

NYSE Euronext, Inc.  
Form 424B3  
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**SHAREHOLDER CIRCULAR OF EURONEXT N.V.**

**PROSPECTUS OF NYSE EURONEXT, INC.**

To the Shareholders of Euronext N.V.:

Euronext and NYSE Group, Inc. have entered into an agreement (referred to herein as the combination agreement) providing for a combination of their businesses under a new holding company named NYSE Euronext. Euronext's business will be brought under the new holding company through an exchange offer, and NYSE Group's business will be brought under the new holding company through a merger (which are together referred to in this document as the "combination"). The combination will create the first global exchange group, with the world's largest securities marketplaces on a combined basis and encompassing seven exchanges in six countries.

In the exchange offer, Euronext shareholders will be offered the right to exchange each of their shares, par value €6 per share, of Euronext for €21.32 in cash and 0.98 of a share of common stock, par value \$0.01 per share, of NYSE Euronext. Instead of receiving this standard offer consideration, Euronext shareholders will have an opportunity to make either a cash election to receive all cash for their Euronext shares, or a stock election to receive all stock for their Euronext shares. These elections, however, are subject to proration to ensure that the total amount of cash paid, and the total number of shares of NYSE Euronext common stock issued, in the exchange offer to the Euronext shareholders, as a whole, are equal to the total amount of cash and number of shares that would have been paid and issued if all tendering Euronext shareholders received the standard offer consideration.

The merger will occur immediately after the successful completion of the exchange offer. In the merger, NYSE Group stockholders will have the right to receive one share of NYSE Euronext common stock for each of their shares of NYSE Group common stock. Shares of NYSE Euronext common stock that are issued to NYSE Group stockholders in the merger will be subject to the same transfer restrictions, if any, that the shares of NYSE Group common stock were subject to prior to the merger.

As soon as possible after the completion of the merger, NYSE Euronext plans to effectuate a post-closing reorganization of Euronext and its subsidiaries that is intended to result in Euronext becoming a wholly owned subsidiary of NYSE Euronext. In the post-closing reorganization, Euronext shareholders who did not exchange such Euronext shares in the exchange offer will generally receive the same consideration that they would have received had they tendered their Euronext shares in the exchange offer and not made either the cash election or the stock election. In certain circumstances, payments made to Euronext shareholders in the post-closing reorganization may be subject to Dutch dividend withholding tax. See "The Combination Material Dutch Tax Consequences Dividend Withholding Tax." Although the structure of the post-closing reorganization may not be determined until the expiration of the exchange offer, in the event that less than 95% of the outstanding Euronext shares are acquired in the exchange offer, it is currently anticipated that a significant portion of the consideration paid to Euronext shareholders pursuant to the post-closing reorganization will be subject to Dutch dividend withholding tax. Application of the Dutch dividend withholding tax could cause the net value of the consideration received by Euronext shareholders in the post-closing reorganization to be substantially less than the net value of the consideration such shareholders would have received had they tendered their Euronext shares in the exchange offer.

The closing prices of NYSE Group common stock as of May 31, 2006 (the last trading day prior to the date of public announcement of the execution of the combination agreement) and as of November 24, 2006 (the last practicable trading date prior to the date of this document) are \$59.80 and \$108.26, respectively.

Upon completion of the combination, and assuming that all of the outstanding Euronext shares are validly tendered in the exchange offer and not withdrawn, former NYSE Group stockholders and former Euronext shareholders will own approximately 59% and 41%, respectively, of the outstanding common stock of NYSE Euronext immediately after the combination. Based on the current number of outstanding shares of NYSE Group common stock and Euronext shares, NYSE Euronext will issue approximately 269.7 million shares of NYSE Euronext common stock in the combination. NYSE Euronext intends to apply to list the NYSE Euronext common stock on the New York Stock Exchange (or the "NYSE") and on Euronext Paris (Eurolist by Euronext), subject to official notice of issuance of the stock in the combination.

**The combination agreement requires that the combination be approved by the NYSE Group stockholders and Euronext shareholders prior to the commencement of the exchange offer.** To obtain these approvals, Euronext will hold an extraordinary meeting of its shareholders on December 19, 2006, at which it will ask its shareholders to approve the combination agreement and the transactions contemplated thereby, including the post-closing reorganization (and consider any other matters properly brought before the meeting). Information about the Euronext extraordinary meeting, the combination and other business to be

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considered by Euronext shareholders is contained in this document, which you are urged to read. **In particular, see "Risk Factors" beginning on page 30.**

**Your vote is very important.** Whether or not you plan to attend the Euronext extraordinary meeting, please take appropriate action to make sure your Euronext shares are represented at the extraordinary meeting. If you are a Euronext shareholder, blank votes and invalid votes will be regarded as votes not cast. **The Euronext supervisory and managing boards recommend that Euronext shareholders vote FOR the approval of the combination agreement and the transactions contemplated by the combination agreement, including the post-closing reorganization.**

Jean-François Théodore  
Chief Executive Officer  
Euronext N.V.

**Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the combination or determined if this document is accurate or complete. Any representation to the contrary is a criminal offense.**

This document is dated November 27, 2006, and is first being made available to the Euronext shareholders on or about November 30, 2006.

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**CERTAIN FREQUENTLY USED TERMS**

Unless otherwise specified or if the context so requires:

"Archipelago" refers to Archipelago Holdings, Inc., a Delaware corporation, and its subsidiaries and, where the context requires, its predecessor, Archipelago Holdings, LLC, a Delaware limited liability company and its subsidiaries;

"combination agreement" refers to the Combination Agreement, dated as of June 1, 2006, as amended and restated as of November 24, 2006, by and among NYSE Group, Euronext, NYSE Euronext, and Jefferson Merger Sub, Inc., a Delaware corporation and a newly formed, wholly owned subsidiary of NYSE Euronext;

"Euronext" refers to Euronext N.V., a company organized under the laws of the Netherlands or, as the context requires, any company succeeding Euronext N.V. upon the implementation of the post-closing reorganization, in each case, including its subsidiaries;

"NYSE" refers to (1) prior to the completion of the merger between the New York Stock Exchange, Inc. and Archipelago, which occurred on March 7, 2006, New York Stock Exchange, Inc., a New York Type A not-for-profit corporation and a registered U.S. national securities exchange, and (2) after the completion of such merger on March 7, 2006, New York Stock Exchange LLC, a New York limited liability company and a registered U.S. national securities exchange, and, where the context requires, its subsidiaries, NYSE Market, Inc., a Delaware corporation, and NYSE Regulation, Inc., a New York not-for-profit corporation;

"NYSE Arca" refers to NYSE Arca, L.L.C., a Delaware limited liability company (formerly known as Archipelago Exchange, L.L.C.), and NYSE Arca, Inc., a Delaware corporation (formerly known as the Pacific Exchange, Inc.), and NYSE Arca Equities, Inc., a Delaware corporation (formerly known as PCX Equities, Inc.);

"NYSE Arca, Inc.," where that specific term is used, refers to the entity registered as a U.S. national securities exchange (formerly known as the Pacific Exchange, Inc.);

"NYSE Euronext" refers to NYSE Euronext, Inc., a newly formed Delaware corporation that will be renamed "NYSE Euronext" upon completion of the combination, and its subsidiaries; and

"NYSE Group" refers to NYSE Group, Inc., a Delaware corporation, and its subsidiaries.

**ADDITIONAL INFORMATION**

**No person is authorized to give any information or to make any representation with respect to the matters that this document describes other than those contained in this document, and, if given or made, the information or representation must not be relied upon as having been authorized by NYSE Group, Euronext, or NYSE Euronext. This document does not constitute an offer to sell or a solicitation of an offer to buy securities or a solicitation of a proxy in any jurisdiction where, or to any person to whom, it is unlawful to make such an offer or a solicitation. Neither the delivery of this document nor any distribution of securities made under this document shall, under any circumstances, create an implication that there has been no change in the affairs of the NYSE Group, Euronext, or NYSE Euronext since the date of this document or that any information contained herein is correct as of any time subsequent to the date of this document.**

Each of NYSE Group and Euronext maintains an Internet site. The NYSE Group Internet site is at [www.nyse.com](http://www.nyse.com). The Euronext Internet site is at [www.euronext.com](http://www.euronext.com). Information contained in or otherwise accessible through these Internet sites is not a part of this prospectus. All references in this prospectus to these Internet sites are inactive textual references to these URLs and are for your information only.

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## SUMMARY

*This summary highlights selected information in this document and may not contain all of the information that is important to you. You should carefully read this entire document, including its annexes for a more complete understanding of the combination agreement, the transactions contemplated by the combination agreement, NYSE Group, Euronext and the combined company resulting from the transactions contemplated by the combination agreement.*

### **The Companies**

#### **NYSE Group, Inc. (see page 220)**

NYSE Group, Inc., a Delaware corporation, is a holding company that, through its subsidiaries, operates two securities exchanges: the NYSE and NYSE Arca, Inc. NYSE Group is a leading provider of securities listing, trading and market data products and services. NYSE Group was formed in connection with the merger of the NYSE and Archipelago, which was completed on March 7, 2006. Although the trading platforms of the NYSE and NYSE Arca currently operate separately, NYSE Group is actively integrating certain of their activities to achieve revenue and cost synergies.

The NYSE is the world's largest cash equities exchange. The NYSE is approximately three times the size of the next largest cash equities exchange in the world in terms of total worldwide market capitalization of listed companies. The NYSE provides a reliable, orderly, liquid and efficient marketplace where investors buy and sell listed issuers' common stock and other securities. For 214 years, the NYSE has facilitated capital formation, serving a wide spectrum of participants, including individual and institutional investors, the trading community and listed companies. As of September 30, 2006, 2,704 issuers, which include domestic and non-domestic operating companies, closed-end funds and exchange traded funds ("ETFs"), were listed on the NYSE. The NYSE's listed operating companies represent a total worldwide market capitalization of over \$23.0 trillion, as of September 30, 2006. For the period from January 1, 2006 to September 30, 2006, on an average trading day, over 1.70 billion shares, valued at over \$63.0 billion, were traded on the NYSE.

NYSE Arca operates the first open, all-electronic stock exchange in the United States and has one of the leading market positions in trading ETFs and exchange listed securities. NYSE Arca is also an exchange for trading equity options. Through NYSE Arca, customers can trade over 8,000 equity securities and over 150,000 options series. NYSE Arca's equity trading platforms link traders to multiple U.S. market centers and provide customers with fast electronic execution and open, direct and anonymous market access. The technological capabilities of NYSE Arca's trading platforms, combined with its trading rules, have allowed NYSE Arca to create a large pool of liquidity that is available to customers internally on NYSE Arca and externally through other market centers. For the period from January 1, 2006 to September 30, 2006, on an average trading day, over 645.7 million shares, valued at over \$22.7 billion, were traded through NYSE Arca's trading platforms.

For the nine months ended September 30, 2006, on a pro forma basis reflecting the merger of the NYSE and Archipelago, based on financial statements prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"), NYSE Group generated \$1,338.2 million in revenues (excluding activity assessment fees) and \$199.6 million in income from continuing operations.

NYSE Group maintains its principal executive offices at 11 Wall Street, New York, New York 10005. Its telephone number is (212) 656-3000, and its Internet address is [www.nyse.com](http://www.nyse.com). Information contained on NYSE Group's website does not constitute a part of this prospectus. This website address is an inactive text reference and is not intended to be an actual link to the website.

#### **Euronext N.V. (see page 342)**

Euronext N.V., a public limited liability company organized under the laws of the Netherlands, operates cash and derivatives exchanges through its subsidiaries in Belgium,

France, the Netherlands and Portugal, in addition to services for derivatives markets in the United Kingdom. Euronext was created in 2000 through a three-way merger of the exchanges of Amsterdam, Brussels and Paris. Euronext later expanded by merging with the Portuguese exchange and acquiring the London-based derivatives market, LIFFE, in 2002. In 2004, Euronext completed a four-year project in which it migrated its exchanges to harmonized information technology platforms for cash trading (NSC), derivatives (LIFFE CONNECT®) and clearing. In 2005 and the first half of 2006, Euronext was the largest cash equities exchange in Europe in terms of the volume and value of transactions processed through the central order book and the second largest derivatives exchange in Europe by volume. Euronext also sells market data through its information services unit.

Euronext sells software and information technology, or IT, trading solutions through its subsidiary, GL TRADE, a leading provider of front-to-back-office trading, exchange-related software. IT services are provided by Atos Euronext Market Solutions, a company owned 50/50 by Atos Origin and Euronext.

Euronext also holds (jointly with Borsa Italiana) a majority stake in *Societa per il Mercato del Titoli di Stato* (or "MTS"), a leading electronic market for European wholesale fixed income securities.

For the six months ended June 30, 2006, based on financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), Euronext generated €557.7 million in revenues and €193.7 million in net profit attributable to shareholders of the parent company.

The address of Euronext's registered office is Beursplein 5, 1012 JW Amsterdam, the Netherlands, and its telephone number is +31 20 550 4444. Its website is [www.euronext.com](http://www.euronext.com). Information contained on Euronext's website does not constitute part of this prospectus. This website address is an inactive text reference and is not intended to be an actual link to the website.

**NYSE Euronext (see page 200)**

NYSE Euronext is a newly incorporated Delaware corporation that will become the parent company of NYSE Group and Euronext upon the completion of the combination. Upon completion of the combination, the company's name will be changed from "NYSE Euronext, Inc." to "NYSE Euronext." To date, NYSE Euronext has not conducted any material activities other than those incident to its formation and the matters contemplated by the combination agreement. The address of NYSE Euronext's principal executive offices is c/o NYSE Group, Inc., 11 Wall Street, New York, New York 10005. Its telephone number is (212) 656-3000.

**What Tendering Euronext Shareholders Will Receive in the Exchange Offer (see page 138)**

In the exchange offer, which will be filed with, reviewed by and subject to the approval of the AMF and the CBFA after the satisfaction or waiver of the conditions in the combination agreement (including the approval of NYSE Group stockholders and Euronext shareholders of the combination), NYSE Euronext or a wholly owned subsidiary will offer to acquire each outstanding Euronext share for €21.32 in cash and 0.98 of a share of NYSE Euronext common stock. This document refers to this mix of consideration as the "standard offer consideration."

Instead of receiving this standard offer consideration, Euronext shareholders who tender their shares in the exchange offer will have an opportunity to make either a cash election to receive all cash for their Euronext shares, or a stock election to receive all stock for their Euronext shares. The precise amount of cash payable in respect of a cash election, and the precise number of NYSE Euronext shares issuable in respect of a stock election will be determined prior to the filing of the exchange offer with the AMF and will depend on the volume weighted average price of NYSE Group common stock during the 10 consecutive trading days ending immediately prior to the date of the filing of the exchange offer, which is used to determine the implied value of a share of NYSE Euronext common stock for purposes of the tradeoff

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between cash and stock for purposes of the cash election and the stock election.

Specifically, the amount of cash that a tendering Euronext shareholder will receive for each tendered Euronext share for which it makes the cash election will equal the sum of:

€21.32; and

the product of 0.98 multiplied by the volume-weighted average price of NYSE Group common stock during the 10 consecutive trading days ending immediately prior to the filing of the exchange offer with the AMF.

The amount of NYSE Euronext common stock that a tendering Euronext shareholder will receive for each tendered Euronext share for which it makes the stock election will equal the sum of:

0.98; and

the quotient obtained by dividing €21.32 by the volume-weighted average price of NYSE Group common stock during the 10 consecutive trading days ending immediately prior to the filing of the exchange offer with the AMF.

Both the cash election and stock election are subject to proration to ensure that the total amount of cash paid, and the total number of shares of NYSE Euronext common stock issued, in the exchange offer to the Euronext shareholders, as a whole, are equal to the total amount of cash and number of shares that would have been paid and issued if all tendering Euronext shareholders received the standard offer consideration. Euronext shareholders who make no election will receive the standard offer consideration.

As a result, if the cash election or the stock election is oversubscribed, Euronext shareholders making the oversubscribed election will receive both cash and shares of NYSE Euronext common stock, in proportion to the relative amounts available of each. As the cash election or stock election becomes more oversubscribed, Euronext shareholders making the oversubscribed election will receive consideration that will more closely resemble the standard offer consideration. Euronext shareholders who tender their shares in the exchange offer and make no election will receive the standard offer consideration. The precise consideration that Euronext shareholders will receive if they make the cash election or the stock election will depend on both:

the volume weighted average price of NYSE Group common stock during the 10 consecutive trading days ending immediately prior to the date of the filing of the exchange offer with the AMF; and

the number of Euronext shareholders that make the cash election and the number that make the stock election.

However, because the cash election and stock election are subject to proration, neither of the above factors will affect the total amount of cash paid, or the total number of shares of NYSE Euronext common stock issued, in the exchange offer to the Euronext shareholders as a whole.

This information (and therefore the precise consideration that Euronext shareholders will receive if they make the cash election or the stock election) will not be available at the time that Euronext shareholders vote on the combination. The combination agreement contains no provision that permits either party to terminate the combination agreement, or that alters the exchange ratio, because the stock price of NYSE Group common stock or Euronext shares has fallen below any agreed-upon minimum price or has risen above an agreed-upon maximum price. For a more detailed description of the potential adjustments to the consideration that Euronext shareholders will receive if they make the cash election or the stock election, see "The Combination Agreement The Exchange Offer Consideration Offered to Euronext Shareholders" and "The Combination Agreement The Exchange Offer Mix and Match Election."

Assuming that all of the outstanding Euronext shares are validly tendered in the exchange offer and not withdrawn, the aggregate number of shares of NYSE Euronext common stock issued in the combination to the Euronext shareholders will equal approximately 41% of the NYSE Euronext common stock issued and



outstanding at the time of completion of the combination.

NYSE Euronext is not obligated to purchase any tendered Euronext shares unless the tendered Euronext shares represent at least two-thirds of the total outstanding shares of Euronext. However, after consultation with Euronext, but prior to the filing of the exchange offer with the AMF, NYSE Euronext may lower this two-thirds minimum condition to a number representing not less than a majority of the Euronext voting power on a fully diluted basis taking into account all Euronext shares issuable upon the exercise of any options, warrants or rights to purchase or subscribe for shares of the capital stock of Euronext.

**What NYSE Group Stockholders and Holders of NYSE Group Stock Options and Restricted Stock Units Will Receive in the Merger (see page 141)**

In the merger, pursuant to the combination agreement, each share of NYSE Group common stock will entitle its holder to one share of NYSE Euronext common stock. Shares of NYSE Euronext common stock that are issued to NYSE Group stockholders in the merger will be subject to the same transfer restrictions, if any, that the shares of NYSE Group common stock were subject to prior to the merger. In addition, holders of outstanding NYSE Group stock options to acquire shares of NYSE Group common stock will receive options to acquire an equal number of shares of NYSE Euronext common stock, and holders of outstanding restricted stock units of NYSE Group common stock will receive an equal number of restricted stock units of NYSE Euronext common stock.

Assuming that all of the outstanding Euronext shares are validly tendered in the exchange offer and not withdrawn, the aggregate number of shares of NYSE Euronext common stock issued in the combination to the NYSE Group stockholders will equal approximately 59% of the NYSE Euronext common stock issued and outstanding at the time of completion of the combination.

**What Euronext Shareholders Will Receive if They Do Not Tender Their Euronext Shares in the Exchange Offer (see page 144)**

If the exchange offer is consummated, NYSE Euronext intends to effectuate a post-closing reorganization of Euronext and its subsidiaries that is intended to result in Euronext becoming a wholly owned subsidiary of NYSE Euronext. In the post-closing reorganization, Euronext shareholders who did not tender their Euronext shares in the exchange offer will generally receive the same consideration that they would have received had they tendered their Euronext shares in the exchange offer and had they not made either the cash election or stock election for their Euronext shares, that is, €21.32 in cash and 0.98 of a share of NYSE Euronext common stock per Euronext share. Although the structure of the post-closing reorganization may not be determined until after the expiration of the exchange offer, in the event that less than 95% of the outstanding Euronext shares are acquired in the exchange offer, it is currently anticipated that a significant portion of the consideration paid to Euronext shareholders pursuant to the post-closing reorganization will be subject to Dutch dividend withholding tax. Application of the Dutch dividend withholding tax could cause the net value of the consideration received by Euronext shareholders in the post-closing reorganization to be substantially less than the net value of the consideration such shareholders would have received had they tendered their Euronext shares in the exchange offer.

In the event that 95% or more of the issued and outstanding share capital of Euronext is tendered and accepted in the exchange offer, NYSE Euronext may at its option effectuate the post-closing reorganization by initiating a compulsory acquisition procedure (*uitkoopregeling*) in accordance with section 2:92a of the Dutch Civil Code. In such circumstances, the price to be paid for such shares would be paid in cash only, in an amount determined by the Enterprise Chamber of the Amsterdam Court of Appeals, which amount may be substantially more or less than the value of the consideration that Euronext shareholders received in the exchange offer.

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If successful, the effect of the post-closing reorganization will be to eliminate any minority stockholder interest in Euronext remaining after the completion of the exchange offer. For further details regarding the post-closing reorganization, see "The Combination Agreement Post-Closing Reorganization."

### **How Holders of Euronext Options and Stock-Based Awards Can Participate in the Exchange Offer (see page 142)**

Holders of exercisable Euronext stock options who would like to tender the underlying Euronext shares into the exchange offer must first exercise such stock options (to the extent such stock options are exercisable) and then tender the underlying Euronext shares on or prior to the expiration date of the exchange offer. For further details regarding the procedure for participating in the exchange offer, see "The Combination Agreement Treatment of Euronext Stock Options and Stock-Based Awards."

### **What Holders of Euronext Options and Stock-Based Awards Will Receive if They Do Not Exercise Their Options or Stock Based Awards and Tender the Shares in the Exchange Offer (see page 142)**

If, following the successful completion of the exchange offer, there are still Euronext stock options and Euronext stock-based awards outstanding, a conversion mechanism will generally be implemented for purposes of converting such stock options and stock-based awards into NYSE Euronext stock options and NYSE Euronext stock-based awards, respectively, on the same terms and conditions as currently applicable, subject to specific arrangements being made available to certain holders in order to protect such holders' tax and social security treatment. For a description of the conversion mechanism and these arrangements, please see "The Combination Agreement Treatment of Euronext Stock Options and Stock-Based Awards Following the Exchange Offer."

### **Structure of the Combination (see page 138)**

In the combination, Euronext's business will be brought under NYSE Euronext through the exchange offer, and NYSE Group's business will be brought under NYSE Euronext through the merger. As soon as possible after the successful completion of the exchange offer and the merger, NYSE Euronext intends to effectuate the post-closing reorganization.

The following diagram illustrates the structure of the combination and assumes full completion of the post-closing reorganization so that 100% of the equity of Euronext is held by NYSE Euronext:

**The Combination**

**After the Combination and the Post-Closing Reorganization**

For a more detailed diagram of NYSE Euronext after the combination, see "The Combination Agreement Structure of the Combination."





**Description of Credit Facility (see page 131)**

In connection with the exchange offer, NYSE Euronext will enter into a credit facility agreement that will permit it to borrow amounts sufficient to fund the cash portion of the consideration to be issued in the exchange offer, which is expected to be approximately \$2.8 billion. NYSE Euronext may only borrow amounts under this credit facility agreement if the combination is successful. If the combination is successful, NYSE Euronext expects to use the credit facility as an undrawn back stop for a global commercial paper program, which NYSE Euronext will use mainly to finance the cash portion of the consideration to be paid to Euronext shareholders pursuant to the exchange offer. The credit facility will include terms and conditions customary for agreements of this type, which could restrict NYSE Euronext's ability to engage in additional transactions or incur additional indebtedness. It is currently anticipated that NYSE Euronext will issue approximately \$2.8 billion of commercial paper through a number of dealers. The dealers will offer the notes worldwide in a variety of currencies with maturities of less than 365 days. The goal will be to issue the paper in the most cost effective currency. The interest on commercial paper will be paid using proceeds from operations of the combined entity; and it is expected that the debt will be paid off in three to four years.

