Q2 & H1 2018 Results

2 August 2018

Agenda

1. Q2 & H1 2018 highlights & operational update – CEO Stephanie Miller
2. Q2 & H1 2018 results – CFO Hans Turkesteen
3. Q&A
4. Appendix

1. Highlights & Operational Update

Q2 & H1 2018 Financial Highlights

Revenue	› Q2 Revenue of EUR 121.5m, underlying[1] growth of 5.4%, driven by Luxembourg and ROW, partly offset by Jersey, with NL and Americas flat. › H1 revenue of EUR 241.6m, underlying growth of 4.0%.
Adjusted EBITA (margin)	› Q2 Adjusted EBITA of EUR 44.7m, up 10.0% underlying. › Adjusted EBITA margin was 36.8% in Q2 2018 and 37.2% in H1 2018.
Entities ARPE	› Net outflow of 1,934 in H1 2018, mainly regular end-of-life. › ARPE up 8.3% from EUR 9.5k (H1 2017) to EUR 10.0k (H1 2018).
Cash flow	› Net cash from operating activities increased 12.4% to EUR 95.3 million in H1 2018.
EPS and Dividend	› Adjusted EPS of EUR 0.37 in Q2 2018, an increase of 5.7%. › Interim cash dividend of EUR 0.30 per share (~EUR 27 million), payable in November 2018.

Notes
1. Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)

Market & Operational Update

- **Business development initiatives and Client Solutions team**
  - Substantial addition to specialised sales capabilities in the UK and the US;
  - Client Solutions team to drive service and product development.
- **Expansion in United Arab Emirates and into Australia**
  - In the process of opening 2nd office in UAE;
  - Acquired Seed Outsourcing.
- **Global headcount alignment programme completed** – involving ~60 employees:
  - Expected structural annual cost saving of approximately EUR 3 million.
- **Senior management appointments during Q2 2018** – senior management transition now completed:
  - ExCo members: COO, Head of Strategy and M&A, Chief HR Officer;
  - Hans Turkesteen confirmed as CFO, effective 1 August 2018; nominated member of the Management Board[1].
- **Regulatory developments**
  - Netherlands:
    - More clarity on ATAD 1 implementation and withholding tax expected on Dutch Budget Day (18 September 2018);
    - DAC6 entered into force on 25 June 2018, full implementation by July 2020.
  - Luxembourg and Ireland: a more pragmatic approach towards ATAD 1 implementation.
- **Capital Markets Day** – 20 September 2018 in London.

Notes
1. Subject to shareholder approval at EGM to be held in October 2018.

IT roadmap progressing in line with plan

> Finalise the integration of ex-Elian businesses by mid-2019

> Continue investing in building a scalable IT platform, to cater for future growth

	2018
Governance	> Hired **Joe Sutton**, Global Head of IT Security and Development. Started in May 2018
Program of change	> **Cloud Strategy** – • Luxembourg, Netherlands and ROW all live • Cayman – strategic provider identified; targeted implementation in Q2 2019 • Jersey – planning starts in September > **Integration** – UK is live; Cayman planned for Q4 and Jersey planning is underway. Australia will be planned for Q1 2019 > **Infrastructure & Workspace** – Luxembourg is on schedule to complete prior to year end as planned; which will then be rolled out in Q1 2019 forward > **Innovation** – Portal and Payments Optimization project underway and on track; Virtual Boardroom rolled out in NL, other jurisdictions in progress.

2. Q2 & H1 2018 results

Highlights Q2 2018

(€m)	Q2 2018	Q2 2017	Change %	Underlying[1] change %
Revenue	121.5	118.1	2.9%	5.4%
Adjusted[2] EBITA	44.7	41.7	7.2%	10.0%
Adjusted EBITA margin	*36.8%*	*35.3%*	*+148bps*	*+156bps*
Adjusted Net Income	33.0	31.4	4.9%	-
Adjusted EPS (€)	0.37	0.35	5.7%	-
Cash from operating activities	27.6	18.9	45.7%	-

- Q2 2018 revenue of EUR 121.5m, up 5.4% on an underlying basis (Q2 2017: EUR 118.1m).
- Adjusted EBITA was EUR 44.7m, increasing 10.0% underlying (Q2 2017: EUR 41.7m impacted by one-off legal claim).
- Adjusted EBITA margin at 36.8% from 35.3% in Q2 2017.
- Adjusted EPS increased 5.7% to EUR 0.37 (Q2 2017: EUR 0.35).

