, 2018:

Name	Age	Position
Stephanie Miller	50	Management Board member and Chief Executive Officer (CEO) of the Group
Henk Pieter van Asselt	48	Management Board member and Chief Commercial Officer (CCO) of the Group
Hans Turkesteen	54	Management Board member and Chief Financial Officer (CFO) of the Group

Executive Committee

The Executive Committee is entrusted with the day-to-day management of the Group, in particular with respect to setting, implementing and achieving our strategic, operational and financial objectives.

The following table lists the members of the Executive Committee, their ages and positions as of October 31, 2018:

Name	Age	Position
Roberto Canenti	47	Chief Human Resources Officer (CHRO)
Theo Splinter	47	Chief Operating Officer (COO)
James Nolan	58	Head of Strategy and M&A
Sara Jonker-Douwes	40	Managing Director, the Netherlands
Frank Welman	55	Managing Director, Luxembourg
James Ferguson	52	Head of Americas
Simon Mackenzie	46	Managing Director, Jersey
Daniel Jaffe	43	Managing Director, Rest of the World

Summarized below is a brief description of the experience of the individuals who were members of the Executive Committee as of October 31, 2018.

Roberto Canenti

Mr. Canenti joined Intertrust in June 2018 as Chief Human Resources Officer (CHRO) and Executive Committee member, based in Amsterdam. Mr. Canenti has more than 20 years' HR-specific experience and most recently worked for Virtu Financial (previously KCG), where he was Head of HR Europe and Asia since early 2015. Prior to this, he was with Barclays for over ten years where he held various global executive HR roles. Mr. Canenti, a British national, graduated with a BA in Politics from the University of Exeter.

Theo Splinter

Mr. Splinter joined Intertrust in June 2018 as Chief Operating Officer (COO) and member of the Executive Committee. In this new role he has global responsibility for operations, IT, change management and procurement within our Group. Mr. Splinter has more 20 years of experience and joined Intertrust from BNP Paribas, where he was COO of Alternatives and COO of Security Services in Luxembourg and its European centers of excellence. Prior to joining BNP Paribas in 2015, he spent five years at Credit Suisse, including as Managing Director Credit Suisse Prime Services and COO of Hedge Fund Services. Mr. Splinter started his career at Citco Fund Services, where he held several executive roles.

James Nolan

Mr. Nolan joined Intertrust in June 2018 as Head of Strategy and M&A and member of the Executive Committee, based in Amsterdam. In this new role he is responsible for co-leading the

Group's strategic agenda, including M&A. Mr. Nolan is an experienced senior executive professional who led the M&A transformation at Royal Philips for 15 years and more recently was Head of M&A at Veon. He is qualified as a lawyer in the UK and has an MBA from INSEAD. Mr. Nolan, an Irish national, also holds various non-executive board positions, including Chairman of the Supervisory Board at Vlisco.

Sara Jonker-Douwes

Before joining Intertrust in January 2018 as Managing Director of Intertrust Netherlands and member of the Executive Committee, Ms. Jonker-Douwes headed the Netherlands office of Link Group, formerly known as Capita Asset Services (part of Capita plc.). In her previous role, Ms. Jonker-Douwes deployed several new initiatives to deliver business growth, including the setup of a successful greenfield operation to provide debt solutions services. In addition, Ms. Jonker-Douwes has been responsible for Capita's corporate services offices in continental Europe since 2015, where she managed various integration and transformational programs. Earlier in her career, Ms. Jonker-Douwes held various positions at SGG Group, ING Trust, ING Investment Management. Ms. Jonker-Douwes holds a Master's degree in International Business Law from the University of Amsterdam and has taken various courses at London Business School, INSEAD and Nyenrode University and the Amsterdam School of Real Estate.

Frank Welman

Mr. Welman is the Managing Director of Intertrust Luxembourg and Executive Committee member, having re-joined Intertrust in 2015. Previously, Mr. Welman held various management positions within the trust, corporate and fund services industry. From 2005 to 2015, he held senior roles at TMF Group, including Head of Benelux, Global Head of International Structuring, Managing Director of the Luxembourg office and member of the Executive Committee. Prior to that, Mr. Welman was responsible for a number of MeesPierson Trust subsidiaries. Mr. Welman holds a Master's degree in Dutch tax law from the University of Leiden.

James Ferguson

Mr. Ferguson joined Intertrust in March 2018 as Head of Americas and member of the Executive Committee. Based in New York, Mr. Ferguson is responsible for our six offices in the US, as well as our offices in Bahamas, Brazil, the British Virgin Islands, Canada, Curacao, and our key office in the Cayman Islands. Mr. Ferguson has over 20 years of experience in corporate and fund services, including several senior executive leadership roles. Mr. Ferguson most recently worked for US Bank, where he was Global Head of Strategy and Product Development of US Bank's Wealth Management & Investment Services division. Prior to US Bank he spent 17 years at J.P. Morgan as Global Head of Alternative Investment Services. Mr. Ferguson holds a Bachelor of Arts in Political Science and Legal Studies, and a Bachelor of Law degree.

Simon Mackenzie

Mr. Mackenzie is Managing Director of Intertrust Jersey and Executive Committee member. Mr. Mackenzie was Group Director and Global Head of Corporate Services at Elian until its acquisition by us in 2016. He had global responsibility for the growth and development of Elian's corporate services businesses in Jersey, Guernsey, Luxembourg, London, the British Virgin Islands, the Cayman Islands and Hong Kong. He was previously a partner in the Ogier Group. Mr. Mackenzie has significant fund administration experience including board positions on mezzanine, private equity and real estate fund managers and general partnerships. He also has extensive experience acting as a director in the real estate, healthcare, telecoms, infrastructure, natural resources, insurance, retail and technology sectors, including restructuring and refinancing. Mr. Mackenzie graduated in 1992 from Dundee University as a Bachelor of Law (LLB). He is a member of the Society of Trust and Estate Practitioners (STEP) and holds the STEP Diploma in International Trust Management with distinction (2002). He is also a member of the Institute of Directors.

Daniel Jaffe

Mr. Jaffe has been Managing Director of Rest of the World and member of the Executive Committee since January 2018, with responsibility for 18 jurisdictions. Mr. Jaffe commenced his career in London as relationship banker for a major European bank. He then moved across to the US as Vice President for their West Coast operations specializing in infrastructure, retail and service clients. In 2009 he moved to Intertrust UK as Commercial Director and held the position of Managing Director between 2012 and 2015. Prior to his current role, Mr. Jaffe was Managing Director of Intertrust Singapore. Mr. Jaffe holds a Bachelor of Arts (Honors) in French and Business studies from The Manchester Metropolitan University and is also a Member of Chartered Institute of Bankers in Scotland.

DIRECTOR AND EXECUTIVE OFFICER COMPENSATION

The aggregate compensation paid and accrued in the year ended December 31, 2017 for the members of our Supervisory Board, our Management Board and the Executive Committee amounted to €4.87 million in total, consisting of a fixed salary and performance-related components.

PRINCIPAL SHAREHOLDERS

The Issuer is a wholly owned subsidiary of the Parent Guarantor, a holding company. As of October 31, 2018, the following parties had made a notification to the Netherlands Authority for the Financial Markets with respect to their shareholding of at least 3% in the Parent Guarantor:

- 12 West Capital Management LP: 7.07% interest;
- The Blackstone Group LP: 7.04% interest;
- Norges Bank: 3.68% interest;
- Investec Asset Management: 3.44% interest;
- JP Morgan Asset Management Holdings Inc.: 3.10% interest;
- FMR LLC: 3.10% interest;
- Portland Hill Asset Management Ltd.: 3.09% interest;
- Lucerne Capital Management LLC: 3.09% interest; and
- Schroders Plc: 3.01% interest.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

TRANSACTIONS WITH MANAGEMENT

Key management personnel are defined as the members of our Management Board and the Group's Executive Committee as of October 31, 2018.

We have no material arrangements or agreements, nor have we entered into any material transactions with key management personnel.

DESCRIPTION OF OTHER INDEBTEDNESS

The following is a summary of the material terms of our principal financing arrangements. The following summaries do not purport to describe all of the applicable terms and conditions of such arrangements and are qualified in their entirety by reference to the actual agreements. We recommend you refer to the actual agreements for further details, copies of which are available upon request.

NEW FACILITIES AGREEMENT

Overview and Structure

As part of the Transactions, the Issuer will enter into the New Facilities Agreement on or around the date of this Offering Memorandum in relation to the New Facilities, with, among others, Deutsche Bank AG, London Branch, Goldman Sachs Bank USA, ABN Amro Bank N.V., HSBC Bank plc. ING Bank N.V. (as mandated lead arrangers), certain lenders named therein and Deutsche Bank Luxembourg S.A. (as Agent). The primary purpose of the New Facilities Agreement is to, together with the proceeds from the Offering and cash on hand: (i) repay in full borrowings under the Existing Facilities Agreement; and (ii) pay costs, fees and expenses incurred in connection with the New Facilities, including certain financing fees with respect to the New Facilities, legal and accounting expenses and other transaction costs.

The New Facilities include the US dollar-denominated bank loan in an amount of $200,000,000 and the pound sterling-denominated bank loan in an amount of £100,000,000 (together, the "**New Term Facilities**") and a multicurrency revolving credit facility in an amount of €150,000,000 (the "**New Revolving Credit Facility**" and, together with the Term Facilities, the "**New Facilities**"). The New Term Facilities are borrowed by the Issuer and the New Revolving Credit Facility may be borrowed by the Issuer and certain other members of the Group.

Interest and Fees

Loans under the New Revolving Credit Facility will initially bear interest at rates per annum equal to EURIBOR (subject to a 0% floor), for loans denominated in euro, or for loans denominated in a currency other than euro, LIBOR plus a margin of 1.85% per annum (which shall be subject to reduction in accordance with a ratchet linked to the net leverage of the Group).

Loans under the New Term Facilities will initially bear interest at rates per annum equal to LIBOR plus a margin of 2.25% per annum (which shall be subject to reduction in accordance with a ratchet linked to the net leverage of the Group).

The Issuer is also required to pay a commitment fee, quarterly in arrear, on available but unused commitments under the New Revolving Credit Facility at a rate of 35% per annum of the applicable New Revolving Credit Facility margin for the period commencing on the Issue Date and ending on the last day of the relevant availability period.

The Issuer is also required to pay a utilization fee, quarterly in arrear, which accrues on the loans drawn under the New Revolving Credit Facility until the maturity date of the New Revolving Credit Facility and is based on the amount of drawn New Revolving Credit Facility loans (and excluding any drawn ancillary facility loans and/or letters of credit) as a percentage of the total commitments under the New Revolving Credit Facility. If more than two-thirds of the New Revolving Credit Facility is drawn by way of loans, a utilization fee equal to 0.40% is payable on such drawn loans, if less than two-thirds but more than one-third of the New Revolving Credit Facility is drawn by way of loans, 0.30% is payable on such drawn loans and if less than one-third of the New Revolving Credit Facility is drawn by way of loans, a utilization fee equal to 0.15% is payable on such drawn loans.

Repayments

Each loan under the New Revolving Credit Facility will be repaid on the last day of the interest period relating thereto, subject to a netting mechanism applicable to amounts being drawn on the same date. Amounts made available under the New Revolving Credit Facility may be repaid and re-borrowed during the availability period for the New Revolving Credit Facility subject to certain conditions.

Amounts made available under the New Term Facilities may not be re-borrowed after being prepaid or repaid.

The final maturity date of the New Facilities is the date falling 60 months after the Issue Date.

All outstanding amounts under the New Term Facilities will be repaid on the final maturity date of the New Term Facilities.

The New Facilities Agreement contains a mechanism for incremental debt to be incurred, by way of additional facilities, under the New Facilities Agreement. The termination date for a facility under an additional facility commitment is the date agreed between the Issuer and the relevant lenders, provided that (subject to limited exceptions) it shall be no earlier than (a) the maturity date for the New Term Facilities in respect of additional term facilities ranking *pari passu* with the New Term Facilities, (b) the day after the maturity date of the New Term Facilities in respect of additional term facilities ranking junior to the New Term Facilities and (c) the maturity date for the New Revolving Credit Facility in respect of additional revolving facilities (unless the New Revolving Facility is to be cancelled and repaid in full after giving effect to the proceeds of such facilities).

Voluntary Prepayment and Mandatory Prepayment

The New Facilities Agreement allows for voluntary prepayments (subject to minimum amounts). The New Facilities Agreement also permits each lender to require the mandatory prepayment of all amounts due to that lender under the New Facilities Agreement upon a Change of Control (as defined in the New Facilities Agreement) or illegality.

Guarantees

The Issuer and the Guarantors have (subject to certain limitations) provided guarantees of all amounts payable to the finance parties under the New Facilities Agreement.

The New Facilities Agreement requires that (subject to agreed guarantee principles and limitations) each subsidiary of the Parent Guarantor (i) is or becomes a material company (which definition includes, among other things, any member of the Group that has earnings before interest, tax, depreciation and amortization representing 10% or more of our Adjusted EBITDA (as defined in the New Facilities Agreement)), and (ii) are required to represent not less than 80% of our Adjusted EBITDA (which shall exclude Adjusted EBITDA of any member of the Group that is not required to become a Guarantor by reason of the agreed guarantee principles or which has negative Adjusted EBITDA) will be required to become a guarantor under the New Facilities Agreement both (i) within 60 days of Issue Date and (ii) within 60 days of the last permitted date of delivery of the annual financial statements for each financial year.

Covenants

The New Facilities Agreement contains certain positive and negative undertakings. These undertakings require members of the Group who are obligors, or in some cases all members of the Group, under the New Facilities Agreement to observe certain covenants, subject to certain agreed exceptions, including but not limited to, covenants relating to:

- authorizations;
- compliance with laws;
- prohibition on entry into certain amalgamations, demergers, mergers or corporate reconstructions;
- change of business;
- *pari passu* ranking;
- negative pledge;

- prohibition on certain disposals;
- prohibition on certain dividends, share redemptions and other restricted payments; and
- compliance with a guarantor coverage test (see "—*Guarantees*").

In addition, under the New Facilities Agreement, the Issuer must comply with a leverage finance covenant (being the ratio of the Group's total net debt to EBITDA (as defined in the New Facilities Agreement)) tested on a semi-annual basis on a rolling last twelve month basis by reference to the Group financial statements. The Issuer shall ensure that the leverage financial covenant on each testing date shall not exceed 4.50:1 provided where the Group has completed one or more acquisitions in the preceding 12 months with an aggregate enterprise value of €50 million or more, the Issuer may, on three separate occasions over the life of the New Facilities, designate (in the relevant compliance certificate) that the leverage financial covenant applicable on the relevant test date will be 5.00:1.

Events of Default

The New Facilities Agreement contains events of default which apply to the obligors, or in some cases other members of the Group, under the New Facilities Agreement (which are subject to certain materiality exceptions and cure periods):

- non-payment;
- breach of leverage financial covenant;
- breach of other obligations under the New Facilities Agreement or any other finance documents entered into in connection with it;
- inaccuracy of a representation or statement when made;
- cross-default;
- insolvency, insolvency proceedings and similar events and elsewhere;
- creditors' process;
- unlawfulness, repudiation, rescission, invalidity or unenforceability of the New Facilities Agreement or any other finance documents entered into in connection with it; and
- material adverse change.

DESCRIPTION OF THE NOTES

You can find the definitions of certain terms used in this description under the subheading "*Certain Definitions*." In this description, the word "**Issuer**" refers only to Intertrust Group B.V. and not to any of its subsidiaries, and the phrase "**Parent Guarantor**" refers only to Intertrust N.V. and not to any of its subsidiaries.

The Issuer will issue €500.0 million in aggregate principal amount of % Senior Notes due 2025 (the "**Notes**") under an indenture (the "**Indenture**"), to be dated on or about November , 2018, among itself, the Guarantors, Deutsche Trustee Company Limited, as trustee (the "**Trustee**"), Deutsche Bank AG, London Branch, as paying agent, and Deutsche Bank Luxembourg S.A. as registrar and transfer agent, in a private transaction that is not subject to the registration requirements of the Securities Act. See "*Notice to Investors*." The Indenture is not required to be, nor will it be, qualified under or subject to, and it will not incorporate provisions of, the United States Trust Indenture Act of 1939, as amended.

The following description is a summary of the material provisions of the Indenture and the Notes. It does not restate those agreements in their entirety. We urge you to read the Indenture because it, and not this description, defines your rights as Holders. Copies of the Indenture are available as set forth below under "*Additional Information*." Certain defined terms used in this description but not defined below under "*Certain Definitions*" have the meanings assigned to them in the Indenture.

Brief Description of the Notes and the Guarantees

The Notes

The Notes will:

- be general unsecured obligations of the Issuer;
- rank *pari passu* in right of payment with all of the Issuer's existing and future senior obligations that are not subordinated in right of payment to the Notes, including obligations under the New Facilities Agreement;
- rank senior in right of payment to all of the Issuer's future obligations that are expressly subordinated in right of payment to the Notes, if any;
- be effectively subordinated to any existing and future secured obligations of the Issuer, the Parent Guarantor and the Subsidiaries of the Parent Guarantor to the extent of the value of the property and assets securing such obligations;
- be structurally subordinated to all obligations of the Parent Guarantor's Subsidiaries that do not guarantee the Notes; and
- be guaranteed by the Guarantors, subject to contractual limitations that reflect limitations under applicable law.

The Guarantees

The Notes will be, subject to contractual limitations that reflect limitations under applicable law, guaranteed, jointly and severally, on a senior unsecured basis, by each Guarantor and each existing and future Subsidiary of the Parent Guarantor that is required to become a Guarantor in accordance with the covenant described under "*Certain Covenants—Limitation on Issuance of Guarantees of Indebtedness by Subsidiaries*." As of the Issue Date, the Guarantors will include the Parent Guarantor and the following Subsidiaries of the Parent Guarantor: Intertrust (Netherlands) B.V., Intertrust Administrative Services B.V., Intertrust Management B.V., Intertrust Corporate Services (Cayman) Limited, Intertrust SPV (Cayman) Limited, Intertrust Fiduciary Services (Jersey) Limited and Intertrust International Management Limited.

Each Guarantee of each Guarantor will:

- be a general obligation of such Guarantor;

- rank *pari passu* in right of payment with all existing and future senior obligations of such Guarantor that are not expressly subordinated in right of payment to such Guarantor's Guarantee, including obligations under the New Facilities Agreement;
- rank senior in right of payment to all future obligations of such Guarantor that are expressly subordinated in right of payment to such Guarantor's Guarantee, if any; and
- be effectively subordinated to all existing and future secured obligations of such Guarantor to the extent of the value of the property and assets securing such obligations.

Not all of the Parent Guarantor's Subsidiaries will guarantee the Notes. In the event of a bankruptcy, liquidation or reorganization of any of these non-guarantor Subsidiaries, the non-guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to their parent entity. As of September 30, 2018, the Issuer and the Guarantors represented 70% of the Group's net assets (excluding investments in subsidiaries, intangibles arising on business combination, intercompany balances and clearing-related assets). For the twelve months ended September 30, 2018, the Guarantors (excluding the Parent Guarantor and the Issuer, both of which are holding companies and had negative Adjusted EBITDA) represented 92% of the Group's Adjusted EBITDA and 47% of the Group's revenue. As of September 30, 2018, after giving effect to the Transactions, the non-Guarantor subsidiaries of the Parent Guarantor would not have had any external financial indebtedness outstanding.

The Issuer has limited operations on its own and the majority of its operating activities are conducted through the operating Subsidiaries of the Issuer. Therefore, the Issuer depends on the cash flow of the Issuer's Subsidiaries to meet its obligations, including obligations under the Notes. The Notes will be effectively subordinated in right of payment to all Indebtedness and other liabilities and commitments (including trade payables and lease obligations) of the Parent Guarantor's Subsidiaries that do not guarantee the Notes (other than the Issuer). Any right of the Issuer or any Guarantor to receive assets of any non-guarantor Subsidiary upon that non-guarantor Subsidiary's liquidation or reorganization (and the consequent right of the Holders to participate in those assets) will be effectively subordinated to the claims of that non-guarantor Subsidiary's creditors (including their trade creditors), except to the extent that the Issuer or such Guarantor is itself recognized as a creditor of the non-guarantor Subsidiary, in which case the claims of the Issuer or such Guarantor, as the case may be, would still be subordinate in right of payment to any obligations secured on the assets of the non-guarantor Subsidiary and any Indebtedness of the non-guarantor Subsidiary senior to that held by the Issuer or such Guarantor. As of September 30, 2018, after giving effect to the offering of the Notes and the use of proceeds therefrom, the non-guarantor Subsidiaries of the Parent Guarantor would have had no external financial indebtedness.

Principal, Maturity and Interest

The Issuer will issue €500.0 million in aggregate principal amount of Notes under the Indenture on the Issue Date. The Issuer may issue Additional Notes (defined below) under the Indenture from time to time after this offering. Such Additional Notes may not be fungible for US federal income tax purposes. Notwithstanding the foregoing, the Notes and any Additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. The Issuer will only be permitted to issue Additional Notes in compliance with the covenants contained in the Indenture. For all purposes herein unless expressly stated otherwise, the term "**Notes**" shall include references to any Additional Notes.

The Issuer will issue the Notes in denominations of €100,000 and integral multiples of €1,000 in excess thereof.

Interest on the Notes will accrue at the rate of   % per annum. Interest on the Notes will:

- be payable, in cash, semi-annually in arrear on   and   , in each year, commencing on   , 2019;
- be payable to the Holders of record of the Notes on the Business Day immediately preceding   and   respectively;

- be payable on the aggregate principal amount of the Notes outstanding;
- accrue from the Issue Date or, if interest has already been paid, from the date it was most recently paid;
- be computed on the basis of a 360-day year comprised of twelve 30-day months; and
- each interest period shall end on (but not include) the relevant interest payment date.

The Notes will be payable at % of their face amount at maturity. The Notes will mature on , 2025.

Additional Notes

From time to time, subject to the Issuer's compliance with the covenants described under the headings "*Certain Covenants—Limitation on Issuance of Guarantees of Indebtedness by Subsidiaries*," the Issuer is permitted to issue additional Notes, which shall have terms substantially identical to the Notes except in respect of any of the following terms which shall be set forth in an Officer's Certificate delivered by the Issuer to the Trustee ("**Additional Notes**"):

(1) the title of such Additional Notes;

(2) the aggregate principal amount of such Additional Notes;

(3) the date or dates on which such Additional Notes will be issued;

(4) the rate or rates (which may be fixed or floating) at which such Additional Notes shall bear interest and, if applicable, the interest rate basis, formula or other method of determining such interest rate or rates, the date or dates from which such interest shall accrue, the interest payment dates on which such interest shall be payable or the method by which such dates will be determined, the record dates for the determination of holders thereof to whom such interest is payable and the basis upon which such interest will be calculated;

(5) the currency or currencies in which such Additional Notes shall be denominated and the currency in which cash or government obligations in connection with such series of Additional Notes may be payable;

(6) the date or dates and price or prices at which, the period or periods within which, and the terms and conditions upon which, such Additional Notes may be redeemed, in whole or in part;

(7) if other than in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof, the denominations in which such Additional Notes shall be issued and redeemed; and

(8) the ISIN, Common Code or other securities identification numbers with respect to such Additional Notes.

Such Additional Notes will be treated, along with all other Notes, as a single class for the purposes of the Indenture with respect to waivers, amendments and all other matters which are not specifically distinguished for such series. Unless the context otherwise requires, for all purposes of the Indenture and this Description of the Notes, references to "Notes" shall be deemed to include references to the Notes initially issued on the Issue Date as well as any Additional Notes. However, in order for any Additional Notes to have the same ISIN, CUSIP or Common Code, as applicable, as the Notes, such Additional Notes must be fungible with the Notes for US federal income tax purposes.

Methods of Receiving Payments on the Notes

Methods of receiving payments on global Notes are described under "*Book-Entry; Delivery and Form—Payments on Global Notes*."

The rights of holders of beneficial interests in the Notes to receive the payments on such Notes are subject to applicable procedures of Euroclear and Clearstream. If the due date for any payment in respect of any Notes is not a Business Day, such holders will not be entitled to payment of the amount due until the next succeeding Business Day, and will not be entitled to any further interest or other payment as a result of any such delay.

In the case of certificated Notes, if a Holder has given wire transfer instructions to the Issuer, the Issuer will pay all interest, premium, if any, and Additional Amounts, if any, on that Holder's Note in accordance with those instructions. Payments on Notes will be made through the office or agency of one or more paying agents maintained for such purposes in London, United Kingdom, as described under "*Paying Agent and Registrar for the Notes*" for the Notes.

Paying Agent and Registrar for the Notes

The Issuer will maintain one or more paying agents for the Notes, including one paying agent in London, United Kingdom (the "**Paying Agent**"). Deutsche Bank AG, London Branch, will initially act as the Paying Agent for the Notes.

The Issuer will also maintain one or more registrars (each, a "**Registrar**") for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange, Deutsche Bank Luxembourg S.A. will act as Registrar for the Notes. The Issuer will also maintain a transfer agent (the "**Transfer Agent**") in Luxembourg. Deutsche Bank Luxembourg S.A. will initially act as the Transfer Agent for the Notes.

The Issuer may change the Paying Agent, the Registrar or the Transfer Agent without prior notice to the Holders. The Parent Guarantor or any of its subsidiaries may act as Paying Agent, Registrar or Transfer Agent in respect of the Notes; *provided* that if and for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Global Exchange Market thereof and the rules of the Luxembourg Stock Exchange so require, the Issuer will publish a notice of any change of Paying Agent, Registrar or Transfer Agent in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, post such notice on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Transfer and Exchange

A Holder may transfer or exchange Notes in accordance with the Indenture. The Registrar, the Trustee and any Paying Agent may require a Holder, among other things, to furnish appropriate endorsements and transfer documents. The Issuer is not required to transfer or exchange any Note selected for redemption. No service charge will be made for any registration of transfer or exchange of the Notes, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with the transfer or exchange. The Holder of a Note will be treated as the owner of it for all purposes. See "*Book-Entry; Delivery and Form*".

Guarantees

The Notes, subject to contractual limitations that reflect limitations under applicable law, will be guaranteed, jointly and severally, on a senior basis by the Guarantors. As of the Issue Date, the Guarantors will be the entities set forth above under "*Brief Description of the Notes and the Guarantees—The Guarantees*."

The Indenture will limit the obligation to grant guarantees in favor of obligations under the Notes. The Indenture will include restrictions on the granting of guarantees where, among other things, such grant would be restricted by general statutory limitations, financial assistance, capital maintenance, corporate benefit, fraudulent preference, thin capitalization rules, retention of title claims and similar principles. The obligations of the Guarantors will be contractually limited under the applicable Guarantees to reflect these limitations and other legal restrictions applicable to the Guarantors and their respective shareholders, directors and general partners. See "*Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations*."

Guarantees Release

The Guarantee of any Guarantor will be released upon repayment in full of the Notes or upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture, as provided under "*Legal Defeasance and Covenant Defeasance*" and "*Satisfaction and Discharge*."

The Guarantee of a Subsidiary Guarantor will be released:

(1) in connection with any sale or other disposition of all or substantially all of the assets of that Subsidiary Guarantor (including by way of merger or consolidation) to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Subsidiary of the Parent Guarantor;

(2) in connection with any sale or other disposition of Capital Stock of that Subsidiary Guarantor or its direct or indirect parent entity to a Person that is not (either before or after giving effect to such transaction) the Parent Guarantor or a Subsidiary of the Parent Guarantor, if the Subsidiary Guarantor ceases to be a Subsidiary as a result of the sale or other disposition;

(3) upon the release of its guarantee by a Subsidiary Guarantor under the New Facilities Agreement (including, without limitation, upon repayment of obligations outstanding under the New Facilities Agreement); *provided* that no other Indebtedness is at that time guaranteed by the relevant Subsidiary Guarantor that would have otherwise given rise to an obligation to guarantee the Notes pursuant to the covenant described under "*Certain Covenants—Limitation on Issuance of Guarantees of Indebtedness by Subsidiaries*" had the relevant Subsidiary not already been a Subsidiary Guarantor; *provided further* that should such Subsidiary Guarantor thereafter guarantee obligations under the New Facilities Agreement (or such guarantee under the New Facilities Agreement is reinstated or renewed), then such Subsidiary Guarantor will guarantee the Notes on the terms and conditions set forth in the Indenture;

(4) upon repayment in full of the Notes or upon legal defeasance, covenant defeasance or satisfaction and discharge of the Indenture, as provided under "*Legal Defeasance and Covenant Defeasance*" and "*Satisfaction and Discharge*";

(5) as described under "*Amendment, Supplement and Waiver*"; or

(6) upon the release of the guarantee that gave rise to the requirement to guarantee the Notes pursuant to the covenant described under "*Certain Covenants—Limitation on Issuance of Guarantees of Indebtedness by Subsidiaries*," so long as no Event of Default exists at the time of such release or would arise as a result thereof, and so long as no other Indebtedness is at that time guaranteed by the relevant Subsidiary Guarantor that would have otherwise given rise to an obligation to guarantee the Notes pursuant to such covenant had the relevant Subsidiary not already been a Subsidiary Guarantor.

Upon any occurrence giving rise to a release as specified above, the Trustee will, at the request and expense of the Issuer, and subject to the receipt of certain documents reasonably requested by the Trustee, execute any documents reasonably necessary in order to evidence or effect such release, discharge and termination in respect of such guarantee in accordance with these provisions, subject to customary protections and indemnifications. Neither the Issuer nor any Guarantor will be required to make a notation on the Notes to reflect any such release, termination or discharge. Each of the releases and amendments set forth above shall be effected by the Trustee without any consent of the Holders or any other action or consent on the part of the Trustee.

Optional Redemption

At any time prior to , 2021, the Issuer may redeem the Notes in whole or in part, at its option, upon not less than 10 nor more than 60 days' prior written notice to the Holders as described under the heading "*Selection and Notice*" at a redemption price equal to 100% of the principal amount of such Notes plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date occurring on or prior to, but excluding, the redemption date).

At any time and from time to time on or after , 2021, the Issuer may redeem the Notes in whole or in part, at its option, upon not less than 10 nor more than 60 days' prior written notice to the Holders as described under the heading "*Selection and Notice,*" at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to, but excluding, the redemption date:

Twelve month period commencing in	Percentage
2021	%
2022	%
2023 and thereafter	100.000%

At any time and from time to time prior to , 2021, the Issuer may, at its option, upon notice as described under the heading "*Selection and Notice*", redeem up to 40% of the aggregate principal amount of Notes (including Additional Notes) at a redemption price equal to (i) % of the aggregate principal amount thereof, with an amount equal to or less than the net cash proceeds of one or more Equity Offerings to the extent such net cash proceeds are received by or contributed to the Parent Guarantor, plus (ii) accrued and unpaid interest thereon, if any, to, but excluding, the applicable redemption date; *provided* that:

(1) in each case the redemption takes place not later than 180 days after the closing of the related Equity Offering; and

(2) not less than 50% of the principal amount of the Notes originally issued on the Issue Date (excluding the principal amount of any Additional Notes) remain outstanding immediately thereafter (unless all such Notes are redeemed substantially concurrently).

Notice of any redemption upon any Equity Offering may be given prior to the completion thereof.

Notwithstanding the foregoing, in connection with any tender offer for the Notes, if Holders of not less than 90% in aggregate principal amount of all the then outstanding Notes validly tender and do not withdraw such Notes in such tender offer and the Issuer, or any third-party making such a tender offer in lieu of the Issuer, purchases all of the Notes validly tendered and not withdrawn by such Holders, the Issuer or such third-party will have the right upon not less than 10 nor more than 60 days' prior notice to the Holders, given not more than 30 days following such purchase date, to redeem all Notes that remain outstanding following such purchase at a price equal to the price paid to each other Holder in such tender offer (other than any incentive payment for early tenders), plus, to the extent not included in the tender offer payment, accrued and unpaid interest and Additional Amounts, if any, thereon, to, but not including, the redemption date. In determining whether the Holders of at least 90% of the aggregate principal amount of the then outstanding Notes have validly tendered and not withdrawn Notes in a tender offer or other offer to purchase for all of the Notes, as applicable, Notes owned by an Affiliate of the Issuer or by funds controlled or managed by any Affiliate of the Issuer, or any successor thereof, shall be deemed to be outstanding for the purposes of such tender offer or other offer, as applicable.

Notwithstanding anything else in the Indenture or the Notes, redemption notices may be given more than 60 days prior to a redemption date if the notice is in connection with a defeasance of a series of Notes or a satisfaction and discharge of the Indenture.

Any redemption and notice of redemption may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent (including, in the case of a redemption of the Notes related to an Equity Offering, the consummation of such Equity Offering); *provided* that in no case shall such notice have been delivered less than 10 days or more than 60 days prior to the date on which such redemption, if any, occurs. In addition, if such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice may state that, at the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed; *provided further* that in no case shall the notice have been delivered less than 10 days or more than 60 days prior to the date on which such redemption, if any, occurs (except that redemption notices may be mailed or otherwise transmitted more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of a series of Notes as provided in "*Legal Defeasance and Covenant Defeasance*" or a satisfaction and discharge of the Indenture as provided in "*Satisfaction and Discharge*").

If the Issuer effects an optional redemption of the Notes, it will, for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of the Authority so require, inform the Authority of such optional redemption and confirm the aggregate principal amount of the Notes that will remain outstanding immediately after such redemption.

If the optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest will be paid to the Person in whose name the Note is registered at the close of business on such record date, and no additional interest will be payable to Holders whose Notes will be subject to redemption by the Issuer.

If a redemption date is not a Business Day, payment may be made on the next succeeding day that is a Business Day, and no interest shall accrue on any amount that would have been otherwise payable on such redemption date if it were a Business Day for the intervening period.

We may repurchase Notes at any time and from time to time in the open market or otherwise.

Selection and Notice

If fewer than all of the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or on such other basis as they deem fair and appropriate unless otherwise required by law or applicable stock exchange or depositary requirements, provided, however, that no Book-Entry Interest of less than €100,000 principal amount may be redeemed in part. If the Notes are not held through Euroclear or Clearstream, or Euroclear or Clearstream prescribes no method of selection, the Notes will be selected on a pro rata basis; *provided* that no Note of €100,000 in aggregate principal amount or less, or other than in an integral multiple of €1,000 in excess thereof, shall be redeemed in part. The Trustee, the Paying Agent and the Registrar shall not be liable for selections of Notes made in accordance with this paragraph.

If the Issuer elects to redeem the Notes or portions thereof and requests the Trustee to distribute to the Holders any amounts deposited in trust (which, for the avoidance of doubt, will include accrued and unpaid interest to the date fixed for redemption) prior to the date fixed for redemption in accordance with the provisions set forth under "*Satisfaction and Discharge*," the applicable redemption notice will state that Holders will receive such amounts deposited in trust prior to the date fixed for redemption and mention the payment date.

If and for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Global Exchange Market and the rules of the Luxembourg Stock Exchange so require, not less than 10 nor more than 60 days prior to the redemption date, the Issuer will, if the Notes are in certificated form, mail notice of redemption to Holders by first-class mail, postage prepaid, at their respective addresses as they appear on the registration books of the Registrar.

For Notes which are represented by global Notes held on behalf of Euroclear or Clearstream, notices may be given by delivery of the relevant notices to Euroclear or Clearstream for communication to entitled account holders in substitution for the aforesaid mailing. So long as any Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Global Exchange Market and the rules of the Luxembourg Stock Exchange so require, any such notice to the Holders of the relevant Notes shall also be published in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*) and, in connection with any redemption, the Issuer will notify the Luxembourg Stock Exchange of any change in the principal amount of Notes outstanding.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note shall state the portion of the principal amount thereof to be redeemed. In the case of a certificated Note, a new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder thereof upon cancellation of the original Note. In the case of a global Note, an appropriate notation will be made on such Note to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, unless the Issuer defaults in the payment of the redemption price, interest ceases to accrue on Notes or portions of them called for redemption.

Redemption for Taxation Reasons

The Issuer may, at its option, redeem the Notes in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' prior notice to the Holders (which notice will be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed for redemption (a "**Tax Redemption Date**") (subject to the right of Holders of record of certificated Notes on the relevant record date to receive interest due on the relevant interest payment date) and all Additional Amounts (see "*Withholding Taxes*"), if any, then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise, if the Issuer, a Surviving Entity, any Guarantor or a successor of any of the foregoing (a "**Payor**") reasonably determines that, as a result of:

(1) any change in, or amendment to, the laws or treaties (or any regulations or rulings promulgated thereunder) of a Relevant Taxing Jurisdiction (as defined below) affecting taxation; or

(2) any change in, or amendment to, or the introduction of, an official position regarding the application, administration or interpretation of such laws, treaties, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction or a change in administrative practice) (each of the foregoing in clauses (1) and (2), a "**Change in Tax Law**"),

the relevant Payor is, or on the next interest payment date in respect of the Notes would be, required to pay Additional Amounts, and the Payor cannot avoid such obligation by taking reasonable measures available to it (which does not include, for the avoidance of doubt, assignment of the obligation to make payment with respect to the Notes). In the case of redemption due to withholding as a result of a Change in Tax Law in a jurisdiction that is a Relevant Taxing Jurisdiction at the date of this Offering Memorandum, such Change in Tax Law must become effective after the date of this Offering Memorandum. In the case of redemption due to withholding as a result of a Change in Tax Law in a jurisdiction that becomes a Relevant Taxing Jurisdiction after the date of this Offering Memorandum, such Change in Tax Law must become effective on or after the date the jurisdiction becomes a Relevant Taxing Jurisdiction. Notice of redemption for taxation reasons will be published in accordance with the procedures under "*Notices*." Notwithstanding the foregoing, no such notice of redemption will be given earlier than 90 days prior to the earliest date on which the Payor or Note Guarantor, as applicable, would be obligated to make such payment or withholding if a payment in respect of the Notes were then due. Prior to the giving of any notice of redemption of the Notes pursuant to the foregoing, the Payor will deliver to the Trustee (a) an Officer's Certificate stating that it is entitled to effect such redemption and setting forth a statement of fact showing that the conditions precedent to its right to redeem have been satisfied and that it would not be able to avoid the obligation to pay Additional Amounts by taking reasonable measures available to it and (b) an opinion of an independent tax counsel of recognized standing qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that such Payor has been or will become obligated to pay Additional Amounts as a result of a Change in Tax Law. The Trustee will accept and shall be entitled to rely absolutely and without further inquiry on such Officer's Certificate and opinion as sufficient existence of the satisfaction of the conditions precedent described above, in which event it will be conclusive and binding on the Holders.

Mandatory Redemption

The Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Withholding Taxes

All payments made by or on behalf of a Payor on the Notes or any Note Guarantee will be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, levies, imposts, assessments or other governmental charges of whatever nature including penalties, interest and any other additions thereto ("**Taxes**"), unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of (1) any jurisdiction in which the Payor is incorporated, organized, engaged in business for tax purposes or otherwise considered resident for tax purposes or any political subdivision or governmental authority thereof or therein having power to tax, or (2) any jurisdiction from or through which payment under or with respect to the Notes or any of the Note Guarantees is made by or on behalf of the Payor or any political subdivision or governmental authority thereof or therein having the power to tax (each of clause (1) and (2), a "**Relevant Taxing Jurisdiction**") will at any time be required from any payments made by or on behalf of the Payor under or with respect to the Notes or any Note Guarantee, including, without limitation, payments of principal, redemption price, interest or premium, if any, the Payor will pay (together with such payments) such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received in respect of such payments by the Holders after such withholding or deduction (including any such deduction or withholding from such Additional Amounts) equal the amounts which would have been received in respect of such payments in the absence of such withholding or deduction; *provided* that no such Additional Amounts will be payable with respect to:

(1) any Taxes that would not have been imposed but for the Holder (or a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant Holder, if the relevant Holder is an estate, nominee, trust, partnership, limited liability company or corporation) or beneficial owner having any present or former connection with such Relevant Taxing Jurisdiction (including, without limitation, being resident for tax purposes, being a citizen or resident or national of, or carrying on a business or maintaining a permanent establishment in, or being physically present in, such Relevant Taxing Jurisdiction) other than a connection arising from the acquisition, ownership or holding of such Note or enforcement of rights thereunder or the receipt of payments in respect of the Notes or with respect to any Guarantee;

(2) any Taxes that are imposed or withheld by reason of the failure by the Holder or the beneficial owner of the Note to comply with a written request of the Payor addressed to the Holder or beneficial owner, after reasonable notice, to provide certification, information, documents or other evidence concerning the nationality, residence, identity or connection with the Relevant Taxing Jurisdiction of the Holder or such beneficial owner or to make any declaration or similar claim or satisfy any other reporting requirement relating to such matters, which is required by a statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction as a precondition to exemption from all or part of such Taxes, but only to the extent that the Holder or beneficial owner is legally eligible to provide such certification or other evidence;

(3) any Taxes imposed as a result of the presentation of any Note for payment (where presentation is required) more than 30 days after the relevant payment is first made available for payment to the Holder (except to the extent that the Holder would have been entitled to Additional Amounts had the Note been presented on the last day of such 30 day period);

(4) any Taxes that are payable otherwise than by deduction or withholding from payments made under or with respect to the Notes or any Guarantee;

(5) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Tax;

(6) any Taxes imposed, deducted or withheld pursuant to section 1471(b) of the Code or otherwise imposed pursuant to sections 1471 through 1474 of the Code, in each case, as of the Issue Date (and any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or agreements thereunder, official interpretations thereof or any law implementing an intergovernmental agreement relating thereto; or

(7) any combination of clauses (1) through (6) above.

Such Additional Amounts will also not be payable where, had the beneficial owner of the Note been the Holder of the Note, it would not have been entitled to payment of Additional Amounts by reason of clauses (1) to (7) inclusive above.

The applicable withholding agent will (i) make any required withholding or deduction and (ii) remit the full amount deducted or withheld to the Relevant Taxing Jurisdiction in accordance with applicable law. Upon written request, the Payor will use reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Taxing Jurisdiction imposing such Taxes. The Payor will provide such certified copies or, if certified copies are not available notwithstanding such person's attempt to obtain them, other evidence of payment reasonably satisfactory to the Trustee, as soon as reasonably practical to the Trustee and the Paying Agent.

Wherever in the Indenture or this Description of the Notes there is mentioned, in any context, the payment of (1) principal, (2) purchase prices in connection with a purchase of Notes, (3) interest or (4) any other amount payable on or with respect to the Notes or the Guarantees, such reference shall be deemed to include payment of Additional Amounts as described under this heading to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

If any Payor is obligated to pay Additional Amounts with respect to any payment made under or with respect to any Note or Guarantee, at least 30 days prior to the date of such payment, the Payor will deliver to the Trustee and the Paying Agent an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable and such other information necessary to enable the Paying Agent to pay Additional Amounts to Holders on the relevant payment date (unless such obligation to pay Additional Amounts arises less than 45 days prior to the relevant payment date, in which case the Payor may deliver such Officer's Certificate as promptly as practicable thereafter). The Trustee and the Paying Agent shall be entitled to rely solely on such Officer's Certificate as conclusive proof that such payments are necessary.

The Payor will pay, and reimburse the Holder, for any present or future stamp, issue, registration, transfer, court or documentary taxes, or any other excise or property taxes, charges or similar levies (including any penalties, interest and any other reasonable expenses related thereto) which arise in any jurisdiction from the execution, delivery, issuance or registration of any Notes, the Guarantees, the Indenture or any other document or instrument referred to therein, upon original issuance and initial resale of the Notes (other than a transfer of the Notes subsequent to this offering), or in connection with the enforcement of the Notes, any Guarantee, the Indenture or any other document or instrument referred to therein or in connection with the receipt of any payments under or with respect to the Notes (limited to any such taxes, charges or similar levies that are not excluded under clauses (1) through (3) or (5) through (7) above or any combination thereof), excluding, in each case, any such taxes, charges or similar levies imposed by any jurisdiction outside a Relevant Taxing Jurisdiction, other than those resulting from, or required to be paid in connection with, the enforcement of the Notes, the Guarantees or any other such document or instrument following the occurrence of any Event of Default with respect to the Notes.

The foregoing obligations will survive any termination, defeasance or discharge of the Indenture and any transfer by a Holder or beneficial owner.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, each Holder of the Notes will have the right to require the Issuer to repurchase all or any part (equal to €100,000 and integral multiples of €1,000 in excess thereof in the case of Notes that have denominations larger than €100,000) of that Holder's Notes pursuant to an offer (the "**Change of Control Offer**") on the terms set forth in the Indenture. In the Change of Control Offer, the Issuer or the Parent Guarantor will offer a payment (the "**Change of Control Payment**") in cash equal to 101% of the aggregate principal amount of each of the Notes repurchased *plus* accrued and unpaid interest and Additional Amounts, if any, thereon, to the date of repurchase.

Unless the Issuer or the Parent Guarantor has unconditionally exercised its right to redeem all the Notes and given notice of redemption as described under "*Optional Redemption*" and all conditions to such redemption have been satisfied or waived, no later than the date that is 60 days after any Change of Control, the Issuer or the Parent Guarantor will deliver a notice to each Holder and the Trustee describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on a date (the "**Change of Control Payment Date**") specified in such notice, which date shall be no earlier than 10 days and no later than 60 days from the date such notice is delivered, pursuant to the procedures required by the Indenture and described in such notice. The Issuer or the Parent Guarantor will comply with the requirements of Section 14(e) of the Exchange Act to the extent applicable and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, the Issuer or the Parent Guarantor will comply with applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of the Indenture by virtue of such conflict.

On the Change of Control Payment Date, the Issuer or the Parent Guarantor will, to the extent lawful:

(1) accept for payment all Notes or portions thereof validly tendered pursuant to the Change of Control Offer;

(2) deposit with the relevant Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Registrar or the Paying Agent the Notes so accepted together with an Officer's Certificate stating the aggregate principal amount of such Notes or portions thereof being purchased by the Issuer or the Parent Guarantor.

The Paying Agent will promptly deliver to each Holder of Notes so tendered the Change of Control Payment for such Notes, and the Trustee or the Registrar will, upon receipt of an Issuer order, promptly authenticate and deliver (or cause to be transferred by book-entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in a principal amount of €100,000 or an integral multiple of €1,000 in excess thereof.

If Holders of not less than 90% in aggregate principal amount of all of the then outstanding Notes validly tender and do not validly withdraw such Notes in a Change of Control Offer, and the Issuer, or any third-party making an offer in lieu of the Issuer as described above, purchases all of the Notes validly tendered and not validly withdrawn by such Holders, the Issuer or such third-party will have the right, upon not less than 10 days' nor more than 60 days' prior notice; *provided* that such notice is given not more than 30 days following such purchase pursuant to the Change of Control Offer described above, to redeem all Notes that remain outstanding following such purchase on a date (the "**Second Change of Control Payment Date**") at a price in cash equal to the Change of Control Payment in respect of the Second Change of Control Payment Date. In determining whether the Holders of at least 90% of the aggregate principal amount of all of the then outstanding Notes have validly tendered and not withdrawn Notes in a Change of Control Offer to purchase all of the Notes, Notes owned by an Affiliate of the Issuer or by funds controlled or managed by any Affiliate of the Issuer, or any successor thereof, shall be deemed to be outstanding for the purposes of such Change of Control Offer.

If and for so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Global Exchange Market and the rules of the Luxembourg Stock Exchange so require, the Issuer will publish a public announcement with respect to the results of any Change of Control Offer in a leading newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, post such notice on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*).

The provisions described above that require the Issuer or the Parent Guarantor to make a Change of Control Offer following a Change of Control will be applicable regardless of whether any other provisions of the Indenture are applicable. Except as described above with respect to a Change of

Control, the Indenture does not contain provisions that permit the Holders to require that the Issuer or the Parent Guarantor repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Issuer or the Parent Guarantor will not be required to make a Change of Control Offer following a Change of Control if (i) a third-party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer or the Parent Guarantor and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer or (ii) a notice of redemption for all of the outstanding Notes has been given pursuant to the Indenture under "*Optional Redemption*" unless and until there is a default in the payment of the applicable redemption price, *plus* accrued and unpaid interest to the proposed redemption date. Notwithstanding anything to the contrary contained in the Indenture or the Notes, a Change of Control Offer may be made in advance of a Change of Control, conditional upon the consummation of the Change of Control, so long as a definitive agreement has been executed that contains terms and provisions that would otherwise result in a Change of Control upon completion of the transactions contemplated thereby.

The Issuer or the Parent Guarantor's ability to repurchase Notes pursuant to a Change of Control Offer may be limited by a number of factors. The occurrence of certain of the events that constitute a Change of Control may constitute a default, or constitute a mandatory prepayment event, under the New Facilities Agreement. In addition, certain events that may constitute a change of control under the New Facilities Agreement and cause a default may not constitute a Change of Control under the Indenture. In addition, future Indebtedness of the Parent Guarantor and its Subsidiaries may also contain prohibitions of certain events that would constitute a Change of Control or require such Indebtedness to be repurchased upon a Change of Control. The exercise by the Holders of their right to require the Issuer or the Parent Guarantor to repurchase the Notes could cause a default under such Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Issuer or the Parent Guarantor. Finally, the Issuer or the Parent Guarantor's ability to pay cash to the Holders upon a repurchase may be limited by the Issuer or the Parent Guarantor's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases.

Even if sufficient funds were otherwise available, the terms of other Indebtedness may prohibit the Issuer or the Parent Guarantor's prepayment of Notes prior to their scheduled maturity. Consequently, if the Issuer or the Parent Guarantor is not able to prepay such Indebtedness or obtain requisite consents, the Issuer or the Parent Guarantor will be unable to fulfill its repurchase obligations if Holders of Notes exercise their repurchase rights following a Change of Control, thereby resulting in a default under the Indenture. A default under the Indenture may result in a cross-default under such other Indebtedness.

The Change of Control provisions described above may deter certain mergers, tender offers and other takeover attempts involving the Parent Guarantor by increasing the capital required to effectuate such transactions. The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of the Issuer and its Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of Notes to require the Issuer or the Parent Guarantor to repurchase such Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Parent Guarantor and its Subsidiaries taken as a whole to another Person or group may be uncertain.

Certain Covenants

Negative Pledge

The Parent Guarantor will not, and will not permit any of its Subsidiaries to, secure any Indebtedness for money borrowed by placing a Lien (other than a Permitted Lien) on any Principal Property now or hereafter owned or leased by the Parent Guarantor or any Subsidiary of the Parent

Guarantor or on any shares of stock of any Subsidiary of the Parent Guarantor without equally and ratably securing (or securing on a senior basis, in the case of a Lien securing Indebtedness for money borrowed that is by its terms expressly subordinated to the Notes or any Guarantee) all of the Notes. The restrictions set forth in the preceding sentence will not apply to any Permitted Lien.

Any Lien created for the benefit of the Holders pursuant to the preceding paragraph shall provide by its terms that such Lien shall be automatically and unconditionally released and discharged upon the release and discharge of the Lien relating to such Indebtedness that gave rise to the obligation to so secure the Notes.

With respect to any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the incurrence of such Indebtedness, such Lien shall also be permitted to secure any Increased Amount of such Indebtedness. The "**Increased Amount**" of any Indebtedness shall mean any increase in the amount of such Indebtedness in connection with any accrual of interest, the accretion of accreted value, the amortization of original issue discount, the payment of interest in the form of additional Indebtedness with the same terms, accretion of original issue discount or liquidation preference and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies or increases in the value of property securing Indebtedness.

Limitation on Issuance of Guarantees of Indebtedness by Subsidiaries

The Parent Guarantor will not cause or permit any of its Subsidiaries that is not the Issuer or a Guarantor, directly or indirectly, to guarantee, assume or in any other manner become liable for the payment of any Indebtedness of the Issuer or any Guarantor (a) under the New Facilities Agreement or any other Credit Facilities or (b) that constitutes Public Indebtedness, unless such Subsidiary executes and delivers a supplemental indenture to the Indenture providing for a Guarantee of payment of the Notes by such Subsidiary on the same terms as the guarantee of such Indebtedness within 30 Business Days thereof; *provided* that if such Indebtedness is by its terms expressly subordinated in right of payment to the Notes or any Guarantee, any such guarantee, assumption or other liability of such Subsidiary with respect to such Indebtedness shall be subordinated to such Subsidiary's Guarantee of the Notes at least to the same extent as such Indebtedness is subordinated to the Notes or any other Guarantee; *provided further* that (x) this covenant shall not be applicable to any Indebtedness arising from Permitted Intercompany Activities and (y) such Subsidiary shall not be obliged to become a Guarantor to the extent and for so long as the granting of such Guarantee could give rise to or result in: (i) any breach or violation of general statutory limitations, financial assistance, capital maintenance, corporate benefit, fraudulent preference or thin capitalization rules, retention of title to claims or the laws, rules or regulations (or analogous restriction) of any applicable jurisdiction; or (ii) any risk or liability for the officers, directors or shareholders of such Subsidiary (or, in the case of a Subsidiary that is a partnership, directors or shareholders of the partners of such partnership); or (iii) any cost, expense, liability or obligation (including with respect to any Taxes) to the extent such cost, expense, liability or obligation are disproportionate to the benefit obtained by the Holders with respect to the receipt of the guarantee (as determined in good faith by the Parent Guarantor).

In addition, the Parent Guarantor shall procure that, in the event Intertrust (Luxembourg) S.à r.l. ("**Intertrust Luxembourg**") makes an intercompany loan of an aggregate outstanding principal amount in excess of €10 million from the proceeds of third-party Indebtedness in the nature of loan facilities, bonds, notes or other debt securities borrowed or incurred by Intertrust Luxembourg to the Issuer or a Guarantor where such intercompany loan will remain outstanding for more than 364 calendar days (but excluding any trade credit in the ordinary course of trading), Intertrust Luxembourg will subordinate its claims under such intercompany loan in favor of the Holders in respect of all obligations under the Indenture, on customary terms for subordinating intercompany loans, within 45 days of making any such intercompany loan.

To the extent the Parent Guarantor becomes aware of a change in the regulatory environment in Luxembourg such that Intertrust Luxembourg would be permitted to provide a Guarantee and guarantee the borrowings under the New Facilities Agreement, it shall use commercially reasonable efforts to provide such guarantees as soon as reasonably practicable.

To the extent any Subsidiary of the Parent Guarantor is required to provide a Guarantee, such Guarantee will be limited as necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law.

Merger, Consolidation or Sale of Assets

The Issuer

The Issuer may not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Issuer is the surviving corporation); or (2) sell, assign, transfer, convey, lease or otherwise dispose of all or substantially all of the properties or assets of the Issuer and its Subsidiaries taken as a whole, in one or more related transactions, to another Person; unless:

(1) either: (a) the Issuer is the surviving corporation; or (b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, conveyance, lease or other disposition shall have been made (the "**Surviving Entity**") is a company organized or existing under the laws of the United States, any state thereof or the District of Columbia, the United Kingdom, Switzerland or any member of the European Economic Area;

(2) the Surviving Entity (if other than the Issuer) assumes all the obligations of the Issuer under the Notes and the Indenture pursuant to the execution and delivery to the Trustee of a supplemental indenture and other applicable agreements reasonably satisfactory to the Trustee;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) each Guarantor (unless it is the other party to the transactions above, in which case clause (1) shall apply) shall have by supplemental indenture confirmed that its Guarantee shall apply to such Person's obligations in respect of the Indenture and the Notes (unless such Guarantee shall be released in connection with the transaction and otherwise in compliance with the Indenture); and

(5) the Issuer or the Surviving Entity shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each to the effect that such consolidation, merger or transfer and such supplemental indenture, if any, comply with the terms of the Indenture and an Opinion of Counsel to the effect that in the case of the Surviving Entity, such supplemental indenture, if any, has been duly authorized, executed and delivered and is a legal, valid and binding agreement enforceable against the Surviving Entity (in each case, in form and substance reasonably satisfactory to the Trustee); *provided* that in giving an Opinion of Counsel, counsel may rely on an Officers' Certificate as to any matters of fact.

Notwithstanding the preceding clauses (3) and (5) and the provisions described below under "*—The Parent Guarantor*" (which do not apply to transactions referred to in this sentence), (a) any Subsidiary of the Parent Guarantor may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to the Issuer and (b) any Subsidiary other than the Issuer or a Guarantor may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to any other Subsidiary that is not the Issuer or a Guarantor. Notwithstanding the preceding clauses (3) and (5) (which shall not apply to the transactions referred to in this sentence), the Issuer may consolidate or otherwise combine with or merge into an Affiliate incorporated or organized for the purpose of changing the legal domicile of the Issuer, reincorporating the Issuer in another jurisdiction or changing the legal form of the Issuer.

The foregoing provisions (other than the requirements of clause (3) of the first paragraph of this covenant) will not apply to the creation of a new subsidiary of the Issuer that becomes a parent of one or more of the Issuer's Subsidiaries.

The Parent Guarantor

The Parent Guarantor may not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Parent Guarantor is the surviving corporation); or (2) sell, assign, transfer, convey, lease or otherwise dispose of all or substantially all of the properties or assets of the Parent

Guarantor and its Subsidiaries taken as a whole, in one or more related transactions, to another Person; unless:

(1) either: (a) the Parent Guarantor is the surviving corporation; or (b) the Surviving Entity is a company organized or existing under the laws of the United States, any state thereof or the District of Columbia, the United Kingdom, Switzerland or any member of the European Economic Area;

(2) the Surviving Entity (if other than the Parent Guarantor) assumes all the obligations of the Parent Guarantor under the Indenture pursuant to the execution and delivery to the Trustee of a supplemental indenture and other applicable agreements reasonably satisfactory to the Trustee;

(3) immediately after such transaction, no Default or Event of Default exists; and

(4) the Parent Guarantor or the Surviving Entity shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each to the effect that such consolidation, merger or transfer and such supplemental indenture, if any, comply with the terms of the Indenture and an Opinion of Counsel to the effect that in the case of the Surviving Entity, such supplemental indenture, if any, has been duly authorized, executed and delivered and is a legal, valid and binding agreement enforceable against the Surviving Entity (in each case, in form and substance reasonably satisfactory to the Trustee); *provided* that in giving an Opinion of Counsel, counsel may rely on an Officer's Certificate as to any matters of fact.

Notwithstanding the preceding clauses (3) and (4) and the provisions described above under "*—The Issuer*" (which do not apply to transactions referred to in this sentence), (a) any Subsidiary of the Parent Guarantor may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to the Parent Guarantor and (b) any Subsidiary other than the Issuer or a Guarantor may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to any other Subsidiary that is not the Issuer or a Guarantor. Notwithstanding the preceding clauses (3) and (4) (which shall not apply to the transactions referred to in this sentence), the Parent Guarantor may consolidate or otherwise combine with or merge into an Affiliate incorporated or organized for the purpose of changing the legal domicile of the Parent Guarantor, reincorporating the Parent Guarantor in another jurisdiction or changing the legal form of the Parent Guarantor.

The foregoing provisions (other than the requirements of clause (3) of the first paragraph of this covenant) will not apply to the creation of a new subsidiary as a Subsidiary of the Parent Guarantor.

For purposes of this covenant, the sale, assignment, transfer, conveyance, lease or other disposition of all or substantially all of the properties and assets of one or more Subsidiaries of a Person, which properties and assets, if held by such Person instead of such Subsidiaries, would constitute all or substantially all of the properties and assets of such Person on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the properties and assets of such Person.

Reports

For so long as any Notes are outstanding and subject to the paragraphs that follow, the Parent Guarantor will provide to each of the Trustee and the Holders of Notes and potential purchasers of Notes:

(1) within 120 days after the end of the Parent Guarantor's fiscal year, annual reports containing the following information: (a) audited consolidated balance sheet of the Parent Guarantor as of the end of the two most recent fiscal years and audited consolidated income statements and statements of cash flow of the Parent Guarantor for the two most recent fiscal years, including footnotes to such financial statements and the report of the independent auditors on the financial statements; (b) an operating and financial review of the audited financial statements, including a discussion of the results of operations, financial condition and liquidity and capital resources, and a discussion of material commitments and contingencies and critical accounting policies; (c) a description of the business, management and shareholders of the Parent Guarantor, all material affiliate transactions, Indebtedness and material financing arrangements and a description of all material contractual arrangements, including material debt instruments; and (d) risk factors and material recent developments;

(2) within 90 days following the end of the second quarter in each of the Parent Guarantor's fiscal years, reports containing the following information: (a) an unaudited condensed consolidated balance sheet as of the end of such semi-annual period and unaudited condensed statements of income and cash flow for the year-to-date periods ending on the unaudited condensed balance sheet date, and the comparable prior year periods for the Parent Guarantor, together with condensed footnote disclosure; (b) an operating and financial review of the unaudited financial statements, including a discussion of the consolidated financial condition and results of operations of the Parent Guarantor and any material change between the current period and the corresponding period of the prior year; (c) material developments in the business of the Parent Guarantor and its Subsidiaries; (d) financial developments and trends in the business in which the Parent Guarantor and its Subsidiaries are engaged; and (e) material recent developments; and

(3) promptly after the occurrence of (a) any senior executive officer change at the Parent Guarantor; (b) any change in the auditors of the Parent Guarantor; (c) any resignation of a member of the Board of Directors of the Parent Guarantor as a result of a disagreement with the Parent Guarantor; (d) the entering into an agreement that will result in a Change of Control; or (e) any material events that the Parent Guarantor or any of its Subsidiaries announces publicly, in each case, a report containing a description of such events.

The Parent Guarantor will furnish to the Trustee such other information that it is required to make publicly available under the requirements of Euronext Amsterdam as a result of having its ordinary shares admitted for trading on such exchange. Notwithstanding the first paragraph of this covenant, upon the Parent Guarantor complying with the public reporting requirements of Euronext Amsterdam (regardless of whether the Parent Guarantor's ordinary shares are admitted for trading on such exchange), to the extent that such requirements include an obligation to prepare and make publicly available annual reports, information, documents and other reports with Euronext Amsterdam, the Parent Guarantor will be deemed to have complied with the provisions contained in clauses (1) through (3) of the preceding paragraph.

Notwithstanding the foregoing, the Parent Guarantor will be deemed to have provided such information to the Trustee, the Holders and prospective purchasers of the Notes if such information referenced above in clauses (1) through (3) of the first paragraph above or alternatively, in the preceding paragraph, has been posted on the Parent Guarantor's website.

Delivery of any information, documents and reports to the Trustee pursuant to this "*Reports*" covenant is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein, including the Parent Guarantor's compliance with any of its covenants under the Indenture.

Events of Default and Remedies

Each of the following is an "*Event of Default*" under the Indenture:

(1) default for 30 days in the payment when due of interest on, or Additional Amounts with respect to, the Notes;

(2) default in payment when due and payable of the principal of, or premium, if any, on the Notes;

(3) failure by the Parent Guarantor or any of its Subsidiaries for 60 days after receipt of written notice by the Trustee or by the Holders of at least 30% in aggregate principal amount of the Notes to comply with any of the other agreements in the Indenture;

(4) default under any mortgage, indenture or instrument under which there is issued and outstanding any Indebtedness for money borrowed by the Parent Guarantor or any of its Subsidiaries (or the payment of which is guaranteed by the Parent Guarantor or any of its Subsidiaries) whether such Indebtedness or guarantee now exists, or is created after the Issue Date, if that default:

    (a) is caused by a failure to pay principal at the final stated maturity of such Indebtedness (after giving effect to any applicable grace period provided in the Indebtedness) (a "**Payment Default**"); or

    (b) results in the acceleration of such Indebtedness prior to its express maturity, and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates the greater of €35.0 million and 18.0% of Consolidated Pro Forma EBITDA or more; and

(5) certain events of bankruptcy or insolvency with respect to the Issuer, the Parent Guarantor or any of its Significant Subsidiaries.

In the case of an Event of Default arising from certain events of bankruptcy or insolvency with respect to the Issuer, the Parent Guarantor or a Significant Subsidiary of the Parent Guarantor, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing of which a responsible officer of the Trustee has received written notice in accordance with the Indenture, the Trustee (upon request of Holders of at least 30% in principal amount of Notes then outstanding) shall, by notice in writing to the Issuer and the Parent Guarantor, or the Holders of at least 30% in principal amount of the then outstanding Notes may, by notice in writing to the Issuer, the Parent Guarantor and the Trustee, declare the principal of, premium, if applicable, and accrued and unpaid interest, and Additional Amounts, if any, on all Notes under the Indenture to be due and payable and such notice shall specify the respective Event of Default and that such notice is a “notice of acceleration,” and such principal, premium, accrued and unpaid interest and Additional Amounts shall become immediately due and payable. In the event of any Event of Default specified in clause (4), above, such Event of Default and all consequences thereof (including, without limitation, any acceleration or resulting payment default) shall be annulled, waived and rescinded automatically and without any action by the Trustee or the Holders, if within 30 days after such Event of Default arose, (1) the Indebtedness or guarantee that is the basis for such Event of Default has been discharged, (2) the creditors on such Indebtedness have rescinded or waived the acceleration, notice or action, as the case may be, giving rise to such Event of Default or (3) if the default that is the basis for such Event of Default has been cured.

Subject to conditions specified in the Indenture, the Holders of a majority in aggregate principal amount of the Notes then outstanding by written notice to the Trustee may on behalf of the Holders of all Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of principal, interest, premium, if any, and Additional Amounts, if any with respect to the Notes. Holders of Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

The Trustee shall be obligated to notify the Holders of Notes of all Defaults actually known to the Trustee within 60 days after receiving written notice from the Issuer or the Parent Guarantor of the occurrence of a Default unless the applicable Default shall have been cured. The Trustee may withhold from Holders notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest or Additional Amounts) if it determines that withholding notice is in their interest.

Subject to the provisions of the Indenture relating to the duties of the Trustee, if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity and/or security (including by way of pre-funding) satisfactory to the Trustee in its sole discretion against any loss, liability or expense caused by taking or not taking such action. Except to enforce the right to receive payment of principal, premium, if any, interest when due, and Additional Amounts, if any, no Holder may pursue any remedy with respect to the Indenture or the Notes, unless:

(1) the Holder has previously given the Trustee notice that an Event of Default is continuing;

(2) Holders of at least 30% in principal amount of the outstanding Notes have requested the Trustee to pursue the remedy;

(3) such Holders have offered the Trustee indemnity and/or security (including by way of pre-funding) satisfactory to the Trustee in its sole discretion against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of the indemnity and/or security (including by way of pre-funding); and

(5) the Holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction that, in the opinion of the Trustee, is inconsistent with such request within such 60-day period.

The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other Holder or that would involve the Trustee in personal liability.

It may not be possible for the Trustee to take certain actions in relation to the Notes and, accordingly, in such circumstances the Trustee will be unable to take action, notwithstanding the provision of an indemnity to it, and it will be for Holders to take action directly.

The Parent Guarantor is required to deliver to the Trustee annually an Officer's Certificate regarding compliance with the Indenture within 120 days after the end of each fiscal year. Upon becoming aware of any Default or Event of Default, the Parent Guarantor is required to deliver, within 30 days after the occurrence thereof, to the Trustee a written statement specifying such Default or Event of Default, their status and what action the Parent Guarantor is taking or proposes to take in respect thereof.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor, as such, shall have any liability for any obligations of the Issuer or any Guarantor under the Notes, the Guarantees or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the United States federal or other applicable securities laws.

Legal Defeasance and Covenant Defeasance

The Issuer may, at its option and at any time, elect to have all of its obligations discharged with respect to the outstanding Notes and all obligations of the Guarantors discharged with respect to their Guarantees ("**Legal Defeasance**") except for:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, or interest, premium and Additional Amounts, if any, on such Notes when such payments are due (including on a redemption date) from the trust referred to below;

(2) the Issuer's obligations with respect to the Notes concerning issuing temporary Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuer's and the Guarantors' obligations in connection therewith; and

(4) the Legal Defeasance provisions of the Indenture.

If the Issuer exercises its Legal Defeasance option, payment of the Notes may not be accelerated because of an Event of Default. In addition, the Issuer may, at its option and at any time, elect to have its obligations and the obligations of the Guarantors released with respect to certain covenants that are described in the Indenture ("**Covenant Defeasance**") and thereafter payment on the Notes may not be accelerated because of an Event of Default relating to any omission to comply with those covenants. In the event Covenant Defeasance occurs, payment on the Notes may not be accelerated because of an Event of Default relating to certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under "*Events of Default and Remedies*" with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Issuer must irrevocably deposit with the Trustee or such entity designated or appointed (as agent) by the Trustee for this purpose, in trust, for the benefit of the Holders, cash in euro, European Government Obligations or a combination thereof, in such amounts as will be sufficient, in the opinion of an internationally recognized firm of independent public accountants, to pay the principal of, interest, premium and Additional Amounts, if any, on the outstanding Notes on the stated maturity or on the applicable redemption date, as the case may be, and the Issuer must specify whether the Notes are being defeased to maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel qualified in the United States in form and substance reasonably satisfactory to the Trustee confirming that (i) the Issuer has received from, or there has been published by, the United States Internal Revenue Service a ruling or (ii) since the Issue Date, there has been a change in the applicable United States federal income tax law, in either case, to the effect that, and based thereon such Opinion of Counsel shall confirm that, the beneficial owners of the outstanding Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Legal Defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel qualified in the United States in form and substance reasonably satisfactory to the Trustee confirming that the beneficial owners of the outstanding Notes will not recognize income, gain or loss for United States federal income tax purposes as a result of such Covenant Defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Indenture) to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound;

(6) the Issuer must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders over the other creditors of the Issuer with the intent of defeating, hindering, delaying or defrauding creditors of the Issuer or others;

(7) the Issuer must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with; and

(8) the Issuer delivers to the Trustee all other documents or other information that the Trustee may require in connection with either defeasance option.

Amendment, Supplement and Waiver

Except as provided in the next three succeeding paragraphs, the Indenture, the Notes or the Guarantees may be amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), and any existing Default, an Event of Default or its consequences or compliance with any provision thereof may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes).

Unless consented to by Holders of at least 90% of the aggregate principal amount of the then outstanding Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes) without the consent of each Holder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note;

(3) reduce the rate of or change the time for payment of interest on any Note;

(4) reduce the premium or amount payable upon the redemption of any Note or change the time at which any Note may be redeemed as described under "*Optional Redemption*" or "*Redemption for Taxation Reasons*";

(5) waive a Default or Event of Default in the payment of principal of, or interest, premium or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);

(6) make any Note payable in money other than that stated in the Notes;

(7) amend the contractual right of any Holder to bring suit for the payment of principal, premium, if any, and interest on its Note, on or after the respective due dates expressed or provided for in such Note;

(8) waive a redemption payment with respect to any Note (other than a payment required by one of the covenants described under "*Repurchase at the Option of Holders—Change of Control*");

(9) make any change in the provisions of the Indenture described under "*Withholding Taxes*" that adversely affects the rights of any Holder or amends the terms of the Notes in a way that would result in a loss of an exemption from any of the Taxes described thereunder or an exemption from any obligation to withhold or deduct Taxes so described thereunder unless the Payor agrees to pay Additional Amounts, if any, in respect thereof; or

(10) make any change in the preceding amendment and waiver provisions.

Without the consent of the Holders of at least 66 2/3% in aggregate principal amount of the Notes then outstanding, an amendment or waiver may not (with respect to any Notes held by a non-consenting Holder) release any Guarantor from any of its obligations under its Guarantee or the Indenture, except in accordance with the terms of the Indenture.

Notwithstanding the preceding, without the consent of any Holder, the Issuer, the Guarantors and the Trustee may amend or supplement the Indenture, the Notes or the Guarantees:

(1) to cure any ambiguity, omission, mistake, defect, error or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes; *provided* that such uncertificated Notes are properly treated as in registered form for US federal income tax purposes;

(3) to comply with the covenant relating to mergers, amalgamations, consolidations and sales of assets;

(4) to provide for the assumption of the Issuer's or a Guarantor's obligations to Holders;

(5) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under the Indenture of any Holder in any material respect;

(6) to add covenants for the benefit of the Holders or to surrender any right or power conferred upon the Issuer or any Guarantor;

(7) to allow any Guarantor to execute a supplemental indenture and/or a Guarantee with respect to the Notes and be added as Guarantor under the Indenture;

(8) to evidence and provide for the acceptance and appointment of a successor Trustee or Paying Agent under the Indenture;

(9) to conform the text of the Indenture, the Notes or any Guarantees to any provision of this Description of the Notes to the extent such provision in this Description of the Notes was intended to be a *verbatim recitation* of a provision of the Indenture, the Notes or any Guarantees;

(10) to provide for the release or addition of Guarantees in accordance with the terms of the Indenture;

(11) to provide for the issuance of Additional Notes in accordance with the terms set forth in the Indenture; or

(12) to the extent necessary to provide for the granting of a Lien to secure the Notes and/or any Guarantee as contemplated under "*Certain Covenants—Negative Pledge*."

In formulating its decision on such matters, the Trustee shall be entitled to receive and rely absolutely on such evidence as it deems necessary, including Officer's Certificates and Opinions of Counsel.

Notwithstanding anything to the contrary in the paragraph above, in order to effect an amendment authorized by clause (7) above, it shall only be necessary for the supplemental indenture to be duly authorized and executed by the Issuer, such additional Guarantor and the Trustee. Any other amendments permitted by the Indenture need only be duly authorized and executed by the Issuer and the Trustee.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes issued thereunder, when:

(1) either:

   (a) all Notes that have been authenticated (except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust and thereafter repaid to the Issuer) have been delivered to the Trustee for cancellation; or

   (b) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the making of a notice of redemption or otherwise or will become due and payable at their stated maturity within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Paying Agent or Registrar, and the Issuer has irrevocably deposited or caused to be deposited with the Trustee (or such other entity designated or appointed (as agent) by it for this purpose) in trust for the benefit of the Holders of Notes, cash in euro, European Government Obligations or a combination thereof, in such amounts as will be sufficient without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee or the Registrar for cancellation for principal, premium and Additional Amounts, if any, and accrued and unpaid interest to the date of maturity or redemption;

(2) no Default or Event of Default shall have occurred and be continuing on the date of such deposit or shall occur as a result of such deposit;

(3) the Issuer and/or a Guarantor has paid or caused to be paid all sums payable by it under the Indenture; and

(4) the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Notes at maturity or the redemption date, as the case may be.

In addition, the Issuer must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee in form and substance satisfactory to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied. If requested by the Issuer, the Trustee shall distribute any amounts deposited in trust to the Holders prior to maturity or the redemption date, as the case may be; *provided* that the Holders shall have received at least five Business Days' notice from the Issuer of such earlier payment date (which shall be included in a notice of redemption); *provided further* that, for the avoidance of doubt, the Trustee shall not distribute such amounts deposited in trust to Holders prior to the fifth Business Day following the date of publication of any such redemption notice, to the extent applicable. The Trustee shall not be liable to any Person (including, without limitation, any Holder) for making any payments at the request of the Issuer and the indemnities from the Issuer and/or Guarantors contained in the Indentures shall extend to any actions of the Trustee taken, and any losses and liabilities incurred by the Trustee (including, without limitation, any claims that may be brought by Holders), in connection with such request.

Concerning the Trustee

The Trustee, the Paying Agent or any other such agent in its individual or any other capacity, may become the owner or pledgee of Notes, may make loans to, accept deposits from, and perform services for the Issuer or any of its Affiliates and may otherwise deal with the Issuer with the same rights it would have if it were not Trustee, any Paying Agent or any other such agent. The Trustee, any Paying Agent or any other such agent will be permitted to engage in other transactions. However, if it acquires any conflicting interest of which it has actual knowledge it must eliminate such conflict within 90 days or resign.

The Holders of a majority in principal amount of the then outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default shall occur and be continuing of which a responsible officer of the Trustee has received written notice in accordance with the Indenture, the Trustee will be required, in the exercise of its power, to use the same degree of care and skill a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of Notes, unless the conditions enumerated in "*Events of Default and Remedies*," above, are met. The permissive rights of the Trustee to take or refrain from taking any action enumerated in the Indenture will not be construed as an obligation or duty.

The Indenture will contain provisions for the indemnification of the Trustee for any loss, liability, Taxes or expenses incurred without negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of the Indenture.

Listing

Application has been made to list the Notes on the Official List of the Luxembourg Stock Exchange and to admit the Notes to trading on the Global Exchange Market thereof. Deutsche Bank Luxembourg S.A. will initially act as the listing agent for the Notes.

Additional Information

Anyone who receives this Offering Memorandum may obtain a copy of the Indenture without charge by contacting us through our investor relations website (*www.intertrustgroup.com/investors*). Subject to certain exceptions, the Indenture contains provisions for the indemnification of each of the Trustee, the Paying Agent and any Registrar, co-Registrar, authenticating agent or Transfer Agent in connection with their respective actions taken under the Indenture.