It is anticipated that the global commercial paper program will be exempt from registration under the Securities Act pursuant to the exemptions in Section 3(A)3 and 4(2) of the Securities Act for U.S. commercial paper and Regulation S for Euro commercial paper.

**Reasons for the Combination (see page 68)**

*NYSE Group Stockholders.* Based on NYSE Group's reasons for the combination described in this document (see "The Combination NYSE Group's Reasons for the Combination"), the NYSE Group board of directors recommends that NYSE Group stockholders vote FOR the approval and adoption of the combination agreement and the transactions contemplated by the combination agreement.

*Euronext Shareholders.* Based on Euronext's reasons for the combination described in this document (see "The Combination Euronext's Reasons for the Combination"), the Euronext supervisory and managing boards recommend that Euronext shareholders vote FOR the approval of the combination agreement and the transactions contemplated by the combination agreement, including the post-closing reorganization.

**Interests of Directors, Board Members, and Executive Officers in the Combination (see page 112)**

You should be aware that some of the directors and executive officers of NYSE Group and managing and supervisory board members of Euronext may have interests in the combination that are different from, or in addition to, the interests of the NYSE Group stockholders and the Euronext shareholders. These interests may include, but are not limited to, the continued employment of certain executive officers of NYSE Group and managing board members of Euronext, the continued positions of certain directors of NYSE Group and supervisory board members of Euronext as directors of NYSE Euronext, and the indemnification of former directors and executive officers of NYSE Group and managing and supervisory board members of Euronext by NYSE Euronext. These interests also include the treatment in the combination of restricted stock units, stock options and other rights held by these directors, board members and executive officers.

**Opinions of Financial Advisors (see page 82)**

Consistent with its past practice in cross border transactions, Euronext retained two financial advisors Morgan Stanley & Co. Limited ("Morgan Stanley") and ABN AMRO Corporate Finance France S.A. ("ABN AMRO") to act as financial advisors and to deliver separate opinions in connection with the proposed combination. ABN AMRO has historically advised Euronext regarding continental European matters while Morgan Stanley has more recently advised Euronext regarding U.K. and international matters. Both ABN AMRO and Morgan Stanley have been advising Euronext for a number of years in considering strategic alternatives. Morgan Stanley rendered to the Euronext supervisory and managing boards such an opinion, dated as of November 23, 2006, to the effect that, as of the date of the opinion and based upon and subject to the assumptions, and other limitations set forth in

the opinion, the consideration to be received by the Euronext shareholders in the exchange offer was fair, from a financial point of view, to the Euronext shareholders, as a whole. On June 1, 2006, Morgan Stanley rendered to the Euronext supervisory and managing boards a substantially similar opinion, dated as of June 1, 2006, which was subject to substantially similar assumptions and limitations set forth therein, in connection with Euronext's entry into the combination agreement. ABN AMRO rendered to the Euronext supervisory and managing boards such an opinion, dated as of November 23, 2006, to the effect that, as of the date of the opinion and based upon and subject to the assumptions, qualifications and other considerations set forth therein, the standard offer consideration to be offered to the Euronext shareholders in the exchange offer was fair, from a financial point of view, to the Euronext shareholders. On June 1, 2006, ABN AMRO rendered to the Euronext supervisory and managing boards a substantially similar opinion, dated as of June 1, 2006, which was subject to substantially similar assumptions, qualifications and other considerations set forth therein, in connection with Euronext's entry into the combination agreement. The opinions of Morgan Stanley and ABN AMRO both address the fairness from a financial point of view of the consideration offered to Euronext shareholders in the proposed combination, except that (1) the opinion of ABN AMRO addresses the fairness from a financial point of view of the €21.32 in cash and 0.98 of a share of NYSE Euronext that Euronext shareholders would receive if Euronext shareholders elect to receive this standard offer consideration instead of making the stock election or the cash election for their Euronext shares, and (2) the opinion of Morgan Stanley addresses the fairness from a financial point of view of the consideration to be received by Euronext shareholders as a whole, regardless of whether such shareholders elect to receive the standard offer consideration, the stock election or the cash election for their Euronext shares. In addition, the opinions of Morgan Stanley and ABN AMRO are subject to the respective assumptions, qualifications and other limitations that are set forth in each opinion. See "The Combination Opinions of Euronext's Financial Advisors."

The Euronext supervisory board retained Houlihan Lokey Howard & Zukin (Europe) Limited ("Houlihan Lokey") to deliver a report prepared in accordance with Article 261-1 *et seq.* of the General Rules of the AMF and AMF Instruction No. 2006-08 of July 25, 2006. Houlihan Lokey delivered its report to the Euronext supervisory board, including its opinion (*attestation d'équité*), dated as of November 23, 2006, to the effect that, as of the date of the report and based upon and subject to the assumptions, qualifications and other considerations set forth therein, the consideration to be offered to the shareholders of Euronext in the exchange offer taken as a whole, was fair to such shareholders from a financial point of view.

In connection with the proposed combination, the NYSE Group retained Citigroup Global Markets Inc. ("Citigroup") to act as a financial advisor and to deliver an opinion in connection with the proposed combination. Citigroup rendered to the NYSE Group board of directors an opinion, dated June 1, 2006, to the effect that, as of the date of the opinion and based upon and subject to the considerations and limitations set forth in the opinion, the aggregate consideration to be paid by NYSE Euronext in the exchange offer is fair, from a financial point of view, to NYSE Group stockholders.

The full text of the written opinions of Citigroup, Morgan Stanley and ABN AMRO are included as Annexes B, C, and D, respectively, to this document. You are urged to read each of the opinions carefully and in their entirety for a description of the procedures followed, matters considered and limitations on the review undertaken. The full text of Houlihan Lokey's written report, which sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Houlihan Lokey in preparing its report is included as Exhibit 99.7 to the registration statement on Form S-4 filed with the SEC on November 27, 2006, and a copy may be obtained from the SEC's website at the following address: [www.sec.gov](http://www.sec.gov).

#### **Material Dutch Tax Consequences (see page 121)**

See "The Combination Material Dutch Tax Consequences" for a discussion of the Dutch tax

consequences of the combination to Euronext shareholders. You are urged to consult with your tax advisor for a full understanding of the tax consequences of the combination to you.

**Material U.S. Federal Income Tax Consequences (see page 126)**

***The Merger***

The merger has been structured to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. It is a condition to the obligation of NYSE Euronext to file and commence the exchange offer that NYSE Group receive an opinion from its counsel to the effect that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code. Assuming the merger qualifies as a reorganization, holders of NYSE Group common stock generally will not recognize any gain or loss for U.S. federal income tax purposes on the exchange of their NYSE Group common stock for NYSE Euronext common stock in the merger.

Holders of NYSE Group common stock should read "The Combination Material U.S. Federal Income Tax Consequences Tax Consequences of the Merger to U.S. Holders of NYSE Group Common Stock" for a more complete discussion of the U.S. federal income tax consequences of the merger. Holders of NYSE Group common stock should consult their own tax advisors to determine the tax consequences to them (including the application and effect of any state, local or non-U.S. income and other tax laws) of the merger.

***The Exchange Offer and the Post-Closing Reorganization***

The combination agreement contemplates that the receipt by holders of Euronext shares of the consideration in the exchange offer and in the post-closing reorganization will be structured as a taxable transaction for U.S. federal income tax purposes, unless NYSE Group elects, subject to the provisions of the combination agreement, to structure the post-closing reorganization so that, in the opinion of counsel to NYSE Group, the exchange offer together with the post-closing reorganization is treated either as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code or an exchange described in Section 351 of the Internal Revenue Code. As of the date of this document, NYSE Group has not made the election described in the preceding sentence. In addition, because the structure of the post-closing reorganization may depend, among other things, on the percentage of the Euronext shares tendered in the exchange offer, NYSE Euronext may not be able to determine the structure of the post-closing reorganization and whether to make the election described above until the expiration of the exchange offer. Holders of Euronext shares who are subject to U.S. federal income taxes should recognize and consider that the combination agreement contemplates that the receipt by holders of Euronext shares of the consideration in the exchange offer and in the post-closing reorganization will be structured as a taxable transaction for U.S. federal income tax purposes.

*Taxable Exchange.* If, as currently contemplated by the combination agreement, the receipt by holders of Euronext shares of the consideration in the exchange offer or in the post-closing reorganization is treated as a taxable transaction for U.S. federal income tax purposes, a U.S. holder of Euronext shares generally will recognize gain or loss in an amount equal to the difference, if any, between (1) the amount realized, and (2) the holder's tax basis in the Euronext shares exchanged. The amount realized will be the fair market value of the NYSE Euronext common stock, if any, plus the amount of cash, if any, received pursuant to the exchange offer or the post-closing reorganization. In general, a non-U.S. holder of Euronext shares will not be subject to U.S. federal income tax in respect of the consideration received in the exchange offer or in the post-closing reorganization, unless such non-U.S. holder has certain connections to the United States.

*Reorganization Within the Meaning of Section 368(a) of the Internal Revenue Code or Exchange described in Section 351 of the Internal Revenue Code.* If NYSE Group elects to structure the exchange offer together with the post-closing reorganization as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code or as an exchange described in Section 351 of the Internal Revenue Code, and the post-closing reorganization together with the

exchange offer so qualifies, the material U.S. federal income tax consequences to U.S. holders of Euronext shares, in general, are as follows:

If a U.S. holder receives solely NYSE Euronext common stock in exchange for its Euronext shares, such holder generally will not recognize any gain or loss, except with respect to cash received in lieu of fractional shares of NYSE Euronext common stock.

If a U.S. holder receives solely cash in exchange for its Euronext shares, such holder generally will recognize gain or loss equal to the difference between the amount of cash received and the tax basis in such holder's Euronext shares.

If a U.S. holder receives a combination of NYSE Euronext common stock and cash in exchange for its Euronext shares and such holder's tax basis in its Euronext shares is less than the sum of the cash and the fair market value, as of the closing date of the exchange offer or the post-closing reorganization, as applicable, of the NYSE Euronext common stock received, such holder generally will recognize gain equal to the lesser of (1) the sum of the cash and the fair market value of the NYSE Euronext common stock received, minus the tax basis of such holder's Euronext shares surrendered, and (2) the amount of cash received in the exchange offer or the post-closing reorganization as applicable. However, if a U.S. holder's tax basis in the Euronext shares exchanged in the exchange offer or the post-closing reorganization is greater than the sum of the cash and the fair market value of the NYSE Euronext common stock received, such holder's loss will not be currently allowed or recognized for U.S. federal income tax purposes.

In general, a non-U.S. holder of Euronext shares will not be subject to U.S. federal income tax in respect of the consideration received in the exchange offer or in the post-closing reorganization, unless such non-U.S. holder has certain connections to the United States.

All holders of Euronext shares should read "The Combination Material U.S. Federal Income Tax Consequences Tax Consequences of the Exchange Offer and the Post-Closing Reorganization to U.S. and Non-U.S. Holders of Euronext Shares" for a more complete discussion of the U.S. federal income tax consequences of the exchange offer and the post-closing reorganization. Holders of Euronext shares should consult their own tax advisors to determine the tax consequences to them (including the application and effect of any state, local or non-U.S. income and other tax laws) of the exchange offer and the post-closing reorganization.

#### **Regulatory Approvals and Conditions to Completion of the Combination (see page 132)**

##### ***Competition and Antitrust***

NYSE Group and Euronext are not required to make notifications under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules promulgated thereunder by the Federal Trade Commission. Competition and regulatory notifications and approvals are, or were, required from certain European authorities. In particular, competition consent was sought from, and provided by, the Office of Fair Trading in the United Kingdom, pursuant to the Enterprise Act 2002, and consent has also been sought from the Portuguese competition authority, Autoridade da Concorrência, in accordance with the Portuguese Competition Law (Law No 18/2003, of 11 June).

At any time before or after the combination, the Antitrust Division of the U.S. Department of Justice and the FTC, a U.S. state attorney general, or a non-U.S. competition authority could take action under the antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin the combination or seeking divestiture of substantial assets of NYSE Group or Euronext or their subsidiaries. Private parties may also bring legal actions under the antitrust laws under certain circumstances. While NYSE Group and Euronext believe that they will receive the requisite regulatory approvals for the combination, they can give no assurance that a challenge to the combination will not be made or, if made, would be unsuccessful. Obtaining certain government approvals applicable to the exchange offer or merger is a condition to the combination. See "The Combination Agreement Conditions to Completing the Combination Conditions to Filing and Commencing the Exchange Offer" and "The Combination Agreement Conditions to Completing the Exchange Offer."

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### ***Securities and Other Regulatory Authorities***

*European Regulators.* The combination is also subject to receipt of the following approvals from European regulators:

the Dutch Minister of Finance shall have issued a declaration of no objection pursuant to section 26a of the Dutch Act on the Supervision of the Securities Trade 1995 allowing NYSE Euronext to acquire the Euronext shares;

no objection of the AMF pursuant to the provisions of Articles 511-1 and 511-5 of the General Rules of the AMF;

the French Minister of Economy shall have taken no steps under article 441-1 of the *Code Monétaire et Financier* to object to the completion of the exchange offer; and

authorization of Euronext's College of Regulators, which includes the Chairmen of the AMF, the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*), the Belgian Banking, Finance, and Insurance Commission (*Commission Bancaire, Financière, et des Assurances*), the Portuguese Securities Commission (*Comissão do Mercado de Valores Mobiliários*), and the U.K. Financial Services Authority.

*U.S. Securities and Exchange Commission.* The U.S. Securities and Exchange Commission (the "SEC") has the right to approve the rules of the U.S. securities exchanges that will be owned by NYSE Euronext, and is expected to review certain aspects of the organizational documents of NYSE Euronext and its subsidiaries to the extent that they affect these U.S. securities exchanges. The NYSE and NYSE Arca, Inc. will file applications with the SEC seeking approval of certain elements of the proposed organization and operations described in this document.

*Other Approvals.* In addition to the regulatory approvals noted above, the combination is subject to the receipt of all other governmental approvals or the making of all other required governmental filings (including any required approvals or filings for amendments to existing or the granting of new exchange licenses and recognitions), the failure of which to be obtained or made, individually or in the aggregate, would reasonably be expected to have a material adverse effect on NYSE Euronext, NYSE Group or Euronext.

### ***Shareholder Approvals and Other Conditions***

The combination is also subject the satisfaction or waiver of conditions in the combination agreement, including the NYSE Group stockholder approval and Euronext shareholder approval. See "The Combination Agreement Conditions to Completing the Combination." Subject to the satisfaction or waiver of the conditions set forth in the combination agreement, NYSE Group and Euronext expect to complete the combination in the first quarter of 2007.

### ***Approvals for Certain Purchases of Euronext Shares Outside of the United States During the Exchange Offer***

In connection with the combination, UBS AG and Morgan Stanley, serving as financial advisors to Euronext, have sought and received from the SEC exemptive relief from the requirements of Rule 14e-5 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") that permits these financial advisors and their affiliates and separately identifiable departments to make purchases of, or arrangements to purchase, Euronext securities outside the United States other than pursuant to the exchange offer. NYSE Euronext, NYSE Group and Euronext expressly draw attention to the fact that, subject to applicable regulatory requirements, these financial advisors and their affiliates or nominees or brokers (acting as agents) have the ability to make certain purchases of, or arrangements to purchase, Euronext securities outside the United States, other than pursuant to the exchange offer, before or during the period in which the exchange offer remains open for acceptance. In the event they were made, these purchases or arrangements to purchase would only be conducted in compliance with the applicable regulations in France, any other applicable jurisdiction in which Euronext securities are listed, and applicable U.S. securities laws (except to the extent of any exemptive relief granted by the SEC).

### ***Absence of Appraisal Rights (see page 137)***

Under the Delaware general corporation law, which governs the merger, as well as under the NYSE Group certificate of incorporation and

bylaws, NYSE Group stockholders are not entitled to any appraisal rights in connection with the merger.

Under Dutch and French law, as well as the Euronext articles of association, Euronext shareholders will not be entitled to appraisal rights in connection with the exchange offer or the post-closing reorganization. However, if 95% or more of the issued and outstanding share capital of Euronext is tendered in the exchange offer and NYSE Euronext elects to initiate a compulsory acquisition procedure under Dutch law, the consideration to be paid to Euronext holders in such circumstances would be determined by the Enterprise Chamber of the Amsterdam Court of Appeals. See "The Combination Agreement Post-Closing Reorganization."

**Directors and Management of NYSE Euronext Following the Combination (see page 163)**

Following the combination, the NYSE Euronext board of directors will consist of 22 directors, including an equal number of U.S. domiciliaries and European domiciliaries, each as defined below. Eleven of the directors will be directors of NYSE Group immediately prior to the combination (including both the chairman and the chief executive officer of NYSE Group); nine of the directors will be members of the Euronext supervisory board immediately prior to the combination (including the chairman of the Euronext supervisory board); one of the directors will be the chief executive officer of Euronext immediately prior to the combination; and the remaining director will be Sylvain Hefes, who is a European domiciliary approved by both the Euronext supervisory board and the NYSE Group board of directors. The initial term of the directors will end with the first annual stockholders meeting to be held by NYSE Euronext. Thereafter, the directors will serve one-year terms. The parity between U.S. domiciliaries and European domiciliaries on the NYSE Euronext board of directors will be maintained unless the nominating and governance committee and the board of directors of NYSE Euronext, both equally composed of U.S. domiciliaries and European domiciliaries, decide otherwise or unless the NYSE Euronext bylaws are amended by a supermajority vote.

It is expected, in accordance with the combination agreement, that (i) Jan-Michiel Hessels, the current chairman of the supervisory board of Euronext, will be the chairman of the board of NYSE Euronext; (ii) Marshall N. Carter, the current chairman of the board of directors of NYSE Group, will be the deputy chairman of the board of NYSE Euronext; (iii) John A. Thain, the current chief executive officer and a director of the NYSE Group, will be the chief executive officer and a director of NYSE Euronext; and (iv) Jean-François Théodore, the current chief executive officer of Euronext, will be the deputy chief executive officer and a director of NYSE Euronext.

The NYSE Euronext bylaws in effect after the combination will provide that:

(i) the chairman of the board of directors will be a European domiciliary and the chief executive officer will be a U.S. domiciliary or (ii) the chairman of the board of directors will be a U.S. domiciliary and the chief executive officer will be a European domiciliary;

the board of directors will either be composed of: (1) an even number of U.S. domiciliaries and European domiciliaries or (2) the smallest possible majority of U.S. domiciliaries and the largest possible minority of European domiciliaries; and

the nominating and governance committee of the NYSE Euronext board of directors will consist of an equal number of U.S. domiciliaries and European domiciliaries.

For purposes of these requirements:

a person is a "U.S. domiciliary" if he or she was, at the time of his or her election to the board of directors and for the preceding 24 months, a person domiciled in the United States;

a person is a "European domiciliary" if he or she was, at the time of his or her election to the board of directors and for the preceding 24 months, a person domiciled in Europe; and

"Europe" means (1) any and all of the jurisdictions in which Euronext or any of its subsidiaries operates a European regulated market; (2) any member state of the European Economic Area as of the





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effective time of the combination and any state that becomes a member of the European Economic Area after the effective time of the combination and (3) Switzerland (with "European" having a correlative meaning).

The above requirements cannot be changed unless approved by a resolution adopted by two-thirds of the NYSE Euronext directors then in office or by a shareholders' vote of 80% of the votes entitled to be cast by the holders of the then outstanding shares of capital stock of NYSE Euronext entitled to vote generally in the election of directors.

The combination agreement provides that, at the first annual meeting of stockholders of NYSE Euronext, each of the individuals who will serve as directors of NYSE Euronext immediately following the combination will be renominated to serve as a director on the board.

At the completion of the combination, the management committee of NYSE Euronext will consist of 14 persons and include an equal number of NYSE Group designees and Euronext designees.

### **Third-Party Acquisition Proposals (see page 152)**

Subject to certain exceptions, the combination agreement generally restricts the ability of NYSE Group and Euronext to solicit or engage in discussions or negotiations with a third-party regarding a proposal to acquire a significant interest in either entity.

Under certain circumstances, the NYSE Group board and the Euronext boards may engage in discussions or negotiations in response to a *bona fide* unsolicited written acquisition proposal if they conclude that there is a reasonable likelihood that such proposal could constitute a superior proposal (as defined in the combination agreement) and due compliance with their respective fiduciary duties so requires. If, prior to the NYSE stockholder approval or consummation of the exchange offer, the NYSE Group board or Euronext boards, respectively, conclude that such acquisition proposal constitutes a superior proposal and due compliance with their respective fiduciary duties so requires, then the NYSE Group board or Euronext boards, respectively, may change its or their recommendation that stockholders vote in favor of the combination agreement and the transactions contemplated by the combination agreement and, in the case of Euronext shareholders, tender their Euronext shares in the exchange offer.

### **Termination of the Combination Agreement; Expense Reimbursement (see page 155)**

NYSE Group and Euronext may jointly agree to terminate the combination agreement at any time. Either NYSE Group or Euronext may also terminate the combination agreement in various circumstances, including, but not limited to, failure to receive necessary stockholder or shareholder approvals, failure to obtain a necessary governmental approval, failure to achieve the minimum tender condition or upon the breach by the other party of certain of its obligations under the combination agreement.

In several circumstances involving a change in the recommendation of the NYSE Group board of directors or the Euronext supervisory board or managing board in favor of the approval and adoption of the combination agreement, or certain actions with respect to a third-party acquisition proposal, either NYSE Group or Euronext may become obligated to reimburse the other party for expenses incurred in connection with the combination. See "The Combination Agreement Termination."

### **Stock Exchange Listing and Stock Prices (see page 136)**

NYSE Group common stock is listed on the NYSE under the symbol "NYX." After the combination is completed, NYSE Group common stock will be delisted from the NYSE.

Euronext shares are listed on Euronext Paris (Eurolist by Euronext) under the symbol "NXT." As soon as permissible after the combination or the post-closing reorganization, if applicable, is completed, NYSE Euronext intends to request the delisting of Euronext shares from Euronext Paris (Eurolist by Euronext).

NYSE Euronext intends to apply to list the NYSE Euronext common stock issued in the combination on the NYSE and on Euronext Paris (Eurolist by Euronext).

**Certain Differences in the Rights Before and After the Combination (see page 430)**

Until the completion of the combination (and in the case of Euronext shareholders that do not tender their Euronext shares in the exchange offer, until the completion of the post-closing reorganization), Delaware law and the NYSE Group certificate of incorporation and bylaws will continue to govern the rights of NYSE Group stockholders, and Dutch law and the Euronext articles of association will continue to govern the rights of Euronext shareholders. After completion of the combination (or, as applicable, the post-closing reorganization), Delaware law and the NYSE Euronext certificate of incorporation and bylaws will govern the rights of NYSE Euronext stockholders. Please read carefully the forms of NYSE Euronext certificate of incorporation and bylaws that will be in effect upon completion of the combination (which forms are included as Annexes E and F, respectively to this document), as well as the summary of the material differences between the rights of NYSE Group stockholders and Euronext shareholders, on the one hand, and the NYSE Euronext stockholders, on the other hand, under "Comparison of Shareholder Rights Prior to and After the Combination."