Notes
1. Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)
2. See Reconciliation of performance measures to reported results in the press release for further information on Adjusted figures
3. Average number of shares for Q2 2018: 89,187,291; for Q2 2017: 90,569,675.

Revenue per segment

Revenue (€m)	Q2 2018	Q2 2017	Change	Underlying[1] change	H1 2018	H1 2017	Change	Underlying[1] change
Netherlands	27.8	27.6	0.6%	0.6%	56.7	56.6	0.0%	0.0%
Luxembourg	26.8	23.5	13.8%	13.8%	53.1	47.6	11.4%	11.4%
Americas[2]	20.6	21.5	-4.4%	3.5%	39.6	44.3	-10.6%	-0.1%
Jersey	14.4	15.1	-4.6%	-2.9%	29.1	29.7	-1.8%	0.4%
ROW	32.1	30.4	5.4%	8.4%	63.2	61.5	2.7%	6.3%
Group total	**121.5**	**118.1**	**2.9%**	**5.4%**	**241.6**	**239.7**	**0.8%**	**4.0%**
No. of entities ('000)					48.5	50.5	-4.0%	-
ARPE (€k, annualised)					10.0	9.5	5.0%	8.3%

NL: Q2 and H1 2018 revenue in line with 2017, despite slightly decreasing market – effectively resulting in an increased market share.
LUX: Continued strong growth in Fund Services, mainly related to increased activity of PE/RE funds.
Americas[2]: Q2 revenue increased 3.5% underlying. H1 2018 revenue in line on underlying basis.
Jersey: Corporate and Fund services performed well, offset by headwinds in Private Wealth, incl. decision of large client to insource.
ROW: Good performance of Corporate, Fund and Capital Markets in Ireland, Nordics and Spain. Better than expected synergies from SFM/Azcona.

Entity development: Net outflow of 1,934 entities in H1. Main reason for outflow remains end-of-life, with a strong concentration of outflow in the high volume, lower ARPE jurisdictions. Clean-ups now complete.

ARPE: ARPE +8.3% underlying to EUR 10.0k, from increased complexity and outflow of lower-value entities.

Notes
1. Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)
2. As of Q1 2018, Cayman Islands is included within the new Americas segment, together with Bahamas, BVI, Curacao, USA and Brazil, previously part of Rest of the World. Restated 2017 figures can be found in the tables on slides 21-22

Adjusted EBITA (margin) per segment

Adj. EBITA (€m)	Q2 2018	Q2 2017	Underlying[1] change %	H1 2018	H1 2017	Underlying[1] change %
Netherlands	16.5	16.8	-2.0%	33.7	35.2	-4.2%
Adj. EBITA margin (%)	*59.3%*	*60.9%*		*59.5%*	*62.2%*	
Luxembourg	15.3	11.9	28.0%	30.3	25.4	19.2%
Adj. EBITA margin (%)	*57.0%*	*50.7%*		*57.1%*	*53.3%*	
Americas[2]	11.2	10.4	15.6%	21.4	21.8	9.7%
Adj. EBITA margin (%)	*54.2%*	*48.5%*		*53.9%*	*49.1%*	
Jersey	6.9	7.9	-10.5%	14.5	14.9	-0.7%
Adj. EBITA margin (%)	*48.2%*	*52.3%*		*49.7%*	*50.3%*	
ROW	12.0	9.6	28.8%	23.7	20.7	18.3%
Adj. EBITA margin (%)	*37.4%*	*31.5%*		*37.6%*	*33.7%*	
Group total (after expenses)	**44.7**	**41.7**	**10.0%**	**90.0**	**87.8**	**6.0%**
Adj. EBITA margin (%)	***36.8%***	***35.3%***		***37.2%***	***36.6%***	

NL: Q2 2018 adj. EBITA margin 59.3%, decline mainly driven by higher (external) staff expenses due to investments in set-up of additional services.

LUX: Adj. EBITA margin increased significantly in Q2 2018 to 57.0%.

Americas[2]: Strong increase in Q2 2018 to 54.2%, mostly as a result of stricter cost management, seen also by decrease in headcount.

Jersey: Q2 2018 adj. EBITA margin decreased to 48.2%, mainly due to revenue pressure, partly offset by reduced number of FTEs.

ROW: Q2 2018 adj. EBITA margin up 28.8%, mainly due to operating leverage, also benefitting from easier comparables.