Notices

In the case of certificated Notes, all notices to Holders will be validly given if mailed to them at their respective addresses in the register of the Holders of such Notes, if any, maintained by the Registrar. And, so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Global Exchange Market and the rules of the Luxembourg Stock Exchange so require, all notices will be published in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, posted on the official website of the Luxembourg Stock Exchange (*www.bourse.lu*). Each such notice shall be deemed to have been given on the date of such publication, or, if published more than once on different dates, on the first date on which publication is made; *provided* that, if notices are mailed, such notice shall be deemed to have been given on the later of publication and the seventh day after being so mailed. For so long as any Notes are represented by global Notes, all notices to Holders will be delivered to Euroclear and Clearstream, each of which will give notice of such notice to the holders of beneficial interests in the Notes. Any notice or communication mailed to a Holder shall be mailed to such Person by first-class mail or other equivalent means and shall be sufficiently given to such Person if so mailed within the time prescribed. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Prescription

Claims against the Issuer or any Guarantor for the payment of principal or Additional Amounts, if any, on the Notes will be prescribed ten years after the applicable due date for payment thereof. Claims against the Issuer or any Guarantor for the payment of interest on the Notes will be prescribed five years after the applicable due date for payment of interest.

Currency Indemnity and Calculation of Euro Denominated Restrictions

The euro is the sole currency of account and payment for all sums payable by the Issuer and the Guarantors under or in connection with the Notes and the Guarantees, including damages. Any amount received or recovered in a currency other than euro, whether as a result of, or the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer, any Guarantor or otherwise, by any Holder or by the Trustee, as the case may be, in respect of any sum expressed to be due to it from the Issuer or a Guarantor will only constitute a discharge to the Issuer or the Guarantor, as applicable, to the extent of the euro amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

If that euro amount is less than the euro amount expressed to be due to the recipient under any Note, any Guarantee or to the Trustee, the Issuer and the Guarantors will indemnify them on a joint and several basis against any loss sustained by such recipient as a result. In any event, the Issuer and the Guarantors will indemnify the recipient on a joint and several basis against the cost of making any such purchase. For the purposes of this currency indemnity provision, it will be sufficient for the Holder of a Note or the Trustee to certify in a manner reasonably satisfactory to the Issuer (indicating the sources of information used) the loss it incurred in making any such purchase. These indemnities constitute a separate and independent obligation from the Issuer's and the Guarantors' other obligations, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by any Holder of a Note or the Trustee and will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note, any Guarantee or to the Trustee.

Except as otherwise specifically set forth herein, for purposes of determining compliance with any euro-denominated restriction herein, the euro-denominated-equivalent amount for purposes hereof that is denominated in a non-euro currency shall be calculated based on the relevant currency exchange rate in effect on the date such non-euro amount is incurred or made, as the case may be.

Enforceability of Judgments

Since a substantial portion of the assets of the Issuer and the Guarantors incorporated in non-US jurisdictions are outside the United States, any judgment obtained in the United States against the Issuer or any non-US Guarantor, including judgments with respect to the payment of principal, premium, interest, Additional Amounts and any redemption price and any purchase price with respect to the Notes or the Guarantees, may not be collectable within the United States.

Consent to Jurisdiction and Service

In relation to any legal action or proceedings arising out of or in connection with the Indenture, the Notes and the Guarantees, the Issuer and each Guarantor will in the Indenture irrevocably submit to the jurisdiction of the federal and state courts in the Borough of Manhattan in the City of New York, County and State of New York, United States of America.

Governing Law

Each of the Indenture, the Notes and the Guarantees and the rights and duties of the parties thereunder shall be governed by and construed in accordance with the laws of the State of New York.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"**Additional Amounts**" has the meaning ascribed thereto under "*Withholding Taxes*."

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "**control**," as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "**controlling**," "**controlled by**" and "**under common control with**" shall have correlative meanings.

"**Applicable Premium**" means, with respect to any Note on any redemption date, the greater of:

(1) 1.0% of the principal amount of such Note; and

(2) the excess, if any, of (a) the present value at such redemption date of (i) the redemption price of such Notes at , 2021 (such redemption price being set forth in the table appearing above under "*Optional Redemption*"), plus (ii) all required remaining scheduled interest payments due on such Note through , 2021 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of the date of such redemption notice plus 50 basis points (subject to a 0.0% floor) over (b) the then outstanding principal amount of such Note,

in each case, as calculated by the Issuer or on behalf of the Issuer by such Person as the Issuer shall designate. Calculation or verification of the Applicable Premium shall not be an obligation or duty of the Trustee, any Paying Agents, the Registrar or the Transfer Agent.

"**Beneficial Owner**" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" shall be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition. The terms "**Beneficially Owns**" and "**Beneficially Owned**" shall have a corresponding meaning.

"**Board of Directors**" means:

(1) with respect to a corporation, the board of directors (or analogous governing body) of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the board of directors of the general partner of the partnership;

(3) with respect to any limited liability company, the managing member or members (or analogous governing body) or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"**Borrowings**" means, at any time, the aggregate outstanding principal, capital or nominal amount of any Indebtedness of the Parent Guarantor or its Subsidiaries (on a consolidated basis) other than:

(1) any Indebtedness owed by the Parent Guarantor to any Subsidiary, by any Subsidiary to the Parent Guarantor or any Subsidiary to another Subsidiary;

(2) any indebtedness referred to in paragraph (6) of the definition of Indebtedness; and

(3) in relation to the minority interests line in the balance sheet of the Parent Guarantor or any of its Subsidiaries.

"**Bund Rate**" means, with respect to any date of a redemption notice, the yield to maturity as of the date of such redemption notice of direct obligations of the Federal Republic of Germany (Bunds or *Bundesanleihen*) with a constant maturity (as officially compiled and published in the most recent financial statistics that has become publicly available at least two Business Days (but not more than five Business Days) prior to the date of such redemption notice (or, if such financial statistics are not so published or available, any publicly available source of similar market data selected by the Parent Guarantor in good faith)) most nearly equal to the period from the date of such redemption notice to , 2021; *provided* that if the period from the date of such redemption notice to , 2021 is not equal to the constant maturity of a direct obligation of the Federal Republic of Germany for which a weekly average yield is given, the Bund Rate shall be obtained by linear interpolation (calculated to the nearest one twelfth of a year) from the weekly average yields of direct obligations of the Federal Republic of Germany for which such yields are given, except that if the period from the date of such redemption notice to , 2021 is less than one year, the weekly average yield on actually traded direct obligations of the Federal Republic of Germany adjusted to a constant maturity of one year shall be used.

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks are open for general business in London, United Kingdom and Amsterdam, the Netherlands. If a payment date is on a Legal Holiday, payment will be made on the next succeeding day that is not a Legal Holiday and no interest shall accrue for the intervening period.

"**Capital Lease Obligation**" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital or finance lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) prepared in accordance with IFRS.

"**Capital Stock**" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of a company, shares of such company;

(3) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(4) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(5) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person,

provided that debt securities convertible into interests specified in (1) through (5) above shall not be deemed "**Capital Stock**."

"**Cash Interest Expense**" means, for any Relevant Period, the aggregate amount of accrued interest and recurring amounts in the nature of interest in respect of Borrowings paid or payable by the

Parent Guarantor or any of its Subsidiaries (calculated on a consolidated basis) in cash in respect of that Relevant Period:

(1) excluding any upfront fees or costs (including any arrangement, underwriting, original issue discount, participation fees and other similar issue fees or costs or other costs or expenses) or agency fees and, in each case, any amortization of such fees, costs or expenses;

(2) excluding any repayment and prepayment premiums, fees or costs;

(3) excluding any interest cost, actual or deemed finance charges in relation to any Pension Items;

(4) including fees payable in connection with the issue or maintenance of any bond, letter of credit, guarantee or other assurance against financial loss which constitutes Borrowings and is issued by a third-party on behalf of the Parent Guarantor or any of its Subsidiaries;

(5) including commitment, utilization and non-utilization fees;

(6) including the interest (but not the capital) element of payments in respect of Finance Leases;

(7) including any amounts payable by (and deducting any amounts payable to) the Parent Guarantor and any Subsidiary during the Relevant Period under Treasury Transactions in relation to interest and amounts in the nature of interest and taking into account, in so far as they relate to interest, the hedging effect of currency hedging in relation thereto but excluding Hedge Purchase and Termination Costs;

(8) excluding any Transaction Costs or, in each case, amortization thereof;

(9) taking no account of any unrealized gains or losses on any Treasury Transactions; and

(10) excluding (i) any other non-cash return interest in respect of Borrowings and (ii) the amount of any discount amortized and other non-cash interest charges.

"**Change in Tax Law**" has the meaning ascribed thereto under "*Redemption for Taxation Reasons*."

"**Change of Control**" means the occurrence of any of the following:

(1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger, consolidation or transfer of the Parent Guarantor's Voting Stock), in one or a series of related transactions, of all or substantially all of the properties or assets of the Parent Guarantor and its Subsidiaries taken as a whole to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) other than any such direct or indirect sale, transfer, conveyance or other disposition of all or substantially all of the properties or assets of the Parent Guarantor and its Subsidiaries to an Affiliate of the Parent Guarantor for the purpose of reincorporating the Parent Guarantor in another jurisdiction, changing domicile or changing corporate form; *provided* that such transaction complies with the covenant described under "*Certain Covenants—Merger, Consolidation or Sale of Assets*";

(2) the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor; or

(3) the consummation of any transaction (including without limitation, any merger or consolidation) the result of which is that any "person" (as defined above) becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of the Parent Guarantor, measured by voting power rather than number of shares; *provided* that for the purposes of this clause (3), no Change of Control shall be deemed to occur by reason of the Parent Guarantor becoming a Subsidiary of a Parent Holdco.

"**Change of Control Offer**" has the meaning ascribed thereto under "*Repurchase at the Option of Holders—Change of Control*."

"**Change of Control Payment**" has the meaning ascribed thereto under "*Repurchase at the Option of Holders—Change of Control.*"

"**Change of Control Payment Date**" has the meaning ascribed thereto under "*Repurchase at the Option of Holders— Change of Control*."

"**Clearstream**" means Clearstream Banking, S.A., as currently in effect or any successor securities clearing agency.

"**Code**" means the US Internal Revenue Code of 1986, as amended.

"**Commission**" means the United States Securities and Exchange Commission, or any successor entity thereof from time to time.

"**Consolidated EBITDA**" means, in respect of any Relevant Period, the consolidated profit of the Parent Guarantor and its Subsidiaries before taxation:

(1) before deducting any Cash Interest Expense and any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalized by any of the Parent Guarantor or its Subsidiaries (calculated on a consolidated basis) in respect of that Relevant Period;

(2) not including any accrued interest owing to any of the Parent Guarantor or its Subsidiaries;

(3) after adding back any amount attributable to the amortization, depreciation or impairment of assets of the Parent Guarantor or any of its Subsidiaries and taking no account of the reversal of any previous impairment charge made in that Relevant Period (including amortization, depreciation or impairment of any goodwill arising on any acquisition not prohibited under the terms of the Indenture);

(4) excluding any non-cash costs, expenses or provisions relating to any share options schemes or any management equity program of any of the Parent Guarantor or its Subsidiaries;

(5) before taking into account any Exceptional Items;

(6) before deducting any Transaction Costs;

(7) after including the amount of any profit (or deducting any loss) of the Parent Guarantor or any of its Subsidiaries which is attributable to minority interests but after deducting the amount of any dividends or other profit distributions (net of any applicable withholding tax or gross-up obligation) paid in cash to any minority shareholders in respect of their minority interests in the Parent Guarantor or any of its Subsidiaries;

(8) after deducting the amount of any profit (or adding back any loss) of any Non-Group Entity to the extent that the amount of the profit included in the financial statements of the Parent Guarantor and its Subsidiaries exceeds the amount actually received in cash by the Parent Guarantor or any of its Subsidiaries through distributions by the Non-Group Entity and after including the amount actually received in cash by the Parent Guarantor or any of its Subsidiaries through dividends or other profit distributions from any Non-Group Entity (grossed up for applicable withholding tax);

(9) before taking into account any gains or losses (whether realized or unrealized and including those arising on translation of currency debt) or any cash receipts or any other payments on any Treasury Transaction entered into in relation to the New Facilities Agreement or otherwise in connection with any purpose other than in the ordinary course of business but including amounts payable or receivable by the Parent Guarantor or any of its Subsidiaries under any Treasury Transactions in relation to operational items including the hedging effect of currency hedging related to operational items but excluding any Hedge Purchase and Termination Costs;

(10) before taking into account any gain or loss arising from an upward or downward revaluation of any other asset at any time after September 30, 2018, and the amount of any loss or gain against book value arising on a disposal of any asset (other than stock disposed of in the ordinary course of business) during that Relevant Period;

(11) before taking into account any fees or expenses paid (directly or indirectly) to the Parent Guarantor's shareholders, the agent under the New Facilities Agreement, the Trustee or any agent or security agent in respect of any Indebtedness;

(12) after adding any amounts claimed in respect of such Relevant Period under loss of profit, business interruption or equivalent insurance;

(13) before taking into account any Pension Items;

(14) excluding the charge to profit represented by the expensing of stock options and any expense referable to equity settled share-based compensation of employees or management or, profit sharing schemes, or compensation or payments to departing management; and

(15) before deducting any fees, costs, charges or expenses related to any actual or attempted equity or debt offering, compensation payments to departing management, financing, investments (including any investment in a joint venture), acquisitions or incurrence of indebtedness (whether or not successful),

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining profits of the Parent Guarantor and its Subsidiaries before taxation and so that no gain or profit from the purchase by the Parent Guarantor or its Subsidiaries at less than par value of any loans made to the Parent Guarantor or any of its Subsidiaries or any securities issued by the Parent Guarantor or any of its Subsidiaries will be included as a component of Consolidated EBITDA.

"**Consolidated Pro Forma EBITDA**" means for any Relevant Period the Consolidated EBITDA, adjusted to:

(1) include the earnings before interest, tax, depreciation and amortization (calculated on the same basis as Consolidated EBITDA, *mutatis mutandis*) for the Relevant Period of any person, property, business or material fixed asset acquired or joint venture entered into (each such person, property, business or asset acquired or joint venture entered into, an "**Acquired Entity**" or "**Business**");

(2) include an adjustment in respect of each Acquired Entity or Business acquired during such period equal to or less than the amount of the Relevant Synergy Benefits with respect to such Acquired Entity or Business;

(3) exclude any non-recurring costs and other expenses arising directly or indirectly as a consequence of the acquisition of such Acquired Entity or Business;

(4) exclude the earnings before interest, tax, depreciation, amortization and impairment charges (calculated on the same basis as Consolidated EBITDA, *mutatis mutandis*) for the Relevant Period of any person, property, business or material fixed asset sold, transferred or otherwise disposed of by, or the exit from a joint venture by, the Parent Guarantor or any of its Subsidiaries during such period (each such person, property, business or asset so sold, transferred or disposed of, or such exit from a joint venture, a "**Sold Entity**" or "**Business**");

(5) include an adjustment in respect of each Sold Entity or Business sold, transferred or otherwise disposed of during such period equal to or less than the amount of the Relevant Synergy Benefits with respect to such Sold Entity or Business;

(6) exclude any non-recurring costs and other expenses arising directly or indirectly as a consequence of the sale or disposal of such Sold Entity or Business;

(7) include an adjustment in respect of each Group Initiative implemented or committed to be implemented during such period equal to or less than the amount of the Relevant Synergy Benefits for such period consequent on the implementation of such Group Initiative;

(8) exclude any non-recurring costs and other expenses arising directly or indirectly as a consequence of the implementation of such Group Initiative;

(9) include the results of any Subsidiary which has been contractually committed to be disposed of, but where such disposal (as at the end of the Relevant Period) has not yet been completed even if the contractual commitment to dispose of that Subsidiary would lead to it being treated as a current asset under IFRS;

(10) during the period following the acquisition of or investment in an Acquired Entity or Business, sale, transfer or other disposal of a Sold Entity or Business or the implementation of a Group Initiative (and without prejudice to the synergies and cost savings actually realized and already included in Consolidated EBITDA), the Parent Guarantor shall be permitted (at its election) to adjust the definition of Consolidated Pro Forma EBITDA or any component thereof to take into account the pro forma increase in Consolidated EBITDA projected by the Parent Guarantor after taking into account the full run rate effect of all anticipated Relevant Synergy Benefits (as if the same had

been realized on the first day of the Relevant Period) which the Parent Guarantor (as reasonably determined in good faith by a responsible financial or accounting officer of the Parent Guarantor) believes can be achieved as a result of combining the operations of such Acquired Entity or Business with the operations of the Parent Guarantor and its Subsidiaries, as a consequence of the sale, transfer or other disposal of such Sold Entity or Business or as a result of implementing such Group Initiative; and

(11) exclude all or any part of any expenditure or other negative item (and/or the impact thereof) directly or indirectly resulting from (i) the Listing, any acquisition, disposal or investment or the impact from purchase price accounting and/or (ii) Group Initiative Costs.

"**Contingent Obligations**" means, with respect to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that, in each case, does not constitute Indebtedness ("**primary obligations**") of any other Person (the "**primary obligor**"), including any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor;

(2) to advance or supply funds: (a) for the purchase or payment of any such primary obligation; or (b) to maintain the working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

"**Credit Facilities**" means, with respect to the Company or any of its Subsidiaries, one or more debt facilities or other financing arrangements (including, without limitation, commercial paper facilities or indentures) providing for revolving credit loans, term loans, letters of credit or other long-term indebtedness, including any notes, mortgages, guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof, in whole or in part, and any indentures, agreements, credit facilities or commercial paper facilities that replace, refund, supplement or refinance any part of the loans, notes, other credit facilities or commitments thereunder, including any such replacement, refunding, supplemental or refinancing facility, arrangement, agreement or indenture that increases the amount permitted to be borrowed or issued thereunder or alters the maturity thereof or adds Subsidiaries as additional borrowers or guarantors thereunder and whether by the same or any other agent, trustee, lender or group of lenders or other holders. For the avoidance of doubt, any cash pooling arrangements, overdraft and operating or finance leases shall not be considered to be Credit Facilities.

"**Default**" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"**Disqualified Stock**" means, with respect to any Person, any Capital Stock of such Person which, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable (other than solely as a result of a change of control) pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than solely as a result of a change of control), in whole or in part, in each case prior to the date 91 days after the earlier of the maturity date of the Notes or the date the Notes are no longer outstanding; *provided* that if such Capital Stock is issued to any plan for the benefit of employees of the Parent Guarantor or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Parent Guarantor or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations; *provided further* that any Capital Stock held by any future, current or former employee, director, officer, manager or consultant (or their respective Immediate Family Members) of the Parent Guarantor, any of its Subsidiaries, any of its Parent Holdcos or any other entity in which the Parent Guarantor or a Subsidiary of the Parent Guarantor has an investment and is designated in good faith as an "affiliate" by the board of directors of the Parent Guarantor (or the compensation committee thereof), in each case pursuant to any stock subscription or shareholders' agreement, management equity plan or stock option plan or any other management or employee benefit plan or agreement shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Parent Guarantor or its Subsidiaries or in order to satisfy applicable statutory or regulatory obligations.

"**Equity Offering**" means any public or private sale or issuance of common or preferred stock of the Parent Guarantor or any of its Parent Holdcos (excluding Disqualified Stock), other than:

(1) public offerings with respect to the Parent Guarantor's or any Parent Holdco's common stock registered on Form S-4, Form F-4 or Form S-8; and

(2) issuances to any Subsidiary of the Parent Guarantor.

"**Escrowed Proceeds**" means the proceeds from the offering of any debt securities or other Indebtedness paid into escrow accounts with an independent escrow agent on the date of the closing of the applicable offering or incurrence pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow accounts upon satisfaction of certain conditions or the occurrence of certain events. The term "**Escrowed Proceeds**" shall include any interest earned on the amounts held in escrow.

"**Euroclear**" means Euroclear Bank SA/NV or any successor securities clearing agency.

"**Euronext Amsterdam**" means the regulated market operated by Euronext Amsterdam N.V.

"**European Government Obligations**" means direct obligations of, or obligations guaranteed by, a member state of the European Union (which shall include for this purpose the United Kingdom), and the payment for which such member state of the European Union pledges its full faith and credit; *provided* that such member state has a long-term government debt rating of "A1" or higher by Moody's or "A+" or higher by S&P or the equivalent Rating Category of another internationally recognized rating agency.

"**Event of Default**" has the meaning ascribed thereto under "*Events of Default and Remedies*."

"**Exceptional Items**" means any items of an unusual, one-off or non-recurring, extraordinary or exceptional nature which represent gains or losses including those arising on:

(1) the restructuring or other Group Initiative of the activities of an entity and reversals of any provisions for the cost of restructuring or other Group Initiative;

(2) disposals, revaluations, write downs or impairment of non-current assets or any reversal of any write downs or impairment;

(3) disposals of assets associated with discontinued operations or other Group Initiatives; and

(4) the purchase by the Parent Guarantor or any of its Subsidiaries at less than par value of any loans made to the Parent Guarantor or any of its Subsidiaries or any securities issued by the Parent Guarantor or any of its Subsidiaries.

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

"**Finance Lease**" means any lease or hire purchase contract which would be treated as a finance or capital lease under IFRS.

"**Group Initiative**" means any restructuring, reorganization or cost saving or other similar initiative.

"**Group Initiative Costs**" means costs, expenses or losses relating to any Group Initiative.

"**guarantee**" means a guarantee, contingent or otherwise, of all or any part of any Indebtedness (other than by endorsement of negotiable instruments for collection in the ordinary course of business), including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof.

"**Guarantee**" means any guarantee by a Guarantor of the Issuer's obligations under the Indenture and the Notes pursuant to the terms of the Indenture.

"**Guarantors**" means the Parent Guarantor and the Subsidiary Guarantors.

"**Hedge Purchase and Termination Cost**" means any one-off or non-recurring cash payments, premia, fees, costs or expenses in connection with the purchase of a Treasury Transaction or which arise upon maturity, close-out or termination of any Treasury Transaction.

"**Hedging Obligations**" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements; and

(2) other similar agreements or arrangements designed to enable such Person to manage fluctuations in interest rates.

(3) "**Holder**" means the Person in whose name a Note is registered on the Registrar's books.

"**IFRS**" means International Financial Reporting Standards as adopted by the European Union, International Financial Reporting Interpretations Committee as in effect as of the Issue Date; *provided* that all reports and other financial information provided by the Parent Guarantor to the Holders and/or the Trustee shall be prepared in accordance with IFRS as in effect on the date of such report or other financial information. All computations based on IFRS contained in the Indenture will be computed in conformity with IFRS.

"**Immediate Family Members**" means with respect to any individual, such individual's child, stepchild, grandchild or more remote descendant, parent, stepparent, grandparent, spouse, former spouse, qualified domestic partner, sibling, mother-in-law, father-in-law, son-in-law and daughter-in-law (including adoptive relationships), the estate of such individual and any trust, partnership or other bona fide estate-planning vehicle the only beneficiaries of which are any of the foregoing individuals or any private foundation or fund that is controlled by any of the foregoing individuals or any donor-advised fund of which any such individual is the donor.

"**Indebtedness**" means, with respect to any specified Person, any indebtedness of such Person, whether or not contingent, in respect of:

(1) borrowed money;

(2) any amount raised by acceptance under any acceptance credit or bill discounting facility or dematerialized equivalent (other than to the extent the same is discounted or factored on a non-recourse basis or where recourse is limited to customary warranties and indemnities);

(3) bonds, notes, debentures or similar instruments or bankers' acceptances, letters of credit or similar instruments (or reimbursement agreements in respect thereof), excluding, in each case, any Trade Instruments;

(4) the amount of any liability in respect of Finance Leases and Capital Lease Obligations;

(5) receivables sold or discounted (other than any receivables to the extent they are sold or discounted on a non-recourse basis or where recourse is limited to customary warranties and indemnities) and only to the extent of any recourse;

(6) any Treasury Transaction (and, when calculating the value of any Treasury Transaction, only the marked to market net value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account) and Hedging Obligations;

(7) amounts raised by any issue of shares which are expressed to be redeemable mandatorily or at the option of the holder prior to the maturity date of the Notes or which are otherwise classified as borrowings under IFRS;

(8) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability (excluding any Trade Instruments) of an entity which is not a Subsidiary which liability would fall within one of the other paragraphs of this definition;

(9) any amount of any liability under an advance or deferred purchase agreement if: (i) one of the primary reasons behind the entry into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question and (ii) the agreement is in respect of the supply of assets or services and payment is due from the Parent Guarantor or a Subsidiary of the Parent Guarantor more than six months after the date of supply to it, or is due to the Parent Guarantor or a Subsidiary of the Parent Guarantor more than six months before the date of supply to it; *provided* that such amounts will not constitute Indebtedness where the amount results from the delayed or non-satisfaction of contract terms by the supplier, from a dispute carried out in good faith or from contract terms establishing payment schedules tied to total or partial contract completion and/or the results of operational testing procedures and, for the avoidance of doubt, excluding earn outs and other contingent consideration arrangements; or

(10) any amounts raised under any other transaction (including any forward sale or purchase agreement) required to be accounted for as a borrowing under IFRS excluding, in each case, any Trade Instruments,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with IFRS. In addition, the term "**Indebtedness**" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the guarantee by the specified Person of any Indebtedness of any other Person.

Notwithstanding the foregoing and for the avoidance of doubt, the term "**Indebtedness**" shall not include: (1) any lease, concession or license treated as an operating lease under IFRS and any guarantee given by the Parent Guarantor or any of its Subsidiaries in the ordinary course of business solely in connection with, and in respect of, the obligations of the Parent Guarantor or any of its Subsidiaries under any operating lease; (2) Contingent Obligations in the ordinary course of business and accrued liabilities incurred in the ordinary course of business that are not more than 90 days past due; (3) in connection with the purchase by the Parent Guarantor or any of its Subsidiaries of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; (4) all pension-related and post-employment obligations or liabilities and intra-day exposures; (5) Indebtedness in respect of Trade Instruments; (6) any contingent obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage taxes; (7) obligations in respect of any license, permit or other approval (or guarantees given in respect of such obligations) incurred prior to the Issue Date or arising in the ordinary course of business; (8) uncashed checks issued by the Parent Guarantor or a Subsidiary of the Parent Guarantor in the ordinary course of business; (9) Subordinated Shareholder Funding; (10) prepayments of deposits received from clients or customers in the ordinary course of business; (11) deferred or prepaid revenues; (12) Indebtedness in respect of the incurrence by the Parent Guarantor or any of its Subsidiaries of Indebtedness in respect of standby letters of credit, performance bonds or surety bonds provided by the Parent Guarantor or any of its Subsidiaries in the ordinary course of business to the extent such letters of credit or bonds are not drawn upon or, if and to the extent drawn upon, are honored in accordance with their terms and if to be reimbursed, are reimbursed no later than the fifth Business Day following receipt by such Person of a demand for reimbursement following payment on the letter of credit or bond; (13) Indebtedness incurred by the Parent Guarantor or any of its Subsidiaries in connection with a transaction where a substantially concurrent investment is made by the Parent Guarantor or any of its Subsidiaries in the form of cash deposited with the lender of such Indebtedness, or a Subsidiary or Affiliate thereof, in an amount equal to such Indebtedness; (14) any asset retirement obligations; or (15) any liability for taxes.

The amount of any Indebtedness outstanding as of any date shall be:

(1) the accreted value thereof, in the case of any Indebtedness issued with original issue discount; and

(2) the principal amount thereof in the case of any other Indebtedness.

"**Issue Date**" means the date on which Notes are originally issued under the Indenture.

"**Legal Holiday**" means a Saturday, a Sunday or a day on which commercial banking institutions are not required to be open in London, United Kingdom or Amsterdam, the Netherlands, or at the place of payment in respect of the Notes.

"**Lien**" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement.

"**Listing**" means the listing or an admission to trading of all or any part of the share capital of the Parent Guarantor on Euronext Amsterdam.

"**Moody's**" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"**New Facilities Agreement**" means the facilities agreement originally entered into on or about the date of this Offering Memorandum between, *inter alios*, the Issuer as the borrower, certain lenders defined therein and Deutsche Bank Luxembourg S.A. as the facility agent, as amended, restated or otherwise modified or varied from time to time and facilities which are exchanged for, or the proceeds of which are used to refinance, such facilities.

"**Non-Group Entity**" means any investment or entity (which is not itself the Parent Guarantor or any of its Subsidiaries (including associates and joint ventures)) in which the Parent Guarantor or any of its Subsidiaries has an ownership interest.

"**Officer**" means the Chairman of the Board, the Chief Executive Officer, the President, any Vice President, the Chief Financial Officer, the Treasurer or the Secretary of the Parent Guarantor.

"**Officer's Certificate**" means a certificate signed by any Officer of the Parent Guarantor.

"**Opinion of Counsel**" means a written opinion from legal counsel who is reasonably acceptable to the Trustee. The counsel may be an employee of, or counsel to, the Parent Guarantor or its Subsidiaries.

"**Other Hedging Agreements**" means any foreign exchange contracts, currency swap agreements, futures contract, option contract, commodity futures contract, commodity option, commodity swap, commodity collar agreement, commodity cap agreements or other similar agreements or arrangements designed to enable such Person to manage the fluctuations in currency or commodity values.

"**Parent Holdco**" means any Person (other than a natural person) which legally and beneficially owns more than 50% of the Voting Stock and/or Capital Stock of another Person, either directly or through one or more Subsidiaries.

"**Payor**" has the meaning ascribed thereto under "*Redemption for Taxation Reasons*."

"**Pension Items**" means any income or charge attributable to a post-employment benefit scheme other than the current cash service costs.

"**Permitted Intercompany Activities**" means any transactions (A) between or among the Parent Guarantor and its Subsidiaries that are entered into in the ordinary course of business of the Parent

Guarantor and its Subsidiaries and, in the good faith judgment of the Parent Guarantor are necessary or advisable in connection with the ownership or operation of the business of the Parent Guarantor and its Subsidiaries, including, but not limited to, (i) payroll, cash management, purchasing, insurance and hedging arrangements; and (ii) management, technology and licensing arrangements; and (B) between or among the Parent Guarantor, its Subsidiaries and any captive insurance subsidiaries.

"**Permitted Interest**" means any Securitization Lien or other Lien that arises in relation to any securitization or other structured finance transaction where:

(1) the primary source of payment of any obligations of the issuer is linked or otherwise related to cash flow from particular property or assets (or where payment of such obligations is otherwise supported by such property or assets); and

(2) recourse to the issuer in respect of such obligations is conditional on cash flow from such property or assets.

"**Permitted Liens**" means:

(1) Liens created for the benefit of or to secure the Notes or the Guarantees;

(2) Liens in favor of the Parent Guarantor or any Subsidiary of the Parent Guarantor;

(3) Liens on property or assets or shares of stock of a Person existing at the time such Person is merged with or into or consolidated with the Parent Guarantor or any Subsidiary of the Parent Guarantor; *provided* that such Liens were not incurred in contemplation of such merger or consolidation and the principal amount secured (other than as a result of capitalization of interest and accrual of any default interest) has not increased in contemplation of or since the date of such merger or consolidation;

(4) Liens on property or assets or shares of stock existing at the time of acquisition thereof by the Parent Guarantor or any Subsidiary of the Parent Guarantor and purchase money or similar Liens; *provided* that such Liens were not incurred in contemplation of such acquisition and the principal amount secured (other than as a result of capitalization of interest and accrual of any default interest) has not increased in contemplation of or since the date of such acquisition;

(5) Liens (a) to secure the performance of statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature or (b) arising by operation of law incurred in the ordinary course of business;

(6) Liens (a) to secure certain development, construction, alteration, repair or improvement costs, or to secure any purchase money obligations or mortgage financings incurred for the purpose of financing or refinancing all or any part of the purchase price or cost of design, construction, lease, installation or improvement of property (real or personal), plant or equipment or other assets, or to secure Indebtedness incurred to provide funds for the reimbursement or refinancing of funds expended for the foregoing purposes; *provided* that the Liens securing such costs or Indebtedness shall not extend to any Principal Property other than that being so developed, constructed, altered, repaired, improved, purchased, designed, leased or installed, (b) on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third-party relating to such property or assets, and (c) arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of assets acquired by or goods supplied to the Parent Guarantor or any Subsidiary of the Parent Guarantor in the ordinary course of business;

(7) Liens existing on, or provided for or required to be granted under written agreements on, the Issue Date;

(8) cash collateral provided in respect of letters of credit or bank guarantees to the issuer of those letters of credit or bank guarantees;

(9) Liens in respect of (a) deposits to secure the performance of bids, trade contracts, governmental contracts and leases (other than Indebtedness), statutory obligations, surety, stay, customs and appeal bonds, performance bonds and other obligations of a like nature (including those to secure health, safety and environmental obligations) incurred in the ordinary course of business,

(b) arising pursuant to an order of attachment or injunction restraining the disposal of assets or similar legal process arising in connection with legal proceedings which are contested by the Parent Guarantor or a Subsidiary of the Parent Guarantor in good faith by appropriate proceedings, and (c) arising pursuant to any court proceedings, court order or judgment or as security for costs created pursuant to any payment into court, court order or judgment or as security for costs in connection with any litigation or arbitration proceedings;

(10) Liens granted or arising over any shares or other ownership interests issued (including shares or interests issued prior to the Issue Date) in connection with any employee or management incentive scheme or similar arrangement;

(11) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith, and liens arising in connection with any unpaid taxes by the Parent Guarantor or a Subsidiary of the Parent Guarantor or which is imposed by the relevant tax authority;

(12) statutory mechanics', workmen's, materialmen's, operators' or similar Liens arising by operation of law or by agreement or contract of similar effect, in each case, in the ordinary course of business;

(13) Liens incurred in connection with government contracts, including the assignment of moneys due or to become due thereon;

(14) Liens securing Treasury Transactions and Hedging Obligations or Other Hedging Agreements, in each case, not for speculative purposes;

(15) Liens arising in the ordinary course of business and not in connection with the borrowing of money or Liens to secure the payment of pension, retirement or similar obligations;

(16) Liens securing judgments or orders, or securing appeal or other surety bonds related to such judgments or orders, against the Parent Guarantor or any Subsidiary of the Parent Guarantor relating to litigation being contested in good faith by appropriate proceedings;

(17) Liens securing an order of attachment or injunction restraining disposal of assets or similar legal process arising in connection with any legal proceedings which are contested by the Parent Guarantor or its Subsidiaries in good faith by appropriate proceedings;

(18) Liens securing any Permitted Interest;

(19) Liens securing goods and documents of title relating to those goods arising in the ordinary course of letter of credit or other documentary credit transactions entered into in the ordinary course of business;

(20) Liens not securing any outstanding actual or contingent liability; *provided* that all commercially reasonable efforts are used to procure the release or discharge of such Lien;

(21) Liens over cash paid into an escrow or similar account pursuant to any deposit or retention of purchase price arrangement as part of an acquisition or disposal permitted under the Indenture;

(22) extensions, substitutions, replacements or renewals of Liens permitted under the Indenture; *provided* that (a) such Indebtedness (including Indebtedness to renew, refund, refinance, replace, defease or discharge any Indebtedness that such Liens initially secured) is not increased (other than any increase for all accrued interest on the Indebtedness and the amount necessary to repay all fees and expenses, including premiums, incurred in connection therewith) and (b) if the assets securing any such Indebtedness are changed in connection with any such extension, substitution, replacement or renewal, the value of the assets securing such Indebtedness is not increased;

(23) Liens on assets or property of a Subsidiary (other than a borrower under the New Facilities Agreement, the Issuer or a Guarantor) securing Indebtedness of such Subsidiary or another Subsidiary (other than a borrower under the New Facilities Agreement, the Issuer or a Guarantor); *provided* that any such Lien granted by Intertrust Luxembourg can only be granted in favor of its own obligations;

(24) encumbrances, ground leases, easements (including reciprocal easement agreements), survey exceptions, or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning, building codes or other restrictions (including defects or irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental to the conduct of the business of the Parent Guarantor and its

Subsidiaries or to the ownership of its properties which do not in the aggregate materially adversely affect the value of said properties or materially interfere with the ordinary conduct of the business of the Parent Guarantor or its Subsidiaries, as applicable;

(25) (a) leases, licenses, subleases and sublicenses of assets (including real property and intellectual property rights), in each case, entered into in the ordinary course of business and (b) Liens on assets located on a leased premises and deposits in each case in respect of obligations relating to real estate leased or licensed by the Parent Guarantor or any Subsidiary of the Parent Guarantor;

(26) any interest or title of a lessor under, or any Lien as a consequence of, any Capital Lease Obligations, Finance Leases or operating lease obligation (including, for avoidance of doubt, any interest or title of a lessor in any Principal Property) and any Lien over any rental deposits in respect of any property leased or licensed by the Parent Guarantor or a Subsidiary of the Parent Guarantor;

(27) Liens on Escrowed Proceeds for the benefit of the related holders of debt securities or other Indebtedness (or the underwriters or arrangers thereof) or on cash set aside at the time of the incurrence of any Indebtedness or government securities purchased with such cash, in either case, to the extent such cash or government securities are held in escrow accounts or similar arrangement;

(28) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Subsidiaries securing obligations of such joint ventures or to other joint venture partners in such joint ventures;

(29) any Lien arising over any bank accounts or custody accounts or other clearing banking facilities held with any bank or financial institution under the standard or usual terms and conditions of such bank or financial institution or arising by operation of law;

(30) any Lien arising in connection with any cash management, cash pooling, netting or set-off arrangement entered into by the Parent Guarantor or any Subsidiary of the Parent Guarantor in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of the Parent Guarantor and its Subsidiaries (including an ancillary facility, which is an overdraft comprising more than one account) or otherwise in connection with cash management, cash pooling or similar or equivalent arrangements and any Lien granted to a financial institution on that financial institution's standard terms and conditions in respect of accounts and services;

(31) any Lien arising as a result of a sale, lease, sale and leaseback, license, hire purchase or similar transaction, transfer or other disposal which is not prohibited by the terms of the Indenture or any acquisition or investment not expressly prohibited under the terms of the New Facilities Agreement (including under or pursuant to deposit, retention of purchase price or escrow arrangements and any vendor financing, deferred consideration or payment or other similar arrangements);

(32) Liens under netting or set-off arrangements in the ordinary course of business between the Parent Guarantor and its Subsidiaries and their respective suppliers or customers and not securing Indebtedness;

(33) Liens under netting or set-off arrangements under Treasury Transactions permitted under the Indenture;

(34) Liens over documents of title and goods as part of a documentary credit transaction entered into in the ordinary course of business;

(35) [*Reserved*];

(36) Liens in respect of local facilities where the aggregate outstanding principal amount of such secured liabilities does not exceed the greater of (a) €10.0 million (equivalent) and (b) 10% of Consolidated Pro Forma EBITDA of the Parent Guarantor and its Subsidiaries;

(37) any Lien required to be granted under mandatory law in favor of creditors as a consequence of a merger or a conversion permitted under the Indenture;

(38) Liens securing obligations that do not exceed the greater of (a) €50.0 million (equivalent) and (b) 25% of the Consolidated Pro Forma EBITDA of the Parent Guarantor and its Subsidiaries;

(39) Liens securing obligations of any Subsidiary of the Parent Guarantor that is not a Guarantor or the Issuer in an amount that does not exceed the greater of (a) €35.0 million (equivalent) and (b) 20% of the Consolidated Pro Forma EBITDA of the Parent Guarantor and its Subsidiaries; and

(40) Liens as a result of the existence of a fiscal unity (*fiscale eenheid*) for Dutch tax purposes or any analogous arrangement in any other jurisdiction.

"**Person**" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"**Principal Property**" means any property, plant or equipment (including any leasehold interest therein), which is owned by the Parent Guarantor or a Subsidiary of the Parent Guarantor, in each case, to the extent that such property, plant or equipment has a net book value on the books of the Parent Guarantor in excess of €15.0 million as of the date of determination thereof, other than any property, plant or equipment which, in the opinion of a responsible financial or accounting officer of the Parent Guarantor, is not of material importance to the total business conducted by the Parent Guarantor and its Subsidiaries taken as a whole.

"**Public Indebtedness**" means any Indebtedness consisting of bonds, debentures, notes or other similar debt securities issued in (1) a public offering registered under the Securities Act or (2) a private placement to institutional investors that is underwritten for resale in accordance with Rule 144A or Regulation S under the Securities Act, whether or not it includes registration rights entitling the holders of such debt securities to registration thereof with the Commission for public resale. The term "**Public Indebtedness**" for the avoidance of doubt, shall not be construed to include any Indebtedness issued to institutional investors in a direct placement of such Indebtedness that is not underwritten by an intermediary (it being understood that, without limiting the foregoing, a financing that is distributed to not more than ten Persons (*provided* that multiple managed accounts and affiliates of any such Persons shall be treated as one Person for the purposes of this definition) shall not be deemed underwritten), or any Indebtedness under the New Facilities Agreement, commercial bank or similar Indebtedness, Capital Lease Obligation or recourse transfer of any financial asset or any other type of Indebtedness incurred in a manner not customarily viewed as a "securities offering" or in connection with any securitization or other structured finance transaction.

"**Rating Agencies**" means S&P and Moody's or if S&P or Moody's or both shall not make a rating on the Notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Issuer or the Parent Guarantor (as certified by a resolution of the relevant Board of Directors) which shall be substituted for S&P or Moody's, or both, as the case may be.

"**Rating Category**" means (1) with respect to S&P, any of the following categories: AAA, AA, A, BBB, BB, B, CCC, CC, C and D (or equivalent successor categories); (2) with respect to Moody's any of the following categories: Aaa, Aa, A, Baa, Ba, B, Caa, Ca, C and D (or equivalent successor categories); and (3) the equivalent of any such category of S&P or Moody's used by another Rating Agency. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories (+ and—for S&P; 1, 2 and 3 for Moody's; or the equivalent gradations for another Rating Agency) shall be taken into account but changes in outlook shall not.

"**Relevant Period**" means each period of twelve months ending on or about the most recent date for which internal consolidated financial statements of the Parent Guarantor are available.

"**Relevant Synergy Benefits**" means the pro forma synergies and cost savings which the Parent Guarantor (as reasonably determined by a responsible financial or accounting officer of the Parent Guarantor) believes can be obtained following the completion of such acquisition, investment, sale, transfer, disposal or implementation as a result of combining the operations of such Acquired Entity or Business with the operations of the Parent Guarantor or any of its Subsidiaries, as a consequence of the sale, transfer or other disposal of such Sold Entity or Business or as a result of implementing such Group Initiative.

"**Relevant Taxing Jurisdiction**" has the meaning ascribed thereto under "*Withholding Taxes*."

"**S&P**" means Standard & Poor's Ratings Group or any successor to the rating agency business thereof.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Securitization Lien**" means a customary back-up security interest granted as part of a sale, lease, transfer or other disposition of assets by the Parent Guarantor or any of its Subsidiaries to, either directly or indirectly, any issuer in a securitization or other structured finance transaction.

"**Significant Subsidiary**" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof.

"**Subordinated Shareholder Funding**" means, collectively, any funds provided to the Parent Guarantor or any of its Subsidiaries by a Parent Holdco in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, in each case issued to and held by a Parent Holdco of the Parent Guarantor, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Funding; *provided* that such Subordinated Shareholder Funding:

(1) does not mature or require any amortization, redemption or other repayment of principal or any sinking fund payment prior to the first anniversary of the maturity of the Notes (other than through conversion or exchange of such funding into Capital Stock (other than Disqualified Stock) of the Parent Guarantor or any funding meeting the requirements of this definition);

(2) does not require, prior to the first anniversary of the maturity of the Notes, payment of cash interest, cash withholding amounts or other cash gross ups, or any similar cash amounts;

(3) contains no change of control or similar provisions and does not accelerate and has no right to declare a default or event of default or take any enforcement action or otherwise require any cash payment, in each case, prior to the first anniversary of the maturity of the Notes;

(4) does not provide for or require any security interest or encumbrance over any asset of the Parent Guarantor or any of its Subsidiaries; and

(5) pursuant to its terms is fully subordinated and junior in right of payment to the Notes pursuant to subordination, payment blockage and enforcement limitation terms which are customary in all material respects for similar funding.

"**Subsidiary**" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or one or more Subsidiaries of such Person (or any combination thereof).

"**Subsidiary Guarantor**" means each existing and future Subsidiary of the Parent Guarantor that provides a Guarantee in accordance with the covenant described under "*Certain Covenants—Limitation on Issuance of Guarantees of Indebtedness by Subsidiaries*" in each case, until the Guarantee of such Person has been released in accordance with the provisions of the Indenture.

"**Surviving Entity**" shall have the meaning ascribed thereto under "*Certain Covenants—Merger, Consolidation or Sale of Assets*."

"**Tax Redemption Date**" has the meaning ascribed thereto under "*Redemption for Taxation Reasons*."

"**Taxes**" has the meaning ascribed thereto under "*Withholding Taxes*."

"**Trade Instruments**" means any performance bonds, advance payment bonds, letters of credit, bankers' acceptances or similar instruments issued in respect of the obligations of the Parent Guarantor or any of its Subsidiaries arising in the ordinary course of business.

"**Transaction Costs**" means all fees, commission, costs and expenses, stamp, registration and other Taxes incurred (or required to be paid) by the Parent Guarantor or any of its Subsidiaries in connection with the Listing, any acquisition, disposal, investment or other Group Initiative not prohibited under the terms of the Indenture or any amendments to the New Facilities Agreement and, in each case, the negotiation, preparation, execution, notarization and registration of all related documentation.

"**Treasury Transactions**" means any hedging, derivative or other financial instrument or transaction entered into in connection with the protection against or benefit from fluctuation in any rate or price.

"**Voting Stock**" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

BOOK-ENTRY; DELIVERY AND FORM

GENERAL

The Notes sold to qualified institutional buyers in reliance on Rule 144A will initially be represented by a global note in registered form without interest coupons attached (the "**Rule 144A Global Notes**"). The Notes sold to non-US persons outside the United States in reliance on Regulation S will initially be represented by a global note in registered form without interest coupons attached (the "**Regulation S Global Notes**" and, together with the Rule 144A Global Notes, the "**Global Notes**"). The Global Notes will be deposited, on the Issue Date, with a common depositary and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.

Ownership of interests in the Rule 144A Global Notes (the "**Rule 144A Book-Entry Interests**") and ownership of interests in the Regulation S Global Notes (the "**Regulation S Book-Entry Interests**" and, together with the Rule 144A Book-Entry Interests, the "**Book-Entry Interests**") will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that hold interests through such participants. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. Except under the limited circumstances described below, Book-Entry Interests will not be issued in definitive form.

Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream and their participants. The Book-Entry Interests in Global Notes will be issued only in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of those securities in definitive form. The foregoing limitations may impair your ability to own, transfer or pledge Book-Entry Interests. In addition, while the Notes are in global form, holders of Book-Entry Interests will not be considered the registered owners or "holders" of Notes for any purpose.

So long as the Notes are held in global form, the common depositary for Euroclear and/or Clearstream (or its nominee), as applicable, will be considered the sole holder of the Global Notes for all purposes under the Indenture. In addition, participants must rely on the procedures of Euroclear and Clearstream, and indirect participants must rely on the procedures of Euroclear and Clearstream and the participants through which they own Book-Entry Interests, to transfer their interests or to exercise any rights of holders of Notes under the Indenture.

None of the Parent Guarantor, the Issuer, the Trustee, the Paying Agent, the Registrar or the Transfer Agent or any of their respective affiliates will have any responsibility, or be liable, for any aspect of the records relating to the Book-Entry Interests.

REDEMPTION OF THE GLOBAL NOTES

In the event that any Global Note (or any portion thereof) is redeemed, Euroclear and/or Clearstream, as applicable, will redeem an equal amount of the Book-Entry Interests in such Global Note from the amount received by them in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by Euroclear and Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). We understand that, under the existing practices of Euroclear and Clearstream, if fewer than all of the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or on such other basis as they deem fair and appropriate unless otherwise required by law or applicable stock exchange or depositary requirements, provided, however, that no Book-Entry Interest of less than €100,000 principal amount may be redeemed in part.

PAYMENTS ON GLOBAL NOTES

We will make payments of any amounts owing in respect of the Global Notes (including principal, premium, interest and additional amounts, if any) to the Paying Agent. The Paying Agent will, in turn, make such payments to the common depositary or its nominee for Euroclear and Clearstream, which will distribute such payments to participants in accordance with their respective customary procedures. All payments required to be made by us with respect to the Notes will be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and as described under "*Description of the Notes—Withholding Taxes.*" If any such deduction or withholding is required to be made, then, to the extent described under "*Description of the Notes—Withholding Taxes*" above, as the case may be, we will pay additional amounts as may be necessary in order for the net amounts received by any holder of the Global Notes or owner of Book-Entry Interests after such deduction or withholding to equal the net amounts that such holder or owner would have otherwise received in respect of such Global Note or Book-Entry Interest, as the case may be, absent such withholding or deduction. We expect that standing customer instructions and customary practices will govern payments by participants to owners of Book-Entry Interests held through such participants.

Under the terms of the Indenture, the Issuer, the Trustee, the Paying Agent, the Registrar, the Transfer Agent and the relevant agents will treat the registered holders of the Global Notes (i.e., the common depositary for Euroclear or Clearstream (or their respective nominees)) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Issuer, the Trustee, the Paying Agent, the Registrar, the Transfer Agent or any of their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest or for maintaining, supervising or reviewing the records of Euroclear or Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest;
- Euroclear, Clearstream or any participant or indirect participant; or
- the records of the common depositary.

Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants, as is now the case with securities held for the accounts of subscribers registered in "street name."

CURRENCY OF PAYMENT FOR THE GLOBAL NOTES

The principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Global Notes, will be paid to holders of Book-Entry Interests in such Notes through Euroclear and/or Clearstream in euro.

ACTION BY OWNERS OF BOOK-ENTRY INTERESTS

Euroclear and Clearstream have advised us that they will take any action permitted to be taken by a holder of a Note (including the presentation of Notes for exchange as described above) only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Notes. However, if there is an event of default under the Notes, each of Euroclear and Clearstream, at the request of the holders of such Notes, reserve the right to require the Issuer to exchange the Global Notes for Definitive Registered Notes in certificated form, and to distribute such Definitive Registered Notes to their participants.

TRANSFERS

Transfers between participants in Euroclear and/or Clearstream will be effected in accordance with Euroclear and Clearstream's rules and will be settled in immediately available funds. If a holder of a Note requires physical delivery of Definitive Registered Notes for any reason, including to sell Notes to persons in states that require physical delivery of such securities or to pledge such securities, such holder of Notes must transfer its interests in the Global Notes in accordance with the normal procedures of Euroclear and Clearstream and in accordance with the procedures to be set forth in the Indenture.

The Global Notes will each bear a legend to the effect set forth under "*Transfer Restrictions.*" Book-Entry Interests in the Global Notes will be subject to the restrictions on transfers and certification requirements discussed under "*Transfer Restrictions.*"

Transfers of Rule 144A Book-Entry Interests to persons wishing to take delivery of Rule 144A Book-Entry Interests will at all times be subject to such transfer restrictions.

Rule 144A Book-Entry Interests may be transferred to a person who takes delivery in the form of a Regulation S Book-Entry Interest only upon delivery by the transferor of a written certification (in the form to be provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S or Rule 144A or any other exemption (if available under the US Securities Act).

Regulation S Book-Entry Interests may be transferred to a person who takes delivery in the form of a Rule 144A Book-Entry Interest only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under "*Transfer Restrictions*" and in accordance with any applicable securities laws of any other jurisdiction.

In connection with transfers involving an exchange of a Regulation S Book-Entry Interest for a Rule 144A Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note.

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in a Global Note only as described below as the case may be and, if required, only if the transferor first delivers to the Registrar a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See "*Transfer Restrictions.*"

Any Book-Entry Interest in one of the Global Notes that is transferred to a person who takes delivery in the form of a Book-Entry Interest in any other Global Note will, upon transfer, cease to be a Book-Entry Interest in the first-mentioned Global Note and become a Book-Entry Interest in the other Global Note, and accordingly will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such other Global Note for as long as it remains such a Book-Entry Interest.

DEFINITIVE REGISTERED NOTES

Under the terms of the Indenture, owners of the Book-Entry Interests will receive Definitive Registered Notes:

(1) if Euroclear or Clearstream notifies us that it is unwilling or unable to continue to act as depositary and a successor depositary is not appointed by us within 120 days; or

(2) if the owner of a Book-Entry Interest requests such exchange in writing delivered through Euroclear or Clearstream following an event of default under the Indenture and enforcement action is being taken in respect thereof under the Indenture.

In such an event, the Issuer will issue Definitive Registered Notes, registered in the name or names of the holder(s) and issued in any approved denominations, requested by or on behalf of Euroclear and/or Clearstream or us (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of Book-Entry Interests), and such Definitive Registered Notes will bear the restrictive legend as provided in the Indenture, unless that legend is not required by the Indenture or applicable law.

To the extent permitted by law, the Issuer, the Trustee, the Transfer Agent, the Paying Agent and the Registrar shall be entitled to treat the registered holder of any Global Note as the absolute owner thereof and no person will be liable for treating the registered holder as such. Ownership of the Global Notes will be evidenced through registration from time to time at our registered office, and such registration is a means of evidencing title to the Notes.

We will not impose any fees or other charges in respect of the Notes; however, owners of the Book-Entry Interests may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and/or Clearstream, as applicable.

INFORMATION CONCERNING EUROCLEAR AND CLEARSTREAM

All Book-Entry Interests will be subject to the operations and procedures of Euroclear and Clearstream, as applicable. We provide the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of the settlement system are controlled by the settlement system and may be changed at any time. Neither we nor the Trustee, the Paying Agent, the Registrar, the Transfer Agent or any of the Initial Purchasers are responsible for those operations or procedures.

We understand as follows with respect to Euroclear and Clearstream: Euroclear and Clearstream hold securities for participating organizations. They facilitate the clearance and settlement of securities transactions between their participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear and Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear and Clearstream participant, either directly or indirectly.

Because Euroclear and Clearstream can act only on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear and/or Clearstream systems, or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the Euroclear or Clearstream systems will receive distributions attributable to the 144A Global Notes only through Euroclear or Clearstream participants.

GLOBAL CLEARANCE AND SETTLEMENT UNDER THE BOOK-ENTRY SYSTEM

The Notes represented by the Global Notes are expected to be listed on the Official List of the Luxembourg Stock Exchange. Transfers of interests in the Global Notes between participants in Euroclear or Clearstream will be effected in the ordinary way in accordance with their respective system's rules and operating procedures.

Although Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in Euroclear or Clearstream, as the case may be, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of the Issuer, the Initial Purchasers, the Trustee, the Transfer Agent, the Registrar or the Paying Agent will have any responsibility for the performance by Euroclear, Clearstream or their participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

INITIAL SETTLEMENT

Initial settlement for the Notes will be made in euro. Book-Entry Interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional eurobonds in registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value on the settlement date.

SECONDARY MARKET TRADING

The Book-Entry Interests will trade through participants of Euroclear or Clearstream and will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

TAX CONSIDERATIONS

TAXATION IN THE NETHERLANDS

The information set out below is a general summary of certain material Dutch tax consequences in connection with the acquisition, ownership and transfer of the Notes. This summary is not a comprehensive or complete description of all the Dutch tax considerations that may be relevant for a particular holder of Notes and it does not address the tax consequences that may arise in any jurisdiction other than the Netherlands in connection with the acquisition, ownership and transfer of the Notes. For Dutch tax purposes, a holder of Notes may include an individual who or an entity that does not have the legal title to the Notes, but to whom nevertheless the Notes, or the income thereof, are attributed based either on such individual or entity holding a beneficial interest in the Notes or based on specific statutory provisions.

This summary is based on the tax laws of the Netherlands as in effect on the date of this Offering Memorandum, including regulations, rulings and decisions of the Netherlands and its taxing and other authorities available in printed form on or before this date and now in effect, and as applied and interpreted by Dutch courts, without prejudice to any developments or amendments introduced at a later date and implemented with or without retroactive effect.

Any reference in this summary to the Netherlands and to Netherlands or Dutch tax law are to the European part of the Netherlands and its law, respectively, only.

As this summary is intended as general information only, holders of Notes should consult their own tax advisors as to the Dutch or other tax consequences of the acquisition, ownership and transfer of Notes, including, in particular, the application to their particular situations of the tax considerations discussed below. Holders of Notes may be subject to a special tax treatment under any applicable law and this summary is not intended to be applicable in respect of all categories of holders of Notes.

Withholding Tax

Any payments of interest and principal to be made by the Issuer under the Notes may be made free of withholding or deduction of any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

For developments and risks in relation to the application of the proposed withholding tax on interest payments see "*Risk Factors—The introduction of a Dutch conditional withholding tax on interest payments may increase the amounts that we are obliged to pay under the Notes.*"

Taxes on Income and Capital Gains

This summary is not intended for any holder of Notes:

- who is an individual and for whom the income or capital gains derived from the Notes are attributable to employment activities, the income from which is taxable in the Netherlands;
- who has, or that has, a Substantial Interest (as defined below) or a deemed Substantial Interest in the Issuer;
- that is an entity that is resident or deemed to be resident in the Netherlands and that is, in whole or in part, not subject to or exempt from Dutch corporate income tax (such as qualifying pension funds);
- that is an exempt investment institution (*vrijgestelde beleggingsinstelling*) or a fiscal investment institution (*fiscale beleggingsinstelling*) as meant in Articles 6a and 28 of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*, "**CITA**"), respectively; or
- who is, or that is, not considered the beneficial owner (*uiteindelijk gerechtigde*) of the Notes and/or the income and/or capital gains derived from the Notes.

Generally a holder of Notes will have a substantial interest (*aanmerkelijk belang*) in the Issuer if he holds, alone or, in case the holder is an individual, together with his partner (statutorily defined term in Dutch tax law), whether directly or indirectly, the ownership of, or certain other rights over, shares representing 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Issuer, or rights to acquire shares, whether or not already issued, that represent at any time 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Issuer, or the ownership of certain profit participating certificates that relate to 5% or more of the annual profit or to 5% or more of the liquidation proceeds of the Issuer (a "**Substantial Interest**").

A holder of Notes will also have a Substantial Interest in the Issuer if one of certain relatives of that holder or of his partner has a Substantial Interest in the Issuer. If a holder of Notes does not have a Substantial Interest, a deemed Substantial Interest will be present if (part of) a Substantial Interest has been disposed of, or is deemed to have been disposed of, without recognizing a taxable gain.

Dutch Resident Individuals

A holder of Notes who is an individual and who is resident or deemed to be resident in the Netherlands for purposes of Dutch taxation (a "**Dutch Resident Individual**"), will generally be subject to Dutch income tax with respect to income and capital gains derived or deemed to be derived from the Notes at the progressive rates up to 51.95% (maximum rate for 2018) if:

(i) the holder derives profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder), to which enterprise the Notes are attributable or deemed to be attributable; or

(ii) the holder derives income or capital gains from the Notes, as the case may be, that are taxable as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*, as defined in the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*)), which include the performance of activities with respect to the Notes, that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*) and also include benefits resulting from a lucrative interest (*lucratief belang*).

If neither condition (i) nor condition (ii) mentioned above applies, a Dutch Resident Individual will generally be subject to Dutch income tax on a deemed return, regardless of the actual income or capital gains derived from the Notes. This deemed return is calculated by applying the applicable deemed return percentage(s) to the individual's yield basis (*rendementsgrondslag*), insofar this exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets (including, as the case may be, the Notes) held by the Dutch Resident Individual less the fair market value of certain qualifying liabilities, both determined on January 1 of the relevant year. The deemed return percentages to be applied to the yield basis increases progressively from 2.02% to 5.38% (rates for 2018), depending on such individual's yield basis. The deemed return percentages will be adjusted annually. The deemed return will be taxed at a rate of 30% (rate for 2018).

Dutch Resident Entities

A holder of Notes that is an entity and that is resident or deemed to be resident in the Netherlands for purposes of Dutch taxation (a "**Dutch Resident Entity**"), will generally be subject to Dutch corporate income tax with respect to income and capital gains derived or deemed to be derived from the Notes. The Dutch corporate income tax rate is 20% for the first €200,000 of taxable profits and 25% for the taxable amount exceeding €200,000 (rates for 2018).

Non-Dutch Residents

A holder of Notes who is not, nor deemed to be, a Dutch Resident Individual or a Dutch Resident Entity (a "**Non-Dutch Resident**"), is generally not subject to Dutch income tax or Dutch corporate income tax with respect to income and capital gains derived from the Notes, provided that:

- such Non-Dutch Resident does not derive profits from an enterprise or deemed enterprise, whether as an entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder) which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Notes are attributable or deemed attributable;
- in case of a Non-Dutch Resident who is an individual, such individual does not derive income or capital gains from the Notes, as the case may be, that are taxable as benefits from miscellaneous activities performed in the Netherlands, which include the performance of activities in respect of the Notes, that exceed regular, active portfolio management and also includes benefits resulting from a lucrative interest;
- in case of a Non-Dutch Resident who is an individual, such individual is not entitled to a share in the profits of an enterprise effectively managed in the Netherlands, other than by way of the holding of securities or through an employment relationship, to which enterprise the Notes or payments in respect of the Notes are attributable; and
- in case of a Non-Dutch Resident that is an entity, such entity is neither entitled to a share in the profits of an enterprise nor co-entitled to the net worth of an enterprise effectively managed in the Netherlands, other than by way of the holding of securities, to which enterprise the Notes or payments in respect of the Notes are attributable.

Gift and Inheritance Taxes

Dutch Residents

Generally, gift taxes (*schenkbelasting*) and inheritance taxes (*erfbelasting*) may arise in the Netherlands with respect to a transfer of the Notes by way of a gift by, or on the death of, a holder of Notes who is resident or deemed to be resident in the Netherlands for the purpose of the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1965*) at the time of the gift or his/her death.

Non-Dutch Residents

No Dutch gift or inheritance taxes will be levied on the transfer of Notes by way of gift by, or on the death of, a holder who is neither resident nor deemed to be resident in the Netherlands for the purpose of the relevant provisions, unless:

(i) the transfer is construed as an inheritance or bequest, or as a gift made by or on behalf of a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions;

(ii) such holder dies while being resident or deemed resident in the Netherlands within 180 days after the date of a gift of the Notes; or

(iii) the gift is made under a condition precedent and such holder is or is deemed to be resident in the Netherlands at the time the condition is fulfilled.

For purposes of the Netherlands Gift and Inheritance Tax Act 1956, an individual who is of the Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. For purposes of Dutch gift tax, an individual will, irrespective of his nationality, be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. The same twelve-month rule may apply to entities that have transferred their seat of residence out of the Netherlands. Applicable tax treaties concluded by the Netherlands may override such deemed residency.

Value Added Tax

No Dutch value added tax (*omzetbelasting*) is payable by a holder of Notes in respect of the purchase of the Notes pursuant to this offering (other than value added tax due on fees payable in respect of additional services not exempt from Dutch value added tax).

Other Taxes and Duties

No Dutch registration tax, capital tax, customs duty, stamp duty or any other similar tax or duty, other than court fees, will be payable in the Netherlands by a holder of Notes in respect of or in connection with the acquisition, ownership or transfer of the Notes.

Residence

A holder of Notes will not become or be deemed to become resident in the Netherlands for tax purposes solely by reason of the acquisition, ownership or transfer of the Notes.

CERTAIN US FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain United States federal income tax consequences of the purchase, ownership and disposition of the Notes. This summary deals only with Notes held as capital assets (within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "**Code**")) by US holders (as defined below) who purchase the Notes for cash pursuant to the Offering at their "issue price" (the first price at which a substantial amount of the Notes of the applicable series is sold for money to investors, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriter, placement agent or wholesaler).

As used herein, a "**US holder**" means a beneficial owner of the Notes that is, for United States federal income tax purposes, any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for United States federal income tax purposes) that is created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if it (i) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

If any entity or arrangement classified as a partnership for United States federal income tax purposes holds Notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partnership or a partner in a partnership considering an investment in the Notes, you should consult your own tax advisors.

This summary does not represent a detailed description of the United States federal income tax consequences applicable to you if you are a person subject to special tax treatment under the United States federal income tax laws, including, without limitation:

- a dealer in securities or currencies;
- a financial institution;
- a regulated investment company;
- a real estate investment trust;
- a tax-exempt organization;
- an insurance company;

- a person holding the Notes as part of a hedging, integrated, conversion or constructive sale transaction or a straddle;
- a trader in securities that has elected the mark-to-market method of accounting for your securities;
- a person liable for alternative minimum tax;
- a partnership or other pass-through entity (or an investor in such an entity);
- a person whose "functional currency" is not the US dollar;
- a person required to accelerate the recognition of any item of gross income with respect to the Notes as a result of such income being recognized on an applicable financial statement; or
- a United States expatriate.

This summary is based on the Code, United States Treasury regulations, administrative rulings and judicial decisions as of the date hereof. Those authorities may be changed, possibly on a retroactive basis, so as to result in United States federal income tax consequences different from those summarized below. We have not and will not seek any rulings from the Internal Revenue Service ("**IRS**") regarding the matters discussed below. There can be no assurance that the IRS will not take positions concerning the tax consequences of the purchase, ownership or disposition of the Notes that are different from those discussed below.

This summary does not represent a detailed description of the United States federal income tax consequences to you in light of your particular circumstances and does not address the Medicare contribution tax on net investment income or the effects of any state, local or non-United States tax laws. It is not intended to be, and should not be construed to be, legal or tax advice to any particular purchaser of Notes.

If you are considering the purchase of Notes, you should consult your own tax advisors concerning the particular United States federal income tax consequences to you of the purchase, ownership and disposition of the Notes, as well as the consequences to you arising under other United States federal tax laws and the laws of any other taxing jurisdiction.

Payments of interest

Subject to the foreign currency rules discussed below, interest on a Note will generally be taxable to you as ordinary income at the time it is paid or accrued in accordance with your method of accounting for United States federal income tax purposes. Interest income on a Note will generally be considered foreign source income and, for purposes of the United States foreign tax credit, will generally be considered passive category income. You will generally be denied a foreign tax credit for foreign taxes imposed with respect to the Notes where you do not meet a minimum holding period requirement during which you are not protected from risk of loss. The rules governing the foreign tax credit are complex. You are urged to consult your tax advisors regarding the availability of the foreign tax credit under your particular circumstances.

Interest on the Notes will be payable in euro. If you use the cash basis method of accounting for United States federal income tax purposes, you will be required to include in income (as ordinary income) the US dollar value of the amount of interest received on the Notes, determined by translating the amount of euro received at the spot rate on the date such payment is received, regardless of whether the payment is in fact converted into US dollars. You will not recognize exchange gain or loss with respect to the receipt of such payment (other than exchange gain or loss realized on the disposition of the euro so received).

If you use the accrual method of accounting for United States federal income tax purposes, you may determine the amount of income recognized with respect to interest on the Notes in accordance with either of two methods. Under the first method you will be required to include in income (as ordinary income) for each taxable year the US dollar value of the interest that has accrued on the Notes held during such year, determined by translating such interest at the average rate of exchange for the period or periods (or portions thereof) during which such interest accrued. Under the second method, you may translate interest income at the spot rate on:

- the last day of the accrual period;
- the last day of the taxable year if the accrual period straddles your taxable year; or
- the date the interest payment is received if such date is within five business days of the end of the accrual period.

If you elect to use the second method, the election must be consistently applied by you to all debt instruments from year to year and can be changed only with the consent of the IRS. In addition, if you use the accrual method of accounting, upon receipt of an interest payment on a Note (including, upon the sale of a Note, the receipt of proceeds which include amounts attributable to accrued interest previously included in income), you will recognize ordinary gain or loss in an amount equal to the difference between the US dollar value of such payment (determined by translating the amount of euro received at the spot rate on the date such payment is received) and the US dollar value of the interest income you previously included in income with respect to such payment.

Sale, exchange, retirement, redemption or other taxable disposition of Notes

Upon the sale, exchange, retirement, redemption or other taxable disposition of a Note, you generally will recognize gain or loss equal to the difference between the amount realized upon the sale, exchange, retirement, redemption or other taxable disposition (less any amount attributable to accrued and unpaid interest, which will be taxable as interest income as discussed above under "—*Payments of interest*") and the adjusted tax basis of the Note. Your adjusted tax basis in a Note will generally be your cost for that Note. If you purchased a Note with euro, your cost generally will be the US dollar value of the amount of foreign currency paid for such Note determined at the spot rate on the date of such purchase (or, in the case of a cash basis or electing accrual basis taxpayer, the settlement date of the purchase, if the Note is treated as traded on an established securities market for US federal income tax purposes). If your Note is sold, exchanged, retired or otherwise disposed of in a taxable transaction for euro, then your amount realized generally will be based on the spot rate in effect on the date of such sale, exchange, retirement or other taxable disposition (or, in the case of a cash basis or electing accrual basis taxpayer, the settlement date of the sale, exchange, retirement or disposition, if the Note is treated as traded on an established securities market for US federal income tax purposes). If you use the accrual method of accounting for United States federal income tax purposes, you may elect the same treatment with respect to the purchase and sale of Notes traded on an established securities market, provided that such election is applied consistently to all debt instruments held by you from year to year. Such election cannot be changed without the consent of the IRS.

Except with respect to gain or loss attributable to changes in exchange rates as discussed below, any gain or loss you recognize will generally be capital gain or loss and will generally be long-term capital gain or loss if you have held the Note for more than one year. Long-term capital gains of non-corporate US holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Any gain or loss you recognize will generally be treated as United States source gain or loss.

A portion of your gain or loss with respect to the principal amount of a Note may be treated as exchange gain or loss. Exchange gain or loss will generally be treated as United States source ordinary income or loss. For these purposes, the principal amount of the Note is your purchase price for the Note calculated in euro on the date of purchase, and the amount of exchange gain or loss recognized is equal to the difference between (i) the US dollar value of the principal amount determined at the spot rate on the date of the sale, exchange, retirement or other taxable disposition of the Note and (ii) the US dollar value of the principal amount determined at the spot rate on the date you purchased the Note (or, possibly, in the case of cash basis or electing accrual basis taxpayers, the settlement dates of such purchase and taxable disposition, if the Note is treated as traded on an established securities market for US federal income tax purposes). The amount of exchange gain or loss recognized on the disposition of the Note (with respect to both principal and accrued interest) will be limited to the amount of overall gain or loss realized on the disposition of the Note.

Disposition of foreign currency

Your tax basis in euro received as interest on a Note or on the sale, exchange, retirement or other taxable disposition of a Note will be the US dollar value thereof at the spot rate in effect on the date the euro are received. Any gain or loss recognized by you on a sale, exchange or other disposition of the euro will generally be treated as US source ordinary income or loss.

Reportable transactions

United States Treasury regulations issued under the Code meant to require the reporting of certain tax shelter transactions could be interpreted to cover transactions generally not regarded as tax shelters, including certain foreign currency transactions. Under the United States Treasury regulations, certain transactions are required to be reported to the IRS, including, in certain circumstances, a sale, exchange, retirement or other taxable disposition of a foreign currency note or foreign currency received in respect of a foreign currency note to the extent that such sale, exchange, retirement or other taxable disposition results in a tax loss in excess of a threshold amount. If you are considering the purchase of a Note, you should consult with your own tax advisors to determine the tax return obligations, if any, with respect to an investment in the Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Backup withholding and information reporting

Generally, information reporting will apply to all payments of interest and principal on a Note and the proceeds from a sale or other disposition of a Note paid to you, unless you are an exempt recipient. Additionally, if you fail to provide your taxpayer identification number, or in the case of interest payments, fail either to report in full dividend and interest income or to make certain certifications, you may be subject to backup withholding on any such payments or proceeds.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your United States federal income tax liability provided the required information is timely furnished to the IRS.

LIMITATIONS ON VALIDITY AND ENFORCEABILITY OF THE GUARANTEES AND CERTAIN INSOLVENCY LAW CONSIDERATIONS

Set out below is a summary of certain limitations on the enforceability of the Guarantees in each of the jurisdictions in which the Issuer and the Guarantors are organized (other than the United States). It is a summary only, and bankruptcy or insolvency proceedings or a similar event could be initiated in any of these jurisdictions and in the jurisdiction of organization of a future guarantor of the Notes. The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdiction's law should apply and could adversely affect your ability to enforce your rights and to collect payment in full under the Notes and the Guarantees. Also set forth below is a brief description of certain aspects of insolvency law in the EU, the Netherlands, the Cayman Islands, Jersey and Guernsey.

EUROPEAN UNION

The Issuer and several of the Guarantors are organized under the laws of Member States. As such, they are subject to Regulation (EU) 2015/848 of the European Parliament and of the Council dated May 20, 2015 on insolvency proceedings (recast) (the "**EU Insolvency Regulation**"), which entered into force on June 26, 2015, and applies to insolvency proceedings opened on or after June 26, 2017. It has replaced Council Regulation (EC) no. 1346/2000 on insolvency proceedings, as amended by Council Regulation (EC) No 663/2014 of June 5, 2014 (the "**Old EU Insolvency Regulation**").

Pursuant to the EU Insolvency Regulation, the court which has jurisdiction to open "main insolvency proceedings" in relation to a company is the court of the Member State (other than Denmark) where the company concerned has its "centre of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation). The determination of where any such company has its "centre of main interests" is a question of fact on which the courts of the different Member States may have differing and even conflicting views.

The term "centre of main interests" is not a static concept and may change from time to time. Although there is a rebuttable presumption under Article 3(1) of the EU Insolvency Regulation that any company or legal person has its "centre of main interests" in the Member State in which it has its registered office, Article 3(1) of the EU Insolvency Regulation states that the "centre of main interests" of a debtor shall be the place where the debtor conducts the administration of its interests on a regular basis and "which is ascertainable by third parties." In that respect, factors such as where board meetings are held, the location where the company conducts the majority of its business and the location where the large majority of the company's creditors are established may all be relevant in the determination of the place where the company has its "centre of main interests."

The point at which a company's "centre of main interests" is determined is at the time that the relevant insolvency proceedings are opened. The rebuttable presumption that a company has its "centre of main interests" in the Member State in which it has its registered office shall only apply if the registered office has not been moved to another Member State within a three-month period prior to the request for the opening of insolvency proceedings. Specifically, it should be possible to rebut this presumption if the company's central administration is located in a Member State other than that of its registered office, and if a comprehensive assessment of all the relevant factors establishes, in a manner that is ascertainable by third parties, that the company's actual center of management and supervision and of the management of its interests is located in that other Member State. In this regard, special consideration should be given to creditors and their perception as to where a debtor conducts the administration of its interests. The EU Insolvency Regulation has thereby basically implemented the existing case law of the European Court of Justice regarding the assessment of the place of the company's "centre of main interests" into the text of the law. It has also, however, increased the requirements for a shift of the "centre of main interests" shortly prior to the filing for insolvency. In the event of a shift in the "centre of main interests," this may require informing the creditors of the new location from which the debtor is carrying out its activities in due course (for example, by drawing attention to the change of address in commercial correspondence or otherwise making the new location public through other appropriate means).

Where the "centre of main interests" of a company is located in a Member State (other than Denmark), the main insolvency proceedings in respect of the company under the EU Insolvency Regulation would be commenced in such jurisdiction and accordingly a court in such jurisdiction would be entitled to commence the types of insolvency proceedings referred to in Annex A to the EU Insolvency Regulation. Main insolvency proceedings opened in one Member State under the EU Insolvency Regulation are to be recognized and given effect to (subject to some exceptions) in all the other Member States (other than Denmark), although "secondary proceedings" may be opened in another Member State (other than Denmark), in the circumstances described below. If the company does not have an establishment in any other Member State, no court of any other Member State has jurisdiction to open secondary proceedings in respect of such company under the EU Insolvency Regulation.

The courts of a Member State (other than Denmark) have jurisdiction to open "territorial proceedings" (before the opening of main insolvency proceedings) or "secondary proceedings" (after the opening of main insolvency proceedings) only in the event that a debtor has an "establishment" in the territory of such other Member State (not being the Member State in which such debtor has its "centre of main interests"). The effects of "territorial proceedings" or "secondary proceedings" shall be restricted to the assets of the debtor situated in the territory of the Member State where such proceedings are opened. The determination of whether a company has an "establishment" and where it is situated is also a question of fact and is not a static concept. As such, an establishment could be created and may change from time to time. According to Article 2(10) of the EU Insolvency Regulation, an "establishment" means any place of operations where a debtor carries out or has carried out in the three-month period prior to the request to open main insolvency proceedings a non-transitory economic activity with human means and assets. A "place of operations" is likely to be construed as a place from which economic activities are conducted on the market using human resources which requires a minimum level of organization so that a purely occasional place of operations is unlikely to be classified as an "establishment," rather a certain level of stability of such operations is necessary. In its judgment dated October 20, 2011 ("**Interedil**"), rendered under the Old EU Insolvency Regulation, the European Court of Justice confirmed that the creation of an "establishment" within the meaning of the Old EU Insolvency Regulation requires the existence of a structure which is designated for the performance of business activities with a minimum level of organization and a certain degree of stability.