Material differences in the rights of NYSE Group stockholders and Euronext shareholders prior to the combination, on the one hand, and the rights of NYSE Euronext stockholders after the combination, on the other hand, will include, among others, the following:

The NYSE Euronext bylaws will provide that the NYSE Euronext board of directors will either be composed of: (1) an even number of U.S. domiciliaries and European domiciliaries or (2) the smallest possible majority of U.S. domiciliaries and the largest possible minority of European domiciliaries (the initial NYSE Euronext board of directors will contain an even number of U.S. domiciliaries and European domiciliaries, and this parity will be maintained unless the nominating and governance committee and the board of directors of NYSE Euronext, both equally composed of U.S. domiciliaries and European domiciliaries, decide otherwise or unless the NYSE Euronext bylaws are amended by a supermajority vote). It also provides that the nominating and governance committee of the NYSE Euronext board of directors will consist of an equal number of U.S. domiciliaries and European domiciliaries. Under the NYSE Euronext bylaws, these requirements cannot be amended unless approved by a resolution adopted by not less than (1) two-thirds of the directors then in office or (2) a shareholder vote of 80% of the votes entitled to be cast by the holders of the then outstanding shares of capital stock of NYSE Euronext entitled to vote generally in the election of directors.

The NYSE Euronext certificate of incorporation will contain provisions prohibiting any person, either alone or together with its related persons (as defined in the NYSE Euronext certificate of incorporation and described under "Description of NYSE Euronext Capital Stock - Ownership and Voting Limits on NYSE Euronext Capital Stock"), from (1) voting more than 10% of the then outstanding votes entitled to be cast on any matter, (2) acquiring the ability to vote more than 10% of the then outstanding votes entitled to be cast on any matter by virtue of agreements entered into by other persons not to vote shares of NYSE Euronext capital stock or (3) owning beneficially shares of stock of NYSE Euronext representing in the aggregate more than 20% of the then outstanding votes entitled to be cast on any matter unless (i) the NYSE Euronext board resolves to expressly permit such voting or ownership in accordance with the standard for approving such voting or ownership set forth in the certificate of incorporation and (ii) such resolution has been approved by the relevant European regulators and the SEC. These limitations are similar to the voting and ownership limitations currently imposed on NYSE Group common stock, but the Euronext shareholders are not currently subject to a similar voting and ownership limitation. Euronext shareholders are, however, currently bound by the restrictions of section 26a of the

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Dutch Act on the Supervision of the Securities Trade 1995 (*Wet toezicht effectenverkeer 1995*) pursuant to which a declaration of no objection of the Dutch Minister of Finance must be obtained in the event of any acquisition, increase in or holding of a direct or indirect interest of more than 10% of the outstanding capital or voting rights in Euronext and by similar restrictions relating to indirect ownership of certain qualifying interests or percentages of voting rights in certain regulated subsidiaries of Euronext.

The NYSE Euronext certificate of incorporation and bylaws will include provisions that provide for the automatic repeal (or repeal or suspension in the case of the bylaws) of certain European-related and Euronext-related provisions in those documents in the event that the Euronext call option is exercised and the Dutch foundation shall hold ordinary or priority shares of Euronext or of one or more subsidiaries of Euronext that, taken together, represent a substantial portion of Euronext's business or in the event that NYSE Euronext no longer holds a direct or indirect controlling interest in Euronext of one or more subsidiaries of Euronext that, taken together, represent a substantial portion of Euronext's business. For a description of the Dutch foundation, see "The Combination The Delaware Trust and the Dutch Foundation." For a description of these automatic repeal provisions, see "Comparison of Shareholder Rights Prior to and After the Combination Suspension, Revocation and Repeal of Certain Provisions of the Charter and Bylaws." Neither the NYSE Group organizational documents nor the Euronext organizational documents currently have similar provisions.

### Share Repurchases

Neither NYSE Group nor NYSE Euronext has any current plan or intention to repurchase any NYSE Group common stock or NYSE Euronext common stock, respectively. Subject to applicable laws and regulations, which under current circumstances would not permit share repurchases by Euronext, Euronext intends to implement the Euronext share repurchase plan that had been announced at the time of the publication of its 2005 financial statements, under the authorization granted by Euronext's annual general meeting held on May 23, 2006.

## SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA

The following financial information is to assist you in your analysis of the financial aspects of the combination. The following tables present (1) selected historical financial data of NYSE Group, (2) selected historical financial data of Euronext, and (3) selected unaudited pro forma condensed consolidated financial data reflecting the combination.

*Selected Historical Financial Data of NYSE Group*

NYSE Group is a Delaware corporation that was formed for the purpose of consummating the business combination of the NYSE and Archipelago, which was completed on March 7, 2006. The merger of the NYSE and Archipelago has been treated as a purchase business combination for accounting purposes, with the NYSE designated as the acquirer. As such, the historical financial statements of the NYSE have become the historical financial statements of NYSE Group. Set forth below are selected historical financial data for: (1) NYSE Group; and (2) Archipelago, as predecessor to NYSE Arca, which was acquired by NYSE Group on March 7, 2006 as part of the merger between the NYSE and Archipelago. Because the NYSE/Archipelago merger was not consummated until March 7, 2006, the following selected historical financial data for NYSE Group for periods prior to this date reflect only the NYSE's results and do not include Archipelago's results.

The following selected consolidated financial data has been derived from the historical consolidated financial statements and related notes for the years ended December 31, 2001 through December 31, 2005, and have been prepared in accordance with U.S. GAAP. The information presented here is only a summary, and it should be read together with the consolidated financial statements set forth on pages FIN-7 to FIN-87 of this document. The information set forth below is not necessarily indicative of NYSE Group's results of future operations and should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations of NYSE Group."

(U.S. GAAP)	Nine Months ended September 30,		Year ended December 31,				
	2006 <sup>(1)</sup>	2005	2005	2004	2003	2002	2001
	(in millions)						
<b>Results of Operations</b>							
Revenues							
Activity assessment	\$ 492.4	\$ 433.4	\$ 594.6	\$ 359.8	\$ 419.7	\$ 290.4	\$ 358.1
Transactions	454.1	108.4	145.8	153.6	157.2	152.8	144.6
Listing	266.3	256.9	342.7	329.8	320.7	299.6	297.2
Market data	166.1	133.4	178.2	167.6	172.4	168.9	160.3
Data processing	109.0	136.7	182.9	220.7	224.8	224.6	223.2
Regulatory	135.3	96.7	129.8	113.3	113.2	120.4	152.2
Licensing, facility and other	94.2	42.2	55.8	58.7	71.6	65.5	59.7
Total revenues	1,717.4	1,207.7	1,629.8	1,403.5	1,479.6	1,322.2	1,395.3
Section 31 fees	(492.4)	(433.4)	(594.6)	(359.8)	(419.7)	(290.4)	(358.1)
Compensation	(436.8)	(381.8)	(509.8)	(522.6)	(520.5)	(512.3)	(508.2)
Liquidity payments	(160.0)						
Routing and clearing	(49.7)						
Systems and communications	(91.0)	(92.7)	(124.1)	(138.6)	(146.0)	(143.6)	(151.8)
Professional services	(85.5)	(90.3)	(127.7)	(132.7)	(97.5)	(116.9)	(133.1)
Depreciation and amortization	(99.4)	(78.5)	(103.4)	(95.7)	(89.0)	(81.4)	(74.5)
Occupancy	(62.9)	(51.6)	(70.6)	(68.6)	(67.0)	(66.3)	(56.1)
Marketing and other	(70.9)	(46.3)	(69.7)	(84.3)	(76.5)	(102.4)	(126.2)
Merger expenses and related exit costs <sup>(2)</sup>	(20.3)		(26.1)				
Regulatory fine income	33.8	32.8	35.4	7.6	11.2	6.0	3.5
Operating income (loss)	182.3	65.9	39.2	8.8	74.6	14.9	(9.2)
Investment and other income, net	63.3	36.6	51.7	34.5	32.4	42.7	74.8
Gain on sale of equity investment	20.9						
Income before provision for income taxes and minority interest	266.5	102.5	90.9	43.3	107.0	57.6	65.6
Provision for income taxes	(104.5)	(40.3)	(48.1)	(12.1)	(45.2)	(18.7)	(22.7)



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(U.S. GAAP)	Nine Months ended September 30,		Year ended December 31,				
	2006 <sup>(1)</sup>	2005	2005	2004	2003	2002	2001
	(in millions)						
Minority interest in income of consolidated subsidiary	(2.5)	(1.2)	(2.0)	(1.0)	(1.3)	(2.3)	(3.3)
Net income	\$ 159.5	\$ 61.0	\$ 40.8	\$ 30.2	\$ 60.5	\$ 36.6	\$ 39.6

(U.S. GAAP)	Nine Months ended September 30,		Year ended December 31,				
	2006	2005	2005	2004	2003	2002	2001
Basic earnings per share	\$ 1.09	\$ 0.53	\$ 0.35	\$ 0.26	\$ 0.52	\$ 0.32	\$ 0.34
Diluted earnings per share	\$ 1.08	\$ 0.53	\$ 0.35	\$ 0.26	\$ 0.52	\$ 0.32	\$ 0.34
Basic weighted average shares outstanding	146,645	115,699 <sup>(4)</sup>	115,699 <sup>(4)</sup>	115,699 <sup>(4)</sup>	115,699 <sup>(4)</sup>	115,699 <sup>(4)</sup>	115,699 <sup>(4)</sup>
Diluted weighted average shares outstanding	147,742	115,699 <sup>(4)</sup>	115,699 <sup>(4)</sup>	115,699 <sup>(4)</sup>	115,699 <sup>(4)</sup>	115,699 <sup>(4)</sup>	115,699 <sup>(4)</sup>
		As of September 30,		As of December 31,			
(U.S. GAAP)		2006 <sup>(1)</sup>	2005	2004	2003	2002	2001
	(in millions)						

Balance Sheet												
Total assets	\$	3,220.2	\$	2,204.1	\$	1,982.3	\$	2,009.2	\$	1,999.8	\$	1,973.6
Current assets		1,259.5		1,464.2		1,264.6		1,293.9		1,227.6		1,225.9
Current liabilities		634.5		685.0		486.9		513.2		434.2		481.8
Working capital	\$	625.0	\$	779.2	\$	777.7	\$	780.7	\$	793.4	\$	744.1
Long term liabilities <sup>(3)</sup>	\$	944.4	\$	684.9	\$	694.7	\$	736.2	\$	877.8	\$	823.9
Stockholders' equity	\$	1,603.2	\$	799.1	\$	767.5	\$	728.5	\$	662.2	\$	639.8

- (1) The nine months ended September 30, 2006 results include the accounts of NYSE Group and all wholly owned subsidiaries, as well as Securities Industry Automation Corporation ("SIAC"), two-thirds of which was owned by NYSE Group. The results of operations of Archipelago have been included in NYSE Group's results of operations since March 8, 2006. For periods prior to September 30, 2006, only results of the NYSE are represented.
- (2) Represents legal costs, severance payments and integration costs incurred in connection with the merger between the NYSE and Archipelago or the combination between NYSE Group and Euronext.
- (3) Represents liabilities due after one year, including accrued employee benefits and the long term portion of deferred revenue.
- (4) Adjusted to reflect the March 7, 2006 merger between the NYSE and Archipelago, giving retroactive effect to the issuance of shares to former NYSE members.

*Selected Financial Data of Archipelago (as the predecessor to NYSE Arca)*

The selected financial data presented below is derived from Archipelago's consolidated financial statements, which have been audited by Ernst and Young LLP, independent registered public accountants. Such selected financial data should be read in connection with Archipelago's consolidated financial statements and related notes included in this prospectus and "Management's Discussion and Analysis of Financial Condition and Results of Operations of Archipelago." Historical financial statement information may not be indicative of Archipelago's future performance.

(U.S. GAAP)	Year ended December 31,				
	2005 <sup>(1)</sup>	2004 <sup>(2)</sup>	2003	2002 <sup>(3)</sup>	2001
	(in millions, except per share data)				
<b>Results of Operations</b>					
Revenues <sup>(4)</sup> :					
Transaction fees	\$ 425.0	\$ 434.5	\$ 380.6	\$ 346.2	\$ 172.2
Activity assessment fees <sup>(5)</sup>	48.0				
Market data fees <sup>(6)</sup>	62.0	56.4	29.0	1.7	
Listing and other fees	6.4	0.4	0.5	0.3	
	<u>541.4</u>	<u>491.3</u>	<u>410.1</u>	<u>348.2</u>	<u>172.2</u>
Equity entitlements <sup>(7)</sup>					(17.0)
<b>Total revenues</b>	<u>541.4</u>	<u>491.3</u>	<u>410.1</u>	<u>348.2</u>	<u>155.2</u>
Expenses <sup>(4)</sup> :					
Section 31 fees <sup>(5)</sup>	48.0				
Liquidity payments <sup>(8)</sup>	206.9	203.5	154.2	45.8	
Routing charges	66.7	88.7	113.8	150.5	63.9
Clearance, brokerage and other transaction expenses <sup>(9)</sup>	5.9	13.7	45.0	86.8	29.1
NYSE merger costs and related executive compensation <sup>(10)</sup>	46.1				
Other employee compensation and benefits	51.6	38.4	36.1	21.6	21.7
Depreciation and amortization	21.6	22.9	25.9	16.6	10.1
Communications	19.5	16.3	18.3	23.1	26.8
Marketing and promotion	22.2	20.1	8.1	19.0	24.5
Legal and professional	12.6	11.1	8.3	7.0	6.5
Occupancy	6.7	4.2	4.0	2.5	2.0
General and administrative	16.2	11.3	9.9	8.5	8.0
	<u>524.0</u>	<u>430.2</u>	<u>423.6</u>	<u>381.4</u>	<u>192.6</u>
<b>Total expenses</b>	<u>524.0</u>	<u>430.2</u>	<u>423.6</u>	<u>381.4</u>	<u>192.6</u>
Operating income (loss)	17.4	61.1	(13.5)	(33.2)	(37.4)
Interest and other, net	4.5	1.6	0.6	1.3	3.3
Unrealized loss on investment owned				(2.7)	(3.9)
	<u>21.9</u>	<u>62.7</u>	<u>(12.9)</u>	<u>(34.6)</u>	<u>(38.0)</u>
<b>Income (loss) before income tax provision</b>	<u>21.9</u>	<u>62.7</u>	<u>(12.9)</u>	<u>(34.6)</u>	<u>(38.0)</u>
Income tax provision <sup>(11)</sup>	9.4	5.3			
	<u>12.5</u>	<u>57.4</u>	<u>(12.9)</u>	<u>(34.6)</u>	<u>(38.0)</u>
<b>Income (loss) from continuing operations</b>	<u>12.5</u>	<u>57.4</u>	<u>(12.9)</u>	<u>(34.6)</u>	<u>(38.0)</u>
Income (loss) from discontinued operations <sup>(12)</sup>	3.8	11.5	14.7	(1.0)	
	<u>16.3</u>	<u>68.9</u>	<u>1.8</u>	<u>(35.6)</u>	<u>(38.0)</u>
<b>Net income (loss)</b>	<u>16.3</u>	<u>68.9</u>	<u>1.8</u>	<u>(35.6)</u>	<u>(38.0)</u>
Deemed dividend on convertible preferred shares <sup>(13)</sup>		(9.6)			
	<u>\$ 16.3</u>	<u>\$ 59.3</u>	<u>\$ 1.8</u>	<u>\$ (35.6)</u>	<u>\$ (38.0)</u>
<b>Net income (loss) attributable to common stockholders</b>	<u>\$ 16.3</u>	<u>\$ 59.3</u>	<u>\$ 1.8</u>	<u>\$ (35.6)</u>	<u>\$ (38.0)</u>
Basic earnings (loss) per share from:					
Continuing operations	\$ 0.27	\$ 1.42	\$ (0.36)	\$ (1.11)	\$ (2.35)
Discontinued operations	0.08	0.29	0.41	(0.03)	
Deemed dividend on convertible preferred shares <sup>(13)</sup>		(0.24)			

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	Year ended December 31,				
Basic earnings (loss) per share <sup>(14)</sup>	\$ 0.35	\$ 1.47	\$ 0.05	\$ (1.14)	\$ (2.35)



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(U.S. GAAP)	Year ended December 31,				
	2005 <sup>(1)</sup>	2004 <sup>(2)</sup>	2003	2002 <sup>(3)</sup>	2001
	(in millions, except per share data)				
Diluted earnings (loss) per share from:					
Continuing operations	\$ 0.26	\$ 1.34	\$ (0.35)	\$ (1.11)	\$ (2.35)
Discontinued operations	0.08	0.27	0.40	(0.03)	
Deemed dividend on convertible preferred shares <sup>(13)</sup>		(0.22)			
Diluted earnings (loss) per share <sup>(14)</sup>	\$ 0.34	\$ 1.38	\$ 0.05	\$ (1.14)	\$ (2.35)
Basic weighted average shares outstanding <sup>(14)</sup>	46.8	40.3	36.2	31.2	16.2
Diluted weighted average shares outstanding <sup>(14)</sup>	47.8	42.9	37.0	31.2	16.2

(U.S. GAAP)	As of December 31,				
	2005 <sup>(1)</sup>	2004 <sup>(2)</sup>	2003	2002 <sup>(3)</sup>	2001
	(in millions, except per share data)				
<b>Balance Sheet<sup>(3)</sup></b>					
Cash and cash equivalents <sup>(1)(5)(15)(16)</sup>	\$ 134.4	\$ 145.2	\$ 94.4	\$ 28.2	\$ 54.8
Receivables from brokers, dealers and customers, net <sup>(5)</sup>	56.6	31.4	31.7	21.6	20.8
Receivables from related parties, net <sup>(4)</sup>	23.3	42.9	35.4	16.2	10.1
Total assets	579.8	543.9	471.3	379.6	234.4
Total stockholders' equity	422.1	460.9	303.3	302.8	195.8

- (1) In September 2005, Archipelago completed the acquisition of PCX Holdings and its subsidiaries for a total purchase price of approximately \$94.0 million consisting of a \$90.9 million cash payment to PCX Holdings stockholders and certain employees of PCX Holdings and its subsidiaries, and approximately \$3.1 million of direct costs incurred by Archipelago as part of this acquisition. The results of operations of PCX Holdings have been included in Archipelago's results of operations since October 1, 2005.
- (2) On August 11, 2004, prior to the consummation of its initial public offering, Archipelago Holdings L.L.C. converted from a Delaware limited liability company to a Delaware corporation, Archipelago Holdings, Inc.
- (3) On March 15, 2002, Archipelago completed a merger with REDIBook ECN L.L.C., a competing electronic communication network (or "ECN"), as a result of which Archipelago significantly increased its trading volumes in Nasdaq-listed securities.
- (4) Archipelago engages in a significant amount of business with related parties in the ordinary course of its business. For a discussion of Archipelago's related-party transactions, see Note 10 to Archipelago's consolidated financial statements included elsewhere in this prospectus.
- (5) Archipelago pays Section 31 fees to the SEC based on fee schedules determined by the SEC and, in turn, collects activity assessment fees from equity trading permit and option trading permit holders trading on ArcaEx, the equity trading system of Pacific Exchange, Inc. operated by Archipelago, and Pacific Exchange, Inc., respectively. Activity assessment fees received are included in cash and cash equivalents at the time of receipt, and, as required by law, the amount due to the SEC is recorded as an accrued liability and remitted semiannually. Following the September 2005 acquisition of PCX Holdings, activity assessment fee revenue and Section 31 fee expense are presented gross in Archipelago's statement of operations. These fees have had no impact on Archipelago's consolidated statement of operations.
- (6) Following the launch of ArcaEx in March 2002, Archipelago began earning revenues from market data fees based on the level of trading activity on ArcaEx. As the operator of ArcaEx, Archipelago became eligible to participate in the sale of market data to, and the receipt of market data fees from, centralized aggregators of this information.
- (7) In January 2000, Archipelago implemented an equity entitlement program under which participating customers became eligible to earn "equity entitlements" based on the volume of order flow on Archipelago's trading platforms. Equity entitlements were converted into Class B shares of Archipelago Holdings L.L.C. without additional consideration. These shares were converted into shares of Archipelago common stock in the conversion of Archipelago Holdings L.L.C. into Archipelago Holdings, Inc.

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- (8) In April 2002, to enhance the liquidity of its system, Archipelago began to pay a small fee per share, referred to as "liquidity payments," to participants that post certain buy orders and sell orders on the Archipelago system when the quote is executed against by other participants purchasing and selling internally on the Archipelago system. Archipelago generally does not pay these fees for orders posted on NYSE-listed securities.
- (9) Effective in July 2004, Archipelago Securities, LLC began to self clear trades effected by non-ETP broker-dealer customers accessing ArcaEx through Archipelago Trading Services. A "ETP" customer is a holder of an equity trading permit of NYSE Arca Equities, Inc. (formerly know as PCX Equities, Inc.). Effective in January 2005, Archipelago Securities, LLC began to self

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clear trades it routed to other market centers for execution. In addition, due to the lower percentage of orders routed out to other market centers, Archipelago's number of trades subject to clearing costs has decreased.

- (10) In connection with its merger with the NYSE, Archipelago incurred legal, banking, regulatory and other fees in 2005. In addition, Archipelago incurred certain executive compensation expenses as a result of the acceleration of payments to, and vesting of restricted stock units of, Archipelago officers in 2005.
- (11) As a limited liability company, all income taxes were paid by the members of Archipelago. As a corporation, Archipelago is responsible for the payment of all U.S. federal, state and local corporate income taxes.
- (12) As part of a proposed rule change filed by the Pacific Exchange with the SEC, Archipelago undertook to divest Wave Securities L.L.C., a wholly owned subsidiary of Archipelago providing agency brokerage services. The results of operations and financial position of Wave Securities are presented as discontinued operations in the consolidated financial statements. All historical periods presented have been restated to reflect such presentation. Archipelago completed the sale of Wave Securities on March 3, 2006.
- (13) In August 2004, in connection with its initial public offering, Archipelago converted 16,793,637 Class A preferred shares of Archipelago (sold to GAP Arca Holdings, L.L.C., an affiliate of General Atlantic, on November 12, 2003 for total consideration of \$50.0 million) into 4,449,268 shares of Archipelago common stock. Included in this conversion was the issuance of 717,349 shares of common stock attributable to a \$9.6 million beneficial conversion feature included in the previously issued redeemable preferred interest.
- (14) In August 2004, in connection with Archipelago's reorganization, the members of Archipelago Holdings L.L.C. received 0.222222 shares of Archipelago common stock for each membership held by the member in Archipelago Holdings L.L.C. The weighted average number of shares used in the basic and diluted earnings per share computations gives retroactive effect to this 4.5-for-1 reverse stock split.
- (15) As approved by the board of managers of Archipelago Holdings L.L.C. on July 16, 2004, Archipelago Holdings L.L.C. made a cash distribution to its members immediately prior to the conversion transaction. The cash distribution provided funds to the members to permit them to pay taxes that the members owe for their share of Archipelago's profits in 2004 as a limited liability company through the date of the conversion transaction, calculated primarily based on the highest federal and state income tax rate applicable for tax withholding purposes to an individual. The cash distribution was approximately \$24.6 million and resulted in a corresponding reduction to cash and cash equivalents. As used in this discussion, the term "members" refers to the former owners of Archipelago Holdings L.L.C.
- (16) In August 2004, Archipelago completed its initial public offering and sold 6,325,000 shares of Archipelago common stock at \$11.50 per share. Archipelago received net proceeds of \$67.6 million and incurred approximately \$6.8 million in expenses in connection with its initial public offering.