Notes
1. Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)
2. As of Q1 2018, Cayman Islands is included within the new Americas segment, together with Bahamas, BVI, Curacao, USA and Brazil, previously part of Rest of the World. Restated 2017 figures can be found in the tables on slides 21-22

Group HQ and IT costs

Expenses (€m)	Q2 2018	Q2 2017	H1 2018	H1 2017
Group HQ	(8.0)	(6.4)[1]	(16.2)	(13.0)[1]
As % of revenue	*6.6%*	*5.4%*	*6.7%*	*5.4%*
Group IT	(9.1)	(8.5)	(17.4)	(17.2)
As % of revenue	*7.5%*	*7.2%*	*7.2%*	*7.1%*
Total	**(17.1)**	**(14.9)**	**(33.7)**	**(30.2)**
As % of revenue	*14.1%*	*12.6%*	*13.9%*	*12.5%*

Group HQ costs

As previously communicated, HQ costs continued to increase in Q2 2018, on the back of the programme to upgrade central functions. This programme has now been completed.

Additionally, implementation of GDPR directive led to higher one-off professional fees in Q2 2018.

For H1 2018, HQ costs increased by EUR 3.2 million compared to H1 2017.

Group IT costs:

Q2 2018 IT costs increased EUR 0.6m, mainly related to:

- new projects initiated in Q2 2018, including preparation for the new client portal;
- increased outsourcing costs following migration of data centres.

IT roadmap implementation on track, with IT expenses expected to further increase in H2 2018 and H1 2019.

Notes

1. As a result of the new segmentation, the North America HQ costs have been moved to the Americas segment (EUR 0.8 m in Q2 2017, EUR 1.7 m in H1 2017)

Capital employed

(€m)*	30.06.2018	31.12.2017	31.06.2017
Acquisition-related intangible assets	1,464.1	1,474.2	1,515.0
Other intangible assets	13.7	14.8	13.1
Property, plant and equipment	15.1	16.5	18.8
Total working capital	(15.6)	(0.9)	(15.1)
Other assets	5.2	4.4	5.2
Total Capital employed (Operational)	**1,482.6**	**1,509.0**	**1,537.1**
Total equity	691.3	705.1	712.2
Net debt	713.7	720.7	741.0
Provisions, deferred taxes and other liabilities	77.6	83.2	84.0
Total Capital employed (Finance)	**1,482.6**	**1,509.0**	**1,537.1**

- Working capital at the end of Q2 2018 amounted to EUR 15.6m negative, versus EUR 15.1m negative (end Q2 2017). Working capital follows seasonal pattern: peak level end of Q3 and low level end of Q1 (Cayman billing run in Q4 and NL & LUX in January each year).
- Net debt increased to EUR 713.7m at the end of Q2 2018 (from EUR 679.7 million end Q1 2018), mainly as a result of the final part of the share repurchase programme (EUR 14.6 million), dividend payment (EUR 29.4 million) and seasonal working capital developments.
- Leverage ratio slightly increased to 3.60x (end Q2 2018) from 3.48x (end Q1 2018), well within bank covenant of 4.50x.

Notes
* Figures presented in EUR million tables are calculated before rounding.

Free cash flow

Free cash flow (€m)*	Q2 2018	Q2 2017	H1 2018	H1 2017
Adjusted EBITA	44.7	41.7	90.0	87.8
Adjustments for:				
Depreciation and amortisation of other intangible assets	2.8	2.8	5.6	5.4
Other non cash items	0.8	1.2	1.5	1.8
Net cash used for specific items	(3.7)	(2.8)	(4.6)	(3.6)
Changes in:				
(Increase)/decrease in working capital (excl. current tax)	(12.1)	(19.3)	10.0	0.3
Others	1.3	(0.1)	1.6	(1.0)
Income tax paid	(6.3)	(4.4)	(8.8)	(5.8)
Cash flow from operating activities	**27.6**	**18.9**	**95.3**	**84.8**
Capex paid	(1.9)	(1.4)	(2.9)	(3.2)
Interests and other finance expenses paid	(6.6)	(5.8)	(12.5)	(11.7)
Free cash flow	**19.1**	**11.8**	**79.9**	**70.0**

> Net cash from operating activities increased 12.4% from EUR 84.8m in H1 2017 to EUR 95.3m in H1 2018, driven by strong working capital management.

Notes
* Figures presented in EUR million tables are calculated before roundings.