In the event that any one or more of the Issuer, any of its subsidiaries or a Guarantor experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. Applicable insolvency laws may affect the enforceability of the obligations of, and the security granted by, the Issuer, any of its subsidiaries and/or any Guarantor. The insolvency and other laws of the jurisdictions in which the respective companies are organized or operate may be materially different from, or (subject to the framework provided for under the EU Insolvency Regulation) conflict with, each other and there is no assurance as to how the insolvency laws of the potentially involved jurisdictions will be applied in relation to one another.

On June 23, 2016, the UK held a referendum to decide on the UK's membership of the EU. The UK vote was to leave the EU. The terms on which the UK will exit the EU are not certain and therefore it is not possible to know what impact any exit by the UK of the EU will have on the application of the EU Insolvency Regulation to any insolvency proceedings (including, without limitation, the commencement of such insolvency proceedings and the jurisdiction of the UK courts to open such insolvency proceedings) to which the Issuer or any Guarantor may be subject.

THE NETHERLANDS

Insolvency

Subject to the limitations described under "*—European Union,*" where a company (incorporated in the Netherlands or elsewhere) has its "centre of main interests" or an "establishment" in the Netherlands, it may be subjected to Dutch insolvency proceedings. This is particularly relevant for the Issuer and certain of the Guarantors, which have their corporate seats (*statutaire zetel*) in the

Netherlands, and are therefore each presumed (subject to proof to the contrary) to have their “centre of main interests” in the Netherlands.

Dutch insolvency law differs significantly from insolvency proceedings in the US and other jurisdictions, and may make it more difficult for holders of Notes to recover the amount they would normally expect to recover in a liquidation or bankruptcy proceeding in the US or another jurisdiction.

There are two primary insolvency regimes under Dutch law applicable to legal entities: the first, suspension of payments (*surseance van betaling*), is intended to facilitate the reorganization of a debtor’s indebtedness and enable the debtor to continue as a going concern. The second, bankruptcy (*faillissement*), is primarily designed to liquidate and distribute the proceeds of the assets of a debtor to its creditors. Both insolvency regimes are set forth in the Dutch Bankruptcy Act. A general description of the principles of both insolvency regimes is set forth below.

Unlike Chapter 11 proceedings under US bankruptcy law, in which both secured and unsecured creditors are generally barred from seeking to exercise remedies against the debtor without court approval, in suspension of payments and bankruptcy proceedings under Dutch law, secured creditors (and in case of suspension of payments also preferential creditors (including tax and social security authorities)) may enforce their rights against assets of the company to satisfy their claims as if there were no insolvency proceedings. A recovery under Dutch law could, therefore, involve a sale of assets that does not reflect the going concern value of the debtor. Consequently, your potential recovery could be reduced in Dutch insolvency proceedings.

Restrictions on the enforcement of security interests may apply. For instance, higher ranking rights must be respected. These may include secured creditors and tax and social security authorities. A statutory stay of execution of security rights and other rights of up to two months, extendable by another period of up to two months, may be imposed. Further, a receiver in bankruptcy can force a secured creditor to enforce its security interest within a reasonable period of time, failing which the receiver will be entitled to sell the secured assets, if any, and the secured creditor will have a preferred claim in respect of the proceeds, meaning that the secured creditor will have to share in the bankruptcy costs, which may be significant. Also, in this case, the secured creditor will have to wait until the distribution plan becomes final for payment. Excess proceeds of any enforcement must be returned to the bankrupt estate; they may not be set-off against an unsecured claim of the secured creditor. Such set-off may be allowed prior to the bankruptcy, although it may be subject to clawback in the event of a fraudulent conveyance or bad faith in obtaining the claim used for set-off.

Any pending executions of judgments against the debtor will be suspended by operation of law when suspension of payments is granted and terminated by operation of law when bankruptcy is declared. In addition, all attachments on the debtor’s assets will cease to have effect upon the suspension of payments having become definitive, a composition having been ratified by the court or the declaration of bankruptcy (as the case may be) subject to the ability of the court to set an earlier date for such termination. Litigation pending on the date of the bankruptcy order is automatically stayed.

In a suspension of payments and in bankruptcy, a composition (*akkoord*) may be offered to creditors. A composition will be binding on all unsecured and non-preferential creditors if it is (i) approved by a simple majority of the creditors being present or represented at the creditors’ meeting, representing at least 50% of the amount of the claims that are admitted for voting purposes, and (ii) subsequently ratified (*gehomologeerd*) by the Dutch courts. Consequently, Dutch insolvency laws could preclude or inhibit the ability of the holders of the Notes to effect a restructuring and could reduce the recovery of a holder of Notes.

Claims against a company subject to Dutch insolvency proceedings will have to be verified in the insolvency proceedings in order to be entitled to vote and, in a bankruptcy liquidation, to be entitled to distributions. “Verification” under Dutch law means, in the case of a suspension of payments, that the treatment of a disputed claim for voting purposes is determined and, in the case of a bankruptcy, that the value of the claim is determined and whether and to what extent it will be admitted in the insolvency proceedings. The valuation of claims that would not otherwise have been payable at the time of the proceedings may be based on a net present value analysis. Unless secured by a pledge or a mortgage, interest accruing after the date on which insolvency proceedings are opened cannot be verified. Where interest is accruing after the date of opening of the proceedings, it can be admitted *pro memoria.*

The existence, value and ranking of any claims submitted by the holders of the Notes may be challenged in the Dutch insolvency proceedings. Generally, in a creditors' meeting (*verificatievergadering*)*,* the receiver in bankruptcy, the administrator in suspension of payment proceedings, the insolvent debtor and all verified creditors may dispute the verification of claims of other creditors. Creditors whose claims or value thereof are disputed in the creditors meeting may be referred to separate court proceedings (*renvooiprocedure*) in bankruptcy, while in suspension of payments the court will decide how a disputed claim will be treated for voting purposes. These situations could cause holders of Notes to recover less than the principal amount of their Notes. *Renvooiprocedures* could also cause payments to the holders of Notes to be delayed compared to holders of undisputed claims.

The Dutch Bankruptcy Act does not in itself recognize the concept of classes of creditors. Remaining amounts, if any, after satisfaction of the secured and the preferential creditors are distributed among the unsecured non-preferential creditors, who will be satisfied on a *pro rata* basis. Contractual subordination will generally be given effect in Dutch insolvency proceedings, with the actual effect largely depending on the way such subordination is construed.

Fraudulent transfer / conveyance

Under Dutch law, a legal act performed by a person (including, without limitation, an agreement pursuant to which it guarantees the performance of the obligations of a third-party or agrees to provide or provides security for any of its or a third-party's obligations, enters into additional agreements benefiting from existing security and any other legal act having a similar effect) can be challenged in an insolvency proceeding or otherwise and may be nullified by any of its creditors or its receiver in bankruptcy, if (a) it performed such act without an obligation to do so (*onverplicht*)*,* (b) the creditor concerned or, in the case of its bankruptcy, any creditor was prejudiced as a consequence of the act, and (c) at the time the act was performed both it and (unless the act was for no consideration (*om niet*)) the party with or towards which it acted, knew or should have known that one or more of its creditors (existing or future) would be prejudiced (*actio pauliana*)*.* In the case of a bankruptcy, the beneficiary of the guarantee or security interest is presumed (subject to evidence to the contrary) to have known that creditors of the debtor would be prejudiced if the bankruptcy follows within a year of the granting and for no consideration. In addition, the bankruptcy receiver may challenge the guarantee or security interest if it was granted on the basis of a prior existing legal obligation to do so (*verplichte rechtshandeling*)*,* if (i) the guarantee or security interest was granted at a time that the beneficiary of such guarantee or security interest knew that a request for bankruptcy had been filed or (ii) if such guarantee or security interest was granted as a result of collusion between the debtor and the beneficiary of such guarantee or security interest with a view to give preference to the beneficiary over the debtor's other creditors. Consequently, the validity of any guarantees or security interests granted by a Dutch legal entity may be challenged and it is possible that such challenge would be successful.

Further Limitations on Enforcement

Whether or not a Guarantor is subject to insolvency proceedings in the Netherlands, a guarantee or a security document governed by Dutch law may be affected by, and a payment thereunder may be withheld based on, the principles of reasonableness and fairness (*redelijkheid en billijkheid*)*,* force majeure (*niet-toerekenbare tekortkoming*) and unforeseen circumstances (*onvoorziene omstandigheden*) and other general defenses available to debtors under Dutch law. Other general defenses include claims that a guarantee or security interest should be avoided on grounds of abuse of circumstances (*misbruik van omstandigheden*)*,* deceit (*bedrog*)*,* intimidation (*bedreiging*), mistake (*dwaling*) or the right to set off (*verrekening*) and the right to suspend performance (*opschortingsrecht*) or dissolve (*ontbinding*) a contract if the other party is in default in respect of its obligations.

The validity, binding effect and enforceability of a guarantee may also be successfully contested by a Dutch company (or its receiver in bankruptcy or administrator in a suspension of payments) on the basis of an *ultra vires* claim. Such a claim will be successful if (i) the granting of a guarantee is *ultra vires* (i.e., exceeds the scope the entity's objects or is not in the entity's corporate interest) and (ii) the counterparty of such Dutch company under the relevant guarantee knew or should have known (without inquiry) of this fact. In determining whether the granting of such guarantee is *ultra vires,* the Dutch courts would not only consider the text of the objects clause in the articles of association of the company but all relevant circumstances including whether the company derives certain commercial benefits from the transaction in respect of which the guarantee was granted. If and to the extent that it is determined that there is an imbalance, to the disadvantage of the company, between the value of the commercial benefit and the amount for which the company is held liable, then irrespective of the wording of the objects clause in its articles of association the company (and any bankruptcy receiver or administrator in suspension of payments) may contest the validity or enforceability of the act and it is possible that such contestation will be honored by the Dutch courts. Benefit may, according to Dutch case law, consist of an indirect benefit derived by the company as a consequence of the interdependence of such company with the group of companies to which it belongs. In addition, it is relevant whether, as a consequence of the granting of the guarantee, the continuity of such company would foreseeably be endangered by the granting of such guarantee. It remains possible that even if such strong financial and commercial interdependence exists, the transaction may be declared void if it appears that the granting of the guarantee cannot serve the realization of the relevant company's objects. The foregoing applies *mutatis mutandis* to the acceptance of joint and several liability for, or providing or agreeing to provide security for, obligations of a third-party, whether or not affiliated, and any other legal act having similar effect.

In connection with the removal of the prohibition on financial assistance for Dutch private companies with limited liability as per October 1, 2012, it was mentioned in Dutch Parliament that the granting of security, providing of a guarantee or accepting of liability with a view to the acquisition (or the refinancing thereof) by any party of shares in the company's share capital or the shares of its (direct or indirect) parent company could, depending on the further circumstances, constitute an *ultra vires* act. At present, there is no Dutch case law on this subject.

A guarantee granted by a Dutch company and a security interest provided by a Dutch company may be suspended or avoided by the Enterprise Chamber of the Court of Appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) on the motion of the holder or holders of 10% or more of the shares in such company or who are entitled to an amount in shares or depositary receipts issued therefor with a nominal value of €225,000 or such lesser amount as is provided by the articles of association of such company. If the company has an issued share capital of at least €22.5 million such motion may be made by a holder or holders of 1% or more of the shares in such company or, provided those are listed on a qualifying trading venue, shares or depositary receipts issued therefor with a value of €20 million or more or such lesser amount as provided in the company's articles of association. A trade union or other entities entitled thereto in the articles of association of the relevant Dutch company may also submit a motion to the Enterprise Chamber of the Court of Appeal in Amsterdam for this purpose. The guarantee or security itself may further be upheld by the Enterprise Chamber of the Court of Appeal in Amsterdam, yet actual payment under it may be suspended or avoided.

THE CAYMAN ISLANDS

Two of the Guarantors are incorporated under the laws of the Cayman Islands (the "**Cayman Obligors**" and each of them a "**Cayman Obligor**"). Therefore, any insolvency proceedings by or against the Cayman Obligors would likely be based on Cayman Islands insolvency laws. However, it is possible that the courts of other places may seek to assert jurisdiction over the Cayman Obligors for the purpose of insolvency or restructuring proceedings (either as well as, or instead of, insolvency proceedings in the Cayman Islands).

Winding up of a Cayman Island Company and Insolvency considerations

Cayman Islands insolvency law provides for three different systems for winding up companies, namely (i) winding-up by order of the court; (ii) voluntary winding-up and (iii) voluntary winding-up which becomes subject to the supervision of the court and then proceeds in the same manner as a winding-up by order of the court. Each system requires the appointment of a liquidator, who assumes control of the company and whose function it is to collect, realize and distribute the assets of the company to its creditors in accordance with the statutory order of priority and thereafter to distribute any surplus among the company's shareholders.

Generally speaking as a matter of Cayman Islands law, contracts to which a Cayman Islands company is party are not automatically terminated and nor is the counterparty released from its obligations, by the company's entry into liquidation. The question of whether, as a contractual matter, the commencement of a liquidation has any effect on the parties' contractual obligations will fall to be determined according to the governing law of each contract to which the company is a party. The liquidator of a Cayman Islands company has no statutory right to disclaim onerous contracts.

A petition to the Court for a winding-up order may be presented by the company itself or by a creditor or shareholder of the company. One of the grounds upon which a winding-up order may be sought is that the company is unable to pay its debts as defined in Section 93 of the Cayman Islands Companies Law (2018 Revision) (the "**Companies Law**"). Cayman Islands law emphasizes a cash flow test in this regard.

When a winding-up order is made by the Grand Court of the Cayman Islands (the "**Court**") or a voluntary winding-up is continued under the supervision of the Court (i.e., in an official liquidation), an automatic moratorium on litigation against the company is imposed pursuant to Section 97 of the Companies Law—that is, proceedings may not be commenced or continued against the company without the permission of the Court. Pursuant to Section 99 of the Companies Law, dispositions of property, transfers of shares and alterations in the status of shareholders after the date of the winding-up petition are void, unless the Court orders otherwise. The moratorium does not prevent a secured creditor from realizing its security as set out below, nor does it affect any valid contractual subordination rights, or rights of set off or netting of claims which were granted before the commencement of the official liquidation.

It is a fundamental rule of Cayman Islands insolvency law that all ordinary unsecured and unsubordinated creditors are treated equally irrespective of the nature of their claims. This is referred to as the *pari passu* rule. This rule applies to the claims of ordinary unsecured and unsubordinated creditors existing as of the date of the commencement of the winding up of the company, or whose claims arise out of causes of action that accrued before the commencement of the winding up. Subject to certain exceptions, the winding up is deemed to have commenced from the time of the presentation of a winding-up petition. Generally speaking, a creditor having a validly created security interest over property of a company in liquidation is entitled to enforce their security in accordance with its terms without reference to the official liquidators and without the leave of the Court pursuant to section 142(1) of the Companies Law. The liquidator may also in accordance with section 142(2) of the Companies Law realize the security on behalf of the secured creditors, but for their benefit only.

The claims of preferred creditors under Cayman Islands law will rank ahead of unsecured creditors and secured creditors holding security in the nature of a floating charge. All costs, charges and expenses properly incurred in the winding up of the company, including the remuneration of the liquidators, are payable out of the assets of the company in priority to unsecured claims.

An official liquidator must be a qualified insolvency practitioner who meets independence, insurance and residence requirements (and as such a foreign receiver or liquidator may not act as the sole liquidator of a Cayman Islands company). A liquidator is an officer of the Court and has fiduciary duties to the company to act in good faith, for a proper purpose and for the benefit of the company at all times.

A voluntary liquidation is most commonly instituted by way of special resolution of the voting shareholders of the company. There is no automatic moratorium on litigation against the company in a voluntary liquidation and no equivalent to Section 99 of the Companies Law; although Section 125 of the Companies Law provides that a transfer of shares or alteration in the status of shareholders made after the commencement of the winding up is void unless sanctioned by the liquidator. As with an official liquidation, a voluntary liquidation does not prevent a secured creditor from enforcing their security in accordance with its terms. There are no restrictions on who may act as the voluntary liquidator of a Cayman Islands company.

If, within 28 days of the commencement of the voluntary liquidation, the directors of the company do not provide a declaration of solvency to the liquidator (which is then filed with the Registrar of Companies), the liquidator is obliged by law to apply to the Court for a supervision order. The practical effect of this is that, upon a supervision order being made, the voluntary liquidation proceeds as if it were an official liquidation in all respects. This could lead to substantially increased costs of the liquidation since, among other things, the liquidator will be obliged to provide the Court and the stakeholders with regular reports detailing the assets and liabilities of the company and all of the steps taken in the liquidation to date. A declaration of solvency takes into account the ability of the company to pay its debts within a period of twelve months of the declaration being made. Even if the directors do provide such a declaration, a voluntary liquidator may still apply to the Court for supervision in circumstances where he thinks that such an order will facilitate a more effective, economic or expeditious liquidation of the company in the interests of its creditors and shareholders.

Setting aside or avoiding a payment

A payment made by a Cayman Islands company may be set aside or avoided if the pre-conditions discussed below are present. In addition, as referred to above, under Section 99 of the Companies Law, any disposition of the company's property made after the commencement of an official liquidation is, unless sanctioned by the court, void.

Fraudulent dispositions

Under section 146 of the Companies Law, if a company goes into liquidation and it has entered into a disposition at an undervalue with the intent to defraud its creditors, the Court may, on the application of the liquidator, set the disposition aside.

A disposition will constitute a disposition at an undervalue if the disposition is on terms that provide for the company to receive no consideration or a disposition for a consideration the value of which (in money or money's worth) is significantly less than the value (in money or money's worth) of the property which is the subject of the disposition.

The liquidator must show that there was intent to defraud a creditor, meaning an intention to willfully defeat an obligation owed to a creditor. Unlike preferences below, there is no requirement to show insolvency at the time of the disposition (however, it is unlikely that any creditors will be prejudiced by any such disposition unless the company is insolvent).

Under section 4 of the Fraudulent Dispositions Law (1996 Revision) (the "**Fraudulent Dispositions Law**"), a disposition of property made with an intent to defraud (again defined as an intention of a transferor willfully to defeat an obligation owed to a creditor) and at an undervalue is voidable at the instance of a creditor thereby prejudiced.

Under both the Companies Law and the Fraudulent Dispositions Law, an application to set aside a disposition must be made within six years of the date of the disposition.

Preferences

If a company goes into liquidation but has previously granted a preference the Court may, on the application of the liquidator, set the transaction aside.

If, within six months before the commencement of the winding up of a company, at a time when it cannot pay its debts, the company makes a payment, or transfers or charges any of its property, or takes or suffers any judicial proceedings, in favour of any of its creditors with a view to giving that creditor a preference over the other creditors of the company, the transaction will be void. This is the effect of section 145 of the Companies Law.

The essence of a voidable preference is that the company, knowing that it cannot pay all its debts in full, voluntarily and improperly makes a payment or gives a benefit to one creditor which results in an inequality between him and the company's other creditors. A transaction will only be set aside as a voidable preference if the company's act was undertaken voluntarily (as opposed to under the threat of legal proceedings), the company's dominant intention was to prefer the creditor (Cayman Islands law imposes a subjective test) and the company was insolvent at the time the payment was made.

Orders

In the case of any of the above applying and where a court order is required, the court has very wide statutory powers to make such orders as it thinks fit to restore the position to that which existed before the transaction was entered into.

Common law remedies

Depending on the circumstances, in addition to the above statutory provisions the Court may effectively reverse certain antecedent transactions based on common law and/or equitable principles. For example, in the event a transaction amounts to a breach of the directors' fiduciary duties, and if a person knowingly receives the company's property as a result of that breach in circumstances where it would be unconscionable for them to retain the property, the Court may order that this property is being held on constructive trust for the company. The application of these principles can be complex and highly fact-sensitive.

There is no statutory provision dealing directly with insolvent trading in the Cayman Islands. Directors may be liable for breach of their fiduciary obligations, however, if the company continues to incur liabilities to the prejudice of the company's creditors at a time when there is no reasonable prospect of the company trading out of its financial difficulties.

Financial assistance

Under Cayman Islands law there is no statutory or common law rule which prohibits a company from giving financial assistance to any person for the acquisition of the company's shares. The directors of the company must ensure the transaction is in the best interests of the company and is carried out on a proper commercial basis, otherwise the transaction may be impugned on the basis of breach of fiduciary duty.

Limitation on enforcement against a Cayman Islands Company—Schemes of arrangements

Enforcement against a Cayman Islands company may be limited by section 86 of the Companies Law which provides that a compromise or arrangement between a company and its creditors or any class of them shall, if sanctioned by the Court, be binding on all the creditors or a class of creditors. If there are creditors who form a class, the class will be bound by the scheme if a majority representing 75% in value of the class who attended (whether in person or by proxy) and voted, approved the scheme. Cayman Islands authority suggests that a class is constituted by "those persons whose rights are not so dissimilar as to make it impossible for them to consult together with a view to their acting in their common interest." Two or more creditors are likely to constitute separate classes in a compromise or arrangement if they hold security over different assets or hold security over the same asset but do not rank equally.

Enforcement may also be limited by the principles of Cayman Islands law relating to the avoidance of transactions discussed in section titled "*—Setting Aside or Avoiding a Payment.*"

JERSEY

Insolvency

One of the Guarantors is incorporated under the laws of Jersey (the "**Jersey Guarantor**"). Consequently, in the event of an insolvency of the Jersey Guarantor, insolvency proceedings may be initiated in Jersey. There are two principal regimes for corporate insolvency in Jersey: "*désastre*" and winding up (including just and equitable winding up and creditors' winding up). The principal type of insolvency procedure available to creditors under Jersey law is the application for an Act of the Royal Court of Jersey (the "**Royal Court**") under the Bankruptcy (*Désastre*) (Jersey) Law 1990, as amended (the "**Jersey Bankruptcy Law**") declaring the property of a debtor to be "en désastre" (a "declaration"). On a declaration of "*désastre,*" title and possession of the property of the debtor (save for any property held on trust) vests automatically in the Viscount, an official of the Royal Court (the "**Viscount**"). With effect from the date of declaration, a creditor has no other remedy against the property or person of the debtor, and may not commence or, except with the consent of the Viscount or the Royal Court, continue any legal proceedings to recover the debt. With effect from the date of declaration, a secured party may, however, without the consent of the Viscount and without an order of the court, exercise any power of enforcement it may have under Part 7 (Enforcement of Security Interests) of the Security Interests (Jersey) Law 2012 (the "**2012 Law**") or Article 8 of the Security Interests (Jersey) Law 1983 (the "**1983 Law**"). To the extent that the proceeds of such enforcement are insufficient to discharge liabilities owed, that secured party has no other remedy against the property or person of the debtor, and may not commence any legal proceedings or, except with the consent of the Viscount or the Royal Court, continue any legal proceedings to recover the balance of the debt.

Additionally, the shareholders of a Jersey company (but not its creditors) can instigate a winding-up of an insolvent company (provided a declaration of "*en désastre*" has not been made in respect of that Jersey company), which is known as a "creditors' winding up" pursuant to Chapter 4 of Part 21 of the Companies (Jersey) Law 1991, as amended (the "**Jersey Companies Law**"). On a creditors' winding up, a liquidator is nominated by the shareholders. The creditors may approve such a liquidator or apply to appoint a different liquidator. The liquidator will stand in the shoes of the directors and administer the winding up, gather assets, make appropriate disposals of assets, settle claims and distribute assets as appropriate. After the commencement of the winding up, no action can be taken or continued against the company except with the leave of court. The shareholders must give creditors at least 14 days' notice of the meeting to commence the creditors' winding up. After the commencement of the creditors' winding up, a secured party may, however, without the sanction of a liquidator and without an order of the court, exercise any power of enforcement it may have under Part 7 (Enforcement of Security Interests) of the 2012 Law or Article 8 of the 1983 Law. To the extent that the proceeds of such enforcement are insufficient to discharge liabilities owed, the secured party has no other remedy against the company without the leave of the court. The corporate state and capacity of the company continues until the end of the winding up procedure, when the company is dissolved. The Jersey Companies Law requires a creditor of a company (subject to appeal) to be bound by an arrangement entered into by the company and its creditors immediately before or in the course of its winding up if, among other things, three quarters in number and value of the creditors acceded to the arrangement.

Transactions at an undervalue

Under Article 17 of the Jersey Bankruptcy Law and Article 176 of the Jersey Companies Law, the court may, on the application of the Viscount (in the case of a company whose property has been declared "*en désastre*") or liquidator (in the case of a creditors' winding up, a procedure which is instigated by shareholders not creditors), set aside a transaction (including any guarantee or security interest) entered into by a company with any person at an undervalue. There is a five-year look-back period from the date of commencement of the winding up or declaration of "*désastre*" during which transactions are susceptible to examination pursuant to this rule (the "relevant time"). The Jersey Bankruptcy Law and Jersey Companies Law contain detailed provisions, including (without limitation) those that define what constitutes a transaction at an undervalue, the operation of the relevant time and the effect of entering into such a transaction with a person connected with the company or with an associate of the company.

Preferences

Under Article 17A of the Jersey Bankruptcy Law and Article 176A of the Jersey Companies Law, the court may, on the application of the Viscount (in the case of a company whose property has been declared "*en désastre*") or liquidator (in the case of a creditors' winding up, a procedure which is instigated by shareholders not creditors), set aside a preference (including any guarantee or security interest) given by the company to any person. There is a 12 month look-back period from the date of commencement of the winding up or declaration of "*désastre*" during which transactions are susceptible to examination pursuant to this rule (the "relevant time"). The Jersey Bankruptcy Law and Jersey Companies Law contain detailed provisions, including (without limitation) those that define what constitutes a preference, the operation of the relevant time and the effect of entering into a preference with a person connected with the company or with an associate of the company.

Extortionate transactions, onerous property, disclaimer and customary law fraudulent dispositions

Under Article 17C of the Jersey Bankruptcy Law and Article 179 of the Jersey Companies Law, the court may, on the application of the Viscount (in the case of a company whose property has been declared "*en désastre*") or liquidator (in the case of a creditors' winding up, a procedure which is instigated by shareholders not creditors), set aside a transaction providing credit to the debtor company which is or was extortionate. There is a three-year look-back period from the date of commencement of the winding up or declaration of "*désastre*" during which transactions are susceptible to examination pursuant to this rule. The Jersey Bankruptcy Law and Jersey Companies Law contain detailed provisions, including (without limitation) those that define what constitutes a transaction which is extortionate.

Under Article 15 of the Jersey Bankruptcy Law, the Viscount may within six months following the date of the declaration of "*désastre*" and under Article 171 of the Jersey Companies Law, a liquidator may within six months following the commencement of a creditors' winding up, disclaim any onerous property of the company. "Onerous property" is defined to include any moveable property, a contract lease or other immoveable property if it is situated outside of Jersey that is unsaleable or not readily saleable or is such that it might give rise to a liability to pay money or perform any other onerous act, and includes an unprofitable contract.

A disclaimer operates to determine, as of the date it is made, the rights, interests and liabilities of the company in or in respect of the property disclaimed and discharges the company/Viscount from all liability in respect of the property as of the date of the commencement of the creditors' winding up from the date of the declaration but shall not, except so far as is necessary for the purpose of releasing the company from liability, affect the rights or liabilities of any other person. A person sustaining loss or damage as a result of a disclaimer is deemed to be a creditor of the company to the extent of the loss or damage and shall have standing as a creditor in the désastre or creditors' winding up. The Jersey Bankruptcy Law and Jersey Companies Law contain detailed provisions, including (without limitation) in relation to the power to disclaim onerous property.

In addition to the Jersey statutory provisions referred to above, there are certain principles of Jersey customary law (for example, a Pauline action) under which dispositions of assets with the intention of defeating creditors' claims may be set aside.

GUERNSEY

Commercial Benefit

Under Guernsey law, a guarantee may be liable to be set aside if there is no commercial benefit to the guarantor in issuing it. The directors of the Guarantor incorporated in Guernsey (the "**Guernsey Guarantor**") believe that the issuance of the Guarantee by the Guernsey Guarantor is of commercial benefit to the Guernsey Guarantor. However, there can be no assurance that the issuance of the Guarantee will not be challenged by a liquidator, administrator or creditor, or that a court would support the directors' commercial benefit analysis.

Customary Law

Under Guernsey customary law, if it can be shown that the granting of a guarantee was made at the time the guarantor was insolvent or that the guarantor became insolvent as a result of the guarantee, any person prejudiced by the guarantee may apply to the Royal Court of Guernsey to set the guarantee aside as a transaction defrauding creditors. This provision of Guernsey customary law may, in certain circumstances, be used by any person who claims to be the victim of the transaction, not only liquidators. If a court were to find that the granting of the guarantee constituted a transaction defrauding creditors, the court may make such orders as it thinks fit to protect the interests of those creditors and to restore the guarantor's position to what it would have been if the transaction had not been entered into, including by voiding the guarantee. There is not yet decisive case law as to what, if any, time limit there is on such a challenge.

Fraudulent and Wrongful Trading

Under Guernsey law, if the business of a company is carried on with intent to defraud creditors (whether of the company or of any other person) or for any fraudulent purpose, every person who is knowingly a party to the carrying on of the business in that manner is guilty of an offense. Civil liability can also arise where in the course of the winding up of a company it appears that the business of the company had been carried on with intent to defraud creditors (whether of the company or of any other person) or for any fraudulent purpose. In that instance the Royal Court of Guernsey on application of a creditor, member, liquidator or administrator may declare that any person who was knowingly a party to the carrying on of the business in such manner is liable to make a contribution to the company's assets.

If in the course of an insolvent winding up of a Guernsey company it appears that at some time before the commencement of the winding up a director (including an alternate, de facto or shadow director) knew or ought to have concluded that there was no reasonable prospect of the company avoiding going into insolvent liquidation, the Royal Court of Guernsey on the application of the liquidator or any creditor or member of the company can declare that such director shall be liable to make such contribution to the company's assets as the Royal Court of Guernsey thinks proper, unless upon the insolvent winding up becoming inevitable such director took every step to minimize potential loss to the company's creditors, which that director ought reasonably to have taken, taking into account the skills expected of a person carrying on such functions carried out by that director and the actual knowledge, skill and experience of that director.

Preferences

In Guernsey, if a liquidator can show that a company has given a "preference" to any person after the commencement of a period of six months immediately preceding the start of the winding up proceedings (or two years if the preference is to a connected person) and at the time of giving the preference such company was unable to pay its debts or became as a result of giving the preference unable to pay its debts, the Royal Court of Guernsey may make such order as it thinks fit for restoring the position to what it would have been if the company had not given the preference. A company is deemed to have given a preference to a person if that person is either one of the company's creditors or a surety or guarantor for any of the company's debts or liabilities, and the company does anything or permits anything to be done which improves that person's position in the company's liquidation. The Royal Court of Guernsey may not make an order regarding a preferential transaction unless it is satisfied that the company was influenced in deciding to give the preference by a desire to put that person in a better position in the company's liquidation, save where the person given a preference is connected with the company where such desire is presumed unless the contrary is shown. If the Royal Court of Guernsey finds that the guarantees are preferences, it has wide powers for restoring the position of the guarantor to what it would have been if that preference had not been given, which could include reducing payments under the guarantees or setting aside the Guarantees. However, there is protection for a third-party who enters into a preferential transaction in good faith, for value and without notice.

Choice of Law

Under Guernsey law, parties may choose the laws of a foreign jurisdiction as the governing law of a guarantee so long as that choice is legal and bona fide. Under the Indenture, the Issuer and the Guernsey Guarantor have submitted to the jurisdiction of the courts of New York. A judgment of a

New York court should be enforceable in Guernsey in accordance with the common law rules of private international law relating to the enforcement of foreign judgments, subject to certain qualifications more specifically set out in the Section "*Enforcement of Civil Liabilities*."

Désastre and Saisie proceedings

Under Guernsey customary law, a creditor who obtains a judgment for a debt against a debtor from the Royal Courts of Guernsey may commence either *désastre* or *saisie* proceedings.

If a *désastre* is chosen, the judgment creditor must apply to the Royal Court of Guernsey for an order that the judgment be executed against the debtor's Guernsey situs personal property. Upon the granting of such an order, HM Sheriff will arrest those assets up to the value of the arresting creditor's debt, and arrange a sale at public auction. The proceeds of sale are then distributed to the relevant creditors in order of priority, in which unsecured creditors rank behind (amongst others) the fees and expenses of the *désastre*, the costs (but not the claims) of the arresting creditor in pursuing the *désastre*, secured creditors and certain preferred creditors. *Désastre* does not extinguish creditors' claims against the debtor, to the extent that those claims remain unpaid.

Alternatively, *saisie* entails a process of realization and distribution of the debtor's Guernsey situs real estate. After obtaining judgment against the debtor, an arresting creditor electing *saisie* can obtain an initial vesting order (granting them certain rights in respect of the Guernsey real estate) and an interim vesting order (transferring the title to the Guernsey real estate to the arresting creditor). Following this process, the arresting creditor calls for any other creditors of the debtor, who wish for their claims to be attached to the arrested property, to file their claims in the *saisie* proceedings. At a hearing in front of the Royal Court of Guernsey, each such creditor in turn (starting with those having the lowest priority claims) elect whether they wish to either take the vested real estate of the debtor, on condition that they repay all higher priority creditors in full, or renounce their claim against the debtor. The remaining debts of those creditors who do not file a claim in the *saisie* proceedings remain unaffected.

Administration

An administration order may be made in respect of a Guernsey company if the Royal Court of Guernsey is satisfied that a company does not satisfy or is likely to become unable to satisfy the "solvency test" prescribed by the Companies (Guernsey) Law, 2008 (as amended) and considers that the making of an administration order may achieve either:

- the survival of the company, and the whole or any part of its undertaking, as a going concern; or
- a more advantageous realization of the company's assets than would be effected on a winding up.

An administration order may be applied for by a company itself, the directors of the company, any member of the company, any creditor of the company (including any prospective or contingent creditor), the Guernsey Financial Services Commission in respect of supervised companies and companies engaged in financial services business or, in the case of a company in respect of which the Royal Court of Guernsey has made an order for winding up or which has passed a resolution for voluntary winding up, a liquidator.

In the period between the presentation of the application for an administration order and ending with the making of an order or the dismissal of the application:

- no resolution may be passed or order made for the company's winding up; and
- no proceedings may be commenced or continued against the company except with the leave of the Royal Court of Guernsey and subject to such terms and conditions as the Royal Court of Guernsey may impose.

However, during this period, a creditor's rights of set-off and secured interests (including security interests within the meaning of the Security Interests (Guernsey) Law, 1993) and rights of enforcement thereof are unaffected and may be exercised without the leave of the Royal Court of Guernsey. In addition, the leave of the Royal Court of Guernsey is not required for the presentation of an application for the company's winding up in that period.

Following the making of an administration order and during the period for which the administration order is in force, the affairs, business and property of a company are managed by an administrator appointed by the Royal Court of Guernsey, and no resolution may be passed or order made for the company's winding up and no proceedings may be commenced or continued against the company except with the consent of the administrator or the leave of the Royal Court of Guernsey and subject to such terms and conditions as the Royal Court of Guernsey may impose. However, a creditor's rights of set-off and secured interests (including security interests within the meaning of the Security Interests (Guernsey) Law, 1993), and rights of enforcement thereof are unaffected.

Winding up

A Guernsey company may be wound up voluntarily if:

- the period, if any, fixed by its memorandum or articles of incorporation for the duration of the company expires, provided that the company passes an ordinary resolution that it be wound up voluntarily; or
- an event, if any, occurs on the occurrence of which the memorandum or articles of incorporation of the company provide that the company should be dissolved, provided that the company passes an ordinary resolution that it be wound up voluntarily; or
- if the company passes a special resolution that it be wound up voluntarily.

From the commencement of a voluntary winding up (which occurs upon the passing of the resolution for voluntary winding up), the company must cease to carry on business, except insofar as may be expedient for the beneficial winding up of the company. The company, however, continues in existence until dissolution.

In a voluntary winding up, the shareholders of the company, by way of ordinary resolution, appoint the liquidator for the company and fill any casual vacancy in the appointment of a liquidator. The shareholders of the company may delegate this authority to the creditors of the company by special resolution.

Arrangements can be entered into between a Guernsey company which is being voluntarily wound up and its creditors. Any arrangement entered into between a company and its creditors, subject to a right of appeal, is binding if sanctioned by a special resolution of the company and by 75% in number and value of its creditors. However, a creditor or shareholder of a company that has entered into such an arrangement may, within 21 days beginning on the date of the completion of the arrangement, apply to the Royal Court of Guernsey for an order that the arrangement be set aside. The Court may make such order as it thinks fit for the setting aside, amendment, variation or confirmation of the arrangement.

A company may be compulsorily wound up by the Royal Court of Guernsey if the company, among other things: has by special resolution resolved that it be wound up by the Royal Court of Guernsey; has not commenced business within one year beginning on the date of its incorporation; suspends business for a whole year; has no members; is unable to pay its debts; or if the Royal Court of Guernsey determines that it is just and equitable to do so. For this purpose, a company is deemed to be unable to pay its debts if a creditor to whom the company owes a sum exceeding £750, which is due, serves on the company through the office of H.M. Sergeant at the company's registered office a written demand for payment (commonly called a "statutory demand"), and the company, for a period of 21 days immediately following the date of service of the statutory demand, fails to pay the sum or to secure payment to the reasonable satisfaction of the creditor; or if it is proved to the satisfaction of the Royal Court of Guernsey that the company fails to satisfy the solvency test as prescribed by the Companies (Guernsey) Law, 2008, as amended.

On the making of an application for the compulsory winding up of a company or at any time thereafter, any creditor of the company may apply to the Royal Court of Guernsey for an order restraining, on such terms and conditions as the Royal Court of Guernsey thinks fit, any action or proceeding pending against the company; or appointing a provisional liquidator to ascertain the company's assets and liabilities, manage its affairs and do all acts authorized by the Royal Court of Guernsey.

ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a Dutch company. The Guarantors are entities organized under the laws of the Netherlands, the Cayman Islands, Jersey and Guernsey. Although the Issuer and the Guarantors have agreed, in accordance with the terms of the Indenture, to accept service of process in the United States through agents designated for such purpose, it may not be possible for holders of the Notes to (a) effect service of process upon the Issuer, the Guarantors or their respective directors or officers, or (b) enforce judgments of courts of the United States predicated upon the civil liability of such entities or persons under the US federal securities laws and state securities laws or other laws against any such entities or persons in the courts of a foreign jurisdiction.

THE NETHERLANDS

The Issuer and the Dutch Guarantors are incorporated under Dutch law and have their registered seat in the Netherlands. Civil liabilities based on the securities laws of the United States may not be enforceable in the Netherlands, either in an original action or in an action to enforce a judgment obtained in US courts.

The United States and the Netherlands currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment given by any court in the United States, whether or not predicated solely upon US securities laws, would not be enforceable in the Netherlands. In order to obtain a judgment which is enforceable in the Netherlands, the claim must be re-litigated before a competent Dutch court. A Dutch court will, under current practice, generally grant the same judgment without relitigation on the merits if (a) that judgment results from proceedings compatible with the Dutch concept of due process, (b) that judgment does not contravene public policy (*openbare orde*) of the Netherlands, (c) the jurisdiction of the court has been based on an internationally acceptable ground, and (d) the judgment by the court is not incompatible with a judgment rendered between the same parties by a Dutch court, or with an earlier judgment rendered between the same parties by a non-Dutch court in a dispute that concerns the same subject and is based on the same cause, provided that the earlier judgment qualifies for recognition in the Netherlands.

Subject to the foregoing and provided that service of process occurs in accordance with applicable treaties, investors may be able to enforce in the Netherlands judgments in civil and commercial matters obtained from US federal or state courts. However, no assurance can be given that such judgments will be enforceable. In addition, it is doubtful whether a Dutch court would accept jurisdiction and impose civil liability in an original action commenced in the Netherlands and predicated solely upon US federal securities laws.

THE CAYMAN ISLANDS

Enforcement of judgments—Cayman Islands companies

The courts of the Cayman Islands are unlikely (i) to recognize or enforce against a Cayman Islands company judgments of courts of the United States predicated upon the civil liability provisions of the securities laws of the United States or any State; and (ii) in original actions brought in the Cayman Islands, to impose liabilities against Cayman Islands company predicated upon the civil liability provisions of the securities laws of the United States or any State, so far as the liabilities imposed by those provisions are penal in nature. In those circumstances, although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, the courts of the Cayman Islands will recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without retrial on the merits based on the principle that a judgment of a competent foreign court imposes upon the judgment debtor an obligation to pay the sum for which judgment has been given provided certain conditions are met. For such a foreign judgment to be enforced in the Cayman Islands, such judgment must be final and conclusive and for a liquidated sum, and must not be in respect of taxes or a fine or penalty, inconsistent with a Cayman Islands judgment in respect of the same matter, impeachable on the grounds of fraud or obtained in a manner, and or be of a kind the enforcement of which is, contrary to natural justice or the public policy of the Cayman Islands (awards of punitive or multiple damages may well be held to be contrary to public policy). A Cayman Islands Court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere.

JERSEY

The United States and Jersey currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments (as opposed to arbitration awards) in civil and commercial matters. Consequently, a final judgment for payment rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon US federal securities laws, would not automatically be recognized or enforceable in Jersey. In order to enforce any such US judgment in Jersey, proceedings must first be initiated before a court of competent jurisdiction in Jersey. In such an action, a Jersey court would not generally reinvestigate the merits of the original matter decided by the US court (subject to what is said below) and it would usually be possible to obtain summary judgment on such a claim (assuming that there is no good defense to it). Recognition and enforcement of a US judgment by a Jersey court in such an action is conditional upon (among other things) the following:

- the US court having had jurisdiction over the original proceedings according to Jersey conflicts of laws principles;
- the US judgment being final and conclusive on the merits in the sense of being final and unalterable in the court which pronounced it and being for a debt or definite sum of money (although there are circumstances where non-money judgments can also be recognized);
- the recognition or enforcement of the US judgment not contravening Jersey public policy;
- the US judgment not being for a sum payable in respect of taxes, or other charges of a like nature, or in respect of a penalty or fine;
- the US judgment not having been arrived at by doubling, trebling or otherwise multiplying a sum assessed as compensation for the loss or damages sustained and not being otherwise in breach of Section 5 of the United Kingdom Protection of Trading Interests Act 1980 (as extended to Jersey by the Protection of Trading Interests Act 1980 (Jersey) Order 1983);
- the US judgment not having been obtained by fraud or in breach of Jersey principles of natural justice or rights under the European Convention on Human Rights; and
- there not having been a prior inconsistent decision of a Jersey court in respect of the same matter.

Subject to the foregoing, investors may be able to enforce in Jersey judgments in civil and commercial matters that have been obtained from US federal or state courts. However, there can be no assurance that those judgments will be recognized or enforceable in Jersey. In addition, it is questionable whether a Jersey court would accept jurisdiction and impose civil liability if the original action was commenced in Jersey, instead of the United States, and predicated solely upon US federal securities laws.

GUERNSEY

The US currently does not have a treaty providing for the reciprocal recognition and enforcement of judgments (as opposed to arbitration awards) in civil and commercial matters with Guernsey.

Consequently, a final judgment for payment rendered by any federal or state court in the US based on civil liability, whether or not predicated solely upon US federal securities laws, would not automatically be recognized or enforceable in Guernsey. In order to enforce any such US judgment in Guernsey, proceedings must first be initiated before a court of competent jurisdiction in Guernsey. In such an action, the Guernsey court would not generally reinvestigate the merits of the original matter decided by the US court (subject to what is stated below) and it would usually be possible to obtain summary judgment on such a claim (assuming that there is no good defense to it). Recognition and enforcement of a US judgment by a Guernsey court in such an action is conditional upon (among other things) the following:

- the US court having had jurisdiction over the original proceedings according to Guernsey conflicts of laws principles;
- the US Court having jurisdiction over the defendant to the original proceedings according to Guernsey conflicts of laws principles;

- the US judgment being final and conclusive on the merits in the sense of being final and unalterable in the court which pronounced it and being for a debt for a definite sum of money;
- the US judgment not contravening Guernsey public policy;
- the US judgment not being for a sum payable in respect of tax, or other charges of a like nature in respect of a penalty or fine;
- the US judgment not having been obtained by fraud or in breach of Guernsey principles of natural justice;
- there not having been a prior inconsistent decision of a Guernsey court between the same parties; and
- the Guernsey enforcement proceedings being commenced within six years from the date of the US judgment.

Subject to the foregoing, investors may be able to enforce in Guernsey judgments in civil and commercial matters that have been obtained from US federal or state courts. Nevertheless, we cannot assure you that those judgments will be recognized or enforceable in Guernsey.

PLAN OF DISTRIBUTION

The Issuer has agreed to sell to the Initial Purchasers, and the Initial Purchasers have agreed to purchase from the Issuer, the entire principal amount of the Notes. The sale will be made pursuant to a Purchase Agreement (the "**Purchase Agreement**") between, among others, the Issuer and Deutsche Bank AG, London Branch, Goldman Sachs International, ABN AMRO Bank N.V., HSBC Bank plc and ING Bank N.V., London Branch as representatives of the Initial Purchasers. The Initial Purchasers of the Notes are Deutsche Bank AG, London Branch, Goldman Sachs International, ABN AMRO Bank N.V., HSBC Bank plc, ING Bank N.V., London Branch, Mizuho International plc, MUFG Securities EMEA plc, NatWest Markets Plc and SMBC Nikko Capital Markets Limited.

The obligations of the Initial Purchasers under the Purchase Agreement, including their agreement to purchase Notes from the Issuer, are several and not joint. The Purchase Agreement provides that the Initial Purchasers will purchase all of the Notes being sold pursuant to the Purchase Agreement if any of them are purchased.

The Purchase Agreement provides that the obligations of the Initial Purchasers to pay for and accept delivery of the Notes are subject to, among other conditions, the delivery of certain legal opinions by counsel.

The Initial Purchasers propose to offer the Notes to purchasers at the price to investors indicated on the cover page of the final offering memorandum. After the initial Offering, the Initial Purchasers may from time to time vary the offering price and other selling terms without notice. To the extent that any of the Initial Purchasers are not US-registered broker-dealers, they will only offer and sell Notes in the United States through US-registered broker-dealers or affiliates, as appropriate. In addition, the Initial Purchasers may offer and sell Notes outside the US through certain of their affiliates.

The Issuer and the Guarantors have agreed to indemnify the Initial Purchasers against certain liabilities, including liabilities under the US Securities Act, and will contribute to payments which the Initial Purchasers may be required to make in respect of any such liabilities. The Issuer will pay the Initial Purchasers a commission and pay certain expenses relating to the Offering. During the period from the date hereof through and including the date that is 90 days after the date hereof, none of the Issuer, the Guarantors, or any of the Parent Guarantor's subsidiaries will, without the prior written consent of the representatives of the Initial Purchasers, offer, sell, contract to sell or otherwise dispose of any debt securities issued or guaranteed by the Issuer or any of the Guarantors and having a tenor of more than one year (other than the Notes).

No action has been or will be taken in any jurisdiction by us or the Initial Purchasers that would permit a public offering of the Notes and the Guarantees, or the possession, circulation or distribution of this Offering Memorandum or any other material relating to us or the Notes in any jurisdiction where action for that purpose is required. Accordingly, the Notes and the Guarantees may not be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any other offering material or advertisements in connection with the Notes or the Notes may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction.

This Offering Memorandum does not constitute an offer to purchase or a solicitation of an offer to sell in any jurisdiction where such offer or solicitation would be unlawful. Persons into whose possession this Offering Memorandum comes are advised to inform themselves about, and to observe, any restrictions relating to the Offering, the distribution of this Offering Memorandum and resales of the Notes. See "*Transfer Restrictions*."

The Notes are new issues of securities with no established trading market. The Issuer has applied for the listing of the Notes on the Official List of the Luxembourg Stock Exchange and admittance of the Notes to trading on the Luxembourg Stock Exchange's Euro MTF Market. There can be no assurance that the Notes will be listed on the Official List of the Luxembourg Stock Exchange. The Issuer has been advised by the Initial Purchasers that the Initial Purchasers intend to make a market in the Notes as permitted by applicable law but are not obligated to do so and may discontinue market making at any time without notice. No assurance can be given as to the liquidity of the trading market for the Notes. See "*Risk Factors—Risks Related to the Notes and our Structure*."

The Stabilization Manager or persons acting on behalf of the Stabilization Manager may engage in over-allotment, stabilizing transactions and covering transactions in accordance with Regulation M under the Exchange Act. Over-allotment involves sales in excess of the offering size, which creates a short position for the Stabilization Manager. Stabilizing transactions permit bidders to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. Covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions.

The Stabilization Manager is not required to engage in these activities, and may end these activities at any time. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Notes. See "*Risk Factors—Risks Related to the Notes and our Structure*." These stabilizing transactions and covering transactions may cause the price of the Notes to be higher than it would otherwise be in the absence of these transactions.

In connection with the Offering, the Initial Purchasers may purchase and sell Notes in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the Stabilization Manager of a greater number of Notes than they are required to purchase in the Offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Notes while the Offering is in progress.

These activities by the Stabilization Manager, as well as other purchases by the Initial Purchasers for their own accounts, may stabilize, maintain or otherwise affect the market price of the Notes. As a result, the price of the Notes may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Initial Purchasers at any time. These transactions may begin on or after the date on which adequate public disclosure of the terms of the Offering is made and, if commenced, may be discontinued at any time at the sole discretion of the Initial Purchasers. If these activities are commenced, they must end no later than the earlier of 30 days after the Issue Date and 60 days after the date of the allotment of the Notes. These transactions may be effected in the over-the-counter market or otherwise.

Persons who purchase Notes from the Initial Purchasers may be required to pay stamp duty, taxes, and other charges in accordance with the laws and practice of the country of purchase in addition to the offering price set forth on the cover page hereof.

The Offering is being made in the United States in reliance upon an exemption from the registration requirements of the US Securities Act for an offer and sale of the Notes which does not involve a public offering. In making your purchase, you will be deemed to have made certain acknowledgments, representations and agreements. See "*Important Notice.*" The Notes have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered or sold in the United States, except to QIBs, in reliance on the exemption from the registration requirements of the US Securities Act provided by Rule 144A. Prospective investors are hereby notified that sellers of the Notes may be relying on the exemption from the registration requirements of Section 5 of the US Securities Act provided by Rule 144A. The Notes may also be offered and sold to non-US persons in offshore transactions in reliance on Regulation S. Transfer of the Notes (including the Guarantees) will be restricted and each purchaser of the Notes (including the Guarantees) in the United States will be required to make certain acknowledgements, representations and agreements, as described under "*Transfer Restrictions*."

Each Initial Purchaser has represented, warranted and agreed that it:

- has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantors;

- has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the UK; and
- any Notes will only be offered in the Netherlands to qualified investors (as defined in the Prospectus Directive), unless such offer is made in accordance with the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

Any offer or sale in the United States will be made by affiliates of the Initial Purchasers who are broker-dealers registered under the Exchange Act.

The Issuer expects that delivery of the Notes will be made to investors on or about the date specified on the cover page of this Offering Memorandum, which is five business days following the date of this Offering Memorandum (such settlement being referred to as “T+5”). Under Rule 15(c)6-1 under the Exchange Act, trades in the secondary market are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of pricing or the next two successive business days will be required, by virtue of the fact that the Notes will initially settle five business days following the date of pricing of the Notes, to specify an alternative settlement cycle at the time of such trade to prevent a failed settlement. Purchasers of the Notes who wish to make such trades should consult their own advisors.

The Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Initial Purchasers and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Issuer and its affiliates, for which they received or will receive customary fees and expenses. Each of the Initial Purchasers or their respective affiliates are lenders under the New Facilities Agreement, and will receive customary fees for their services in such capacities. Certain of the Initial Purchasers or their affiliates are lenders under the Existing Facilities Agreement and as a result will receive a portion of the net proceeds of the Notes.

In the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and instruments of ours or our affiliates. The Initial Purchasers and their affiliates may also receive allocations of the Notes. If the Initial Purchasers or their affiliates have a lending relationship with us, they routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, the Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their affiliates may also make investment recommendations and publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

TRANSFER RESTRICTIONS

The Notes have not been, and will not be, registered under the US Securities Act or any state securities laws and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable state securities laws. Accordingly, the Notes offered hereby are being offered and sold only to qualified institutional buyers in reliance on Rule 144A and to non-US persons (as defined in Regulation S) in offshore transactions in reliance on Regulation S. As used in this section, the terms "United States" and "offshore transaction" have the meanings given to them in Regulation S.

In addition, until 40 days after the later of the commencement of the offering and the closing date, an offer or sale of the Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than pursuant to Rule 144A.

Each purchaser of the Notes, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with us and the Initial Purchasers as follows:

(1) It understands and acknowledges that the Notes and the Guarantees have not been registered under the US Securities Act or any other applicable state securities law, and that the Notes are being offered for resale in transactions not requiring registration under the US Securities Act or any state securities law, including sales pursuant to Rule 144A and Regulation S, and may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the US Securities Act or any applicable state securities law, pursuant to an exemption therefrom or in any transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraphs (4) and (5) below.

(2) It is not an "affiliate" (as defined in Rule 144) of the Issuer or acting on behalf of the Issuer and it is either:

    (a) a qualified institutional buyer and is aware that any sale of the Notes to it will be made in reliance on Rule 144A and the acquisition of the Notes will be for its own account or for the account of another qualified institutional buyer; or

    (b) a non-US person purchasing the Notes in an offshore transaction in accordance with Regulation S.

(3) It acknowledges that neither we nor the Initial Purchasers, nor any person representing us or the Initial Purchasers, has made any representation to it with respect to the offering or sale of any Notes, other than the information contained in this Offering Memorandum, which Offering Memorandum has been delivered to it and upon which it is relying in making its investment decision with respect to the Notes. It acknowledges that neither the Initial Purchasers nor any person representing the Initial Purchasers makes any representation or warranty as to the accuracy or completeness of the information contained in this Offering Memorandum. It also acknowledges that it has had access to such financial and other information concerning us and the Notes as it has deemed necessary in connection with its decision to purchase any of the Notes.

(4) It is purchasing the Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the US Securities Act or any state securities laws, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell such Notes pursuant to Rule 144A, Regulation S or any other exemption from registration available under the US Securities Act.

(5) Each holder of the Notes sold in reliance on Rule 144A agrees on its own behalf and on behalf of any investor account for which it is purchasing the Notes, and each subsequent holder of the Notes by its acceptance thereof will be deemed to agree, to offer, sell or otherwise transfer such Notes prior to the date (the "**Resale Restriction Termination Date**") that is one year after the later of the date of the Issue Date, the issue date of any additional Notes and the last date on which the Issuer or any of its affiliates was the owner of such Notes (or any predecessor thereto),

only (i) to the Issuer, the Guarantors or any subsidiaries thereof; (ii) pursuant to a registration statement that has been declared effective under the US Securities Act; (iii) for so long as the Notes are eligible pursuant to Rule 144A to a person it reasonably believes is a qualified institutional buyer that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that the transfer is being made in reliance on Rule 144A; (iv) pursuant to offshore transactions occurring outside the United States within the meaning of Regulation S and in reliance on Regulation S or (v) pursuant to any other available exemption from the registration requirements of the US Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and to compliance with any applicable state securities laws and any applicable local laws and regulations, and further subject to the Issuer's and the Trustee's rights prior to any such offer, sale or transfer (I) pursuant to clauses (iv) or (v) prior to the Resale Restriction Termination Date to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them, (II) in each of the foregoing cases, to require that a certificate of transfer in the form appearing on the other side of the security is completed and delivered by the transferor to the Trustee and (III) agrees that it will give to each person to whom this security is transferred a notice substantially to the effect of this legend.

(6) Each purchaser of the Notes acknowledges that each Note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**US SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND, ACCORDINGLY, NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT.

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE US SECURITIES ACT ("**RULE 144A**")) OR (B) IT IS ACQUIRING THIS SECURITY IN OFFSHORE TRANSACTIONS PURSUANT TO RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT ("**REGULATION S**") AND (2) IN THE CASE OF RULE 144A NOTES AGREES NOT TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "**RESALE RESTRICTION TERMINATION DATE**") THAT IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE OF THIS SECURITY, THE ORIGINAL ISSUE DATE OF THE ISSUANCE OF ANY ADDITIONAL NOTES, AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) ONLY (A) TO THE ISSUER, THE GUARANTORS OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE US SECURITIES ACT, (C) FOR SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFSHORE TRANSACTIONS OCCURRING OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S AND IN RELIANCE ON REGULATION S OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND TO COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH

OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSES (D) OR (E) PRIOR TO THE RESALE RESTRICTION TERMINATION DATE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (III) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. [IN THE CASE OF REGULATION S NOTES: BY ITS ACQUISITION HEREOF, THE HOLDER HEREOF REPRESENTS THAT IT IS ACQUIRING THIS SECURITY IN OFFSHORE TRANSACTIONS IN ACCORDANCE WITH REGULATION S. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION" AND "UNITED STATES" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S.]

(7) It agrees that it will, and each subsequent holder is required to, give to each person to whom it transfers the Notes notice of any restrictions on transfer of such Notes, if then applicable.

(8) It acknowledges that the transfer agent will not be required to accept for registration of transfer any Notes except upon presentation of evidence satisfactory to us and the Trustee that the restrictions set forth therein have been complied with.

(9) It acknowledges that we, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it will promptly notify the Initial Purchasers. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.

(10) It understands that no action has been taken in any jurisdiction (including the US) by us or the Initial Purchasers that would result in a public offering of the Notes or the possession, circulation or distribution of this Offering Memorandum or any other material relating to us or the Notes in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth under "*Notice to Investors—Notice to Investors in the United States*" and "*Plan of Distribution*."

LEGAL MATTERS

Certain legal advice for the Issuer and the Guarantors as to matters of US federal and New York law will be provided by Simpson Thacher & Bartlett LLP, as to matters of Dutch law will be provided by Stibbe N.V., as to matters of Cayman law will be provided by Solomon Harris, as to matters of Jersey law will be provided by Carey Olsen Jersey and as to matters of Guernsey law will be provided by Collas Crill LLP.

Certain legal advice for the Initial Purchasers as to matters of US federal, New York and Dutch law will be provided by Allen & Overy LLP, as to matters of Cayman, Jersey and Guernsey law will be provided by Appleby.

INDEPENDENT AUDITORS

The consolidated financial statements of Intertrust N.V. as of December 31, 2017, 2016 and 2015, and for each of the years then ended, included in this Offering Memorandum, have been audited by KPMG Accountants N.V., independent auditors, as stated in their reports appearing herein.

WHERE YOU CAN FIND MORE INFORMATION

Each purchaser of the Notes from the Initial Purchasers will be furnished with a copy of this Offering Memorandum and any related amendments or supplements to this Offering Memorandum. Each person receiving this Offering Memorandum and any related amendments or supplements to this Offering Memorandum acknowledges that:

- such person has been afforded an opportunity to request from us, and to review and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein;
- such person has not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with its investigation of the accuracy of such information or its investment decision; and
- except as provided pursuant to above, no person has been authorized to give any information or to make any representation concerning the Notes offered hereby other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by us or the Initial Purchasers.

For so long as any of the Notes are "restricted securities" within the meaning of the Rule 144(a)(3) under the US Securities Act, we will, during any period in which we are neither subject to the reporting requirements of Section 13(a) or 15(d) of the Exchange Act, nor exempt from the reporting requirements under Rule 12g3-2(b) of the Exchange Act, provide to the holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, in each case upon the written request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the US Securities Act. Any such request should be directed to the Issuer, Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands.

We are not currently subject to the periodic reporting and other information requirements of the Exchange Act. However, as a listed company, we are subject to the reporting requirements of Euronext Amsterdam. In addition, pursuant to the Indenture governing the Notes and so long as the Notes are outstanding, we will furnish periodic information to holders of the Notes. See "*Description of the Notes—Certain Covenants—Reports.*"

Copies of the Issuer's organizational documents, the Indenture and the Parent Guarantor's Financial Statements may be inspected and obtained at the registered office of the Issuer for a period of 14 days following the grant of listing of the Notes. See "*Listing and General Information.*"

LISTING AND GENERAL INFORMATION

LISTING

Application has been made to list the Notes on the Official List of the Luxembourg Stock Exchange and to admit the Notes to trading on the Luxembourg Stock Exchange's Euro MTF Market. There can be no assurance that the Notes will be listed on the Official List of the Luxembourg Stock Exchange.

Neither the admission of the Notes to the Official List of the Luxembourg Stock Exchange nor the approval of this Offering Memorandum pursuant to the listing requirements of the Luxembourg Stock Exchange shall constitute a warranty or representation by the Luxembourg Stock Exchange as to the competence of the service providers to, or any other party connected with, the Issuer, the adequacy and accuracy of information contained in this Offering Memorandum or the suitability of the Issuer for investment or for any other purpose.

The Notes are only intended to be offered in the primary market to, and held by, investors who are particularly knowledgeable in investment matters.

For as long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted for trading on the Luxembourg Stock Exchange's Euro MTF Market and the rules and regulations of that exchange require, copies of the following documents may be inspected and obtained at the registered offices of the Issuer:

- the organizational documents of the Issuer and the Guarantors; and
- the documents listed in the Index to Financial Statements below, including the annual financial statements, any interim financial statements and any other documents or reports to be published by us and furnished to holders of the Notes.

CLEARING INFORMATION

The Notes have been accepted for clearance through the facilities of Euroclear and Clearstream. The 144A Global Note has a Common Code of and an ISIN of and the Regulation S Global Note has a Common Code of and an ISIN of .

GENERAL INFORMATION

The issuance of the Notes was authorized by a resolution of the management board of the Issuer on November 5, 2018.

The guarantee of the Notes by each of the Guarantors has been authorized by resolutions of the relevant corporate decision making bodies of the respective Guarantors on various dates on or about November 4, 2018.

THE ISSUER INFORMATION

The Issuer was incorporated on November 22, 2012. The Issuer's financial year begins on January 1 of each year. Financial statements will be prepared and published at the level of the Parent Guarantor. Annual accounts will be published by the Parent Guarantor on an annual basis and will be available, during normal business hours, at the executive offices of the Parent Guarantor. The Parent Guarantor will not produce unconsolidated interim accounts. The Issuer's official seat (*statutaire zetel*) is in Amsterdam, the Netherlands and its office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands. The Issuer is registered with the Dutch Trade Register of the Chamber of Commerce under number the number 56528582.

The Issuer has obtained all necessary consents, approvals and authorizations in the jurisdiction of its incorporation in connection with the issuance and performance of the Notes.

GUARANTOR INFORMATION

On or about the Issue Date, subject to agreed guarantee principles and limitations, the Guarantors will, jointly and severally, guarantee the obligations of the Issuer in respect of the Notes. The following table lists the Guarantors, along with their date of incorporation, address of registered office, company number and primary activities.

Name	Date of Incorporation	Address of Registered Office	Company Number	Primary Activities
Intertrust N.V.	September 8, 2014	Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands	61411809	Holding company
Intertrust (Netherlands) B.V.	November 11, 1975	Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands	33144202	Operating company
Intertrust Administrative Services B.V.	June 20, 1963	Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands	33210270	Operating company
Intertrust Management B.V.	January 22, 1991	Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands	33226415	Operating company
Intertrust Corporate Services (Cayman) Limited	September 30, 1994	190 Elgin Avenue, George Town, Grand Cayman KY1-9007, Cayman Islands	56354	Operating company
Intertrust SPV (Cayman) Limited	December 14, 1995	Walker House, 87 Mary Street, George Town, Grand Cayman KY1-9002, Cayman Islands	63116	Operating company
Intertrust Fiduciary Services (Jersey) Limited	May 17, 2000	44 Esplanade, St Helier, Jersey, JE4 9WG, Channel Islands	77282	Operating company
Intertrust International Management Limited	August 14, 1986	Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB, Channel Islands	15831	Operating company

PERSONS RESPONSIBLE

The Issuer accepts responsibility for the information contained in this Offering Memorandum. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

ABSENCE OF SIGNIFICANT CHANGES

There has been no material adverse change to: (a) the Parent Guarantor; or (b) the Parent Guarantor's group structure; or (c) the Parent Guarantor's business or accounting policies; or (d) the financial or trading position of the Parent Guarantor, since September 30, 2018.

LITIGATION

Except as disclosed elsewhere in this Offering Memorandum, neither the Parent Guarantor nor any of its subsidiaries is involved in any litigation, arbitration or administrative proceedings which would, individually or in the aggregate, have a material adverse effect on its results of operations, profitability, condition (financial or other) or general affairs and, so far as it is aware, having made all reasonable inquiries, there are no such litigation, arbitration or administrative proceedings pending or threatened.

GLOSSARY

AI	Artificial intelligence.
AIFM	Alternative investment fund manager.
AIFMD	Alternative Investment Fund Managers Directive.
AML	Anti-money laundering.
AMLD	Fourth and Fifth Anti-Money Laundering Directive.
Anti-Tax Avoidance Directive	Directive (EU) 2016/1164 of the European Council of July 12, 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market as amended by Directive (EU) 2017/952 of the European Counsel of May 29, 2017 amending Directive (EU) 2016/1164 as regards hybrid mismatches with third countries.
ATAD	EU Anti-Tax Avoidance Directive.
BEPS	Base Erosion and Profit Shifting.
CDD	Customer due diligence.
CoSec	Global corporate secretarial solutions.
CRS	Common Reporting Standard.
Directive 2013/34/EU	Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC Text with EEA relevance.
EU	European Union.
FATCA	The Foreign Account Tax Compliance Act.
Fourth Anti-Money Laundering Directive	Directive (EU) 2015/849 of the European Parliament and of the Council of May 20, 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing.
GDPR	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).
Global Intertrust Academy	A program in which we train and educate our employees on technical skills, as well as leadership, business development and relationship management skills to ensure a global high standard of capabilities.

Global Mobility Program	A program in which we seek to support the international mobility of our staff with a view to further developing the skillsets of our employees and further increasing cooperation, knowledge sharing and cross-selling across our global network.
IaaS	Infrastructure as a Service, a form of cloud computing that provides virtualized computing resources over the internet.
IOS	Integrated office solutions.
KYC	Know your customer.
ManCo	Management company.
Mandatory Disclosure Directive	Directive (EU) 2018/822 of the European Council of May 25, 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.
MLCO	Money laundering compliance officer.
MLI or Multilateral Instrument	Multilateral Convention to Implement Tax Treaty Related Measures to prevent Base Erosion and Profit Shifting.
MLRO	Money laundering reporting officer.
NPS	Net promoter score, a client loyalty metric that is used to measure the loyalty of a firm's client relationships.
OECD	Organisation for Economic Co-operation and Development.
One Journey	A program which aims to develop a positive workplace culture and environment as well as an "Intertrust way" of working. The program focused initially on the theme of building trust within teams and across the organization by exploring core building blocks of listening, developing a feedback culture and empowerment.
PaaS	Platform as a Service, a category of cloud computing services that provides a platform allowing customers to develop, run and manage applications without the complexity of building and maintaining the infrastructure typically associated with developing and launching an app.
PRM	Performance and reward management services.
RPA	Robotic process automation.
SaaS	Software as a Service, a software licensing and delivery model in which software is licensed on a subscription basis and is centrally hosted.
Talent Program	A global talent development program which offers a range of classes and assignments in offsite modules and in the workplace, to collaborate and develop leadership within the global business environment.
Tax Cuts and Jobs Act	The Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018, signed into law by the US president on December 22, 2017.
TPSPs	Third-party service providers.

Index to Financial Statements

Intertrust N.V. interim condensed consolidated financial statements as of and for the nine months ended September 30, 2018

Intertrust N.V. consolidated financial statements as of and for the year ended December 31, 2017

Intertrust N.V. consolidated financial statements as of and for the year ended December 31, 2016

Intertrust N.V. consolidated financial statements as of and for the year ended December 31, 2015

Condensed consolidated interim statement of profit or loss

(EUR 000)	Note	Q3 2018	Q3 2017	9M 2018	9M 2017
Revenue	5	**121,763**	**118,086**	**363,368**	**357,802**
Staff expenses	6	-56,025	-51,470	-164,609	-160,484
Rental expenses		-6,103	-5,852	-18,147	-17,881
Other operating expenses		-16,094	-15,106	-46,913	-45,804
Other operating income		—	200	51	200
Depreciation and amortisation of other intangible assets		-2,744	-2,749	-8,301	-8,189
Amortisation of acquisition-related intangible assets		-10,441	-10,224	-30,805	-30,845
Profit/(loss) from operating activities		**30,356**	**32,885**	**94,644**	**94,799**
Financial income		60	4	244	9
Financial expense		-6,825	-5,370	-21,611	-18,193
Financial result		**-6,765**	**-5,366**	**-21,367**	**-18,184**
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)		18	4	59	-191
Profit/(loss) before income tax		**23,609**	**27,523**	**73,336**	**76,424**
Income tax		-4,457	-8,542	-13,208	-17,680
Profit/(loss) after tax		**19,152**	**18,981**	**60,128**	**58,744**
Profit/(loss) for the year after tax attributable to:					
Owners of the Company		19,152	18,961	60,108	58,675
Non-controlling interests		—	20	20	69
Profit/(loss)		**19,152**	**18,981**	**60,128**	**58,744**
Basic earnings per share (EUR)	7	0.21	0.21	0.67	0.65
Diluted earnings per share (EUR)	7	0.21	0.20	0.66	0.63

Quarterly figures and nine month period ended 30 September 2017 are neither audited, nor reviewed.

The Notes on pages F-8 to F-16 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of comprehensive income

(EUR 000)	Note	Q3 2018	Q3 2017	9M 2018	9M 2017
Profit/(loss) after tax		**19,152**	**18,981**	**60,128**	**58,744**
Actuarial gains and losses on defined benefit plans		267	-5	441	148
Income tax on actuarial gains and losses on defined benefit plans		154	—	154	—
Items that will never be reclassified to profit or loss		**421**	**-5**	**595**	**148**
Foreign currency translation differences – foreign operations		1,321	-11,631	10,181	-43,607
Movement on cash flow hedges in other comprehensive income		158	-407	642	804
Income tax on movement on cash flow hedges in other comprehensive income		-39	-244	-159	-546
Items that are or may be reclassified to profit or loss		**1,440**	**-12,282**	**10,664**	**-43,349**
Other comprehensive income/(loss) for the year, net of tax		**1,861**	**-12,287**	**11,259**	**-43,201**
Total comprehensive income/(loss) for the year		**21,013**	**6,694**	**71,387**	**15,543**
Total comprehensive income/(loss) for the year attributable to:					
Owners of the Company		21,011	6,674	71,364	15,474
Non-controlling interests		2	20	23	69
Total comprehensive income/(loss) for the year		**21,013**	**6,694**	**71,387**	**15,543**

Quarterly figures and nine month period ended 30 September 2017 are neither audited, nor reviewed.

The amounts for the period ended 30 September 2018 have been prepared in accordance with IFRS 9; prior period amounts have not been restated (refer to Basis of preparation).

The Notes on pages F-8 to F-16 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of financial position

(EUR 000)	Note	30.09.2018	31.12.2017
Assets			
Property, plant and equipment		14,253	16,470
Other intangible assets		13,392	14,849
Acquisition-related intangible assets	8	1,460,803	1,474,188
Investments in equity-accounted investees		205	196
Other non current financial assets		2,596	3,368
Deferred tax assets		2,709	1,357
Non-current assets		**1,493,958**	**1,510,428**
Trade receivables		72,623	103,103
Other receivables		17,923	18,937
Work in progress		37,819	33,078
Current tax assets		1,485	614
Other current financial assets		1,083	857
Prepayments		10,453	9,058
Cash and cash equivalents		97,996	66,620
Current assets		**239,382**	**232,267**
Total assets		**1,733,340**	**1,742,695**
Equity			
Share capital		53,853	55,200
Share premium		630,441	630,441
Reserves		-44,911	-56,3088
Retained earnings		74,222	75,585
Equity attributable to owners of the Company		**713,605**	**704,918**
Non-controlling interests		248	225
Total equity	**10**	**713,853**	**705,143**
Liabilities			
Loans and borrowings		775,975	770,367
Other non current financial liabilities		3,222	2,216
Employee benefits liabilities		1,396	1,963
Deferred income		6,540	5,750
Provisions		306	579
Deferred tax liabilities		77,189	80,405
Non-current liabilities		**864,628**	**861,280**
Loans and borrowings		316	375
Other current financial liabilities		2,006	5,000
Deferred income		42,449	62,602
Provisions		4,785	497
Current tax liabilities		31,505	34,400
Trade payables		4,110	6,625
Other payables		69,688	66,773
Current liabilities		**154,859**	**176,272**
Total liabilities		**1,019,487**	**1,037,552**
Total equity and liabilities		**1,733,340**	**1,742,695**

The amounts for the period ended 30 September 2018 have been prepared in accordance with IFRS 9; prior period amounts have not been restated (refer to Basis of preparation).

The Notes on pages F-8 to F-16 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of changes in equity

		For the period ended 30 September 2018									
		Attributable to owners of the Company									
(EUR 000)	Note	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total	Non-controlling interests	Total equity
Balance at 01 January 2018		**55,200**	**630,441**	**75,585**	**-41,437**	**-545**	**-14,326**		**704,918**	**225**	**705,143**
Profit/(loss)		—	—	60,108	—	—	—	—	**60,108**	20	**60,128**
Other comprehensive income/(loss) for the year, net of tax		—	—	595	10,178	483	—	—	**11,256**	3	**11,259**
Total comprehensive income/ (loss) for the year		**—**	**—**	**60,703**	**10,178**	**483**	**—**	**—**	**71,364**	**23**	**71,387**
Contributions and distributions											
Equity-settled share based payment		—	—	3,937	—	—	—	—	**3,937**	—	**3,937**
Purchase of treasury shares		—	—	—	—	—	-36,011	—	**-36,011**	—	**-36,011**
Treasury shares delivered		—	—	-858	—	—	858	—	**—**	—	**—**
Dividend paid		—	—	-29,401	—	—	—	—	**-29,401**	—	**-29,401**
Total contributions and distributions		**—**	**—**	**-26,322**		**—**	**-35,153**	**—**	**-61,475**	**—**	**-61,475**
Changes in ownership interests											
Share cancellation		-1,347		-34,542		—	35,889	—	**—**	—	**—**
Total changes in ownership interest		**-1,347**	**—**	**-34,542**	**—**	**—**	**35,889**	**—**	**—**	**—**	**—**
Total transactions with owners of the Company		**-1,347**	**—**	**-60,864**	**—**	**—**	**736**	**—**	**-61,475**	**—**	**-61,475**
IFRS 9 opening balance adjustment		—	—	-1,202	—	—	—	—	**-1,202**	—	**-1,202**
Total opening balance sheet adjustment		**—**	**—**	**-1,202**	**—**	**—**	**—**	**—**	**-1,202**	**—**	**-1,202**
Balance at 30 September 2018	**10**	**53,853**	**630,441**	**74,222**	**-31,259**	**-62**	**-13,590**	**—**	**713,605**	**248**	**713,853**

The Notes on pages F-8 to F-16 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of changes in equity (continued)

(EUR 000)	Note	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total	Non-controlling interests	Total equity
		For the period ended 30 September 2017									
		Attributable to owners of the Company									
Balance at 01 January 2017		**55,200**	**630,441**	**29,887**	**7,627**	**(1,324)**	**(76)**	**36,118**	**757,873**	**1,930**	**759,803**
Profit/(loss)		—	—	58,675	—	—	—	—	58,675	69	58,744
Other comprehensive income/(loss) for the year, net of tax		—	—	148	-43,607	258	—	—	-43,201	—	-43,201
Total comprehensive income/(loss) for the year		**—**	**—**	**58,823**	**-43,607**	**258**	**—**	**—**	**15,474**	**69**	**15,543**
Contributions and distributions											
Equity-settled share based payment		—	—	3,783	—	—	—	—	3,783	—	3,783
Business combination		—	—	—	—	—	—	-56	-56	—	-56
Purchase of treasury shares		—	—	—	—	—	-33,968	—	-33,968	—	-33,968
Treasury shares delivered		—	—	-752	—	—	752	—	—	—	—
Dividend paid		—	—	-22,535	—	—	—	-451	-22,986	—	-22,986
Total contributions and distributions		**—**	**—**	**-19,504**	**—**	**—**	**-33,216**	**-507**	**-53,227**	**—**	**-53,227**
Changes in ownership interests											
Dividends paid to non-controlling interests		—	—	—	—	—	—	—	—	-54	-54
Acquisition of subsidiary with non-controlling interest		—	—	-1,250	—	—	—	—	-1,250	-1,750	-3,000
Total changes in ownership interest		**—**	**—**	**-1,250**	**—**	**—**	**—**	**—**	**-1,250**	**-1,804**	**-3,054**
Total transactions with owners of the Company		**—**	**—**	**-20,754**	**—**	**—**	**-33,216**	**-507**	**-54,477**	**-1,804**	**-56,281**
Balance at 30 September 2017	**10**	**55,200**	**630,441**	**67,956**	**-35,980**	**-1,066**	**-33,292**	**35,611**	**718,870**	**195**	**719,065**

The amounts for the period ended 30 September 2018 have been prepared in accordance with IFRS 9; prior period amounts have not been restated (refer to Basis of preparation). The nine month period ended 30 September 2017 has not been audited, nor reviewed.