*Selected Historical Financial Data of Euronext*

The following table sets forth selected consolidated financial data for Euronext. The selected IFRS balance sheet data as of December 31, 2005, 2004 and 2003 and the selected IFRS income statement data for each of the years in the three-year period ended December 31, 2005 have been derived from the audited consolidated financial statements and related notes set forth on pages FIN-114 to FIN-207 of this document. The selected IFRS balance sheet data as of June 30, 2006, and selected IFRS income statement data for the six months ended June 30, 2006 and 2005, have been derived from the unaudited interim condensed consolidated financial statements and related notes set forth on pages FIN-88 to FIN-113 of this document. The selected IFRS balance sheet data as of December 31, 2002 and 2001, and the selected IFRS income statement data for each of the years in the two-year period ended December 31, 2002, have been derived from audited consolidated financial statements and related notes not included in this document. The selected IFRS balance sheet data as of June 30, 2006, and the operating data for the six months ended June 30, 2006 and 2005, include, in the opinion of management, all adjustments considered necessary for a fair statement of such data. The results of operations for the six months ended June 30, 2006 and 2005, are not necessarily indicative of results that may be expected for the entire year, nor is the information below necessarily indicative of Euronext's future results. The information presented here is only a summary, and it should be read together with the audited consolidated financial statements set forth on pages FIN-114 to FIN-207 and the unaudited interim condensed consolidated financial statements set forth on pages FIN-88 to FIN-113 of this document, as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations of Euronext."

Euronext's consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union, which differ in certain significant respects from U.S. GAAP. For a description of the principal differences between IFRS and U.S. GAAP as they relate to Euronext and to its consolidated subsidiaries, and for a reconciliation of Euronext's shareholders' equity and net income to U.S. GAAP, see Note 3.14 to the audited consolidated financial statements on pages FIN-197 to FIN-207 of this document, and Note 11 to the unaudited interim condensed consolidated financial statements on pages FIN-101 to FIN-113 of this document. U.S. GAAP shareholders' equity and net income data presented in the following tables has been derived from these Notes. Other U.S. GAAP data presented in the following tables has been derived from unaudited analyses prepared by Euronext from its accounting records.

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(IFRS)	Six Months ended June 30,		Year ended December 31,				
	2006 <sup>(5)</sup>	2005	2005 <sup>(4)</sup>	2004	2003 <sup>(3)</sup>	2002 <sup>(1)(2)</sup>	2001
(in millions of euros, except share and per share data)							
<b>Results of Operations</b>							
Revenues							
Cash trading	€150.1	€100.8	€215.7	€189.7	€187.5	€190.5	€177.4
Listing fees	22.9	20.8	63.1	43.3	30.7	38.4	49.7
Derivatives trading	205.0	162.2	331.9	324.9	300.0	290.1	84.3
Clearing					165.1	183.7	172.8
MTS fixed income	12.4		1.4				
Settlement and Custody	7.0	22.0	39.3	33.1	28.2	29.1	33.3
Information services	54.3	43.9	93.6	87.3	91.2	92.1	64.3
Sale of software	89.9	103.2	195.2	186.0	172.5	148.5	101.6
Other income	16.1	8.3	21.7	22.5	15.8	24.2	14.5
<b>Total revenues</b>	<b>557.7</b>	<b>461.2</b>	<b>961.9</b>	<b>886.8</b>	<b>991.0</b>	<b>996.6</b>	<b>697.9</b>
Expenses							
Salaries and employee benefits	130.7	131.6	264.4	272.0	267.8	296.6	199.0
Depreciation	14.2	33.3	49.7	67.4	67.6	74.1	36.7
Goodwill amortization <sup>(6)</sup>				39.9	64.8	53.1	19.0
IT expenses	82.4	56.5	139.8	129.3	187.8	176.5	176.8
Office, telecom and consultancy	64.3	51.5	98.8	84.4	86.2	100.5	74.6
Accommodation	22.8	26.4	50.1	51.0	52.9	52.4	20.1
Marketing	11.0	7.4	15.6	15.3	19.3	16.1	20.1
Other expenses	11.9	14.5	25.0	27.3	35.7	42.6	52.6
<b>Operating expenses</b>	<b>337.3</b>	<b>321.2</b>	<b>643.4</b>	<b>686.6</b>	<b>782.1</b>	<b>811.9</b>	<b>598.9</b>
<b>Profit from operations</b>	<b>220.4</b>	<b>140.0</b>	<b>318.5</b>	<b>200.2</b>	<b>208.9</b>	<b>184.7</b>	<b>99.0</b>
Net financing income (expense)	8.3	7.1	13.4	7.7	23.6	(0.5)	81.6
Impairment of investments					(47.1)		
Gain on disposal of discontinued operation					175.1		
Gain (loss) on sale of associates and activities	15.5		9.1	4.4	(1.2)	97.4	33.8
Income (loss) from associates	19.3	2.7	18.5	3.3	2.4	(4.2)	5.6
<b>Total</b>	<b>43.1</b>	<b>9.8</b>	<b>41.0</b>	<b>15.4</b>	<b>152.8</b>	<b>92.7</b>	<b>121.0</b>
<b>Profit before tax</b>	<b>263.5</b>	<b>149.8</b>	<b>359.5</b>	<b>215.6</b>	<b>361.7</b>	<b>277.4</b>	<b>220.0</b>
Income tax expense	64.3	44.7	104.3	54.8	134.6	92.6	86.0
<b>Profit for the period</b>	<b>199.2</b>	<b>105.1</b>	<b>255.2</b>	<b>160.8</b>	<b>227.1</b>	<b>184.8</b>	<b>134.0</b>
Attributable to shareholders of the parent company							
Minority interests	193.7	98.4	241.8	149.7	211.7	166.2	127.3
	5.5	6.7	13.4	11.1	15.4	18.6	6.7
<b>Basic earnings per share</b>	<b>1.74</b>	<b>0.88</b>	<b>2.18</b>	<b>1.28</b>	<b>1.77</b>	<b>1.39</b>	<b>1.20</b>
<b>Diluted earnings per share</b>	<b>1.73</b>	<b>0.87</b>	<b>2.17</b>	<b>1.28</b>	<b>1.76</b>	<b>1.38</b>	<b>1.19</b>
Basic weighted average shares outstanding							
	111,047,780	112,176,426	110,603,062	116,786,810	119,419,446	118,942,571	105,879,031
Diluted weighted average shares outstanding							
	111,947,534	112,635,254	111,105,390	117,277,653	120,207,882	119,761,119	106,763,098
Dividends declared per share <sup>(7)</sup>							
Euro			4.00	0.60	0.50	0.45	0.35
US\$			4.74	0.81	0.63	0.47	0.31



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(IFRS)	At June 30,	At December 31,				
	2006	2005	2004	2003	2002	2001
(in millions of euros)						
<b>Balance sheet</b>						
Property and equipment	€43.5	€50.7	€88.6	€108.7	€112.2	€57.3
Investment property	4.9					
Intangible assets	869.8	837.7	771.8	739.9	1,011.6	324.1
Cash and cash equivalents	547.1	429.5	523.7	496.8	959.2	950.9
Total assets	2,680.8	2,601.7	2,352.6	2,389.6	7,213.3	4,543.6
Current financial liabilities	18.2	27.5	11.7	222.3	80.6	1.1
Non-current financial liabilities	399.8	377.2	365.9		246.1	5.6
Total liabilities	1,180.0	846.9	808.2	711.4	5,633.1	3,211.9
Minority interests	29.0	33.6	21.0	33.2	71.8	16.5
Total shareholders' equity	1,471.7	1,721.3	1,523.4	1,645.0	1,508.4	1,315.1
	Six Months ended June 30			Year ended December 31,		

(U.S. GAAP)	2006 <sup>(5)</sup>	2005	2005 <sup>(4)</sup>	2004
(in millions of euros, except share and per share data)				

<b>Results of operations</b>				
Revenues	536.4	456.4	945.5	881.1
Operating expenses	346.3	331.0	665.7	681.2
Operating income	190.1	125.4	279.8	199.9
Net income	169.7	100.5	221.1	173.9

Basic earnings per share	1.53	0.90	2.00	1.49
Diluted earnings per share	1.51	0.89	1.99	1.48

Basic weighted average shares outstanding	111,047,780	112,176,426	110,603,062	116,786,810
Diluted weighted average shares outstanding	112,113,185	112,738,045	111,148,538	117,488,361

## Dividends declared per share

Euro	4.00	0.60
US\$	4.74	0.81

(U.S. GAAP)	At June 30,	At December 31,	
	2006	2005	2004
(in millions of euros)			

<b>Balance sheet</b>			
Property and equipment	42.0	49.2	87.7
Intangible assets	1,096.5	1,104.0	1,133.3
Short-term financial investments and cash and cash equivalents	699.2	687.3	606.7
Total assets	2,968.5	2,922.9	2,713.6
Current financial liabilities	14.0	8.9	11.6
Non-current financial liabilities	364.6	377.2	365.9
Total liabilities	1,383.8	1,061.2	1,049.1
Shareholders' equity	1,554.7	1,820.9	1,640.1

(1)

In January 2002, Euronext acquired all the outstanding shares of LIFFE (Holdings) plc. The total consideration paid amounted to € 926 million, including the cash settlement of outstanding options and warrants and including acquisition costs. Total goodwill in relation to the acquisition amounted to €647 million. In addition to own funds used for an amount of €476 million, the transaction was financed by a credit facility of GBP 250 million (€409 million), and the issuance of Variable Rate Guaranteed Unsecured Loan Notes for an amount of €27 million. The remainder of the loan facility (GBP 150 million) was redeemed in February 2004 with the proceeds of a GBP 250 million, fixed-rate bond loan issued also in February 2004. At the same time the fixed rate was swapped to floating rate by means of an interest rate swap. The assets, liabilities, results and cash flows of LIFFE

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have been included in the consolidated accounts of Euronext as from January 1, 2002.

(2)

In January 2002, Euronext acquired 100% of the shares of *Bolsa de Valores de Lisboa e Porto* (BVLP). The total consideration paid, based on the Euronext share price at the time of the acquisition and including acquisition costs, amounted to €138 million. The consideration was paid partly in cash (€35 million) and partly in newly issued Euronext shares (4.8 million shares). The assets, liabilities, results and cash flows of BVLP have been included in the consolidated accounts of Euronext as from January 1, 2002.



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- (3) In June 2003, Euronext reached an agreement with the London Clearing House (LCH) to merge BCC/Clearnet and LCH into a new independent UK holding company LCH.Clearnet Group Ltd. On December 22, 2003, Euronext exchanged its 80% stake in BCC/Clearnet and its 17.7% interest in LCH for 49.1% of LCH.Clearnet Group Ltd. Simultaneously, Euronext sold 7.6% of these shares to third parties. Euronext's 41.5% interest in LCH.Clearnet Group Ltd. is divided into ordinary shares (24.9%) and Redeemable Convertible Preference Shares (16.6%). Euronext recorded a gain on disposal of discontinued operation of €175 million in connection with the transaction. As from December 22, 2003, Euronext no longer records clearing revenues, but instead accounts for its interest in LCH.Clearnet under the equity method, recording its share of income under "Income from associates".
- (4) On July 22, 2005, Euronext formed Atos Euronext Market Solutions as a continuation and expansion of its pre-existing Atos Euronext relationship with Atos Origin. The main assets Euronext contributed were the activities of LIFFE Market Solutions, the information technology division of its derivatives trading business Euronext.liffe, and its 50% stake in Atos Euronext. Atos Origin contributed its own 50% share in Atos Euronext, plus other major assets from market-related businesses, including middle-and back-office solutions, and its 51% stake in the connectivity platform Bourse Connect. The transfer of the activities of LIFFE Market Solutions to AEMS led to a significant reduction in Euronext's salaries and employee benefit costs, consultancy expenses, other office, telecom and consultancy costs and depreciation charges, and a parallel increase in IT expenses, which from the date of creation of AEMS include all IT expenses related to Euronext.liffe.
- (5) In January 2006, Euronext completed the sale of the Belgian central securities depository CIK NV/SA, a wholly-owned subsidiary of Euronext Brussels, to Euroclear. In exchange for this asset, Euronext received an additional 0.4% stake in Euroclear.
- (6) As from January 1, 2005, Euronext no longer amortizes goodwill relating to acquisitions made before March 31, 2004 as part of a business combination, in line with IFRS 3.
- (7) Dividends declared with respect to 2005 consist of a €1 per share ordinary dividend and a €3 per share capital reduction.

**Selected Unaudited Pro Forma Condensed Consolidated Financial Data of NYSE Euronext**

The following table shows information about the pro forma financial condition and results of operations, including per share data, of NYSE Euronext after giving effect to the combination and the post-closing reorganization.

The table sets forth selected unaudited pro forma condensed combined statements of operations data for the nine months ended September 30, 2006 and the fiscal year ended December 31, 2005, as if the combination and the post-closing reorganization had become effective on January 1, 2005, and selected unaudited pro forma condensed combined balance sheet data as of September 30, 2006, as if the combination and the post-closing reorganization had become effective on that date. The information presented below should be read together with the publicly available historical consolidated financial statements of NYSE Group, the NYSE, Archipelago and Euronext, including the related notes, and together with the consolidated historical financial data for NYSE Group, the NYSE, Archipelago and Euronext and the other unaudited pro forma financial data, including the related notes, and Euronext's unaudited summary results as of and for the three and nine months ended September 30, 2006, appearing elsewhere in this document. See "Unaudited Pro Forma Condensed Combined Financial Data for NYSE Euronext." The unaudited pro forma financial data is not necessarily indicative of results that actually would have occurred had the combination and post closing reorganization been completed on the dates indicated or that may be obtained in the future. See also "Risk Factors" and "Forward-Looking Statements."

	<b>Nine Months ended September 30, 2006</b>	<b>Year ended December 31, 2005</b>
	(in millions, except per share data)	
Total revenues (excluding activity assessment fees)	\$ 2,319.1	\$ 2,751.9
Income from continuing operations	\$ 406.9	\$ 208.6
Basic earnings per share from continuing operations	\$ 1.54	\$ 0.80
Diluted earnings per share from continuing operations	\$ 1.52	\$ 0.79
		<b>As of September 30, 2006</b>
		(in millions)
Total assets		\$ 15,859.2
Total liabilities		\$ 7,526.8
Stockholders' equity		\$ 8,253.2

**COMPARATIVE HISTORICAL AND PRO FORMA PER SHARE DATA**  
**(Unaudited)**

Set forth below are historical and pro forma amounts, per share of NYSE Group common stock and per Euronext share, of income from continuing operations, cash dividends and book value. The exchange ratio for the pro forma computations is one share of NYSE Euronext common stock for each share of NYSE Group common stock, and €21.32 in cash and 0.98 of a share of NYSE Euronext common stock for each Euronext share.

The following table also sets forth combined per share data on an unaudited pro forma condensed consolidated basis. The pro forma amounts were derived using the purchase method of accounting for business combinations as described under "Unaudited Pro Forma Condensed Combined Financial Data for NYSE Euronext." In accordance with Emerging Issues Task Force No. 99-12, *Determination of the Measurement Date for the Market Price of Acquirer Securities Issued in a Purchase Business Combination*, the fair value of NYSE Euronext securities to be issued to Euronext shareholders to effect the combination will be based on a stock price of \$61.70 per share, which corresponds to the average closing stock price of a NYSE Group common stock for the five-day period beginning two days before and ending two days after June 1, 2006 (the date the combination was agreed to and announced), and not the price of a Euronext share when the combination is completed. The closing price of a NYSE Group share on November 24, 2006 (the last trading day prior to the date of this document) was \$108.26 per share.

You should read the information below together with the financial statements and related notes of NYSE Group and Euronext appearing elsewhere in this document. The unaudited pro forma combined data below is for illustrative purposes only. The financial results may have been different had the companies always been combined. You should not rely on this information as being indicative of the historical results that would have been achieved had the companies always been combined or of the future results of NYSE Euronext. You should read the pro forma information below together with the unaudited pro forma condensed consolidated financial data included under "Unaudited Pro Forma Condensed Combined Financial Data for NYSE Euronext."

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	<b>Nine Months ended September 30, 2006</b>		<b>Year ended December 31, 2005</b>	
<b>NYSE Group Pro Forma Per Share Data</b>				
Basic earnings per common share from continuing operations	\$	1.28	\$	0.59
Diluted earnings per common share from continuing operations	\$	1.27	\$	0.58
Cash dividends per common share	\$		\$	
Book value per common share at end of period	\$	10.27	\$	8.79
<b>Euronext Historical Per Share Data*</b>				
Basic earnings per common share from continuing operations	\$	2.70	\$	2.49
Diluted earnings per common share from continuing operations	\$	2.68	\$	2.48
Cash dividends per common share	\$	4.98	\$	0.75
Book value per common share at end of period	\$	18.60	\$	19.45
<b>Euronext Equivalent Pro Forma Per Share Data</b>				
Basic earnings per share from continuing operations**	\$	1.51	\$	0.78
Diluted earnings per share from continuing operations**	\$	1.49	\$	0.77
Cash dividends per common share**	\$	2.03	\$	0.30
Book value per common share at end of period**	\$	30.20	\$	29.75
<b>NYSE Euronext Pro Forma Per Share Data</b>				
Basic earnings per common share from continuing operations***	\$	1.03	\$	0.80
Diluted earnings per common share from continuing operations***	\$	1.02	\$	0.79
Cash dividends per common share	\$	2.07	\$	0.31
Book value per common share at end of period	\$	30.81	\$	30.36

\*

Converted from Euro to U.S. dollars based on financial information prepared in accordance with U.S. GAAP at an exchange rate of €1.00=\$1.2453 for the nine months ended September 30, 2006 and €1.00=\$1.2449 for the year ended December 31, 2005.

\*\*

Determined using the related NYSE Euronext Pro Forma Per Share Data times 0.98 (the proposed exchange ratio of a share of Euronext for a share of NYSE Euronext common stock).

\*\*\*

Based on the unaudited pro forma condensed consolidated financial data included under "Unaudited Pro Forma Condensed Combined Financial Data of NYSE Euronext."

**COMPARATIVE PER SHARE MARKET INFORMATION**

The following table sets forth the closing market price per share of NYSE Group common stock and per Euronext share in U.S. dollars or euros, as the case may be, as reported on the NYSE for NYSE Group common stock and as reported on Euronext Paris (Eurolist by Euronext) for the Euronext shares. In each case, the prices are given:

as of May 31, 2006 (the last trading day prior to the date of public announcement of the execution of the combination agreement);

as of November 24, 2006 (the latest practicable trading date prior to the date of this document).

See "The Combination Stock Exchange Listing and Stock Prices" for further information about the historical market prices of these securities.

The table also presents the implied equivalent value of each Euronext share based on the standard offer consideration of €21.32 in cash and 0.98 of a share of NYSE Euronext common stock for each Euronext share. For purposes of calculating the implied value of a Euronext share as of any particular date, each share of NYSE Euronext common stock was assumed to have a value equal to the closing market price per share of NYSE Group common stock on such date, as reported on the NYSE, and such value was converted into euros at a rate of €1.00 = \$1.2833, which was the Federal Reserve Bank of New York noon buying rate on May 31, 2006, or at a rate of €1.00 = \$1.3081, which was the Federal Reserve Bank of New York noon buying rate on November 24, 2006, as applicable.

You are urged to obtain current market quotations for shares of NYSE Group common stock and Euronext shares before making your decision with respect to the approval and adoption of the combination agreement. NYSE Group's common stock is listed on the NYSE under the symbol "NYX." Euronext shares are listed on Euronext Paris (Eurolist by Euronext) under the symbol "NXT."

The market price of NYSE Group common stock or Euronext shares could change significantly and may not be indicative of the value of shares of NYSE Euronext common stock once they start trading. Because the exchange ratios will not be adjusted for changes in the market price of NYSE Group common stock or Euronext shares, the value of the shares of NYSE Euronext common stock that you will receive at the time of completion of the combination may vary significantly from the market value of the shares of NYSE Euronext common stock that you would have received if the combination were consummated on the date of the combination agreement or on the date of this document.

	<b>NYSE Group Common Stock</b>	<b>Euronext Share</b>	<b>Implied Equivalent Value of Euronext Share</b>
May 31, 2006	\$ 59.80	€67.00	€66.99
November 24, 2006	\$ 108.26	€95.45	€104.08

**EXCHANGE RATE INFORMATION**

The following tables show, for the periods indicated, information concerning the exchange rate between the U.S. dollar and the euro. The average rates for the monthly periods presented in these tables were calculated by taking the simple average of the daily noon buying rates, as published by the Federal Reserve Bank of New York. The average rates for the interim periods and annual periods presented in these tables were calculated by taking the simple average of the noon buying rates on the last day of each month during the relevant period. This information is provided solely for your information, and neither NYSE Group nor Euronext represent that euros could be converted into U.S. dollars at these rates or at any other rate. These rates are not the rates used by Euronext in the preparation of their respective consolidated financial statements included in this prospectus.

The data provided in the following table are expressed in U.S. dollars per euro and are based on noon buying rates published by the Federal Reserve Bank of New York for the euro. On May 31, 2006, the date immediately prior to the announcement of the combination, the exchange rate between the U.S. dollar and the euro expressed in U.S. dollar per euro was €1.00 = \$1.2833. On November 24, 2006, the most recent practicable date prior to the printing of this prospectus, the exchange rate was €1.00 = \$1.3081.

<b>Recent Monthly Data</b>	<b>Period-end Rate<sup>(1)</sup></b>	<b>Average Rate<sup>(2)</sup></b>	<b>High</b>	<b>Low</b>
November 2006 (through November 24, 2006)	\$ 1.3081	\$ 1.2821	\$ 1.3081	\$ 1.2705
October 2006	1.2773	1.2617	1.2773	1.2502
September 2006	1.2687	1.2722	1.2833	1.2648
August 2006	1.2793	1.2810	1.2914	1.2735
July 2006	1.2764	1.2681	1.2822	1.2500
June 2006	1.2779	1.2661	1.2953	1.2522
May 2006	1.2833	1.2767	1.2888	1.2607
April 2006	1.2624	1.2273	1.2624	1.2091
March 2006	1.2139	1.2028	1.2197	1.1886
February 2006	1.1925	1.1940	1.2100	1.1860
January 2006	1.2158	1.2126	1.2287	1.1980
December 2005	1.1842	1.1861	1.2041	1.1699
<b>Interim Period Data</b>				
Three months ended September 30, 2006	\$ 1.2687	\$ 1.2741	\$ 1.2914	\$ 1.2500
Three months ended September 30, 2005	1.2058	1.2196	1.2538	1.1917
Nine months ended September 30, 2006	1.2687	1.2453	1.2953	1.1860
Nine months ended September 30, 2005	1.2058	1.2628	1.3476	1.1917
<b>Annual Data (Year ended December 31,)</b>				
2005	\$ 1.1842	\$ 1.2449	\$ 1.3476	\$ 1.1667
2004	1.3538	1.2438	1.3625	1.1801
2003	1.2597	1.1321	1.2597	1.0361
2002	1.0485	0.9495	1.0485	0.8594
2001	0.8901	0.8952	0.9535	0.8370

(1) The period-end rate is the noon buying rate on the last business day of the applicable period.

(2) The average rates for the monthly, interim, and annual periods were calculated by taking the simple average of the daily noon buying rates of each business day in the period, as published by the Federal Reserve Bank of New York.