Tax reconciliation

(€m)*		30.06.2018		30.06.2017		*Change*
Profit before income tax		**49.7**		**48.9**		
Income tax using the Company's domestic tax rate	***25.0%***	**(12.4)**	**25.0%**	**(12.2)**		**(0.2)**
Effect of tax rates in foreign jurisdictions		3.5		3.3		0.2
Effect of non taxable and other items		0.2		(0.2)		0.4
Others		0.0		(0.1)		0.0
Income tax	***17.6%***	**(8.8)**	***18.7%***	**(9.1)**	***-109bps***	**0.4**

> Income tax expenses amounted to EUR 8.8m in H1 2018 compared to EUR 9.1m in the same period last year.

> The effective tax rate for H1 2018 was 17.6% (H1 2017: 18.7%), in line with our guidance for FY 2018.

Notes
* Figures presented in EUR million tables are calculated before roundings.

Full year 2018 outlook re-confirmed

Intertrust

Revenue growth	› Underlying Revenue growth of at least 3%.
EBITA margin	› Adjusted EBITA margin of at least 37%.
Other elements	› Capex around 2.0% of revenue; › Effective tax rate of approximately 18%; › Dividend policy continues to be 40-50% of adjusted net income.

Key takeaways

Intertrust

H1 2018	› Revenue of EUR 241.6m, increase of 4.0% underlying. › Adjusted EBITA margin 37.2% (+72bps). › Interim dividend EUR 0.30 per share; payment date 30 November 2018.
Operational update	› Business development initiatives and Client Solutions team. › Expansion in United Arab Emirates and into Australia. › Headcount alignment programme completed.
Management appointments	› ExCo members: Theo Splinter (COO), James Nolan (Head of Strategy, M&A), Roberto Canenti (CHRO). › Hans Turkesteen (CFO + member of Management Board[1]).
Outlook	› Full year 2018 outlook reiterated.
Capital Markets Day	› 20 September 2018 (London, UK) – for analysts and professional investors, presentations available/webcast on website. › Management will outline growth strategy and guidance for midterm.

Notes
1. Subject to shareholder approval at EGM to be held in October 2018.

3. Q&A

Appendix

Consolidated Profit/Loss *(unaudited)*

Consolidated interim statement of Profit/Loss (EUR 000)

	Q2 2018	Q2 2017	H1 2018	H1 2017
Revenue	**121,542**	**118,092**	**241,605**	**239,716**
Staff expenses	(54,660)	(54,564)	(108,584)	(109,014)
Rental expenses	(6,061)	(5,960)	(12,044)	(12,029)
Other operating expenses	(17,499)	(17,013)	(30,819)	(30,698)
Other operating income	11	-	51	-
Depreciation and amortisation of other intangible assets	(2,775)	(2,750)	(5,557)	(5,440)
Amortisation of acquisition-related intangible assets	(10,217)	(10,493)	(20,364)	(20,621)
Profit/(loss) from operating activities	**30,341**	**27,312**	**64,288**	**61,914**
Financial income	156	2	184	5
Financial expense	(7,250)	(5,086)	(14,786)	(12,823)
Financial result[1]	**(7,094)**	**(5,084)**	**(14,602)**	**(12,818)**
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	32	(192)	41	(195)
Profit/(loss) before income tax	**23,279**	**22,036**	**49,727**	**48,901**
Income tax	(4,267)	(3,069)	(8,751)	(9,138)
Profit/(loss) after tax	**19,012**	**18,967**	**40,976**	**39,763**

[1] Reported financial result of EUR 14.6m for H1 2018 included interest expenses of EUR 13.9m.

Reconciliation of performance measures to reported results

(€k)	Q2 2018	Q2 2017	H1 2018	H1 2017
Profit/(loss) from operating activities	**30,341**	**27,312**	**64,288**	**61,914**
Amortisation of acquisition-related intangible assets	10,217	10,493	20,364	20,621
Specific items – Transaction costs	100	(10)	100	83
Specific items – Integration and transformation costs	3,431	2,783	4,290	3,135
Specific items – Share-based payment upon IPO	341	629	502	1,109
Specific items – Share-based payment upon integration	(16)	428	82	832
Specific items – Other items	276	44	329	147
Adjusted EBITA	**44,690**	**41,679**	**89,955**	**87,841**

(€k)	Q2 2018	Q2 2017	H1 2018	H1 2017
Adjusted EBITA	**44,690**	**41,679**	**89,955**	**87,841**
Net finance costs - excluding net foreign exchange loss[1]	(7,499)	(7,002)	(14,473)	(14,052)
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	32	(192)	41	(195)
Income tax (adjusted)	(4,267)	(3,069)	(8,751)	(9,138)
Adjusted Net income	**32,956**	**31,416**	**66,772**	**64,456**