The Notes on pages F-8 to F-16 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of cash flows

(EUR 000)	Note	Q3 2018	Q3 2017	9M 2018	9M 2017
Cash flows from operating activities					
Profit/(loss) for the period		**19,152**	**18,981**	**60,128**	**58,744**
Adjustments for:					
Income tax expense		4,457	8,542	13,208	17,680
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)		-18	-4	-59	191
Financial result		6,765	5,366	21,367	18,184
Depreciation and amortisation of other intangible assets		2,744	2,749	8,301	8,189
Amortisation of acquisition-related intangible assets		10,441	10,224	30,805	30,845
(Gain)/loss on sale of non-current assets		—	-10	61	-2
Other non cash items		1,033	272	3,128	3,657
		44,574	**46,120**	**136,939**	**137,488**
Changes in:					
(Increase)/decrease in trade working capital		-18,322	-19,813	4,332	-11,832
(Increase)/decrease in other working capital		6,304	476	-6,274	-7,287
(Decrease)/increase in provisions		1,909	-21	3,989	-2,419
Changes in foreign currency		166	-59	-271	1,343
		34,631	**26,703**	**138,715**	**117,293**
Income tax paid		-14,417	-2,933	-23,211	-8,715
Net cash from/(used in) operating activities		**20,214**	**23,770**	**115,504**	**108,578**
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		—	—	11	9
Purchase of property, plant & equipment		-351	-430	-1,698	-2,388
Purchase of intangible assets		-1,363	-1,913	-2,897	-3,124
Acquisitions, net of cash acquired		-905	—	-5,905	-7,508
(Increase)/decrease in other financial assets		198	-25	871	841
Dividends received		—	—	75	54
Interest received		60	4	244	9
Net cash from/(used in) investing activities		**-2,361**	**-2,364**	**-9,299**	**-12,107**
Cash flows from financing activities					
Proceeds from issue of share capital		—	-25	—	-25
Proceeds from bank borrowings		-13,102	-2,813	—	720
Acquisition of treasury shares		—	—	-37,040	-33,968
Payment of financing costs		-64	-25	-114	-75
Repayment of loans and borrowings banks		—	—	—	-18,000
Interest and other finance expenses paid		-6,126	-5,664	-18,618	-17,360
Dividends paid		—	-2,572	-29,401	-22,535
Dividends paid to non-controlling interest		—	—	—	-54
Net cash from/(used in) financing activities		**-19,292**	**-11,099**	**-85,173**	**-91,297**
Net increase/(decrease) in cash		**-1,439**	**10,307**	**21,032**	**5,174**
Cash attributable to the Company at the beginning of the period		79,974	44,606	56,157	51,733
Effect of exchange rate fluctuations on cash attributable to the Company		-386	-53	960	-2,047
Cash attributable to the Company at the end of the period		**78,149**	**54,860**	**78,149**	**54,860**
Cash held on behalf of clients at the end of the period		19,847	5,674	19,847	5,674
Cash and cash equivalents at the end of the period		**97,996**	**60,534**	**97,996**	**60,534**

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

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

Quarterly figures and nine month period ended 30 September 2017 are neither audited, nor reviewed.

The amounts for the period ended 30 September 2018 have been prepared in accordance with IFRS 9; prior period amounts have not been restated (refer to Basis of preparation).

The Notes on pages F-8 to F-16 are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. Reporting entity

Intertrust N.V. (the "Company") is a company domiciled in The Netherlands and was incorporated on 8 September 2014. The address of the Company's registered office is Prins Bernhardplein 200, Amsterdam, The Netherlands.

The condensed consolidated interim financial statements are unaudited, Quarterly figures and nine month period ended 30 September 2017 are not audited, nor reviewed.

The condensed consolidated interim financial statements of the Company for the period from 1 January 2018 to 30 September 2018 comprise the Company and its subsidiaries (together referred as the "Group" and individually as "Group entities") and the Group's interest in associates.

The Group provides Corporate, Fund, Capital Markets and Private Wealth Services. At 30 September 2018, the Group had operations in 41 offices, 29 jurisdictions and employed 2,532 FTEs (full-time equivalent employees) (30 September 2017: 2,478 FTEs).

2. Basis of preparation

These condensed consolidated interim financial statements for the nine months ended 30 September 2018 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of IFRS financial statements. Accordingly, the condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2017, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2017 (part of the "Annual Report 2017"). The presentation currency of the group is the euro (€).

These condensed consolidated interim financial statements were authorised for issue by the Management Board on 31 October 2018.

3. Significant accounting policies and standards

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2017 except for the adopted new standards.

To the extent relevant, all IFRS standards and interpretations including amendments that were in issue and effective from 1 January 2018, have been adopted by the group from 1 January 2018

The Group has applied the classification, measurement and impairment requirements of IFRS 9 retrospectively as of 1 January 2018 by adjusting the opening balance sheet and opening equity at 1 January 2018 by EUR 1.2 million which is not material for the Group. We decided not to restate comparative periods as permitted by IFRS 9 and decided to continue all of the Group's hedge relationships under IFRS 9 as of 1 January 2018.

As disclosed in our 2017 Annual Report IFRS 15, effective from 1 January 2018, does not have a material impact on the consolidated financial statements.

These standards and interpretations had no material impact for the group.

New standards and interpretations issued but not yet adopted

All IFRS standards and interpretations that were in issue but not yet effective for reporting periods beginning on 1 January 2017 have not yet been adopted and disclosed in the Group's consolidated financial statements as at and for the year ended 31 December 2017. No significant changes to the disclosures are recognised at this stage.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments for all leases with a term of more than 12 months, unless the underlying asset is of low value. The standard is effective for annual reporting periods beginning on or after 1 January 2019. The Group has a significant number of operating lease contracts, mainly for real estate, and therefore significant changes are expected upon transition to IFRS 16. It is not currently possible to quantify the impact as it will be dependent on the finalisation of our detailed assessment, as well as accounting policy elections and judgments that should be considered.

4. Use of estimates and judgements

The preparation of these interim financial statements requires management to make certain assumptions, estimates and judgements that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities as of the date of the interim financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and the future periods if the revision affects both current and future periods. For areas involving a higher degree of judgement or areas where assumptions and estimates are significant to the (interim) financial statements, reference is made to Note 2.4 of the Group's consolidated financial statements as at and for the year ended 31 December 2017.

5. Operating segments

5.1. Basis for segmentation

The Management Board is the Chief Operating Decision Maker of the Group (CODM). The responsibility of the Management Board is to assess performance and to make resource allocation decisions across the Group.

The analysis of the business is organised on and managed from a geographical perspective. From 1 January 2018, revenue breakdown reflects Intertrust's new reporting structure, whereby Cayman Islands is included within the new Americas segment, together with Bahamas, Brazil, BVI, Curacao and USA, previously part of Rest of the World.

The reconciliation table below shows the restated 2017 segmentation:

	Q3				9M			
	2017 presented in 2018		2017		2017 presented in 2018		2017	
(EUR 000)	Revenue	% Revenue	Revenue	% Revenue	Revenue	% Revenue	Revenue	% Revenue
Netherlands	29,259	25%	29,259	25%	85,903	24%	85,903	24%
Luxembourg	24,079	20%	24,079	20%	71,695	20%	71,695	20%
Americas	20,866	18%	—	n.a.	65,145	18%	—	n.a.
Cayman	—	n.a.	16,022	14%	—	n.a.	50,165	14%
Jersey	14,446	12%	14,446	12%	44,133	12%	44,133	12%
Rest of the World	29,436	25%	34,280	29%	90,926	25%	105,906	30%
Segment Revenue	**118,086**	**100%**	**118,086**	**100%**	**357,802**	**100%**	**357,802**	**100%**

(EUR 000)	Q3				9M			
	2017 presented in 2018		2017		2017 presented in 2018		2017	
	Adjusted EBITA	% Adjusted EBITA	Adjusted EBITA	% Adjusted EBITA	Adjusted EBITA	% Adjusted EBITA	Adjusted EBITA	% Adjusted EBITA
Netherlands	17,550	38%	17,550	38%	52,788	39%	52,788	39%
Luxembourg	12,457	27%	12,457	27%	37,852	28%	37,852	28%
Americas	10,829	23%	—	n.a.	32,580	24%	—	n.a.
Cayman	—	n.a.	9,422	20%	—	n.a.	28,688	21%
Jersey	7,777	17%	7,777	17%	22,703	17%	22,703	17%
Rest of the World	11,344	24%	13,519	29%	32,072	24%	38,442	29%
Group HQ and IT costs(*)	-13,622	-29%	-14,390	-31%	-43,819	-33%	-46,297	-35%
Segment Adjusted EBITA	**46,335**	**100%**	**46,335**	**100%**	**134,176**	**100%**	**134,176**	**100%**

(*) Group HQ and IT costs are not allocated by operating segment

Quarterly figures and nine month period ended 30 September 2017 are neither audited, nor reviewed.

All operating segments are regarded as reportable segments due to their size/importance for the overall understanding of the geographical business.

They are reported in a manner consistent with the internal reporting provided to and used by the Management Board.

The Management Board evaluates the performance of its segments based on Revenue and Adjusted EBITA ("segment Revenue" and "segment Adjusted EBITA"). Management considers that such information is the most relevant in evaluating the results of the respective segments. For the reconciliation, please see Reconciliation of performance measures to reported results.

The individual Adjusted EBITA by operating segment excludes the allocation of Group HQ and IT costs, which is then deducted from the total.

Profit/(loss) before income tax is not used to measure the performance of the individual segments as items like amortisation of intangibles (except for software) and net finance costs are not allocated to individual segments. So the reconciliation to Profit/(loss) before income tax according to IFRS is done on Group level.

Consistent with the aforementioned reasoning, segment assets/liabilities are not reviewed regularly on a segment basis by management and are therefore not included in the IFRS segment reporting.

5.2. Information about reportable segments

(EUR 000)	Q3				9M			
	2018		2017		2018		2017	
	Revenue	% Revenue	Revenue	% Revenue	Revenue	% Revenue	Revenue	% Revenue
Netherlands	28,448	23%	29,259	25%	85,110	23%	85,903	24%
Luxembourg	26,785	22%	24,079	20%	79,837	22%	71,695	20%
Americas	21,420	18%	20,866	18%	61,012	17%	65,145	18%
Jersey	14,048	12%	14,446	12%	43,195	12%	44,133	12%
Rest of the World	31,062	26%	29,436	25%	94,214	26%	90,926	25%
Segment Revenue	**121,763**	**100%**	**118,086**	**100%**	**363,368**	**100%**	**357,802**	**100%**

(EUR 000)	Q3 2018 Adjusted EBITA	Q3 2018 % Adjusted EBITA	Q3 2017 Adjusted EBITA	Q3 2017 % Adjusted EBITA	9M 2018 Adjusted EBITA	9M 2018 % Adjusted EBITA	9M 2017 Adjusted EBITA	9M 2017 % Adjusted EBITA
Netherlands	17,705	39%	17,550	38%	51,447	38%	52,788	39%
Luxembourg	14,949	33%	12,457	27%	45,220	33%	37,852	28%
Americas	11,607	25%	10,829	23%	32,967	24%	32,580	24%
Jersey	7,095	15%	7,777	17%	21,586	16%	22,703	17%
Rest of the World	11,460	25%	11,344	24%	35,205	26%	32,072	24%
Group HQ and IT costs(*)	-16,935	-37%	-13,622	-29%	-50,589	-37%	-43,819	-33%
Segment Adjusted EBITA	**45,881**	**100%**	**46,335**	**100%**	**135,836**	**100%**	**134,176**	**100%**

(*) Group HQ and IT costs are not allocated by operating segment

Quarterly figures and nine month period ended 30 September 2017 are neither audited, nor reviewed.

For the three months ended 30 September 2018 and for the nine months ended 30 September 2018, the presentation of the figures has been aligned accordingly to the operating segments defined as of 1 January 2018.

5.3. Seasonality

The business of the Group does not present pronounced cyclical patterns or seasonal evolutions in the condensed consolidated interim statement of comprehensive income, however working capital follows a seasonal pattern with a peak level at the end of the third quarter and a low level at the end of the first quarter, primarily resulting from annual billing runs in the Americas in Q4 each year and in the Netherlands and Luxembourg in January of each year.

6. Staff expenses

(EUR 000)	Q3 2018	Q3 2017	9M 2018	9M 2017
Salaries and wages	-42,793	-39,984	-126,933	-123,587
Social security contributions	-4,240	-3,773	-12,805	-11,767
Pensions and benefits	-2,298	-2,164	-6,428	-6,498
Share-based payment upon IPO	-393	-558	-895	-1,667
Share-based payment upon integration	-60	-139	-142	-971
Share-based payment long term incentive plan	-1,057	515	-2,955	-1,182
Other personnel expenses	-5,184	-5,367	-14,451	-14,812
Staff expenses	**-56,025**	**-51,470**	**-164,609**	**-160,484**

Quarterly figures and nine month period ended 30 September 2017 are neither audited, nor reviewed.

The number of FTEs (full time equivalent employees) at period ended 30 September 2018 amounted to 2,532 (period ended 30 September 2017: 2,478). Average number of employees amounted to 2,488 in the first nine months of 2018 compared to 2,434 in the same period of 2017.

A headcount alignment programme was launched in Q2 2018. The total costs associated with this programme amount to approximately EUR 6 million and are included as one-off integration and transformation costs in other operating expenses.

Share-based payment arrangements

For the nine months ended 30 September 2018, specific items for share based payments upon IPO included of EUR 895 thousand (for the nine months ended 30 September 2017: EUR 1,667 thousand) and upon integration of EUR 142 thousand (for the nine months ended 30 september 2017: EUR 1,182 thousand), related to the awards made under the equity-settled share-based payment arrangements implemented following the listing of the Company's shares on Euronext Amsterdam in 2015, and following Elian acquisition in 2016 and Azcona acquisition in 2017.

In April 2018, the group granted 403,774 stock options under the share-based payment long term incentive plan ("LTIP") of which 76,324 stock options were granted to the Management Board. The purpose of the share-based compensation is to attract and retain management and employees and align the interests of management and eligible employees with those of shareholders, by providing additional incentives to improve the group's performance on a long-term basis.

For further information on our share-based compensation, reference is made to note 8 in our Annual Report 2017.

7. Earnings per share

	Q3		9M	
Earnings per share	**2018**	**2017**	**2018**	**2017**
Basic earnings per share (euro)	0.21	0.21	0.67	0.65
Diluted earnings per share (euro)	0.21	0.20	0.66	0.63

Quarterly figures and nine month period ended 30 September 2017 are neither audited, nor reviewed.

7.1. Basic earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders of EUR 60,108 thousand for the nine months ended 30 September 2018 (for the nine months ended 30 September 2017: EUR 58,675 thousand) and weighted-average number of ordinary shares of 89,479,430 for the nine months ended 30 September 2018 (for the nine months ended 30 September 2017: 90,890,356).

7.2. Diluted earnings per share

The calculation of diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares of 1,257,671 for the nine months ended 30 September 2018 (for the nine months ended 30 September 2017: 3,050,793).

7.3. Adjusted net income per share

The Group calculates the Adjusted net income for the nine months ended 30 September 2018 to be EUR 101.5 million (for the nine months ended 30 September 2017: EUR 100.9 million). Adjusted net income is defined as Adjusted EBITA, less net interest costs of EUR 21.2 million (for the nine months ended 30 September 2017: EUR 20.8 million) and less tax costs of EUR 13.2 million (for the nine months ended 30 September 2017: EUR 12.3 million).

Based on this Adjusted net income and taking the weighted-average number of basic shares for the nine months ended 30 September 2018 of 89,479,430 (for the nine months ended 30 September 2017: 90,890,356), the adjusted net income per share is EUR 1.13 (for the nine months ended 30 September 2017: EUR 1.11).

8. Acquisition-related intangible assets

During the nine months ended 30 September 2018, there was a new acquisition-related intangible assets generated from the acquisition of Seed Outsourcing. During the nine months ended 30 September 2017 additional acquisition-related intangible assets were generated in the acquisition of Azcona and SFM Spain. (Note 9).

The amortisation of acquisition-related intangible assets for the nine months ended 30 September 2018 is EUR 30,805 thousand (for the nine months ended 30 September 2017: EUR 30,845 thousand).

The goodwill per CGU is tested annually for impairment. As at 30 September 2018, there were no impairment indicators and no impairment testing was required for the period. The intangible assets other than goodwill were not tested for impairment because there were no impairment indicators at 30 September 2018.

9. Business combinations

2018

On 2 July 2018, the Group acquired Seed Outsourcing Pty Ltd ("Seed Outsourcing"). Seed Outsourcing is a boutique Australian corporate and fund services firm, providing corporate secretarial, director, domiciliation and payroll services to private equity and real estate fund managers. Intertrust has been working with Seed Outsourcing for more than five years, enabling its global clients to grow their business in Australia and New Zealand. Seed Outsourcing is based in Sydney and the team consisted of six (6) employees.

The asset recognised was mainly attributable to revenue from new customers. While this acquisition expands Intertrust's global footprint it does not have a material impact on the Company's financial position or results and the terms of the transaction are not disclosed. Australia is included in the Rest of the World reporting segment.

2017

Acquisition of remaining SFM Spain stake and affiliated local service provider

On 1 February 2017, the Group acquired the remaining 25% stake in Intertrust Management Spain, S.L. ("SFM Spain") together with the affiliated professional services activities of Azcona y Asociados de Consultoría Tributaria, Jurídica y Contable, S.L. ("Azcona").

The Group acquired a 75% stake in SFM Spain as part of the acquisition of Elian on 23 September 2016. The remaining 25% of SFM Spain was held by Azcona, a local Spanish competitor that specialises in the provision of corporate secretarial, accounting and tax compliance services.

The transaction strengthens the Group's position in Spain, making it a leading independent provider of corporate, funds and capital market services. All Azcona staff members have transferred to the Intertrust team, thereby more than doubling the headcount of the Madrid office to a total of 63 employees. The increased scale of the combined office strengthens the Group's client service capabilities and broadens its career opportunities for employees.

Other than the acquisition of the remainder of the shares, the asset recognised was mainly attributable to revenue from new customers. The transaction does not have a material impact on the Company's financial position or results.

10. Capital and reserves

10.1. Share capital

The subscribed capital is 89,755,202 shares as at 30 September 2018 which is 2,244,190 shares less compared to year end of 2017 due to cancellation of shares as at 25 September 2018. Nominal value per share of EUR 0.60 did not change since 31 December 2017.

10.2. Share premium

At 30 September 2018 the share premium amounts to EUR 630,441 thousand, unchanged compared to 31 December 2017.

10.3. Retained earnings

The retained earnings include accumulated profits and losses, plus remeasurements of defined benefit liability (asset) and equity-settled share-based payment.

The final dividend for the year 2017 of EUR 0.33 per share was paid on 12 June 2018.

An interim distribution of EUR 0.30 per share over financial year 2018 will be payable on the group's ordinary shares. The payment will be subject to 15% Dutch withholding tax. The interim dividend has been recognised as liability and to be paid in November 2018.

Treasury share reserve

The treasury share reserve comprises the costs of the Company's shares held by the Group. At 30 September 2018, the Group held 850,000 of the Company's shares (31 December 2017: 1,856,354) following the share repurchase program which was completed on 31 May 2018. A total of 2,196,146 shares were purchased in 2018. These treasury shares will be used for employee stock ownership and incentive plans. On 25 September 2018 2,244,190 shares were cancelled from the treasury shares. Share cancellation above the EUR 0.60 nominal value was accounted in retained earnings. Other movements in the treasury share reserve were related to vesting of share grants.

11. Financial instruments

Credit risk

Our internal credit risk assessment did not change compared to the disclosure Note 27 in our Annual Report 2017. With respect to the net trade receivables, there are no indications as of the reporting date that the debtors will not meet their payment obligations.

Liquidity risk

There has been no change in our liquidity risk assessment compared to our disclosure Note 27 in our Annual Report 2017.

Currency risk

The Group's exposure to the risk of changes in exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency). This did not change compared to previous year. The exposures are mainly with respect to the US dollars (USD) and Pound sterling (GBP). The loans and borrowings of the Group are denominated in Euros, Pound sterling and US Dollars.

Interest rate risk

The risk relates to the Group's long term debt obligations with floating interest rates. To manage this risk the company continues to hold interest rate swaps.

Capital management

The capital structure of the Group did not change significantly. Leverage ratio at the end of the reporting period is 3.55 as cash was used to buy back shares and pay out the final net dividend for FY 2017. This is still well within the agreed level of our current facilities.

Fair value and fair value estimation

The fair values of our financial assets and liabilities as at 30 September 2018 are estimated to approximate their carrying value. There has been no change in the fair value estimation technique and hierarchy of the input used to measure the financial assets/liabilities carried at fair value through profit or loss compared with the method and hierarchy disclosed in our Annual Report 2017.

12. Cash flow hedges

The balance at 30 September 2018 includes interest rate swaps to cover part of the fluctuations on the floating interest on the USD, GBP and EUR debt. There were no new swaps entered in 2018.

The USD and GBP hedges were assessed to be effective at 30 September 2018, the EUR hedge was assessed as ineffective since 1 January 2017 therefore accounted its fair value change in the profit and loss and started recycling of Other comprehensive income position as at 1 January 2017 also to the profit and loss. Balance sheet positions recognised as assets at 30 September 2018 were EUR 775 thousand (2017: EUR 423 thousand), liabilities EUR 781 thousand respectively (2017: EUR 1.108 thousand).

13. Contingencies

There are a number of claims against the Group. We concluded that an aggregate amount of the claims (including tax and HR related) against the Group cannot be reliably measured or we consider that the possibility of outflow is not probable. Where necessary, legal and/or external advice has been obtained and, in light of such advice, the risk of litigation is provided adequately.

14. Commitments

In the first nine months of 2018, there were no material changes to the Group's commitments from those disclosed in note 29 of our Annual Report 2017.

15. Related parties

During the nine months ended 30 September 2018, the transactions with related parties were conducted at arm's length basis.

The transactions with key management personnel do not deviate significantly from the transactions as reflected in the financial statements as at and for the year ended 31 December 2017.

The Group has provided services to some entities related to Blackstone in the normal course of business and at arm's length basis.

16. Subsequent events

There are no significant events that have occurred since balance sheet date that would change the financial position and which would require adjustment or disclosure in these condensed consolidated interim financial statements.

17. Non-IFRS Financial measures

Definitions

For the definitions of non-financial measures we refer to the Glossary in the Annual Report 2017. Other than those defined there, we give more clarification as listed below on:

- EBITA is defined as Profit/(loss) from operating activities excluding amortisation of acquisition related intangibles.
- Adjusted EBITA is defined as EBITA excluding specific items.

- Adjusted net income is defined as adjusted EBITA less net interest costs, less tax costs and share of profit of equity-accounted investees (net of tax).
- ARPE is defined as Average Revenue Per Entity.
- Capital expenditure (capex) is defined as Investments in property, plant, equipment and other intangible assets not related to acquisitions.
- Specific items of income or expenses are income and expenses items that, based on their significance in size or nature, should be separately presented to provide further understanding about the financial performance. Specific items include:
  - Transaction costs
  - Integration and transformation costs
  - Share-based payment upon IPO
  - Share-based payment upon integration
  - Income/expenses related to disposal of assets

  Specific items are not of an operational nature and do not represent the core operating results.
- Underlying is defined as current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s).

Amsterdam, 31 October 2018

The Management Board

Stephanie Miller, CEO

Hans Turkesteen, CFO

Henk Pieter van Asselt, COO

Review report

To: the shareholders, the Management Board and the Supervisory Board of Intertrust N.V.

Introduction

We have reviewed the accompanying condensed consolidated interim financial information as at 30 September 2018 of Intertrust N.V., Amsterdam, which comprises the statement of financial position as at 30 September 2018, the statements of profit or loss, comprehensive income, changes in equity and cash flows for nine month period ended 30 September 2018, and the notes. The Management Board of the Company is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this 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 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 information as at 30 September 2018 is not prepared, in all material respects, in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

Corresponding figures not audited or reviewed

The condensed consolidated interim financial information as at 30 September 2017 is not audited or reviewed. Consequently, the corresponding figures included in the statement of financial position, the statements of profit or loss, comprehensive income, changes in equity and cash flows and in the related notes have not been audited or reviewed.

Three months interim financial information not audited or reviewed

The Company did not prepare condensed consolidated interim financial information for the three months period ended 30 September 2017 and for the three months period ended 30 September 2018 and therefore such quarterly information is not audited or reviewed. Consequently, the three months figures for the period ended 30 September 2017 and the three months figures for period ended 30 September 2018 included in the statements of profit or loss, comprehensive income, changes in equity and cash flows and in the related notes of the condensed consolidated interim financial information as at 30 September 2018 have not been audited or reviewed.

Amstelveen, 31 October 2018

KPMG Accountants N.V.

W.G. Bakker RA

Consolidated statement of profit or loss

(EUR 000)	Note	2017	2016
Revenue	5	**485,216**	**385,753**
Staff expenses	7	-214,501	-170,656
Rental expenses		-24,155	-20,116
Other operating expenses	9	-61,950	-50,460
Other operating income		219	107
Depreciation and amortisation of other intangible assets	10	-11,019	-8,741
Amortisation of acquisition-related intangible assets	10	-41,029	-33,774
Profit/(loss) from operating activities		**132,781**	**102,113**
Finance income		2,193	172
Finance expense		-28,089	-30,780
Financial result	11	**-25,896**	**-30,608**
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	16	689	-29
Profit/(loss) before income tax		**107,574**	**71,476**
Income tax	12	-18,893	-19,518
Profit/(loss) for the year after tax		**88,681**	**51,958**
Profit/(loss) for the year after tax attributable to:			
Owners of the Company		88,324	51,884
Non-controlling interests		357	74
Profit/(loss) for the year		**88,681**	**51,958**
Basic earnings per share (EUR)	13	0.97	0.58
Diluted earnings per share (EUR)	13	0.94	0.58

The Notes on pages F-25 to F-76 are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

(EUR 000)	Note	2017	2016
Profit/(loss) for the year after tax		**88,681**	**51,958**
Actuarial gains and losses on defined benefit plans	24	-245	133
Items that will never be reclassified to profit or loss		**-245**	**133**
Foreign currency translation differences – foreign operations		-49,072	7,520
Net movement on cash flow hedges in other comprehensive income	17	1,040	-1,744
Income tax on net movement on cash flow hedges in other comprehensive income	18	-261	436
Items that are or may be reclassified to profit or loss		**-48,293**	**6,212**
Other comprehensive income/(loss) for the year, net of tax		**-48,538**	**6,345**
Total comprehensive income/(loss) for the year		**40,143**	**58,303**
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		39,794	58,229
Non-controlling interests		349	74
Total comprehensive income/(loss) for the year		**40,143**	**58,303**

The Notes on pages F-25 to F-76 are an integral part of these consolidated financial statements.

Consolidated statement of financial position

(EUR 000)	Note	31.12.2017	31.12.2016
Assets			
Property, plant and equipment	14	16,470	20,167
Other intangible assets	15	14,849	15,120
Acquisition-related intangible assets	15	1,474,188	1,565,367
Investments in equity-accounted investees	16	196	707
Other non current financial assets	17	3,368	3,820
Deferred tax assets	18	1,357	2,480
Non-current assets		**1,510,428**	**1,607,661**
Trade receivables	19	103,103	99,160
Other receivables	20	18,937	15,021
Work in progress		33,078	31,984
Current tax assets		614	945
Other current financial assets	17	857	1,627
Prepayments		9,058	8,167
Cash and cash equivalents	21	66,620	69,858
Current assets		**232,267**	**226,762**
Total assets		**1,742,695**	**1,834,423**
Equity			
Share capital		55,200	55,200
Share premium		630,441	630,441
Reserves		-56,308	42,345
Retained earnings		75,585	29,887
Equity attributable to owners of the Company		**704,918**	**757,873**
Non-controlling interests		225	1,930
Total equity	**22**	**705,143**	**759,803**
Liabilities			
Loans and borrowings	23	770,367	781,221
Other non current financial liabilities	17	2,216	1,763
Employee benefits liabilities	24	1,963	3,082
Deferred income	25	5,750	8,677
Provisions	26	579	1,147
Deferred tax liabilities	18	80,405	85,659
Non-current liabilities		**861,280**	**881,549**
Loans and borrowings	23	375	18,072
Other current financial liabilities	17	5,000	—
Deferred income	25	62,602	71,467
Provisions	26	497	2,219
Current tax liabilities		34,400	23,703
Trade payables		6,625	10,636
Other payables	20	66,773	66,974
Current liabilities		**176,272**	**193,071**
Total liabilities		**1,037,552**	**1,074,620**
Total equity and liabilities		**1,742,695**	**1,834,423**

The Notes on pages F-25 to F-76 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

(EUR 000)	Note	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total	Non-controlling interests	Total equity
		For the period ended 31 December 2017									
		Attributable to owners of the Company									
Balance at 01 January 2017		**55,200**	**630,441**	**29,887**	**7,627**	**-1,324**	**-76**	**36,118**	**757,873**	**1,930**	**759,803**
Profit/(loss) for the year		—	—	88,324	—	—	—	—	**88,324**	357	**88,681**
Other comprehensive income/(loss) for the year, net of tax		—	—	-245	-49,064	779	—	—	**-48,530**	-8	**-48,538**
Total comprehensive income/(loss) for the year		**—**	**—**	**88,079**	**-49,064**	**779**	**—**	**—**	**39,794**	**349**	**40,143**
Contributions and distributions											
Equity-settled share-based payment	8	—	—	5,142	—	—	—	—	**5,142**	—	**5,142**
Deferred consideration delivered	6	—	—	2,556	—	—	33,056	-35,612	**—**	—	**—**
Purchase of treasury shares	22	—	—	—	—	—	-47,995	—	**-47,995**	—	**-47,995**
Treasury shares delivered	8	—	—	-689	—	—	689	—	**—**	—	**—**
Dividends paid	22	—	—	-48,290	—	—	—	-506	**-48,796**	-54	**-48,850**
Total contributions and distributions		**—**	**—**	**-41,281**	**—**	**—**	**-14,250**	**-36,118**	**-91,649**	**-54**	**-91,703**
Changes in ownership interests											
Changes in non-controlling interest	33	—	—	150	—	—	—	—	**150**	-250	**-100**
Acquisition of subsidiary with non-controlling interest	6	—	—	-1,250	—	—	—	—	**-1,250**	-1,750	**-3,000**
Total changes in ownership interest		**—**	**—**	**-1,100**	**—**	**—**	**—**	**—**	**-1,100**	**-2,000**	**-3,100**
Total transactions with owners of the Company		**—**	**—**	**-42,381**	**—**	**—**	**-14,250**	**-36,118**	**-92,749**	**-2,054**	**-94,803**
Balance at 31 December 2017		**55,200**	**630,441**	**75,585**	**-41,437**	**-545**	**-14,326**	**—**	**704,918**	**225**	**705,143**

The Notes on pages F-25 to F-76 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity (continued)

(EUR 000)	Note	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total	Non-controlling interests	Total equity
		For the period ended 31 December 2016									
		Attributable to owners of the Company									
Balance at 01 January 2016		**51,133**	**513,423**	**-2,457**	**107**	**-16**	**—**	**—**	**562,190**	**124**	**562,314**
Profit/(loss) for the year		—	—	51,884	—	—	—	—	**51,884**	74	**51,958**
Other comprehensive income/(loss) for the year, net of tax		—	—	133	7,520	-1,308	—	—	**6,345**	—	**6,345**
Total comprehensive income/(loss) for the year		**—**	**—**	**52,017**	**7,520**	**-1,308**	**—**	**—**	**58,229**	**74**	**58,303**
Contributions and distributions											
Issue of ordinary shares	22	4,067	117,018	—	—	—	—	—	**121,085**	—	**121,085**
Equity-settled share-based payment	8	—	—	5,988	—	—	—	—	**5,988**	—	**5,988**
Business combination	6	—	—	—	—	—	—	36,118	**36,118**	—	**36,118**
Purchase of treasury shares		—	—	—	—	—	-3,657	—	**-3,657**	—	**-3,657**
Treasury shares delivered		—	—	-3,581	—	—	3,581	—	**—**	—	**—**
Dividends paid	22	—	—	-22,080	—	—	—	—	**-22,080**	—	**-22,080**
Total contributions and distributions		**4,067**	**117,018**	**-19,673**	**—**	**—**	**-76**	**36,118**	**137,454**	**—**	**137,454**
Changes in ownership interests											
Dividends paid to non-controlling interests		—	—	—	—	—	—	—	**—**	-177	**-177**
Acquisition of subsidiary with non-controlling interest	6	—	—	—	—	—	—	—	**—**	1,909	**1,909**
Total changes in ownership interest		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**1,732**	**1,732**
Total transactions with owners of the Company		**4,067**	**117,018**	**-19,673**	**—**	**—**	**-76**	**36,118**	**137,454**	**1,732**	**139,185**
Balance at 31 December 2016		**55,200**	**630,441**	**29,887**	**7,627**	**-1,324**	**-76**	**36,118**	**757,873**	**1,930**	**759,803**

The Notes on pages F-25 to F-76 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

(EUR 000)	Note	2017	2016
Cash flows from operating activities			
Profit/(loss) for the year		**88,681**	**51,958**
Adjustments for:			
Income tax expense	12	18,893	19,518
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)		-689	29
Financial result	11	25,896	30,608
Depreciation and amortisation of other intangible assets	10	11,019	8,741
Amortisation of acquisition-related intangible assets	10	41,029	33,774
(Gain)/loss on sale of non-current assets		61	473
Other non cash items		4,171	6,380
		189,061	**151,481**
Changes in:			
(Increase)/decrease in trade working capital	(*)	-21,451	4,691
(Increase)/decrease in other working capital	(**)	3,150	2,475
Increase/(decrease) in provisions		-2,155	1,136
Changes in foreign currency		1,625	-1,735
		170,230	**158,048**
Income tax paid		-13,296	-5,653
Net cash from/(used in) operating activities		**156,934**	**152,395**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		10	23
Proceeds from sale of Investments	33	1,589	—
Purchase of property, plant and equipment	14	-2,498	-7,086
Purchase of intangible assets	15	-5,791	-4,284
Acquisitions, net of cash acquired		-7,652	-171,541
(Increase)/decrease in other financial assets		1,469	577
Dividends received		55	—
Interest received	11	43	172
Net cash from/(used in) investing activities		**-12,775**	**-182,139**

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

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

The Notes on pages F-25 to F-76 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows (continued)

(EUR 000)	Note	2017	2016
Cash flows from financing activities			
Proceeds from issue of share capital	22	—	120,780
Proceeds from bank borrowings	23	—	296,295
Acquisition of treasury shares		-46,966	-3,657
Payment of financing costs		-100	-6,822
Repayment of loans and borrowings banks		-18,000	-344,579
Interest and other finance expenses paid		-23,212	-17,218
Dividends paid		-48,290	-22,080
Dividends paid to non-controlling interest		-54	-177
Net cash from/(used in) financing activities		**-136,622**	**22,542**
Net increase/(decrease) in cash		**7,537**	**-7,202**
Cash attributable to the Company at the beginning of the period	21	51,733	66,472
Effect of exchange rate fluctuations on cash attributable to the Company		-3,113	-7,537
Cash attributable to the Company at the end of the period		**56,157**	**51,733**
Cash held on behalf of clients at the end of the period	21	10,463	18,125
Cash and cash equivalents at the end of the period	**21**	**66,620**	**69,858**

The Notes on pages F-25 to F-76 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. Reporting entity

Intertrust N.V. (the "Company") is a company domiciled in the Netherlands and was incorporated on 8 September 2014. The address of the Company's registered office is Prins Bernhardplein 200, Amsterdam, the Netherlands.

The financial statements of the Company for the period from 1 January 2017 to 31 December 2017 comprise the Company and its subsidiaries (together referred as the "Group" and individually as "Group entities") and the Group's interest in associates.

The Company began trading its shares on Euronext Amsterdam on 15 October 2015 following an Initial Public Offering (IPO). The Group provides trust, corporate and fund services, private client services and capital markets services. As at 31 December 2017, the Group has operations in 28 countries and employs 2,468 FTEs (full time equivalent) (31 December 2016: 2,359 FTEs).

2. Basis of preparation

2.1. Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union for use in the EU (EU IFRS) effective as at 31 December 2017 and in accordance with Title 9 Book 2 of the Dutch Civil Code.

These consolidated financial statements were authorised for issue by the Management Board on 22 February 2018. They are subject to approval by the Annual General Meeting to be held on 17 May 2018.

2.2. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the consolidated statement of financial position:

- Derivative financial instruments are measured at fair value;
- Defined benefit liabilities/(assets) are recognised at the fair value of plan assets less the present value of defined benefit obligation, as explained in note 3.4.

2.3. Functional and presentation currency

These consolidated financial statements are presented in Euro, which is the Company's functional currency. All financial information presented in Euro has been rounded to the nearest thousand (EUR 000), unless otherwise indicated.

2.4. Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is included in the following notes:

- Note 15.1: impairment test: key assumptions underlying recoverable amounts of cash generating units.

- Note 18: recognition of deferred tax assets: availability of future taxable profit against which carry forward tax losses can be used.
- Note 26: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as much as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about assumptions made in measuring fair values is included in the following notes:

- Note 3.5 "Equity-settled share-based payment arrangements"
- Note 27.6 "Fair values of financial instruments"

3. Significant accounting policies and standards

3.1. Changes in accounting policies and new standards

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities. There have been no significant changes compared to the prior year consolidated financial statements as at and for the year ended 31 December 2016.

To the extent relevant, all IFRS standards and interpretations including amendments that were in issue and effective from 1 January 2017, have been adopted by the Group from 1 January 2017:

- Disclosure Initiative (Amendments to IAS 7)
- Recognition of Deferred Tax Assets of Unrealised Losses (Amendment to IAS12)
- Annual Improvements to IFRSs 2014-2016 Cycle (Amendments to IAS12)

These standards and interpretations had no material impact for the Group.

New standards and interpretations issued but not yet effective

A number of amendments to existing, as well as the issue of new accounting standards are applicable from or after the beginning of the Group's next annual reporting period. The expected impact of these standards is summarised below:

IFRS 9 'Financial Instruments', published in July 2014, replaces existing guidance in IAS 39 'Financial Instruments': Recognition and Measurement. IFRS 9 includes revised guidance on classification and measurement of financial instruments, including an expected credit loss model for calculating impairment on financial assets. In addition, IFRS 9 provides a revised hedging model. All of the Group's hedge relationships are expected to continue under IFRS 9. The Group implemented IFRS 9 per 1 January 2018. Based on our assessments, IFRS 9 does not have a material impact on the consolidated financial statements for:

- Future expected losses (additional allowances for trade receivables will be provided for).
- Cash flow hedging (no impact identified).
- Classification and measurement (no impact identified).

IFRS 15 'Revenue from Contracts with Customers', published in May 2014, establishes a framework for determining whether, how much and when revenue is recognised. It replaces existing guidance, including IAS 18 'Revenue' and IAS 11 'Construction Contracts' and was implemented by the Group per 1 January 2018. The Group has made an impact assessment. Based on this assessment, the Group is aware that the impact on annual reporting is not material and mainly relates to fixed fee services provided to customers.

IFRS 16 'Leases', published in January 2016, introduces a new definition of a lease and eliminates the current dual accounting model for lessees, bringing most leases on-balance in the financial statements of the lessee. It replaces existing guidance on leases, including IAS 17. The Group expects to implement IFRS 16 per 1 January 2019. The Group has a significant number of operating lease contracts (see note 28), mainly for real estate, and therefore the following changes are expected upon transition to IFRS 16:

- Assets and liabilities of the Group are expected to increase due to recognition of the right-of-use asset and a lease liability.
- Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) will increase as the lease payments will be presented as depreciation and net finance expense rather than operational cost. Net income is not expected to materially change.
- Operating cash flow will increase and investing and financing cash flow will decrease as the lease payments will no longer be considered as operational.

A more detailed impact assessment will be made during 2018.

The following new or amended standards are not expected to have a significant impact on the consolidated financial statements:

- Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS2);
- Transfers of Investment Property (Amendments to IAS40);
- Annual Improvements to IFRSs 2014-2016 Cycle-various standards (Amendment to IFRS1 and IAS28);
- IFRIC 22 Foreign Currency Transactions and Advance Consideration.

3.2. Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Non-controlling interests

Non-controlling interests are measured either at their proportionate share of the acquiree's identifiable net assets or at fair value at the acquisition date. The choice of measurement is made on an acquisition-by-acquisition basis.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise only interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Investments in associates are accounted for using the equity method. They are recognised initially at cost, which includes transactions costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.3. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and sales taxes or duty. Revenue is recognised in profit or loss to the prorate part of the services rendered to the client during the reporting date. When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

Revenue comprises trust, corporate and fund services, private wealth services and capital markets services. Revenue also includes subleasing rental income to Group clients.

3.4. Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

To calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income.

The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefits payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

3.5. Equity-settled share-based payment arrangements

The Company operates equity-settled share-based payment arrangements, under which services are received from Management Board members and eligible employees.

The total amount to be expensed for services received is determined by reference to the grant date fair value of the share-based payment awards made, including the impact of any non-vesting conditions and market conditions.

Service conditions and non-market performance conditions are taken into account in the number of awards expected to vest. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of awards that will eventually vest, with a corresponding credit to equity.

At each reporting date, the Company revises its estimates of the number of awards that are expected to vest. The impact of the revision of original estimates, if any, is recognised in the income statement for the period.

The employer social security contributions payable in connection with an award made is considered an integral part of the award, and the charge is treated as a cash-settled share-based payment transaction.

3.6. Leases

The Group principally enters into operating leases for the rental of equipment and buildings. Payments done under such leases are typically charged to profit or loss on a straight line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be done to the lessor by way of penalty is recognised as an expense in the period in which termination takes place. Any incentives received from the lessor in relation to operating leases are recognised as a reduction of rental expense over the lease term on a straight line basis.

3.7. Finance income and finance costs

Finance income comprises interest income on loans and receivables, gains on the disposal of available-for-sale financial assets, fair value gains on financial assets at fair value through profit or loss and gains on the remeasurement to fair value of any pre-existing interest in an acquiree. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expenses on loans and borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, fair value losses on financial assets at fair value through profit and loss, impairment losses on financial assets (other than trade receivables), gains and losses on hedging instruments that are recognised in profit or loss and reclassifications of amounts previously recognised in other comprehensive income.

Transaction costs that are directly attributable to the acquisition or issuance of a financial instrument are capitalised to the associate instrument and amortised to the profit or loss over the contractual term using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or loss position.

3.8. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- available-for-sale equity investments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- financial liabilities designated as hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Euro at the exchange rates at the reporting date (closing rates). The income and expenses of foreign operations are translated into Euro at exchange rates at the dates of the transactions.

The Group doesn't own nor control any foreign operations in hyperinflationary economies.

Foreign currency differences are recognised in other comprehensive income, and accumulated in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportion of the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign currency gains and losses arising from such item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity.

Hedge of a net investment in foreign operations

The Group applies hedge accounting to foreign currency differences arising between the functional currency of foreign operation and the Company's functional currency (euro).

To the extent that the hedge is effective, foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in

Other comprehensive income (OCI) and accumulated in the translation reserve. Any remaining differences are recognised in profit or loss. When the hedged net investment is disposed of, the relevant amount in the translation reserve is transferred to profit or loss as part of the gain or loss on disposal.

3.9. Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available, against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

3.10. Financial instruments

Classification and measurement

The Group classifies issued financial instruments, or its component parts, on initial recognition as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement. Instruments are classified as equity if, and only if:

- the instrument includes no contractual obligation to deliver cash (or another financial asset) to another entity or to exchange financial assets or financial liabilities under conditions that are potentially unfavourable; and
- the instrument will or may be settled in the Group's own equity instruments, it is a non-derivative that includes no contractual obligation for the issuer to deliver a variable number of its own equity instruments or a derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial asset that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position if, and only if, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise loans, trade receivables and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances bank accounts, cash on hand and cash in short-term deposits with maturities of three months or less.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale, or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

When investments in equity instruments do not have a quoted market price in an active market and its fair value cannot be reliably measured, they are measured at cost.

Available-for-sale financial assets comprise equity shares.

Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise loans and borrowings and trade and other payables.

Derivative financial instruments, including hedge accounting

The Group holds derivative financial instruments to hedge its interest rate risk exposures.

Derivatives are initially recognised at fair value; any directly attributable transaction costs are recognised in profit or loss as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value and the accounting for the changes therein depend on whether the derivative is designated as a hedging instrument or not.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The amount accumulated in equity is retained in other comprehensive income and reclassified to profit or loss in the same period or periods during which the hedged item affects profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in profit or loss.

3.11. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and all costs directly attributable to bringing the asset to working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing cost, if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated to write off the cost of property, plant and equipment less their residual values on a straight-line basis over their expected useful lives as follows:

- Leasehold improvements — 5 to 15 years—not exceeding the remaining lease terms
- Equipment & motor vehicles — 3 to 10 years
- IT equipment — 3 to 5 years

An item of property, plant and equipment and any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial period end, and adjusted prospectively, if appropriate.

3.12. Intangible fixed assets and goodwill

Goodwill

Goodwill that arises on the acquisition of subsidiaries is presented with intangible assets. For the measurement of goodwill at initial recognition, see note 3.2.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and any impairment loss is allocated to the carrying amount of the equity-accounted investee as a whole.

Intangible assets acquired separately

Intangible assets that are acquired separately by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. The Group does not have intangible assets with indefinite useful lives.

Amortisation is recognised in profit or loss on a straight-line basis over their estimated useful lives from the date that they are available for use. The amortisation expense is recognised in the consolidated statement of profit and loss in the "Amortisation of acquisition-related intangible assets" caption. The estimated useful lives are as follows:

- Other intangible assets 1 to 5 years
- Brand name 20 years
- Customer relationships 14 to 17 years

Amortisation methods, estimated useful lives and residual value, are reviewed at each reporting date and adjusted if appropriate, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are measured at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.13. Work in progress

Work in progress represents the net unbilled amount expected to be collected from clients for work performed to date. It is measured at the chargeable rate agreed with the individual clients less progress billed.

3.14. Impairment of assets

Non-derivative financial assets

Financial assets not classified at fair value through profit or loss, including an interest in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets measured at amortised cost

The Group considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in cumulative impairment losses attributable to application of the effective interest method are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than work in progress, current and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Goodwill is tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.15. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Repurchase and reissue of ordinary shares (treasury shares)

When shares are repurchased, those are recognised as a debit to equity for the amount of the consideration paid, which includes directly attributable costs and is net of any tax effects. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to or from retained earnings.

Dividends

Dividends are recognised as a liability in the period in which they are declared.

3.16. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the impact of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Legal matters

A provision is recognised to cover the costs for legal proceedings or legal requirements, in those cases where a probable outflow of cash is identified.

Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with the contract.

4. Non IFRS Financial measures

4.1. Definitions

For the definitions of non-financial measures we refer to the Glossary. Other than those defined there, we give more clarification as listed below on:

- Specific items of income or expenses are income and expenses items that, based on their significance in size or nature, should be separately presented to provide further understanding about the financial performance. Specific items include:
  - Transaction costs
  - Integration and transformation costs
  - Restructuring costs
  - Share-based payment upon IPO
  - Share-based payment upon integration
  - Income/expenses related to disposal of assets

  Specific items are not of an operational nature and do not represent the core operating results.
- EBITDA is defined as profit/(loss) from operating activities excluding depreciation and amortisation.
- Adjusted earnings per share is defined as adjusted net income divided by the weighted-average number of basic shares for the period.
- Adjusted EBITDA is defined as EBITDA excluding specific items.
- Adjusted net income is defined as Adjusted EBITA less net interest costs, less tax costs and share of profit of equity accounted investees (net of tax).
- Adjusted EBITA is defined as Adjusted EBITDA excluding depreciation and amortisation of other intangible assets.
- Net debt leverage ratio is defined as total net debt divided by the adjusted EBITDA of Intertrust, including adjusted EBITDA proforma contribution for acquisitions and full year run-rate synergies related to acquisitions.

5. Operating segments

5.1. Basis for segmentation

The Management Board is the Chief Operating Decision Maker of the Group (CODM). The responsibility of the Management Board is to assess performance and to make resource allocation decisions across the Group.

The analysis of the business is organised and managed on a geographical perspective. From 1 January 2017, due to integration of Elian, the Group no longer breaks out Elian results but defines the operating segments as Netherlands, Luxembourg, Cayman, Jersey and Rest of the World, whereby Guernsey is included in Rest of the World due to its size compared to the other bigger operating segments. The following table shows the reconciliation between old and new segmentation for 2016:

	2016 presented in 2017		2016	
(EUR 000)	Adjusted Revenue	% Adjusted Revenue	Adjusted Revenue	% Adjusted Revenue
Netherlands	117,117	30%	116,882	30%
Luxembourg	82,514	21%	80,907	21%
Cayman Islands	57,525	15%	52,669	14%
Jersey	14,000	4%	—	0%
Guernsey	—	0%	27,675	7%
Elian	—	0%	28,496	7%
Rest of the World	114,597	30%	79,124	21%
Segment Revenue	**385,753**	**100%**	**385,753**	**100%**

	2016 presented in 2017		2016	
(EUR 000)	Adjusted EBITA	% Adjusted EBITA	Adjusted EBITA	% Adjusted EBITA
Netherlands	74,750	49%	74,795	49%
Luxembourg	43,624	28%	43,187	28%
Cayman Islands	32,845	21%	30,546	20%
Jersey	6,108	4%	—	0%
Guernsey	—	0%	10,560	7%
Elian	—	0%	9,726	6%
Rest of the World	38,478	25%	25,346	16%
Group HQ and IT costs[1]	-42,034	-27%	-40,389	-26%
Segment Adjusted EBITA	**153,771**	**100%**	**153,771**	**100%**

1 Group HQ and IT costs are not allocated by operating segment.

All operating segments are regarded as reportable segments due to their size/importance for the overall understanding of the geographical business. They are reported in a manner consistent with the internal reporting provided to and used by the Management Board.

The Management Board evaluates the performance of its segments based on Revenue and Adjusted EBITA ("segment Revenue" and "segment Adjusted EBITA"). Management considers that such information is the most relevant in evaluating the results of the respective segments.

(EUR 000)	Note	2017	2016
EBITDA		**184,829**	**144,628**
Specific items – Transaction costs	9	83	4,153
Specific items – Integration and transformation costs	9	7,804	8,462
Specific items – Share-based payment upon IPO	7	2,098	4,119
Specific items – Share-based payment upon integration	7	1,060	358
Specific items – Other operating (income)/expenses	9	277	453
One-off expenses		—	339
Adjusted EBITDA		**196,151**	**162,512**
Depreciation and amortisation of other intangible assets	10	-11,019	-8,741
Adjusted EBITA		**185,132**	**153,771**

The individual Adjusted EBITA by operating segment excludes the allocation of Group IT and HQ costs, which is subsequently deducted from the total.

Profit/(loss) before income tax is not used to measure the performance of the individual segment as items like amortisation of intangibles (except for software) and net finance costs are not allocated to individual segments.

Consistent with the aforementioned reasoning, segment assets/liabilities are not reviewed regularly on a segment basis by management and are therefore not included in the IFRS segment reporting.

5.2. Information about reportable segments

	2017		2016	
(EUR 000)	Adjusted Revenue	% Adjusted Revenue	Adjusted Revenue	% Adjusted Revenue
Netherlands	117,181	24%	117,117	30%
Luxembourg	97,103	20%	82,514	21%
Cayman Islands	68,854	14%	57,525	15%
Jersey	58,511	12%	14,000	4%
Rest of the World	143,567	30%	114,597	30%
Segment Revenue	**485,216**	**100%**	**385,753**	**100%**

	2017		2016	
(EUR 000)	Adjusted EBITA	% Adjusted EBITA	Adjusted EBITA	% Adjusted EBITA
Netherlands	71,967	39%	74,750	49%
Luxembourg	51,372	28%	43,624	28%
Cayman Islands	40,631	22%	32,845	21%
Jersey	29,975	16%	6,108	4%
Rest of the World	54,437	29%	38,478	25%
Group HQ and IT costs[1]	-63,250	-34%	-42,034	-27%
Segment Adjusted EBITA	**185,132**	**100%**	**153,771**	**100%**

1 Group HQ and IT costs are not allocated by operating segment.

5.3. Reconciliation of reportable segment to profit/(loss) before income tax

(EUR 000)	Note	2017	2016
Adjusted EBITA reportable segment		185,132	153,771
Specific items – Share-based payment upon IPO	7	-2,098	-4,119
Specific items – Share-based payment upon integration	7	-1,060	-358
Specific items – Transaction costs	9	-83	-4,153
Specific items – Integration and transformation costs	9	-7,804	-8,462
Specific items – Other operating (income)/expenses	9	-277	-453
One-off expenses		—	-339
Amortisation of acquisition-related intangible assets	10	-41,029	-33,774
Financial result	11	-25,896	-30,608
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)		689	-29
Profit/(loss) before income tax		**107,574**	**71,476**

5.4. Entity-wide disclosures

Management does not distinguish between revenue streams resulting from different products or services. Therefore no further split of revenues is presented.

There is no single customer amounting to 10% or more of Group's revenues.

6. Acquisition of subsidiaries

6.1. Acquisition of remaining SFM Spain stake and affiliated local service provider

The Group acquired a 75% stake in SFM Spain as part of the acquisition of Elian on 23 September 2016. The remaining 25% of SFM Spain was held by Azcona, a local Spanish competitor that specialises in the provision of corporate secretarial, accounting and tax compliance services.

On 1 February 2017, the Group acquired the remaining 25% stake in Intertrust Management Spain, S.L. ("SFM Spain") together with the affiliated professional services activities of Azcona y Asociados de Consultoría Tributaria, Jurídica y Contable, S.L. ("Azcona").

The transaction strengthens the Group's position in Spain, making it a leading independent provider of capital markets, funds and corporate services. All Azcona staff members have transferred to the Intertrust team, thereby more than doubling the headcount of the Madrid office to a total of 63 employees. The increased scale of the combined office strengthens the Group's client service capabilities and broadens its career opportunities for employees.

Other than the acquisition of the remainder of the shares, the significant asset recognised was mainly attributable to revenue from new customers. The transaction does not have a material impact on the Company's financial position or results.

6.2. Acquisition of Elian Group

On 23 September 2016, the acquisition of Elian Group ("Elian") from Elian's management and funds managed by Electra Partners LLP was completed. Elian was a Jersey-based regional trust & corporate services provider, specialist in Capital Markets and Private Equity & Real Estate fund administration, with a leadership position in Jersey and a strong presence in the United Kingdom and 13 other jurisdictions.

From acquisition to 31 December 2016, Elian contributed revenue of EUR 28,496 thousand and Adjusted EBITA of EUR 9,726 thousand. Based on management estimates, Elian's revenue for 2016 was GBP 92.2 million and Adjusted EBITA was GBP 30.4 million.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

(EUR 000)	Note	Fair Value recognised on acquisition
Property, plant and equipment	14	6,638
Intangible assets	15	192,699
Investments in equity-accounted investees		479
Trade receivables		13,326
Other receivables		1,401
Work in progress		10,010
Other financial assets		857
Current tax assets		337
Deferred tax assets	18	5
Prepayments		3,680
Cash and cash equivalents		26,172
Assets		**255,604**
Other financial liabilities		322,621
Deferred income		14,015
Provision	26	250
Current tax liabilities		4,858
Deferred tax liabilities	18	18,851
Trade payables		1,617
Other payables		9,713
Liabilities		**371,925**
Total identifiable net assets at fair value		**-116,321**

The trade receivables comprise gross contractual amounts due of EUR 14,433 thousand, of which EUR 1,108 thousand was expected to be uncollectible at the acquisition date. The cash and cash equivalents include cash held on behalf of clients of EUR 92 thousand.

Consideration transferred and deferred

The total consideration of EUR 227,534 thousand includes:

1. EUR 172,427 thousand paid to the sellers;
2. Settlement of forex forward contracts to fix the EUR/GBP rates for Elian acquisition of EUR 18,613 thousand net of tax; and
3. EUR 36,494 thousand of deferred consideration to be paid in shares 12 months and 10 business days post-closing of the acquisition.

In addition to the consideration, the Group has, at the same date of the acquisition, repaid the existing loans and borrowings of the acquired entity for EUR 322,389 thousand.

The deferred consideration of 1,803,054 shares has been recognised as an equity instrument on the basis it represents a nonderivative bearing non-contractual obligation to deliver a variable number of the Group's own equity instruments. The deferred consideration has been recognised at fair value as at acquisition date (EUR 20.24 per share).

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

(EUR 000)	Note	2016
Consideration transferred		227,534
Non-controlling interests		1,909
Fair value of identifiable net assets		116,321
Goodwill	**15**	**345,763**

The goodwill is attributable mainly to revenues from new customers and the workforce. None of the recognised goodwill is expected to be deductible for tax purposes.

Acquisition-related costs

The Group incurred acquisition-related costs of EUR 4,003 thousand related to external legal fees and due diligence costs. These costs have been recognised in other operating expenses transaction costs (Note 9) in the Group's consolidated statement of comprehensive income.

Impact on cash flow

(EUR 000)	2016
Consideration transferred	-227,534
Cash acquired (excluding cash on behalf of clients)	26,080
Deferred consideration shares	36,118
Current Income Tax receivable on foreign exchange forward contracts	-6,205
Acquisition	**-171,541**
Repayment of loans	-322,389
Total impact cash	**-493,930**

7. Staff expenses

(EUR 000)	Note	2017	2016
Salaries and wages		-164,513	-131,014
Other personnel expenses		-21,547	-12,698
Social security contributions		-15,657	-13,226
Pensions and benefits		-7,578	-7,601
Share-based payment upon IPO	8	-2,098	-4,119
Share-based payment upon integration	8	-1,060	-358
Share-based payment long term incentive plan	8	-2,048	-1,640
Staff expenses		**-214,501**	**-170,656**

Pension and benefits includes defined contributions of EUR 7,920 thousand (2016: EUR 6,796 thousand) and defined benefits amounting to a gain of EUR 342 thousand (2016: loss of EUR 805 thousand).

Staff expenses include specific items for share based payment upon IPO of EUR 2,098 thousand (2016: EUR 4,119 thousand) and upon integration of EUR 1,060 thousand (2016: EUR 358 thousand). These programs are related to the awards made:

- under the equity-settled share-based payment arrangements implemented following the listing of the Company's shares on Euronext Amsterdam in 2015;
- following the Elian acquisition in September 2016; and
- following the Azcona asset deal in February 2017.

The number of FTEs at year end amounts to 2,468 (2016: 2,359). Average headcount in FY 2017 amounts to 2,444 (2016: 1,882).

8. Share-based payment arrangements

8.1. Description of share-based payment arrangements

Following the listing on Euronext Amsterdam in 2015 and Elian acquisition in 2016, the Company has implemented and made awards to members of the Management Board and selected eligible employees under the three equity-settled share-based payment plans:

a) Executive Ownership Plan ('EOP')

b) Employee Stock Ownership Plan ('ESOP')

c) Long Term Incentive Plan ('LTIP')

a) Executive Ownership Plan

In 2015, the members of the Management Board and selected eligible members of senior management were invited to make a one-off investment in the Company's shares at a share price equal to the introduction price of one Company share on Euronext Amsterdam at the time of the IPO. In addition, shares representing 14% of the total investment amount were allocated to the eligible participants for no consideration.

The grant date fair value of each of the 216,605 additional EOP shares allocated for no consideration is equal to the introduction share price at the date of listing of EUR 15.50. As there are no vesting conditions related to the additional EOP shares, the total grant date fair value was expensed immediately.

For each of the acquired/allocated shares, the participants were awarded the conditional right to receive one Company share for every three EOP shares (the Matching Shares) for no consideration. These Matching Shares will vest on the third anniversary of the IPO settlement date to the extent that the participant still (i) holds all the EOP shares and (ii) is employed by the Company on this date. The grant date fair value of the Matching Shares is therefore expensed over a period of 3 years starting on the IPO settlement date.

Details of the number of Matching Shares outstanding are as follows:

In number of shares	2017	2016
Outstanding at the beginning of the year	**495,146**	**515,758**
Forfeited during the year	-60,017	-20,612
Outstanding at the end of the year	**435,129**	**495,146**

The Matching Shares awarded in 2015 do not entitle the participants to receive dividends during the vesting period.

As dividends are expected during the vesting period, the grant date fair value of the Matching Shares of EUR 14.28 is equal to the introductory share price at the date of listing of EUR 15.50 less the discounted value of expected future dividends.

b) Employee Stock Ownership Plan

On 23 September 2016, the Management Board made a one-time award of the Company's shares (ESOP Shares) to eligible employees from Elian, to celebrate Elian and Intertrust joining forces. These awards entitled each eligible employee to receive 100 shares for no consideration, subject to continued employment for a period of one year from the acquisition date. Participants were not entitled to receive dividends during the vesting period. As dividends were expected during the vesting period of the new ESOP shares, the grant date fair value of the Celebration Shares of EUR 19.92 (2016) is equal to grant date share price less the discounted value of expected future dividends. The grants vested in September 2017.

On 19 October 2015, the Management Board made a one-time award of Company's shares (ESOP Shares) to eligible employees, excluding any participants in the EOP, to celebrate the completion of the listing on Euronext Amsterdam. These ESOP Shares vested in October 2016.

On 1 February 2017, the Management Board has made a one-time award of the Company's shares (ESOP Shares) to eligible employees from Azcona, to celebrate Azcona and Intertrust joining forces. These awards entitled each eligible employee to receive shares for no consideration, subject to continued employment for a period of one year from the acquisition date. Participants are not entitled to receive dividends during the vesting period. As dividends are expected during the vesting period of the new ESOP shares, the grant date fair value of the Celebration Shares of EUR 16.82 is equal to grant date share price less the discounted value of expected future dividends. The grants will vest in February 2018. Only these ESOP shares remained outstanding at the end of 2017.

Details of the movement of the number of ESOP Shares were as follows:

In number of shares	2017	2016
Outstanding at the beginning of the year	**52,400**	**208,780**
Awarded during the year	4,440	53,300
Forfeited during the year	-11,660	-37,820
Vested during the period	-41,100	-171,860
Outstanding at the end of the year	**4,080**	**52,400**

c) Long term Incentive Plan

As referred to in the 2015 remuneration policy, the LTIP was implemented during the first half year of 2016. Conditional performance shares were awarded to members of the Management Board and eligible members of senior management on 1 April 2016 and on the same basis on 1 April 2017.

Performance shares are awarded on an annual basis and vest on the third anniversary of the grant date subject to (i) the participant remaining in continuous employment during the performance period and (ii) the Group meeting the pre-determined performance criteria. For Management Board members, the vested performance shares will be subject to an additional holding period of 2 years. Participants are not entitled to receive dividends during the vesting period.

For both performance cycles 2016-2019 and 2017-2020, an adjusted Earnings per Share ("adjusted EPS") growth performance target applies. Subject to meeting the service condition, the number of LTIP Shares that vest will be between 0% (adjusted EPS growth below the threshold) and 150%. The vesting percentage is allocated linearly between the threshold level and the maximum level. In 2017, management estimated the conditions to result in vesting on 100% therefore valuation was adjusted accordingly.

In addition, following the acquisition of Elian, the Management Board awarded performances shares under the LTIP to eligible Elian employees on 1 November 2016. These awards have the same vesting conditions (including the same vesting date) as the performance shares granted on 1 April 2016.

Details of the number of LTIP Shares awarded and outstanding (at target) are as follows:

In number of shares	2017	2016
Outstanding at the beginning of the year	**421,275**	**—**
Awarded during the year	433,352	442,825
Forfeited during the year	-143,277	-21,550
Outstanding at the end of the year	**711,350**	**421,275**

As dividends are expected during the vesting period, the grant date fair value of the performance shares is equal to grant date share price less the discounted value of expected dividends. The weighted-average fair value of the LTIP Shares granted in 2017 is EUR 16.03 (2016: EUR 17.82).

The Management Board's EOP and LTIP awards outstanding and movements during the financial year are disclosed in note 31.

8.2. Expenses recognised during the period

The equity-settled share-based payment expenses recognised during the period, per plan and in total are as follows:

(EUR 000)	2017	2016
Executive Ownership Plan	-2,071	-1,907
Employee Stock Ownership Plan	-708	-2,339
Long Term Incentive Plan (including integration cost)	-2,363	-1,744
Total	**-5,142**	**-5,990**

In addition, the Group recognised expenses of EUR 64 thousand (2016: EUR 127 thousand) for employer social security contributions payable.

9. Other operating expenses

(EUR 000)	2017	2016
IT expenses	-14,588	-9,083
Professional fees	-8,526	-5,656
Integration costs	-7,804	-8,462
Travelling	-4,516	-3,577
Marketing and sales expenses	-3,422	-2,688
Insurance	-1,914	-1,652
Transaction costs	-83	-4,153
Other expenses	-21,097	-15,189
Other operating expenses	**-61,950**	**-50,460**

10. Depreciation and amortisation

(EUR 000)	Note	2017	2016
Amortisation of acquisition-related intangible assets	15	-41,029	-33,774
Depreciation of property, plant and equipment	14	-6,003	-4,256
Amortisation of other intangible assets	15	-5,016	-4,485
Depreciation and amortisation		**-52,048**	**-42,515**

11. Financial result

Recognised in profit or loss

(EUR 000)	2017	2016
Net foreign exchange gain	1,898	—
Net change in fair value of derivatives (ineffective cash flow hedge)	108	—
Other financial income	187	172
Finance income	**2,193**	**172**
Interest expense on financial liabilities measured at amortised cost	-27,344	-20,498
Net foreign exchange loss	—	-9,572
Other financial expense	-745	-710
Finance expense	**-28,089**	**-30,780**
Financial result	**-25,896**	**-30,608**

Interest expense on financial liabilities measured at amortised cost includes the interests on debt of EUR 22,870 thousand (2016: EUR 16,511 thousand) and the amortisation of capitalised financing fees EUR 4,474 thousand (2016: EUR 3,987 thousand).

12. Income tax expense

12.1. Income tax recognised in profit or loss

(EUR 000)	2017	2016
Current year	-25,531	-20,331
Prior years	1,126	295
Current tax (expense)/gain	**-24,405**	**-20,036**
Origination and reversal of temporary differences	3,939	180
Recognition of previously unrecognised tax losses	1,604	417
Change in recognised deductible temporary differences	-31	-79
Deferred tax gain/(expense)	**5,512**	**518**
Income tax (expense)/gain for continuing operations	**-18,893**	**-19,518**

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

In 2017, income tax previous year includes an adjustment in relation to tax expense accounted as integration cost of EUR 353 thousand and as such excluded from the adjusted net income.

12.2. Tax recognised in other comprehensive income

(EUR 000)	2017	2016
Cash flow hedges	-261	436
Income tax expense recognised in OCI	**-261**	**436**

12.3. Reconciliation of effective tax rate

(EUR 000)	Note		2017		2016
Profit for the year			88,681		51,958
Total income tax expense			-18,893		-19,518
Profit before income tax			**107,574**		**71,476**
Income tax using the Company's domestic tax rate		**25.00%**	**-26,894**	**25.00%**	**-17,869**
Effect of tax rates in foreign jurisdictions			10,438		4,866
Non deductible expenses			-7,221		-6,325
Tax exempt income			2,357		305
Change in recognised deductible temporary differences			-31		-79
Recognition of previously unrecognised tax losses			1,604		417
Current year losses for which no deferred tax has been recognised			-87		-490
(Under) over provided in previous years			1,126		295
Others			-185		-638
Effective income tax		**17.6%**	**-18,893**	**27.3%**	**-19,518**

13. Earnings per share

	2017	2016
Earnings per share		
Basic earnings per share (euro)	0.97	0.58
Diluted earnings per share (euro)	0.94	0.58

13.1. Basic earnings per share

The calculation of basic earnings per share is based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

Profit attributable to ordinary shareholders (basic)

(EUR 000)	2017	2016
Profit for the period, attributable to the owners of the Company	88,324	51,884
Profit/(loss) attributable to ordinary shareholders	**88,324**	**51,884**

Weighted-average number of ordinary shares (basic)

In number of shares	2017	2016
Issued ordinary shares at 01 January	91,995,687	85,221,614
Effect of issue of ordinary shares in June 2016	—	3,722,222
Effect of distribution of treasury shares for ESOP vesting and deferred share considerations	391,518	—
Effect of treasury shares held	-1,366,505	-893
Weighted-average number of ordinary shares at 31 December	**91,020,700**	**88,942,943**

13.2. Diluted earnings per share

The calculation of diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

Profit attributable to ordinary shareholders (diluted)

(EUR 000)	2017	2016
Profit for the period, attributable to Ordinary shareholders (basic)	88,324	51,884
Profit/(loss) attributable to ordinary shareholders (diluted)	**88,324**	**51,884**

Weighted-average number of ordinary shares (diluted)

In number of shares	2017	2016
Weighted-average number of ordinary shares (basic)	91,020,700	88,942,943
Effect of share-based payment on issue	3,100,937	286,073
Effect of share-based payment cancellation	-478,772	—
Effect of deferred consideration shares	—	487,711
Weighted-average number of ordinary shares at 31 December	**93,642,865**	**89,716,728**

13.3. Adjusted net income per share

The Group calculates the Adjusted net income for 2017 to be EUR 139.5 million (2016: EUR 113,2 million). Adjusted net income is defined as Adjusted EBITA, less net interest costs of EUR 27.8 million (2016: EUR 21,0 million), plus share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax) of EUR 0.7 million (2016: EUR 29 thousand loss) and less adjusted tax costs of EUR 18.5 million (2016: EUR 19,5 million).

Based on this Adjusted net income and taking the weighted-average number of basic shares for the year of 91,020,700 (2016: 88,942,943), the adjusted net income per share is EUR 1.53 (2016: EUR 1,27).

14. Property, plant and equipment

The movements of the tangible assets are as follows:

(EUR 000)	Leasehold improvements	Equipment & motor vehicles	IT equipment	TOTAL
Cost	6,325	4,835	10,878	**22,038**
Accumulated depreciation and impairment losses	-2,777	-2,198	-5,792	**-10,767**
Balance at 1 January 2016	**3,548**	**2,637**	**5,086**	**11,271**
Business combinations, incoming entities	5,052	251	1,335	**6,638**
Additions	2,193	629	4,264	**7,086**
Disposals	-404	-51	-66	**-521**
Depreciation of the period	-1,345	-784	-2,127	**-4,256**
Effect of movements in exchange rates	-43	-8	—	**-51**
Movements in 2016	**5,453**	**37**	**3,406**	**8,896**
Cost	11,877	5,014	14,188	**31,079**
Accumulated depreciation and impairment losses	-2,876	-2,340	-5,696	**-10,912**
Balance at 31 December 2016	**9,001**	**2,674**	**8,492**	**20,167**
Business combinations, incoming entities	49	—	—	**49**
Additions	1,256	366	876	**2,498**
Disposals	11	-27	-5	**-21**
Depreciation of the period	-1,901	-810	-3,292	**-6,003**
Effect of movements in exchange rates	-299	-68	147	**-220**
Movements in 2017	**-884**	**-539**	**-2,274**	**-3,697**
Cost	12,664	5,060	14,604	**32,328**
Accumulated depreciation and impairment losses	-4,547	-2,925	-8,386	**-15,858**
Balance at 31 December 2017	**8,117**	**2,135**	**6,218**	**16,470**

No interest costs have been capitalised in property, plant and equipment during the period under review.

15. Intangible assets and goodwill

The movements of the intangible assets and goodwill are as follows:

(EUR 000)	Goodwill	Brand name	Customer relationships	Other intangible assets	TOTAL
Cost	627,102	34,908	467,361	23,967	**1,153,338**
Accumulated depreciation and impairment losses	—	-4,800	-75,333	-8,745	**-88,878**
Balance at 1 January 2016	**627,102**	**30,108**	**392,028**	**15,222**	**1,064,460**
Business combinations, incoming entities	345,763	—	192,593	106	**538,462**
Additions	—	—	—	4,250	**4,250**
Disposals	—	—	—	25	**25**
Amortisation of the period	—	-1,712	-32,062	-4,485	**-38,259**
Effect of movements in exchange rates	8,463	-282	3,366	2	**11,549**
Movements in 2016	**354,226**	**-1,994**	**163,897**	**-102**	**516,027**
Cost	981,328	34,602	663,961	32,550	**1,712,442**
Accumulated depreciation and impairment losses	—	-6,488	-108,036	-17,430	**-131,955**
Balance at 31 December 2016	**981,328**	**28,114**	**555,925**	**15,120**	**1,580,487**
Business combinations, incoming entities	5,875	—	5,798	—	**11,673**
Additions	—	—	—	4,967	**4,967**
Disposals	-421	—	—	—	**-421**
Amortisation of the period	—	-1,688	-39,341	-5,016	**-46,045**
Effect of movements in exchange rates	-38,261	-1,160	-21,981	-222	**-61,624**
Movements in 2017	**-32,807**	**-2,848**	**-55,524**	**-271**	**-91,450**
Cost	948,521	33,135	642,892	37,136	**1,661,684**
Accumulated depreciation and impairment losses	—	-7,869	-142,491	-22,287	**-172,647**
Balance at 31 December 2017	**948,521**	**25,266**	**500,401**	**14,849**	**1,489,037**

During the year, the Group invested in other intangible assets for an amount of EUR 4,967 thousand (2016: EUR 4,250 thousand). At 31 December 2017 an amount of EUR 12 thousand (2016: EUR 859 thousand) remains payable in balance sheet.

The brand name “Intertrust” is a registered trade name for all countries in which the Company has operational activities or will expand in a near future. The remaining useful life is 15 years at 31 December 2017.

The customer relationship is the Company’s client portfolio acquired and has a remaining useful life of 13 years on average as of 31 December 2017.

15.1. Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group’s operating divisions. The aggregate carrying amounts of goodwill allocated to each CGU are as follows:

(EUR 000)	Balance at 01 January 2017	Business combinations	Outgoing entity	Movements exchange rates	Balance at 31 December 2017
CGU Netherlands	268,788	—	—	—	268,788
CGU Luxembourg	137,211	—	—	—	137,211
CGU Cayman	253,127	—	—	-30,641	222,486
CGU Jersey	183,410	—	—	-6,419	176,991
CGU Rest of the world	138,792	5,875	-421	-1,201	143,045
Total	**981,328**	**5,875**	**-421**	**-38,261**	**948,521**

(EUR 000)	Balance at 01 January 2016	Business combinations	Outgoing entity	Movements exchange rates	Balance at 31 December 2016
CGU Netherlands	268,788	—	—	—	268,788
CGU Luxembourg	128,164	9,047	—	—	137,211
CGU Cayman	167,108	75,543	—	10,476	253,127
CGU Jersey	—	182,755	—	655	183,410
CGU Rest of the world	63,042	78,418	—	-2,668	138,792
Total	**627,102**	**345,763**	**—**	**8,463**	**981,328**

The recoverable amount of goodwill has been determined for the five cash generating units as at 31 December 2017 and 31 December 2016. For each of the CGUs, the recoverable amount is individually and collectively higher than its carrying amount.

Key assumptions used in discounted cash flow projection calculations

The recoverable amount of all CGUs has been determined based on a value-in-use calculation using cash flow projections. The year 1 cash flow projections are based on detailed financial budget, the year 2 to 3 on detailed outlook and the years 4 to 5 on estimates, prepared by management for each cash generating unit based on expectation of future outcomes taking into account past experience. The revenue growth rate assumed beyond the initial 5-year period is 2.0% (2016: 2.0%), that has been based on the expected long term inflation rate.

The values assigned to the key assumptions used in the value in use calculations are as follows for the years 4 to 5:

- Market growth: between 4% to 6%
- Annual Margin Evolution: Improvement
- Terminal value growth rate: 2%
- Discount rate: between 7.95% to 8.61%

Discount rate

Discount rates represent a post-tax measure that reflect management's estimate of the time value of money and the risks specific to each unit that are not already reflected in the cash flows. In determining appropriate discount rates for each unit, regard has been given to the industry average weighted average cost of capital. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is determined by adding a debt risk premium to the risk free bonds rate with a maturity of 20 years. CGU-specific risk is incorporated by applying industry beta factors that are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the recoverable amount of the CGUs.

16. Investment in equity-accounted investees

In 2016, as part of the Elian acquisition, the Group acquired participations in Structured Finance Management Italia SRL and Elian Middle East B.S.C ©.

The Group's share of profit in its equity-accounted investees for the year 2017 was a gain of EUR 689 thousand including the result of the sale of the shares in ATC Switzerland sarl (see note 33) (2016: loss of EUR 29 thousand). In 2017 the Group received a declared dividend of EUR 129 thousand from which EUR 75 thousand is not yet received as cash (2016: nil).