## RISK FACTORS

*In addition to the other information contained in this document, including the matters addressed under "Forward-Looking Statements," you should carefully consider the following risk factors.*

### **Risks Relating to the Combination**

***Because the exchange ratio in the merger and exchange offer are fixed, the market value of the consideration paid to you in the combination may be less than the market value of your NYSE Group common stock or Euronext shares.***

NYSE Group stockholders and Euronext shareholders who receive shares in the combination will receive a fixed number of shares of NYSE Euronext common stock (and, in the case of the Euronext shareholders, a fixed amount of cash) rather than a number of shares with a particular fixed market value. The market value of NYSE Group common stock and Euronext shares at the time of the combination or the post-closing reorganization may vary significantly from their prices on the date of the combination agreement, the date of this document, the date on which NYSE Group stockholders or Euronext shareholders vote on the combination, or the date on which Euronext shareholders tender their shares in the exchange offer or the date of the consummation of the merger, the exchange offer or the post-closing reorganization. Because the exchange ratios will not be adjusted to reflect any changes in the market price of NYSE Group common stock or Euronext shares, the value of the consideration paid to the NYSE Group stockholders in the merger and the Euronext shareholders who tender their shares in the exchange offer may be higher or lower than the market value of their shares on earlier dates.

Changes in stock price may result from a variety of factors that are beyond the control of NYSE Group and Euronext, including changes in their respective businesses, operations and prospects, regulatory considerations, governmental actions, and legal proceedings and developments. Market assessments of the benefits of the combination and of the likelihood that the combination will be completed, and general and industry specific market and economic conditions may also have an effect on prices. Neither NYSE Group nor Euronext is permitted to terminate the combination agreement solely because of changes in the market price of either party's shares. See "The Combination Agreement Termination" for a description of the circumstances in which NYSE Group and Euronext may terminate the combination agreement and "The Combination Agreement Third-Party Acquisition Proposals" for a description of the circumstances in which NYSE Group and Euronext may respond to acquisition proposals received from third parties.

In addition, it is possible that the combination and the post-closing reorganization may not be completed until a significant period of time has passed after the shareholder meetings. As a result, the market values of NYSE Group common stock and Euronext shares may vary significantly from the date of the shareholder meetings to the date of the completion of the combination. You are urged to obtain up-to-date prices for NYSE Group common stock and Euronext shares. See "The Combination Stock Exchange Listing and Stock Prices" for ranges of historic prices of shares of NYSE Group common stock and Euronext shares.

***If you are a Euronext shareholder, your ability to increase the amount of cash or the number of shares of NYSE Euronext common stock that you receive in the exchange offer pursuant to the cash election or stock election, respectively, will be subject to proration in the event of an oversubscription of the cash election or the stock election.***

In the exchange offer, Euronext shareholders will be offered the right to exchange each of their Euronext shares for €21.32 in cash and 0.98 of a share of NYSE Euronext common stock. Instead of receiving this standard offer consideration, Euronext shareholders will have an opportunity to make either a cash election to receive all cash for their Euronext shares, or a stock election to receive all stock for their Euronext shares. These elections, however, are subject to proration to ensure that the total amount of cash

paid, and the total number of shares of NYSE Euronext common stock issued, in the exchange offer to the Euronext shareholders, as a whole, are equal to the total amount of cash and number of shares that would have been paid and issued, respectively, if all exchanging Euronext shareholders received the standard offer consideration.

As a result, the consideration that any particular Euronext shareholder receives if he or she makes the cash election or the stock election will not be known at the time that he or she makes the election because the consideration will depend on the total number of Euronext shareholders who make the cash election and the total number of Euronext shareholders who make the stock election. If the cash election is oversubscribed, then Euronext shareholders who have made the cash election will receive some shares of NYSE Euronext common stock in lieu of the full amount of cash sought for their Euronext shares. Likewise, if the stock election is oversubscribed, then Euronext shareholders who have made the stock election will receive some cash in lieu of the full number of shares of NYSE Euronext common stock sought for their Euronext shares. Accordingly, if Euronext shareholders make the stock election or the cash election with respect to their Euronext shares, and if either is oversubscribed, they may not receive exactly the amount and type of consideration that they elected to receive in the exchange offer, which could result in, among other things, tax consequences that differ from those that would have resulted if they had received the form of consideration that they had elected.

Because there is no way to predict the market value of shares of NYSE Euronext common stock after the combination, if you are a Euronext shareholder, the value of the consideration that you will receive in the exchange offer may vary depending on the type of election that you make. Euronext shareholders who make the cash election or stock election will receive, subject to proration, a different amount of cash and number of shares of NYSE Euronext common stock than the standard offer consideration, based on an implied cash value per share of NYSE Euronext common stock equal to the volume weighted average price of a share of NYSE Group common stock during the 10 consecutive trading days ending the day immediately prior to the date of filing the exchange offer with the AMF. This implied cash value, however, may be different from the actual market value of a share of NYSE Euronext common stock upon completion of the exchange offer. As a result, the value of the consideration received by Euronext shareholders who make any particular election may vary from the value of the consideration received by Euronext shareholders who make a different election or no election.

For a discussion of the election mechanism and possible proration for those who make the cash election or stock election, see "The Combination Agreement The Exchange Offer Consideration Offered to Euronext Shareholders" and "The Combination Agreement The Exchange Offer Mix and Match Election."

***If the exchange offer is successful, but some Euronext shares remain outstanding, the liquidity and market value of these Euronext shares held by the public could be adversely affected by the fact that they will be held by a small number of holders.***

Depending upon the number of Euronext shares tendered in the exchange offer, following the successful completion of the exchange offer, Euronext shares may no longer meet the requirements of Euronext Paris for continued listing. Moreover, to the extent permitted under applicable law and stock exchange regulations, NYSE Euronext intends to request the delisting of Euronext shares, which are listed on Euronext Paris (Eurolist by Euronext). Such delisting may also occur because of certain actions taken in connection with the post-closing reorganization.

If the Euronext shares are delisted from Euronext Paris (Eurolist by Euronext) but the post-closing reorganization has not yet been (or is never able to be) completed and Euronext shares remain outstanding, the market for Euronext shares could be adversely affected. Although it is possible that Euronext shares would be traded in over-the-counter ("OTC") markets prior to the post-closing reorganization, such alternative trading markets may not occur. In addition, the extent of the public market



for the Euronext shares and the availability of market quotations would depend upon the number of holders and/or the aggregate market value of Euronext shares remaining at such time, as well as the interest in maintaining a market in Euronext shares on the part of securities firms. If Euronext shares are delisted, Euronext could also cease making disclosures and reports required for listed or publicly-traded companies, which could further impact the value of the Euronext shares. To the extent the availability of such continued listings or quotations depends on steps taken by Euronext or NYSE Euronext, Euronext or NYSE Euronext may or may not take such steps. Therefore, you should not rely on any such listing or quotation or trading being available.

***NYSE Euronext may not be able to complete the post-closing reorganization of Euronext and its subsidiaries promptly after the combination, or at all. In addition, even if NYSE Euronext is able to effect a post-closing reorganization, the consideration that Euronext shareholders receive in the post-closing reorganization may be substantially different in form and/or value than the consideration that they would have received had they tendered their Euronext shares in the exchange offer (and they may also be subject to additional taxes).***

If the exchange offer is successfully completed, NYSE Euronext plans to effect a post-closing reorganization of Euronext and its subsidiaries that is intended to result in Euronext becoming a wholly owned subsidiary of NYSE Euronext. The post-closing reorganization will be structured to provide the Euronext shareholders who did not exchange their Euronext shares in the exchange offer with the same consideration that they would have received had they tendered their Euronext shares in the exchange offer and not made the cash election or stock election (that is, €21.32 in cash and 0.98 of a share of NYSE Euronext common stock per Euronext share). However, NYSE Euronext may not be able to effect the post-closing reorganization promptly after the combination, or at all. NYSE Euronext has committed to Euronext's regulators that, if less than half of the issued share capital of Euronext is represented at the Euronext extraordinary meeting at which Euronext shareholders are asked to approve the combination agreement, NYSE Euronext will not commence the post-closing reorganization unless either: (1) the Euronext shareholders approve the combination by a two-thirds majority of the votes cast at the Euronext extraordinary meeting; or (2) NYSE Euronext shall have acquired at least two-thirds of the outstanding share capital of Euronext as a result of the exchange offer (as extended, if applicable) and any subsequent trades to the extent permitted by applicable law. In addition, the post-closing reorganization could be the subject of litigation, and a court could delay the post-closing reorganization or prohibit it from occurring on the terms described in this document, or from occurring at all. Accordingly, Euronext shareholders who do not tender their Euronext shares in the exchange offer may not receive the standard offer consideration for such shares promptly after the combination, or at all.

In addition, even if NYSE Euronext is able to complete the post-closing reorganization, the consideration that Euronext shareholders will receive in the post-closing reorganization may be substantially different in form and/or value than the consideration that they would have received had they tendered their Euronext shares in the exchange offer. Such differences could result from the fact that:

the post-closing reorganization will not have a cash election or stock election;

certain post-closing reorganization steps may require the payment of only cash instead of cash and stock;

the consideration issued in certain post-closing reorganization steps may be determined by a court;

the tax consequences to the Euronext shareholders of receiving consideration in the post-closing reorganization may be different than they would be if the Euronext shareholders had tendered their Euronext shares in the exchange offer; and

the NYSE Euronext shares received as part of the consideration may have a different value at the time of completion of the post-closing reorganization than at the time of the completion of the exchange offer.

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For example, although the structure of the post-closing reorganization may not be determined until after the expiration of the exchange offer, in the event that less than 95% of the outstanding Euronext shares are acquired in the exchange offer, it is currently anticipated that a significant portion of the consideration paid to Euronext shareholders pursuant to the post-closing reorganization will be subject to Dutch dividend withholding tax. Application of the Dutch dividend withholding tax could cause the net value of the consideration received by Euronext shareholders in the post-closing reorganization to be substantially less than the net value of the consideration such shareholders would have received had they tendered their Euronext shares in the exchange offer.

In addition, in the event that 95% or more of the issued and outstanding share capital of Euronext is tendered in the exchange offer, NYSE Euronext may at its option effectuate the post-closing reorganization by initiating a compulsory acquisition procedure (*uitkoopregeling*) in accordance with section 2:92a of the Dutch Civil Code. In such circumstances, the price to be paid for the Euronext shares acquired in such compulsory acquisition would be cash only, in an amount determined by the Enterprise Chamber of the Amsterdam Court of Appeals, which may be in an amount that is substantially more or less than the value of the consideration that Euronext shareholders received in the exchange offer.

For more information on the post-closing reorganization and the Dutch tax consequences associated with it, see "The Combination Agreement Post-Closing Reorganization" and "The Combination Material Dutch Tax Consequences The Post-Closing Reorganization Effectuated Other Than Pursuant To The Compulsory Acquisition Procedure Dividend Withholding Tax."

***If you are a NYSE Group stockholder, the value of the NYSE Euronext common stock that you receive in the merger may change if NYSE Euronext determines to increase the exchange offer consideration paid to holders of Euronext shares.***

If the proposed combination is approved, and the exchange offer is successful, NYSE Group stockholders will receive in the merger one share of NYSE Euronext common stock for each of their shares of NYSE Group common stock. The value of the NYSE Euronext common stock that the NYSE Group stockholders will receive in the merger will depend on, among other things, the number of NYSE Euronext shares issued and the amount of cash paid to the Euronext stockholders in the exchange offer. The standard exchange offer consideration is €21.32 in cash and 0.98 of a share of NYSE Euronext common stock. It is possible, however, that NYSE Euronext may determine at a later date to increase the exchange offer consideration, in the form of additional cash, additional shares of NYSE Euronext common stock, or both. NYSE Euronext may increase the exchange offer consideration because it determines that it needs to do so in order to (1) obtain approval of the Euronext shareholders for the combination at the Euronext extraordinary meeting, (2) cause a sufficient number of Euronext shares to be tendered in the exchange offer to satisfy the minimum tender condition, and/or (3) to take certain post-closing reorganization steps requiring the acquisition of a minimum percentage of outstanding Euronext shares. See "The Combination Agreement Conditions to Completing the Combination Conditions to Completing the Exchange Offer" and "The Combination Agreement Post-Closing Reorganization Structural Steps to Effect the Post-Closing Reorganization". If NYSE Euronext increases the cash consideration, it may have additional indebtedness or less cash after the completion of the combination. If NYSE Euronext increases the stock consideration, NYSE Group stockholders will have a lower percentage interest in NYSE Euronext after completion of the combination. If NYSE Euronext decides to increase the exchange offer consideration, it will not resolicit approval from the NYSE Group stockholders. Accordingly, if you are a NYSE Group stockholder, there is risk that the value of the consideration that you receive in the merger will be less than the value of the consideration that you expected to receive as of the date of this document or as of the date of the NYSE Group special meeting.

***NYSE Euronext may not be able to successfully integrate the businesses and operations of NYSE Group and Euronext in a timely fashion or at all.***

NYSE Group and Euronext operate as independent companies, and will continue to do so until the completion of the combination. Following the combination, NYSE Group and Euronext are committed to a policy of decentralized management under which their respective operating subsidiaries, including the exchanges, will have autonomy in respect of day-to-day operating decisions. NYSE Euronext expects that this approach will ease some of the challenges of integration. Nonetheless, NYSE Euronext expects to integrate certain of the management and technological functions of NYSE Group and Euronext. NYSE Euronext management may face significant challenges in integrating the two companies' technologies, organizations, procedures, policies and operations, as well as in addressing differences in the business cultures of the two companies, and retaining key NYSE Group and Euronext personnel. The integration process may prove to be complex and time consuming and require substantial resources and effort. It may also disrupt each company's ongoing businesses, which may adversely affect NYSE Euronext's relationships with market participants, employees, regulators and others with whom NYSE Group and Euronext have business or other dealings.

The merger between the NYSE and Archipelago, which was completed on March 7, 2006, may add further challenges and complexity. NYSE Group is currently in the process of integrating the businesses of the NYSE and Archipelago, and this process is not expected to be completed before the completion of the combination. In addition, on October 25, 2006, NYSE Group and the American Stock Exchange announced that they had entered into an agreement pursuant to which the NYSE would acquire the American Stock Exchange's one-third ownership interest in Securities Industry Automation Corporation ("SIAC") for approximately \$40.3 million. This transaction was completed on November 1, 2006. As of that date, SIAC became a wholly owned subsidiary of the NYSE. As a result, NYSE Euronext's management may have to integrate the businesses of the NYSE, Archipelago, SIAC and Euronext simultaneously, which may be difficult. If NYSE Euronext fails to manage the integration of these businesses effectively, its growth strategy and future profitability could be negatively affected, and it may fail to achieve the anticipated benefits of the combination. In addition, difficulties in integrating these businesses could harm NYSE Euronext's reputation.

***The combined company may fail to realize the anticipated cost savings, growth opportunities and synergies and other benefits anticipated from the combination.***

The success of the combination will depend, in part, on NYSE Euronext's ability to realize anticipated cost savings, revenue synergies and growth opportunities from combining the businesses of NYSE Group and Euronext. NYSE Euronext expects to benefit from operational synergies resulting from the consolidation of capabilities and elimination of redundancies as well as greater efficiencies from increased scale, market integration and automation. Specifically, NYSE Group and Euronext expect that the combined company will achieve cost savings of approximately \$275 million annually within three years after the combination (with approximately \$55 million of these cost savings achieved by the end of the first year, \$125 million by the end of the second year and the full \$275 million by the end of the third year). Of this amount, an estimated \$250 million is expected to result from the overall rationalization of the combined company's information technology systems and platforms, driven by the high level of compatibility among the current technology platforms maintained by NYSE Group and Euronext, and the remaining \$25 million is expected to result from the rationalization of non-information technology related activities, including the integration of corporate support functions such as finance, and the streamlining of marketing and other corporate costs such as insurance, occupancy and professional services.

NYSE Group and Euronext also expect that the combination will create approximately \$100 million in incremental revenues annually within three years after the combination. Of this amount, approximately \$35 million is expected to be generated from cash equities trading, \$45 million is expected to be generated from derivatives and the remaining \$20 million is expected to be generated from listing fees. For more

information about these projections, see "The Combination Certain Projections" and "Information About NYSE Euronext NYSE Euronext's Strategy."

There is a risk, however, that the businesses of NYSE Group and Euronext may not be combined in a manner that permits these costs savings and revenue synergies to be realized in the time currently expected, or at all. For example, the completion of the combination or the post-closing reorganization may be delayed, challenged by parties opposing the completion of the combination or the post-closing reorganization or not possible at all. This may limit or delay the NYSE Euronext management's ability to integrate the two companies' technologies, organizations, procedures, policies and operations. In addition, a variety of factors, including but not limited to wage inflation, currency fluctuations, and difficulty integrating technology platforms, may adversely affect NYSE Euronext's anticipated cost savings and revenues. Also, the combined company must achieve its anticipated cost savings without adversely affecting its revenues. If NYSE Euronext is not able to successfully achieve these objectives, the anticipated benefits of the combination may not be realized fully, or at all, or may take longer to realize than expected.

***NYSE Euronext's results of operations may differ significantly from the unaudited pro forma condensed combined financial data included in this document.***

This document includes unaudited pro forma condensed combined financial data giving effect to the combination of the NYSE, Euronext, Archipelago and PCX Holdings as if it had occurred as of January 1, 2005. This pro forma financial information is presented for illustrative purposes only and does not necessarily indicate the results of operations or the combined financial position that would have resulted had the combination been completed at the beginning of the periods presented, nor is it indicative of the results of operations in future periods or the future financial position of the combined businesses. In particular, it does not reflect benefits of expected costs savings or revenue opportunities with respect to the combination of the NYSE Group and Euronext. Accordingly, NYSE Euronext's results and financial condition may differ significantly from those portrayed by the unaudited pro forma condensed combined financial data included herein.

***NYSE Euronext, NYSE Group and Euronext will incur significant transaction and combination-related costs in connection with the combination.***

NYSE Group and Euronext expect to incur a number of non-recurring costs associated with combining the operations of the two companies, anticipated to be approximately \$70 million in each of 2007 and 2008 and \$40 million in 2009. In addition, NYSE Group and Euronext will incur legal, accounting and other transaction fees and other costs related to the combination, anticipated to be between \$50 million and \$75 million. Some of these costs are payable regardless of whether the combination is completed. Moreover, under specified circumstances, NYSE Group or Euronext may be required to reimburse certain expenses incurred by the other party in connection with the termination of the proposed combination. See "The Combination Agreement Termination Expense Reimbursement." Additional unanticipated costs may be incurred in the integration of the businesses of the NYSE Group and Euronext.

Although NYSE Euronext expects that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, may offset these transaction- and combination-related costs over time, this net benefit may not be achieved in the near term, or at all.

***If the combination is successful, NYSE Euronext will incur a substantial amount of debt to finance the cash portion of the consideration for the Euronext shares to be acquired, which could restrict its ability to engage in additional transactions or incur additional indebtedness.***

In connection with the exchange offer, NYSE Euronext will enter into a credit facility agreement that permits NYSE Euronext to borrow amounts sufficient to fund the cash portion of the exchange offer, which is expected to be approximately \$2.8 billion. NYSE Euronext may only borrow amounts under this

credit facility agreement if the combination is successful. If the combination is successful, NYSE Euronext expects to use the credit facility as an undrawn back stop for a global commercial paper program, which NYSE Euronext will use mainly to finance the cash portion of the consideration to be paid to Euronext shareholders pursuant to the exchange offer. See "The Combination-Credit Facility" for additional details. The credit facility includes terms and conditions customary for agreements of this type, which could restrict NYSE Euronext's ability to engage in additional transactions or incur additional indebtedness.

***There will be material differences between the current rights of NYSE Group stockholders and Euronext shareholders and the rights they can expect to have as NYSE Euronext stockholders.***

NYSE Group stockholders and Euronext shareholders that receive NYSE Euronext common stock in the combination will become NYSE Euronext stockholders, and their rights as stockholders will be governed by the NYSE Euronext certificate of incorporation and bylaws and by Delaware law. As a result, there will be material differences between the current rights of NYSE Group stockholders and Euronext shareholders and the rights they can expect to have as NYSE Euronext stockholders. For example, there is no current domicile requirement for directors of NYSE Group or Euronext. After the combination, the NYSE Euronext bylaws will provide that the NYSE Euronext board of directors will either be composed of: (1) an even number of U.S. domiciliaries and European domiciliaries or (2) the smallest possible majority of U.S. domiciliaries and the largest possible minority of European domiciliaries (the initial NYSE Euronext board of directors will contain an even number of U.S. domiciliaries and European domiciliaries, and this parity will be maintained unless the nominating and governance committee and the board of directors of NYSE Euronext, both equally composed of U.S. domiciliaries and European domiciliaries, decide otherwise or unless the NYSE Euronext bylaws are amended by a supermajority vote). In addition, the bylaws will provide that the nominating and governance committee of the NYSE Euronext board of directors will be composed of an equal number of individuals who are U.S. domiciliaries and European domiciliaries. Furthermore, the bylaws will provide that the positions of chairman of the board of directors and chief executive officer of NYSE Euronext will be filled by one person who is a U.S. domiciliary and one person who is a European domiciliary. For purposes of these provisions, "Europe" means (1) any and all of the jurisdictions in which Euronext or any of its subsidiaries operates a European regulated market; (2) any member state of the European Economic Area as of the effective time of the combination and any state that becomes a member of the European Economic Area after the effective time of the combination; and (3) Switzerland (with "European" having a correlative meaning). These requirements cannot be changed unless approved by a resolution adopted by two-thirds of the directors then in office or a shareholder vote of 80% of the votes entitled to be cast by the holders of the then-outstanding shares of capital stock of NYSE Euronext entitled to vote generally in the election of directors.

Another difference will be the voting and ownership limitations on NYSE Euronext common stock. The NYSE Euronext certificate of incorporation will contain provisions prohibiting any person, acting either alone or together with its related persons (as defined in the NYSE Euronext certificate of incorporation and described under "Description of NYSE Euronext Capital Stock Ownership and Voting Limits on NYSE Euronext Capital Stock"), from voting more than 10% of the then outstanding votes entitled to be cast on any matter, acquiring the ability to vote more than 10% of the then outstanding votes entitled to be cast on any matter by virtue of agreements entered into by other persons not to vote shares of NYSE Euronext capital stock, or owning beneficially shares of stock of NYSE Euronext representing in the aggregate more than 20% of the then outstanding votes entitled to be cast on any matter unless (1) the NYSE Euronext board resolves to expressly permit such voting or ownership in accordance with the standard for approving such voting or ownership set forth in the NYSE Euronext certificate of incorporation and (2) such resolution has been approved by the relevant European regulators and the SEC. These limitations are similar to the voting and ownership limitations currently imposed on NYSE Group common stock. Euronext shareholders are currently subject to a different voting and ownership limitation. Pursuant to section 26a of the Dutch Act on the Supervision of the Securities Trade 1995 (*Wet*

toezicht effectenverkeer 1995), a Euronext shareholder must obtain a declaration of no objection of the Dutch Minister of Finance in order to hold, directly or indirectly an interest of more than 10% of the outstanding capital or voting rights in Euronext. Similar restrictions also apply with respect to indirect ownership of qualifying interests or specific percentages of voting rights in certain regulated subsidiaries of Euronext (See "Regulation European Regulation").

For a discussion of these and other material differences between the current rights of NYSE Group stockholders and Euronext shareholders and the rights they can expect to have as NYSE Euronext stockholders, see "Comparison of Shareholder Rights Prior to and After the Combination."