1. Foreign exchange gain/(loss) for Q2 2018 was (EUR 405k), H1 2018 was (EUR 129k); (Q2 2017: EUR 1,918k, H1 2017: EUR 1,234k)

Segmentation change reconciliation – *Revenue*

Revenue (EUR 000)	**Q2**				**H1**			
	2017 presented in 2018		**2017**		**2017 presented in 2018**		**2017**	
	Revenue	% Revenue	Revenue	% Revenue	Revenue	% Revenue	Revenue	% Revenue
Netherlands	27,579	23%	27,579	23%	56,644	24%	56,644	24%
Luxembourg	23,521	20%	23,521	20%	47,616	20%	47,616	20%
Americas	21,512	18%	-	-	44,279	18%	-	-
Cayman Islands	-	-	16,621	14%	-	-	34,143	14%
Jersey	15,071	13%	15,071	13%	29,687	12%	29,687	12%
Rest of the World	30,409	26%	35,300	30%	61,490	26%	71,626	30%
Total Segment Revenue	**118,092**	**100%**	**118,092**	**100%**	**239,716**	**100%**	**239,716**	**100%**

- As of Q1 2018, 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 above reconciliation table shows the restated 2017 segmentation.

Segmentation change reconciliation – *Adj. EBITA*

Adjusted EBITA (EUR 000)	Q2 2017 presented in 2018 Adj. EBITA	Q2 2017 presented in 2018 % Adj. EBITA	Q2 2017 Adj. EBITA	Q2 2017 % Adj. EBITA	H1 2017 presented in 2018 Adj. EBITA	H1 2017 presented in 2018 % Adj. EBITA	H1 2017 Adj. EBITA	H1 2017 % Adj. EBITA
Netherlands	16,797	40%	16,797	40%	35,238	40%	35,238	40%
Luxembourg	11,920	29%	11,920	29%	25,395	29%	25,395	29%
Americas	10,426	25%	-	-	21,751	25%	-	-
Cayman Islands	-	-	9,412	23%	-	-	19,266	22%
Jersey	7,881	19%	7,881	19%	14,926	17%	14,926	17%
Rest of the World	9,580	23%	11,442	27%	20,728	24%	24,923	28%
Group HQ & IT Costs (*)	(14,925)	-36%	(15,773)	-38%	(30,197)	-34%	(31,907)	-36%
Total Segment Adj. EBITA	**41,679**	**100%**	**41,679**	**100%**	**87,841**	**100%**	**87,841**	**100%**

> As of Q1 2018, 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 above reconciliation table shows the restated 2017 segmentation.

Intertrust Group H1 2018

Key performance indicators

	H1 2018	H1 2017	% change	% Underlying[1] change
Average number of FTEs	2,476	2,418	2.4%	-
Number of entities (000's, end of period)	48.5	50.5	-4.0%	-
ARPE (€k, annualised)	10.0	9.5	5.0%	8.3%
Revenue/FTE (€k, annualised)	195.1	198.2	-1.6%	1.5%

Notes
1. Underlying: Current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)

Notes & Definitions

- ✓ Intertrust N.V. Q1 2018 financial figures are shown on a reported and adjusted basis.
- ✓ Figures presented in EUR million tables are calculated before rounding.
- ✓ Adjustments in EBITDA and EBITA are disclosed in the press release. Adjusted figures represent adjustments because of non-recurring items.
- ✓ As of Q1 2018, Intertrust uses the following segmentation:
  - The Netherlands, Luxembourg, Americas, Jersey and Rest of the World (ROW), whereby Cayman is included in Americas in both 2017 and 2018 figures.

Selected definitions:

Adjusted net income per share is defined as Adjusted net income divided by the average number of shares outstanding at 30 June 2018.
Average no. of shares for Q2 2018: 89,187,291; for Q2 2017: 90,569,675. For H1 2018: 89,779,964; for H1 2017: 91,280,560.
ARPE is defined as Average Revenue per Entity.
Capital expenditure is defined as investments in property, plant, equipment and other intangible assets not related to acquisitions.
CC is Constant Currency.
FTE is Full-time equivalent employee.
Leverage ratio is total net debt divided by Adjusted proforma EBITDA. Proforma means adjusted to take into account full year effect of acquisitions, including projected synergies.
Net interest is defined as Net finance cost excluding Forex gains and losses.
Operating free cash flow is defined as Adjusted EBITDA less capital expenditure.
Total net debt is nominal value of the senior facilities at the prevailing exchange rates less cash excluding cash held on behalf of clients.
Underlying is current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s).

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