The Group's equity-accounted investees are not publicly listed and consequentially do not have published price quotations. As the equity-accounted investees are not material to the Group, no further information is provided other than that detailed below. The Group has no commitment in providing additional financing to any of its associates. The (estimated) full year revenue and net profits of the associates and their assets and liabilities are as follows:

(EUR 000)	Balance at 31 December 2017		Balance at 31 December 2016			
	Structured Finance Management Italia SRL[1]	Total	Titrisation Belge Effectisering SA/NV[2]	Structured Finance Management Italia SRL	Elian Middle East B.S.C. ©[3]	Total
Country of incorporation	Italy		Belgium	Italy	Bahrain	
Percentage ownership interest	50%		50%	50%	50%	
Current assets	1,302	1,302	497	1,515	667	2,679
Non-current assets	—	—	—	—	47	47
Total assets	**1,302**	**1,302**	**497**	**1,515**	**713**	**2,725**
Current liabilities	949	949	3	987	321	1,311
Non-current liabilities	—	—	—	—	—	—
Total liabilities	**949**	**949**	**3**	**987**	**321**	**1,311**
Net assets (100%)	**353**	**353**	**494**	**528**	**392**	**1,414**
Group's share of net assets	**177**	**196**	**247**	**264**	**196**	**707**
Revenues	501	501	22	115	-51	86
Expenses	-399	-399	-42	-77	-25	-143
Profit / (loss) (100%)	**102**	**102**	**-20**	**38**	**-76**	**-58**
Group's share of profit	**51**	**51**	**-10**	**19**	**-38**	**-29**

1 This associate has a 30 September year-end. Data for calculating the result of associate, based on the equity method, is obtained from January through to December. The summarised financial information presented above is based on financial statements for the year ending 30 September 2017.

2 Titrisation Belge Effectisering SA/NV was liquidated in 2017.

3 Ownership in Elian Middle East B.S.C. was sold for no consideration in 2017. Related losses are included in 'Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)'.

17. Other financial assets and other financial liabilities

17.1. Other financial assets

(EUR 000)	31.12.2017	31.12.2016
Financial instruments at fair value through other comprehensive income		
Interest rate swaps – cash flow hedge assets	494	—
Total financial instruments at fair value	**494**	**—**
Loans and receivables		
Loans and receivables	337	1,075
Guarantee deposits	2,939	3,432
Total loans and receivables	**3,276**	**4,507**
Available for sale investments		
Unquoted equity shares	455	940
Total available for sale investments	**455**	**940**
Total other financial assets	**4,225**	**5,447**
Total current	**857**	**1,627**
Total non-current	**3,368**	**3,820**

Cash flow hedges

See details in note 17.2.

Loans and receivables

It is mainly related to the receivable of USD 375 thousand (31 December 2016: USD 750 thousand) deferred in 2 instalments for the sale of Intertrust Bank (Cayman) Limited.

Guarantee deposits

Includes guarantee deposits mainly for rent and utility contracts held in banks or non-financial institutions. These funds are restricted.

Unquoted equity shares

Valued at cost and includes participations in non consolidated companies and special purpose companies for EUR 293 thousand (2016: EUR 622 thousand) and shelf companies for EUR 162 thousand (2016: EUR 318 thousand).

None of the "Other financial assets" are past due or impaired.

17.2. Other financial liabilities

(EUR 000)	31.12.2017	31.12.2016
Financial instruments at fair value through other comprehensive income		
Interest rate swaps – cash flow hedge liabilities	966	1,763
Total financial instruments at fair value	**966**	**1,763**
Other loans and payables		
Deferred consideration	6,250	—
Total loans and payables	**6,250**	**—**
Total other financial liabilities	**7,216**	**1,763**
Total current	**5,000**	**—**
Total non-current	**2,216**	**1,763**

Cash flow hedges

Includes interest rate swaps to cover part of the fluctuations on the floating interest on the USD, GBP and EUR debt.

The USD and GBP hedges were assessed to be effective at 31 December 2017, the EUR hedge was assessed as ineffective since 1 January 2017 therefore accounted fair value change in the profit and loss and started recycling of Other comprehensive income position as at 1 January 2017 also to the profit and loss. Balance sheet positions recognised as assets at 31 December 2017 were EUR 494 thousand (2016: nil), liabilities EUR 966 thousand respectively (2016: 1,763 thousand).

Other loans and payables

Other loans and payables consists of the deferred earn-out estimate on the acquisition of Azcona described in note 6.

18. Deferred tax assets and liabilities

18.1. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of tax losses for EUR 6,170 thousand (2016: EUR 7,570 thousand). Tax losses for an amount of EUR 977 thousand (2016: EUR 965 thousand) will expire in the next 5 years and EUR 5,193 thousand (2016: EUR 6,605 thousand) do not expire. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group entities can utilise the benefits.

18.2. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Balance at 31 December 2017		Balance at 31 December 2016	
(EUR 000)	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	33	—	119	—
Intangible assets	1	-80,374	1	-85,442
Other non-current financial assets or liabilities	118	-31	441	-32
Other items	126	—	4	-185
Tax loss carry-forwards	1,079	—	1,915	—
Total	**1,357**	**-80,405**	**2,480**	**-85,659**

18.3. Movements in temporary differences during the period

(EUR 000)	Balance at 01 January 2017	Acquired in business combinations	Recognised in profit or loss	Recognised in OCI[1]	Effect of foreign exchange differences	Balance at 31 December 2017
	Net					Net
Property, plant and equipment	119	—	-86	—	—	33
Intangible assets	-85,441	—	6,179	—	-1,111	-80,373
Other non-current financial assets or liabilities	409	—	-58	-108	-156	87
Other items	-181	—	247	—	60	126
Tax loss carry-forwards	1,915	—	-770	—	-66	1,079
Total	**-83,179**	**—**	**5,512**	**-108**	**-1,273**	**-79,048**

(EUR 000)	Balance at 01 January 2016	Acquired in business combinations	Recognised in profit or loss	Recognised in OCI[1]	Effect of foreign exchange differences	Balance at 31 December 2016
	Net					Net
Property, plant and equipment	119	—	—	—	—	119
Intangible assets	-72,113	-18,818	5,530	—	-40	-85,441
Other non-current financial assets or liabilities	5	-32	—	436	—	409
Other items	-200	5	14	—	—	-181
Tax loss carry-forwards	6,955	—	-5,026	—	-14	1,915
Total	**-65,234**	**-18,845**	**518**	**436**	**-54**	**-83,179**

1 Other comprehensive income ("OCI")

19. Trade receivables

The ageing analysis of trade receivables net of the allowance for impairment is as follows:

(EUR 000)	31.12.2017	31.12.2016
Neither past due nor impaired	40,975	34,330
Past due 1-90 days	41,399	49,209
Past due 91-180 days	11,390	8,102
Past due 181-360 days	7,544	5,004
Past due more than 361 days	1,795	2,515
Total	**103,103**	**99,160**

The movements in the allowance for impairment in respect of trade receivables during the period were as follows:

(EUR 000)	
Balance at 01 January 2016	**-4,844**
Business combinations	-1,108
Impairment losses recognised in profit or loss	-3,505
Amounts written off during the year	2,570
Unused amounts reversed	1,070
Effect of movements in exchange rates	-3
Balance at 31 December 2016	**-5,820**
Balance at 01 January 2017	**-5,820**
Impairment losses recognised in profit or loss	-5,280
Amounts written off during the year	2,153
Unused amounts reversed	2,715
Effect of movements in exchange rates	332
Outgoing entity	111
Balance at 31 December 2017	**-5,789**

The impairment losses and unused amounts reversed during the period are recognised in "Other operating expenses" under "Other expenses". For credit risk refer to note 27.2.

Trade accounts receivable include amounts denominated in the following major currencies:

(EUR 000)	31.12.2017	31.12.2016
EUR	46,476	41,890
USD	32,751	38,831
GBP	15,827	10,823
Other	8,049	7,616
Total	**103,103**	**99,160**

20. Other receivables and other payables

20.1. Other receivables

(EUR 000)	31.12.2017	31.12.2016
Due from customers	8,744	5,841
Accrued income	7,291	6,297
VAT and other tax receivable	1,567	1,691
Others	1,335	1,192
Other receivables	**18,937**	**15,021**

Due from customers relates to i) EUR 8,744 thousand (2016: EUR 5,547 thousand) of receivables from clients for disbursements and expenses and ii) none (2016: EUR 294 thousand) of the receivables related to intellectual property activities from royalties invoiced to licensees that will be subsequently paid to the licensors. Consequently no offsetting liabilities (2016: EUR 295 thousand) are accounted for in "Other payables—due to customers".

None of the "Other receivables" are past due or impaired.

20.2. Other payables

(EUR 000)	Note	31.12.2017	31.12.2016
Accrued expenses for short term employee benefits		20,342	18,669
VAT and other tax payable		13,085	12,237
Accrued expenses		12,781	10,267
Liabilities for cash held on behalf of clients	21	10,463	18,125
Due to customers		9,645	7,427
Others		457	249
Other payables		**66,773**	**66,974**

Due to customers relates to i) advances from clients for future fees, unapplied cash received from clients and disbursements invoiced in advance and ii) liabilities related to intellectual property activities of zero compared with 31 December 2016 balance, which was EUR 295 thousand that represented accrued royalties payable to licensors that have already been invoiced to licensees with offsetting asset in "Other receivables—due from customers".

Accrued expenses for short term employee benefits includes mainly bonus accruals, social charges and holiday allowances.

21. Cash and cash equivalents

(EUR 000)	31.12.2017	31.12.2016
Bank balances	66,602	69,766
Cash on hand	18	42
Short term deposits	—	50
Total	**66,620**	**69,858**
Of which:		
Cash attributable to the Company	56,157	51,733
Cash held on behalf of clients	10,463	18,125
Total	**66,620**	**69,858**

Bank balances includes cash in current and call accounts.

Cash held on behalf of clients is driven by funds to pay government fees on their behalf, intellectual property activity and other advances with its corresponding liabilities in "Other payables—liabilities for cash held on behalf of clients".

22. Capital and reserves

22.1. Share capital

The subscribed capital as at 31 December 2017 remained at EUR 55,200 thousand and is divided into 91,999,392 shares fully paid-up with a nominal value per share of EUR 0.60. The movements of the year were:

Ordinary shares	In number of shares		(EUR 000)	
(EUR 000)	2017	2016	2017	2016
Issued ordinary shares at 01 January	91,999,392	85,221,614	55,200	51,133
Effect of issue of ordinary shares in June 2016	—	6,777,778	—	4,067
On issue at end of period – fully paid	**91,999,392**	**91,999,392**	**55,200**	**55,200**

On 13 June 2016, Intertrust N.V. issued 6,777,778 ordinary shares for the purchase of Elian Group.

22.2. Share premium

At 31 December 2017 the share premium amounted to EUR 630,441 thousand and did not change compared to 2016. There were no movements during this financial year:

	In number of shares		(EUR 000)	
(EUR 000)	2017	2016	2017	2016
Issued ordinary shares at 01 January	91,999,392	85,221,614	630,441	513,423
Effect of issue of ordinary shares in June 2016	—	6,777,778	—	117,018
On issue at end of period – fully paid	**91,999,392**	**91,999,392**	**630,441**	**630,441**

In June 2016, the addition to the share premium from the proceeds of the issue of ordinary shares was EUR 122,000 thousand less the costs directly attributable to the equity transaction for EUR 1,220 thousand net of the related tax impact of EUR 305 thousand less the related 0.60 cent share capital of EUR 4,067 thousand.

22.3. Retained earnings

The retained earnings include accumulated profits and losses, plus remeasurements of defined benefit liability (asset) and equity-settled share-based payment.

The following dividends were declared and paid by the Company for the year:

(EUR 000)	2017	2016
Interim dividend for 2016 of EUR 0.24 per qualifying ordinary share	—	22,080
Final dividend for 2016 of EUR 0.25 per qualifying ordinary share	22,535	—
Interim dividend for 2017 of EUR 0.28 per qualifying ordinary share	25,755	—
Total dividend declared and paid	**48,290**	**22,080**

For 2017, a total dividend of EUR 0.61 per share (2016: EUR 0.49 per share) will be proposed at the Annual General Meeting. If approved, a final dividend of EUR 0.33 per share (2016: EUR 0.25 per share) will be paid on 12 June 2018, as an interim dividend of EUR 0.28 per share (2016: EUR 0.24 per share) was paid on 29 November 2017. The payment will be subject to 15% Dutch withholding tax.

After the reporting date, the above mentioned dividends were proposed by the Management Board. The dividends, taking into account the interim dividends declared and paid, have not been recognised as liabilities.

22.4. Reserves

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations (2017: EUR 65,284 thousand loss) and foreign currency differences arising on the revaluation of financial liabilities designated as a hedge of net investment, to the extent that the hedge is effective (2017: EUR 16,220 thousand gain).

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss.

Treasury share reserve

The treasury share reserve comprises the costs of the Company's shares held by the Group. At 31 December 2017, the Group held 952,137 of the Company's shares (2016: 3,705).

Other reserve

The other reserve included equity instrument recognised under the Elian business combination transaction (deferred consideration in shares) as at 31 December 2016 which were delivered from treasury share reserve 12 months and 10 business days post closing of the acquisition disclosed in our 2016 Annual Report.

23. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate, foreign currency and liquidity risk refer to note 27.

23.1. Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

(EUR 000)

Facilities	Currency	Year of maturity	Interest rate		Repayment	31.12.2017	31.12.2016
Principal value							
Senior Facilities							
Facility A	EUR	2020	Euribor + 2.50%	a)	Bullet	440,000	440,000
Facility A2	GBP	2021	Libor + 2.75%	a)	Bullet	105,948	109,790
Facility A3	EUR	2021	Euribor + 2.75%	a)	Bullet	147,500	147,500
Facility B	USD	2020	Libor + 2.50%	a)	Bullet	83,382	94,868
Revolver credit facility	Multicurrency	2020	Euribor/Libor + 2.50%	a) b)	Revolving	—	18,000
						776,830	**810,158**
Financing costs						-6,088	-10,865
Total bank debt						**770,742**	**799,293**
			Total current			**375**	**18,072**
			Total non-current			**770,367**	**781,221**

(a) If the rates (Euribor or Libor) are below 0%, the rate is deemed to be 0%. The margin can change depending on leverage ratios

(b) Revolver credit facility for EUR 18,000 thousand was paid back in FY 2017. An ancillary facility of EUR 2,500 thousand is in place to provide a bank guarantee for a rent lease agreement.

The schedule below shows the movements of the bank facilities during the period:

(EUR 000)

Balance at 01 January 2016	**Principal value**	**531,853**
Draw down facilities		296,295
Repayments		-22,190
Effect of exchange rate		4,200
Balance at 31 December 2016	**Principal value**	**810,158**
Balance at 01 January 2016	**Financing costs**	**-8,048**
Capitalised financing costs		-6,747
Amortised financing costs		3,987
Effect of exchange rate		15
Accrued Interest and commitment fees		-72
Balance at 31 December 2016	**Financing costs**	**-10,865**
Balance at 31 December 2016	**Net**	**799,293**
Balance at 01 January 2017	**Principal value**	**810,158**
Repayments		-18,000
Effect of exchange rate		-15,328
Balance at 31 December 2017	**Principal value**	**776,830**
Balance at 01 January 2017	**Financing costs**	**-10,865**
Amortised financing costs		4,474
Accrued Interest and commitment fees		303
Balance at 31 December 2017	**Financing costs**	**-6,088**
Balance at 31 December 2017	**Net**	**770,742**

In 2016, and in order to finance the Elian acquisition, the Group entered into two new debt facilities (through an amendment and restatement of the existing credit facilities signed on 1 October 2015) consisting of a facility of GBP 94,000 thousand and another of EUR 147,500 thousand. In addition, the Group did a drawdown under the multicurrency Revolver credit facility of EUR 25,000 thousand, USD 11,500 thousand and GBP 3,500 thousand in 2016. The USD and GBP drawn down facilities and EUR 7,000 thousand from the EUR facility were fully repaid by the end of 2016. The remaining EUR 18,000 thousand facility was repaid in 2017.

On 1 October 2015, the Company and Intertrust Group B.V. entered into a syndicated senior facilities agreement between, among others, Intertrust Group B.V. as original borrower, the Company as parent and original guarantor, ABN AMRO Bank N.V., Deutsche Bank AG, London Branch, Morgan Stanley Bank International Limited and UBS Limited as mandated lead arrangers, the financial institutions named therein as original lenders, Deutsche Bank Luxembourg S.A. as facility agent and security agent (the “New Facilities Agreement”).

Under the facilities agreement there is a requirement to ensure that the leverage ratio in respect of any relevant period on or after 31 December 2015 shall not exceed 4.75:1 (stepped down to 4.50:1 on 31 December 2017 and stepping further down to 4.25:1 on 31 December 2018). For the year ended 31 December 2017 the covenant was met with a headroom of 18.5% (2016: 22.9%).

The facilities agreement is guaranteed by the Company, Intertrust Group B.V. and certain subsidiaries, and secured by, among others, first ranking rights of pledge over all outstanding shares in the share capital of such subsidiaries.

24. Employee benefits

The Group sponsors defined benefit pension plans in Switzerland. In most other countries, employees are provided with benefits under defined contribution plans. All pension plans comply with local tax and legal restrictions in their respective country, including funding obligations.

The Swiss pension plan is managed by an independent, legally autonomous entity which has the legal structure of a foundation, according to Swiss Federal Law on Occupational Retirement, Survivors and Disability (LPP). All benefits in accordance with the regulations are reinsured in their entirety with an insurance company. The foundation provides benefits on a defined contribution basis. All employees are participants to the plan and are insured against the financial consequences of old age, disability and death. The insurance benefits are subject to regulations, with the LPP specifying the minimum benefits that are to be provided. The employer and employees pay contributions to the pension plan at rates set out in the foundation rules based on a percentage of salary. The amount of the retirement account can be taken by the employee at retirement in the form of pension or capital. The risk of disability, death and longevity are covered by the insurance company. The insurance company invests the vested pension capital and provides a 100% capital and interest guarantee. Even if actuarial and investment risks are covered by an insurance company, this plan is considered under IAS 19 as a defined benefit plan because the employer remains exposed to termination contract risks.

The Group has also agreed to provide certain additional post-employment medical benefits to senior employees in Curacao. These benefits are unfunded and the contributions equal the insurance premiums paid.

The Group expects EUR 504 thousand (2016: EUR 497 thousand) in contributions to be paid to its defined benefit plans in 2018.

24.1. Amounts recognised in the consolidated statement of financial position

(EUR 000)	31.12.2017	31.12.2016
Net defined liability – Pension	1,790	2,654
Net defined liability – Medical	173	360
Total employee benefits plans	**1,963**	**3,014**
Other employee benefits	—	68
Total employee benefits liabilities	**1,963**	**3,082**

24.2. Movement in the net defined benefit liability

The following table shows a reconciliation from the opening balance to the closing balance for the net defined benefit liability and its components:

(EUR 000)	31.12.2017			31.12.2016		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability
Balance at 01 January	**8,806**	**5,791**	**3,014**	**9,373**	**6,571**	**2,801**
Included in profit or loss						
Current service cost	704	—	**704**	738	—	**738**
Past service cost	-1,093[1]	—	**-1,093**	—	—	**—**
Settlements	—	—	**—**	—	—	**—**
Interest cost (income)	49	34	**15**	86	52	**34**
Administration costs	31	—	**31**	33	—	**33**
	-309	**34**	**-343**	**857**	**52**	**805**
Included in OCI						
Remeasurements loss/(gain):						
– Actuarial loss/(gain) arising from:						
– demographic assumptions	—	—	**—**	-309	—	**-309**
– financial assumptions	-109	—	**-109**	336	—	**336**
– experience adjustment	304	—	**304**	-453	—	**-453**
– Return on plan assets excluding interest income	—	29	**-29**	—	-293	**293**
Effect of movements in exchange rates	-582	-371	**-211**	91	44	**47**
	-387	**-342**	**-45**	**-335**	**-249**	**-86**
Other						
Contributions paid by the plan participants	1,224	1,224	**—**	1,218	1,218	**—**
Contributions paid by the employer	—	420	**-420**	—	506	**-506**
Benefits paid	-4,053	-3,810	**-243**	-2,307	-2,307	**—**
	-2,829	**-2,166**	**-663**	**-1,089**	**-583**	**-506**
Balance at 31 December	**5,281**	**3,317**	**1,963**	**8,806**	**5,791**	**3,014**

1 Relating to restructuring in Switzerland.

24.3. Plan assets

The plan assets comprise:

(EUR 000)	31.12.2017	31.12.2016
Insurance contracts	3,301	5,774
Cash	16	18
Total	**3,317**	**5,791**

None of the plan assets are quoted on an active market.

24.4. Actuarial assumptions

The principal assumptions used in determining pension and post-employment medical benefit obligations at the reporting date are:

	31.12.2017	
	Switzerland	Curaçao
Discount rate 31 December	0.70%	5.00%
Future salary increases	1.00%	—
Medical cost trend rate	—	2.00%

	31.12.2016	
	Switzerland	Curaçao
Discount rate 31 December	0.60%	4.50%
Future salary increases	1.00%	—
Medical cost trend rate	—	3.00%

Longevity is reflected in the defined benefit obligation by using mortality tables of the respective countries in which the plans are located.

Expressed in years	31.12.2017 Switzerland
Longevity at age 65 for current pensioners	
– Males	22.4
– Females	25.4
Longevity at age 65 for current members aged 45	
– Males	23.9
– Females	26.9

Expressed in years	31.12.2016 Switzerland
Longevity at age 65 for current pensioners	
– Males	22.3
– Females	25.3
Longevity at age 65 for current members aged 45	
– Males	23.8
– Females	26.8

The weighted-average duration of the defined benefit obligation was as follows:

Expressed in years	31.12.2017	31.12.2016
Switzerland	20.5	21.0

24.5. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions consistent, would have affected the defined benefit obligation by the amounts shown below:

(EUR 000)	Increase	Decrease
2017		
Impact of 1% change in the discount rate	-908	1,253
Impact of 1% change in the future salary increases	152	-139
Impact of 1% change in the future pension increases	455	—
Impact of 1% change in the medical cost trend rate	23	-19
Impact of 1 year change in the life expectancy	81	-84
2016		
Impact of 1% change in the discount rate	-1,553	1,979
Impact of 1% change in the future salary increases	149	-259
Impact of 1% change in the future pension increases	737	—
Impact of 1% change in the medical cost trend rate	47	-40
Impact of 1 year change in the life expectancy	83	-216

Although the analysis does not take into account the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefit obligations at period-end.

25. Deferred income

Represents fixed fees invoiced to customers mainly in November-December for the next year(s). It drives higher trade receivables and deferred income at the end of the period, with the deferred income released in the following year. In some cases the fees are invoiced in advance for the complete life of the structures resulting in non-current deferred income. The expected reversal of the balance of deferred income is shown in the following table:

(EUR 000)	31.12.2017	31.12.2016
To be released within one year	62,602	71,467
To be released between one and five years	4,032	4,495
To be released later than five years	1,718	4,182
Total	**68,352**	**80,114**
Balance at 31 December		
Total current	**62,602**	**71,467**
Total non-current	**5,750**	**8,677**

26. Provisions

(EUR 000)	Legal matters	Restructuring	Onerous contracts	Others	TOTAL
Balance at 01 January 2016	**489**	**509**	**705**	**172**	**1,875**
Business combinations, ingoing entities	—	—	—	250	250
Reclassification	50	—	—	—	50
Provisions made during the period	34	404	2,688	59	3,185
Provisions used during the period	-82	-627	-661	-58	-1,428
Provisions reversed during the period	-332	-12	-229	-49	-622
Effect of movements in exchange rates	2	-6	54	6	56
Balance at 31 December 2016	**161**	**268**	**2,557**	**380**	**3,366**
Current	86	171	1,759	203	2,219
Non-current	75	97	798	177	1,147
Balance at 31 December 2016	**161**	**268**	**2,557**	**380**	**3,366**
Balance at 01 January 2017	**161**	**268**	**2,557**	**380**	**3,366**
Provisions made during the period	2,220	55	262	102	2,639
Provisions used during the period	-1,894	-162	-1,233	-1	-3,290
Provisions reversed during the period	-58	-108	-1,311	-27	-1,504
Effect of movements in exchange rates	-2	-17	-87	-29	-135
Balance at 31 December 2017	**427**	**36**	**188**	**425**	**1,076**
Current	102	36	188	171	497
Non-current	325	—	—	254	579
Balance at 31 December 2017	**427**	**36**	**188**	**425**	**1,076**

Provision for legal matters

Provisions for legal matters have been recognised to cover costs related to claims filed against the Company.

Provision for restructuring

Provisions for restructuring have been recognised to cover costs related to i) the restructuring as a result of the integration with Elian and CorpNordic with a balance at 31 December 2017 of nil (2016: EUR 171 thousand) and ii) other provisions of EUR 36 thousand (2016: EUR 97 thousand).

Provision for onerous contracts

Provisions for onerous contracts have been recognised for operating leases for premises that are no longer being used by affiliates in different countries following the reorganisation after the acquisition of Elian. All are expected to be released in 2018.

27. Financial instruments

27.1. Financial risk management

Overview

The Group has exposure to the following main risks from its financial instruments: credit risk, liquidity risk and market risk (including currency risk and interest rate risk).

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Further information about the risk management of the Group is included in the Compliance and Risk Management chapter of this Annual Report.

27.2. Credit risk

Credit risk is the risk that a counterpart will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk primarily for trade receivables and cash at banks. Customer credit risk is managed by each of the Group entities subject to the Group's policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are monitored and followed up continuously. Provisions are made when there is objective evidence that the Group will not be able to collect the debts (indication that the debtor is experiencing significant financial difficulty or default, probability of bankruptcy, problems to contact the clients, disputes with a customer, etc.). Analysis is done on a case by case basis in line with policies.

The cash and cash equivalents and interest receivable are held mainly with banks which are rated "A-" or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd for long term credit rating.

Exposure to credit risk

The gross carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

(EUR 000)	Note	31.12.2017	31.12.2016
Trade receivables	19	103,103	99,160
Cash and cash equivalents	21	66,620	69,858
Work in progress		33,078	31,984
Other receivables	20	18,937	15,021
Other financial assets – loans and receivables	17	3,770	4,507
Total		**225,508**	**220,530**

The 'Other financial assets' of EUR 455 thousand (2016: EUR 940 thousand) related to the participations in non-controlling entities and shelf companies have not been included in this analysis.

The assets that are exposed to credit risk are held 19,1% by the Netherlands (2016: 18%), 22,0% by Cayman Islands (2016: 26,9%), 12,8% by Luxembourg (2016: 12,7%), 10,8% by Jersey (2016: 10,9%) and the remaining 35,3% (2016: 31,5%) by other jurisdictions.

Trade receivables are presented net of a provision for trade receivables. The credit risk is measured and analysed on a local level, analysis on recoverability is done on a case by case basis in line with policies. Evidence of historical experience demonstrates that debtors, in all ageing categories, have high recoverability ratios.

The ageing of trade receivables and the provision for trade receivables at reporting date is disclosed below. The movement schedule for the provision for trade receivables is included in note 19.

	31.12.2017		31.12.2016	
(EUR 000)	Gross receivables	Provision trade receivables	Gross receivables	Provision trade receivables
Neither past due nor impaired	41,068	-93	34,362	-32
Past due 1-90 days	41,595	-196	49,536	-327
Past due 91-180 days	11,736	-346	8,472	-370
Past due 181-360 days	8,493	-949	6,003	-999
Past due more than 361 days	6,000	-4,205	6,607	-4,092
Total	**108,892**	**-5,789**	**104,980**	**-5,820**

With respect to the trade receivables that are neither impaired nor past due, there are no indications as of the reporting date that the debtors will not meet their payment obligations.

27.3. Liquidity risk

Liquidity risk includes the risk to a shortage of funds and the risk to encounter difficulty in meeting obligations associated with financial liabilities.

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool: global cash flow forecasts each 3 months covering the next 6 months periods and 12 months period for the one prepared each December.

The Group entities prepare their own cash flow forecasts and they are centrally consolidated by Group Finance. Group Finance monitors rolling forecasts of the Group's liquidity requirements, as well as the Group's actual cash and receivables position to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its committed borrowings facilities to ensure that the Group does not breach borrowings limits or covenants.

The Group entities keep the amounts required for working capital management and the excess cash is transferred to Group Finance who defines the best use of these funds (cancellation of loans, deposits, etc.).

Access to sourcing of funding is sufficiently available through the revolving credit facility agreement that the Group has with banks (note 23).

Exposure to Liquidity risk

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and net-settled derivative financial liabilities based on contractual undiscounted payments. This analysis includes estimated interest payments and does not consider voluntary prepayments of bank debt that could be possible following the agreements.

	Balance at 31 December 2017					
(EUR 000)	**Carrying amounts**	**Total**	**Due within 1 year**	**Due between 1 and 2 years**	**Due between 2 and 5 years**	**Due 5 years and more**
Loans and borrowings	770,742	-859,197	-22,590	-23,232	-813,375	—
Trade payables and other payables	73,398	-73,398	-73,398	—	—	—
Interest rate swaps used for hedging	966	-283	-730	4	443	—
Total	**845,106**	**-932,878**	**-96,718**	**-23,228**	**-812,932**	**—**

	Balance at 31 December 2016					
(EUR 000)	**Carrying amounts**	**Total**	**Due within 1 year**	**Due between 1 and 2 years**	**Due between 2 and 5 years**	**Due 5 years and more**
Loans and borrowings	799,293	-884,091	-22,131	-23,312	-838,648	—
Trade payables and other payables	77,610	-77,610	-77,610	—	—	—
Interest rate swaps used for hedging	1,763	-1,763	-797	-635	-331	—
Total	**878,666**	**-963,464**	**-100,538**	**-23,947**	**-838,979**	**—**

The flows expected for interest rate swaps will affect profit and loss in the same period as they are expected to occur.

27.4. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group's exposure to the risk of changes in exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency). The exposures are mainly with respect to the US dollars (USD) and Pound sterling (GBP). The loans and borrowings of the Group are denominated in Euro, Pound sterling and US Dollars. The objective is to partly match the main cash flows generated by the underlying operations of the Group with the debt which provides an economic hedge.

At 31 December 2017, the face value of the USD designated loan on the Group's investment in its Cayman subsidiary partially hedged was EUR 83,382 thousand (2016: EUR 94,868 thousand). The USD loan is designated as a net investment hedge. No ineffectiveness was recognised from the net investment hedge.

Similarly to the Cayman investment and the USD denominated bank loans relation, the Company identified effective relations between the Jersey investment and its GBP denominated bank loans, therefore the loan is fully designated as a hedge relation which also mitigates a portion of the foreign currency translation risk arising from the subsidiary's net assets.

As at 31 December 2017, the face value of the GBP designated loan was EUR 105,948 thousand (2016: EUR 109,790 thousand). The GBP loan is designated as a net investment hedge. No ineffectiveness was recognised from the net investment hedge.

The Group's investments in other subsidiaries are not hedged.

Exposure to currency risk

The group has mainly currency exposure in USD and GBP, as presented follow:

(EUR 000)	31.12.2017		31.12.2016	
	USD	GBP	USD	GBP
Cash and cash equivalents	8,307	381	12,599	1,399
Trade and other receivables	955	13	1,548	11
Loans and borrowings	-83,382	-105,948	-94,868	-109,790
Trade and other payables	-32	-125	-611	-54
Net statement of financial position exposure	**-74,152**	**-105,679**	**-81,332**	**-108,434**

The following significant exchange rates have been applied:

	Reporting date spot rate	Average rate
	31.12.2017	2017
USD	1.1993	1.1297
GBP	0.8872	0.8767

	Reporting date spot rate	Average rate
	31.12.2016	2016
USD	1.0541	1.1069
GBP	0.8562	0.8195

Sensitivity analysis

	2017		2017	
(EUR 000)	Effect in profit or loss		Effect in Equity	
	EUR Strengthening	EUR Weakening	EUR Strengthening	EUR Weakening
USD (10% movement)	-4,097	4,097	6,721	-6,721
GBP (10% movement)	-3,250	3,250	9,583	-9,583

	2016		2016	
	Effect in profit or loss		Effect in Equity	
	EUR Strengthening	EUR Weakening	EUR Strengthening	EUR Weakening
USD (10% movement)	-3,034	3,034	9,858	-9,858
GBP (10% movement)	-1,462	1,462	7,394	-7,394

A 10 percent strengthening of the USD and the GBP against all other currencies at 31 December 2017 would have affected the value of financial assets and liabilities denominated in foreign currency and affected equity and profit or loss by the amounts shown above. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Interest rate risk

The risk relates to the Group's long term debt obligations with floating interest rates. To manage this risk, the Company entered into interest rate swaps.

Exposure to interest rate risk

At the reporting date the interest rate profile of the interest bearing financial instrument was:

(EUR 000)	31.12.2017 Carrying amount	31.12.2016 Carrying amount
Fixed rate instruments		
Financial assets	—	416
Total	**—**	**416**
Variable rate instruments		
Financial assets	31,113	16,115
Financial liabilities	-777,525	-811,260
Total	**-746,412**	**-795,145**
Loans and borrowings hedged	331,738	208,460
Total	**-414,674**	**-586,685**

Financial assets mainly include cash in bank accounts with interest bearing rates.

In January 2017, the Group entered into additional interest rate swaps that will cover, together with the existing interest rate swaps, approximately 43% of floating interest rate on the loans and borrowings.

Sensitivity analysis for variable rate instruments

An increase of 50 basis points in interest rates on loans and borrowings would have decreased the profit and loss before tax by EUR 118 thousand (2016: EUR 1,083 thousand). A decrease of 50 basis points in interest rates on loans and borrowings would have increased the profit and loss before tax by EUR 714 thousand (2016: EUR 165 thousand increase).

The loans and borrowings have a 0% Euribor/Libor floor, whereas the interest rate swaps do not have a 0% floor. As a result of current negative interest rates in Euribor this causes the asymmetric variances. The sensitivity of interest to movements in interest rates is calculated on floating rate exposures on debt, net of interest rate swaps. This analysis assumes that all other variables remain constant.

27.5. Capital management

The capital structure of the Group consists of shares and share premium and bank borrowings. The objective of the Group's capital management is to ensure that it maintains healthy debt ratios in order to support its business and face the obligations with banks.

The Group's target is to reach a net debt leverage ratio between 2.0 and 2.5. This leverage ratio might be higher depending on potential acquisitions. The bank borrowings are subject to covenants that are tested bi-annual. For more information, see note 23.

27.6. Fair values of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31.12.2017		Carrying amounts					Fair value
(EUR 000)	Note	Loans and receivables	Available-for-sale	Fair value – Hedging instruments	Other liabilities	Total	Level 2
Financial assets measured at fair value							
Interest rate swaps – cash flow hedge	17	494	—	—	—	**494**	494
		494	**—**	**—**	**—**	**494**	
Financial assets not measured at fair value							
Loans and receivables	17	3,276	—	—	—	**3,276**	
Unquoted equity shares	17	—	455	—	—	**455**	
Trade receivables		103,103	—	—	—	**103,103**	
Other receivables	20	18,937	—	—	—	**18,937**	
Work in progress		33,078	—	—	—	**33,078**	
Cash and cash equivalents	21	66,620	—	—	—	**66,620**	
		225,014	**455**	**—**	**—**	**225,469**	
Financial liabilities measured at fair value							
Interest rate swaps – cash flow hedge	17	—	—	966	—	**966**	966
		—	**—**	**966**	**—**	**966**	
Financial liabilities not measured at fair value							
Trade payables		—	—	—	6,625	**6,625**	
Other payables	20	—	—	—	66,773	**66,773**	
Secured loans and borrowings	23	—	—	—	770,742	**770,742**	776,830
Total		**—**	**—**	**—**	**844,140**	**844,140**	

31.12.2016		Carrying amounts					Fair value
(EUR 000)	Note	Loans and receivables	Available-for-sale	Fair value – Hedging instruments	Other liabilities	Total	Level 2
Financial assets not measured at fair value							
Loans and receivables	17	4,507	—	—	—	**4,507**	
Unquoted equity shares	17	—	940	—	—	**940**	
Trade receivables		99,160	—	—	—	**99,160**	
Other receivables	20	15,021	—	—	—	**15,021**	
Work in progress		31,984	—	—	—	**31,984**	
Cash and cash equivalents	21	69,858	—	—	—	**69,858**	
		220,530	**940**	**—**	**—**	**221,470**	
Financial liabilities measured at fair value							
Interest rate swaps – cash flow hedge	17	—	—	1,763	—	**1,763**	1,763
		—	**—**	**1,763**	**—**	**1,763**	
Financial liabilities not measured at fair value							
Trade payables					10,636	**10,636**	
Other payables	20	—	—	—	66,974	**66,974**	
Secured loans and borrowings	23	—	—	—	799,293	**799,293**	810,158
Total		**—**	**—**	**—**	**876,903**	**876,903**	

Level 2

The fair value of the interest rate swaps is based on broker quotes and is calculated as the present value of the estimated future cash flows based on observable yield curves. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty when appropriate.

There are only level 2 fair values and no transfers between levels were applicable in 2017 and 2016.

28. Operating leases

28.1. Leases as lessee

The Group has entered into commercial leases on certain motor vehicles and items of office equipment. These leases have an average life of between three and five years with no renewal option included in the contracts.

The Group has entered into leases for rental agreements in different countries. The leases run for a period between 3 and 24 years. Lease payments are increased with specific amounts and frequency depending on the different agreements.

There are no restrictions placed upon the Group by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

(EUR 000)	31.12.2017	Not later than one year	Between one and five years	Later than five years
Leased machinery and equipment	2,723	1,075	1,481	167
Leased real estate	53,679	18,052	35,588	39
Total	**56,402**	**19,127**	**37,069**	**206**

	31.12.2016	Not later than one year	Between one and five years	Later than five years
Leased machinery and equipment	2,837	1,136	1,502	199
Leased real estate	70,366	19,526	48,610	2,230
Total	**73,203**	**20,662**	**50,112**	**2,429**

During the period an amount of EUR 21,144 thousand (2016: EUR 18,607 thousand) was recognised as an expense in profit or loss in respect of operating leases. Total rental expenses reported in statement of profit or loss includes utilities, maintenance and repairs expenses.

28.2. Leases as lessors

Some affiliates have entered into sublease contracts of office space.

Future minimum rental receivables under non-cancellable operating leases as at 31 December are as follows:

(EUR 000)	31.12.2017	Not later than one year	Between one and five years	Later than five years
Leased real estate	7,307	2,832	4,475	—
Total	**7,307**	**2,832**	**4,475**	**—**

	31.12.2016	Not later than one year	Between one and five years	Later than five years
Leased real estate	10,445	3,167	7,278	—
Total	**10,445**	**3,167**	**7,278**	**—**

During the period an amount of EUR 5,217 thousand (2016: EUR 4,015 thousand) were included in revenues.

29. Commitments

The Group is committed to incur IT operational expenditure mainly related to managed communication networks and outsourced activities of EUR 19,050 thousand (2016: EUR 17,246 thousand) spread over the next five years.

30. Contingencies

The Belgian tax authorities delivered a notice to the third party liquidator of one of our former subsidiaries for tax and penalties in the amount of approximately EUR 16.4 million (excluding interest) in connection with Belgian dividend withholding tax over the payment of liquidation proceeds of this subsidiary in 2012. The exemption for dividend withholding tax has been challenged by the tax authorities on technical grounds. A formal tax complaint in view of full rescindment had been filed in due course as there are good grounds to challenge the tax assessment. Following a formal decision received in February 2017, a partial rescindment for an amount of approx. EUR 6.5 million has been obtained. As per 21 May 2017 a formal court petition was filed within the legal deadline as we continue to believe that there are sufficient grounds to counter the position taken by the tax authorities. The pleading date has been set by the Court for 7 March 2019 at the earliest. We continue to believe that it is still more likely than not that the claim from the tax authorities will be rejected by the court. An amount of approx. EUR 9.8 million (excluding interest) remains under further dispute.

There are a number of additional possible claims against the Group. We concluded that in the aggregate, including the above mentioned claims against the Group, these litigations cannot be reliably measured or we consider that the possibility of outflow is not probable. Where necessary, legal and/or external advice has been obtained and, in light of such advice, the risk of litigation is not expected to have material impact on the financial situation of the Group.

There is a legal claim which negatively impacted our 2017 figures and was accounted for in the statement of profit and loss including the related legal fees. We believe that there is a reasonable chance that we can recover all or part of this amount in due course.

31. Related parties

The Group has provided services to some entities related to the Blackstone Group during the year. These services are in the normal course of business and at arm's length basis.

(EUR 000)	Transaction values for the year ended 31 December 2017	2016	Balance outstanding as at 31.12.2017	31.12.2016
Revenue	7,328	5,690	2,736	1,389

31.1. Parent and ultimate controlling party

Prior to the listing at the Euronext Amsterdam on 15 October 2015, the Company was ultimately controlled by funds managed by Blackstone Group L.P. which had the majority shareholding in the Group. The remaining shares were owned by parties related to management. Following the IPO, the Company is the new ultimate controlling party.

31.2. Transactions with key management personnel

The Group has defined key management personnel as the members of the 2017 Supervisory Board, Management Board and Executive Committee of the Group, responsible for the strategic and operational activities.

Key management personnel compensation

Key management personnel compensation comprises:

(EUR 000)	2017	2016
Short-term employee benefits	3,827	3,144
Post-employment benefits	170	206
Share-based payment[1]	670	1,113
Other benefits[2]	206	—
Total	**4,873**	**4,463**

1 This includes the expenses recognised by the Group related to the EOP and LTIP awards made to key management personnel (Note 8).

2 This included termination benefits.

Management Board

For the individual members of the Management Board, the Group recognised the following remuneration expenses:

(EUR 000)	2017 remuneration Base salary	Other benefits[1]	Short-term incentive[2]	Deferred remuneration	Total
David de Buck	350	50	250	420	1,070
Ernesto Traulsen	197	117	—	15	329
Maarten de Vries	481	140	—	—	621
Henk Pieter van Asselt	50	3	37	25	115
Total	**1,078**	**310**	**287**	**460**	**2,135**

(EUR 000)	2016 remuneration Base salary	Other benefits[1]	Short-term incentive[2]	Deferred remuneration	Total
David de Buck	350	51	80	285	766
Ernesto Traulsen	353	11	60	49	473
Total	**703**	**62**	**140**	**334**	**1,239**

1 Other benefits include life course compensation, car allowance, relocation or other allowances such as termination benefits when applicable, and pension compensation.

2 Short-term remuneration represents accrued bonuses to be paid in the following financial year.

(EUR 000)	2017 deferred remuneration EOP[1]	LTIP[1]	Pension costs	Total
David de Buck	323	82	15	420
Ernesto Traulsen	—	—	15	15
Maarten de Vries	—	—	—	—
Henk Pieter van Asselt	17	7	1	25
Total	**340**	**89**	**31**	**460**

(EUR 000)	2016 deferred remuneration EOP[1]	LTIP[1]	Pension costs	Total
David de Buck	238	33	14	285
Ernesto Traulsen	-12	—	61	49
Total	**226**	**33**	**75**	**334**

1 Represents the expense recognised during the year in accordance with IFRS 2, Share-based Payment, related to the EOP and LTIP awards.

The Management Board EOP awards outstanding and movements during the financial year were:

	Award date	Outstanding as at 1 Jan 2017	Movements in 2017[1]	Outstanding as at 31 Dec 2017	Fair value per share at grant date (EUR)	Vesting date[2]
David de Buck						
EOP – Matching shares	19 Oct 2015	50,013	—	50,013	14.28	1 May 2018
Ernesto Traulsen						
EOP – Matching shares	19 Oct 2015	12,503	-12,503	—	14.28	
Henk Pieter van Asselt						
EOP – Matching shares	19 Oct 2015	—	25,006	25,006	14.28	19 Oct 2018

	Award date	Outstanding as at 1 Jan 2016	Movements in 2016	Outstanding as at 31 Dec 2016	Fair value per share at grant date (EUR)	Vesting date[2]
David de Buck						
EOP – Matching shares	19 Oct 2015	50,013	—	50,013	14.28	19 Oct 2018
Ernesto Traulsen						
EOP – Matching shares	19 Oct 2015	12,503	—	12,503	14.28	19 Oct 2018

1 The movements are caused by the following changes to the Management Board during the year: Ernesto Traulsen resigned per 16 *January 2017; Henk Pieter van Asselt joined effective 9 November 2017.*

2 Following the vesting date, the EOP shares granted to members of the Management Board are subject to an additional two-year lock up period, except for the EOP shares that can be sold to cover income taxes due.

Upon vesting of the share-based payment awards to the members of the Management Board and other eligible employees, the Company may at its discretion make the required number of Ordinary Shares available either by issuing new Ordinary Shares or by purchasing existing Ordinary Shares in the open market.

The LTIP awards of 2017 for the members of the Management Board were set by the Supervisory Board of the Company on 31 March 2017. The Management Board LTIP awards outstanding and movements during the financial year were:

	Award date	Outstanding as at 1 Jan 2017	Granted in 2017	Movements in 2017[1]	Outstanding as at 31 Dec 2017	Fair value per share at grant date (EUR)	Vesting date[2]
David de Buck							
LTIP shares	1 Apr 2017	—	4,000	—	4,000	16.03	1 Apr 2020[3]
LTIP shares	1 Apr 2016	4,925	—	—	4,925	17.95	1 Apr 2019[3]
Ernesto Traulsen							
LTIP shares	1 Apr 2016	4,925	—	-4,925	—	17.95	
Maarten de Vries							
LTIP shares	1 Apr 2017	—	14,352	-14,352	—	16.03	
Henk Pieter van Asselt							
LTIP shares	1 Apr 2017	—	—	4,000	4,000	16.03	1 Apr 2020
LTIP shares	1 Apr 2016	—	—	4,925	4,925	17.95	1 Apr 2019

	Award date	Outstanding as at 1 Jan 2016	Granted in 2016	Movements in 2016	Outstanding as at 31 Dec 2016	Fair value per share at grant date (EUR)	Vesting date[2]
David de Buck							
LTIP shares	1 Apr 2016	—	4,925	—	4,925	17.95	1 Apr 2019
Ernesto Traulsen							
LTIP shares	1 Apr 2016	—	4,925	—	4,925	17.95	1 Apr 2019

1 The movements are caused by the following changes to the Management Board during the year: Ernesto Traulsen resigned per 16 January 2017; Maarten de Vries resigned per 31 December 2017; Henk Pieter van Asselt joined effective 9 November 2017.

2 Following the vesting date, the LTIP shares granted to members of the Management Board are subject to an additional two-year lock up period, except for the LTIP shares that can be sold to cover income taxes due.

3 Vesting of LTIP shares for David de Buck will remain as per the original vesting dates of the respective grants.

As of 31 December 2017, the members of the Management Board have no loans outstanding with the Group and no guarantees or advance payments are granted to members of the Management Board.

Supervisory Board

The individual members of the Supervisory Board received the following remuneration:

(EUR 000)	2017	2016
Hélène Vletter-van Dort	80	80
Bert Groenewegen	24	65
Toine van Laack	40	—
Anthony Ruys	60	60
Charlotte Lambkin	12	—
Paul Willing	10	—
Total	**226**	**205**

The Company does not grant variable remuneration, shares or options to the members of the Supervisory Board. As of 31 December 2017, the members of the Supervisory Board have no loans outstanding with the Group and no guarantees or advance payments are granted to members of the Supervisory Board.

32. Group entities

32.1. Significant affiliates

The following companies were the significant affiliates of the Group as at 31 December 2017 and have been included in the consolidated financial statements:

Name	Country of incorporation	Type	Ownership interest 31.12.2017
Intertrust N.V.	Netherlands	parent	100%
Intertrust Group B.V.	Netherlands	affiliate	100%
Intertrust Holding (Jersey) Limited	Jersey	affiliate	100%
Elian TopCo Limited	Guernsey	affiliate	100%
Elian MidCo Limited	Guernsey	affiliate	100%
Elian BidCo Limited	Jersey	affiliate	100%
Biplane BidCo (UK) Limited	United Kingdom	affiliate	100%
Intertrust Management Limited	United Kingdom	affiliate	100%
Intertrust European Holdings Limited	Ireland	affiliate	100%
Intrertrust Management Spain S.L.	Spain	affiliate	100%
Intertrust Offshore Limited	Jersey	affiliate	100%
Elian Fiduciary Services Holding Company Limited	Cayman	affiliate	100%
Intertrust Fiduciary Services (Jersey) Limited	Jersey	affiliate	100%
Intertrust Fiduciary Shared Services Limited	Jersey	affiliate	100%
Intertrust Premises (Jersey) Limited	Jersey	affiliate	100%
Intertrust Fiduciary Services (UK) Limited	United Kingdom	affiliate	100%
Intertrust (Netherlands) B.V.	Netherlands	affiliate	100%
Structured Finance Management (Netherlands) B.V.	Netherlands	affiliate	100%
Intertrust (Netherlands) Employment B.V.	Netherlands	affiliate	100%
Intertrust Group Holding S.A.	Switzerland	affiliate	100%
Intertrust (Sweden) AB	Sweden	affiliate	100%
Intertrust (Norway) AS	Norway	affiliate	100%
Intertrust Finland Oy	Finland	affiliate	100%
Intertrust Holding (Guernsey) Limited	Guernsey	affiliate	100%
Intertrust (Spain) SL	Spain	affiliate	100%
Intertrust Holding (Curacao) N.V.	Curacao	affiliate	100%
Intertrust Management NV	Curacao	affiliate	100%
Intertrust Resources Management Limited	Hong Kong S.A.R.	affiliate	100%
Intertrust (Singapore) Ltd.	Singapore	affiliate	100%
Intertrust Management Services Pte. Ltd.	Singapore	affiliate	100%
Intertrust (Belgium) NV/SA	Belgium	affiliate	100%
Intertrust (Suisse) S.A.	Switzerland	affiliate	100%
Intertrust (Denmark) A/S	Denmark	affiliate	100%
Intertrust Intellectual Property Group Holding SA	Switzerland	affiliate	100%
Intertrust (Shanghai) Consultants Limited	China	affiliate	100%
Intertrust Danismanlik AS	Turkey	affiliate	100%
Intertrust Management Ireland Limited	Ireland	affiliate	100%
Intertrust Alternative Investment Fund Management (Ireland) Limited	Ireland	affiliate	100%
Intertrust Holdings (UK) Limited	United Kingdom	affiliate	100%
Intertrust (Cyprus) Limited	Cyprus	affiliate	100%
Intertrust Holding (Cayman) Limited	Cayman Islands	affiliate	100%
Intertrust Corporate Services (BVI) Limited	Virgin Islands, British	affiliate	100%
Intertrust (Dubai) Limited	United Arab Emirates	affiliate	100%
Intertrust Corporate Services Delaware Ltd	United States	affiliate	100%
Intertrust (Brazil) Servicos Corporativos Ltda	Brazil	affiliate	100%
Intertrust (Bahamas) Limited	Bahamas	affiliate	100%
Intertrust Germany GmbH	Germany	affiliate	100%
Intertrust Topholding (Luxembourg) S.à r.l.	Luxembourg	affiliate	100%
Intertrust Holding (Luxembourg) S.à r.l.	Luxembourg	affiliate	100%
Intertrust (Luxembourg) S.a r.l.	Luxembourg	affiliate	100%

A list containing the information referred to in Section 379(1), Book 2 of the Dutch Civil Code has been filed with the office of the Commercial Register of Amsterdam, in accordance with Section 379(5), Book 2 of the Dutch Civil Code.

32.2. Guarantees issued to affiliates

The Company has issued several declarations of joint and several liability for various Group companies, in compliance with section 403 of Part 9 of Book 2 of the Dutch Civil Code. Besides these declarations, Intertrust N.V. has given a guarantee as described in article 479C of the UK Companies Act for the following UK registered affiliates as at 31 December 2017:

Name	Country of incorporation	Registration number
Intertrust Investments Limited	United Kingdom	04996467
Intertrust Trustees (UK) Limited	United Kingdom	07632657
Intertrust Holdings (UK) Limited	United Kingdom	06263011
Intertrust (UK) Limited	United Kingdom	06307550
Intertrust Trustees Limited	United Kingdom	07359549
Intertrust Fiduciary Services (UK) Limited	United Kingdom	05081658
Intertrust Corporate Services (UK) Limited	United Kingdom	04723839
Biplane Bidco (UK) Limited	United Kingdom	09693921

Intertrust pools cash from certain subsidiaries to the extent legally and economically feasible. The entities that participate in the notional pooling have provided cross guarantees and authorization for set-off. Cash not pooled remains available for local operational or investment needs.

33. Non-controlling interests

In 2016, non-controlling interests were related to ATC (Switzerland) S.à r.l. (ownership 51%), ATC Corporate Services (Zug) GmbH (ownership 51%), LBL data services B.V. (ownership 50%) and Structured Finance Management (Spain), S.L. (ownership 75%).

In February 2017, the Group purchased the remaining stake in Structured Finance Management (Spain), S.L. and became 100% owner.

In December 2017 the 51% ownership in ATC (Switzerland) S.à r.l. was sold and the remaining stake in ATC Corporate Services (Zug) GmbH was acquired from the minority owner. The relevant cash flows are presented in the consolidated statement of cash flows.

The Group retained at the end of 2017 the same ownership in LBL data services B.V. (ownership 50%) which is not material for the Company.

34. Subsequent events

There has been no subsequent event from 31 December 2017 to the date of issue of these financial statements.

The financial statements are signed by the Management Board and the Supervisory Board:

Management Board:
Stephanie MIller
Henk Pieter van Asselt

Supervisory Board:
Hélène Vletter-van Dort
Lionel Assant
Toine van Laack
Anthony Ruys
Charlotte Lambkin
Paul Willing

Amsterdam, the Netherlands

22 February 2018

Company statement of profit or loss

(EUR 000)	2017	2016
Staff expenses	-843	—
Other operating expenses	-2,301	-1,588
Profit/(loss) from operating activities	**-3,144**	**-1,588**
Finance income	—	5,319
Finance expense	—	-4
Financial result	**—**	**5,315**
Result of subsidiaries (net of tax)	90,895	49,085
Profit/(loss) before income tax	**87,751**	**52,816**
Income tax	573	-932
Profit/(loss) for the year after tax	**88,324**	**51,884**
Profit/(loss) for the year after tax attributable to:		
Owners of the Company	88,324	51,884

Company statement of financial position

After profit appropriation (EUR 000)	Note	31.12.2017	31.12.2016
Assets			
Investments in participating interests	38	802,297	755,888
Deferred tax assets		—	1,916
Non-current assets		**802,297**	**757,804**
Current tax assets		2,490	—
Prepayments		75	101
Cash and cash equivalents		47	10
Current assets		**2,612**	**111**
Total assets		**804,909**	**757,915**
Equity			
Share capital		55,200	55,200
Share premium		641,499	641,499
Reserves		-56,308	42,345
Retained earnings		64,527	18,829
Total Equity	**40**	**704,918**	**757,873**
Liabilities			
Trade payables		150	—
Other payables		99,841	42
Current liabilities		99,991	42
Total liabilities		**99,991**	**42**
Total equity and liabilities		**804,909**	**757,915**

Company statement of changes in equity

(EUR 000)	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total
			For the period ended 31 December 2017					
			Attributable to owners of the Company					
Balance at 01 January 2017	**55,200**	**641,499**	**18,829**	**7,627**	**-1,324**	**-76**	**36,118**	**757,873**
Profit/(loss) for the year	—	—	88,324	—	—	—	—	88,324
Other comprehensive income/(loss) for the year, net of tax	—	—	-245	-49,064	779	—	—	-48,530
Total comprehensive income/(loss) for the year	**—**	**—**	**88,079**	**-49,064**	**779**	**—**	**—**	**39,794**
Contributions and distributions								
Equity-settled share-based payment	—	—	5,142	—	—	—	—	5,142
Deferred consideration delivered	—	—	2,556	—	—	33,056	-35,612	—
Purchase of treasury shares	—	—	—	—	—	-47,995	—	-47,995
Treasury shares delivered	—	—	-689	—	—	689	—	—
Dividends paid	—	—	-48,290	—	—	—	-506	-48,796
Total contributions and distributions	**—**	**—**	**-41,281**	**—**	**—**	**-14,250**	**-36,118**	**-91,649**
Changes in ownership interests								
Changes in non-controlling interest	—	—	150	—	—	—	—	150
Acquisition of subsidiary with non-controlling interest	—	—	-1,250	—	—	—	—	-1,250
Total changes in ownership	**—**	**—**	**-1,100**	**—**	**—**	**—**	**—**	**-1,100**
Balance at 31 December 2017	**55,200**	**641,499**	**64,527**	**-41,437**	**-545**	**-14,326**	**—**	**704,918**

(EUR 000)	Share capital	Share premium	For the period ended 31 December 2016 — Attributable to owners of the Company — Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total
Balance at 01 January 2016	**51,133**	**524,481**	**-13,515**	**107**	**-16**	**—**	**—**	**562,190**
Profit/(loss) for the year	—	—	51,884	—	—	—	—	51,884
Other comprehensive income/(loss) for the year, net of tax	—	—	133	7,520	-1,308	—	—	6,345
Total comprehensive income/(loss) for the year	**—**	**—**	**52,017**	**7,520**	**-1,308**	**—**	**—**	**58,229**
Contributions and distributions								
Issue of ordinary shares	4,067	117,018	—	—	—	—	—	121,085
Equity-settled share-based payment	—	—	5,988	—	—	—	—	5,988
Business combination	—	—	—	—	—	—	36,118	36,118
Purchase of treasury shares	—	—	—	—	—	-3,657	—	-3,657
Treasury shares delivered	—	—	-3,581	—	—	3,581	—	—
Dividends paid to non-controlling interests	—	—	-22,080	—	—	—	—	-22,080
Total contributions and distributions	**4,067**	**117,018**	**-19,673**	**—**	**—**	**-76**	**36,118**	**137,454**
Balance at 31 December 2016	**55,200**	**641,499**	**18,829**	**7,627**	**-1,324**	**-76**	**36,118**	**757,873**

Notes to the Company financial statements

35. Reporting entity

The Company financial statements of Intertrust N.V. are part of the consolidated financial statements.

36. Basis of preparation

The Company financial statements have been prepared in accordance with the provisions of Part 9 of Book 2 of the Dutch Civil Code. The Company uses the option of Article 362.8 of Part 9 of Book 2 of the Dutch Civil Code to prepare the Company financial statements, using the same accounting policies as in the consolidated financial statements. Valuation is based on recognition and measurement requirements of accounting standards adopted by the EU (i.e. only IFRS that is adopted for use in the EU at the date of authorisation) as explained further in the notes to the consolidated financial statements.

37. Significant accounting policies

37.1. Result of participating interests

The share of profit of participating interests consists of the share of the Company in the results of these participating interests. Results on transactions, where the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests, themselves, are not realised.

37.2. Financial fixed assets

Participating interests in Group companies are accounted for in the Company financial statements according to the equity method. Refer to the basis of consolidation accounting policy in the consolidated financial statements.

38. Investments in participating interests

(EUR 000)	31.12.2017	31.12.2016
Balance at 01 January	755,888	32,424
Minority interest buy out	-1,250	—
Investments	129	686,456
Share of result of participating interests	90,895	49,089
Dividend income	-55	-24,416
Equity-settled share-based payment	5,220	5,990
Actuarial gains/(losses)	-245	133
Changes in hedging and translation reserves	-48,285	6,212
Balance at 31 December	**802,297**	**755,888**

In 2017, the Company became 100% owner of SFM Spain together with the affiliated professional services activities of Azcona y Asociados de Consultoría Tributaria, Jurídica y Contable, S.L. (“Azcona”). See details in the Consolidated Financial Statement of the Company in note 6.1.

In 2017, the Company became 100% owner of ATC Zug by buying out the minority interest of 49%. See details in the Consolidated Financial Statement of the Company in note 33.

In 2016, the Company became the 100% owner of Intertrust Group B.V., a company based in the Netherlands, following post-IPO restructuring. The dividend declared by Intertrust Group B.V. and paid out of retained earnings was EUR 24,412 thousand.

39. Loans to and from participating interests

In 2016, the loans receivable from its subsidiary Intertrust Topholding (Luxembourg) S.à. r.l has been set-off within post-IPO restructuring.

From the total closing balance as at 31 December 2017 of other liabilities EUR 98.275 thousand is relating to a current liability on arm's length basis from its subsidiary Intertrust Group B.V.

40. Shareholders' equity

On 13 June 2016, the Company issued 6,777,778 ordinary shares for the purchase of Elian Group.

There is no legal reserve identified on the Company level.

For movements in Equity, refer to note 22.

41. Fees of the auditors

The following fees from KPMG Accountants N.V. and its member firms to the Company and its subsidiaries have been booked for the financial period:

	KPMG Accountants N.V.		Other KPMG member firms and affiliates	
(EUR 000)	**2017**	**2016**	**2017**	**2016**
Audit of the financial statements	-405	-470	-1,231	-822
Other assurance related services (including half year review)	-227	-202	-34	-33
Tax fees	—	—	-34	-54
Other fees	—	—	-82	-39
Total	-632	-672	-1,381	-948

For the period to which the statutory audit relates, KPMG provided the following services to Intertrust N.V. in addition to the audit:

- review of financial information for consolidation purposes;
- IT and business process attestation under ISAE 3402 standard.

42. Remuneration

Refer to note 31 of the consolidated financial statements for the remuneration of the Management Board and the Supervisory Board.

43. Off-balance sheet commitments

Fiscal unity

The Company is head of a fiscal unity for corporate income tax purposes. The Company calculates its taxes on a stand-alone basis. The payables and/or receivables of the corporate income tax are settled with the companies that are part of the fiscal unity. In accordance with the standard conditions of the fiscal unity, each of the companies is liable for the income tax liabilities of the entire fiscal unity.

For further details, please refer to note 29.

44. Subsequent events

For subsequent events, please refer to note 34.

The financial statements are signed by the Management Board and the Supervisory Board:

Management Board:
Stephanie MIller
Henk Pieter van Asselt

Supervisory Board:
Hélène Vletter-van Dort
Lionel Assant
Toine van Laack
Anthony Ruys
Charlotte Lambkin
Paul Willing

Amsterdam, the Netherlands

22 February 2018

Other information

Appropriation of Result

The Management Board proposes to appropriate EUR 56,020 thousand (2016: EUR 45,080 thousand) of the profit for a payment of a dividend and to add EUR 32,304 thousand (2016: EUR 6,804 thousand) to the retained earnings.

Statutory provision with respect to appropriation of results

According to the Company's Articles of Association, the Company's result is freely at the disposal of the shareholders, provided that total shareholders' equity exceeds the called-up and paid-up capital of the Company and the reserves which must be maintained pursuant to Dutch law.

Independent auditor's report

To: the General Meeting of Shareholders and the Supervisory Board of Intertrust N.V.

Report on the audit of the financial statements 2017 included in the annual report

Our opinion

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of Intertrust N.V. as at 31 December 2017 and of its result and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- the accompanying company financial statements give a true and fair view of the financial position of Intertrust N.V. as at 31 December 2017 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2017 of Intertrust N.V. (the Company) based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2017;
2. the following consolidated statements for 2017: the statement of profit or loss, the statements of comprehensive income, changes in equity and cash flows; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1. the company balance sheet as at 31 December 2017;
2. the company statement of profit or loss for 2017; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Intertrust N.V. in accordance with the EU Regulation on specific requirements regarding statutory audits of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit approach

Summary

MATERIALITY
- Materiality of EUR 4 million
- 4% of profit before tax from continuing operations

GROUP AUDIT
- 85% audit coverage of revenue (2016: 87%)

KEY AUDIT MATTERS
- Revenue recognition including management override of controls
- Valuation of goodwill
- Information technology
- Provisioning for litigation and claims

UNQUALIFIED OPINION

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 4 million (2016: EUR 4 million). The materiality is determined with reference to the 2017 profit before tax from continuing operations (4%, 2016: 4%). We consider profit before tax from continuing operations as the most appropriate benchmark as it reflects the operations of the Company. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Audit Committee of the Supervisory Board that misstatements in excess of EUR 200,000 which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Intertrust N.V. is at the head of a group of components. The financial information of this group is included in the consolidated financial statements of Intertrust N.V.

Because we are ultimately responsible for the opinion, we are responsible for directing, supervising and performing the group audit. In this respect, we have determined the nature and extent of the audit procedures to be carried out for group entities. Our group audit mainly focused on significant components. Components that were considered significant based on revenues are included in-scope. These were the operating entities in the Netherlands, Luxembourg, Cayman Islands and Jersey. Furthermore, we included in-scope the operating entity in Guernsey as we assigned a significant risk of material misstatement to one or more account balances of this entity. In addition, to arrive at a sufficient overall coverage over all relevant significant account balances, we included operating entities in Singapore, UK, Curacao and Hong Kong in scope of our group audit as well.

All components in scope for group reporting are audited by KPMG member firms, with the exception of Intertrust Management Services Pte ltd and its subsidiaries (Singapore). The contribution to revenues of this entity amounts to 2% of Intertrust N.V. For all components in scope an audit of the complete reporting package (full scope audit) was performed. For components in scope we have:

- sent detailed instructions to all component auditors, covering significant areas including the relevant risks of material misstatement and set out the information required to be reported to the group audit team;
- held conference calls and/or physical meetings with the auditors of the components. During these visits, meetings and calls, the planning, risk assessment, procedures performed, findings and observations reported to the group auditor were discussed in more detail;
- visited component locations in the Netherlands, Luxembourg and Jersey where we performed audit file reviews. We performed an off site file review for Cayman Islands;
- performed audit procedures ourselves at group entity Intertrust N.V. and the Dutch operating entity;
- performed audit procedures over significant accounts such as external debt and goodwill and share based payments ourselves at the group holding entity in the Netherlands;

The group audit team has set component materiality levels, which ranged from EUR 0.5 million to EUR 2.5 million, based on the mix of size and financial statement risk profile of the components within the group to reduce the aggregation risk to an acceptable level. The consolidation of the group, the disclosures in the annual accounts and certain accounting topics that are performed at group level are audited by the group audit team.

For components not in scope we performed analytical reviews to confirm our assessment that the risk of a material misstatement within these components is low.

By performing the procedures mentioned above at group components, together with additional procedures at component and group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the consolidated financial statements.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Audit Committee of the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition including management override of controls

Description

Revenue recognition, in particular existence of revenue and possible fraudulent recognition, is considered a significant audit risk. It relates to potential manipulation of cut-off and management override of controls. Management override relevant to internal controls is an action or a series of actions performed by management to bypass established internal controls. Management override may be driven by a desire to reach analyst expectations. It relates to cut-off of revenue whereby revenue is overstated.

Our response

We addressed the risk of fraudulent revenue recognition and management override of controls in our audit through a combination of controls testing and substantive testing:

- analysis of the Company's accounting policies and practices in relation to revenue recognition for compliance with IAS 18;
- testing of the key controls in relation to revenue recognition, such as the approval of hours recorded, reconciliation of written hours to contractual hours and review of proposed invoicing;
- testing operating effectiveness of the IT application and the thereto related general IT controls applicable to the system for financial reporting to the extent that this is considered effective and efficient in our audit approach. For components where IT controls are not completely implemented, this resulted in additional substantive audit procedures such as manual reconciliations of data;
- testing the cut-off of revenue with underlying documentation. Amongst others, we verified the timing of revenue recognition with underlying contracts and written hours, whether credit notes issued after balance sheet date related to revenue recognised in 2017, the existence and collectability of WIP and debtor balances by reconciling WIP to written hours and testing the aging of accounts receivable;
- performance of journal entry testing of both manual journal entries recorded directly in the consolidation, and manual journal entries recorded by local management, using data analysis tools where possible.

Our observation

Our audit procedures did not reveal indications of management override of controls in the accounting applied by management in relation to the recognition of revenue.

Valuation of goodwill

Description

The company has recognised a significant amount of goodwill, predominantly emanating from the acquisitions of Elian and ATC businesses amounting to EUR 949 million. A potential risk of impairment of goodwill exists, to the extent future developments negatively deviate from the assumptions applied during the acquisition of the group entities. The annual impairment test performed was significant to our audit because the assessment process is complex and judgmental and is based on assumptions that are affected by expected future economic and market conditions. In performing the impairment testing for goodwill, the Company used various assumptions in respect of future economic and market conditions, such as the discount rate, revenue and margin development, expected inflation rates and the terminal value growth.

The amounts recognised, the assumptions and sensitivities used to assess the recoverable amount recognised are disclosed in note 15 of the consolidated financial statements.

Our response

We performed, amongst others, the following procedures:

- assessed whether the impairment testing was performed in accordance with IAS 36;
- assessed if management's determination of the Cash Generating Unit (CGU) and the related carrying value was appropriate;
- challenged management's budget and cash flow forecasts, performing sensitivity analyses and a retrospective review of the historical accuracy of management's estimations;

- involved a KPMG valuation specialist to assist the audit team in the audit procedures performed. The valuation specialist's procedures included evaluating the reasonability of the methodology used by management, assessing the reasonableness of the key input parameters (including WACC and terminal growth rate), performing independent sensitivity analyses over the outcome of the impairment test, and comparison with market data (EBITDA multiples);
- assessment of the mathematical accuracy of the goodwill impairment model and assessment of whether the calculated present value is higher/lower than the Book Value or the Net Assets;
- reconciliation of source data used in the model to underlying accounting records.

Our observation

Based on our procedures performed we observed management's assumptions for the valuation of goodwill were within an acceptable range.

Information technology

Description

The Company is dependent on its IT-infrastructure for the continuity of its operations. The Company makes investments in its IT systems and—processes as it is continuously improving the efficiency and effectiveness of the IT-infrastructure and the reliability and continuity of the electronic data processing.

Our response

We have assessed the reliability and continuity of the electronic data processing, as far as necessary within the scope of our audit. For that purpose we included IT-auditors in our audit team. As part of the audit of the financial statements, we obtained an understanding of the entity's IT environment, and how the Company has mitigated the risks arising from the IT systems by testing internal controls insofar relevant for the purpose of our audit, that maintain the integrity of information and the security of the data that such systems process.

Our procedures included amongst others the assessment of change management, user access management and information security and data privacy policies in the IT-domain and testing of the relevant internal controls with respect to relevant IT-systems and -processes. We have also assessed how the company deals with risk assessment and operational security measures, threat management and vulnerability management.

To the extent where (part of the) General IT Controls are not operating effectively, we assess the impact on our substantive audit approach. This may include test of details of specific transactions and reports.

Our observation

We have no material findings as part of our audit of the financial statements in respect of the reliability and continuity of the electronic data processing of the Company.

Provisioning for litigations and claims

Description

Considering the line of business of Intertrust N.V., in combination with the inherent subjectivity in identifying, monitoring and provisioning of claims, there is a potential risk of a material misstatement in claim provisions and contingency disclosures. Management's assessment of legal claims is included in note 26 of the consolidated financial statements, and the description of contingencies is included in note 30.

Our response

We performed, amongst others, the following procedures:

- testing management's controls in relation to risks of breaches in laws and regulations, as well as testing controls over litigation and claims monitoring and provision recognition;
- challenge of management's assessment of litigations and claims, and subsequent assessment of provisions required as at the year-end;
- inquiry with in-house legal counsel and verification of substantive evidence.

Our observation

The results of our procedures regarding the provision for litigation and claims to be recognized were satisfactory.

In 2016, we had included as key audit matter 'accounting for acquisition of Elian'. As the Elian acquisition is a 2016 event, this is not considered a key audit matter anymore.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the Management Board's Report on pages 4 to 73;
- the other information pursuant to Part 9 of Book 2 of the Netherlands Civil Code on page 171;
- the Report from the Supervisory Board on pages 74 to 87;
- the Corporate Governance report on pages 88 to 103.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Management Board of the Company is responsible for the preparation of the other information, including the Management Board report in accordance with Part 9 of Book 2 of the Dutch Civil Code and the other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged by the General Meeting as auditor of Intertrust N.V. on 25 September 2015, as of the audit for year of 2015 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of the Management Board of the Company and the Supervisory Board for the financial statements

The Management Board of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Management Board of the Company is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Management Board of the Company is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Management Board of the Company should prepare the financial statements using the going concern basis of accounting unless the Management Board of the Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The management Board of the Company should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is included in the appendix to this auditor's report. This description forms part of our auditor's report.

Amstelveen, 22 February 2018

KPMG Accountants N.V.

W.G. Bakker RA

Appendix: Description of our responsibilities for the audit of the annual accounts

Appendix

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Intertrust's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management of the Company;
- concluding on the appropriateness of Management of the Company's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Intertrust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group components. Decisive were the size and/or the risk profile of the group components or operations. On this basis, we selected group components for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audits of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Consolidated statement of profit or loss

(EUR 000)	Note	2016		2015	
Revenue			**385,753**		**344,590**
Staff expenses	7		-170,656		-144,882
thereof share-based payment upon IPO		*-4,119*		*-4,354*	
thereof share-based payment upon integration		*-358*		—	
Rental expenses			-20,116		-17,246
Other operating expenses	9		-50,460		-41,636
thereof transaction & monitoring costs		*-4,153*		*-5,303*	
thereof integration costs		*-8,462*		*-3,115*	
Other operating income	10		107		3,725
Earnings before interest, taxes, depreciation and amortisation (EBITDA)			**144,628**		**144,551**
Depreciation and amortisation	11		-42,515		-37,262
Profit/(loss) from operating activities			**102,113**		**107,289**
Finance income			172		73
Finance costs			-30,780		-100,702
Net Finance costs	12		**-30,608**		**-100,629**
Share of profit of equity-accounted investees (net of tax)			-29		-42
Profit/(loss) before income tax			**71,476**		**6,618**
Income tax	13		-19,518		-3,980
Profit/(loss) for the year after tax			**51,958**		**2,638**
Profit/(loss) for the year after tax attributable to:					
Owners of the Company			51,884		2,669
Non-controlling interests			74		-31
Profit/(loss) for the year			**51,958**		**2,638**
Basic earnings per share (EUR)	14		0.58		0.12
Diluted earnings per share (EUR)	14		0.58		0.12

The Notes on pages F-99 to F-149 are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

(EUR 000)	Note	2016	2015
Profit/(loss) for the year after tax		**51,958**	**2,638**
Actuarial gains and losses on defined benefit plans		133	-2,037
Income tax on actuarial gains and losses on defined benefit plans		—	259
Items that will never be reclassified to profit or loss		**133**	**-1,778**
Foreign currency translation differences – foreign operations		7,520	12,824
Net movement on cash flow hedges		-1,744	2,826
Income tax on net movement on cash flow hedges		436	-706
Items that are or may be reclassified to profit or loss		**6,212**	**14,944**
Other comprehensive income/(loss) for the year, net of tax		**6,345**	**13,166**
Total comprehensive income/(loss) for the year		**58,303**	**15,804**
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		58,229	15,832
Non-controlling interests		74	-28
Total comprehensive income/(loss) for the year		**58,303**	**15,804**

The Notes on pages F-99 to F-149 are an integral part of these consolidated financial statements.