***If you hold shares of NYSE Group common stock subject to certain transfer restrictions immediately prior to the merger, the shares of NYSE Euronext common stock that you receive in the merger in respect of those shares will be subject to the same transfer restrictions, which may prevent you from realizing gains during certain time periods.***

Certain shares of NYSE Group common stock are currently subject to transfer restrictions as a result of restrictions set forth in the NYSE Group certificate of incorporation or agreements with the NYSE in connection with its merger with Archipelago. Any such shares that continue to be subject to transfer restrictions as of immediately prior to the merger will be exchanged in the merger for shares of NYSE Euronext common stock with the same transfer restriction (both in terms of scope and remaining duration). During the duration of these transfer restrictions, holders of these shares of NYSE Euronext common stock will be precluded from realizing any gains from the increase in the market price, if any, of these shares of NYSE Euronext common stock. For details of these transfer restrictions see "Description of NYSE Euronext Capital Stock Transfer Restrictions on Certain Shares of NYSE Euronext Common Stock." No NYSE Euronext common stock received by Euronext shareholders in the combination will be subject to these transfer restrictions.

***NYSE Group stockholders and Euronext shareholders will have a reduced ownership and voting interest after the combination and will exercise less influence over management.***

After the completion of the combination, the NYSE Group stockholders and Euronext shareholders will own a smaller percentage of NYSE Euronext than they currently own of NYSE Group and Euronext, respectively. Upon completion of the combination, and assuming that all of the outstanding Euronext shares are validly tendered in the exchange offer and not withdrawn, former NYSE Group stockholders and former Euronext shareholders will own approximately 59% and 41%, respectively, of the outstanding common stock of NYSE Euronext immediately after the combination. Consequently, NYSE Group stockholders, as a group, will have reduced ownership and voting power in the combined company compared to their ownership and voting power in NYSE Group, and Euronext shareholders, as a group, will have reduced ownership and voting power in the combined company compared to their ownership and voting power in Euronext.

***Obtaining required approvals may delay or prevent completion of the combination or reduce the anticipated benefits of the combination.***

Completion of the combination is conditioned upon, among other things, the receipt of material governmental authorizations, consents, orders and approvals, including the approval of the SEC and certain European regulators. NYSE Group and Euronext intend to pursue all required approvals in accordance with their obligations under the combination agreement. In connection with granting these approvals, the respective governmental or other authorities may impose conditions on, or require divestitures or other changes relating to, the divisions, operations or assets of NYSE Group or Euronext. For example, the SEC and the European regulators may require changes to the structure, certificate of incorporation or bylaws of NYSE Euronext and its subsidiaries, as a precondition to their approval of the

combination. Neither NYSE Group nor Euronext can predict what, if any, changes may be required. Certain changes may require NYSE Group or Euronext to obtain the approval of their respective shareholders and, therefore, to re-solicit proxies, which may result in significant additional expenses and costs. More generally, these and other conditions, divestitures or other changes may jeopardize or delay completion of the combination or may reduce the anticipated benefits of the combination. See "The Combination Agreement Conditions to Completing the Combination" for a discussion of the conditions to the completion of the combination and "The Combination Regulatory Approvals" for a description of the regulatory approvals necessary in connection with the combination.

### **Risks Relating to NYSE Euronext's Business**

#### *NYSE Euronext will face numerous competitors in the United States, Europe and the rest of the world.*

NYSE Euronext will face significant competition, in particular with respect to cash trading, derivatives trading (including a range of options on securities, securities futures, financial futures and options and commodities futures and options) and listings, and this competition is expected to intensify in the future. NYSE Euronext's current and prospective competitors in this realm, both domestically and around the world, are numerous and include both traditional and non-traditional execution and listings venues. These include regulated markets, electronic communications networks ("ECNs") and other alternative trading systems, market makers and other execution venues. NYSE Euronext also will face significant and growing competition from large brokers and customers that have the ability to divert cash and derivatives trading volumes from NYSE Euronext. Large banks may assume the role of principal and act as counterparty to orders originating from retail customers, thus "internalizing" order flow that would otherwise be transacted on exchanges. Banks and brokers may also enter into bilateral trading arrangements by matching their respective order flows, depriving NYSE Euronext of potential trading volumes. The competitive significance in Europe of these varied alternate trading venues is likely to increase substantially in the future, with the regulatory environment in Europe becoming more favorable to off-exchange trading as a result of the reforms contained in the European Commission's Market in Financial Instruments Directive (or "MiFID"). MiFID is expected to come into effect on November 1, 2007, although individual European Union Member States are required to incorporate MiFID into their domestic legal regimes by January 31, 2007. See "Risk Factors Risks Relating to NYSE Euronext's Business The implementation of the European Directive on Markets in Financial Instruments, or MiFID, may accelerate the development of off-exchange trading in Europe, which may harm NYSE Euronext's competitive position."

NYSE Euronext will compete with such market participants in a variety of ways, including the cost, quality and speed of trade execution, liquidity, the functionality, ease of use and performance of trading systems, the range of products and services offered to trading participants and listed companies, technological innovation and reputation. NYSE Euronext's competitors may:

respond more quickly to competitive pressures because they are not subject to the same degree of regulatory oversight as NYSE Euronext will be;

develop products that are preferred by NYSE Euronext customers;

price their products and services more competitively;

develop and expand their network infrastructure and service offerings more efficiently;

utilize faster, more user-friendly technology;

consolidate and form alliances, which may create greater liquidity, lower costs and better pricing than NYSE Euronext will be able to offer;

market, promote and sell their products and services more effectively; and

better leverage existing relationships with customers and alliance partners or better exploit brand names to market and sell their services.

NYSE Euronext may also face competition from new entrants into the markets in which it competes. The emergence of new competitors may increase price competition and reduce margins for all existing cash and derivatives markets, including NYSE Euronext's markets. New entrants may include new alternative trading systems and new initiatives by existing market participants, including established markets or exchanges, and current customers of the NYSE Group and Euronext that may internalize some of their order flow in the future.

***Globalization, growth, consolidations and other strategic arrangements may impair NYSE Euronext's competitive position.***

The liberalization and globalization of world markets have resulted in greater mobility of capital, greater international participation in local markets and more competition among markets in different geographical areas. As a result, the competition among trading markets and other execution venues has become more intense.

In addition, in the last several years, the structure of the exchange sector has changed significantly through demutualizations and consolidations. In response to increasing competition, many marketplaces in both Europe and the United States have demutualized to provide greater flexibility for future growth. The exchange sector is also experiencing consolidation, creating a more intense competitive environment. For example, in the United States, the Chicago Board of Trade and the Chicago Mercantile Exchange recently announced their intent to merge, and The Nasdaq Stock Market, Inc. ("Nasdaq") completed its acquisition of INET ECN (INET). Each of the Chicago Stock Exchange, Inc., Philadelphia Stock Exchange, Inc., Boston Stock Exchange, Inc., International Securities Exchange and Chicago Board Options Exchange, Inc. have also recently entered into investment agreements with other participants in the exchange sector, with the objective of enabling them to better compete with other exchanges. In Europe, the consolidation of OMX Group, created by the merger of OM Gruppen and HEX, with the Copenhagen Stock Exchange was completed early in 2005. Furthermore, discussions were held in 2005 and 2006 as to the potential acquisition of the London Stock Exchange plc by each of Euronext, Deutsche Börse and Australia's Macquarie Bank. In March 2006, Nasdaq made an offer for the London Stock Exchange, which it subsequently withdrew. It subsequently acquired a 28.8% stake in the London Stock Exchange and, on November 20, 2006, announced its intention to acquire the remaining outstanding shares of the London Stock Exchange with final cash offers of 1,243 pence per London Stock Exchange ordinary share and 200 pence per London Stock Exchange B share (plus an amount equal to the accrued dividend). It is anticipated that the process of consolidation in the European exchange sector will continue.

Because of these market trends, NYSE Euronext faces intense competition. If it is unable to compete successfully in this environment, its business, financial condition and operating results will be adversely affected.

***Future business combinations, acquisitions, partnerships and joint ventures may require significant resources and/or result in significant unanticipated costs or liabilities.***

NYSE Euronext may seek to grow its company and businesses by entering into business combination transactions, making acquisitions or entering into partnerships or joint ventures, which may be material. For example, Euronext will continue to consider combinations with other exchanges in Europe and NYSE Group has recently expressed an interest in pursuing strategic investments or other arrangements in markets in Asia, including Japan and India. The market for acquisition targets and strategic alliances is highly competitive, particularly in light of increasing consolidation in the exchange sector, which may



adversely affect NYSE Euronext's ability to find acquisition targets or strategic partners consistent with its objectives.

In pursuing its strategy, consistent with industry practice, NYSE Euronext may routinely engage in discussions with industry participants regarding potential strategic transactions. Such transactions may be financed by the issuance of additional equity securities, including NYSE Euronext common stock, or the incurrence of indebtedness, or a combination thereof. The issuance of additional equity may be substantial and dilutive to existing NYSE Euronext stockholders. In addition, the announcement or completion of future transactions could have a material adverse effect on the price of NYSE Euronext common stock. NYSE Euronext could face financial risks associated with incurring indebtedness such as reducing its liquidity, curtailing its access to financing markets and requiring the service of such indebtedness.

In addition, business combination transactions, acquisitions, partnerships and joint ventures may require significant managerial attention, which may be diverted from NYSE Euronext's other operations. These capital, equity and managerial commitments may impair the operation of NYSE Euronext's businesses. Furthermore, any future business combination transactions or acquisitions could entail a number of additional risks, including:

*Challenges integrating operations and maintaining key pre-transaction business relationships.* There may be significant challenges in consolidating functions in a business combination, acquisition or partnership transaction, including with respect to integration of technology, organizations, procedures, policies and operations, as well as addressing differences in the business cultures and retaining key personnel. Integration may also be complex and time consuming and require substantial resources and effort, which may disrupt business operations or cause inconsistencies in standards, controls, procedures and policies. Any of the foregoing could adversely affect NYSE Euronext's relationships with market participants, employees, regulators and others with whom NYSE Euronext has business or other dealings or may impair its reputation.

*Increased operating costs and difficulties in realizing anticipated efficiencies, synergies and cost savings.* Any transaction is likely to be based in part on the projected realization of efficiencies, cost savings and other synergies. NYSE Euronext may be required to increase expenditures to manage the integration of any acquired business and it may be difficult to achieve anticipated benefits from a transaction. An increase in expenditures above NYSE Euronext's expectations or a failure to achieve anticipated efficiencies, cost savings and other synergies could adversely affect its business, financial position or results of operations.

*Increased regulation.* If NYSE Euronext enters into a transaction with a company in a jurisdiction in which NYSE or Euronext currently does not operate, some or all of its operations may become subject to laws, rules and regulatory jurisdictions to which NYSE Group and Euronext are not now subject. Although Euronext's record of cross-border integration within Europe and its open regulatory model may reduce the integration risks that NYSE Euronext may face in connection with a new business combination transaction, acquisition, partnership or joint venture in Europe, the new laws, rules and regulations that NYSE Euronext may be subject to as a result of such transactions may not be similar or consistent with the laws, rules and regulations to which NYSE Euronext is subject prior to such transaction, and there can be no assurance that the regulatory requirements across multiple jurisdictions will be harmonized or that regulatory authorities from different jurisdictions will coordinate the exercise of their respective regulatory oversight. This may increase NYSE Euronext's costs of compliance and impair its ability to conduct its business, as well as require it to undertake material restructuring of its operations, including its self-regulatory operations.

*Exposure to unanticipated liabilities.* Combining with, acquiring or partnering with another business that NYSE Euronext has not managed may result in NYSE Euronext's exposure to liabilities that it has not anticipated. This could adversely affect NYSE Euronext's business, financial position or results of operations.

In addition, following the combination, NYSE Euronext's bylaws will require acquisitions, mergers and consolidations involving more than 30% of the aggregate equity market capitalization or value of NYSE Euronext (or, under certain circumstances, transactions involving an entity whose principal place of business is outside of the United States and Europe) to be approved by two-thirds of the directors then in office. This requirement may prevent the NYSE Euronext board of directors from pursuing an acquisition, even if a majority of the board believes it to be in the best interests of the company.

***The legal and regulatory environment in the United States may make it difficult for NYSE Euronext's U.S. exchanges to compete with non-U.S. exchanges for the secondary listings of non-U.S. companies and adversely affect NYSE Euronext's competitive position.***

NYSE Euronext's U.S. exchanges, the NYSE and NYSE Arca, Inc., will continue to compete to obtain the listing of non-U.S. issuer securities (in addition to the listing of U.S. issuer securities). However, the legal and regulatory environment in the United States, as well as the perception of this environment, has made and may continue to make it more difficult for the NYSE and NYSE Arca, Inc., to compete with non-U.S. securities exchanges for these listings and adversely affect NYSE Euronext's competitive position. For example, the Sarbanes-Oxley Act of 2002 imposes a stringent set of corporate governance, reporting and other requirements on both U.S. and non-U.S. publicly listed companies. Significant resources are necessary for issuers to come into and remain in compliance with the requirements of the Sarbanes-Oxley Act, which has had, and may continue to have, an impact on the ability of the NYSE and NYSE Arca, Inc. to attract and retain listings. At the same time, international companies are increasingly seeking access to the U.S. markets through private transactions that do not require listing or trading in the U.S. public markets, such as through Rule 144A transactions. In 2000, approximately 50% of the proceeds raised by international companies in the U.S. markets was raised privately, and, from 1996 to 1999, the NYSE listed an average of approximately 48 international companies per year. In comparison, as of September 30, 2006, approximately 91% of the proceeds raised by international companies in the U.S. markets were raised privately, and from 2000 to September 30, 2006, the NYSE averaged approximately 31 new listings for international companies per year. Non-U.S. issuers may choose to list with non-U.S. securities exchanges exclusively without a secondary listing in the United States because they perceive the U.S. regulatory requirements and the U.S. litigation environment as too cumbersome and costly. If the NYSE and NYSE Arca, Inc. are unable to successfully attract the listing business of non-U.S. issuers, the perception of the NYSE and NYSE Arca, Inc. as premier listing venues may be diminished, and NYSE Euronext's competitive position may be adversely affected or its operating results could suffer.

Following the combination, NYSE Euronext's European exchanges are not expected to be subject to perceptions that may exist with respect to U.S. securities exchanges namely, that listing on a U.S. securities exchange subjects a company to cumbersome and costly regulatory requirements and heightened litigation risks. In addition, listed companies on the Euronext exchanges are not, and will not become as a consequence of the combination, subject to the requirements of the Sarbanes-Oxley Act unless they otherwise choose to list or register their securities in the United States. However, there can be no assurances that non-U.S. issuers that do not list on the NYSE or NYSE Arca, Inc. will elect to list on a Euronext exchange rather than other non-U.S. exchanges. For a description of certain arrangements that NYSE Euronext plans to implement to protect its European and U.S. exchanges from extraterritorial applications of U.S. and European law, respectively, see "The Combination The Delaware Trust and the Dutch Foundation."

***NYSE Euronext's business may be adversely affected by price competition.***

The securities industry is characterized by intense price competition. The pricing model for trade execution for equity securities has changed in response to competitive market conditions. Some of NYSE Euronext's competitors have recently lowered their transaction costs and accordingly reduced the fees that they charge. In addition, NYSE Euronext will face price competition in the fees that it charges to its

customers to list securities on its securities exchanges. It is likely that NYSE Euronext will experience significant pricing pressures and that some of its competitors will seek to increase their share of trading or listings by further reducing their transaction fees or listing fees, by offering larger liquidity payments or by offering other forms of financial or other incentives. NYSE Euronext's operating results and future profitability could be adversely affected as a result of these activities. For example, NYSE Euronext could lose a substantial percentage of its share of trading or listings if it is unable to price its transactions in a competitive manner, or its profit margins could decline if it reduces its pricing in response. In addition, one or more competitors may engage in aggressive pricing strategies and significantly decrease or completely eliminate their profit margin for a period of time in order to capture a greater share of trading or listings. Some competitors, especially those outside of the United States, have high profit margins in business areas (such as clearing and settlement) in which NYSE Euronext will not engage, which may assist them in executing these strategies. This environment could lead to loss of order flow and decreased revenues, and consequently could adversely affect NYSE Euronext's operating results.

In addition, NYSE Group is engaged in an ongoing review of its pricing structures for trading fees and recently implemented a new pricing structure for some trading fees. There is risk inherent in the introduction of new pricing structures, and the implementation of a new price structure may have material adverse effects on NYSE Euronext's business, financial condition and operating results.

***NYSE Group's share of trading in NYSE-listed securities has declined.***

As a result of increasing competition, NYSE Group's share of trading on a matched basis in NYSE-listed securities has declined from approximately 78.6% for the three months ended September 30, 2005, to 70.6% for the three months ended September 30, 2006. If growth in NYSE Group's overall trading volume of NYSE-listed securities does not offset any significant decline in NYSE Group's share of NYSE-listed trading, or if a decline in the NYSE Group's share of trading in NYSE-listed securities makes the NYSE's market appear less liquid, then NYSE Euronext's financial condition and operating results could be adversely affected.

***NYSE Euronext must keep up with emerging technological changes in order to compete effectively in a rapidly evolving and highly competitive industry.***

NYSE Euronext will operate in a business environment that has undergone, and continues to experience, significant and rapid technological change. In recent years, electronic trading has grown significantly, and customer demand for increased choice of execution methods has expanded. To remain competitive, NYSE Euronext must continue to enhance and improve the responsiveness, functionality, accessibility and features of its trading platforms, software, systems and technologies. NYSE Euronext's success will depend, in part, on its ability to:

develop and license leading technologies useful in its businesses;

enhance its existing trading platforms and services;

respond to customer demands, technological advances and emerging industry standards and practices on a cost-effective and timely basis; and

continue to attract and retain highly skilled technology staff to maintain and develop its existing technology and to adapt to and manage emerging technologies.

The development and expansion of electronic trading technology entail significant technological, financial and business risks. Any failure or delay in exploiting technology, or failure to exploit technology as effectively as NYSE Euronext's competitors, could have a material adverse effect on its business, financial condition and operating results. In addition, the increased use of electronic trading on the NYSE

may make it more difficult for the NYSE to differentiate its products from those of its competitors, possibly reducing one of the competitive strengths of NYSE Euronext, as the parent company of the NYSE. This may have an adverse impact on NYSE Euronext's business and, in particular, may reduce the incentive for companies to list on the NYSE. In addition, the commoditization of trade execution may result in a reduction in the number of people using the NYSE's trading floor. This may result in a decrease in the revenues realized through the use of the NYSE's trading floor.

NYSE Group and Euronext use leading technologies and currently devote substantial resources to their respective services, and NYSE Euronext intends to continue to do so after the combination. The adoption of new technologies or market practices may require NYSE Euronext to devote additional resources to modify and adapt its services. In such cases, NYSE Euronext cannot assure you that it will succeed in making these improvements to its technology infrastructure in a timely manner or at all. If NYSE Euronext is unable to anticipate or respond to the demand for new services, products and technologies on a timely and cost-effective basis or adapt to technological advancements and changing standards, it may be unable to compete effectively, which would have a material adverse effect on its business, financial condition and results of operations. Moreover, NYSE Euronext may incur substantial development, sales and marketing expenses and expend significant management effort to add new products or services to its trading platforms. Even after incurring these costs, NYSE Euronext ultimately may not realize any, or may realize only small amounts of, revenues for these new products or services. Consequently, if revenue does not increase in a timely fashion as a result of these expansion initiatives, the up-front costs associated with expansion may exceed revenue and reduce NYSE Euronext's working capital and income.

***An "extraterritorial" change of law may adversely affect the businesses of NYSE Euronext and, under certain special arrangements, the rights of NYSE Euronext to control a substantial portion of its assets.***

NYSE Euronext will operate securities exchanges and regulated markets in various jurisdictions and thus will be subject to a variety of laws and regulations. Although none of NYSE Euronext, NYSE Group or Euronext anticipates that there will be a material adverse application of European laws to NYSE Euronext's U.S. exchanges, or a material adverse application of U.S. laws to NYSE Euronext's European exchanges, the possibility of such an occurrence cannot be ruled out entirely. If this were to occur, and NYSE Euronext were not able to effectively mitigate the effects of such extraterritorial application, the affected exchanges of NYSE Euronext could experience a reduction in the number of listed companies or business from other market participants, or the business of NYSE Euronext could be otherwise adversely affected. In addition, in connection with obtaining regulatory approval of the combination, NYSE Euronext intends to implement certain special arrangements consisting of two standby structures, one involving a Dutch foundation and one involving a Delaware trust. The Dutch foundation will be empowered to take actions to mitigate the adverse effects of any potential changes in U.S. law that have "extraterritorial" impact on the European regulated markets of NYSE Euronext, and the Delaware trust will be empowered to take actions to ameliorate the adverse effects of any potential changes in European law that have "extraterritorial" impact on the U.S. regulated markets of NYSE Euronext. These actions include the exercise by the foundation or the trust of potentially significant control over the European or the U.S. businesses of NYSE Euronext, as the case may be. Although the foundation and the trust will be required to act in the best interest of NYSE Euronext, subject to certain exceptions, and any remedies implemented may be implemented only for so long as the effects of the material adverse application of law persist, NYSE Euronext may, as a result of the exercise of such rights, be required to transfer control over a substantial portion of its business and assets to the direction of the trust or of the foundation. Any such transfer of control could adversely affect the business and assets of NYSE Euronext. For a more detailed description of these arrangements, see "The Combination The Delaware Trust and the Dutch Foundation."

***Regulation NMS, and changes in Regulation NMS, may adversely affect the NYSE and NYSE Arca, thereby adversely affecting NYSE Euronext's operating results.***

On April 6, 2005, the SEC adopted Regulation NMS, which is a set of regulations that will govern certain aspects of trading on securities market centers. Its provisions are scheduled to become operative at various points throughout 2006 and 2007. One of the principal features of Regulation NMS is the modernization of the "trade-through" or "order protection" rule. Among other things, this rule requires market centers to establish and maintain procedures to prevent "trade-throughs," which are the executions of orders at a price inferior to the best bid or offer displayed by another market center at the time of execution. This aspect of Regulation NMS will protect and apply only to quotes available for immediate execution. The "trade-through" rule implemented by Regulation NMS is expected to increase competition between markets.

NYSE Group has begun to develop its business strategy and alter its business in consideration of the rules of Regulation NMS. NYSE Euronext will continue this implementation following the combination. There is no assurance, however, that Regulation NMS will be implemented in a timely manner or in its current form. Any delay or difficulties that arise in the implementation of Regulation NMS, as well as any amendment to Regulation NMS, could create uncertainty and adversely affect NYSE Euronext's financial condition and results of operations.

***The implementation of the European Directive on Markets in Financial Instruments, or MiFID, may accelerate the development of off-exchange trading in Europe, which may harm NYSE Euronext's competitive position.***

The European Commission is currently working on implementing measures for MiFID, which are due to be finalized over the course of 2006. In addition to regulated exchange trading, MiFID provides that trades may be executed on multilateral trading facilities (or MTFs) via OTC trading, or through systematic internalization of the order flow collected by investment firms and banks. As a result, MiFID creates an opportunity for new multilateral trading facilities, OTC and internalization arrangements to be developed on a pan-European basis, thereby substantially facilitating entry and increasing their attractiveness to users. In addition, investment firms will have to ensure that they obtain the "best execution" conditions for their clients, and will therefore have to direct orders to the most favorable execution venue, without any regulatory incentive to favor established regulated exchanges. Taken together, these changes to the regulatory environment may make it easier for multilateral trading facilities to establish themselves in Europe as low-cost alternatives to regulated exchanges, thereby increasing the level of competition with and between market operators. Increased competition from multilateral trading facilities could cause NYSE Euronext to lose market share or to lower its fees in order to remain competitive, either of which could lead to lower revenues and/or lower margins, harming profitability. For example, on November 14, 2006, Euronext announced that it is considering the progressive reduction of between 10% to 15% of trading fees on its equity markets as certain combination-related information technology synergies are realized over the two or three years following completion of the combination. If this were to occur, NYSE Euronext's financial condition and results of operation could be negatively affected.