Consolidated statement of financial position

(EUR 000)	Note	31.12.2016	31.12.2015
Assets			
Property, plant and equipment	15	20,167	11,271
Intangible assets	16	1,580,487	1,064,460
Investments in equity-accounted investees	17	707	257
Other non current financial assets	18	3,820	4,142
Deferred tax assets	19	2,480	7,083
Non-current assets		**1,607,661**	**1,087,213**
Trade receivables	20	99,160	80,996
Other receivables	21	15,021	16,454
Work in progress		31,984	17,992
Current tax assets		945	688
Other current financial assets	18	1,627	1,204
Prepayments		8,167	5,362
Cash and cash equivalents	22	69,858	80,464
Current assets		**226,762**	**203,160**
Total assets		**1,834,423**	**1,290,373**

(EUR 000)	Note	31.12.2016	31.12.2015
Equity			
Share capital		55,200	51,133
Share premium		630,441	513,423
Reserves		42,345	91
Retained earnings		29,887	-2,457
Equity attributable to owners of the Company		**757,873**	**562,190**
Non-controlling interests		1,930	124
Total equity	**23**	**759,803**	**562,314**
Liabilities			
Loans and borrowings	24	781,221	523,676
Other non current financial liabilities	18	1,763	19
Employee benefits liabilities	25	3,082	2,802
Deferred income		8,677	8,303
Provisions	27	1,147	828
Deferred tax liabilities	19	85,659	72,318
Non-current liabilities		**881,549**	**607,946**
Loans and borrowings	24	18,072	129
Trade payables		10,636	6,221
Other payables	21	66,974	54,884
Deferred income	26	71,467	46,711
Provisions	27	2,219	1,047
Current tax liabilities		23,703	11,121
Current liabilities		**193,071**	**120,113**
Total liabilities		**1,074,620**	**728,059**
Total equity & liabilities		**1,834,423**	**1,290,373**

The Notes on pages F-99 to F-149 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

(EUR 000)	Note	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total	Non-controlling interests	Total equity
		For the period ended 31 December 2016									
		Attributable to owners of the Company									
Balance at 01 January 2016		**51,133**	**513,423**	**-2,457**	**107**	**-16**	**—**	**—**	**562,190**	**124**	**562,314**
Profit/(loss) for the year		—	—	51,884	—	—	—	—	**51,884**	74	**51,958**
Other comprehensive income/(loss) for the year, net of tax		—	—	133	7,520	-1,308	—	—	**6,345**	—	**6,345**
Total comprehensive income/(loss) for the year		**—**	**—**	**52,017**	**7,520**	**-1,308**	**—**	**—**	**58,229**	**74**	**58,303**
Contributions and distributions											
Issue of ordinary shares	23	4,067	117,018	—	—	—	—	—	**121,085**	—	**121,085**
Equity-settled share-based payment		—	—	5,988	—	—	—	—	**5,988**	—	**5,988**
Business combination	6	—	—	—	—	—	—	36,118	**36,118**	—	**36,118**
Purchase of treasury shares		—	—	—	—	—	-3,657	—	**-3,657**	—	**-3,657**
Treasury shares delivered		—	—	-3,581	—	—	3,581	—	**—**	—	**—**
Dividends	23	—	—	-22,080	—	—	—	—	**-22,080**	—	**-22,080**
Total contributions and distributions		**4,067**	**117,018**	**-19,673**	**—**	**—**	**-76**	**36,118**	**137,454**	**—**	**137,454**
Changes in ownership interests											
Dividends paid to non-controlling interests		—	—	—	—	—	—	—	**—**	-177	**-177**
Acquisition of subsidiary with non-controlling interest	6	—	—	—	—	—	—	—	**—**	1,909	**1,909**
Total changes in ownership interest		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**1,732**	**1,732**
Total transactions with owners of the Company		**4,067**	**117,018**	**-19,673**	**—**	**—**	**-76**	**36,118**	**137,454**	**1,732**	**139,185**
Balance at 31 December 2016		**55,200**	**630,441**	**29,887**	**7,627**	**-1,324**	**-76**	**36,118**	**757,873**	**1,930**	**759,803**

The Notes on pages F-99 to F-149 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity (continued)

(EUR 000)	Note	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total	Non-controlling interests	Total equity
		For the period ended 31 December 2015									
		Attributable to owners of the Company									
Balance at 01 January 2015		**1,135**	**10,219**	**-4,294**	**-12,714**	**-2,135**	—	—	**-7,789**	**152**	**-7,637**
Profit/(loss) for the year		—	—	2,669	—	—	—	—	**2,669**	-31	**2,638**
Other comprehensive income/(loss) for the year, net of tax		—	—	-1,778	12,821	2,120	—	—	**13,163**	3	**13,166**
Total comprehensive income/(loss) for the year		**—**	**—**	**892**	**12,821**	**2,120**	**—**	**—**	**15,832**	**-28**	**15,804**
Contributions and distributions											
Issue of ordinary shares	23	18,133	439,488	—	—	—	—	—	**457,621**	—	**457,621**
Capital reorganisation under common control	23	31,865	63,716	—	—	—	—	—	**95,581**	—	**95,581**
Equity-settled share based payment		—	—	945	—	—	—	—	**945**	—	**945**
Total contributions and distributions		**49,998**	**503,204**	**945**	**—**	**—**	**—**	**—**	**554,147**	**—**	**554,147**
Total transactions with owners of the Company		**49,998**	**503,204**	**945**	**—**	**—**	**—**	**—**	**554,147**	**—**	**554,147**
Balance at 31 December 2015		**51,133**	**513,423**	**-2,457**	**107**	**-16**	—	—	**562,190**	**124**	**562,314**

The Notes on pages F-99 to F-149 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

(EUR 000)	Note	2016	2015
Cash flows from operating activities			
Profit/(loss) for the period		**51,958**	**2,638**
Adjustments for:			
Income tax expense	13	19,518	3,980
Share of loss/(profit) of equity-accounted investees		29	42
Net finance costs	12	30,608	100,629
Depreciation / Impairment of tangible assets	11	4,256	3,390
Amortisation / Impairment of intangible assets	11	38,259	33,872
(Gain)/loss on sale of non-current assets		473	-1,325
Other non cash items		6,380	-2,856
		151,481	**140,370**
Changes in:			
(Increase)/decrease in trade working capital	(*)	4,966	-1,178
(Increase)/decrease in other working capital	(**)	2,475	-1,656
Increase/(decrease) in provisions	27	-564	-151
Changes in foreign currency		-1,735	-1,179
Related to specific items:			
Increase/(decrease) in payables		-275	-2,851
Increase/(decrease) in provisions	27	1,700	-632
		158,048	**132,723**
Income tax paid		-5,653	-5,176
Net cash from/(used in) operating activities		**152,395**	**127,547**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		23	4
Proceeds from sale of Investments		—	1,343
Purchase of intangible assets	16	-4,284	-9,677
Purchase of tangible assets	15	-7,086	-3,398
Acquisitions, net of cash acquired		-171,541	-22,277
(Increase)/decrease in other financial assets		577	-300
Interest received	12	172	73
Net cash from/(used in) investing activities		**-182,139**	**-34,232**

The Notes on pages F-99 to F-149 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows (continued)

(EUR 000)	Note	2016	2015
Cash flows from financing activities			
Proceeds from issue of share capital	23	120,780	450,706
Proceeds from bank borrowings	24	296,295	528,238
Acquisition of treasury shares		-3,657	—
Payment of financing costs		-6,822	-9,031
Repayment of loans and borrowings banks		-22,190	-966,735
Repayment of loans and borrowings following acquisitions		-322,389	-1,545
Interest and other finance expenses paid		-17,218	-52,682
Dividends paid		-22,080	—
Dividends paid to non-controlling interest		-177	—
Net cash from/(used in) financing activities		**22,542**	**-51,049**
Net increase/(decrease) in cash		**-7,202**	**42,266**
Cash attributable to the Company at the beginning of the period	22	66,472	23,234
Effect of exchange rate fluctuations on cash attributable to the Company		-7,537	972
Cash attributable to the Company at the end of the period		**51,733**	**66,472**
Cash held on behalf of clients at the end of the period	22	18,125	13,992
Cash and cash equivalents at the end of the period	**22**	**69,858**	**80,464**

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

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

The Notes on pages F-99 to F-149 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. Reporting entity

Intertrust N.V. (the "Company") is a company domiciled in The Netherlands and was incorporated on 8 September 2014. The address of the Company's registered office is Prins Bernhardplein 200, Amsterdam, the Netherlands.

The financial statements of the Company for the period from 1 January 2016 to 31 December 2016 comprise the Company and its subsidiaries (together referred as the "Group" and individually as "Group entities") and the Group's interest in associates.

In 2015, the Company became the parent of the Group by the contribution of the entire issued and outstanding share capital of Intertrust Topholding (Luxembourg) S.à r.l. and the outstanding amounts under the Shareholder loans to the Company's shareholder's equity as a capital contribution. The capital contribution has been accounted for as a capital reorganisation under common control and measured at the IFRS historical carrying values of Intertrust Topholding (Luxembourg) S.à r.l. The consolidated financial statements are therefore presented as if the Company had been the parent company of the Group throughout the periods presented.

The Company began trading its shares on Euronext Amsterdam on 15 October 2015 following an Initial Public Offering (IPO). The Group provides corporate and funds services, private client services and capital markets services. At 31 December 2016, the Group has operations in 30 countries and employs 2,359 FTEs (full time equivalent employees) (31 December 2015: 1,714 FTEs).

2. Basis of preparation

2.1. Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union for use in the EU (EU IFRS) effective as at 31 December 2015 and in accordance with Title 9 Book 2 of the Dutch Civil Code.

These consolidated financial statements were authorised for issue by the Management Board on 31 March 2017. They are subject to approval by the Annual General Meeting of Shareholders.

2.2. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the consolidated statement of financial position:

- Derivative financial instruments are measured at fair value;
- Defined benefit (assets) liabilities are recognised at the fair value of plan assets less the present value of defined benefit obligation, as explained in Note 3.3

2.3. Functional and presentation currency

These consolidated financial statements are presented in Euro, which is the Company's functional currency. All financial information presented in Euro has been rounded to the nearest thousand (EUR 000), unless otherwise indicated.

2.4. Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is included in the following notes:

- Note 16.1: impairment test: key assumptions underlying recoverable amounts of cash generating units.
- Note 19: recognition of deferred tax assets: availability of future taxable profit against which carry forward tax losses can be used.
- Note 27: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as much as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about assumptions made in measuring fair values is included in the following notes:

- Note 28.6 "Fair values of financial instruments"
- Note 3.4 "Equity-settled share-based payment arrangements"

2.5. Changes in accounting policies

Except for the changes below, the Group has consistently applied the accounting policies set out in Note 3 to all periods presented in these consolidated financial statements.

In the current year, the Group has applied the following new standards and amendments to standards that are mandatorily effective for an accounting period that begins on or after 1 January 2016:

- Disclosure Initiative (Amendments to IAS 1)
- Equity Method in Separate Financial Statements (Amendments to IAS 27)
- Annual Improvements to IFRSs 2012-2014 Cycle (Amendments to IFRSs)

These changes and all other amendments had no significant impact on the disclosures or amounts recognised in the consolidated financial statements.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities.

3.1. Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Non-controlling interests

Non-controlling interests are measured either at their proportionate share of the acquiree's identifiable net assets or at fair value at the acquisition date. The choice of measurement is made on an acquisition-by-acquisition basis.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise only interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Investments in associates are accounted for using the equity method. They are recognised initially at cost, which includes transactions costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and sales taxes or duty. Revenue is recognised in profit or loss to the prorate part of the services rendered to the client during the reporting date. When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

Revenue comprises corporate and fund services, private client services and capital markets services. Revenue also includes subleasing rental income to Group clients.

3.3. Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

To calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefits payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

3.4. Equity-settled share-based payment arrangements

The Company operates equity-settled share-based payment arrangements, under which services are received from Management Board members and eligible employees.

The total amount to be expensed for services received is determined by reference to the grant date fair value of the share-based payment awards made; including the impact of any non-vesting conditions and market conditions.

Service conditions and non-market performance conditions are taken into account in the number of awards expected to vest. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of awards that will eventually vest, with a corresponding credit to equity.

At each reporting date, the Company revises its estimates of the number of awards that are expected to vest. The impact of the revision of original estimates, if any, is recognised in the income statement for the period.

The employer social security contributions payable in connection with an award made is considered an integral part of the award, and the charge is treated as a cash-settled share-based payment transaction.

3.5. Leases

The Group principally enters into operating leases for the rental of equipment and buildings. Payments done under such leases are typically charged to profit or loss on a straight line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be done to the lessor by way of penalty is recognised as an expense in the period in which termination takes place. Any incentives received from the lessor in relation to operating leases are recognised as a reduction of rental expense over the lease term on a straight line basis.

3.6. Finance income and finance costs

Finance income comprises interest income on loans and receivables, gains on the disposal of available-for-sale financial assets, fair value gains on financial assets at fair value through profit or loss and gains on the remeasurement to fair value of any pre-existing interest in an acquiree. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expenses on loans and borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, fair value losses on financial assets at fair value through profit and loss, impairment losses on financial assets (other than trade receivables), gains and losses on hedging instruments that are recognised in profit or loss and reclassifications of amounts previously recognised in other comprehensive income.

Transaction costs that are directly attributable to the acquisition or issue a financial instrument are capitalised to the associate instrument and amortised to the profit or loss over the contractual term using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or loss position.

3.7. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- available-for-sale equity investments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- financial liabilities designated as hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Euro at the exchange rates at the reporting date (closing rates). The income and expenses of foreign operations are translated into Euro at exchange rates at the dates of the transactions.

The Group doesn’t own nor control any foreign operations in hyperinflationary economies.

Foreign currency differences are recognised in other comprehensive income, and accumulated in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportion of the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign currency gains and losses arising from such item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity.

Hedge of a net investment in foreign operations

The Group applies hedge accounting to foreign currency differences arising between the functional currency of foreign operation and the Company's functional currency (euro).

To the extent that the hedge is effective, foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in OCI and accumulated in the translation reserve. Any remaining differences are recognised in profit or loss. When the hedged net investment is disposed of, the relevant amount in the translation reserve is transferred to profit or loss as part of the gain or loss on disposal.

3.8. Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available, against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

3.9. Financial instruments

Classification and measurement

The group classifies issued financial instruments, or its component parts, on initial recognition as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement. Instruments are classified as equity if, and only if:

- The instrument includes no contractual obligation to deliver cash (or another financial asset) to another entity or to exchange financial assets or financial liabilities under conditions that are potentially unfavourable; and
- If the instrument will or may be settled in the Group's own equity instruments, it is a non-derivative that includes no contractual obligation for the issuer to deliver a variable number of its own equity instruments or a derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial asset that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position if, and only if, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise loans, trade receivables and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances bank accounts, cash on hand and cash in short-term deposits with maturities of three months or less.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale, or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

When investments in equity instruments do not have a quoted market price in an active market and its fair value cannot be reliably they measured are measured at cost.

Available-for-sale financial assets comprise equity shares.

Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise loans and borrowings and trade and other payables.

Derivative financial instruments, including hedge accounting

The Group holds derivative financial instruments to hedge its interest rate risk exposures.

Derivatives are initially recognised at fair value; any directly attributable transaction costs are recognised in profit or loss as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value and the accounting for the changes therein depend on whether the derivative is designated as a hedging instrument or not.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The amount accumulated in equity is retained in other comprehensive income and reclassified to profit or loss in the same period or periods during which the hedged item affects profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in profit or loss.

3.10. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and all costs directly attributable to bringing the asset to working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing cost, if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated to write off the cost of property, plant and equipment less their residual values on a straight-line basis over their expected useful lives as follows:

- Leasehold improvements 5 to 15 years—not exceeding the remaining lease terms
- Equipment & motor vehicles 3 to 10 years
- IT equipment 3 to 5 years

An item of property, plant and equipment and any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial period end, and adjusted prospectively, if appropriate.

3.11. Intangible fixed assets and goodwill

Goodwill

Goodwill that arises on the acquisition of subsidiaries is presented with intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and any impairment loss is allocated to the carrying amount of the equity-accounted investee as a whole.

Intangible assets acquired separately

Intangible assets that are acquired separately by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. The Group does not have intangible assets with indefinite useful lives.

Amortisation is recognised in profit or loss on a straight-line basis over their estimated useful lives from the date that they are available for use. The amortisation expense is recognised in the consolidated statement of comprehensive income in the "Depreciation and amortisation" caption. The estimated useful lives are as follows:

- Software 1 to 5 years
- Brand name 20 years
- Customer relationships 14 to 17 years

Amortisation methods, estimated useful lives and residual value, are reviewed at each reporting date and adjusted if appropriate, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are measured at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.12. Work in progress

Work in progress represents the net unbilled amount expected to be collected from clients for work performed to date. It is measured at the chargeable rate agreed with the individual clients less progress billed.

3.13. Impairment of assets

Non-derivative financial assets

Financial assets not classified at fair value through profit or loss, including an interest in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets measured at amortised cost

The Group considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in cumulative impairment losses attributable to application of the effective interest method are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than work in progress, current and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Goodwill is tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.14. Assets classified as held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Immediately before classification as held-for-sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on *pro rata* basis, except that no loss is allocated to work in progress, financial assets and current and deferred tax assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held-for-sale, intangible fixed assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

3.15. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Repurchase and reissue of ordinary shares (treasury shares)

When share capital are recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to or from retained earnings.

Dividends

Dividends are recognised as a liability in the period in which they are declared.

3.16. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the impact of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Legal matters

A provision for legal matters is recognised to cover the costs such as legal proceedings or legal requirements imposed under new legislation.

Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with the contract.

3.17. New standards and interpretations

New standards and interpretations issued but not yet adopted

A number of amendments to existing, as well as the issue of new accounting standards are applicable from or after the beginning of the Group's next annual reporting period. The expected impact of these standards is summarised below:

IFRS 9, published in July 2014, replaces existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on classification and measurement of financial instruments, including an expected credit loss model for calculating impairment on financial assets. In addition, IFRS 9 provides a revised hedging model. All of the Group's hedge relationships are expected to continue under IFRS 9. The Group will implement IFRS 9 per 1 January 2018. Based on preliminary assessments, IFRS 9 will have limited impact on its consolidated financial statements.

IFRS 15 'Revenue from Contracts with Customers', published in May 2014, establishes a framework for determining whether, how much and when revenue is recognised. It replaces existing guidance, including IAS 18 'Revenue' and IAS 11 'Construction Contracts' and will be implemented by the Group per 1 January 2018. The Group has made a high level impact assessment. Based on this preliminary assessment, the Group expects that for some annual fixed fee services provided to customers, the recognition of revenue over time may not qualify anymore but instead should be recognised at a point in time. The impact on annual reporting is expected to be limited but will be further investigated in 2017.

IFRS 16 'Leases', published in January 2016, introduces a new definition of a lease and eliminates the current dual accounting model for lessees, bringing most leases on-balance in the financial statements of the lessee. It replaces existing guidance on leases, including IAS 17. The Group expects to implement IFRS 16 per 1 January 2019. The Group has a significant number of operating lease contracts (see Note 29), mainly for real estate and therefore the following changes are expected upon transition to IFRS 16:

- Assets and liabilities of the Group are expected to increase due to recognition of the right-of-use asset and a lease liability.
- Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) will increase as the lease payments will be presented as depreciation and net finance expense rather than operational cost. Earnings before Interest, Taxes and Amortisation (EBITA) is not expected to materially change.
- Operating cash flow will increase and investing and financing cash flow will decrease as the lease payments will no longer be considered as operational.

A more detailed impact assessment will be made during 2017 and 2018.

The following new or amended standards are not expected to have a significant impact on the consolidated financial statements:

- Disclosure Initiative (amendments to IAS 7)
- Recognition of deferred tax assets for unrealised losses (amendments to IAS 12)
- Classification and measurement of Share-based Payments (amendments to IFRS 2).

4. Non IFRS Financial measures

4.1. Definitions

- EBITDA is defined as earnings before interests, taxes, depreciation and amortisation.
- Adjusted EBITDA is defined as EBITDA excluding specific items and adjusted for one-off revenue / expenses.
- Adjusted Revenue is defined as Revenue adjusted for one-off revenue.
- Specific items of income or expenses are income and expenses items that, based on their significance in size or nature, should be separately presented to provide further understanding about the financial performance. Specific items include:
  - Transaction and monitoring costs
  - Integration costs
  - Share-based payment upon IPO
  - Income/expenses related to disposal of assets

  Specific items are not of an operational nature and do not represent the core operating results.
- One-off revenue consists mainly of revenues related to the release of one-off provisions. The one-off expenses are related to redundancies, legal costs and settlement fees.
- Adjusted EBITA is defined as Adjusted EBITDA after depreciation and software amortisation.
- Adjusted net income is defined as Adjusted EBITA less net interest costs and less tax costs.
- Adjusted net income per share is defined as adjusted net income divided by the weighted-average number of basic shares for the period.

5. Operating segments

5.1. Basis for segmentation

The Management Board is the Chief Operating Decision Maker of the Group (CODM). The responsibility of the Management Board is to assess performance and to make resource allocation decisions across the Group.

The analysis of the business is organised and managed on a geographical perspective. Operating segments were defined as Netherlands, Luxembourg, Cayman, Guernsey and Rest of the World. All operating segments are regarded as reportable segments due to their size/importance for the overall understanding of the geographical business. Elian's results from the acquisition are presented in a separate segment defined as "Elian".

They are reported in a manner consistent with the internal reporting provided to and used by the Management Board.

The Management Board evaluates the performance of its segments based on Adjusted Revenue and Adjusted EBITA ("segment Adjusted Revenue" and "segment Adjusted EBITA"). Management considers that such information is the most relevant in evaluating the results of the respective segments.

(EUR 000)	Note	2016	2015
EBITDA		**144,628**	**144,551**
Specific items – Transaction & Monitoring costs	9	4,153	5,303
Specific items – Integration costs	9	8,462	3,115
Specific items – Share-based payment upon IPO	7	4,119	4,354
Specific items – Share-based payment upon integration	7	358	—
Specific items – Other operating (income)/expenses	9/10	453	-3,698
One-off revenue		—	264
One-off expenses		339	-6,296
Adjusted EBITDA		**162,512**	**147,593**
Depreciation and software amortisation	11	-8,741	-7,177
Adjusted EBITA		**153,771**	**140,415**
Adjusted Revenue		**385,753**	**344,854**

The individual Adjusted EBITA by operating segment excludes the allocation of Group IT and HQ costs, that is then deducted from the total.

Profit/(loss) before income tax is not used to measure the performance of the individual segment as items like amortisation of intangibles (except for software) and net finance costs are not allocated to individual segments. So the reconciliation to Profit/ (loss) before income tax according to IFRS is done on Group level.

Consistent with the aforementioned reasoning, segment assets/liabilities are not reviewed regularly on a segment basis by management and are therefore not included in the IFRS segment reporting.

5.2. Information about reportable segments

	2016		2015	
(EUR 000)	Adjusted Revenue	% Adjusted Revenue	Adjusted Revenue	% Adjusted Revenue
Netherlands	116,882	30%	112,060	32%
Luxembourg	80,907	21%	75,313	22%
Cayman Islands	52,669	14%	58,803	17%
Guernsey	27,675	7%	27,914	8%
Elian	28,496	7%	—	0%
Rest of the World	79,124	21%	70,764	21%
Segment Adjusted Revenue	**385,753**	**100%**	**344,854**	**100%**

(EUR 000)	2016 Adjusted EBITA	2016 % Adjusted EBITA	2015 Adjusted EBITA	2015 % Adjusted EBITA
Netherlands	74,795	49%	71,799	51%
Luxembourg	43,187	28%	37,766	27%
Cayman Islands	30,546	20%	35,249	25%
Guernsey	10,560	7%	10,117	7%
Elian	9,726	6%	—	0%
Rest of the World	25,346	16%	21,986	16%
Group IT and HQ costs(*)	-40,389	-26%	-36,502	-26%
Segment Adjusted EBITA	**153,771**	**100%**	**140,415**	**100%**

(*) Group IT and HQ costs are not allocated by operating segment

5.3. Reconciliation of reportable segment revenue

(EUR 000)	2016	2015
Total adjusted revenue reportable segment	385,753	344,854
One-off revenue	—	-264
Revenue	**385,753**	**344,590**

5.4. Reconciliation of reportable segment to profit/(loss) before income tax

(EUR 000)	Note	2016	2015
Adjusted EBITA reportable segment		153,771	140,415
Specific items – Share-based payment upon IPO	7	-4,119	-4,354
Specific items – Share-based payment upon integration	7	-358	—
Specific items – Transaction & Monitoring costs	9	-4,153	-5,303
Specific items – Integration costs	9	-8,462	-3,115
Specific items – Other operating (income)/expenses	9/10	-453	3,698
One-off revenue		—	-264
One-off expenses		-339	6,296
Amortisation of Intangibles (Customer Relationship & Brand Name)	11	-33,774	-30,085
Net finance costs	12	-30,608	-100,629
Share of profit of equity-accounted investees		-29	-42
Profit/(loss) before income tax		**71,476**	**6,618**

5.5. Entity-wide disclosures

Management does not distinguish between revenue streams resulting from different products or services. Therefore no further split of revenues is presented.

There is no single customer amounting to 10% or more of Group's revenues.

6. Acquisition of subsidiaries

6.1. Acquisition of Elian Group

On 23 September 2016, the acquisition of Elian Group ("Elian") from Elian's management and funds managed by Electra Partners LLP has been completed. Elian is a Jersey-based regional trust & corporate services provider, specialist in Capital Markets and Private Equity & Real Estate fund administration, with a leadership position in Jersey and a strong presence in the UK and 13 other jurisdictions.

Elian further reinforces Intertrust's position as the global leader in the trust and corporate services sector by strengthening its Capital Markets and Private Equity & Real Estate Fund Administration

Services, expanding its geographical presence to jurisdictions such as Jersey, and adding scale in other key locations like Ireland, the United Kingdom, and Cayman Islands. The combination also enhances the career opportunities available to the combined company's employees. Intertrust's listed company underscores its transparency, adds to its attractiveness as an employer and makes it the "go-to" company for financial institutions, fund, corporations and high net worth individuals.

From acquisition to 31 December 2016, Elian contributed revenue of EUR 28,496 thousand and Adjusted EBITA of EUR 9,726 thousand. Based on management estimates, Elian's revenue for 2016 was GBP 92.2 million and adjusted EBITA was GBP 30.4 million.

Identifiable asset acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

(EUR 000)	Note	Fair Value recognised on acquisition
Property, plant and equipment	15	6,638
Intangible assets	16	192,699
Investments in equity-accounted investees		479
Trade receivables		13,326
Other receivables		1,401
Work in progress		10,010
Other financial assets		857
Current tax assets		337
Deferred tax assets	19	5
Prepayments		3,680
Cash and cash equivalents		26,172
Assets		**255,604**
Other financial liabilities		322,621
Deferred income		14,015
Provision	27	250
Current tax liabilities		4,858
Deferred tax liabilities	19	18,851
Trade payables		1,617
Other payables		9,713
Liabilities		**371,925**
Total identifiable net assets at fair value		**-116,321**

The trade receivables comprise gross contractual amounts due of EUR 14,433 thousand, of which EUR 1,108 thousand was expected to be uncollectible at the acquisition date. The cash and cash equivalents include cash held on behalf of clients of EUR 92 thousand.

Consideration transferred and deferred

The total consideration of EUR 227,534 thousand includes:

(i) EUR 172,427 thousand paid to the sellers;

(ii) Settlement of forex forward contracts to fix the EUR/GBP rates for Elian acquisition of EUR 18,613 thousand net of tax;

(iii) EUR 36,494 thousand of deferred consideration to be paid in shares 12 months and 10 business days post-closing of the acquisition.

In addition to consideration, the Group has, at the same date of the acquisition, repaid the existing loans and borrowings of the acquired entity for EUR 322,389 thousand.

The deferred consideration of 1,803,054 shares has been recognised as an equity instrument on the basis it represents a non-derivative bearing no contractual obligation to deliver a variable number of the Group's own equity instruments. The deferred consideration has been recognised at fair value as at acquisition date (EUR 20.24 per share).

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

(EUR 000)	Note	2016
Consideration transferred		227,534
Non-controlling interests		1,909
Fair value of identifiable net assets		116,321
Goodwill	**16**	**345,763**

The goodwill is attributable mainly to revenues from new customers and the workforce. None of the recognised goodwill is expected to be deductible for tax purposes.

Acquisition-related costs

The Group incurred acquisition-related costs of EUR 4,003 thousand related to external legal fees and due diligence costs. These costs have been recognised in other operating expenses transaction & monitoring costs (Note 9) in the Group's consolidated statement of comprehensive income.

Impact in cash-flow

(EUR 000)	Note	2016
Consideration transferred		-227,534
Cash acquired (excluding cash on behalf of clients)		26,080
Deferred consideration shares		36,118
CIT receivable on Fx forward contracts		-6,205
Acquisition		**-171,541**
Repayment of loans		-322,389
Total impact cash		**-493,930**

6.2. Acquisition of CorpNordic

On 4 June 2015, the Group obtained control of CorpNordic, the leading corporate services provider in Sweden, Denmark, Norway and Finland, by acquiring 100% of the shares and voting interests in the company (CorpNordic). With this acquisition, the Group becomes the market leader of trust and corporate services in Sweden and Denmark, and expands its network with offices in Norway and Finland. This reinforces the Group's successful acquisition strategy, aimed at extending its expertise and global capabilities in the light of ongoing globalisation and the client's increasingly complex needs.

From acquisition to 31 December 2015, CorpNordic contributed revenue of EUR 5,449 thousand and Adjusted EBITA of EUR 960 thousand. If the acquisition had occurred on 1 January 2015, management estimates that revenue of the Group would have increased by EUR 5,979 thousand and Adjusted EBITA would have increased by EUR 1,309 thousand.

All the amounts in this disclosure relate to the year 2015.

Identifiable asset acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

(EUR 000)	Note	Fair Value recognised on acquisition
Property, plant and equipment	15	150
Intangible assets	16	11,752
Trade receivables		2,753
Other receivables		27
Work in progress		727
Other financial assets		266
Current tax assets		193
Deferred tax assets	19	79
Prepayments		340
Cash and cash equivalents		2,305
Assets		**18,592**
Other financial liabilities		1,545
Deferred income		777
Provision		442
Current tax liabilities		196
Deferred tax liabilities	19	2,811
Trade payables		280
Other payables		2,707
Liabilities		**8,758**
Total identifiable net assets at fair value		**9,834**

The trade receivables comprise gross contractual amounts due of EUR 3,036 thousand, of which EUR 283 thousand was expected to be uncollectible at the acquisition date. The cash and cash equivalents include cash held on behalf of clients of EUR 654 thousand.

Consideration transferred

The consideration of EUR 23,928 thousand was paid in cash. In addition to consideration transferred, the Group has, at the same date of the acquisition, repaid the existing loans and borrowings of the acquired entity for EUR 1,545 thousand.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

(EUR 000)	Note	
Consideration transferred		23,928
Fair value of identifiable net assets		-9,834
Goodwill	**16**	**14,094**

The goodwill is attributable mainly to work force, synergies and cross selling business opportunities expected to be achieved from the integration of the company into the Group's business. None of the recognised goodwill is expected to be deductible for tax purposes.

Acquisition-related costs

The Group incurred acquisition-related costs of EUR 667 thousand related to external legal fees and due diligence costs. These costs have been recognised in other operating expenses transaction & monitoring costs (Note 9) in the Group's consolidated statement of comprehensive income.

7. Staff expenses

(EUR 000)	Note	2016	2015
Salaries and wages		-131,014	-117,325
Social security contributions		-13,226	-10,662
Pensions and benefits		-7,601	128
Share-based payment upon IPO	8	-4,119	-4,354
Share-based payment upon integration	8	-358	—
Share-based payment long term incentive plan	8	-1,640	—
Other personnel expenses		-12,698	-12,669
Staff expenses		**-170,656**	**-144,882**

Pension and benefits includes defined contributions of EUR 6,796 thousand (2015: EUR 5,058 thousand) and defined benefits amounting to EUR 805 thousand (2015: EUR 1,521 thousand). In 2015, it includes an income of EUR 6,706 thousand related to the settlement of pension plan in The Netherlands due to the change from a defined benefits plan to a defined contribution scheme.

Includes specific items for share based payment upon IPO of EUR 4,119 thousand (2015: EUR 4,354 thousand) and upon integration of EUR 358 thousand (2015: nil) related to the awards made under the equity-settled share-based payment arrangements implemented following the listing of the Company's shares on Euronext Amsterdam in 2015 and following Elian acquisition in 2016.

The number of FTEs (full time equivalent employees) at year end amounts to 2,359 (2015: 1,714).

8. Share-based payment arrangements

8.1. Description of share-based payment arrangements

Following the listing on Euronext Amsterdam in 2015 and Elian acquisition in 2016, the Company has implemented and made awards to members of the Management Board and selected eligible employees under the three equity-settled share-based payment plans:

a) Executive Ownership Plan ('EOP')

b) Employee Stock Ownership Plan ('ESOP')

c) Long term Incentive Plan ('LTIP')

a) Executive Ownership Plan

In 2015, the members of the Management Board and selected eligible members of senior management were invited to make a one-off investment in the Company's shares at a share price equal to the introduction price of one Company share on the Euronext Amsterdam at the time of the IPO. In addition, shares representing 14% of the total investment amount were allocated to the eligible participants for no consideration.

The grant date fair value of each of the 216,605 additional EOP shares allocated for no consideration is equal to introduction share price at the date of listing of EUR 15.50. As there are no vesting conditions related to the additional EOP shares, the total grant date fair value was expensed immediately.

For each of the acquired/allocated shares, the participants were awarded the conditional right to receive one Company share for every three EOP shares (the Matching Shares) for no consideration. These Matching Shares will vest on the third anniversary of the IPO settlement date to the extent that the participant still (i) holds all the EOP shares and (ii) is employed by the Company on this date. The grant date fair value of the Matching Shares is therefore expensed over a period of 3 years starting on the IPO settlement date.

Details of the number of Matching Shares outstanding are as follows:

In number of shares	2016	2015
Outstanding at the beginning of the year	**515,758**	**—**
Awarded during the year	—	515,758
Forfeited during the year	-20,612	—
Outstanding at the end of the year	**495,146**	**515,758**

The Matching Shares awarded in 2015 do not entitle the participants to receive dividends during the vesting period.

As dividends are expected during the vesting period, the grant date fair value of the Matching Shares of EUR 14.28 is equal to the introductory share price at the date of listing of EUR 15.50 less the discounted value of expected future dividends.

b) Employee Stock Ownership Plan

On 19 October 2015, the Management Board has made a one-time award of Company's shares ('ESOP Shares') to eligible employees, which exclude any participants in the EOP, to celebrate the completion of the listing on Euronext Amsterdam. These ESOP Shares vested in October 2016.

On 23 September 2016, the Management Board has made a one-time award of the Company's share ('ESOP Shares') to eligible employees from Elian, to celebrate Elian and Intertrust joining forces. These awards entitle each eligible employee to receive 100 shares for free, subject to continued employment for a period of one year from the acquisition date. Participants are not entitled to receive dividends during the vesting period.

Details of the number of ESOP Shares outstanding are as follows:

In number of shares	2016	2015
Outstanding at the beginning of the year	208,780	—
Awarded during the year	53,300	214,370
Forfeited during the year	-37,820	-5,330
Vested during the period	-171,860	-260
Outstanding at the end of the year	**52,400**	**208,780**

As dividends are expected during the vesting period of the new ESOP shares, the grant date fair value of the Celebration Shares of EUR 19.92 (2015: EUR 15.50) is equal to grant date share price less the discounted value of expected future dividends.

c) Long term Incentive Plan

As referred to in the 2015 remuneration policy, the Long-Term Incentive Plan ("LTIP") was implemented during the first half year of 2016. Conditional performance shares were awarded to members of the Management Board and eligible members of senior management on 1 April 2016.

Performance shares are awarded an a annual basis and vest on the third anniversary of the grant date subject to (i) the participant remaining in continuous employment during the performance period and (ii) meeting the pre-determined performance criteria. For Management Board members, the vested Performance shares will be subject to an additional holding period of 2 years. Participants are not entitled to receive dividends during the vesting period.

For the first performance cycle 2016-2018, an Earnings per Share ("EPS") growth performance target applies. Subject to meeting the service condition, the number of LTIP Shares that vest will be between 0% (EPS growth below the threshold) and 150%. The vesting percentage is allocated linearly between the threshold level and the maximum level.

In addition, following the acquisition of Elian, the Management Board awarded performances shares under the LTIP to eligible Elian employees on 1 November 2016. These awards have the same vesting conditions (including the same vesting date) as the performance shares granted on 1 April 2016.

Details of the number of LTIP Shares awarded and outstanding (at target) are as follows:

In number of shares	2016	2015
Outstanding at the beginning of the year	**—**	**—**
Awarded during the year	442,825	—
Forfeited during the year	-21,550	—
Outstanding at the end of the year	**421,275**	**—**

As dividends are expected during the vesting period, the grant date fair value of the performance shares is equal to grant date share price less the discounted value of expected dividends. The weighted-average fair value of the LTIP Shares granted in 2016 is EUR 17.82.

The Management Board EOP and LTIP awards outstanding and movements during the financial year are disclosed in Note 32.

8.2. Expenses recognised during the period

The equity-settled share-based payment expenses recognised during the period, per plan and in total are as follows:

(EUR 000)	2016	2015
Executive Ownership Plan	-1,907	-3,744
Employee Stock Ownership Plan	-2,339	-558
Long Term Incentive Plan	-1,744	—
Total	**-5,990**	**-4,302**

In addition, the Group recognised expenses of EUR 127 thousand (2015: EUR 52 thousand) for employer social security contributions payable.

9. Other operating expenses

(EUR 000)	2016	2015
Marketing and sales expenses	-2,688	-2,927
IT expenses	-9,083	-7,214
Travelling	-3,577	-3,679
Professional fees	-5,656	-4,104
Insurance	-1,652	-1,601
Transaction & monitoring costs	-4,153	-5,303
Integration costs	-8,462	-3,115
Other expenses	-15,189	-13,693
Other operating expenses	**-50,460**	**-41,636**

Items that are significant, either because of their size or nature, and are considered specific in other operating expenses, are provided below:

Transaction and monitoring costs relates to external legal fees and due diligence costs incurred in connection with the acquisition of Elian (2015: acquisition of CorpNordic and other possible transactions that did not materialise). In 2015, it also includes costs incurred in connection with the listing of the Company, excluding expenses directly attributable to the equity transaction and recorded in equity for EUR 14,418 thousand (Note 23.2) and monitoring fees charged by Blackstone (former parent of the Group), prior to the listing in the Euronext Amsterdam, for management advisory services provided to the Group.

Integration costs comprises costs incurred for the integration with Elian and CorpNordic, mainly related to advisory fees and onerous contracts.

10. Other operating income

In 2015, other income of EUR 3,725 thousand relates mainly to the indemnity of EUR 2,429 thousand received from former shareholders for the Dutch tax 2011-2013 (Note 13.1) and EUR 1,352 thousand for the result of the sale of Intertrust Bank (Cayman) Limited.

11. Depreciation and amortisation

(EUR 000)	Note	2016	2015
Amortisation of intangible assets	16	-38,259	-33,872
Depreciation of tangible assets	15	-4,256	-3,390
Depreciation and amortisation		**-42,515**	**-37,262**

Amortisation of intangible assets comprises EUR 4,485 thousand (2015: EUR 3,787 thousand) related to the amortisation of software and EUR 33,774 thousand (2015: EUR 30,085 thousand) related to the amortisation of brand name and customer relationships (Note 16).

12. Finance income and finance costs

Recognised in profit or loss

(EUR 000)	2016	2015
Interest income on loans and receivables	172	73
Finance income	**172**	**73**
Interest expense on financial liabilities measured at amortised cost	-20,498	-97,667
Other finance expense	-710	-1,452
Net foreign exchange loss	-9,572	-1,583
Finance costs	**-30,780**	**-100,702**
Net finance costs recognised in profit or loss	**-30,608**	**-100,629**

Interest expense on financial liabilities measured at amortised cost includes the interests on debt of EUR 16,511 thousand (2015: EUR 46,959 thousand) and the amortisation of capitalised financing fees EUR 3,987 thousand (2015: EUR 712 thousand). In 2015, it also includes (i) the amortisation and write-off of capitalised financing fees on the pre-IPO debt for EUR 38,432 thousand, (ii) the termination of interest rate swaps of EUR 1,698 thousand on the EUR and USD loans repaid, (iii) the prepayment fees of EUR 2,850 thousand for the cancellation of the second lien facilities in EUR and USD and (iv) the shareholder loan interests, prior to the listing, of EUR 7,016 thousand.

13. Income tax expense

13.1. Income tax recognised in profit or loss

(EUR 000)	2016	2015
Current year	-20,331	-8,916
Prior years	295	-1,612
Current tax expense	**-20,036**	**-10,528**
Origination and reversal of temporary differences	180	6,585
Recognition of previously unrecognised tax losses	417	165
Change in recognised deductible temporary differences	-79	-202
Deferred tax expense	**518**	**6,548**
Income tax expense for continuing operations	**-19,518**	**-3,980**

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

In 2015, income tax previous year includes an adjustment in relation to the Dutch tax final assessment for the years 2011 to 2013, which was covered by an indemnity received from former shareholders (Note 10).

13.2. Tax recognised in other comprehensive income

(EUR 000)	2016	2015
Cash flow hedges	436	-706
Defined benefit plan actuarial gains (losses)	—	259
Income tax expense recognised in OCI	**436**	**-447**

13.3. Tax recognised in equity

Relates to EUR 306 thousand of recoverable income tax recognised on the costs qualified to be directly attributable to the issue of shares (2015: EUR 3,605 thousand).

13.4. Reconciliation of effective tax rate

(EUR 000)	2016		2015	
Profit for the year		51,958		2,638
Total income tax expense		-19,518		-3,980
Profit before income tax		**71,476**		**6,618**
Income tax using the Company's domestic tax rate	**25.00%**	**-17,869**	**25.00%**	**-1,655**
Effect of tax rates in foreign jurisdictions		4,866		2,323
Non deductible expenses		-6,325		-3,786
Tax exempt income		305		952
Change in recognised deductible temporary differences		-79		-202
Recognition of previously unrecognised tax losses		417		165
Current year losses for which no deferred tax has been recognised		-490		-165
(Under) over provided in previous years		295		-1,612
Others		-638		—
Effective income tax	**27.3%**	**-19,518**	**60.1%**	**-3,980**

14. Earnings per share

(EUR 000)	2016	2015
Earnings per share		
Basic earnings per share (euro)	0.58	0.12
Diluted earnings per share (euro)	0.58	0.12

14.1. Basic earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

Profit attributable to ordinary shareholders (basic)

(EUR 000)	2016	2015
Profit for the period, attributable to the owners of the Company	51,884	2,669
Profit/(loss) attributable to ordinary shareholders	**51,884**	**2,669**

Weighted-average number of ordinary shares (basic)

In number of shares	2016	2015
Issued ordinary shares at 01 January	85,221,614	5,834,671
Issued ordinary shares of the Company	—	45,000
Conversion of existing shares at €1 to €0.60	—	30,000
Issue of shares for shareholder loan contribution	—	9,818,066
Effect of issue of shares IPO in October 2015	—	6,000,000
Effect of issue of additional shares for share-based payment	—	43,321
Effect of issue of shares in October 2015	—	1,002
Effect of issue of ordinary shares in June 2016	3,722,222	—
Effect of treasury shares held	-893	—
Weighted-average number of ordinary shares at 31 December	**88,942,943**	**21,772,060**

14.2. Diluted earnings per share

The calculation of diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

Profit attributable to ordinary shareholders (diluted)

(EUR 000)	2016	2015
Profit for the period, attributable to Ordinary shareholders (basic)	51,884	2,669
Profit/(loss) attributable to ordinary shareholders (diluted)	**51,884**	**2,669**

Weighted-average number of ordinary shares (diluted)

In number of shares	2016	2015
Weighted-average number of ordinary shares (basic)	88,942,943	21,772,060
Effect of share-based payment on issue	286,073	39,483
Effect of deferred consideration shares	487,711	—
Weighted-average number of ordinary shares at 31 December	**89,716,728**	**21,811,543**

14.3. Adjusted net income per share

The Group calculates the Adjusted net income for 2016 to be EUR 113.2 million (2015: EUR 101.4 million). Adjusted net income is defined as Adjusted EBITA, less net interest costs of EUR 21.1 million and less tax costs of EUR 19.5 million.

Based on this Adjusted net income and taking the weighted-average number of basic shares for the year of 88,942,943 (2015: 85,221,614), the adjusted net income per share is EUR 1.27 (2015: EUR 1.19).

15. Property, plant and equipment

The movements of the tangible assets are as follows:

(EUR 000)	Leasehold improvements	Equipment & motor vehicles	IT equipment	TOTAL
Cost	5,215	3,830	8,127	17,173
Accumulated depreciation and impairment losses	-1,656	-1,212	-3,432	-6,301
Balance at 01 January 2015	**3,559**	**2,618**	**4,695**	**10,872**
Business combinations, incoming entities	—	150	—	150
Additions	711	537	2,150	3,398
Disposals	-5	-27	-1	-34
Depreciation of the period	-854	-729	-1,807	-3,390
Effect of movements in exchange rates	137	89	50	275
Movements in 2015	**-11**	**20**	**392**	**399**
Cost	6,325	4,835	10,878	22,039
Accumulated depreciation and impairment losses	-2,777	-2,198	-5,792	-10,768
Balance at 31 December 2015	**3,548**	**2,637**	**5,085**	**11,271**
Business combinations, incoming entities	5,052	251	1,335	6,638
Additions	2,193	629	4,264	7,086
Disposals	-404	-51	-65	-520
Depreciation of the period	-1,345	-784	-2,127	-4,256
Effect of movements in exchange rates	-43	-8	—	-52
Movements in 2016	**5,453**	**37**	**3,407**	**8,896**
Cost	11,877	5,014	14,188	31,079
Accumulated depreciation and impairment losses	-2,876	-2,341	-5,694	-10,912
Balance at 31 December 2016	**9,001**	**2,673**	**8,493**	**20,167**

No interest costs have been capitalised in property, plant and equipment during the period under review.

16. Intangible assets and goodwill

The movements of the intangible assets and goodwill are as follow:

(EUR 000)	Goodwill	Brand name	Customer relationships	Software	TOTAL
Cost	594,656	33,545	440,319	16,120	1,084,639
Accumulated depreciation and impairment losses	—	-2,934	-45,195	-4,707	-52,835
Balance at 01 January 2015	**594,656**	**30,611**	**395,124**	**11,413**	**1,031,804**
Business combinations, incoming entities	14,094	—	11,749	3	25,846
Additions	—	—	—	7,541	7,541
Disposals	—	—	—	2	2
Amortisation of the period	—	-1,739	-28,346	-3,787	-33,872
Effect of movements in exchange rates	18,352	1,235	13,501	50	33,138
Movements in 2015	**32,446**	**-505**	**-3,096**	**3,809**	**32,655**
Cost	627,102	34,908	467,361	23,967	1,153,339
Accumulated depreciation and impairment losses	—	-4,800	-75,333	-8,745	-88,878
Balance at 31 December 2015	**627,102**	**30,108**	**392,028**	**15,222**	**1,064,461**

(EUR 000)	Goodwill	Brand name	Customer relationships	Software	TOTAL
Business combinations, incoming entities	345,763	—	192,593	106	538,462
Additions	—	—	—	4,250	4,250
Disposals	—	—	—	25	25
Amortisation of the period	—	-1,712	-32,062	-4,485	-38,259
Effect of movements in exchange rates	8,463	-282	3,364	1	11,547
Movements in 2016	**354,226**	**-1,995**	**163,896**	**-103**	**516,026**
Cost	981,329	34,602	663,961	32,550	1,712,442
Accumulated depreciation and impairment losses	—	-6,488	-108,037	-17,430	-131,955
Balance at 31 December 2016	**981,329**	**28,114**	**555,924**	**15,120**	**1,580,487**

During the year, the Group invested in software for an amount of EUR 4,250 thousand (2015: EUR 7,541 thousand), of which EUR 2,326 thousand is related to strategic capital expenditures. At 31 December 2016 an amount of EUR 859 thousand (2015: EUR 893 thousand) remains payable in balance sheet.

The brand name "Intertrust" is a registered trade name for all countries in which the Company has operational activities or will expand in a near future. The remaining useful life is 16 years.

The customer relationship is the Company's client portfolio acquired and has a remaining useful life of 14 years on average.

16.1. Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions. The aggregate carrying amounts of goodwill allocated to each CGU are as follows:

(EUR 000)	Balance at 01 January 2016	Business combinations	Movements exchange rates	Balance at 31 December 2016
CGU Netherlands	268,788	—	—	268,788
CGU Luxembourg	128,164	9,047	—	137,211
CGU Cayman	167,108	75,543	10,476	253,127
CGU Jersey	—	182,755	655	183,410
CGU Other and CGU Guernsey	63,042	78,418	-2,647	138,813
Total	**627,102**	**345,763**	**8,484**	**981,349**

(EUR 000)	Balance at 01 January 2015	Business combinations	Movements exchange rates	Balance at 31 December 2015
CGU Netherlands	268,788	—	—	268,788
CGU Luxembourg	128,164	—	—	128,164
CGU Cayman	149,861	—	17,247	167,108
Sub-total	**546,813**	**—**	**17,247**	**564,060**
CGU Other and CGU Guernsey	47,843	14,094	1,105	63,042
Total	**594,656**	**14,094**	**18,352**	**627,102**

The recoverable amount of goodwill has been determined for the six cash generating units as at 31 December 2016 and 2015. For each of the CGUs, the recoverable amount is higher than its carrying amount.

Key assumptions used in discounted cash flow projection calculations

The recoverable amount of all CGUs has been determined based on a value-in-use calculation using cash flow projections. The year 1 cash flow projections are based on detailed financial budget, the year 2 on detailed outlook and the years 3 to 5 on estimates, prepared by management for each cash generating unit based on expectation of future outcomes taking into account past experience. The revenue growth rate assumed beyond the initial 5-year period is 2.0% (2015: 2.0%), that has been based on the expected long term inflation rate.

The values assigned to the key assumptions used in the value in use calculations are as follows for the years 3 to 5:

- Market growth: between 4 to 6%
- Annual Margin Evolution: Improvement
- Terminal value growth rate: 2%
- Discount rate: between 9.2% to 11.9%

Discount rate

Discount rates represent a pre-tax measure that reflect management's estimate of the time value of money and the risks specific to each unit that are not already reflected in the cash flows. In determining appropriate discount rates for each unit, regard has been given to the industry average weighted average cost of capital. The WACC takes into account both debt and equity and converted into pre-tax rates based in prevailing tax shields. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is determined by adding a debt risk premium to the risk free bonds rate with a maturity of 20 years. CGU-specific risk is incorporated by applying industry beta factors that are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the recoverable amount of the CGUs.

17. Investment in equity-accounted investees

The Group's share of profit in its equity-accounted investees for the year 2016 was a loss of EUR 29 thousand (2015: loss of EUR 42 thousand). In 2016 and 2015 the Group did not receive any dividend.

The Group's equity-accounted investees are not publicly listed and consequentially do not have published price quotations.

In 2016, as part of the Elian acquisition, the Group acquired participations in Structured Finance Management Italia SRL and Elian Middle East B.S.C ©.

18. Other financial assets and other financial liabilities

18.1. Other financial assets

(EUR 000)	31.12.2016	31.12.2015
Loans and receivables		
Loans and receivables	1,075	1,218
Guarantee deposits	3,432	3,140
Total loans and receivables	**4,507**	**4,358**
Available for sale investments		
Unquoted equity shares	940	988
Total available for sale investments	**940**	**988**
Total other financial assets	**5,447**	**5,346**
Total current	1,627	1,204
Total non-current	3,820	4,142

Loans and receivables

It is mainly related to the receivable of USD 750 thousand (31 December 2016: EUR 712 thousand and 31 December 2015: EUR 1,033 thousand) deferred in 2 instalments for the sale of Intertrust Bank (Cayman) Limited.

Guarantee deposits

Includes guarantee deposits mainly for rent and utility contracts held in banks or non-financial institutions. These funds are restricted.

Unquoted equity shares

Valued at cost and includes participations in non consolidated companies and special purpose companies for EUR 622 thousand (2015: EUR 501 thousand) and shelf companies for EUR 318 thousand (2015: EUR 487 thousand).

None of the "Other financial assets" are past due or impaired.

18.2. Other financial liabilities

(EUR 000)	31.12.2016	31.12.2015
Financial instruments at fair value through other comprehensive income		
Interest rate swaps – cash flow hedge	1,763	19
Total financial instruments at fair value	**1,763**	**19**
Total other financial liabilities	**1,763**	**19**
Total current	**—**	**—**
Total non-current	**1,763**	**19**

Cash flow hedges

Includes interest rate swap to cover part of the fluctuations on the floating interest on the USD and EUR debt

The hedges were assessed to be effective at 31 December 2016.

19. Deferred tax assets and liabilities

19.1. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of tax losses for EUR 7,570 thousand (2015: EUR 7,574 thousand). Tax losses for an amount of EUR 965 thousand will expire in the next 5 years and EUR 6,605 thousand do not expire. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group entities can utilise the benefits.

19.2. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

(EUR 000)	Balance at 31 December 2016		Balance at 31 December 2015	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	119	—	119	—
Intangible assets	1	-85,442	—	-72,113
Other non-current financial liabilities	441	-32	4	—
Other items	4	-185	5	-205
Tax loss carry-forwards	1,915	—	6,955	—
Total	**2,480**	**-85,659**	**7,083**	**-72,318**

19.3. Movements in temporary differences during the period

(EUR 000)	Balance at 01 January 2016 Net	Acquired in business combinations	Recognised in profit or loss	Recognised in OCI	Recognised in Equity	Effect of foreign exchange differences	Balance at 31 December 2016 Net
Property, plant and equipment	119	—	—	—	—	—	119
Intangible assets	-72,113	-18,818	5,530	—	—	-40	-85,441
Other non-current financial liabilities	4	-32	—	436	—	—	409
Other items	-200	5	14	—	—	—	-181
Tax loss carry-forwards	6,955	—	-5,026	—	—	-14	1,915
Total	**-65,235**	**-18,845**	**518**	**436**	**—**	**-54**	**-83,179**

(EUR 000)	Balance at 01 January 2015 Net	Acquired in business combinations	Recognised in profit or loss	Recognised in OCI	Recognised in Equity	Effect of foreign exchange differences	Balance at 31 December 2015 Net
Property, plant and equipment	-33	79	78	—	—	-5	119
Intangible assets	-74,657	-2,625	5,169	—	—	—	-72,113
Other non-current financial liabilities	711	—	—	-707	—	—	4
Employee benefits liabilities	1,674	—	-1,943	259	—	10	—
Other items	-17	-186	4	—	—	-1	-200
Tax loss carry-forwards	101	—	3,241	—	3,605	8	6,955
Total	**-72,221**	**-2,732**	**6,548**	**-447**	**3,605**	**12**	**-65,235**

20. Trade receivables

As at 31 December 2016, the ageing analysis of trade receivables net of the allowance for impairment is as follows:

(EUR 000)	31.12.2016	31.12.2015
Neither past due nor impaired	34,330	36,057
Past due 1-90 days	49,209	33,221
Past due 91-180 days	8,102	4,836
Past due 181-360 days	5,004	4,609
Past due more than 361 days	2,515	2,273
	99,160	**80,996**

The movements in the allowance for impairment in respect of trade receivables during the period were as follows:

(EUR 000)	
Balance at 01 January 2015	**-4,931**
Business combinations	-283
Impairment losses recognised in P&L	-3,352
Amounts written off during the year	2,226
Unused amounts reversed	1,730
Effect of movements in exchange rates	-234
Balance at 31 December 2015	**-4,844**
Balance at 01 January 2016	**-4,844**
Business combinations	-1,108
Impairment losses recognised in P&L	-3,505
Amounts written off during the year	2,570
Unused amounts reversed	1,070
Effect of movements in exchange rates	-1
Balance at 31 December 2016	**-5,818**

The impairment losses and unused amounts reversed during the period are recognised in “Other operating expenses” under “Other expenses”. For credit risk refer to Note 28.2.

21. Other receivables and other payables

21.1. Other receivables

(EUR 000)	31.12.2016	31.12.2015
Due from customers	5,841	9,252
VAT and other tax receivable	1,691	1,115
Accrued income	6,297	4,828
Others	1,192	1,259
Other receivables	**15,021**	**16,454**

Due from customers relates to i) EUR 5,547 thousand of receivables from clients for disbursements and expenses and ii) EUR 294 thousand (2015: EUR 3,445 thousand) of receivables related to intellectual property activities from royalties invoiced to licensees that will be subsequently paid to the licensors. The offsetting liability of EUR 295 thousand (2015: EUR 3,212 thousand) is in “Other payables—due to customers”.

None of the “Other receivables” are past due or impaired.

21.2. Other payables

(EUR 000)	Note	31.12.2016	31.12.2015
Due to customers		7,427	8,605
Liabilities for cash held on behalf of clients	22	18,125	13,992
VAT and other tax payable		12,237	9,013
Accrued expenses		10,267	6,175
Accrued expenses for short term employee benefits		18,669	16,772
Others		249	327
Other payables		**66,974**	**54,884**

Due to customers relates to i) advances from clients for future fees, unapplied cash received from clients and disbursements invoiced in advance and ii) liabilities related to intellectual property activities of EUR 295 thousand (2015: EUR 3,212 thousand) that represent accrued royalties payable to licensors that have already been invoiced to licensees with offsetting asset in “Other receivables—due from customers”.

Accrued expenses for short term employee benefits includes mainly bonus accruals, social charges and holiday allowances.

22. Cash and cash equivalents

(EUR 000)	31.12.2016	31.12.2015
Bank balances	69,766	80,438
Short term deposits	50	4
Cash on hand	42	22
Total	**69,858**	**80,464**
Of which:		
Cash attributable to the Company	51,733	66,472
Cash held on behalf of clients	18,125	13,992
Total	**69,858**	**80,464**

Bank balances includes cash in current and call accounts.

Cash held on behalf of clients is driven by funds to pay government fees on their behalf, intellectual property activity and other advances with its corresponding liabilities in “Other payables—liabilities for cash held on behalf of clients”.

23. Capital and reserves

23.1. Share capital

The subscribed capital as at 31 December 2016 amounts to EUR 55,200 thousand and is divided into 91,999,392 shares fully paid-up with a nominal value per share of EUR 0.60. The movements of the year were:

Ordinary shares (EUR 000)	In number of shares 31.12.2016	31.12.2015	(EUR 000) 31.12.2016	31.12.2015
Issued ordinary shares at 01 January	85,221,614	113,548,730	51,133	1,135
Effect of capital reorganisation under common control:				
– Issued ordinary shares at 01 January		45,000		27
– Conversion of existing shares at €1 to €0.60		30,000		18
– Contribution of outstanding shares of Intertrust Topholding (Luxembourg) S.à.r.l.		-113,548,730		-1,135
– Issue of shares for capital contribution		5,834,671		3,501
– Issue of shares for shareholder loan contribution		49,090,329		29,454
Effect of issue of shares IPO in October 2015		30,000,000		18,000
Effect of issue of additional shares for share-based payment		216,605		130
Effect of issue of shares in October 2015		5,009		3
Effect of issue of ordinary shares in June 2016	6,777,778		4,067	
On issue at end of period – fully paid	**91,999,392**	**85,221,614**	**55,200**	**51,133**

On 13 June 2016, Intertrust N.V. issued 6,777,778 ordinary shares for the purchase of Elian Group.

On 19 October 2015, the Company became the parent of the Group by the contribution of the entire issued and outstanding share capital of Intertrust Topholding (Luxembourg) S.à r.l. and the outstanding amounts under the shareholder loans to the Company's shareholder's equity as a capital contribution. This capital contribution has been accounted for as a capital reorganisation under common control and has been measured at the historical Intertrust Topholding (Luxembourg) s.à r.l. carrying values in accordance with IFRS.

23.2. Share premium

At 31 December 2016 the share premium amounts to EUR 630,441 thousand. The movements during the year were:

(EUR 000)	In number of shares 31.12.2016	31.12.2015	(EUR 000) 31.12.2016	31.12.2015
Issued ordinary shares at 01 January	85,221,614	113,548,730	513,423	10,219
Effect of capital reorganisation under common control:				
– Issued ordinary shares at 01 January		45,000		—
– Conversion of existing shares at €1 to €0.60		30,000		—
– Contribution of outstanding shares of Intertrust Topholding (Luxembourg) S.à.r.l.		-113,548,730		-10,219
– Issue of shares for capital contribution		5,834,671		7,854
– Issue of shares for shareholder loan contribution		49,090,329		66,081
Effect of issue of shares IPO in October 2015		30,000,000		436,186
Effect of issue of additional shares for share-based payment		216,605		3,227
Effect of issue of shares in October 2015		5,009		75
Effect of issue of ordinary shares in June 2016	6,777,778		117,018	
On issue at end of period – fully paid	**91,999,392**	**85,221,614**	**630,441**	**513,423**

In June 2016, the addition to the share premium from the proceeds of the issue of ordinary shares was EUR 122,000 thousand less the costs directly attributable to the equity transaction for EUR 1,220 thousand net of the related tax impact of EUR 305 thousand.

In October 2015, the share premium from the proceeds of the listing were EUR 447,000 thousand less the costs qualified to be directly attributable to the equity transaction for EUR 14,418 thousand net of the related tax impact of EUR 3,605 thousand.

23.3. Retained earnings

The retained earnings include accumulated profits and losses, plus remeasurements of defined benefit liability (asset) and equity-settled share-based payment.

The following dividends were declared and paid by the Company for the year:

(EUR 000)	31.12.2016	31.12.2015
Interim dividend current year EUR 0.24 per qualifying ordinary share	22,080	—
Total dividend declared and paid	**22,080**	**—**

For 2016, a total dividend of EUR 0.49 per share (2015: nil) will be proposed at the AGM. If approved, a final dividend of EUR 0.25 per share will be paid on 12 June 2017, as an interim dividend of EUR 0.24 per share was paid on 30 November 2016. The payment will be subject to 15% Dutch withholding tax.

After the reporting date, the following dividends were proposed by the Management Board. The dividends, taking into account the interim dividends declared and paid, have not been recognised as liabilities.

(EUR 000)	31.12.2016	31.12.2015
EUR 0.49 per qualifying ordinary share	**45,080**	**—**

23.4. Reserves

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations and foreign currency differences arising on the translation of financial liabilities designated as a hedge of net investment, to the extent that the hedge is effective.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss.

Treasury share reserve

The treasury share reserve comprises the costs of the Company's shares held by the Group. At 31 December 2016, the Group held 3,705 of the Company's shares (2015: nil).

Other reserve

The other reserve includes equity instrument under business combination (deferred consideration in shares).

24. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate, foreign currency and liquidity risk refer to Note 28.

24.1. Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

(EUR 000)

Facilities	Currency	Year of maturity	Interest rate		Repayment	31.12.2016	31.12.2015
Principal value							
Senior Facilities							
Facility A	EUR	2020	Euribor + 2.50%	a)	Bullet	440,000	440,000
Facility A2	GBP	2021	Libor + 2.75%	a)	Bullet	109,790	—
Facility A3	EUR	2021	Euribor + 2.75%	a)	Bullet	147,500	—
Facility B	USD	2020	Libor + 2.50%	a)	Bullet	94,868	91,853
Revolver credit facility	Multicurrency	2020	Euribor/Libor + 2.50%	a) b)	Revolving	18,000	—
						810,158	**531,853**
Financing costs						-10,865	-8,048
Total bank debt						**799,293**	**523,805**
			Total current			**18,072**	**129**
			Total non-current			**781,221**	**523,676**

(a) If the rates (Euribor or Libor) are below 0%, the rate is deemed to be 0%. The margin can change depending on leverage ratios

(b) Revolver credit facility for EUR 75,000 thousand. An ancillary facility of EUR 2,500 thousand is in place to provide a bank guarantee for a rent lease agreement.

The schedule below shows the movements of the bank facilities during the period:

(EUR 000)

Balance at 01 January 2015	**Principal value**	**948,695**
Draw down facilities		528,238
Scheduled repayments		-10,875
Prepayments		-955,860
Effect of exchange rate		21,655
Balance at 31 December 2015	**Principal value**	**531,853**
Balance at 01 January 2015	**Financing costs**	**-38,539**
Capitalised financing costs		-8,781
Amortised financing costs		39,144
Accrued Interest and commitment fees		128
Balance at 31 December 2015	**Financing cost**	**-8,048**
Balance at 31 December 2015	**Net**	**523,805**
Balance at 01 January 2016	**Principal value**	**531,853**
Draw down facilities		296,295
Repayments		-22,190
Effect of exchange rate		4,200
Balance at 31 December 2016	**Principal value**	**810,158**
Balance at 01 January 2016	**Financing costs**	**-8,048**
Capitalised financing costs		-6,747
Amortised financing costs		3,987
Effect of exchange rate		15
Accrued Interest and commitment fees		-72
Balance at 31 December 2016	**Financing costs**	**-10,865**
Balance at 31 December 2016	**Net**	**799,293**

In 2016, and in order to finance Elian acquisition, the Group entered into two new debt facilities (through an amendment and restatement of the existing credit facilities signed on 1 October 2015) consisting of a facility of GBP 94,000 thousand and another of EUR 147,500 thousand. In addition, the Group did a drawdown under the multicurrency Revolver credit facility of EUR 25,000 thousand, USD 11,500 thousand and GBP 3,500 thousand. At 31 December 2016, EUR 18,000 thousand remains payable under the multicurrency Revolver credit facility.

On 1 October 2015, the Company and Intertrust Group B.V. entered into a syndicated senior facilities agreement on 1 October 2015 between, among others, Intertrust Group B.V. as original borrower, the Company as parent and original guarantor, ABN AMRO Bank N.V., Deutsche Bank AG, London Branch, Morgan Stanley Bank International Limited and UBS Limited as mandated lead arrangers, the financial institutions named therein as original lenders, Deutsche Bank Luxembourg S.A. as facility agent and security agent (the "New Facilities Agreement").

Under the facilities agreement there is a requirement to ensure that the leverage ratio in respect of any relevant period on or after 31 December 2015 shall not exceed 4.75:1 (stepping down to 4.50:1 on 31 December 2017 and stepping further down to 4.25:1 on 31 December 2018). For the year ended 31 December 2016 the covenant was met with a headroom of 22.9%.

The facilities agreement is guaranteed by the Company, Intertrust Group B.V. and certain of subsidiaries; and secured by, among others, first ranking rights of pledge over all outstanding shares in the share capital of such subsidiaries.

Loans from shareholder

In 2015, as part of the capital reorganisation of the Company, the amounts outstanding under the shareholder loans of EUR 95,535 thousand, including EUR 7,016 thousand of interest expenses, were contributed in exchange for newly issued ordinary shares of the Company.

25. Employee benefits

The Group sponsors defined benefit pension plans in the Netherlands until end 2015 and in Switzerland. In most other countries, employees are provided with benefits under defined contribution plans. All pension plans comply with local tax and legal restrictions in their respective country, including funding obligations.

The Swiss pension plan is managed by an independent, legally autonomous entity which has the legal structure of a foundation, according Swiss Federal Law on Occupational Retirement, Survivors and Disability (LPP). All benefits in accordance with the regulations are reinsured in their entirety with an insurance company. The foundation provides benefits on a defined contribution basis. All employees are participants to the plan and are insured against the financial consequences of old age, disability and death. The insurance benefits are subject to regulations, with the LPP specifying the minimum benefits that are to be provided. The employer and employees pay contributions to the pension plan at rates set out in the foundation rules based on a percentage of salary. The amount of the retirement account can be taken by the employee at retirement in the form of pension or capital. The risk of disability, death and longevity are covered by the insurance company. The insurance company invests the vested pension capital and provides a 100% capital and interest guarantee. Even if actuarial and investment risks are covered by an insurance company, this plan is considered under IAS 19 as a defined benefit plan because the employer remains exposed to termination contract risks.

As of 1 January 2016 the three Dutch pension plans have changed to defined contribution pension plans. This is taken into account as a settlement as of 31 December 2015.

The Group has also agreed to provide certain additional post-employment medical benefits to senior employees in Curacao. These benefits are unfunded and the contributions equal the insurance premiums paid.

The Group expects EUR 497 thousand in contributions to be paid to its defined benefit plans in 2017.

25.1. Amounts recognised in the consolidated statement of financial position

(EUR 000)	31.12.2016	31.12.2015
Net defined liability – Pension	2,654	2,375
Net defined liability – Medical	360	427
Total employee benefits plans	**3,014**	**2,802**
Other employee benefits	68	—
Total employee benefits liabilities	**3,082**	**2,802**

25.2. Movement in the net defined benefit liability

The following table shows a reconciliation from the opening balance to the closing balance for the net defined benefit liability and its components:

	31.12.2016			31.12.2015		
(EUR 000)	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability
Balance at 01 January	**9,373**	**6,571**	**2,801**	**26,194**	**18,525**	**7,669**
Included in profit or loss						
Current service cost	738	—	**738**	2,367	—	**2,367**
Past service cost	—	—	**—**	-1,163	—	**-1,163**
Settlements	—	—	**—**	-25,249	-18,543	**-6,706**
Interest cost (income)	86	52	**34**	673	526	**147**
Administration costs	33	—	**33**	29	-140	**169**
	857	**52**	**805**	**-23,343**	**-18,157**	**-5,186**
Included in OCI						
Remeasurements loss (gain):						
– Actuarial loss (gain) arising from:						
– demographic assumptions	-309	—	**-309**	—	—	**—**
– financial assumptions	336	—	**336**	4,938	—	**4,938**
– experience adjustment	-453	—	**-453**	131	—	**131**
– Return on plan assets excluding interest income	—	-293	**293**	—	3,032	**-3,032**
Effect of movements in exchange rates	91	44	**47**	770	515	**255**
	-335	**-249**	**-86**	**5,839**	**3,547**	**2,292**
Other						
Contributions paid by the plan participants	1,218	1,218	**—**	2,028	2,028	**—**
Contributions paid by the employer	—	506	**-506**	—	1,973	**-1,973**
Benefits paid	-2,307	-2,307	**—**	-1,345	-1,345	**—**
	-1,089	**-583**	**-506**	**683**	**2,656**	**-1,973**
Balance at 31 December	**8,806**	**5,791**	**3,014**	**9,373**	**6,571**	**2,802**

In 2015, the reduction in the pension defined liability is explained by the change of the plans into defined contribution in The Netherlands as of 1 January 2016. This change was accounted for as settlement as of 31 December 2015 in "Staff expenses".

25.3. Plan assets

The plan assets comprise:

(EUR 000)	31.12.2016	31.12.2015
Insurance contracts	5,774	6,571
Cash	18	—
	5,791	**6,571**

None of the plan assets are quoted on an active market.

25.4. Actuarial assumptions

The principal assumptions used in determining pension and post-employment medical benefit obligations at the reporting date are:

	31.12.2016	
	Switzerland	Curaçao
Discount rate 31 December	0.60%	4.50%
Future salary increases	1.00%	—
Future pension increases	—	—
Medical cost trend rate	—	3.00%

	31.12.2015		
	The Netherlands	Switzerland	Curaçao
Discount rate 31 December	2.40%	0.80%	4.50%
Future salary increases	1.80%	1.00%	—
Future pension increases	0.45%	—	—
Medical cost trend rate	—	—	3.00%

Longevity is reflected in the defined benefit obligation by using mortality tables of the respective countries in which the plans are located.

	31.12.2016
Expressed in years	Switzerland
Longevity at age 65 for current pensioners	
– Males	22.3
– Females	25.3
Longevity at age 65 for current members aged 45	
– Males	23.8
– Females	26.8

	31.12.2015	
Expressed in years	The Netherlands	Switzerland
Longevity at age 65 for current pensioners		
– Males	19.5	21.5
– Females	21.6	24.9
Longevity at age 65 for current members aged 45		
– Males	21.8	22.4
– Females	23.7	25.9

At 31 December 2016, the weighted-average duration of the defined benefit obligation was as follows:

Expressed in years	31.12.2016	31.12.2015
The Netherlands	—	19.2
Switzerland	21.0	20.1

25.5. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions consistent, would have affected the defined benefit obligation by the amounts shown below:

(EUR 000)	Increase	Decrease
2016		
Impact of 1% change in the discount rate	-1,553	1,979
Impact of 1% change in the future salary increases	149	-259
Impact of 1% change in the future pension increases	737	—
Impact of 1% change in the medical cost trend rate	47	-40
Impact of 1 year change in the life expectancy	83	-216
2015		
Impact of 1% change in the discount rate	-1,506	2,194
Impact of 1% change in the future salary increases	294	-160
Impact of 1% change in the future pension increases	895	—
Impact of 1% change in the medical cost trend rate	52	-45
Impact of 1 year change in the life expectancy	209	-96

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefit obligations at period-end.

26. Deferred income

Represents fixed fees invoiced to customers mainly in November-December for the next year. It drives higher trade receivables and deferred income at the end of the period, with the deferred income released in the following year. In some cases the fees are invoiced in advance for the complete life of the structures resulting in non-current deferred income.

27. Provisions

(EUR 000)	Legal matters	Restructuring	Onerous contracts	Others	TOTAL
Balance at 01 January 2015	**81**	**415**	**1,418**	**271**	**2,185**
Business combinations, ingoing entities	330	112	—	—	442
Provisions made during the period	727	342	1,002	13	2,084
Provisions used during the period	-649	-112	-1,665	-138	-2,563
Provisions reversed during the period	—	-248	-56	—	-304
Effect of movements in exchange rates	—	—	6	26	31
Balance at 31 December 2015	**489**	**509**	**705**	**172**	**1,875**
		—			
Current	—	342	705	—	1,047
Non-current	489	167	—	172	828
Balance at 31 December 2015	**489**	**509**	**705**	**172**	**1,875**
Balance at 01 January 2016	**489**	**509**	**705**	**172**	**1,875**
Business combinations, ingoing entities	—	—	—	250	250
Reclassification	50	—	—	—	50
Provisions made during the period	34	404	2,688	59	3,185
Provisions used during the period	-82	-627	-661	-58	-1,428
Provisions reversed during the period	-332	-12	-229	-49	-622
Effect of movements in exchange rates	2	-6	54	6	56
Balance at 31 December 2016	**161**	**268**	**2,557**	**380**	**3,366**
Current	86	171	1,759	203	2,219
Non-current	75	97	798	177	1,147
Balance at 31 December 2016	**161**	**268**	**2,557**	**380**	**3,366**

Provision for legal matters

Provisions for legal matters have been recognised to cover costs related to claims filed against the Company. In some cases, this provision is limited due to the professional indemnity insurance.

Provision for restructuring

Provisions for restructuring have been recognised to cover costs related to i) the restructuring as a result of the integration with Elian and CorpNordic with a balance at 31 December 2016 of EUR 171 thousand (2014: EUR 268 thousand) and other provisions of EUR 97 thousand (2015: EUR 241 thousand).

Provision for onerous contracts

Provisions for onerous contracts have been recognised for operating leases for premises that are no longer being used by affiliates in different countries following the reorganisation after the acquisition of Elian.

28. Financial instruments

28.1. Financial risk management

Overview

The Group has exposure to the following main risks from its financial instruments: credit risk, liquidity risk and market risk (including currency risk and interest rate risk).

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Further information about the risk management of the Group is included in the Compliance and Risk Management chapter of this Annual Report.

28.2. Credit risk

Credit risk is the risk that a counterpart will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk primarily for trade receivables and cash at banks. Customer credit risk is managed by each of the Group entities subject to the Group's policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are monitored and followed up continuously. Provisions are made when there is objective evidence that the Group will not be able to collect the debts (indication that the debtor is experiencing significant financial difficulty or default, probability of bankruptcy, problems to contact the clients, disputes with a customer, etc.). Analysis is done on a case by case basis in line with policies.

The cash and cash equivalents and interest receivable are held mainly with banks which are rated "A-" or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd for long term credit rating.

Exposure to credit risk

The gross carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

(EUR 000)	Note	31.12.2016	31.12.2015
Trade receivables	20	99,160	80,996
Other receivables	21	15,021	16,454
Work in progress		31,984	17,992
Other financial assets – loans and receivables	18	4,507	4,358
Cash and cash equivalents	22	69,858	80,464
		220,530	**200,263**

The "Other financial assets" of EUR 940 thousand (2015: EUR 988 thousand) related to the participations in non-controlling entities and shelf companies have not been included in this analysis.

The assets that are exposed to credit risk are held 18% by The Netherlands (2015: 31%), 26.9% by Cayman (2015: 26%), 5% by Guernsey (2015: 6%), 12.7% by Luxembourg (2015: 11%), 10.9% by Jersey (2015: nil) and the remaining 26.5% (2015: 26%) by other jurisdictions.

Trade receivables are presented net of a provision for trade receivables. The credit risk is measured and analysed on a local level, analysis on recoverability is done on a case by case basis in line with policies. Evidence of historical experience demonstrates that debtors, in all ageing categories, have high recoverability ratios.

The ageing of trade receivables and the provision for trade receivables at reporting date is disclosed below. The movement schedule for the provision for trade receivables is included in Note 20.

	31.12.2016		31.12.2015	
(EUR 000)	Gross receivables	Provision trade receivables	Gross receivables	Provision trade receivables
Neither past due nor impaired . . .	34,361	-32	36,216	-159
Past due 1-90 days	49,535	-327	33,394	-173
Past due 91-180 days	8,472	-370	5,214	-378
Past due 181-360 days	6,002	-999	5,698	-1,089
Past due more than 361 days	6,607	-4,092	5,317	-3,045
	104,978	**-5,818**	**85,840**	**-4,844**

With respect to the trade receivables that are neither impaired nor past due, there are no indications as of the reporting date that the debtors will not meet their payment obligations.

28.3. Liquidity risk

Liquidity risk includes the risk to a shortage of funds and the risk to encounter difficulty in meeting obligations associated with financial liabilities.

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool: global cash flow forecasts each 3 months covering the next 6 months periods and 12 months period for the one prepared each December.

The Group entities prepare their own cash flow forecasts and they are centrally consolidated by Group Finance. Group Finance monitors rolling forecasts of the group's liquidity requirements, as well as the Group's actual cash and receivables position to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its committed borrowings facilities to ensure that the Group does not breach borrowings limits or covenants.

The Group entities keep the amounts required for working capital management and the excess cash is transferred to the Group Finance who defines the best use of these funds (cancellation of loans, deposits, etc.).

Access to sourcing of funding is sufficiently available through the revolving credit facility agreement that the Group has with banks (Note 24).

Exposure to Liquidity risk

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and net-settled derivative financial liabilities based on contractual undiscounted payments. This analysis includes estimated interest payments and does not consider voluntary prepayments of bank debt that could be possible following the agreements.

	Balance at 31 December 2016					
(EUR 000)	Carrying amounts	Total	Due within 1 year	Due between 1 and 2 years	Due between 2 and 5 years	Due 5 years and more
Loans and borrowings	799,293	-884,091	-22,131	-23,312	-838,648	—
Trade payables and other payables	77,610	-77,610	-77,610	—	—	—
Interest rate swaps used for hedging	1,763	-1,763	-797	-635	-331	—
	878,666	**-963,464**	**-100,538**	**-23,947**	**-838,979**	**—**

	Balance at 31 December 2015					
(EUR 000)	Carrying amounts	Total	Due within 1 year	Due between 1 and 2 years	Due between 2 and 5 years	Due 5 years and more
Loans and borrowings	523,805	-605,359	-13,871	-14,610	-576,878	—
Trade payables and other payables	61,105	-61,105	-61,105	—	—	—
Interest rate swaps used for hedging	19	-19	-191	-48	220	—
	584,929	**-666,482**	**-75,167**	**-14,658**	**-576,658**	**—**

The flows expected for interest rate swaps will affect profit and loss in the same period as they are expected to occur.

28.4. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group's exposure to the risk of changes in exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency). The exposures are mainly with respect to the US dollars (USD) and Pound sterling (GBP). The loans and borrowings of the Group are denominated in Euros, Pound sterling and US Dollars. The objective is to match the main cash flows generated by the underlying operations of the Group with the debt which provides an economic hedge.

Until October 2015 the Group's investment in its Cayman subsidiary was partially hedged by two USD denominated bank loans, one loan of USD 138 million of which USD 100 million was designated as part of the hedge and another of USD 200 million which was fully designated as part of this hedge. Due to the repayment of the loans in USD and the new loan in USD taken, the net investment hedge has been redesigned: the new loan of USD 100 million is fully designated as part of this hedge. This mitigates a portion of the foreign currency translation risk arising from the subsidiary's net assets.

At 31 December 2016 the face value of the designated loan is EUR 94,868 thousand. The loan is designated as a net investment hedge. No ineffectiveness was recognised from the net investment hedge. The Group's investments in other subsidiaries are not hedged.

Exposure to currency risk

The group has mainly currency exposure in USD and GBP, as presented follow:

(EUR 000)	31.12.2016 USD	31.12.2016 GBP	31.12.2015 USD	31.12.2015 GBP
Cash and cash equivalents	12,599	1,399	14,414	608
Trade and other receivables	1,548	11	2,945	157
Loans and borrowings	-94,868	-109,790	-91,853	—
Trade and other payables	-611	-54	-3,672	-464
Net statement of financial position exposure	**-81,332**	**-108,434**	**-78,166**	**301**

The following significant exchange rates have been applied:

	Reporting date spot rate 31.12.2016	Average rate 2016
USD	1.0541	1.1069
GBP	0.8562	0.8195

	Reporting date spot rate 31.12.2015	Average rate 2015
USD	1.0887	1.1095
GBP	0.7340	0.7258

Sensitivity analysis

	2016 Effect in profit or loss		2016 Effect in Equity	
(EUR 000)	EUR Strengthening	EUR Weakening	EUR Strengthening	EUR Weakening
USD (10% movement)	-3,034	3,034	9,858	-9,858
GBP (10% movement)	-1,462	1,462	7,394	-7,394

	2015 Effect in profit or loss		2015 Effect in Equity	
	EUR Strengthening	EUR Weakening	EUR Strengthening	EUR Weakening
USD (10% movement)	-3,403	3,403	7,106	-7,106
GBP (10% movement)	-906	906	-27	27

A 10 per cent strengthening of the USD and the GBP against all other currencies at 31 December 2016 would have affected the value of financial assets and liabilities denominated in foreign currency and affected equity and profit or loss by the amounts shown above. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Interest rate risk

The risk relates to the Group‘s long term debt obligations with floating interest rates. To manage this risk the company enters into interest rate swaps.

Exposure to interest rate risk

At the reporting date the interest rate profile of the interest bearing financial instrument was:

(EUR 000)	31.12.2016 Carrying amount	31.12.2015 Carrying amount
Fixed rate instruments		
Financial assets	416	20,842
	416	**20,842**
Variable rate instruments		
Financial assets	16,115	18,113
Financial liabilities	-811,260	-532,670
	-795,145	**-514,557**
Loans and borrowings hedged	208,460	27,556
	-586,685	**-487,001**

Financial assets mainly include cash in bank accounts with interest bearing rates.

In January 2017, the Group entered into additional interest rate swaps that will cover, together with the existing interest rate swaps, approximately 41 % of floating interest rate on the loans and borrowings.

Sensitivity analysis for variable rate instruments

An increase of 50 basis points in interest rates on loans and borrowings would have decreased the profit and loss before tax by EUR 1,083 thousand (2015: EUR 2,521 thousand). A decrease of 50 basis points in interest rates on loans and borrowings would have decreased the profit and loss before tax by EUR 165 thousand (2015: EUR 2,521 thousand increase).

The loans and borrowings have a 0% Euribor/Libor floor, whereas the interest rate swaps do not have a 0% floor. As a result of current negative interest rates in Euribor this causes the asymmetric variances. The sensitivity of interest to movements in interest rates is calculated on floating rate exposures on debt, net of interest rate swaps. This analysis assumes that all other variables remain constant.

28.5. Capital management

The capital structure of the Group consists of shares and share premium and bank borrowings. The objective of the Group‘s capital management is to ensure that it maintains healthy debt ratios in order to support its business and face the obligations with banks.

The Group‘s target is to reach a steady state leverage ratio of between 2.0 and 2.5 times. This leverage ratio might be higher depending on the potential and the size of any acquisitions. The bank borrowings are subject to covenants that are tested bi-annual: Leverage ratio (Note 24).

28.6. Fair values of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31.12.2016		Carrying amounts					Fair value
(EUR 000)	Note	Loans and receivables	Available-for-sale	Fair value – Hedging instruments	Other liabilities	Total	Level 2
Financial assets not measured at fair value							
Loans and receivables	18	4,507				**4,507**	
Unquoted equity shares	18		940			**940**	
Trade receivables		99,160				**99,160**	
Other receivables	21	15,021				**15,021**	
Work in progress		31,984				**31,984**	
Cash and cash equivalents	22	69,858				**69,858**	
		220,530	**940**	**—**	**—**	**221,470**	
Financial liabilities measured at fair value							
Interest rate swaps – cash flow hedge	18			1,763		**1,763**	1,763
		—	**—**	**1,763**	**—**	**1,763**	
Financial liabilities not measured at fair value							
Trade payables					10,636	**10,636**	
Other payables	21				66,974	**66,974**	
Secured loans and borrowings	24				799,293	**799,293**	784,293
		—	**—**	**—**	**876,903**	**876,903**	

31.12.2015		Carrying amounts				
(EUR 000)	Note	Loans and receivables	Available-for-sale	Fair value – Hedging instruments	Other liabilities	Total
Financial assets not measured at fair value						
Loans and receivables	18	4,358				**4,358**
Unquoted equity shares	18		988			**988**
Trade receivables		80,996				**80,996**
Other receivables	21	16,454				**16,454**
Work in progress		17,992				**17,992**
Cash and cash equivalents	22	80,464				**80,464**
		200,264	**988**	**—**	**—**	**201,252**
Financial liabilities measured at fair value						
Interest rate swaps used for cash-flow hedge	18			19		**19**
		—	**—**	**19**	**—**	**19**
Financial liabilities not measured at fair value						
Trade payables					6,221	**6,221**
Other payables	21				54,884	**54,884**
Secured loans and borrowings	24				523,805	**523,805**
		—	**—**	**—**	**584,910**	**584,910**

Level 2

The fair value of the interest rate swaps is based on broker quotes and is calculated as the present value of the estimated future cash flows based on observable yield curves. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty when appropriate.

There are only level 2 fair values and no transfers between levels were applicable in 2016 and 2015.

29. Operating leases

29.1. Leases as lessee

The Group has entered into commercial leases on certain motor vehicles and items of office equipment. These leases have an average life of between three and five years with no renewal option included in the contracts.

The Group has entered into leases for rental agreements in different countries. The leases run for a period between 3 and 24 years. Lease payments are increased with specific amounts and frequency depending on the different agreements.

There are no restrictions placed upon the Group by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	31.12.2016	Not later than one year	Between one and five years	Later than five years
Leased machinery and equipment	**2,837**	1,136	1,502	199
Leased real estate	**70,366**	19,526	48,610	2,230
Total	**73,203**	**20,662**	**50,112**	**2,429**

	31.12.2015	Not later than one year	Between one and five years	Later than five years
Leased machinery and equipment	**2,576**	967	1,443	166
Leased real estate	**54,939**	15,071	34,658	5,210
Total	**57,516**	**16,038**	**36,101**	**5,376**

During the period an amount of EUR 18,607 thousand (2015: EUR 14,945 thousand) was recognised as an expense in profit or loss in respect of operating leases. Total rental expenses reported in statement of profit/loss includes utilities, maintenance and repairs expenses.

29.2. Leases as lessors

Some affiliates have entered into sublease contracts of office space.

Future minimum rental receivables under non-cancellable operating leases as at 31 December are as follows:

	31.12.2016	Not later than one year	Between one and five years	Later than five years
Leased real estate	**10,445**	3,167	7,278	—
Total	**10,445**	**3,167**	**7,278**	**—**

	31.12.2015	Not later than one year	Between one and five years	Later than five years
Leased real estate	**1,584**	1,467	117	—
Total	**1,584**	**1,467**	**117**	**—**

During the period an amount of EUR 4,015 thousand (2015: EUR 3,377 thousand) were included in revenues.

30. Commitments

The Group is committed to incur IT operational expenditure mainly related to managed communication networks and outsourced activities of EUR 17,246 thousand spread in the next five years.

31. Contingencies

There are a few possible claims against the Group, the aggregate amount of which cannot be reliably measured. Where necessary legal and/or external advice has been obtained and, in light of such advice, the risk of litigation is provided adequately.

There is a remaining potential tax liability towards the Swiss tax authorities. This relates to a late payment interest charge imposed by the Swiss tax authorities in the amount of CHF 9.1 million in connection with the late payment of Swiss dividend withholding tax on a cash dividend paid in 2010 to its former shareholders. The Group has timely filed a formal tax appeal against the imposition with the Swiss tax authorities, outlining various arguments as to why we believe the contingency is not due. On 1 February 2017 favourable related legislation has been enacted. We expect to receive a formal full release of the late payment interest assessment in the course of 2017 pending administrative proceedings.

The Belgian tax authorities have delivered a notice to the third party liquidator of one of our former subsidiaries for tax and penalties in the amount of approximately EUR 16.4 million (excluding interest) in connection with Belgian dividend withholding tax over the payment of liquidation proceeds of this subsidiary in 2012. The exemption for dividend withholding tax has been challenged by the tax authorities on technical grounds. A formal tax complaint in view of full rescindment had been filed in due course as there are good grounds to challenge the tax assessment. Following formal decision received in February 2017, a partial rescindment for an amount of approx. EUR 6.5 million has been obtained. An amount of approx. EUR 9.8 million (excluding interest) remains under further dispute. We are preparing for filing a court petition as we continue to believe there to be good grounds to counter the position taken by the tax authorities. The further treatment and outcome of the appeal in front of the court is bound to be pending for quite some time whereby it is furthermore believed that it is still more likely than not that a full release can be obtained.

32. Related parties

The Group has provided services to some entities related to Blackstone in the normal course of business at arm‘s length basis.

In 2015, prior to the listing, the Group entered into transactions with parties related to Blackstone Group for services received for advising, monitoring and transaction fees for the amount of EUR 1,499 thousand.

In 2015, as part of the capital reorganisation of the Company, the amounts outstanding under the shareholder loans payable to Blackstone Perpetual Topco S.à r.l. of EUR 95,535 thousand were contributed in exchange for newly issued ordinary shares of the Company. The interest expenses in the current period, prior to the listing, amounted to EUR 7,016 thousand.

32.1. Parent and ultimate controlling party

Prior to the listing in the Euronext Amsterdam on 15 October 2015, the Company was ultimately controlled by funds managed by Blackstone Group L.P. which had the majority shareholding in the Group. The remaining shares were owned by parties related to management. Following the IPO, the Company is the new ultimate controlling party.

32.2. Transactions with key management personnel

The Group has defined key management personnel as the members of the 2016 Supervisory Board, Management Board and Executive Committee of the Group, responsible for the strategic and operational activities.

Key management personnel compensation

Key management personnel compensation comprises:

(EUR 000)	2016	2015
Short-term employee benefits	3,144	3,235
Post-employment benefits	206	211
Share-based payment[1]	1,113	1,430
	4,464	**4,876**

1 This includes the expenses recognised by the Group related to the EOP and LTIP awards made to key management personnel (Note 8)

Management Board

For the individual members of the Management Board, the Group recognised the following remuneration expenses:

	2016 remuneration			
(EUR 000)	Base salary	Other benefits	Short-term incentive[1]	Total
David de Buck	350	51[2]	80	481
Ernesto Traulsen	353	11[3]	60	424
	703	**62**	**140**	**905**

	2015 remuneration			
(EUR 000)	Base salary	Other benefits	Short-term incentive[1]	Total
David de Buck	350	71[2]	100	521
Ernesto Traulsen	361	19[3]	94	474
	711	**90**	**194**	**995**

1 Short-term remuneration represents accrued bonuses to be paid in the following financial year
2 This includes the lease car costs and compensation for a terminated saving scheme
3 This includes the lease car costs

	2016 deferred remuneration		
(EUR 000)	Long-term incentive[1]	Pension costs	Total deferred
David de Buck	271	14	285
Ernesto Traulsen	-12	61	49
	259	**75**	**334**

	2015 deferred remuneration		
(EUR 000)	Executive Ownership plan[1]	Pension costs	Total deferred
David de Buck	375	14	389
Ernesto Traulsen	94	62	156
	469	**76**	**545**

1 Long-term incentive represents the expense recognised during the year in accordance with IFRS 2, Share-based Payment, related to the EOP and LTIP awards

(EUR 000)	Total remuneration (including deferred remuneration) Total 2016	Total 2015
David de Buck	766	910
Ernesto Traulsen	473	630
	1,239	**1,539**

The Management Board EOP awards outstanding and movements during the financial year were:

	Award date	Outstanding as at 1 Jan 2016	Granted in 2016	Allocated in 2016 subject to lock up	Vested in 2016	Outstanding as at 31 Dec 2016	Fair value per share at grant date (EUR)	Vesting date[1]
David de Buck								
EOP – Matching shares	19 Oct 2015	50,013	—	—	—	50,013	14.28	19 Oct 2018
Ernesto Traulsen								
EOP – Matching shares	19 Oct 2015	12,503	—	—	—	12,503	14.28	19 Oct 2018

	Award date	Outstanding as at 1 Jan 2015	Granted in 2015	Allocated in 2015 subject to lock up	Vested in 2015	Outstanding as at 31 Dec 2015	Fair value per share at grant date (EUR)	Vesting date[1]
David de Buck								
EOP – Additional shares	19 Oct 2015	—	21,006	-21,006	—	—	15.50	19 Oct 2015
EOP – Matching shares	19 Oct 2015	—	50,013	—	—	50,013	14.28	19 Oct 2018
Ernesto Traulsen								
EOP – Additional shares	19 Oct 2015	—	5,251	-5,251	—	—	15.50	19 Oct 2015
EOP – Matching shares	19 Oct 2015	—	12,503	—	—	12,503	14.28	19 Oct 2018

1 Following the vesting date, the EOP shares granted to members of the Management Board are subject to an additional two-year lock up period, except for the EOP shares that can be sold to cover income taxes due

Upon vesting of the share-based payment awards to the members of the Management Board and other eligible employees, the Company may at its discretion make the required number of Ordinary Shares available either by issuing new Ordinary Shares or by purchasing existing Ordinary Shares in the open market.

The LTIP awards for the members of the Management Board was set by the Supervisory Board of the Company on 10 February 2016. The Management Board LTIP awards outstanding and movements during the financial year were:

	Award date	Outstanding as at 1 Jan 2016	Granted in 2016	Allocated in 2016 subject to lock up	Vested in 2016	Outstanding as at 31 Dec 2016	Fair value per share at grant date (EUR)	Vesting date[1]
David de Buck								
LTIP shares	1 Apr 2016	—	4,925	—	—	4,925	17.95	1 Apr 2016
Ernesto Traulsen								
LTIP shares	1 Apr 2016	—	4,925	—	—	4,925	17.95	1 Apr 2016

1 Following the vesting date, the LTIP shares granted to members of the Management Board are subject to an additional two-year lock up period, except for the LTIP shares that can be sold to cover income taxes due

As of 31 December 2016, the members of the Management Board have no loans outstanding with the Group and no guarantees or advance payments are granted to members of the Management Board.

Supervisory Board

The individual members of the Supervisory Board received the following remuneration:

(EUR 000)	2016	2015
A. Ruys	60	46
H.L.L. Groenewegen	65	25
H.M. Vletter	80	80
	205	**151**

The Company does not grant variable remuneration, shares or options to the members of the Supervisory Board. As of 31 December 2016, the members of the Supervisory Board have no loans outstanding with the Group and no guarantees or advance payments are granted to members of the Supervisory Board.

33. Group entities

The following companies were the significant subsidiaries of the Group as at 31 December 2016 and have been included in the consolidated financial statements:

Name	Country of incorporation	Type	Ownership interest 31.12.2016
Intertrust N.V.	Netherlands	parent	100%
Intertrust Group B.V.	Netherlands	affiliate	100%
Intertrust Holding (Jersey) Limited	Jersey	affiliate	100%
Elian TopCo Limited	Guernsey	affiliate	100%
Elian MidCo Limited	Guernsey	affiliate	100%
Elian BidCo Limited	Jersey	affiliate	100%
Biplane BidCo (UK) Limited	United Kingdom	affiliate	100%
Intertrust SFM Holdings Limited	Jersey	affiliate	100%
Intertrust Management Limited	United Kingdom	affiliate	100%
SFM Europe Limited	United Kingdom	affiliate	100%
Intertrust European Holdings Limited	Ireland	affiliate	100%
SFM (Portugal) Sociedade Unipessoal LDA	Portugal	affiliate	100%
Structured Finance Management (Spain)S.L.	Spain	affiliate	75%
Intertrust Offshore Limited	Jersey	affiliate	100%
Elian Fiduciary Services Holding Company Limited	Cayman	affiliate	100%
Intertrust Fiduciary Services (Jersey) Limited	Jersey	affiliate	100%
Intertrust Fiduciary Shared Services Limited	Jersey	affiliate	100%
Intertrust Premises (Jersey) Limited	Jersey	affiliate	100%
Intertrust Fiduciary Services (UK) Limited	United Kingdom	affiliate	100%
Intertrust Fiduciary Services (BVI) Limited	Virgin Islands, British	affiliate	100%
Intertrust (Netherlands) B.V.	Netherlands	affiliate	100%
Structured Finance Management (Netherlands) BV	Netherlands	affiliate	100%
Intertrust Group Holding S.A.	Switzerland	affiliate	100%
Intertrust (Sweden) AB	Sweden	affiliate	100%
Intertrust (Norway) A/S	Norway	affiliate	100%
Intertrust (Finland) Oy	Finland	affiliate	100%
Intertrust (Guernsey) Limited	Guernsey	affiliate	100%
Intertrust (Spain) SL	Spain	affiliate	100%
Intertrust Holding (Curacao) N.V.	Netherlands Antilles	affiliate	100%
Intertrust Management NV	Netherlands Antilles	affiliate	100%
Intertrust Resources Management Limited	Hong Kong	affiliate	100%
Intertrust (Singapore) Ltd.	Singapore	affiliate	100%
Intertrust Management Services Pte. Ltd.	Singapore	affiliate	100%
Intertrust (Belgium) NV/SA	Belgium	affiliate	100%

Name	Country of incorporation	Type	Ownership interest 31.12.2016
Intertrust (Suisse) S.A.	Switzerland	affiliate	100%
Intertrust (Denmark) A/S	Denmark	affiliate	100%
Intertrust Intellectual Property Group Holding SA	Switzerland	affiliate	100%
Intertrust (Shanghai) Consultants Limited	China	affiliate	100%
Intertrust Danismanlik AS	Turkey	affiliate	100%
Intertrust Management Ireland Limited	Ireland	affiliate	100%
Intertrust Alternative Investment Fund Management (Ireland) Limited	Ireland	affiliate	100%
Intertrust Holdings (UK) Limited	United Kingdom	affiliate	100%
Intertrust (Cyprus) Limited	Cyprus	affiliate	100%
Intertrust Holding (Cayman) Limited	Cayman Islands	affiliate	100%
Intertrust Corporate Services (BVI) Limited	Virgin Islands, British	affiliate	100%
Intertrust (Dubai) Limited	United Arab Emirates	affiliate	100%
Intertrust Corporate Services Delaware Ltd	United States	affiliate	100%
Intertrust (Brazil) Servicos Corporativos Ltda	Brazil	affiliate	100%
Intertrust (Bahamas) Limited	Bahamas	affiliate	100%
Intertrust Germany GmbH	Germany	affiliate	100%
Intertrust Topholding (Luxembourg) S.à r.l.	Luxembourg	affiliate	100%
Intertrust Holding (Luxembourg) S.à r.l.	Luxembourg	affiliate	100%
Intertrust (Luxembourg) S.a r.l.	Luxembourg	affiliate	100%

34. Non-controlling entities

Non-controlling interests are related to ATC (Switzerland) S.à r.l. (ownership 51%), ATC Corporate Services (Zug) GmbH (ownership 51%), LBL data services B.V. (ownership 50%) and Structured Finance Management (Spain), S.L. (ownership 75%), which are not material for the Company.

35. Subsequent events

On 1 February 2017, the Group has acquired the remaining 25% stake in Intertrust Management Spain, S.L. (formerly known as Structured Finance Management (Spain), S.L.) together with the affiliated professional services activities of Azcona y Asociados de Consultoría Tributaria, Jurídica y Contable, S.L

Intertrust N.V. Balance Sheet

After profit appropriation (EUR 000)	Note	31.12.2016	31.12.2015
Assets			
Investments in participating interests	39	755,888	32,424
Loans to participating interests	40	—	523,862
Deferred tax assets		1,916	2,543
Fixed assets		**757,804**	**558,829**
Other receivables		—	136
Prepayments		101	—
Cash and cash equivalents		10	4,418
Current assets		**111**	**4,554**
Total assets		**757,915**	**563,383**
Shareholders' equity			—
Share capital		55,200	51,133
Share premium		641,499	524,481
Reserves		42,345	91
Retained earnings		18,829	-13,515
Total shareholders' equity	**41**	**757,873**	**562,190**
Liabilities			
Trade payables		—	380
Other payables		42	813
Current liabilities		42	1,193
Total liabilities		**42**	**1,193**
Total shareholder's equity and liabilities		**757,915**	**563,383**

Intertrust N.V. Income statement

(EUR 000)	Note	2016	2015
Other operating expenses		-1,588	-23
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**-1,588**	**-23**
Finance income		5,319	4,267
Finance costs		-4	—
Net Finance costs		**5,315**	**4,267**
Share of profit of equity-accounted investees (net of tax)		49,085	-17,100
Profit/(loss) before income tax		**52,816**	**-12,856**
Income tax		-932	-1,061
Profit/(loss) for the year after tax	**41**	**51,884**	**-13,917**
Profit/(loss) for the year after tax attributable to:			
Owners of the Company		51,884	3,183

Intertrust N.V. Statement of changes in equity

(EUR 000)	For the period ended 31 December 2016 — Attributable to owners of the Company							
	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total
Balance at 01 January 2016	**51,133**	**524,481**	**-13,515**	**107**	**-16**	**—**	**—**	**562,190**
Profit (loss) for the period	—	—	51,884	—	—	—	—	**51,884**
Other comprehensive income	—	—	133	7,520	-1,308	—	—	**6,345**
Total comprehensive income for the period	**—**	**—**	**52,017**	**7,520**	**-1,308**	**—**	**—**	**58,229**
Transactions with owners of the Company								
Issue of ordinary shares	4,067	117,018	—	—	—	—	—	**121,085**
Capital reorganisation under common control	—	—	—	—	—	—	—	**—**
Equity-settled share-based payment	—	—	5,988	—	—	—	—	**5,988**
Business combination	—	—	—	—	—	—	36,118	**36,118**
Purchase of treasury shares	—	—	—	—	—	-3,657	—	**-3,657**
Treasury shares delivered	—	—	-3,581	—	—	3,581	—	**—**
Dividends	—	—	-22,080	—	—	—	—	**-22,080**
Total contributions and distributions	**4,067**	**117,018**	**-19,673**	**—**	**—**	**-76**	**36,118**	**137,454**
Balance at 31 December 2016	**55,200**	**641,499**	**18,829**	**7,627**	**-1,324**	**-76**	**36,118**	**757,873**

(EUR 000)	For the period ended 31 December 2015 — Attributable to owners of the Company							
	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Treasury share reserve	Other reserve	Total
Balance at 01 January 2015	**45**	**—**	**—**	**—**	**—**	**—**	**—**	**45**
Profit (loss) for the period	—	—	-13,917	—	—	—	—	**-13,917**
Other comprehensive income	—	—	-543	9,438	1,246	—	—	**10,141**
Total comprehensive income for the period	**—**	**—**	**-14,460**	**9,438**	**1,246**	**—**	**—**	**-3,776**
Transactions with owners of the Company								
Issue of ordinary shares	18,133	439,488	—	—	—	—	—	**457,621**
Capital reorganisation under common control	32,955	84,993	—	-9,331	-1,262	—	—	**107,355**
Equity-settled share-based payment	—	—	945	—	—	—	—	**945**
Total contributions and distributions	**51,088**	**524,481**	**945**	**-9,331**	**-1,262**	**—**	**—**	**565,921**
Balance at 31 December 2015	**51,133**	**524,481**	**-13,515**	**107**	**-16**	**—**	**—**	**562,190**

Notes to the Intertrust N.V. financial statements

36. Reporting entity

The Company financial statements of Intertrust N.V. are part of the consolidated financial statements.

37. Basis of preparation

The Company financial statements have been prepared in accordance with the provisions of Part 9, Book 2, of the Dutch Civil Code. The Company uses the option of Article 362.8 of Part 9, Book 2, of the Dutch Civil Code to prepare the Company financial statements, using the same accounting policies as in the consolidated financial statements. Valuation is based on recognition and measurement requirements of accounting standards adopted by the EU (i.e. only IFRS that is adopted for use in the EU at the date of authorisation) as explained further in the notes to the consolidated financial statements.

38. Significant accounting policies

38.1. Result of participating interests

The share of profit of participating interests consists of the share of the Company in the results of these participating interests. Results on transactions, where the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests, themselves, are not realised.

38.2. Financial fixed assets

Participating interests in Group companies are accounted for in the company financial statements according to the equity method. Refer to the basis of consolidation accounting policy in the consolidated financial statements.

39. Investments in participating interests

(EUR 000)	31.12.2016	31.12.2015
Balance at 01 January	**32,424**	**—**
Capital reorganisation under common control	—	11,820
Investments	686,456	23,261
Share of result of participating interests	49,089	-17,100
Dividend income	-24,416	—
Equity-settled share-based payment	5,990	4,302
Actuarial gains/(losses)	133	-543
Changes in hedging and translation reserves	6,212	10,684
Balance at 31 December	**755,888**	**32,424**

In 2016, the Company became the owner of 100% of Intertrust Group B.V., a company based in The Netherlands, following post-IPO restructuring. The dividend declared by Intertrust Group B.V. and paid out of retained earnings was EUR 24,412 thousand.

In 2015, the Company became the parent of the Group by the contribution of the entire issued and outstanding share capital of Intertrust Topholding (Luxembourg) S.à r.l. and the outstanding amounts under the Shareholder loans to the Company‘s shareholder‘s equity as a capital contribution.

40. Loans to participating interests

In 2016, the loans receivable from its subsidiary Intertrust Topholding (Luxembourg) S.à. r.l has been set-off within post-IPO restructuring.

In 2015, an amount of EUR 95,535 thousand (principal and accrued interest) was contributed to the Company by Blackstone Perpetual Topco (Luxembourg) S.à r.l. in exchange for newly issued ordinary shares of the Company on 19 October 2015. An additional loan was issued on the same date to Intertrust Topholding (Luxembourg) S.à r.l. for a principal amount of EUR 424,060 thousand.

41. Shareholders' equity

On 13 June 2016, the Company issued 6,777,778 ordinary shares for the purchase of Elian Group.

For movements in Equity, refer to Note 23.

Reconciliation of Group equity with Company equity

In 2015, the differences in share premium and retained earnings between the consolidated financial statements and the Company financial statements of EUR 11,058 thousand were related to the consolidated retained earnings of the participating interests at contribution date. These retained earnings were booked as part of the share premium in the Company accounts.

For details on the capital reorganisation, refer to Note 23.

Reconciliation of Group profit/(loss) with Company profit/(loss)

(EUR 000)	31.12.2016	31.12.2015
Profit/(loss) attributable to owners of the Company	**51,884**	**2,669**
Share of profit of participating interests, after income tax from 1 January to 19 October (capital reorganisation under common control)	—	-16,586
Profit/(loss) in Intertrust N.V.	**51,884**	**-13,917**

42. Fees of the auditors

The following fees from KPMG Accountants N.V. and its member firms to the Company and its subsidiaries have been booked for the financial period:

	KPMG Accountants N.V.		Other KPMG member firms and affiliates	
(EUR 000)	2016	2015	2016	2015
Audit of the financial statements	-470	-355	-822	-667
Transactional audit fees	—	-453	—	—
Other assurance related services (including half year review)	-202	-71	-33	-33
Tax fees	—	—	-54	-123
Other fees	—	—	-39	-13
	-672	**-879**	**-948**	**-836**

43. Remuneration

Refer to Note 32 of the consolidated financial statements for the remuneration of the Management Board and the Supervisory Board.

44. Off-balance sheet commitments

Fiscal unity

The Company is head of a fiscal unity for corporate income tax purposes. The Company calculates its taxes on a stand-alone basis. The payables and/or receivables of the corporate income tax are settled with the companies that are part of the fiscal unity. In accordance with the standard conditions of the fiscal unity, each of the companies is liable for the income tax liabilities of the entire fiscal unity.

45. Subsequent events

For subsequent events, please refer to Note 35.

46. Appropriation of Result

The Management Board proposes to appropriate EUR 45,080 thousand of the profit for a payment of a dividend and to add EUR 6,804 thousand to the retained earnings.

The financial statements are signed by the Management Board and the Supervisory Board:

Management Board:
David De Buck
Maarten de Vries

Supervisory Board:
Hélène Vletter-van Dort
Gerry Murphy
Lionel Assant
Anthony Ruys
Bert Groenewegen

Amsterdam, the Netherlands

31 March 2017

Independent auditor's report

To: the General Meeting and the Supervisory Board of Intertrust N.V.

Report on the accompanying financial statements 2016

Our opinion

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of Intertrust N.V. as at 31 December 2016, and of its result and its cash flows for 2016 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Netherlands Civil Code;
- the accompanying company financial statements give a true and fair view of the financial position of Intertrust N.V. as at 31 December 2016, and of its result for 2016 in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

What we have audited

We have audited the financial statements 2016 of Intertrust N.V., based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2016;
2. the following consolidated statements for 2016: the statement of profit or loss, the statements of comprehensive income, changes in equity and cash flows; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1. the company balance sheet as at 31 December 2016;
2. the company Income statements for 2016; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Intertrust N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit approach

Summary

Unqualified audit opinion

Materiality

- Overall materiality of EUR 4 million
- 5.5% of profit before tax from continuing operations

Key audit matters

- Acquisition Accounting
- Valuation of Goodwill and Intangibles
- Provisioning of Litigations and claims
- Revenue recognition

Audit scope

- Coverage of 87% of revenue

Materiality

Based on our professional judgment we determined the materiality for the financial statements as a whole at EUR 4 million (2015: EUR 3 million). The materiality is determined with reference to the 2016 profit before tax from continuing operations (5.5%). We consider profit before tax from continuing operations as the most appropriate benchmark as it reflects the operations of the Company. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

We agreed with the Supervisory Board that misstatements in excess of EUR 200,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Intertrust N.V. is head of a group of entities. The financial information of this group is included in the financial statements of Intertrust N.V.

Our group audit mainly focused on group entities that were considered significant based on revenues, leading to operating entities in the Netherlands, Luxembourg, Guernsey, Cayman Islands and Jersey being in-scope. To increase coverage the audit for consolidation purposes was extended to include Switzerland, Curacao and Hong Kong as well.

We have:

- sent detailed instructions to all component auditors, covering significant areas including the relevant risks of material misstatement and set out the information required to be reported to the group audit team;
- visited component locations in the Netherlands, Luxembourg and Guernsey where we performed audit file reviews;
- visited the Jersey operating entity and performed an audit file review in order to make use of the work of a non-KPMG auditor of the Jersey operations 2016;
- performed audit procedures ourselves at group entity Intertrust N.V. and the Dutch operating entity;
- performed audit procedures over significant accounts such as external debt, taxes and intangible assets including goodwill ourselves at the group holding entity in the Netherlands;

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements. The audit scope coverage for 2016 is 87% of the consolidated revenues.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for the acquisition of Elian

Description

In September 2016, the Company acquired the Elian Group for EUR 227.5 million. The purchase price allocation (PPA) as required by IFRS 3 contains complex accounting and management judgement in significant estimates such as the future cash flow projections and discount rates used. In the PPA, the purchase price of the acquired company's net assets has been allocated to all identified assets and liabilities.

The application of purchase price accounting for the acquisition of the Elian Group has been disclosed in note 6 of the financial statements.

Our response

We have performed the following audit procedures for the purchase price allocation (PPA) for Elian:

- Audit of the opening balance for Elian Group upon acquisition performed by local auditors based on the scoping and instructions issued;
- Verification of the total consideration identified by the entity based on the signed agreements;
- Assessment of the identification and valuation of all assets and liabilities acquired, including challenging the assumptions used by management and the external valuator, engaged by the entity, on underlying assumptions such as future cash flow projections and discount rates by comparing them with market data;

Our observation

Based on our procedures performed we found that the accounting for the acquisition for the Elian Group and related disclosure have met the requirements of IFRS 3.

Valuation of goodwill and intangible assets

Description

The company has recognised a significant amount of goodwill and intangibles for client relationships and brand names, predominantly emanating from the acquisitions of the ATC and Intertrust businesses amounting to EUR 1,580.5 million. There exists a potential risk of impairment of intangible assets, including goodwill, to the extent future developments negatively deviate from the assumptions applied during the acquisition of the group entities.

The annual impairment test performed was significant to our audit because the assessment process is complex and judgmental and is based on assumptions that are affected by expected future economic and market conditions. In performing the impairment testing for goodwill, the Company used various assumptions in respect of future economic and market conditions, such as the discount rate, revenue and margin development, expected inflation rates and the terminal value growth.

The amounts recognised, the assumptions and sensitivities used to assess the recoverable amount recognised are disclosed in note 16 of the consolidated financial statements.

Our response

We performed, amongst others, the following procedures:

- We challenged management's budget and cash flow forecasts, performing sensitivity analyses and a retrospective review of the historical accuracy of management's estimations;
- Involved a KPMG valuation specialists to assist the audit team in the audit procedures performed. The valuation specialist's procedures included evaluating the methodology used by management, assessing the reasonableness of the WACC, performing independent sensitivity analyses over the key assumptions used by management in the impairment test, and comparison with market data;
- Assessed if management's determination of the Cash Generating Unit (CGU) and the related carrying value was appropriate.

Our observation

Based on our procedures performed we consider management's key assumptions within an acceptable range and determined that the company's disclosures meet the requirements of IAS 36.

Provisioning for litigations and claims

Description

Considering the line of business of Intertrust N.V., in combination with the inherent subjectivity in identifying, monitoring and provisioning of claims, there is a potential risk of misstatement in claim provisions and contingency disclosures. The outcome of these matters may have a material effect on the Company's result and financial position. Management's assessment of legal claims is included in note 27 of the consolidated financial statements, and the description of contingencies is included in note 31.

Our response

We performed, amongst others, the following procedures:

- Our control testing included testing management's controls in relation to risks of breaches in laws and regulations, as well as testing controls over litigation and claims monitoring and provision recognition;
- We challenged management's assessment of litigations and claims, and subsequent assessment of provisions required as at the year-end with a combination of procedures including inquiry with in-house legal counsel (at the group level and at group entities) and substantive evidence including confirmation letters, contracts, case summaries from external legal counsels;

Our observation

Based on our procedures performed we found that the provision for litigation and claims to be recognised and as disclosed in note 3.15 of the consolidated financial statements in accordance with IAS 37.

Revenue recognition and risk of management override

Description

Revenue recognition, in particular existence of revenue and possible fraudulent recognition, was considered a significant inherent risk for the financial statements of Intertrust N.V. 2016 from an audit perspective. It relates to the potential manipulation of cut-off of revenues, management override of controls and potential bias in estimates of the recoverability of work in progress (WIP) and debtors.

Management override relevant to internal controls is an action or a series of actions performed by management to bypass established internal controls. Management override may be driven by a desire to reach analyst expectations.

Our response

We addressed the risk of fraudulent revenue recognition and management override in our audit through a combination of controls testing and substantive testing:

- We involved KPMG forensic specialists in our fraud risk assessment and in designing audit procedures to address the risk of fraud;
- We tested the key controls in relation to revenue recognition, such as the approval of hours recorded, reconciliation of written hours to contractual hours and review of proposed invoicing;
- We tested the design, implementation and operating effectiveness of the general IT controls applicable to the system for financial reporting to the extent that this is considered effective and efficient in our audit approach. User access management controls were not completely implemented in Luxembourg which resulted in additional substantive audit procedures such as manual reconciliations of data;
- We performed substantive audit procedures in relation to cut-off of revenue. Amongst others, we verified the timing of revenue recognition with underlying contracts and written hours, whether credit notes issued after balance sheet date related to revenue recognised in 2016, the existence and collectability of WIP and debtor balances by reconciling WIP to written hours and testing the aging of accounts receivable;
- We performed journal entry testing of both manual journal entries recorded directly in the consolidation, and manual journal entries recorded by local management, using data analysis tools where possible;

Our observation

Our audit procedures did not reveal indications of management bias or override of controls in the estimates and accounting applied by management in relation to the recognition of revenue, recoverability of WIP and debtors.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the Management Board's Report on pages 4 to 120 including the Report from the Supervisory Board;
- other information pursuant to Part 9 of Book 2 of the Netherlands Civil Code on pages 186 to 191.

Based on the below procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Netherlands Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Netherlands Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management board's report in accordance with Part 9 of Book 2 of the Netherlands Civil Code and other Information pursuant to Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged by the General Meeting as auditor of Intertrust N.V. on 25 September 2015, as of the audit for year of 2015, and have operated as statutory auditor since then.

Description of the responsibilities for the financial statements

Responsibilities of Management Board and Supervisory Board for the financial statements

Management Board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, the Management Board is responsible for such internal control as Management Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, Management Board is responsible for assessing the company‘s ability to continue as a going concern. Based on the financial reporting framework mentioned, Management Board should prepare the financial statements using the going concern basis of accounting unless Management Board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management Board should disclose events and circumstances that may cast significant doubt on the company‘s ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company‘s financial reporting process.

Our responsibilities for the audit of financial statements

Our objective is to plan and perform the audit to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during the audit.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

For a further description of our responsibilities in respect of an audit of financial statements we refer to the website of the professional body for accountants in the Netherlands (NBA): https://www.nba.nl/Documents/Tools%20Vaktechniek/Standaardpassages/Standaardpassage_nieuwe_controletekst_oob_variant_%20Engels.docx

Amstelveen, 31 March 2017

KPMG Accountants N.V.

F.M. van den Wildenberg RA

Consolidated statement of profit or loss

(EUR 000)	Note	2015	2015	2014	2014
Revenue			**344,590**		**297,021**
Staff expenses	7		-144,882		-124,182
thereof share-based payment upon IPO		-4,354		—	
Rental expenses			-17,246		-14,505
Other operating expenses	9		-41,636		-40,301
thereof transaction & monitoring costs		-5,303		-7,732	
thereof integration costs		-3,115		-3,264	
Other operating income	10		3,725		1,694
Earnings before interest, taxes, depreciation and amortisation (EBITDA)			**144,551**		**119,727**
Depreciation and amortisation	11		-37,262		-34,312
Profit/(loss) from operating activities			**107,289**		**85,415**
Finance income			73		116
Finance costs			-100,702		-75,836
Net finance costs	12		**-100,629**		**-75,720**
Share of profit/(loss) of equity-accounted investees (net of tax)	17		-42		-16
Profit/(loss) before income tax			**6,618**		**9,679**
Income tax	13		-3,980		-3,427
Profit/(loss) for the year after tax			**2,638**		**6,252**
Profit/(loss) for the year after tax attributable to:					
Owners of the Company			2,669		6,285
Non-controlling interests			-31		-33
Profit/(loss) for the year			**2,638**		**6,252**
Basic earnings per share (EUR)	14		0.12		1.08
Diluted earnings per share (EUR)	14		0.12		1.08

The notes on pages F-169 to F-217 are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

(EUR 000)	Note	2015	2014
Actuarial gains and losses on defined benefit plans	25	-2,037	-2,397
Income tax on actuarial gains and losses on defined benefit plans	13	259	554
Items that will never be reclassified to profit or loss		**-1,778**	**-1,843**
Foreign currency translation differences – foreign operations		12,824	7,339
Net movement on cash flow hedges		2,826	-1,036
Income tax on net movement on cash flow hedges	13	-706	259
Items that are or may be reclassified to profit or loss		**14,944**	**6,562**
Other comprehensive income/(loss) for the year, net of tax		**13,166**	**4,719**
Total comprehensive income/(loss) for the year		**15,804**	**10,971**
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		15,832	11,003
Non-controlling interests		-28	-32
Total comprehensive income/(loss) for the year		**15,804**	**10,971**

The notes on pages F-169 to F-217 are an integral part of these consolidated financial statements.

Consolidated statement of financial position

(EUR 000)	Note	31.12.2015	31.12.2014
Assets			
Property, plant and equipment	15	11,271	10,872
Intangible assets	16	1,064,460	1,031,804
Investments in equity-accounted investees	17	257	299
Other non-current financial assets	18	4,142	4,753
Deferred tax assets	19	7,083	2,526
Non-current assets		**1,087,213**	**1,050,254**
Trade receivables	20	80,996	72,462
Other receivables	21	16,454	23,228
Work in progress		17,992	14,856
Current tax assets		688	1,167
Other current financial assets	18	1,204	929
Prepayments		5,362	3,136
Cash and cash equivalents	22	80,464	38,904
Current assets		**203,160**	**154,682**
Total assets		**1,290,373**	**1,204,936**
Equity			
Share capital		51,133	1,135
Share premium		513,423	10,219
Reserves		91	-14,849
Retained earnings		-2,457	-4,294
Equity attributable to owners of the Company		**562,190**	**-7,789**
Non-controlling interests		124	152
Total equity	**23**	**562,314**	**-7,637**
Liabilities			
Loans and borrowings	24	523,676	981,927
Other non current financial liabilities	18	19	3,862
Employee benefits liabilities	25	2,802	7,668
Deferred income	26	8,303	6,948
Provisions	27	828	568
Deferred tax liabilities	19	72,318	74,747
Non-current liabilities		**607,946**	**1,075,720**
Loans and borrowings	24	129	16,749
Trade payables		6,221	9,906
Other payables	21	54,884	62,332
Deferred income	26	46,711	40,095
Provisions	27	1,047	1,617
Current tax liabilities		11,121	6,154
Current liabilities		**120,113**	**136,853**
Total liabilities		**728,059**	**1,212,573**
Total equity & liabilities		**1,290,373**	**1,204,936**

The notes on pages F-169 to F-217 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

(EUR 000)	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Total	Non-controlling interests	Total equity
	For the period ended December 31, 2015							
	Attributable to owners of the Company							
Balance at 01 January 2015	**1,135**	**10,219**	**-4,294**	**-12,714**	**-2,135**	**-7,789**	**152**	**-7,637**
Profit/(loss) for the year	—	—	2,669	—	—	2,669	-31	2,638
Other comprehensive income	—	—	-1,778	12,821	2,120	13,163	3	13,166
Total comprehensive income/ (loss) for the year	**—**	**—**	**892**	**12,821**	**2,120**	**15,832**	**-28**	**15,804**
Transactions with owners of the Company								
Issue of ordinary shares	18,133	439,488	—	—	—	457,621	—	457,621
Capital reorganisation under common control	31,865	63,716	—	—	—	95,581	—	95,581
Equity-settled share-based payment	—	—	945	—	—	945	—	945
Total contributions and distributions	**49,998**	**503,204**	**945**	**—**	**—**	**554,147**	**—**	**554,147**
Total transactions with owners of the Company	**49,998**	**503,204**	**945**	**—**	**—**	**554,147**	**—**	**554,147**
Balance at 31 December 2015	**51,133**	**513,423**	**-2,457**	**107**	**-16**	**562,190**	**124**	**562,314**

The notes on pages F-169 to F-217 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity (continued)

(EUR 000)	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Total	Non-controlling interests	Total equity
	For the period ended December 31, 2014							
	Attributable to owners of the Company							
Balance at 01 January 2014	**1,135**	**10,219**	**-8,734**	**-20,053**	**-1,357**	**-18,790**	**280**	**-18,511**
Profit/(loss) for the year	—	—	6,285	—	—	6,285	-33	6,252
Other comprehensive income	—	—	-1,845	7,339	-778	4,718	1	4,719
Total comprehensive income/(loss) for the year	**—**	**—**	**4,440**	**7,339**	**-778**	**11,003**	**-32**	**10,971**
Changes in ownership interests								
Dividends paid to non-controlling interest	—	—	—	—	—	—	-95	-95
Total changes in ownership interest	**—**	**—**	**—**	**—**	**—**	**—**	**-95**	**-95**
Total transactions with owners of the Company	**—**	**—**	**—**	**—**	**—**	**—**	**-95**	**-95**
Balance at 31 December 2014	**1,135**	**10,219**	**-4,294**	**-12,714**	**-2,135**	**-7,789**	**152**	**-7,637**

The notes on pages F-169 to F-217 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

(EUR 000)	Note	2015	2014
Cash flows from operating activities			
Profit/(loss) for the period		**2,638**	**6,252**
Adjustments for:			
Income tax expense	13	3,980	3,427
Share of loss/(profit) of equity-accounted investees	17	42	16
Net finance costs	12	100,629	75,720
Depreciation/Impairment of tangible assets	15	3,390	3,263
Amortisation/Impairment of intangible assets	16	33,872	31,049
(Gain)/loss on sale of non-current assets		-1,325	-983
Other non cash items		-2,856	-721
		140,370	**118,022**
Changes in:			
(Increase)/decrease in trade working capital	(*)	-1,178	-790
(Increase)/decrease in other working capital	(**)	-1,656	-2,236
Increase/(decrease) in provisions	27	-151	-1,660
Changes in foreign currency		-1,179	-803
Related to specific items:			
Increase/(decrease) in payables		-2,851	3,990
Increase/(decrease) in provisions	27	-632	-4,975
		132,723	**111,547**
Income tax paid		-5,176	-3,880
Net cash from/(used in) operating activities		**127,547**	**107,668**
Cash flows from investing activities			
Proceeds from sale of assets held for sale		—	4,620
Proceeds from sale of property, plant and equipment		4	92
Proceeds from sale of equity investees		—	193
Proceeds from sale of investments		1,343	—
Purchase of intangible assets	16	-9,677	-6,264
Purchase of tangible assets	15	-3,398	-5,721
Acquisitions, net of cash acquired	6	-22,277	-492
(Increase)/decrease in other financial assets		-300	-18
Interest received	12	73	116
Net cash from/(used in) investing activities		**-34,232**	**-7,475**

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

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

The notes on pages F-169 to F-217 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows (continued)

(EUR 000)	Note	2015	2014
Cash flows from financing activities			
Proceeds from shares		18,048	—
Proceeds from share premium		432,658	—
Proceeds from bank borrowings	24	528,238	312,364
Payment of financing cost		-9,031	-8,444
Repayment of loans and borrowings banks	24	-966,735	-28,852
Repayment of loans and borrowings following acquisitions	6	-1,545	—
Repayment of borrowings and interest to shareholders		—	-325,000
Interest and other finance expenses paid		-52,682	-49,142
Dividends paid to non-controlling interest		—	-95
Net cash from/(used in) financing activities		**-51,049**	**-99,169**
Net increase/(decrease) in cash		**42,266**	**1,024**
Cash attributable to the Company at the beginning of the period	22	23,234	20,733
Effect of exchange rate fluctuations on cash attributable to the Company		972	1,477
Cash attributable to the Company at the end of the period		**66,472**	**23,234**
Cash held on behalf of clients at the end of the period	22	13,992	15,670
Cash and cash equivalents at the end of the period	22	**80,464**	**38,904**

The notes on pages F-169 to F-217 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. Reporting entity

Intertrust N.V. (the "Company") is a company domiciled in the Netherlands and was incorporated on September 08, 2014. The address of the Company's registered office is Prins Bernhardplein 200, Amsterdam, the Netherlands.

The financial statements of the Company for the period from January 01, 2015 to December 31, 2015 comprise the Company and its subsidiaries (together referred as the "Group" and individually as "Group entities") and the Group's interest in associates.

In 2015, the Company became the parent of the Group by the contribution of the entire issued and outstanding share capital of Intertrust Topholding (Luxembourg) S.à r.l. and the outstanding amounts under the Shareholder loans to the Company's shareholder's equity as a capital contribution. The capital contribution has been accounted for as a capital reorganisation under common control and measured at the IFRS historical carrying values of Intertrust Topholding (Luxembourg) S.à r.l. The consolidated financial statements are therefore presented as if the Company had been the parent company of the Group throughout the periods presented (including 2014).

The Company began trading its shares on Euronext Amsterdam on October 15, 2015 following an Initial Public Offering (IPO). The settlement of the IPO took place on October 19, 2015 (IPO settlement date). The Group provides corporate and funds services, private client services and capital markets services. At December 31, 2015, the Group has operations in 26 countries and employs 1,714 FTEs (full time equivalent employees) (December 31, 2014: 1,523 FTEs).

2. Basis of preparation

2.1. Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union for use in the EU (EU IFRS) effective as at December 31, 2015 and in accordance with Title 9, Book 2, of the Dutch Civil Code.

These consolidated financial statements were authorised for issue by the Management Board on March 30, 2016. They are subject to approval by the Annual General Meeting of Shareholders.

2.2. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the consolidated statement of financial position:

- Derivative financial instruments are measured at fair value;
- Defined benefit (assets) liabilities are recognised at the fair value of plan assets less the present value of defined benefit obligation, as explained in Note 3.3.

2.3. Functional and presentation currency

These consolidated financial statements are presented in Euro, which is the Company's functional currency. All financial information presented in Euro has been rounded to the nearest thousand (EUR 000), unless otherwise indicated.

2.4. Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is included in the following notes:

- Note 16.1: impairment test: key assumptions underlying recoverable amounts of cash generating units.
- Note 25.4: measurement of defined benefit obligations: key actuarial assumptions.
- Note 19: recognition of deferred tax assets: availability of future taxable profit against which carry forward tax losses can be used.
- Note 20: measurement of the allowance for impairment of trade receivables.
- Note 27: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as much as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about assumptions made in measuring fair values is included in the following notes:

- Note 28.6 "Fair values of financial instruments"
- Note 3.4 "Equity-settled share-based payment arrangements"

2.5. Changes in accounting policies

Except for the changes below, the Group has consistently applied the accounting policies set out in Note 3 to all periods presented in these consolidated financial statements.

In the current year, the Group has applied the Annual Improvements to IFRSs 2011-2013 Cycle issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after January 01, 2015. The adoption of these amendments to IFRSs did not have any impact on the consolidated financial statements.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities.

3.1. Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Non-controlling interests

Non-controlling interests are measured either at their proportionate share of the acquiree's identifiable net assets or at fair value at the acquisition date. The choice of measurement is made on an acquisition-by-acquisition basis.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise only interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Investments in associates are accounted for using the equity method. They are recognised initially at cost, which includes transactions costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and sales taxes or duty. Revenue is recognised in profit or loss to the prorate part of the services rendered to the client during the reporting date. When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group. Revenue comprises corporate and fund services, private client services and capital markets services.
Revenue also includes subleasing rental income to Group clients.

3.3. Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefits payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

3.4. Equity-settled share-based payment arrangements

The Company operates equity-settled share-based payment arrangements, under which services are received from Management Board members and eligible employees.

The total amount to be expensed for services received is determined by reference to the grant date fair value of the share-based payment awards made; including the impact of any non-vesting conditions and market conditions.

Service conditions and non-market performance conditions are taken into account in the number of awards expected to vest. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of awards that will eventually vest, with a corresponding credit to equity.

At each reporting date, the Company revises its estimates of the number of awards that are expected to vest. The impact of the revision of original estimates, if any, is recognised in the income statement for the period.

The employer social security contributions payable in connection with an award made is considered an integral part of the award, and the charge is treated as a cash-settled share-based payment transaction.

3.5. Leases

The Group principally enters into operating leases for the rental of equipment and buildings. Payments done under such leases are typically charged to profit or loss on a straight line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be done to the lessor by way of penalty is recognised as an expense in the period in which termination takes place. Any incentives received from the lessor in relation to operating leases are recognised as a reduction of rental expense over the lease term on a straight line basis.

3.6. Finance income and finance costs

Finance income comprises interest income on loans and receivables, gains on the disposal of available-for-sale financial assets, fair value gains on financial assets at fair value through profit or loss and gains on the remeasurement to fair value of any pre-existing interest in an acquiree. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expenses on loans and borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, fair value losses on financial assets at fair value through profit and loss, impairment losses on financial assets (other than trade receivables), gains and losses on hedging instruments that are recognised in profit or loss and reclassifications of amounts previously recognised in other comprehensive income.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or loss position.

3.7. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- available-for-sale equity investments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- financial liabilities designated as hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Euro at the exchange rates at the reporting date (closing rates). The income and expenses of foreign operations are translated into Euro at exchange rates at the dates of the transactions.

The Group doesn't own nor control any foreign operations in hyperinflationary economies.

Foreign currency differences are recognised in other comprehensive income, and accumulated in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportion of the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign currency gains and losses arising from such item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity.

Hedge of a net investment in foreign operations

The Group applies hedge accounting to foreign currency differences arising between the functional currency of foreign operation and the Company's functional currency (euro).

To the extent that the hedge is effective, foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in OCI and accumulated in the translation reserve. Any remaining differences are recognised in profit or loss. When the hedged net investment is disposed of, the relevant amount in the translation reserve is transferred to profit or loss as part of the gain or loss on disposal.

3.8. Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available, against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

3.9. Financial instruments

Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial asset that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position if, and only if, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, which take into account any dividend income, are recognised in profit or loss.

The Group has not designated any financial assets upon initial recognition as at fair value through profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, client's funds held in cash, loans, trade receivables and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances bank accounts, cash on hand and cash in short-term deposits with maturities of three months or less.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale, or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

When investments in equity instruments do not have a quoted market price in an active market and its fair value cannot be reliably they measured are measured at cost.

Available-for-sale financial assets comprise equity shares.

Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise loans and borrowings and trade and other payables.

Derivative financial instruments, including hedge accounting

The Group holds derivative financial instruments to hedge its interest rate risk exposures.

Derivatives are initially recognised at fair value; any directly attributable transaction costs are recognised in profit or loss as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value and the accounting for the changes therein depend on whether the derivative is designated as a hedging instrument or not.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The amount accumulated in equity is retained in other comprehensive income and reclassified to profit or loss in the same period or periods during which the hedged item affects profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in profit or loss.

3.10. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and all costs directly attributable to bringing the asset to working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing cost, if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated to write off the cost of property, plant and equipment less their residual values on a straight-line basis over their expected useful lives as follows:

• Leasehold improvements	5 to 15 years—not exceeding the remaining lease terms
• Equipment & motor vehicles	3 to 10 years
• IT equipment	3 to 5 years

An item of property, plant and equipment and any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial period end, and adjusted prospectively, if appropriate.

3.11. Intangible fixed assets and goodwill

Goodwill

Goodwill that arises on the acquisition of subsidiaries is presented with intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and any impairment loss is allocated to the carrying amount of the equity-accounted investee as a whole.

Intangible assets acquired separately

Intangible assets that are acquired separately by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. The Group does not have intangible assets with indefinite useful lives.

Amortisation is recognised in profit or loss on a straight-line basis over their estimated useful lives from the date that they are available for use. The amortisation expense is recognised in the consolidated statement of comprehensive income in the "Depreciation and amortisation" caption. The estimated useful lives are as follows:

• Software	1 to 5 years
• Brand name	20 years
• Customer relationships	14 to 17 years

Amortisation methods, estimated useful lives and residual value, are reviewed at each reporting date and adjusted if appropriate, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally-generated intangible assets—research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;

- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above.

Subsequent to initial recognition, internally-generated intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are measured at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.12. Work in progress

Work in progress represents the net unbilled amount expected to be collected from clients for work performed to date. It is measured at the chargeable rate agreed with the individual clients less progress billed.

3.13. Impairment of assets

Non-derivative financial assets

Financial assets not classified at fair value through profit or loss, including an interest in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets measured at amortised cost

The Group considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in cumulative impairment losses attributable to application of the effective interest method are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than work in progress, current and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Goodwill is tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.14. Assets classified as held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Immediately before classification as held-for-sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on pro rata basis, except that no loss is allocated to work in progress, financial assets and current and deferred tax assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held-for-sale, intangible fixed assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

3.15. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the impact of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Legal matters

A provision for legal matters is recognised to cover the costs such as legal proceedings or legal requirements imposed under new legislation.

Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with the contract.

3.16. New standards and interpretations

New standards and interpretations issued but not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after January 01, 2015. However, the Group has not applied the following new or amended standards in preparing these consolidated financial statements. The Group does not plan to early adopt these standards.

Standard	Name	Effective from:
IFRS 9	Financial Instruments	01 January 2018
IFRS 14	Regulatory Deferral Accounts	01 January 2016
IFRS 15	Revenue from Contracts with Customers	01 January 2018
IFRS 16	Leases	01 January 2019
Amendments to IAS 1	Disclosure Initiative	01 January 2016
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the consolidation Exception	01 January 2016
Amendments to IFRS 10 and IAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations	01 January 2016
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation	01 January 2016
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants	01 January 2016
Amendments to IAS 27	Equity Method in Separate Financial Statements	01 January 2016
Amendments to IFRSs	Annual Improvements to IFRSs 2012-2014 Cycle	01 January 2016
Amendments to IAS 19	Defined Benefit Plans: Employee Contributions	01 February 2015
Amendments to IFRSs	Annual Improvements to IFRSs 2010-2012 Cycle	01 February 2015
Amendments to IAS 12	Amendments regarding the recognition of deferred tax assets for unrealised losses	01 January 2017

The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 9, IFRS 15 and IFRS 16. All other new or amended standards are not expected to have a significant impact of the Group consolidated financial statements.

4. Non IFRS Financial measures

4.1. Definitions

- EBITDA is defined as earnings before interests, taxes, depreciation and amortisation.
- Adjusted EBITDA is defined as EBITDA excluding specific items and adjusted for one-off revenue/expenses.
- Adjusted Revenue is defined as Revenue adjusted for one-off revenue.
- Specific items of income or expenses are income and expenses items that, based on their significance in size or nature, should be separately presented to provide further understanding about the financial performance. Specific items include:
  - Transaction and monitoring costs
  - Integration costs
  - Share-based payment upon IPO
  - Income/expenses related to disposal of assets

Specific items are not of an operational nature and do not represent the core operating results.

- One-off revenue consists mainly of revenues related to the release of one-off provisions. The one-off expenses are related to redundancies, legal costs and settlement fees.
- Adjusted EBITA is defined as Adjusted EBITDA after depreciation and software amortisation.
- Adjusted net income is defined as Adjusted EBITA less proforma post IPO interest cost less 18% proforma taxes.
- Adjusted net income per share is defined as adjusted net income divided by the number of shares outstanding as of 31 December.

5. Operating segments

5.1. Basis for segmentation

The Management Board is the Chief Operating Decision Maker of the Group (CODM). The responsibility of the Management Board is to assess performance and to make resource allocation decisions across the Group.

The analysis of the business is organised and managed on a geographical perspective. Operating segments are defined as Netherlands, Luxembourg, Cayman, Guernsey and Rest of the World. All operating segments are regarded as reportable segments due to their size/importance for the overall understanding of the geographical business.

They are reported in a manner consistent with the internal reporting provided to and used by the Management Board.

The Management Board evaluates the performance of its segments based on Adjusted Revenue and Adjusted EBITA ("segment Adjusted Revenue" and "segment Adjusted EBITA"). Management considers that such information is the most relevant in evaluating the results of the respective segments.

(EUR 000)	Note	2015	2014
EBITDA		**144,551**	**119,727**
Specific items – Transaction & Monitoring costs	9	5,303	7,732
Specific items – Integration costs	9	3,115	3,264
Specific items – Equity share-based payments upon IPO	7	4,354	—
Specific items – Other operating (income)/expenses	9/10	-3,698	-1,669
One-off revenue		264	-1,157
One-off expenses		-6,296	584
Adjusted EBITDA		**147,593**	**128,482**
Depreciation and software amortisation	11	-7,177	-6,207
Adjusted EBITA		**140,415**	**122,275**
Adjusted Revenue		**344,854**	**295,864**

The individual Adjusted EBITA by operating segment excludes the allocation of Group IT and HQ costs, that is then deducted from the total.

Profit/(loss) before income tax is not used to measure the performance of the individual segment as items like amortisation of intangibles (except for software) and net finance costs are not allocated to individual segments. So the reconciliation to Profit/(loss) before income tax according to IFRS is done on Group level.

Consistent with the aforementioned reasoning, segment assets/liabilities are not reviewed regularly on a segment basis by management and are therefore not included in the IFRS segment reporting.

5.2. Information about reportable segments

(EUR 000)	2015 Adjusted Revenue	2015 % Adjusted Revenue	2014 Adjusted Revenue	2014 % Adjusted Revenue
Netherlands	112,060	32%	103,060	35%
Luxembourg	75,313	22%	65,348	22%
Cayman Islands	58,803	17%	48,306	16%
Guernsey	27,914	8%	23,789	8%
Rest of the World	70,764	21%	55,361	19%
Segment Adjusted Revenue	**344,854**	**100%**	**295,864**	**100%**

(EUR 000)	2015 Adjusted EBITA	2015 % Adjusted EBITA	2014 Adjusted EBITA	2014 % Adjusted EBITA
Netherlands	71,799	51%	65,426	54%
Luxembourg	37,766	27%	31,013	25%
Cayman Islands	35,249	25%	28,492	23%
Guernsey	10,117	7%	7,984	7%
Rest of the World	21,986	16%	16,878	14%
Group IT and HQ costs(*)	-36,502	-26%	-27,518	-23%
Segment Adjusted EBITA	**140,415**	**100%**	**122,275**	**100%**

(*) Group IT and HQ costs are not allocated by operating segment

As of January 01, 2015, all local IT costs have been reallocated to group IT. The aim of this centralization was to support infrastructure and business projects and to have a better control of IT expenses. If applied to 2014, the Group IT costs at the end of December 2014 would have increased by EUR 4,117 thousand and therefore the other segments would have had an improvement in EBITA for the same amount.

In 2014 the segments to measure the performance of the Group were "Adjusted Revenue" and "Adjusted EBITDA". In 2015 "Adjusted EBITDA" was replaced by "Adjusted EBITA" so 2014 figures have been aligned accordingly.

5.3. Reconciliation of reportable segment revenue

(EUR 000)	2015	2014
Total adjusted revenue reportable segment	344,854	295,864
One-off revenue	-264	1,157
Revenue	**344,590**	**297,021**

5.4. Reconciliation of reportable segment to profit/(loss) before income tax

(EUR 000)	Note	2015	2014
Adjusted EBITA reportable segment		140,415	122,275
Specific items – Share-based payment upon IPO	7	-4,354	—
Specific items – Transaction & Monitoring costs	9	-5,303	-7,732
Specific items – Integration costs	9	-3,115	-3,264
Specific items – Other operating (income)/expenses	9/10	3,698	1,669
One-off revenue		-264	1,157
One-off expenses		6,296	-584
Amortisation of Intangibles (Customer Relationship & Brand Name)	11	-30,085	-28,105
Net finance costs	12	-100,629	-75,720
Share of profit of equity-accounted investees	17	-42	-16
Profit/(loss) before income tax		**6,618**	**9,679**

One-off expenses include the offset of the income related to the settlement of the defined benefit pension plan in the Netherlands (Note 7).

5.5. Entity-wide disclosures

Management does not distinguish between revenue streams resulting from different products or services. Therefore no further split of revenues is presented.

There is no single customer amounting to 10% or more of Group's revenues.

6. Acquisition of subsidiaries

On June 04, 2015, the Group obtained control of CorpNordic, the leading corporate services provider in Sweden, Denmark, Norway and Finland, by acquiring 100% of the shares and voting interests in the company (CorpNordic). With this acquisition, the Group becomes the market leader of trust and corporate services in Sweden and Denmark, and expands its network with offices in Norway and Finland. This reinforces the Group's successful acquisition strategy, aimed at extending its expertise and global capabilities in the light of ongoing globalization and the client's increasingly complex needs.

From acquisition to December 31, 2015, CorpNordic contributed revenue of EUR 5,449 thousand and Adjusted EBITA of EUR 960 thousand. If the acquisition had occurred on January 01, 2015, management estimates that revenue of the Group would have increased by EUR 5,979 thousand and Adjusted EBITA would have increased by EUR 1,309 thousand.

6.1. Identifiable asset acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

(EUR 000)	Note	Fair Value recognised on acquisition
Property, plant and equipment	15	150
Intangible assets	16	11,752
Trade receivables		2,753
Other receivables		27
Work in progress		727
Other financial assets		266
Current tax assets		193
Deferred tax assets	19	79
Prepayments		340
Cash and cash equivalents		2,305
Assets		**18,592**
Other financial liabilities		1,545
Deferred income		777
Provision		442
Current tax liabilities		196
Deferred tax liabilities	19	2,811
Trade payables		280
Other payables		2,707
Liabilities		**8,758**
Total identifiable net assets at fair value		**9,834**

The trade receivables comprise gross contractual amounts due of EUR 3,036 thousand, of which EUR 283 thousand was expected to be uncollectible at the acquisition date. The cash and cash equivalents include cash held on behalf of clients of EUR 654 thousand.

6.2. Consideration transferred

The consideration of EUR 23,928 thousand was paid in cash. In addition to consideration transferred, the Group has, at the same date of the acquisition, repaid the existing loans and borrowings of the acquired entity for EUR 1,545 thousand.

6.3. Goodwill

Goodwill arising from the acquisition has been recognised as follows:

(EUR 000)	Note	2015
Consideration transferred		23,928
Fair value of identifiable net assets		-9,834
Goodwill	16	**14,094**

The goodwill is attributable mainly to work force, synergies and cross selling business opportunities expected to be achieved from the integration of the company into the Group's business. None of the recognised goodwill is expected to be deductible for tax purposes.

6.4. Acquisition-related costs

The Group incurred acquisition-related costs of EUR 667 thousand related to external legal fees and due diligence costs. These costs have been recognised in other operating expenses transaction & monitoring costs (Note 9) in the Group's consolidated statement of comprehensive income.

7. Staff expenses

(EUR 000)	Note	2015	2014
Salaries and wages		-117,325	-100,971
Social security contributions		-10,662	-9,038
Pensions and benefits		128	-5,149
Share-based payment upon IPO	8	-4,354	—
Other personnel expenses		-12,669	-9,024
Staff expenses		**-144,882**	**-124,182**

Pension and benefits includes defined contributions of EUR 5,058 thousand (2014: EUR 4,484 thousand), defined benefits amounting to EUR 1,521 thousand (2014: EUR 665 thousand) and an income of EUR 6,706 thousand related to the settlement of pension plan in the Netherlands due to the change from a defined benefits plan to a defined contribution scheme.

Share-based payment upon IPO includes expenses of EUR 4,354 thousand recognised in 2015 related to the awards made under the equity-settled share-based payment arrangements implemented following the listing of the Company's shares on Euronext Amsterdam (Note 8).

Other personnel expenses includes mainly external and temporary staff, training expenses, work permits and medical costs.

The number of FTEs (full time equivalent employees) at year end amounts to 1,714 (2014: 1,523).

8. Share-based payment arrangements

8.1. Description of share-based payment arrangements

Following the listing on Euronext Amsterdam, the Company has implemented and made awards to members of the Management Board and selected eligible employees under the two equity-settled share-based payment plans operated during 2015:

a) Executive Ownership Plan (EOP)

b) Employee Stock Ownership Plan (ESOP)

a) Executive Ownership Plan

The members of the Management Board and selected eligible members of senior management were invited to make a one-off investment in the Company's shares at a share price equal to the introduction price of one Company share on the Euronext Amsterdam at the time of the IPO. In addition, shares representing 14% of the total investment amount were allocated to the eligible participants for no consideration.

The grant date fair value of each of the 216,605 additional EOP shares allocated for no consideration is equal to introduction share price at the date of listing of EUR 15.50. As there are no vesting conditions related to the additional EOP shares, the total grant date fair value was expensed immediately.

For each of the acquired/allocated shares, the participants were awarded the conditional right to receive one Company share for every three EOP shares (the Matching Shares) for no consideration. These Matching Shares will vest on the third anniversary of the IPO settlement date to the extent that the participant still (i) holds all the EOP shares and (ii) is employed by the Company on this date. The grant date fair value of the Matching Shares is therefore expensed over a period of 3 years starting on the IPO settlement date.

Details of the number of Matching Shares outstanding are as follows:

In number of shares	2015	2014
Outstanding at the beginning of the year	**—**	**—**
Awarded during the year	515,758	—
Forfeited during the year	—	—
Vested during the period	—	—
Outstanding at the end of the year	**515,758**	**—**

The grant date fair value of the Matching Shares of EUR 14.28 has been determined with reference to the introductory share price at the date of listing of EUR 15.50. In addition, the following conditions have been considered when measuring the fair value of the Matching shares:

- In order to become entitled to the Matching Shares, the EOP shares are blocked and cannot be sold or pledged during the vesting period of 3 years from the IPO settlement date.
- For the Management Board members, the vested Matching Shares are subject to an additional holding period of 2 years.
- The Matching Shares do not entitle the participants to receive dividends during the vesting period.

As dividends are expected during the vesting period, the grant date fair value of the Matching Shares of EUR 14.28 is equal to introductory share price at the date of listing of EUR 15.50 less the discounted value of expected future dividends.

The 2015 Management Board EOP awards outstanding and movements during the financial year are disclosed in Note 32.

b) Employee Stock Ownership Plan

The Management Board has made a one-time award of Company's shares (ESOP Shares) to eligible employees, which exclude any participants in the EOP, to celebrate the completion of the listing on Euronext Amsterdam. These awards entitle each eligible employee to receive 130 shares for free, subject to continued employment for a period of one year from the IPO settlement date.

Details of the number of ESOP Shares outstanding are as follows:

In number of shares	2015	2014
Outstanding at the beginning of the year	**—**	**—**
Awarded during the year	214,370	—
Forfeited during the year	-5,330	—
Vested during the period	-260	—
Outstanding at the end of the year	**208,780**	**—**

As no dividends are expected during the one-year vesting period and no market or non-vesting conditions apply, the grant date fair value an ESOP Share is equal to introductory share price at the date of listing of EUR 15.50, and is expensed over one year service period from the IPO settlement date.

8.2. Expenses recognised during the period

The equity-settled share-based payment expenses recognised during the period, with a corresponding entry directly in equity, per plan and in total are as follows:

(EUR 000)	2015	2014
Executive Ownership Plan	3,744	—
Employee Stock Ownership Plan	558	—
Total	**4,302**	**—**

In addition, the Group recognised expenses of EUR 52 thousand for employer social security contributions payable in connection with the awards made in 2015.

The previous Management Employees Participation Plan (the MEP) in which eligible key employees and managers of the Group were participating equity instruments of the Group prior the IPO, has been unwound pursuant to the completion of the IPO. As a consequence, the equity interests of eligible employees under the MEP have been exchanged for a number of listed shares in the Company and cash. As the settlement of the MEP interests was based on the same exchange proportion as other shareholders or in cash equal to the fair value of the underlying instruments, the settlement of the interests under the MEP does not result in any additional employee benefit expenses to be recognised.

9. Other operating expenses

(EUR 000)	2015	2014
Marketing and sales expenses	-2,927	-2,244
IT expenses	-7,214	-5,502
Travelling	-3,679	-3,619
Professional fees	-4,104	-5,219
Insurance	-1,601	-1,486
Transaction & monitoring costs	-5,303	-7,732
Integration costs	-3,115	-3,264
Other expenses	-13,693	-11,235
Other operating expenses	**-41,636**	**-40,301**

Items that are significant, either because of their size or nature, and are considered specific in other operating expenses, are provided below:

Transaction and monitoring costs relates to i) external legal fees and due diligence costs incurred in connection with the acquisition of CorpNordic and other possible transactions that did not materialise and ii) costs incurred in connection with the listing of the Company, excluding expenses directly attributable to the equity transaction and recorded in equity for EUR 14,418 thousand (Note 23.2) iii) monitoring fees charged by Blackstone (former parent of the Group), prior to the listing in the Euronext Amsterdam, for management advisory services provided to the Group.

Integration costs comprises costs incurred for the integration with ATC and CorpNordic, mainly related to advisory fees and onerous contracts.

Other expenses includes losses on disposal of non-current assets of EUR 27 thousand (2014: EUR 25 thousand).

10. Other operating income

(EUR 000)	2015	2014
Gain on disposal of assets held for sale	—	1,008
Other income	3,725	686
Other operating income	**3,725**	**1,694**

Items that are significant, either because of their size or nature, and are considered specific in other operating income, are provided below:

Other income relate mainly to the indemnity of EUR 2,429 thousand received from former shareholders for the Dutch tax 2011-2013 (Note 13.1) and EUR 1,352 thousand for the result of the sale of Intertrust Bank (Cayman) Limited.

In 2014, the other income of EUR 686 thousand was related to the gain recognised upon the transfer of limited fiduciary business located in Cayman. These transfers did not classify as a discontinued operation according to IFRS 5 Non-current assets held for sale and discontinued operations criteria, as the respective criteria have not been met.

The gain on disposal of assets held for sale in 2014 of EUR 1,008 thousand was related to the gain recognised upon the disposal of the office building in Curaçao.

11. Depreciation and amortisation

(EUR 000)	Note	2015	2014
Amortisation of intangible assets	16	-33,872	-31,049
Depreciation of tangible assets	15	-3,390	-3,263
Depreciation and amortisation		**-37,262**	**-34,312**

Amortisation of intangible assets comprises EUR 3,787 thousand (2014: EUR 2,945 thousand) related to the amortisation of software and EUR 30,085 thousand (2014: EUR 28,104 thousand) related to the amortisation of brand name and customer relationships (Note 16).

12. Finance income and finance costs

Recognised in profit or loss

(EUR 000)	2015	2014
Interest income on loans and receivables	73	116
Finance income	**73**	**116**
Interest expense on financial liabilities measured at amortised cost	-97,667	-70,035
Other finance expense	-1,452	-1,335
Net foreign exchange loss	-1,583	-4,466
Finance costs	**-100,702**	**-75,836**
Net finance costs recognised in profit or loss	**-100,629**	**-75,720**

Interest expense on financial liabilities measured at amortised cost includes i) the interest on debt of EUR 46,959 thousand (2014: EUR 47,356 thousand) ii) the amortisation and write-off of capitalised financing fees on the pre-IPO debt for EUR 38,432 thousand (2014: EUR 5,770 thousand), iii) the amortisation of capitalised financing fees on the post-IPO debt for EUR 712 thousand iv) the termination of interest rate swaps of EUR 1,698 thousand on the EUR and USD loans repaid, v) the prepayment fees of EUR 2,850 thousand for the cancellation of the second lien facilities in EUR and USD and vi) the shareholder loan interests, prior to the listing, of EUR 7,016 thousand (2014: EUR 16,909 thousand).

13. Income tax expense

13.1. Income tax recognised in profit or loss

(EUR 000)	2015	2014
Current year	-8,916	-8,378
Prior years	-1,612	-101
Current tax expense	**-10,528**	**-8,479**
Origination and reversal of temporary differences	6,585	4,804
Recognition of previously unrecognised tax losses	165	276
Change in recognised deductible temporary differences	-202	-28
Deferred tax expense	**6,548**	**5,052**
Income tax expense for continuing operations	**-3,980**	**-3,427**

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

Income tax previous year includes an adjustment in relation to the Dutch tax final assessment for the years 2011 to 2013, which was covered by an indemnity received from former shareholders (Note 10).