***Regulatory changes or future court rulings may have an adverse impact on NYSE Euronext's market data fees.***

NYSE Euronext anticipates that one of its significant sources of future revenue will be market data fees. Regulatory developments, however, could reduce the amount of revenue that NYSE Euronext can obtain from this source. Regulation NMS will impose significant changes on the formula used to calculate each market center's share of market data revenue. These new rules could alter behavior by market participants and reduce the share of revenue obtained by NYSE Euronext's U.S. exchanges. The formula that will be used to determine the allocation of market information revenue under Regulation NMS is

highly complex, and NYSE Euronext is therefore unable at this time to forecast how the market will react to the new rules and the impact, if any, that this new allocation formula will have on NYSE Euronext's market information revenues or expenses following the implementation of Regulation NMS. In addition, the approach to fees reflected in MiFID, which explicitly authorizes market operators to sell trade information on a non-discriminatory commercial basis at a reasonable cost, could be modified by the European Commission or future European court decisions in a manner that may have an adverse impact on NYSE Euronext's market data fees.

***The successful implementation and operation of the NYSE Hybrid Market<sup>SM</sup> faces a number of significant challenges and depends on a number of factors that will be outside NYSE Euronext's control.***

NYSE Group is currently working on implementing the NYSE Hybrid Market<sup>SM</sup>, which was approved by the SEC on March 22, 2006. NYSE Euronext will continue this implementation following the combination. The NYSE Hybrid Market<sup>SM</sup> is intended to integrate into one platform aspects of both the physically-convened auction market and automated electronic execution. This effort is NYSE Group's response to the request from both market professionals and individual investors for greater choice and flexibility in buying and selling stocks on the NYSE. The NYSE Hybrid Market<sup>SM</sup> is also NYSE Group's strategy for adapting to the revised "trade-through" rule adopted by the SEC on April 6, 2005 as a part of Regulation NMS, which prohibits trading through better-priced displayed quotations that are displayed by another market and immediately accessible through automatic execution. If successfully implemented, NYSE Euronext expects that the NYSE Hybrid Market<sup>SM</sup> will change the way that securities are traded on the NYSE and will differentiate the NYSE from electronic trading venues. This initiative is being launched in phases during 2006.

The successful implementation of the NYSE Hybrid Market<sup>SM</sup> faces a number of significant challenges, including the difficulties of developing and implementing novel technology and the ability and willingness of specialists to build new technology platforms. In addition, as a novel technology and method of trading, there is no assurance that the NYSE Hybrid Market<sup>SM</sup> will function as is currently anticipated, or that customers will accept and use the services that it offers. NYSE Regulation, particularly its market surveillance division, must update its electronic surveillance systems to take account of changes made to the NYSE Hybrid Market<sup>SM</sup> trading systems to be able to effectively monitor NYSE trading activity. This requirement places an additional demand on NYSE Regulation's market surveillance division.

Any delay or difficulties in implementing or operating the NYSE Hybrid Market<sup>SM</sup> may have a material adverse effect on NYSE Euronext's ability to compete and its operating results, particularly if the NYSE Hybrid Market<sup>SM</sup> is not implemented by the time that the first phase of Regulation NMS becomes operative. Currently, the first phase of Regulation NMS is scheduled to become operative on February 5, 2007. In addition, any unwillingness by its customers to accept or use the NYSE Hybrid Market<sup>SM</sup> services may also have an adverse impact on NYSE Euronext's ability to compete and on its operating results. For a discussion of the NYSE Hybrid Market<sup>SM</sup>, see "Information About NYSE Group The NYSE and NYSE Arca The NYSE Hybrid Market<sup>SM</sup> Initiative."

***NYSE Euronext intends to enter into or increase its presence in established trading markets, such as the U.S. options or futures markets or markets in countries where it does not currently compete. Demand and market acceptance for NYSE Euronext's products and services within these markets will be subject to a high degree of uncertainty and risks and may affect its growth potential.***

NYSE Euronext intends to enter into or increase its presence in certain trading markets, such as the U.S. options and futures markets or markets in countries where it does not currently compete, which already possess established competitors. As a result, demand and market acceptance for NYSE Euronext's products and services within these markets will be subject to a high degree of uncertainty and risk. If

NYSE Euronext is unable to enter into or increase its presence in these markets and compete successfully, NYSE Euronext may not generate sufficient revenues from these products and services.

NYSE Euronext's growth and success may depend in part on its ability to compete with and penetrate new markets. However, it may not be successful in competing with or penetrating these markets. Attracting customers in certain countries may be subject to a number of risks, including currency exchange rate risk, difficulties in enforcing agreements or collecting receivables, longer payment cycles, compliance with the laws or regulations of foreign countries, and political and regulatory uncertainties.

***The loss of key personnel may adversely affect NYSE Euronext business.***

NYSE Euronext will be dependent upon the contributions of its senior management team and other key employees, as well as key staff of NYSE Regulation, for its success. With the exception of John A. Thain, NYSE Group's chief executive officer (and the designated chief executive officer of NYSE Euronext), who entered into a letter agreement with the NYSE, and certain senior managers of Euronext who have entered into employment agreements with Euronext or its subsidiaries, these individuals do not currently have agreements relating to their employment with NYSE or Euronext. Mr. Thain's letter agreement does not provide for a fixed employment term or prevent him from terminating his employment at any time. If Mr. Thain, Jean-Francois Théodore, Euronext's chief executive officer (and the designated deputy chief executive officer of NYSE Euronext), or one or more other executives or other key employees, were to cease to be employed by NYSE Euronext, it could be adversely affected. In particular, NYSE Euronext may have to incur costs to replace senior executive officers or other key employees who leave, and its ability to execute its business strategy could be impaired if NYSE Euronext is unable to replace such persons in a timely manner.

***NYSE Euronext may be at greater risk from terrorism than other companies.***

Given that NYSE Euronext will encompass the world's largest cash equities market and its prominence in the global securities industry, as well as the concentration of many of its properties and personnel in lower Manhattan, NYSE Euronext may be more likely than other companies to be a direct target of, or an indirect casualty of, attacks by terrorists or terrorist organizations.

It is impossible to predict the likelihood or impact of any terrorist attack on the securities industry generally or on NYSE Euronext's business. In the event of an attack or a threat of an attack, NYSE Euronext's security measures and contingency plans may be inadequate to prevent significant disruptions in its business, technology or access to the infrastructure necessary to maintain its business. For a discussion of some of NYSE Euronext's security measures and contingency plans, see "Information about NYSE Group Security Measures and Contingency Plans." Damage to NYSE Euronext's facilities due to terrorist attacks may be significantly in excess of any amount of insurance received, or NYSE Euronext may not be able to insure against such damage at a reasonable price or at all. The threat of terrorist attacks may also negatively affect NYSE Euronext's ability to attract and retain employees. In addition, even for NYSE Euronext's electronic exchanges, terrorist attacks may cause instability or decreased trading in the securities markets, including trading on exchanges. Any of these events could have a material adverse effect on NYSE Euronext's business, financial condition and operating results.

***NYSE Euronext will operate in a highly regulated industry, and may be subject to censures, fines and other legal proceedings if it fails to comply with its legal and regulatory obligations.***

NYSE Euronext will operate in a highly regulated industry and be subject to extensive regulation. The securities industry is subject to extensive governmental regulation and could be subject to increased regulatory scrutiny. As a matter of public policy, these regulations are designed to safeguard the integrity of the securities and other financial markets and to protect the interests of investors in those markets. The

SEC regulates the U.S. securities exchanges and has broad powers to audit, investigate and enforce compliance with its rules and regulations and impose sanctions for non-compliance. European regulators have similar powers with respect to European exchanges in their respective countries. NYSE Euronext's ability to comply with applicable laws and rules will be largely dependent on its establishment and maintenance of appropriate systems and procedures, as well as its ability to attract and retain qualified personnel.

Both the SEC and the European regulators are vested with broad enforcement powers to censure, fine, issue cease-and-desist orders, prohibit exchanges from engaging in some of its businesses or suspend or revoke the exchange recognition, license or registration of its subsidiaries as national securities exchanges in the respective countries in which the regulators are located. In the case of actual or alleged noncompliance with regulatory requirements, NYSE Euronext could be subject to investigations and administrative or judicial proceedings that may result in substantial penalties, including revocation of a subsidiary's exchange recognition, license or registration as a securities exchange or market. Any such investigation or proceeding, whether successful or unsuccessful, would result in substantial costs and diversions of resources and might also harm NYSE Euronext's business reputation, any of which may have a material adverse effect on its business, financial condition and operating results.

In addition, there may be a conflict between the self-regulatory responsibilities of the NYSE and NYSE Arca, Inc. and the interests of some of the market participants or customers of NYSE Euronext. Any failure by the NYSE or NYSE Arca, Inc. to diligently and fairly regulate their member organizations or to otherwise fulfill their regulatory obligations could significantly harm its reputation, prompt regulatory scrutiny and adversely affect its business.

***Damage to NYSE Euronext's reputation could have a material adverse effect on its businesses.***

One of NYSE Euronext's competitive strengths will be its strong reputation and brand name. NYSE Euronext's reputation could be harmed in many different ways, including by regulatory governance or technology failures. Damage to NYSE Euronext's reputation could cause some issuers not to list their securities on its exchanges, as well as reduce the trading volume on its exchanges. This, in turn, may have a material adverse effect on NYSE Euronext's business, financial condition and operating results.

***NYSE Euronext will face restrictions with respect to the way in which it conducts certain operations, and may experience certain competitive disadvantages if it does not receive regulatory approval for new business initiatives or if it receives them in an untimely manner.***

NYSE Euronext will operate two U.S. registered national securities exchanges – the NYSE and NYSE Arca, Inc. Pursuant to the Exchange Act, the NYSE and NYSE Arca, Inc. are responsible for regulating their member organizations through the adoption and enforcement of rules governing the trading activities, business conduct and financial responsibility of their member organizations and the individuals associated with them. Changes to those rules are generally subject to the approval of the SEC, which publishes proposed rule changes for public comment. Changes to its certificate of incorporation or bylaws and changes to the certificate of incorporation, bylaws, operating agreement or rules of certain of NYSE Euronext's subsidiaries, to the extent that these changes could affect the activities of these national exchanges, must also be approved. NYSE Euronext may from time to time seek to engage in new business activities, some of which may require changes to NYSE Euronext's governing documents.

NYSE Euronext will also operate exchanges in France, Belgium, Portugal, the Netherlands and the United Kingdom. Regulators in each of these countries regulate exchanges through the adoption and enforcement of rules governing the trading activities, business conduct and financial responsibility of such exchanges and individuals associated with them. All NYSE Euronext initiatives with regulatory implications must be approved by the relevant authorities in each of these countries, as well as by the



coordinating bodies set up under the Euronext regulators' memoranda of understanding. Changes to NYSE Euronext's certificate of incorporation or bylaws and changes to the certificate of incorporation, bylaws, operating agreement or rules of certain of NYSE Euronext's subsidiaries, to the extent that these changes could affect the activities of these exchanges, may also require approvals. NYSE Euronext may from time to time seek to engage in new business activities, some of which may require changes to NYSE Euronext's governing documents.

Any delay or denial of a requested approval could cause NYSE Euronext to lose business opportunities or slow the integration process in the future between its different markets. NYSE Euronext's competitive position could be significantly weakened if its competitors are able to obtain regulatory approval for new functionalities faster, or with less cost or difficulty, than NYSE Euronext is, or if approval is not required for NYSE Euronext's competitors but is required for NYSE Euronext. Competitors that are not registered exchanges are subject to less stringent regulation. In addition, as NYSE Euronext seeks to expand its product base, it could become subject to the oversight of additional regulatory bodies. For further information regarding the regulatory framework of the combined company, see "Regulation."

***Regulatory developments could have a negative impact on NYSE Euronext's businesses.***

Securities exchanges, particularly those in the United States, have been the subject of increasing political and public scrutiny in recent years in response to a number of developments and inquiries. In November 2004, the SEC proposed corporate governance, transparency, oversight and ownership rules for registered U.S. national securities exchanges and other self-regulatory organizations ("SROs") and issued a concept release examining the efficacy of self-regulation. The concept release also solicited public comment concerning the level of market data fees, following several years of claims from some competitors and data intermediaries that market data fees and revenues are excessive. In Europe, the European Commission is currently working on implementing measures for MiFID, which may increase the attractiveness of trading securities off-exchange. Increased trading off-exchange could cause NYSE Euronext to lose trading market share or to lower its fees in order to remain competitive.

NYSE Euronext cannot predict with certainty whether, or in what form, any regulatory changes will take place, or their impact on its business. Changes in the rules and regulations affecting SROs or European exchanges could require NYSE Euronext to change the manner in which its securities exchanges conduct their respective businesses or govern themselves. Such changes could also make it more difficult or more costly for the securities exchanges to conduct their existing businesses or to enter into new businesses.

***NYSE Group and certain of its subsidiaries are required to allocate funds and resources to NYSE Regulation.***

NYSE Group and certain of its subsidiaries are required to allocate significant resources to NYSE Regulation. This dedication of resources may limit NYSE Euronext's ability to reduce its expense structure and to dedicate funds and human resources in other areas.

NYSE Regulation has undertaken the regulatory functions of the NYSE and NYSE Arca, Inc. pursuant to agreements with each entity. NYSE Regulation also has an explicit agreement with NYSE Group, the NYSE and NYSE Market so that adequate funding is provided to NYSE Regulation. Moreover, under the operating agreement of the NYSE, no regulatory fees, fines or penalties collected by NYSE Regulation may be distributed to NYSE Group or any entity other than NYSE Regulation. The obligations to fund NYSE Regulation under the agreements covering those services could negatively affect the cash available to NYSE Euronext and its ability to invest in or pursue other opportunities that may also be beneficial to NYSE Euronext stockholders. For a discussion of NYSE Euronext's proposed regulatory structure and responsibilities regarding NYSE Regulation, see "Information About NYSE Group NYSE Regulation."

***Any conflicts of interest between NYSE Euronext and NYSE Regulation may have a material adverse effect on NYSE Euronext's business.***

NYSE Regulation will regulate and monitor the activities on NYSE Euronext's U.S. securities exchanges and enforce member organization compliance with applicable law and the rules of the exchanges. In a recent rule proposal, the SEC noted that there is an inherent conflict that exists within every SRO between its regulatory functions, on the one hand, and its member organizations, market operations, listed issuers, and stockholders, on the other hand. The SEC has also expressed concern about the conflicts of interest that may exist when a for-profit entity owns an SRO. The for-profit entity's goal of maximizing stockholder value might conflict with the SRO's self-regulatory responsibilities imposed by the securities laws. For example, the for-profit entity might have an incentive to commit insufficient funds to the regulatory operations of the SRO, or use the disciplinary powers of the SRO to generate revenue for the for-profit entity by disciplining member organizations that operate or participate in competing trading systems. In addition, the regulatory responsibilities imposed by the U.S. securities laws (such as encouraging low-cost trading and competitive markets) may conflict with NYSE Euronext's profit-oriented goals as a public company. There may be more opportunities for conflicts of interest to arise when SROs regulate listed companies. Additional conflicts of interest arise where a company (such as NYSE Euronext) lists its own securities on the national securities exchange that it owns. The listing of NYSE Euronext's common stock on the NYSE could potentially create a conflict of interest between the NYSE's regulatory responsibility to vigorously oversee the listing and trading of securities on the NYSE, on the one hand, and its commercial and economic interest, on the other hand. The SRO's disciplinary power over NYSE Euronext's competitors that are U.S. registered broker-dealers may also raise questions as to potential conflicts. NYSE Group and NASD are planning to combine certain overlapping regulatory functions, although no definitive agreement has been reached. It is anticipated that such a combination will be structured to be financially neutral to NYSE Group shareholders.

NYSE Group currently maintains, and NYSE Euronext will continue to maintain, structural protections to minimize these potential conflicts of interest. For a discussion of some of these structural protections, see "Information About NYSE Group NYSE Regulation Structure, Organization and Governance of NYSE Regulation." These structural protections, however, may not be adequate to manage (and, in any event, will not eliminate) these potential conflicts of interest. For example, certain of the independent directors of NYSE Euronext's board of directors will serve as directors on the NYSE Regulation board of directors. In the event that NYSE Euronext fails to manage these potential conflicts of interest adequately, it could impair the effectiveness of NYSE Regulation or otherwise incur reputational damage, which could have a material adverse effect on its business, financial condition and operating results.

***Specialists will be responsible for effecting certain transactions on the floor of the NYSE. Any failure by specialists to perform their function effectively or to comply with their regulatory obligations may have a material adverse effect on NYSE Euronext's business and reputation.***

Specialists are an important component of the market structure within the NYSE. For example, specialists assist in providing liquidity and minimizing volatility. A deterioration in the performance of specialists, or misconduct by specialists, could damage the NYSE Euronext's reputation and reduce its ability to compete with other securities exchanges for listings and order flow. The profitability of the seven specialist units currently active on the NYSE floor has fluctuated significantly since 2002.

The increased use of technology in securities executions also is changing the business models of specialists. Any failure of the specialist to adapt their business models to this changing environment in general, and to the NYSE Hybrid Market<sup>SM</sup> in particular, would further undermine the differentiation, and therefore the competitive position, of NYSE Market. For a discussion of certain litigation and SEC action

relating to specialists, see "Information about NYSE Group Legal Proceedings In re NYSE Specialists Securities Litigation."

***Market fluctuations and other risks beyond NYSE Euronext's control could significantly reduce demand for its services and harm its business.***

NYSE Euronext's revenues and profitability are highly dependent upon the levels of activity on its exchanges, in particular the volume and value of financial instruments traded, the number and market capitalization of listed issuers, the number of new listings, the number of traders in the market and similar factors.

NYSE Euronext has no direct control over such variables. Among other things, NYSE Euronext is dependent upon the relative attractiveness of the financial instruments traded on its exchanges, and the relative attractiveness of the exchanges as a market on which to trade these financial instruments, as compared to other exchanges and trading platforms. Such variables are in turn influenced by economic, political and market conditions in the United States, Europe and elsewhere in the world that are beyond NYSE Euronext's control, including:

broad trends in business and finance;

terrorism and war;

concerns over inflation and the level of institutional or retail confidence;

changes in government monetary policy and foreign currency exchange rates;

the availability of short-term and long-term funding and capital;

the availability of alternative investment opportunities;

changes in the level of trading activity;

changes and volatility in the prices of securities;

changes in tax policy;

the level and volatility of interest rates;

legislative and regulatory changes, including the potential for regulatory arbitrage among U.S., European, and other markets if significant policy differences emerge among markets; and

unforeseen market closures or other disruptions in trading.

General economic conditions affect securities markets in a variety of ways, from determining availability of capital to influencing investor confidence. Poor economic conditions also have an impact on the process of raising capital by reducing the number or size of securities offerings or listings. The economic climate in recent years has been characterized by challenging business and economic conditions. During 2000 through early 2003, the major U.S. and European market indices experienced severe declines. The weak and uncertain economic climate, together with corporate governance and accounting concerns, contributed to a reduction in corporate transactions and generally a more difficult business environment. In addition, the United States and other countries in which NYSE Euronext hopes to offer its services have suffered acts of war or terrorism or other armed hostilities. These or similar acts have in the past increased or prolonged, and may in the future increase or prolong, negative economic conditions. Adverse changes in the economy or the outlook for the securities industry can have a negative impact on its

revenues through declines in trading volume, new listings and demand for market data. Generally adverse economic conditions may also have a disproportionate effect on NYSE Euronext's business. Because its

infrastructure and overhead will be based on assumptions of certain levels of market activity, significant declines in trading volumes, the number of listed companies or demand for market data may have a material adverse effect on NYSE Euronext's business, financial condition and operating results.

A significant portion of NYSE Euronext's revenues will depend, either directly or indirectly, on its transaction-based business, which, in turn, is dependent on NYSE Euronext's ability to attract and maintain order flow, both in absolute terms and relative to other market centers. If there is a decline in the trading volume on NYSE Euronext's exchanges, NYSE Euronext's revenue from transaction fees will decrease. There may also be a reduction in revenue from market data fees. If NYSE Euronext's share of total trading volume decreases relative to its competitors, NYSE Euronext may be less attractive to market participants as a source of liquidity and may lose additional trading volume and associated transaction fees and market data fees as a result. In addition, declines in NYSE Euronext's share of trading volume could adversely affect the growth, viability and importance of some of its market information products, which will constitute an important portion of NYSE Euronext's revenues.

NYSE Euronext also expects to generate a significant portion of its revenues from listing fees. Among the factors affecting companies' decisions to go public and/or list their shares on public markets are general economic conditions, industry-specific circumstances, capital market trends, mergers and acquisitions environment and regulatory requirements. The extent to which these and other factors cause companies to remain privately owned or otherwise decide not to list their shares on NYSE Euronext's exchanges may have a material adverse effect on NYSE Euronext's business, financial condition and operating results.

The financial services industry and, particularly, the securities transactions business are dynamic, uncertain and highly competitive environments. Accordingly, NYSE Euronext expects exchange consolidation and member organization consolidation to persist in the future. This environment has led to business failures and has encouraged the introduction of alternative trading venues with varying market structures and new business models. Well-capitalized competitors may seek to expand their operations in the markets where NYSE Euronext will operate. In addition, the financial services industry is subject to extensive regulation, which may change dramatically in ways that affect industry market structure. If NYSE Euronext is unable to adjust in a timely manner to structural changes within its markets, technological and financial innovation, and other competitive factors, its business will suffer.

***Insufficient systems capacity or systems failure could harm NYSE Euronext's business.***

NYSE Euronext's business will depend on the performance and reliability of the computer and communications systems supporting it. In particular, heavy use of NYSE Euronext's platforms and order routing systems during peak trading times or at times of unusual market volatility could cause NYSE Euronext's systems to operate slowly or even to fail for periods of time. NYSE Euronext's system capacity requirements could grow significantly in the future as the result of a variety of factors, including the implementation of the NYSE Hybrid Market<sup>SM</sup> and NYSE Arca's anticipated expansion of its options trading volume. In addition, the use of algorithmic trading and the use of the automated price-injection model by members, and particularly by market makers, has increased significantly and may impose burdens on NYSE Euronext's network and system capacity unless steps are taken to accommodate the increase in usage.

If NYSE Euronext's systems cannot be expanded to handle increased demand, or otherwise fail to perform, NYSE Euronext could experience disruptions in service, slower response times, delays in introducing new products and services and loss of revenues. In addition, NYSE Euronext's trading activities may be negatively affected by system failures of other trading systems, as a result of which it may be required to suspend trading activity in particular stocks or, in the case of NYSE Arca, cancel previously executed trades under certain circumstances.

Failure to maintain systems or to ensure sufficient capacity may also result in a temporary disruption of NYSE Euronext's regulatory and reporting functions. These consequences, in turn, could result in lower trading volumes, financial losses, decreased customer service and satisfaction, litigation or customer claims, or regulatory sanctions.