13.2. Tax recognised in other comprehensive income

(EUR 000)	2015	2014
Cash flow hedges	-706	259
Defined benefit plan actuarial gains (losses)	259	554
Income tax expense recognised in OCI	**-447**	**813**

13.3. Tax recognised in equity

Relates to EUR 3,605 thousand of recoverable income tax on the costs qualified to be directly attributable to the equity transaction upon the listing.

13.4. Reconciliation of effective tax rate

(EUR 000)	2015		2014	
Profit for the year		2,638		6,252
Total income tax expense		-3,980		-3,427
Profit before income tax		**6,618**		**9,679**
Income tax using the Company's domestic tax rate	**25%**	**-1,655**	**29.22%**	**-2,828**
Effect of tax rates in foreign jurisdictions		2,323		4,648
Non deductible expenses		-3,786		-2,526
Tax exempt income		952		553
Change in recognised deductible temporary differences		-202		-28
Recognition of previously unrecognised tax losses		165		276
Current year losses for which no deferred tax has been recognised		-165		-3,421
(Under) over provided in previous years		-1,612		-101
Effective income tax	**60.1%**	**-3,980**	**35.4%**	**-3,427**

14. Earnings per share

14.1. Basic earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

Profit attributable to ordinary shareholders (basic)

(EUR 000)	2015	2014
Profit for the year, attributable to the owners of the Company	2,669	6,285
Profit/(loss) attributable to ordinary shareholders	**2,669**	**6,285**

Weighted-average number of ordinary shares (basic)

In number of shares	2015	2014
Issued ordinary shares at 01 January	5,834,671	5,834,671
Issued ordinary shares of the Company	45,000	—
Conversion of existing shares at €1 to €0.60	30,000	—
Issue of shares for shareholder loan contribution	9,818,066	—
Effect of issue of shares IPO in October 2015	6,000,000	—
Effect of issue of additional shares for share-based payment	43,321	—
Effect of issue of shares in October 2015	1,002	—
Weighted-average number of ordinary shares at 31 December	**21,772,060**	**5,834,671**

The issued ordinary shares for 2014 have been restated to reflect the capital reorganisation (Note 23).

14.2. Diluted earnings per share

The calculation of diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

Profit attributable to ordinary shareholders (diluted)

(EUR 000)	2015	2014
Profit for the year, attributable to Ordinary shareholders (basic)	2,669	6,285
Profit/(loss) attributable to ordinary shareholders (diluted)	**2,669**	**6,285**

Weighted-average number of ordinary shares (diluted)

In number of shares	2015	2014
Weighted-average number of ordinary shares (basic)	21,772,060	5,834,671
Effect of share-based payment on issue	39,483	—
Weighted-average number of ordinary shares at 31 December	**21,811,543**	**5,834,671**

14.3. Adjusted net income per share

Due to the changes in the capital structure post-IPO, the Group prepared an estimation of the Adjusted earnings per share for purposes of comparability going forward.

The Group estimates the Adjusted net income for 2015 to be EUR 101.4 million. Adjusted net income is defined as Adjusted EBITA, less proforma post-IPO annual interest costs of EUR 16.7 million and with a proforma effective tax rate of 18%. Adjusted net income thus reflects the post-IPO capital structure.

Based on this Adjusted net income and taking the number of shares outstanding as of December 31, 2015 of 85,221,614, the adjusted net income per share was estimated in EUR 1.19.

15. Property, plant and equipment

The movements of the tangible assets are as follow:

(EUR 000)	Leasehold improvements	Equipment & motor vehicles	IT equipment	Total
Cost				
Balance at 01 January 2014	**3,351**	**2,016**	**4,940**	**10,307**
Additions	1,099	1,575	3,047	5,721
Disposals	—	-28	-75	-103
Reclassification	383	-22	-361	—
Effect of movements in exchange rates	382	289	576	1,247
Balance at 31 December 2014	**5,215**	**3,830**	**8,127**	**17,173**
Balance at 01 January 2015	**5,215**	**3,830**	**8,127**	**17,173**
Business combinations, incoming entities	—	150	—	150
Additions	711	537	2,150	3,398
Disposals	-5	-24	-1	-31
Effect of movements in exchange rates	404	343	602	1,349
Balance at 31 December 2015	**6,325**	**4,835**	**10,878**	**22,039**
Depreciation and impairment losses				
Balance at 01 January 2014	**-649**	**-397**	**-1,067**	**-2,114**
Depreciation of the period	-769	-638	-1,856	-3,263
Effect of movements in exchange rates	-238	-177	-509	-924
Balance at 31 December 2014	**-1,656**	**-1,212**	**-3,432**	**-6,301**
Balance at 01 January 2015	**-1,656**	**-1,212**	**-3,432**	**-6,301**
Depreciation of the period	-854	-729	-1,807	-3,390
Disposals	—	-3	—	-3
Effect of movements in exchange rates	-267	-254	-553	-1,074
Balance at 31 December 2015	**-2,777**	**-2,198**	**-5,792**	**-10,768**
Carrying amounts				
Balance at 31 December 2014	**3,559**	**2,618**	**4,695**	**10,872**
Balance at 31 December 2015	**3,548**	**2,637**	**5,086**	**11,271**

No interest costs have been capitalised in property, plant and equipment during the period under review.

16. Intangible assets and goodwill

The movements of the intangible assets and goodwill are as follow:

(EUR 000)	Goodwill	Brand name	Customer relationships	Software	Total
Cost					
Balance at 01 January 2014	**575,080**	**32,121**	**424,385**	**6,559**	**1,038,145**
Business combinations, incoming entities	492	—	—	—	492
Additions	—	—	—	9,293	9,293
Effect of movements in exchange rates	19,084	1,424	15,934	267	36,709
Balance at 31 December 2014	**594,656**	**33,545**	**440,319**	**16,120**	**1,084,639**
Balance at 01 January 2015	**594,656**	**33,545**	**440,319**	**16,120**	**1,084,639**
Business combinations, incoming entities	14,094	—	11,749	3	25,846
Additions	—	—	—	7,541	7,541
Disposals	—	—	—	-24	-24
Effect of movements in exchange rates	18,352	1,362	15,293	327	35,334
Balance at 31 December 2015	**627,102**	**34,908**	**467,361**	**23,967**	**1,153,337**
Depreciation and impairment losses					
Balance at 01 January 2014	**—**	**-1,204**	**-17,294**	**-1,559**	**-20,057**
Amortisation of the period	—	-1,628	-26,476	-2,945	-31,049
Effect of movements in exchange rates	—	-102	-1,425	-202	-1,729
Balance at 31 December 2014	**—**	**-2,934**	**-45,195**	**-4,707**	**-52,835**
Balance at 01 January 2015	**—**	**-2,934**	**-45,195**	**-4,707**	**-52,835**
Amortisation of the period	—	-1,739	-28,346	-3,787	-33,872
Disposals	—	—	—	26	26
Effect of movements in exchange rates	—	-127	-1,792	-277	-2,196
Balance at 31 December 2015	**—**	**-4,800**	**-75,333**	**-8,745**	**-88,877**
Carrying amounts					
Balance at 01 January 2015	**594,656**	**30,611**	**395,123**	**11,413**	**1,031,804**
Balance at 31 December 2015	**627,102**	**30,108**	**392,028**	**15,222**	**1,064,460**

During the year, the Group invested in software for an amount of EUR 7,541 thousand (2014: EUR 9,293 thousand), of which EUR 6,519 thousand is related to the implementation of a firm wide standard application (the Business Application Roadmap or BAR) due to be largely completed by Q1 2016. At December 31, 2015 an amount of EUR 893 thousand (2014: EUR 3,029 thousand) remains payable in balance sheet.

The brand name “Intertrust” is a registered trade name for all countries in which the Company has operational activities or will expand in a near future. The remaining useful life is 17 years.

The customer relationship is the Company’s client portfolio acquired and has a remaining useful life of 15 years on average.

16.1. Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions. The aggregate carrying amounts of goodwill allocated to each CGU are as follows:

(EUR 000)	Balance at 01 January 2015	Business combinations	Impairment losses in P&L	Movements exchange rates	Balance at 31 December 2015
CGU Netherlands	268,788	—	—	—	268,788
CGU Luxembourg	128,164	—	—	—	128,164
CGU Cayman	149,861	—	—	17,247	167,108
Sub-total	**546,813**	**—**	**—**	**17,247**	**564,060**
CGU Other and CGU Guernsey	47,843	14,094	—	1,105	63,042
Total	**594,656**	**14,094**	**—**	**18,352**	**627,102**

(EUR 000)	Balance at 01 January 2014	Business combinations	Impairment losses in P&L	Movements exchange rates	Balance at 31 December 2014
CGU Netherlands	268,788	—	—	—	268,788
CGU Luxembourg	128,164	—	—	—	128,164
CGU Cayman	131,946	—	—	17,915	149,861
Sub-total	**528,898**	**—**	**—**	**17,915**	**546,813**
CGU Other and CGU Guernsey	46,182	492	—	1,169	47,843
Total	**575,080**	**492**	**—**	**19,084**	**594,656**

The recoverable amount of goodwill has been determined for the five cash generating units as at December 31, 2015 and 2014. For each of the CGUs, the recoverable amount is higher than its carrying amount.

Key assumptions used in discounted cash flow projection calculations

The recoverable amount of all CGUs has been determined based on a value-in-use calculation using cash flow projections. The years 1 and 2 cash flow projections are based on detailed financial budgets and the years 3 to 5 on estimates, prepared by management for each cash generating unit based on expectation of future outcomes taking into account past experience. For the Netherlands and for Luxembourg, the revenue growth rates between 2018 and 2020 have been assumed to slightly outgrow the expected market growth. For Cayman, the revenue growth has been assumed to have a modest decline versus the market growth. Market growth for the period 2018 to 2020 has been assumed to be the same as the growth for the period 2014 to 2018. The revenue growth rate assumed beyond the initial 5-year period is 2.0% (2014: 2.0%), that has been based on the expected long term inflation rate.

The values assigned to the key assumptions used in the value in use calculations are as follows for the years 3 to 5:

CGU	Market growth	Annual Margin Evolution	Discount rate	Terminal value growth rate
The Netherlands	4%	Improvement	10.7%	2%
Luxembourg	8%	Improvement	11.1%	2%
Cayman	6%	Stable	9.2%	2%

Discount rate

Discount rates represent a pre-tax measure that reflect management's estimate of the time value of money and the risks specific to each unit that are not already reflected in the cash flows. In determining appropriate discount rates for each unit, regard has been given to the industry average weighted average cost of capital. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is determined by adding a debt risk premium to the risk free bonds rate with a maturity of 20 years. CGU-specific risk is incorporated by applying industry beta factors that are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the recoverable amount of the CGUs.

17. Investment in equity-accounted investees

The Group's share of profit in its equity-accounted investees for the year 2015 was a loss of EUR 42 thousand (2014: loss of EUR 16 thousand). In 2015 and 2014 the Group did not receive any dividend.

The Group's equity-accounted investees are not publicly listed and consequentially do not have published price quotations.

Summarised financial information for the equity-accounted investee, not adjusted for the percentage ownership held by the Group:

	Balance at 31 December 2015		Balance at 31 December 2014		
(EUR 000)	**Titrisation Belge Effectisering SA/NV**	**Total**	**Titrisation Belge Effectisering SA/NV**	**Private Equity Administrators Limited**	**Total**
Percentage ownership interest	50%		50%	35%	
Current assets	534	534	616	—	616
Non-current assets	—	—	—	—	—
Total assets	**534**	**534**	**616**	**—**	**616**
Current liabilities	20	20	18	—	18
Non-current liabilities	—	—	—	—	—
Total liabilities	**20**	**20**	**18**	**—**	**18**
Net assets (100%)	**514**	**514**	**598**	**—**	**598**
Group's share of net assets	**257**	**257**	**299**	**—**	**299**
Revenues	72	72	75	562	637
Expenses	-157	-157	-119	-545	-664
Profit/(loss) (100%)	**-85**	**-85**	**-44**	**17**	**-27**
Group's share of profit	**-42**	**-42**	**-22**	**6**	**-16**

In June 2014, the Group divested its participation of 35% in Private Equity Administrators Limited. The sale price was the equivalent to EUR 193 thousand (same value as the carrying amount in the assets).

18. Other financial assets and other financial liabilities

18.1. Other financial assets

(EUR 000)	31.12.2015	31.12.2014
Loans and receivables		
Loans and receivables	1,218	968
Loans to related parties	—	382
Guarantee deposits	3,140	3,369
Total loans and receivables	**4,358**	**4,720**
Available for sale investments		
Unquoted equity shares	988	962
Total available for sale investments	**988**	**962**
Total other financial assets	**5,346**	**5,682**
Total current	1,204	929
Total non-current	4,142	4,753

Loans and receivables

In 2015, it is mainly related to the receivable of EUR 1,033 thousand deferred in three instalments for the sale of Intertrust Bank (Cayman) Limited.

In 2014, the EUR 968 thousand was related to secured receivables from legacy yacht leasing activities with the respective funding loans recorded in "Other financial liabilities—loans".

Guarantee deposits

Includes guarantee deposits mainly for rent and utility contracts held in banks or non-financial institutions. These funds are restricted.

Unquoted equity shares

Valued at cost and includes participations in non consolidated companies and special purpose companies for EUR 501 thousand (2014: EUR 667 thousand) and shelf companies for EUR 487 thousand (2014: EUR 295 thousand).

None of the "Other financial assets" are past due or impaired.

18.2. Other financial liabilities

(EUR 000)	31.12.2015	31.12.2014
Financial instruments at fair value through other comprehensive income		
Cash flow hedges	19	2,847
Total financial instruments at fair value	**19**	**2,847**
Other financial liabilities at amortised cost		
Loans	—	1,015
Total loans and payables	**—**	**1,015**
Total other financial liabilities	**19**	**3,862**
Total current	—	—
Total non-current	19	3,862

Cash flow hedges

The interest rate swaps related to the previous facility agreement were terminated in October 2015. Until termination the swaps were effective.

On the December 29, 2015, the Group entered into a new interest rate swap to manage the interest rate fluctuations exposures on the new USD loan. The notional amount of the swaps is USD 30,000 thousand, covering the floating rate of interest payments on 30% of the nominal value of the USD loans. For risk exposure refer to Note 28.4.

The hedges were assessed to be effective at December 31, 2015 and 2014. For valuation technique used, refer to Note 28.6.

Loans

In 2014, the figures included an amount of EUR 968 thousand related to loans with financial institutions to finance legacy yacht activities. They were non-interest bearing loans with the respective offsetting receivables shown in "Other financial assets—Loans".

19. Deferred tax assets and liabilities

19.1. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of tax losses for EUR 7,574 thousand (2014: EUR 7,090 thousand). Tax losses for an amount of EUR 910 thousand will expire in the next 5 years and EUR 6,664 thousand do not expire. In addition there is an amount of EUR 8,316 thousand (2014: EUR 8,066 thousand) of unused tax credits not recognised in relation to withholding tax that can be offset against future corporate income tax. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group entities can utilise the benefits.

19.2. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Balance at 31 December 2015		Balance at 31 December 2014	
(EUR 000)	**Deferred tax assets**	**Deferred tax liabilities**	**Deferred tax assets**	**Deferred tax liabilities**
Property, plant and equipment	119	—	40	-73
Intangible assets	—	-72,113	—	-74,657
Loans and borrowings	—	—	—	—
Other non-current financial liabilities	4	—	711	—
Employee benefits liabilities	—	—	1,674	—
Other items	5	-205	—	-17
Tax loss carry-forwards	6,955	—	101	—
Total	**7,083**	**-72,318**	**2,526**	**-74,747**

19.3. Movements in temporary differences during the period

(EUR 000)	**Balance at 01 January 2015**	**Acquired in business combinations**	**Recognised in profit or loss**	**Recognised in OCI**	**Recognised in Equity**	**Effect of foreign exchange differences**	**Balance at 31 December 2015**
	Net						**Net**
Property, plant and equipment	-33	79	78	—	—	-5	119
Intangible assets	-74,657	-2,625	5,169	—	—	—	-72,113
Other non-current financial liabilities	711	—	—	-707	—	—	4
Employee benefits liabilities	1,674	—	-1,943	259	—	10	—
Other items	-17	-186	4	—	—	-1	-200
Tax loss carry-forwards	101	—	3,241	—	3,605	8	6,955
Total	**-72,221**	**-2,732**	**6,548**	**-447**	**3,605**	**12**	**-65,235**

(EUR 000)	Balance at 01 January 2014	Acquired in business combinations	Recognised in profit or loss	Recognised in OCI	Effect of foreign exchange differences	Others	Balance at 31 December 2014
	Net						Net
Property, plant and equipment	4	—	-32	—	-5	—	-33
Intangible assets	-79,741	—	5,085	—	—	-1	-74,657
Other non-current financial liabilities	452	—	—	259	—	—	711
Employee benefits liabilities	1,120	—	—	554	1	—	1,674
Other items	-14	—	-1	—	-2	—	-17
Tax loss carry-forwards	97	—	—	—	8	-4	101
Total	**-78,082**	**—**	**5,052**	**813**	**2**	**-5**	**-72,221**

20. Trade receivables

Trade receivables are non-interest bearing and are generally on 30 day terms. The Group believes that the unimpaired amounts that are past due by more than 30 days are still collectible, based on historic payment behaviour and analysis of the customers situation.

As at December 31, 2015, the ageing analysis of trade receivables net of the allowance for impairment is as follows:

(EUR 000)	31.12.2015	31.12.2014
Neither past due nor impaired	36,057	30,409
Past due 1-90 days	33,221	29,453
Past due 91-180 days	4,836	5,958
Past due 181-360 days	4,609	4,655
Past due more than 361 days	2,273	1,987
	80,996	**72,462**

The movements in the allowance for impairment in respect of trade receivables during the period were as follows:

(EUR 000)	
Balance at 01 January 2014	**-2,902**
Impairment losses recognised in P&L	-5,081
Amounts written off during the year	1,800
Unused amounts reversed	1,428
Effect of movements in exchange rates	-176
Balance at 31 December 2014	**-4,931**
Balance at 01 January 2015	**-4,931**
Business combinations	-283
Impairment losses recognised in P&L	-3,352
Amounts written off during the year	2,226
Unused amounts reversed	1,730
Effect of movements in exchange rates	-234
Balance at 31 December 2015	**-4,844**

The impairment losses and unused amounts reversed during the period are recognised in “Other operating expenses” under “Other expenses”. For credit risk refer to Note 28.2.

21. Other receivables and other payables

21.1. Other receivables

(EUR 000)	31.12.2015	31.12.2014
Due from customers	9,252	15,744
VAT and other tax receivable	1,115	1,529
Accrued income	4,828	4,052
Receivables from related parties	—	243
Others	1,259	1,660
Other receivables	**16,454**	**23,228**

Due from customers relates to i) EUR 3,445 thousand (2014: EUR 7,689 thousand) of receivables related to intellectual property activities from royalties invoiced to licensees that will be subsequently paid to the licensors. The offsetting liability of EUR 3,212 thousand (2014: EUR 7,324 thousand) is in “Other payables—due to customers” and ii) receivables from clients for disbursements and expenses.

None of the “Other receivables” are past due or impaired.

21.2. Other payables

(EUR 000)	Note	31.12.2015	31.12.2014
Due to customers		8,605	15,431
Liabilities for cash held on behalf of clients	22	13,992	15,671
Payables to related parties		—	38
VAT and other tax payable		9,013	9,130
Accrued expenses		6,175	7,309
Accrued expenses for short term employee benefits		16,772	14,253
Others		327	501
Other payables		**54,884**	**62,332**

Due to customers relates to i) liabilities related to intellectual property activities of EUR 3,212 thousand (2014: EUR 7,324 thousand) that represent accrued royalties payable to licensors that have already been invoiced to licensees with offsetting asset in “Other receivables—due from customers” and ii) advances from clients for future fees, unapplied cash received from clients and disbursements invoiced in advance.

Accrued expenses for short term employee benefits includes mainly bonus accruals, social charges and holiday allowances.

22. Cash and cash equivalents

(EUR 000)	31.12.2015	31.12.2014
Bank balances	80,438	38,852
Short term deposits	4	32
Cash on hand	22	20
Total	**80,464**	**38,904**
Of which:		
Cash attributable to the Company	66,472	23,234
Cash held on behalf of clients	13,992	15,670
Total	**80,464**	**38,904**

Bank balances includes cash in current and call accounts.

Cash held on behalf of clients is driven by funds to pay government fees on their behalf, intellectual property activity and other advances with its corresponding liabilities in "Other payables—liabilities for cash held on behalf of clients".

23. Capital and reserves

23.1. Share capital

The subscribed capital as at December 31, 2015 amounts to EUR 51,133 thousand and is divided into 85,222 thousand shares fully paid-up with a nominal value per share of EUR 0.60. The movements of the year were:

	In number of shares		(EUR 000)	
Ordinary shares	**2015**	**2014**	**2015**	**2014**
Issued ordinary shares at 01 January	113,548,730	113,548,730	1,135	1,135
Effect of capital reorganisation under common control:				
Issued ordinary shares at 01 January	45,000	—	27	—
Conversion of existing shares at €1 to €0.60	30,000	—	18	—
Contribution of outstanding shares of Intertrust Topholding (Luxembourg) S.à r.l.	-113,548,730	—	-1,135	—
Issue of shares for capital contribution	5,834,671	—	3,501	—
Issue of shares for shareholder loan contribution	49,090,329	—	29,454	—
Effect of issue of shares IPO in October 2015	30,000,000	—	18,000	—
Effect of issue of additional shares for share-based payment	216,605	—	130	—
Effect of issue of shares in October 2015	5,009	—	3	—
On issue at 31 December – fully paid	**85,221,614**	**113,548,730**	**51,133**	**1,135**

On October 19, 2015, the Company became the parent of the Group by the contribution of the entire issued and outstanding share capital of Intertrust Topholding (Luxembourg) S.à r.l. and the outstanding amounts under the shareholder loans to the Company's shareholder's equity as a capital contribution. This capital contribution has been accounted for as a capital reorganisation under common control and has been measured at the historical Intertrust Topholding (Luxembourg) s.à r.l. carrying values in accordance with IFRS.

23.2. Share premium

At December 31, 2015 the share premium amounts to EUR 513,423 thousand. The movements during the year were:

	In number of shares		(EUR 000)	
(EUR 000)	**2015**	**2014**	**2015**	**2014**
Issued ordinary shares at 01 January	113,548,730	113,548,730	10,219	10,219
Effect of capital reorganisation under common control:				
Issued ordinary shares at 01 January	45,000	—	—	—
Conversion of existing shares at €1 to €0.60	30,000	—	—	—
Contribution of outstanding shares of Intertrust Topholding (Luxembourg) S.à r.l.	-113,548,730	—	-10,219	—
Issue of shares for capital contribution	5,834,671	—	7,854	—
Issue of shares for shareholder loan contribution	49,090,329	—	66,081	—
Effect of issue of shares IPO in October 2015	30,000,000	—	436,186	—
Effect of issue of additional shares for share-based payment	216,605	—	3,227	—
Effect of issue of shares in October 2015	5,009	—	75	—
	85,221,614	**113,548,730**	**513,423**	**10,219**

The share premium from the proceeds of the listing were EUR 447,000 thousand less the costs qualified to be directly attributable to the equity transaction for EUR 14,418 thousand net of the related tax impact of EUR 3,605 thousand.

23.3. Retained earnings

The retained earnings include accumulated profits and losses, plus remeasurements of defined benefit liability (asset) and equity-settled share-based payment. No dividend was proposed or paid in 2015.

23.4. Reserves

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations and foreign currency differences arising on the translation of financial liabilities designated as a hedge of net investment, to the extent that the hedge is effective.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss.

24. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate, foreign currency and liquidity risk refer to Note 28.

24.1. Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

(EUR 000)

Facilities	Currency	Year of maturity	Interest rate		Repayment	31.12.2015	31.12.2014
Principal value							
Senior Facilities							
Facility A – new	**EUR**	**2020**	**Euribor + 2.50%**	a)	**Bullet**	**440,000**	**—**
Facility A	EUR		Euribor + 4.25%		Amortising	—	78,300
Facility B – new	**USD**	**2020**	**Libor + 2.50%**	a)	**Bullet**	**91,853**	**—**
Facility B	EUR		Euribor + 4.25%		Bullet	—	482,000
Facility B	USD		Libor + 4.25%		Bullet	—	113,664
Revolver credit facility – new	**EUR**	**2020**	**Euribor + 2.50%**	a) b)	**Revolving**	**—**	**—**
Revolver credit facility	EUR		Euribor + 4.25%		Revolving	—	—
Capex Facility	EUR		Euribor + 4.25%		Amortising	—	—
Second Lien Facilites							
Facility 1	EUR		Euribor + 7%		Bullet	—	110,000
Facility 2	USD		Libor + 7%		Bullet	—	164,731
						531,853	**948,695**
Financing costs						-8,048	-38,539
Total bank debt						**523,805**	**910,156**
Loans from shareholder	EUR		10%			—	88,520
Total loans and borrowings						**523,805**	**998,676**
Total current						129	16,749
Total non-current						523,676	981,927

a) If the rates (Euribor or Libor) are below 0%, the rate is deemed to be 0%. The margin can change depending on leverage ratios

b) Revolver credit facility for EUR 75,000 thousand. At December 31, 2015 this facility was undrawn. An ancillary facility of EUR 2,500 thousand is in place to provide a bank guarantee for a rent lease agreement.

The schedule below shows the movements of the bank facilities during the period:

(EUR 000)	
Balance at 01 January 2014	**632,113**
Draw down facilities	312,364
Repayments	-28,852
Effect of exchange rate	33,070
Balance at 31 December 2014 principal value	**948,695**
Balance at 01 January 2014 financing costs	**-35,554**
Capitalised financing expenses	-8,444
Amortised financing expenses	5,769
Accrued Interest and commitment fees	-310
Balance at 31 December 2014 financing cost	**-38,539**
Balance at 31 December 2014	**910,156**
Balance at 01 January 2015 principal value	**948,695**
Draw down facilities	528,238
Scheduled repayments	-10,875
Prepayments	-955,860
Effect of exchange rate	21,655
Balance at 31 December 2015 principal value	**531,853**
Balance at 01 January 2015 financing costs	**-38,539**
Capitalised financing costs	-8,781
Amortised financing costs	39,144
Accrued Interest and commitment fees	128
Balance at 31 December 2015 financing costs	**-8,048**
Balance at 31 December 2015	**523,805**

In 2015, the Group refinanced the Senior Facilities and the Second Lien Facilities using a combination of proceeds from the primary offering and a drawdown from the new facilities (as described below).

The Company and Intertrust Group B.V. entered into a syndicated senior facilities agreement on October 01, 2015 between, among others, Intertrust Group B.V. as original borrower, the Company as parent and original guarantor, ABN AMRO Bank N.V., Deutsche Bank AG, London Branch, Morgan Stanley Bank International Limited and UBS Limited as mandated lead arrangers, the financial institutions named therein as original lenders, Deutsche Bank Luxembourg S.A. as facility agent and security agent (the “New Facilities Agreement”).

The new facilities agreement governs the new facilities which consist of a multicurrency revolving credit facility in the aggregate amount of EUR 75 million (the “New Revolving Facility”), a euro base currency term loan facility in the aggregate amount of EUR 440 million and a USD dollar base currency term loan facility in the aggregate amount of USD 100 million.

Under the new facilities agreement there is a requirement to ensure that the leverage ratio in respect of any relevant period on or after December 31, 2015 shall not exceed 4.75:1 (stepping down to 4.50:1 on December 31, 2017 and stepping further down to 4.25:1 on December 31, 2018). For the year ended December 31, 2015 the covenant was met with a headroom of 35%.

The new facilities agreement is guaranteed by the Company, Intertrust Group B.V. and certain of subsidiaries; and secured by, among others, first ranking rights of pledge over all outstanding shares in the share capital of such subsidiaries.

Loans from shareholder

As part of the capital reorganisation of the Company, the amounts outstanding under the shareholder loans of EUR 95,535 thousand, including EUR 7,016 thousand of interest expenses in the current period, were contributed in exchange for newly issued ordinary shares of the Company.

25. Employee benefits

The Group sponsors defined benefit pension plans in the Netherlands until end 2015 and in Switzerland. In most other countries, employees are provided with benefits under defined contribution plans. All pension plans comply with local tax and legal restrictions in their respective country, including funding obligations.

The Swiss pension plan is managed by an independent, legally autonomous entity which has the legal structure of a foundation, according Swiss Federal Law on Occupational Retirement, Survivors and Disability (LPP). All benefits in accordance with the regulations are reinsured in their entirety with an insurance company. The foundation provides benefits on a defined contribution basis. All employees are participants to the plan and are insured against the financial consequences of old age, disability and death. The insurance benefits are subject to regulations, with the LPP specifying the minimum benefits that are to be provided. The employer and employees pay contributions to the pension plan at rates set out in the foundation rules based on a percentage of salary. The amount of the retirement account can be taken by the employee at retirement in the form of pension or capital. The risk of disability, death and longevity are covered by the insurance company. The insurance company invests the vested pension capital and provides a 100% capital and interest guarantee. Even if actuarial and investment risks are covered by an insurance company, this plan is considered under IAS 19 as a defined benefit plan because the employer remains exposed to termination contract risks.

The Dutch pension scheme relates to three defined benefit plans funded by contributions made by both employer and employee, where contributions are expressed as a percentage of the pensionable salary. The retirement benefits are determined on two plans on a final pay system with an accrual rate of 1.657% (2014: 1,75%). In the 3rd plan, retirement benefits are determined on an average pay system with an accrual rate of 1.75%. Indexation of vested benefits for all plans is conditional on available means stemming from the indexation accounts. As of January 01, 2016 the three pension plans will change to defined contribution pension plans. This is taken into account as a settlement as of December 31, 2015.

The Group has also agreed to provide certain additional post-employment medical benefits to senior employees in Curaçao. These benefits are unfunded and the contributions equal the insurance premiums paid.

The Group expects EUR 537 thousand in contributions to be paid to its defined benefit plans in 2016.

25.1. Amounts recognised in the consolidated statement of financial position

(EUR 000)	31.12.2015	31.12.2014
Net defined liability – Pension	2,375	7,056
Net defined liability – Medical	427	612
Total employee benefits liabilities	**2,802**	**7,668**

25.2. Movement in the net defined benefit liability

The following table shows a reconciliation from the opening balance to the closing balance for the net defined benefit liability and its components:

	31.12.2015			31.12.2014		
(EUR 000)	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability
Balance at 01 January	**26,194**	**18,525**	**7,669**	**18,734**	**12,837**	**5,897**
Included in profit or loss						
Current service cost	2,367	—	2,367	1,443	—	1,443
Past service cost	-1,163	—	-1,163	-889	—	-889
Curtailments	—	—	—	-224	—	-224
Settlements	-25,249	-18,543	-6,706			
Interest cost (income)	673	526	147	613	458	155
Administration costs	29	-140	169	—	-180	180
	-23,343	**-18,157**	**-5,186**	**943**	**278**	**665**
Included in OCI						
Remeasurements loss (gain):						
Actuarial loss (gain) arising from:						
– demographic assumptions	—	—	—	316	—	316
– financial assumptions	4,938	—	4,938	4,864	—	4,864
– experience adjustment	131	—	131	167	—	167
Return on plan assets excluding interest income	—	3,032	-3,032	—	2,950	-2,950
Effect of movements in exchange rates	770	515	255	183	88	95
	5,839	**3,547**	**2,292**	**5,530**	**3,038**	**2,492**
Other						
Acquired in a business combination	—	—	—	—	—	—
Contributions paid by the plan participants	2,028	2,028	—	1,988	1,988	—
Contributions paid by the employer	—	1,973	-1,973	—	1,386	-1,386
Benefits paid	-1,345	-1,345	—	-1,001	-1,001	—
	683	**2,656**	**-1,973**	**987**	**2,372**	**-1,386**
Balance at 31 December	**9,373**	**6,571**	**2,802**	**26,194**	**18,525**	**7,669**

As of January 01, 2015, the accrual rate used to determine the final pay system of two pension plans in the Netherlands changed to 1.657% instead of 1.75%. In Switzerland, the pension plan communicated in October 2015 a reduction in the conversion rate for supplementary retirement savings in several steps until 2020 with its first effects taking place by January 01, 2017. These changes were accounted for as a past service cost in “Staff expenses”.

The reduction in the pension defined liability is explained by the change of the plans into defined contribution in the Netherlands as of January 01, 2016. This change was accounted for as settlement as of December 31, 2015 in “Staff expenses”.

25.3. Plan assets

The plan assets comprise:

(EUR 000)	31.12.2015	31.12.2014
Insurance contracts	6,571	16,544
Fixed interest	—	1,981
	6,571	**18,525**

None of the plan assets are quoted on an active market.

25.4. Actuarial assumptions

The principal assumptions used in determining pension and post-employment medical benefit obligations at the reporting date are:

	31.12.2015		
	The Netherlands	Switzerland	Curaçao
Discount rate 31 December	2.40%	0.80%	4.50%
Future salary increases	1.80%	1.00%	—
Future pension increases	0.45%	—	—
Medical cost trend rate	—	—	3.00%

	31.12.2014		
	The Netherlands	Switzerland	Curaçao
Discount rate 31 December	2.90%	1.50%	4.50%
Future salary increases	1.80%	1.00%	—
Future pension increases	0.45%	—	—
Medical cost trend rate	—	—	6.00%

Longevity is reflected in the defined benefit obligation by using mortality tables of the respective countries in which the plans are located.

	31.12.2015	
Expressed in years	The Netherlands	Switzerland
Longevity at age 65 for current pensioners		
– Males	19.5	21.5
– Females	21.6	24.9
Longevity at age 65 for current members aged 45		
– Males	21.8	22.4
– Females	23.7	25.9

	31.12.2014	
Expressed in years	The Netherlands	Switzerland
Longevity at age 65 for current pensioners		
– Males	19.4	21.4
– Females	21.5	24.8
Longevity at age 65 for current members aged 45		
– Males	21.7	22.3
– Females	23.6	25.8

At December 31, 2015, the weighted-average duration of the defined benefit obligation was as follows:

Expressed in years	31.12.2015	31.12.2014
The Netherlands	19.2	19.0
Switzerland	20.1	18.7

25.5. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions consistent, would have affected the defined benefit obligation by the amounts shown below:

(EUR 000)	Increase	Decrease
2015		
Impact of 1% change in the discount rate	-1,506	2,194
Impact of 1% change in the future salary increases	294	-160
Impact of 1% change in the future pension increases	895	—
Impact of 1% change in the medical cost trend rate	52	-45
Impact of 1 year change in the life expectancy	209	-96
2014		
Impact of 1% change in the discount rate	-6,314	9,219
Impact of 1% change in the future salary increases	4,226	-3,459
Impact of 1% change in the future pension increases	5,962	-3,880
Impact of 1% change in the medical cost trend rate	89	-75
Impact of 1 year change in the life expectancy	541	-549

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefit obligations at period-end.

26. Deferred income

Represents fixed fees invoiced to customers mainly in November-December for the next year. It drives higher trade receivables and deferred income at the end of the period, with the deferred income released in the following year. In some cases the fees are invoiced in advance for the complete life of the structures resulting in non-current deferred income.

27. Provisions

(EUR 000)	Legal matters	Restructuring	Onerous contracts	Others	Total
Balance at 01 January 2014	**1,360**	**1,436**	**5,369**	**590**	**8,755**
Provisions made during the period	72	—	515	254	841
Provisions used during the period	-1,187	-701	-3,743	-537	-6,168
Provisions reversed during the period	-176	-320	-759	-53	-1,308
Effect of movements in exchange rates	12	—	36	17	65
Balance at 31 December 2014	**81**	**415**	**1,418**	**271**	**2,185**
Current	—	70	1,418	128	1,617
Non-current	81	345	—	142	568
Balance at 31 December 2014	**81**	**415**	**1,418**	**271**	**2,185**
Balance at 01 January 2015	**81**	**415**	**1,418**	**271**	**2,185**
Business combinations, ingoing entities	330	112	—	—	442
Provisions made during the period	727	342	1,002	13	2,084
Provisions used during the period	-649	-112	-1,665	-138	-2,563
Provisions reversed during the period	—	-248	-56	—	-304
Effect of movements in exchange rates	—	—	6	26	31
Balance at 31 December 2015	**489**	**509**	**705**	**172**	**1,875**
Current	—	342	705	—	1,047
Non-current	489	167	—	172	828
Balance at 31 December 2015	**489**	**509**	**705**	**172**	**1,875**

Provision for legal matters

Provisions for legal matters have been recognised to cover costs related to claims filed against the Company. In some cases, this provision is limited due to the professional indemnity insurance.

Provision for restructuring and restructuring due to integration

Provisions for restructuring have been recognised to cover costs related to i) the restructuring as a result of the integration with CorpNordic with a balance at December 31, 2015 of EUR 268 thousand (2014: nil), ii) the remaining provision related to the integration with ATC of EUR 70 thousand has been reversed at December 31, 2015, iii) the closing of the cash rich companies business for EUR 167 thousand (2014: EUR 345 thousand) and iv) other provisions of EUR 74 thousand.

Onerous contracts

Provisions for onerous contracts have been recognised for operating leases for premises that are no longer being used by affiliates in different countries following the reorganisation after the acquisition of ATC. Provisions have been used according to the plan. Additional provision has been recognised at December 31, 2015 for 2016 rental expenses and charges for offices that were initially expected to be subleased for EUR 1,002 thousand.

28. Financial instruments

28.1. Financial risk management

Overview

The Group has exposure to the following main risks from its financial instruments: credit risk, liquidity risk and market risk (including currency risk and interest rate risk).

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Further information about the risk management of the Group is included in the section "Risk management" of the annual report.

28.2. Credit risk

Credit risk is the risk that a counterpart will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk primarily for trade receivables and cash at banks. Customer credit risk is managed by each of the Group entities subject to the Group's policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are monitored and followed up continuously. Provisions are made when there is objective evidence that the Group will not be able to collect the debts (indication that the debtor is experiencing significant financial difficulty or default, probability of bankruptcy, problems to contact the clients, disputes with a customer, etc.). Analysis is done on a case by case basis in line with policies.

The cash and cash equivalents and interest receivable are held mainly with banks which are rated "A-" or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd for long term credit rating.

Exposure to credit risk

The gross carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

(EUR 000)	Note	31.12.2015	31.12.2014
Trade receivables	20	85,840	77,393
Other receivables	21	16,454	23,228
Work in progress		17,992	14,856
Other financial assets – loans and receivables	18	4,358	3,752
Cash and cash equivalents	22	80,464	38,904
		205,108	**158,133**

The "Other financial assets" of EUR 988 thousand (2014: EUR 962 thousand) related to the participations in non-controlling entities and shelf companies have not been included in this analysis. In 2014, EUR 968 thousand structured under back to back transactions were also excluded.

The assets that are exposed to credit risk are held 31% by the Netherlands, 26% by Cayman, 6% by Guernsey, 11% by Luxembourg and the remaining 26% by other jurisdictions.

Work in progress represents the net unbilled amount expected to be invoiced and collected from clients for work performed to date. It is measured at the chargeable rate agreed with the individual clients less progress billed.

Impairment losses

The ageing of trade receivables at the reporting date and the movement in the allowance for impairments in respect of trade receivables are detailed in Note 20.

28.3. Liquidity risk

Liquidity risk includes the risk to a shortage of funds and the risk to encounter difficulty in meeting obligations associated with financial liabilities.

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool: global cash flow forecasts each 3 months covering the next 6 months periods and 12 months period for the one prepared each December.

The Group entities prepare their own cash flow forecasts and they are centrally consolidated by Group Finance. Group Finance monitors rolling forecasts of the group's liquidity requirements, as well as the Group's actual cash and receivables position to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its committed borrowings facilities to ensure that the Group does not breach borrowings limits or covenants.

The Group entities keep the amounts required for working capital management and the excess cash is transferred to the Group Finance who defines the best use of these funds (cancellation of loans, deposits, etc.).

Access to sourcing of funding is sufficiently available through the revolving credit facility agreement that the Group has with banks (Note 24). At December 31, 2015 and December 31, 2014 this facility was not used.

Exposure to Liquidity risk

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and net-settled derivative financial liabilities based on contractual undiscounted payments. This analysis includes estimated interest payments and does not consider voluntary prepayments of bank debt that could be possible following the agreements.

	Balance at 31 December 2015					
(EUR 000)	**Carrying amounts**	**Total**	**Due within 1 year**	**Due between 1 and 2 years**	**Due between 2 and 5 years**	**Due 5 years and more**
Loans and borrowings	523,805	-605,359	-13,871	-14,610	-576,878	—
Trade payables and other payables	61,105	-61,105	-61,105	—	—	—
Interest rate swaps used for hedging	19	-19	-191	-48	220	—
	584,929	**-666,482**	**-75,167**	**-14,658**	**-576,658**	**—**

	Balance at 31 December 2014					
(EUR 000)	**Carrying amounts**	**Total**	**Due within 1 year**	**Due between 1 and 2 years**	**Due between 2 and 5 years**	**Due 5 years and more**
Loans and borrowings	910,156	-1,245,528	-61,741	-66,908	-171,443	-945,437
Trade payables and other payables	72,238	-72,238	-72,238	—	—	—
Interest rate swaps used for hedging	2,847	-2,844	-1,994	-849	—	—
	985,241	**-1,320,610**	**-135,973**	**-67,757**	**-171,443**	**-945,437**

The flows expected for interest rate swaps will affect profit and loss in the same period as they are expected to occur.

28.4. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group's exposure to the risk of changes in exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency). The exposures are mainly with respect to the US dollars (USD) and Pound sterling (GBP). The loans and borrowings of the Group are denominated in Euros and US Dollars. The objective is to match the main cash flows generated by the underlying operations of the Group with the debt which provides an economic hedge.

Until October 2015 the Group's investment in its Cayman subsidiary was partially hedged by two USD denominated bank loans, one loan of USD 138 million of which USD 100 million was designated as part of the hedge and another of USD 200 million which was fully designated as part of this hedge. Due to the repayment of the loans in USD and the new loan in USD taken, the net investment hedge has been redesigned: the new loan of USD 100 million is fully designated as part of this hedge. This mitigates a portion of the foreign currency translation risk arising from the subsidiary's net assets.

At December 31, 2015 the face value of the designated loan is EUR 91,853 thousand. The loan is designated as a net investment hedge. No ineffectiveness was recognised from the net investment hedge. The Group's investments in other subsidiaries are not hedged.

The following significant exchange rates have been applied during the period:

	Reporting date spot rate 31.12.2015	Average rate 2015
USD	1.0887	1.1095
GBP	0.7340	0.7258

	Reporting date spot rate 31.12.2014	Average rate 2014
USD	1.2141	1.3285
GBP	0.7789	0.8061

Sensitivity analysis

The group has mainly currency exposure in USD and GBP. The following table demonstrates the sensitivity to a reasonable possible strengthening/weakening of the EUR against US dollar exchange rate and GBP exchange rate, with all other variables held constant, of the Group's EBITDA. It is measured in the mentioned currencies considering variations on the respective annual average rates.

	2015 Effect in profit or loss	
(EUR 000)	EUR Strengthening	EUR Weakening
USD (10% movement)	-3.403	3.403
GBP (10% movement)	-906	906

	2014 Effect in profit or loss	
(EUR 000)	EUR Strengthening	EUR Weakening
USD (5% movement)	-1.486	1,486
GBP (5% movement)	-320	320

Interest rate risk

The risk relates to the Group's long term debt obligations with floating interest rates. To manage the first risk the company enters into interest rate swaps.

Exposure to interest rate risk

At the reporting date the interest rate profile of the interest bearing financial instrument was:

(EUR 000)	31.12.2015 Carrying amount	31.12.2014 Carrying amount
Fixed rate instruments		
Financial assets	20,842	3,082
Financial liabilities	—	82,646
	20,842	**85,728**
Variable rate instruments		
Financial assets	18,113	26,668
Financial liabilities	-532,670	-949,567
	-514,557	**-922,899**
Loans and borrowings hedged	27,556	338,578
	-487,001	**-584,321**

Financial assets mainly include cash in bank accounts with interest bearing rates.

The financial liabilities related to loans and borrowings in USD with variable rate are 30% hedged (Note 18.2), so cash flow volatility resulting from the interest rate fluctuation is limited to the non-hedged part.

In January 2016, the Group entered into a forward interest rate swaps that cover 41% of the floating interests on the EUR debt.

Sensitivity analysis for variable rate instruments

An increase/decrease of 50 basis points in interest rates on loans and borrowings would have decreased/ increased the profit and loss before tax by EUR 2,521 thousand (2014: EUR 1,663 thousand). The sensitivity of interest to movements in interest rates is calculated on floating rate exposures on debt, net of interest rate swaps. This analysis assumes that all other variables remain constant.

28.5. Capital management

The capital structure of the Group consists of shares and share premium and bank borrowings. The objective of the Group's capital management is to ensure that it maintains healthy debt ratios in order to support its business and face the obligations with banks.

The Group's target is to reach a steady state leverage ratio of between 2.0 and 2.5 times. This leverage ratio might be higher depending on the potential and the size of any acquisitions. The bank borrowings are subject to covenants that are tested bi-annual: Leverage ratio (Note 24).

28.6. Fair values of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31.12.2015		Carrying amounts				
(EUR 000)	Note	Loans and receivables	Available-for-sale	Fair value-Hedging instruments	Other liabilities	Total
Financial assets not measured at fair value						
Loans and receivables	18	4,358				4,358
Unquoted equity shares	18		988			988
Trade receivables	20	80,996				80,996
Other receivables	21	16,454				16,454
Work in progress		17,992				17,992
Cash and cash equivalents	22	80,464				80,464
		200,264	**988**	**—**	**—**	**201,252**
Financial liabilities measured at fair value						
Interest rate swaps used for cash-flow hedge	18			19		19
		—	**—**	**19**	**—**	**19**
Financial liabilities not measured at fair value						
Loans	18				—	—
Trade payables					6,221	6,221
Other payables	21				54,884	54,884
Secured loans and borrowings	24				523,805	523,805
Shareholder loan	24				—	—
		—	**—**	**—**	**584,910**	**584,910**

31.12.2014		Carrying amounts				
(EUR 000)	Note	Loans and receivables	Available-for-sale	Fair value-Hedging instruments	Other liabilities	Total
Financial assets not measured at fair value						
Loans and receivables	18	4,720				4,720
Unquoted equity shares	18		962			962
Trade receivables	20	72,462				72,462
Other receivables	21	23,228				23,228
Work in progress		14,856				14,856
Cash and cash equivalents	22	38,904				38,904
		154,170	**962**	**—**	**—**	**155,132**
Financial liabilities measured at fair value						
Interest rate swaps used for cash-flow hedge	18			2,847		2,847
		—	**—**	**2,847**	**—**	**2,847**
Financial liabilities not measured at fair value						
Loans	18				1,015	1,015
Trade payables					9,906	9,906
Other payables	21				62,332	62,332
Secured loans and borrowings	24				910,156	910,156
Shareholder loan	24				88,520	88,520
		—	**—**	**—**	**1,071,929**	**1,071,929**

Level 2

The fair value of the interest rate swaps is based on broker quotes and is calculated as the present value of the estimated future cash flows based on observable yield curves. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty when appropriate.

There are only level 2 fair values and no transfers between levels were applicable in 2015 and 2014.

29. Operating leases

29.1. Leases as lessee

The Group has entered into commercial leases on certain motor vehicles and items of office equipment. These leases have an average life of between three and five years with no renewal option included in the contracts.

The Group has entered into leases for rental agreements in different countries. The leases run for a period between 1 and 10 years. Lease payments are increased with specific amounts and frequency depending on the different agreements.

There are no restrictions placed upon the Group by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	31.12.2015	Not later than one year	Between one and five years	Later than five years
Leased machinery and equipment	2,576	967	1,443	166
Leased real estate	54,939	15,071	34,658	5,210
Total	**57,516**	**16,038**	**36,101**	**5,376**

	31.12.2014	Not later than one year	Between one and five years	Later than five years
Leased machinery and equipment	1,861	824	1,037	—
Leased real estate	56,369	12,283	35,206	8,880
Total	**58,230**	**13,107**	**36,243**	**8,880**

During the period an amount of EUR 14,965 thousand (2014: EUR 11,945 thousand) was recognised as an expense in profit or loss in respect of operating leases. Total rental expenses reported in statement of profit/loss includes utilities, maintenance and repairs expenses.

29.2. Leases as lessor

Some affiliates have entered into sublease contracts of office space. These sublease contracts have a termination period of three months.

Future minimum rental receivables under non-cancellable operating leases as at 31 December are as follows:

	31.12.2015	Not later than one year	Between one and five years	Later than five years
Leased machinery and equipment	—	—	—	—
Leased real estate	1,584	1,467	117	—
Total	**1,584**	**1,467**	**117**	**—**

	31.12.2014	Not later than one year	Between one and five years	Later than five years
Leased machinery and equipment	—	—	—	—
Leased real estate	1,044	1,027	17	—
Total	**1,044**	**1,027**	**17**	**—**

During the period an amount of EUR 3,377 thousand (2014: EUR 3,428 thousand) were included in revenues.

30. Commitments

The Group is committed to incur IT capital expenditure (IT equipment and softwares) of EUR 189 thousand (2014: EUR 393 thousand) and IT operational expenditure of EUR 20 thousand (2014: EUR 124 thousand).

31. Contingencies

There are a few possible claims against the Group, the aggregate amount of which cannot be reliably measured. Where necessary legal and/or external advice has been obtained and, in light of such advice, the risk of litigation is provided adequately.

There is a remaining potential tax liability towards the Swiss tax authorities. This relates to a late payment interest charge imposed by the Swiss tax authorities in the amount of CHF 9.1 million in connection with the late payment of Swiss dividend withholding tax on a cash dividend paid in 2010 to its former shareholders. The Group has filed a formal tax appeal against the imposition with the Swiss tax authorities. If such liabilities materialise, we believe we can claim under contractual tax indemnity clauses covered by a third party.

The Belgian tax authorities have delivered a notice to the third party liquidator of one of our former subsidiaries for tax and penalties in the amount of approximately €16.4 million (excluding interest) in connection with Belgian dividend withholding tax over the payment of liquidation proceeds of this subsidiary in 2012. The exemption for dividend withholding tax has been challenged by the tax authorities on technical grounds. A formal tax complaint has been filed in due course as there are good grounds to challenge the tax assessment. In the framework of these ongoing administrative proceedings it has been notified by the tax authorities that there are indeed no grounds for the initially assessed penalties in the amount of approximately €5.4 million. It is furthermore believed that it is more likely than not that a full release can be obtained.

32. Related parties

The transactions with related parties were conducted on an arm's length basis.

In the current period, prior to the listing, the Group entered into transactions with parties related to Blackstone Group for services received for advising, monitoring and transaction fees for the amount of EUR 1,499 thousand (2014: EUR 1,603 thousand).

The Group has provided services to some entities related to Blackstone in the normal course of business at arm's length basis.

The outstanding financial assets of EUR 382 thousand at December 31, 2014, corresponding to an unsecured loan to the Stichting Administratiekantoor Perpetual representing management that held shares in its capacity as shareholder, have been repaid in 2015.

As part of the capital reorganisation of the Company, the amounts outstanding under the shareholder loans payable to Blackstone Perpetual Topco S.à r.l. of EUR 95,535 thousand (2014: EUR 88,520 thousand) were contributed in exchange for newly issued ordinary shares of the Company. The interest expenses in the current period, prior to the listing, amounted to EUR 7,016 thousand (2014: EUR 16,909 thousand).

32.1. Parent and ultimate controlling party

Prior to the listing in the Euronext Amsterdam on October 15, 2015, the Company was ultimately controlled by funds managed by Blackstone Group L.P. which had the majority shareholding in the Group. The remaining shares were owned by parties related to management. Following the IPO, the Company is the new ultimate controlling party.

32.2. Transactions with key management personnel

The Group has defined key management personnel as the members of the 2015 Supervisory Board, Management Board and Executive Committee of the Group, responsible for the strategic and operational activities. In 2014, the Executive Committee of the Group was defined as key management personnel.

Key management personnel compensation

Key management personnel compensation comprises:

(EUR 000)	2015	2014
Short-term employee benefits	3,235	2,871
Post-employment benefits	211	196
Share-based payment[1]	1,430	—
	4,876	**3,067**

1 This includes the expenses recognised by the Group in 2015 related to the EOP awards made to key management personnel (Note 8).

Management Board

For the individual members of the Management Board, the Group recognised the following remuneration expenses:

(EUR 000)	2015 remuneration			
	Base salary	Other benefits	Short-term incentive[3]	Total
David de Buck	350	71[1]	100	521
Ernesto Traulsen	361	19[2]	94	474
	711	**90**	**194**	**995**

1 This includes the lease car costs, compensation for lowered ceiling of EUR 100,000 for tax-exempted pension contributions and a one-off compensation for mortgage discount ruling over 2016 paid in December 2015. The mortgage discount ruling was a deferred benefit from Fortis and will terminate December 31, 2016.
2 This includes the lease car costs.
3 Short-term remuneration represents accrued bonuses to be paid in the following financial year.

(EUR 000)	2015 deferred remuneration		
	Executive Ownership plan[1]	Pension costs	Total deferred
David de Buck	375	14	389
Ernesto Traulsen	94	62	156
	469	**76**	**545**

1 Executive Ownership Plan represents the expense recognised during the year in accordance with IFRS 2, Share-based Payment, related to the EOP awards.

(EUR 000)	Total remuneration (including deferred remuneration)	
	Total 2015	Total 2014
David de Buck	910	528
Ernesto Traulsen	630	468
	1,540	**996**

The 2015 Management Board EOP awards outstanding and movements during the financial year were:

Director	Award date	Outstanding as at 01 January 2015	Granted in 2015	Allocated in 2015 subject to lock up	Vested in 2015	Outstanding as at 31 December 2015	Fair value per share at grant date (EUR)
David de Buck							
EOP – Additional shares[1]	Oct 19, 2015	—	21,006	-21,006		—	15.50
EOP – Matching shares[2]	Oct 19, 2015	—	50,013		—	50,013	14.28
Ernesto Traulsen							
EOP – Additional shares[1]	Oct 19, 2015	—	5,251	-5,251		—	15.50
EOP – Matching shares[2]	Oct 19, 2015	—	12,503		—	12,503	14.28

1 The Additional EOP shares granted and allocated on October 19, 2015 to members of the Management Board are subject to an additional two-year lock-up period.
2 The Matching EOP shares awarded will vest on October 19, 2018. Following the Vesting date, the Matching EOP shares granted to members of the Management Board are subject to an additional two-year lock-up period, except for the shares that can be sold to cover income taxes due.

Upon vesting of the share-based payment awards to the members of the Management Board and other eligible employees, the Company may at its discretion make the required number of Ordinary

Shares available either by issuing new Ordinary Shares or by purchasing existing Ordinary Shares in the open market.

As of December 31, 2015, the members of the Management Board have no loans outstanding with the Group and no guarantees or advance payments are granted to members of the Management Board.

Supervisory Board

The individual members of the Supervisory Board received the following remuneration:

(EUR 000)	2015	2014
H.M. Vletter	80	—
A. Ruys	46	—
H.L.L. Groenewegen	25	—
	151	**—**

The Company does not grant variable remuneration, shares or options to the members of the Supervisory Board. As of December 31, 2015, the members of the Supervisory Board have no loans outstanding with the Group and no guarantees or advance payments are granted to members of the Supervisory Board.

33. Group entities

The following companies were the significant subsidiaries of the Group as at December 31, 2015 and have been included in the consolidated financial statements:

Name	Country of incorporation	Type	Ownership interest
Intertrust N.V.	Netherlands	parent	100%
Intertrust Holdco B.V.	Netherlands	affiliate	100%
Intertrust InvestmentCo B.V.	Netherlands	affiliate	100%
Intertrust Group B.V.	Netherlands	affiliate	100%
Intertrust (Netherlands) B.V.	Netherlands	affiliate	100%
Intertrust Topholding (Luxembourg) S.à r.l.	Luxembourg	affiliate	100%
Intertrust (Luxembourg) S.à r.l	Luxembourg	affiliate	100%
Intertrust (Guernsey) Limited	Guernsey	affiliate	100%
Intertrust Group Holding S.A.	Switzerland	affiliate	100%
Intertrust (Suisse) S.A.	Switzerland	affiliate	100%
Intertrust Intellectual Property Group Holding SA	Switzerland	affiliate	100%
Intertrust Holding (Cayman) Limited	Cayman	affiliate	100%
Intertrust Management Ireland Limited	Ireland	affiliate	100%
Intertrust Alternative Investment Fund Management (Ireland) Ltd	Ireland	affiliate	100%
Intertrust Corporate Services (Dublin) Limited	Ireland	affiliate	100%
Intertrust (Spain) S.A.U.	Spain	affiliate	100%
Intertrust (Belgium) NV/SA	Belgium	affiliate	100%
Intertrust (UK) Limited	United Kingdom	affiliate	100%
Intertrust (Cyprus) Limited	Cyprus	affiliate	100%
Intertrust Holding (Curaçao) N.V.	Curaçao	affiliate	100%
Intertrust (Denmark) A/S	Denmark	affiliate	100%
Intertrust (Sweden) AB	Sweden	affiliate	100%
Intertrust (Norway) A/S	Norway	affiliate	100%
Intertrust (Finland) Oy	Finland	affiliate	100%
Intertrust Resources Management Limited	Hong Kong	affiliate	100%
Intertrust (Shanghai) Consultants Limited	China	affiliate	100%
Intertrust (Singapore) Limited	Singapore	affiliate	100%
Intertrust Danismanlik AS	Turkey	affiliate	100%
Intertrust Germany GmbH	Germany	affiliate	100%
Intertrust (Bahamas) Limited	Bahamas	affiliate	100%
Intertrust (Brazil) Servicos Corporativos Ltda	Brazil	affiliate	100%
Intertrust Corporate Services (BVI) Limited	British Virgin Islands	affiliate	100%
Intertrust (Dubai) Limited	United Arab Emirates	affiliate	100%
Intertrust Corporate Services (Delaware) Limited	United States	affiliate	100%

34. Non-controlling interests

Non-controlling interests are related to ATC (Switzerland) S.à r.l. (ownership 51%), ATC Corporate Services (Zug) GmbH (ownership 51%) and LBL data services B.V. (ownership 50%), which are not material for the Company.

35. Subsequent events

No subsequent events occurred that are significant to the Group which would require adjustment or disclosure in the annual accounts now presented.

Intertrust N.V. Balance Sheet

Before profit appropriation (EUR 000)	Note	31.12.2015	31.12.2014
Assets			
Investments in participating interests	39	32,424	—
Loans to participating interests	40	523,862	
Deferred tax assets		2,543	—
Fixed assets		**558,829**	**—**
Other receivables		136	—
Cash and cash equivalents		4,418	45
Current assets		**4,554**	**45**
Total assets		**563,383**	**45**
Shareholders' equity			
Share capital		51,133	45
Share premium		524,481	—
Reserves		91	—
Retained earnings		-13,515	—
Total shareholders' equity	**41**	**562,190**	**45**
Liabilities			
Trade payables		380	—
Other payables		813	—
Current liabilities		1,193	—
Total liabilities		**1,193**	**—**
Total shareholder's equity and liabilities		**563,383**	**45**

Intertrust N.V. Income statement

(EUR 000)	Note	2015	2014
Share of profit/(loss) of participating interests, after income tax		-17,100	—
Other profit/(loss) after income tax		3,183	—
Net profit/(loss)	**41**	**-13,917**	**—**

Intertrust N.V. Statement of changes in equity

(EUR 000)	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Total
	For the year ended 31 December 2015					
	Attributable to owners of the Company					
Balance at 01 January 2015	**45**	**—**	**—**	**—**	**—**	**45**
Profit (loss) for the year	—	—	-13,917	—	—	-13,917
Other comprehensive income	—	—	-543	9,438	1,246	10,141
Total comprehensive income for the year	**—**	**—**	-14,460	**9,438**	**1,246**	-3,776
Transactions with owners of the Company						
Issue of ordinary shares	18,133	439,488	—	—	—	457,621
Capital reorganisation under common control	32,955	84,993	—	-9,331	-1,262	107,355
Equity-settled share-based payment	—	—	945	—	—	945
Total contributions and distributions	**51,088**	**524,481**	**945**	**-9,331**	**-1,262**	**565,921**
Balance at 31 December 2015	**51,133**	**524,481**	**-13,515**	**107**	**-16**	**562,190**

(EUR 000)	Share capital	Share premium	Retained earnings	Translation reserve	Hedging reserve	Total
	For the year ended 31 December 2014					
	Attributable to owners of the Company					
Balance at 01 January 2014	**—**	**—**	**—**	**—**	**—**	**—**
Profit (loss) for the year	—	—	—	—	—	—
Other comprehensive income			—	—	—	—
Total comprehensive income for the year	**—**	**—**	**—**	**—**	**—**	**—**
Transactions with owners of the Company						
Issue of ordinary shares	45	—	—	—	—	45
Total contributions and distributions	**45**	**—**	**—**	**—**	**—**	**45**
Balance at 31 December 2014	**45**	**—**	**—**	**—**	**—**	**45**

Notes to the Intertrust N.V. financial statements

36. Reporting entity

The Company financial statements of Intertrust N.V. are part of the consolidated financial statements.

37. Basis of preparation

The Company financial statements have been prepared in accordance with the provisions of Part 9, Book 2, of the Dutch Civil Code. The Company uses the option of Article 362.8 of Part 9, Book 2, of the Dutch Civil Code to prepare the Company financial statements, using the same accounting policies as in the consolidated financial statements. Valuation is based on recognition and measurement requirements of accounting standards adopted by the EU (i.e. only IFRS that is adopted for use in the EU at the date of authorisation) as explained further in the notes to the consolidated financial statements. The Company presents a condensed income statement, in accordance with Article 402 of Part 9, Book 2, of the Dutch Civil Code.

38. Significant accounting policies

38.1. Result of participating interests

The share of profit of participating interests consists of the share of the Company in the results of these participating interests. Results on transactions, where the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests, themselves, are not realised.

38.2. Financial fixed assets

Participating interests in Group companies are accounted for in the company financial statements according to the equity method. Refer to the basis of consolidation accounting policy in the consolidated financial statements.

39. Investments in participating interests

(EUR 000)	31.12.2015	31.12.2014
Balance at 01 January	**—**	**—**
Capital reorganisation under common control	11,820	—
Investments	23,261	—
Share of result of participating interests	-17,100	—
Equity-settled share-based payment	4,302	—
Actuarial gains/(losses)	-543	
Changes in hedging and translation reserves	10,684	—
Dividends payments by participating interest	—	—
Balance at 31 December	**32,424**	**—**

The Company is the owner of 100% of Intertrust Topholding (Luxembourg) S.à r.l., a company based in Luxembourg. In 2015, the Company became the parent of the Group by the contribution of the entire issued and outstanding share capital of Intertrust Topholding (Luxembourg) S.à r.l. and the outstanding amounts under the Shareholder loans to the Company's shareholder's equity as a capital contribution.

40. Loans to participating interests

Relates to loans receivable from its subsidiary Intertrust Topholding (Luxembourg) S.à. r.l. An amount of EUR 95,535 thousand (principal and accrued interest) was contributed to the Company by Blackstone Perpetual Topco (Luxembourg) S.à r.l. in exchange for newly issued ordinary shares of the Company on October 19, 2015. An additional loan was issued on the same date to Intertrust Topholding (Luxembourg) S.à r.l. for a principal amount of EUR 424,060 thousand. The amounts stated in the accounts include accrued interest until December 31, 2015. The interest rates are respectively 10% and Euribor 12 months + 2.75%. These loans receivables from participating interests, over which significant influence can be exercised, are not due within one year.

41. Shareholders' equity

Reconciliation of Group equity with Company equity

The differences in share premium and retained earnings between the consolidated financial statements and the Company financial statements of EUR 11,058 thousand relate to the consolidated retained earnings of the participating interests at contribution date. These retained earnings were booked as part of the share premium in the Company accounts.

For details on the capital reoganisation and movements in share capital and share premium, refer to Notes 1 and 23.

Reconciliation of Group profit/(loss) with Company profit/(loss)

(EUR 000)	31.12.2015
Profit/(loss) in consolidated financial statements	**2,669**
Share of profit of participating interests, after income tax from 01 January to 19 October (capital reorganisation under common control)	-16,586
Profit/(loss) in Intertrust N.V.	**-13,917**

42. Fees of the auditors

The following fees from KPMG Accountants N.V. and its member firms to the Company and its subsidiaries have been booked for the financial period:

	KPMG Accountants N.V.		Other KPMG member firms and affiliates	
(EUR 000)	2015	2014	2015	2014
Audit of the financial statements	-355	-295	-667	-593
Transactional audit fees	-453	-195	—	—
Other audit-related services	-71	-31	-33	-30
Tax fees	—	—	-123	-46
Other fees	—	—	-13	-56
	-879	**-521**	**-836**	**-725**

43. Remuneration

Refer to Note 32 of the consolidated financial statements for the remuneration of the Management Board and the Supervisory Board.

44. Off-balance sheet commitments

Fiscal unity

The Company is head of a fiscal unity for corporate income tax purposes. The Company calculates its taxes on a stand-alone basis. The payables and/or receivables of the corporate income tax are settled with the companies that are part of the fiscal unity. In accordance with the standard conditions of the fiscal unity, each of the companies is liable for the income tax liabilities of the entire fiscal unity.

45. Subsequent events

For subsequent events, please refer to Note 35.

The financial statements are signed by the Management Board and the Supervisory Board:

Management Board:
David de Buck
Ernesto Traulsen

Supervisory Board:
Hélène Vletter-van Dort
Gerry Murphy
Lionel Assant
Anthony Ruys
Bert Groenewegen

Amsterdam, the Netherlands

March 30, 2016

Appropriation of result

The Management Board proposes to transfer the total loss after tax for 2015 at the amount of EUR 13,916 thousand to the retained earnings.

Independent auditor's report

To: the General Meeting and the Supervisory Board of Intertrust N.V.

Report on the audit of the annual financial statements 2015

Opinion

In our opinion:

- the consolidated financial statements give a true and fair view of the financial position of Intertrust N.V. (the Company) as at 31 December 2015, and of its result and its cash flows for 2015 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Netherlands Civil Code.
- the company financial statements give a true and fair view of the financial position of Intertrust N.V. as at 31 December 2015, and of its result for 2015 in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

What we have audited

We have audited the financial statements 2015 of Intertrust N.V., based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2015;
2. the following consolidated statements for 2015: the income statement, the statements of comprehensive income, changes in equity and cash flows; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1. the company balance sheet as at 31 December 2015;
2. the company profit and loss account for 2015 and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Intertrust N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit approach

Summary

Unqualified audit opinion

Materiality

- Overall materiality of EUR 3 million
- 3.5% of 2015 adjusted profit before tax

Key audit matters

- Accounting for the IPO
- Valuation of goodwill and intangible assets
- Revenue recognition and risk of management override (fraud)
- Completeness of provisioning for litigation and claims

Audit scope

- Coverage of 88% of revenue

Materiality

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

Based on our professional judgment we determined the materiality for the financial statements as a whole at EUR 3 million. The materiality is determined with reference to the 2015 profit before tax, adjusted for 2015 Initial Public Offering and debt restructuring expenses which are not deemed representative of the normal operations, and normalising interest costs at the level of the new external debt. Our materiality is 3.5% of the derived adjusted profit before tax.

We consider adjusted profit before tax to be the most appropriate benchmark as it better reflects the operations of the Company. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

We agreed with the Supervisory Board that misstatements in excess of EUR 150,000 identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Intertrust N.V. is the head of a group of entities. The financial information of this group is included in the financial statements of Intertrust N.V.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive in making this determination were the size and / or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

Our group audit mainly focused on group entities that were significant based on revenues, leading to operating entities in the Netherlands, Luxembourg, Guernsey and Cayman Islands being in-scope. To increase coverage the audit for consolidation purposes was extended to include Switzerland, Curaçao and Hong Kong as well. The audit scope coverage for 2015 is 88% of the consolidated revenues. All components in-scope for group reporting are audited by KPMG member firms.

We have also:

- performed audit procedures over significant accounts such as external debt and taxes ourselves at group holding entities in the Netherlands and Luxembourg;
- centrally audited the impairment test over intangible assets including goodwill;
- performed analytical review procedures or specific audit procedures at other group entities.

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for the Initial Public Offering

Description

The Initial Public Offering (IPO) which took effect as of 15 October 2015 resulted in a number of subjective areas of accounting, mainly around additional reporting requirements and disclosures.

Management performed extensive analysis of the appropriate accounting for the IPO, including topics such as the contribution of Intertrust Topholding (Luxembourg) S.à.r.l. to Intertrust N.V. via a capital reorganisation, the presentation of comparatives, the accounting for proceeds and costs related to the IPO based on legal documentation, including the income tax impact and accounting for the refinancing of the external debt.

Management has disclosed the accounting for the capital reorganisation in note 1 of the consolidated financial statements, the accounting for the proceeds and costs of the IPO in note 23 and the refinancing of the external debt at the date of the IPO in note 24. Due to subjectivity involved, these areas of accounting require specific audit attention and related procedures.

Our response

We assessed and audited management's selection of accounting principles and subsequent accounting for the IPO—

- We involved KPMG financial reporting specialists in relation to the accounting for the capital reorganisation which impacts on both the consolidated and company financial statements;
- We understood and documented management's process in relation to the capital reorganisation, IPO proceeds/ costs and debt restructuring, ensuring that the accounting treatment adopted is in line with the applicable financial reporting standards (both EU-IFRS and Part 9 of Book 2 of the Netherlands Civil Code). We read the relevant legal documents and reconciled the receipt or payment of cash to bank statements, where applicable;
- We involved a tax specialist on the tax treatment adopted by management on the IPO related costs and costs related to the debt refinancing.

Our observation

We found the accounting treatment applied by management for the contribution of Intertrust Topholding (Luxembourg) S.à.r.l. to Intertrust N.V. via a capital reorganisation, the presentation of comparatives, the accounting for proceeds and costs related to the IPO based on legal documentation, including the income tax impact and accounting for the refinancing of the external debt acceptable under the applicable financial reporting standards.

Valuation of goodwill and intangible assets

Description

The company has recognised a significant amount of goodwill and intangibles for client relationships and brand names, predominantly emanating from the acquisitions of the ATC and Intertrust businesses by the previous majority shareholder. There exists a potential risk of impairment of intangible assets, including goodwill, to the extent actual developments negatively deviate from the assumptions applied during the acquisition of the group entities. The assumptions used by management are to a large extent subjective by nature.

Management has prepared an annual impairment test, based on the determined Cash Generating Unit (CGU) level, in accordance with IAS 36: Impairment of assets, for intangible assets (including goodwill, customer relationship assets and brand names) using a value in use methodology consistent with the methodology applied in prior years.

The impairment test is based on the budget for 2016/2017, forecasted cash flows beyond 2017 and a discount rate (weighted average cost of capital or WACC) which has been updated for market developments in 2015.

The amounts recognised, the assumptions and sensitivities used to assess the recoverable amount recognised are disclosed in note 16 of the consolidated financial statements.

Our response

Among other procedures, we assessed and audited management's impairment test—

- We challenged management's budget and cash flow forecasts, performing sensitivity analyses and a retrospective review of the historical accuracy of management's estimations;
- Involved KPMG valuation specialists to assist the audit team in the audit procedures performed. The valuation specialist's procedures included evaluating the methodology used by management, assessing the reasonableness of the WACC and performing independent sensitivity analyses over the key assumptions used by management in the impairment test;
- Assessed if management's determination of the Cash Generating Unit (CGU) and the related carrying value was appropriate.

Our observation

We believe that the valuation of the goodwill and intangible assets for client relationships and brand name is balanced in the context of the financial statements as a whole. We found the disclosure of the assumptions and sensitivities acceptable under the applicable financial reporting standards.

Revenue recognition and risk of management override (fraud)

Description

Fraudulent revenue recognition, in particular existence of revenue, was considered a significant inherent risk for the financial statements of Intertrust N.V. 2015 from an audit perspective. It relates to the potential manipulation of cut-off of revenues, management override of controls and potential bias in estimates of the recoverability of work in progress (WIP) and debtors.

Management override relevant to internal controls is an action or a series of actions performed by management to bypass established internal controls. Management override may be driven by a desire to reach targets set in the IPO for the financial year 2015 or the subsequent year.

Our response

We addressed the risk of revenue recognition and management override in our audit through a combination of controls testing and substantive testing—

- We involved KPMG forensic specialists in our fraud risk assessment and in designing audit procedures to address the risk of fraud;
- We understood and tested the key controls in relation to revenue recognition, such as the approval of written hours, reconciliation of written hours to contractual hours and review of proposed invoicing;
- We tested the design, implementation and operating effectiveness of the general IT controls applicable to the system for financial reporting to the extent that this is considered effective and efficient in our audit approach. Logical access controls were not completely implemented in the Netherlands and Luxembourg which resulted in the performance of additional substantive audit procedures;
- We performed substantive audit procedures in relation to cut-off of revenue. Amongst other procedures we verified: the timing of revenue recognition with underlying contracts and written hours; whether credit notes issued after balance sheet date related to revenue recognised in 2015; the existence and collectability of WIP and debtor balances by reconciling WIP to written hours and testing the aging of accounts receivable;
- We performed manual journal entry testing of both journal entries recorded directly in the consolidation, and journal entries recorded by local management, utilising data analysis tools where possible;
- We assessed the reasonableness of management's estimates in relation to the recoverability of WIP and debtors, performed a retrospective review of the historical accuracy of management's estimations, and assessed the accounting policies applied for indications of management bias.

Our observation

Our audit procedures did not reveal indications of management bias or override of controls in the estimates and accounting applied by management in relation to the recognition of revenue, recoverability of WIP and debtors.

Completeness of provisioning for litigations and claims

Description

Considering the line of business of Intertrust N.V., in combination with the inherent subjectivity in identifying, monitoring and provisioning of claims, there is a potential risk of misstatement in claim provisions and contingency disclosures. Management's assessment of legal claims is included in note 27 of the consolidated financial statements, and the description of contingencies is included in note 31.

Our response

We have addressed the risk of completeness of litigation and claims, and breaches in laws and regulations, and evaluation of the estimates in Management's process, in our audit through a combination of controls testing and substantive testing, amongst other procedures—

- Our control testing included testing management's controls in relation to risks of breaches in laws and regulations, as well as testing controls over litigation and claims monitoring and provision recognition;
- We challenged Management's assessment of litigations and claims, and subsequent assessment of provisions required as at the year-end with a combination of procedures including inquiry with in-house legal counsels (at the group level and at group entities) and substantive evidence including confirmation letters, contracts, case summaries from external legal counsels and tax specialists;

- We assessed the completeness and reasonableness of contingency disclosures in the consolidated financial statements in light of the evidence obtained from our audit procedures as described in bullet two.

Our observation

We found the provision for litigation and claims to be recognised in accordance with the accounting principles as disclosed in note 3.15 of the consolidated financial statements.

Responsibilities of the Management Board and the Supervisory Board of Intertrust N.V. for the financial statements

The Management Board of Intertrust N.V. is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Netherlands Civil Code and for the preparation of the Management Board report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, the Management Board of the Company is responsible for such internal control as the Management Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the Management Board of Intertrust N.V. is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Management Board of the Company should prepare the financial statements using the going concern basis of accounting unless the Management Board of the Company either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Management Board of the Company should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of financial statements

Our objective is to plan and perform the audit to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all errors and fraud. For a further description of our responsibilities in respect of an audit of financial statements we refer to the website of the professional body for accountants in the Netherlands (NBA) www.nba.nl/standardtexts-auditorsreport.

Report on other legal and regulatory requirements

Report on the Management Board Report and the other information

Pursuant to legal requirements of Part 9 of Book 2 of the Netherlands Civil Code (concerning our obligation to report about the Management Board Report and other information):

- We have no deficiencies to report as a result of our examination whether the Management Board Report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code, and whether the information as required by Part 9 of Book 2 of the Netherlands Civil Code has been annexed.
- We report that the Management Board Report, to the extent we can assess, is consistent with the financial statements.

Engagement

We were engaged by the General Meeting as auditor of Intertrust N.V. on 25 September 2015, as of the audit for year 2015 and have operated as statutory auditor of Intertrust N.V. since then.

Amstelveen, 30 March 2016

KPMG Accountants N.V.

F.M. van den Wildenberg RA

THE ISSUER

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OFFERING MEMORANDUM

Intertrust Group B.V.

€500,000,000 % Senior Notes due 2025

Joint Global Coordinators

Deutsche Bank **Goldman Sachs International**

Joint Bookrunners

ABN AMRO **HSBC** **ING**

Co-Managers

Mizuho Securities **MUFG** **NatWest Markets** **SMBC Nikko**

The date of this Offering Memorandum is November , 2018

Donnelley Financial Solutions 637764

Intertrust

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€500,000,000 % Senior Notes due 2025