NYSE Group and Euronext have experienced systems failures in the past. It is possible that NYSE Euronext will experience systems failures in the future, or periods of insufficient systems capacity or network bandwidth, power or telecommunications failure, acts of God or war, terrorism, human error, natural disasters, fire, power loss, sabotage, hardware or software malfunctions or defects, computer viruses, intentional acts of vandalism or similar events. Any system failure that causes an interruption in service or decreases the responsiveness of NYSE Euronext's service could impair its reputation and negatively impact its revenues. NYSE Euronext will also rely on third parties for systems support. Any interruption in these third-party services or deterioration in the performance of these services could also be disruptive to NYSE Euronext's business (and the NYSE Hybrid Market<sup>SM</sup>, in particular) and have a material adverse effect on NYSE Euronext's business, financial condition and operating results.

***NYSE Euronext's networks and those of its third-party service providers may be vulnerable to security risks, which could result in wrongful use of NYSE Euronext's information or cause interruptions in its operations that cause NYSE Euronext to lose trading volume and result in significant liabilities. NYSE Euronext will also incur significant expense to protect its systems.***

NYSE Euronext expects that the secure transmission of confidential information over public networks will be a critical element of its operations. NYSE Euronext's networks and those of its third-party service providers may be vulnerable to unauthorized access, computer viruses and other security problems. Persons who circumvent security measures could wrongfully access and use NYSE Euronext's information or cause interruptions or malfunctions in NYSE Euronext's operations. Any of these events could cause NYSE Euronext to lose trading volume. NYSE Euronext will be required to expend significant further resources to protect against the threat of security breaches or to alleviate problems, including reputational harm and litigation, caused by breaches. NYSE Euronext's security measures will be costly, and may prove to be inadequate and result in system failures and delays that could cause NYSE Euronext to lose business.

As the operator of an electronic network, GL TRADE, a subsidiary of Euronext, is also subject to the risk of unauthorized infiltration of its information technology systems and those of its customers. While GL TRADE invests considerable resources to ensure the security of the GL NET network, it cannot fully eliminate the risk of unauthorized infiltration. In the event of any such infiltration, there would be a risk of disruption to the information technology systems of GL TRADE or its customers, disclosure of confidential information or falsification of customer orders. Any security breach could harm GL TRADE's reputation and/or make its customers less comfortable using its network, either of which could lead to lower revenues. Limitation of liability clauses in GL TRADE's customer agreements may prove insufficient to protect GL TRADE against liability in the event of such a breach.

***NYSE Euronext's revenues from SIAC could significantly decrease if SIAC loses major customers.***

SIAC is the principal vendor of the NYSE's data processing and software development services.

On October 25, 2006, NYSE Group and the American Stock Exchange issued a joint press release announcing that they had entered into an agreement pursuant to which the NYSE would purchase from the American Stock Exchange its interest in SIAC for approximately \$40.3 million. This transaction was completed on November 1, 2006. As of that date, SIAC became a wholly owned subsidiary of the NYSE. In connection with the transaction, the SIAC shareholders' agreement and the American Stock Exchange's participation in the SIAC facilities management agreement (under which SIAC had previously provided technology services to the NYSE and the American Stock Exchange) were terminated and SIAC agreed to provide substantially reduced services to the American Stock Exchange, as a customer, under a new services agreement.

SIAC's non-NYSE revenues accounted for 10.3% of the NYSE's revenues, net of Section 31 fees, for the six months ended June 30, 2006. Historically, SIAC has relied on three principal customers for a majority of its revenues: (1) the NYSE, (2) the American Stock Exchange and (3) the National Securities Clearing Corporation and Fixed Income Clearing Corporation. In 2005, the NYSE was the source of 58% of SIAC's revenues; the American Stock Exchange was the source of 16.4% of SIAC's revenues; and the National Securities Clearing Corporation and Fixed Income Clearing Corporation were the source of 9.1% of SIAC's revenues. The National Securities Clearing Corporation and Fixed Income Clearing Corporation have entered into separate agreements with SIAC, pursuant to which the services previously provided by SIAC have been phased out. In addition, in connection with the NYSE's acquisition of the American Stock Exchange's interest in SIAC, the NYSE and the American Stock Exchange have agreed that SIAC will provide substantially reduced services to the American Stock Exchange under a new services agreement. As a result, SIAC's revenues from non-NYSE sources will be reduced. To the extent that NYSE Euronext is not able to reduce its costs associated with SIAC to offset the amount of reduction in revenue from SIAC (which NYSE Euronext may not be able to do), NYSE Euronext's profits and results of operations may be adversely affected.

***Any failure by NYSE Euronext to protect its intellectual property rights, or allegations that it has infringed the intellectual property rights of others, could adversely affect its business.***

NYSE Euronext owns the rights to a number of trademarks, service marks, trade names, copyrights and patents used in its businesses. To protect its intellectual property rights, NYSE Euronext will rely on a combination of trademark laws, copyright laws, patent laws, trade secret protection, confidentiality agreements and other contractual arrangements with NYSE Euronext's affiliates, customers, strategic investors and others. The protective steps taken may be inadequate to deter misappropriation of NYSE Euronext's proprietary information. NYSE Euronext may be unable to detect the unauthorized use of, or take appropriate steps to enforce, its intellectual property rights. Failure to protect its intellectual property adequately could harm NYSE Euronext's reputation and affect its ability to compete effectively. Further, defending NYSE Euronext's intellectual property rights may require significant financial and managerial resources, the expenditure of which may have a material adverse effect on NYSE Euronext's business, financial condition and operating results.

In the future, NYSE Euronext may be subject to intellectual property rights claims, which may be costly to defend, could require the payment of damages and could limit NYSE Euronext's ability to use certain technologies. Some of NYSE Group's and Euronext's competitors currently own patents and have actively been filing patent applications in recent years, some of which may relate to NYSE Group's and Euronext's trading platforms and business processes. Additionally, NYSE Euronext's competitors or other market participants may seek to do the same in the future. As a result, NYSE Group and Euronext have faced, and NYSE Euronext may face, allegations that it has infringed or otherwise violated the intellectual property rights of third parties. Any intellectual property claims, with or without merit, could be time consuming, expensive to litigate or settle and could divert management resources and attention. Successful challenges against NYSE Euronext could require it to modify or discontinue its use of technology where such use is found to infringe or violate the rights of others, or require NYSE Euronext to obtain licenses from third parties at material cost. For a discussion of litigation involving NYSE Group's intellectual property, see "Information about NYSE Group Legal Proceedings."

***NYSE Euronext will rely on Atos Euronext Market Solutions, a third party service provider that it does not control, for a number of key information technology services.***

Atos Euronext Market Solutions ("AEMS") is Euronext's preferred external supplier of key information technology and is responsible for the development of Euronext's technology and the management of its key information technology systems, including the NSC cash trading platform and the LIFFE CONNECT® futures and options electronic trading system. Euronext and Atos Origin each hold 50% of the shares of AEMS. Control over the activities and the assets of the company rests with Atos

Origin. AEMS provides IT services to Euronext under a complex contractual framework, incorporating an umbrella services agreement and a series of interim service agreements. The umbrella services agreement will terminate in January 2012 unless a definitive and comprehensive agreement is entered into before that date. If AEMS does not dedicate sufficient resources or provide sufficiently experienced personnel or experiences difficulties or losses, and is unable to perform the services to the required levels and meet its contractual obligations to Euronext under the IT services arrangements, the business, financial condition or results of operations of Euronext could be materially adversely affected.

Euronext also relies on intellectual property owned by AEMS. If AEMS does not protect its existing or future intellectual property rights, it may have to pay third parties for rights to use their intellectual property, pay damages for infringement or misappropriation and/or be enjoined from using such intellectual property. AEMS relies mainly on copyright legislation, patents, trademarks and protection of know-how to protect its intellectual property. Euronext cannot guarantee that any of the intellectual property rights owned by AEMS or other intellectual property rights that third parties license to AEMS will not be invalidated, circumvented, challenged or rendered unenforceable. Conversely, if AEMS became involved in litigation or other proceedings as the result of alleged infringement of the rights of others, AEMS might have to spend significant amounts of money, regardless of fault.

***NYSE Euronext will rely on LCH.Clearnet and Euroclear, neither of which is controlled by Euronext, for the majority of Euronext's clearing and settlement services.***

Euronext uses the services of LCH.Clearnet Group Ltd. and its subsidiaries (together "LCH.Clearnet") for clearing transactions executed on its cash markets and Euronext.liffe, and on Euroclear for settling transactions on its cash markets (except in Portugal). Although Euronext has a substantial minority shareholding in LCH.Clearnet and a small shareholding in Euroclear plc and has contractual arrangements with each of them for the provision of services, Euronext does not have any significant influence over their businesses generally, particularly with respect to their relationships with third parties. To the extent that LCH.Clearnet or Euroclear experiences serious difficulties or materially changes its business relationship with Euronext, the business of Euronext may be materially adversely affected. Additionally, because LCH.Clearnet and Euroclear each play a vital role in the functioning of Euronext's exchanges, Euronext may be affected by any difficulties that either of them experiences. If this occurs, Euronext could be harmed financially or its reputation could suffer.

***GL TRADE's business could be harmed by the consolidation of financial institutions or reductions in the trading operations of its customers.***

The merger of major financial institutions may lead GL TRADE's customers to reduce the number of traders and lead to further cost-cutting efforts by its customers with respect to their information systems. This environment could cause its customers to decrease the number of workstations and subscriptions they buy from GL TRADE or change their strategy by shifting to other providers or to in-house technology.

***NYSE Euronext's financial condition and results of operations may be harmed if it does not successfully reduce market risks through the use of derivative financial instruments.***

Since NYSE Euronext will conduct operations in both the United States and Europe, a substantial portion of its assets, liabilities, revenues and expenses will be denominated in U.S. dollars, euros and pounds sterling. Because NYSE Euronext's financial statements will be denominated in U.S. dollars, fluctuations in currency exchange rates, especially the euro/pound sterling against the U.S. dollar, could have a material impact on NYSE Euronext's reported results. NYSE Euronext will also experience other market risks, including changes in interest rates and in prices of marketable equity securities that it owns. NYSE Euronext may use derivative financial instruments to reduce certain of these risks. If NYSE Euronext's strategies to reduce market risks are not successful, its financial condition and operating results may be adversely affected.



**Risks Relating to an Investment in NYSE Euronext Common Stock**

*There has been no prior public market for NYSE Euronext common stock.*

NYSE Euronext plans to apply to list NYSE Euronext common stock on the NYSE (trading in dollars) and on Euronext Paris (Eurolist by Euronext) (trading in euros). However, an active public market for NYSE Euronext common stock may not develop or be sustained after the completion of the combination. NYSE Euronext cannot predict the extent to which a trading market will develop or how liquid that market might become.

The market price of NYSE Euronext common stock may fluctuate. Broad market and industry factors may adversely affect the market price of NYSE Euronext common stock, regardless of its actual operating performance. Factors that could cause fluctuations in its stock price may include, among other things:

actual or anticipated variations in quarterly operating results;

changes in financial estimates by NYSE Euronext or by any securities analysts who might cover NYSE Euronext's stock;

conditions or trends in the industry, including regulatory changes or changes in the securities marketplace;

changes in the market valuations of exchanges and other trading facilities in general, or other companies operating in the securities industry;

announcements by NYSE Euronext or its competitors of significant acquisitions, strategic partnerships or divestitures;

announcements of investigations or regulatory scrutiny of NYSE Euronext's operations or lawsuits filed against it;

additions or departures of key personnel; and

sales of NYSE Euronext common stock, including sales of its common stock by its directors and officers or its strategic investors.

*NYSE Euronext's share price may decline due to the large number of shares eligible for future sale.*

Sales of substantial amounts of NYSE Euronext common stock, or the possibility of these sales, may adversely affect the market price of its common stock. These sales may also make it more difficult for NYSE Euronext to raise capital through the issuance of equity securities at a time and price it deems appropriate.

Upon completion of the combination, based on currently outstanding shares of NYSE Group and Euronext common stock, there will be approximately 266.5 million shares of NYSE Euronext common stock outstanding. In addition, approximately 8,500,000 shares of NYSE Euronext common stock will be reserved for issuance to directors, officers and employees of NYSE Euronext under NYSE Euronext equity plans.

Following the combination and the post-closing reorganization, of the approximately 265.1 million shares of NYSE Euronext common stock outstanding, approximately 22.6 million shares will be subject to restrictions on transfer that are scheduled to expire on March 7, 2007, approximately 33.9 million shares will be subject to restrictions on transfer that are scheduled to expire on March 7, 2008, and approximately 41.8 million shares will be subject to restrictions on transfer that are scheduled to expire on March 7, 2009. These restrictions are a continuation of the restrictions placed on shares of NYSE Group common stock issued to former NYSE members and certain Archipelago stockholders in the merger between the NYSE and Archipelago, and will apply solely to the shares of NYSE Euronext common stock issued in the merger to holders of restricted NYSE Group common stock immediately before the merger. NYSE Euronext's board of directors may, from time to time in its sole discretion, release any of these transfer restrictions from any number of these restricted shares, on terms and conditions and in ratios and numbers to be fixed



by the board of directors in its sole discretion. For a description of the transfer restrictions see "Description of NYSE Euronext Capital Stock Transfer Restrictions on Certain Shares of NYSE Euronext Common Stock."

Removal of the transfer restrictions may lead to significant numbers of shares of NYSE Euronext common stock becoming available for sale, which may adversely affect the then-prevailing market price of NYSE Euronext common stock.

***Provisions of NYSE Euronext's organizational documents and applicable law may delay or deter a change of control of NYSE Euronext.***

Following the combination, NYSE Euronext's organizational documents will contain provisions that may have the effect of discouraging, delaying or preventing a change of control of, or unsolicited acquisition proposals for, NYSE Euronext that a stockholder might consider favorable. These include provisions:

vesting the NYSE Euronext board of directors with sole power to set the number of directors;

limiting the persons that may call special stockholders' meetings;

limiting stockholder action by written consent;

requiring supermajority stockholder approval or supermajority board approval with respect to certain amendments to the NYSE Euronext bylaws; and

requiring supermajority stockholder approval with respect to certain amendments to the NYSE Euronext certificate of incorporation.

In addition, its organizational documents will include provisions that:

restrict any person (either alone or together with its related persons) from voting or causing the voting of shares of stock representing more than 10% of NYSE Euronext's outstanding voting capital stock (including as a result of any agreement by any other persons not to vote shares of stock); and

restrict any person (either alone or together with its related persons) from beneficially owning shares of stock representing more than 20% of the outstanding shares of any class or series of NYSE Euronext's capital stock.

For a more detailed description of these provisions, see "Description of NYSE Euronext Capital Stock," as well as the forms of NYSE Euronext certificate of incorporation and bylaws that will be in effect after the completion of the combination, which forms are included as Annexes E and F, respectively, to this document.

Furthermore, the NYSE Euronext board of directors has the authority to issue shares of preferred stock in one or more series and to fix the rights and preferences of these shares without stockholder approval. Any series of NYSE Euronext preferred stock is likely to be senior to the NYSE Euronext common stock with respect to dividends, liquidation rights and, possibly, voting rights. The ability of the NYSE Euronext board of directors to issue preferred stock also could have the effect of discouraging unsolicited acquisition proposals, thus adversely affecting the market price of the common stock.

In addition, Delaware law makes it difficult for stockholders that recently have acquired a large interest in a corporation to cause the merger or acquisition of the corporation against the directors' wishes. Under Section 203 of the Delaware General Corporation Law, a Delaware corporation may not engage in any merger or other business combination with an interested stockholder for a period of three years following the date that the stockholder became an interested stockholder except in limited circumstances, including by approval of the corporation's board of directors. See "Comparison of Shareholder Rights Prior to and After the Combination."



## Edgar Filing: NYSE Euronext, Inc. - Form 424B3

Section 26a of the Dutch Act on the Supervision of the Securities Trade 1995 (*Wet toezicht effectenverkeer 1995*) requires a declaration of no objection of the Dutch Minister of Finance of any acquisition or holding of a direct or indirect interest of more than 10% of the outstanding capital or voting rights in Euronext. Such declaration should be granted unless the acquisition harms or could harm the proper functioning of the market or investor interests or the acquisition hinders or could hinder the proper monitoring of compliance of Euronext with applicable laws and regulations. Similar restrictions also apply to indirect ownership of certain qualifying interests or percentages of voting rights in certain regulated subsidiaries of Euronext. (See "Regulation European Regulation.")

Additionally, any change of control of NYSE Euronext will be conditioned upon, among things, governmental authorizations, consents, orders and approvals of certain European regulatory authorities and the SEC, which must approve of any such transaction and may impose conditions on, or require divestitures or other changes relating to, the divisions, operations or assets of NYSE Euronext. For example, the SEC and the European regulators may require changes to the structure, certificate of incorporation or bylaws of NYSE Euronext and its subsidiaries as a precondition to their approval of any change of control of NYSE Euronext or its subsidiaries.

***If NYSE Euronext is unable to favorably assess the effectiveness of its internal controls over financial reporting, or if its Independent Registered Public Accounting Firm is unable to provide an unqualified attestation report on NYSE Euronext's assessment, the stock price of NYSE Euronext could be adversely affected.***

Under current SEC rules, assuming the combination is completed in 2007, pursuant to Sections 302 and 404 of the Sarbanes-Oxley Act of 2002, in connection with NYSE Euronext annual report on Form 10-K for the fiscal year ending December 31, 2007, the management of NYSE Euronext will be required to certify to and report on, and NYSE Euronext's Independent Registered Public Accounting Firm will be required to attest to, the effectiveness of NYSE Euronext's internal controls over financial reporting with respect to the operations of NYSE Group as of December 31, 2007. NYSE Euronext and its Independent Registered Public Accounting Firm will have an additional year to attest to the effectiveness of NYSE Euronext's internal controls over financial reporting with respect to the operations of Euronext. The rules governing the standards that must be met for management to assess NYSE Euronext's internal controls over financial reporting are new and complex, and require significant documentation, testing and possible remediation. The continuing effort to comply with regulatory requirements relating to internal controls will likely cause NYSE Euronext to incur increased expenses and diversion of management's time and other internal resources, in particular in respect of Euronext and its subsidiaries, which have not previously been subject to Rule 404 requirements. NYSE Euronext also may encounter problems or delays in completing the implementation of any changes necessary to make a favorable assessment of our internal controls over financial reporting. In addition, in connection with the attestation process by NYSE Euronext's Independent Registered Public Accounting Firm, NYSE Euronext may encounter problems or delays in completing the implementation of any requested improvements or receiving a favorable attestation. If NYSE Euronext cannot favorably assess the effectiveness of its internal controls over financial reporting, or if NYSE Euronext's Independent Registered Public Accounting Firm is unable to provide an unqualified attestation report on NYSE Euronext's assessment, investor confidence and the stock price of NYSE Euronext's common stock could be adversely affected.

## FORWARD-LOOKING STATEMENTS

Forward-looking statements have been made under "Summary," "Risk Factors," "Information About NYSE Group," "Information About Euronext," "Information About NYSE Euronext," "Management's Discussion and Analysis of Financial Condition and Results of Operations of NYSE Group," "Management's Discussion and Analysis of Financial Condition and Results of Operations of Archipelago," and "Management's Discussion and Analysis of Financial Condition and Results of Operations of Euronext" and in other sections of this document. These statements may include statements regarding the period following completion of the combination. In some cases, you can identify these statements by forward-looking words such as "may," "might," "will," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential" or "continue," and the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to known and unknown risks, uncertainties and assumptions, may include projections of NYSE Euronext's, NYSE Group's, and Euronext's future financial performance based on their growth strategies and anticipated trends in their businesses and industry. These statements are only predictions based on NYSE Group and Euronext's current expectations and projections about future events. There are important factors that could cause NYSE Euronext's, NYSE Group's and Euronext's actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements. In particular, you should consider the numerous risks and uncertainties described under "Risk Factors."

These risks and uncertainties are not exhaustive. Other sections of this prospectus describe additional factors that could adversely impact NYSE Euronext's business and financial performance. Moreover, NYSE Euronext will operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible to predict all risks and uncertainties, nor can NYSE Group or Euronext assess the impact that these factors will have on NYSE Euronext's 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.

Although NYSE Group and Euronext believe the expectations reflected in the forward-looking statements are reasonable, they cannot guarantee future results, level of activity, performance or achievements. Moreover, neither NYSE Group, Euronext, NYSE Euronext nor any other person assumes responsibility for the accuracy or completeness of any of these forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Neither NYSE Group, Euronext, nor NYSE Euronext has a duty to update any of these forward-looking statements after the date of this prospectus to conform the prior statements to actual results or revised expectations and no party intends to do so.

Forward-looking statements include, but are not limited to, statements about:

possible or assumed future results of operations and operating cash flows;

strategies and investment policies;

financing plans and the availability of capital;

competitive position;

potential growth opportunities available to NYSE Euronext, NYSE Group, or Euronext;

the risks associated with potential acquisitions or alliances;

the recruitment and retention of officers and employees;

expected levels of compensation;

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potential operating performance, achievements, productivity improvements, efficiency and cost reduction efforts;

the likelihood of success and impact of litigation;

protection or enforcement of intellectual property rights;

the expectation with respect to securities markets and general economic conditions;

the ability to keep up with rapid technological change;

the effects of competition; and

the impact of future legislation and regulatory changes.

NYSE Group, Euronext, and NYSE Euronext caution you not to place undue reliance on the forward-looking statements, which speak only as of the date of this document in the case of forward-looking statements contained in this document, or the dates of the documents incorporated by reference into this document in the case of forward-looking statements made in those incorporated documents.

**NYSE Group, Euronext, and NYSE Euronext expressly qualify in their entirety all forward-looking statements attributable to NYSE Group, Euronext or NYSE Euronext or any person acting on their behalf by the cautionary statements contained or referred to in this section.**

## THE COMBINATION

*This section of the document describes material aspects of the proposed combination. This summary may not contain all of the information that is important to you. You should carefully read this entire document, including the full text of the combination agreement, which is attached as Annex A, and the other documents referred to for a more complete understanding of the combination.*

### General

NYSE Group and Euronext have entered into an agreement providing for a combination of their businesses under a new holding company named NYSE Euronext. Euronext's business will be brought under the new holding company through an exchange offer, and NYSE Group's business will be brought under the new holding company through a merger.

In the exchange offer, Euronext shareholders will be offered the right to exchange each of their Euronext shares for €21.32 in cash and 0.98 of a share of NYSE Euronext common stock. Instead of receiving this standard offer consideration, Euronext shareholders will have an opportunity to make either a cash election to receive all cash for their Euronext shares, or a stock election to receive all stock for their Euronext shares. These elections, however, are subject to proration to ensure that the total amount of cash paid, and the total number of shares of NYSE Euronext common stock issued, in the exchange offer to the Euronext shareholders, as a whole, are equal to the total amount of cash and number of shares that would have been paid and issued if all tendering Euronext shareholders received the standard offer consideration.

The merger will occur as soon as practicable following completion of the exchange offer. In the merger, NYSE Group stockholders will have the right to receive one share of NYSE Euronext common stock for each of their shares of NYSE Group common stock. Holders of NYSE Group stock options to acquire NYSE Group common stock will receive options to acquire an equivalent number of shares of NYSE Euronext common stock, and holders of NYSE Group restricted stock units will receive an equivalent number of NYSE Euronext restricted stock units. Shares of NYSE Euronext common stock that are issued to NYSE Group stockholders in the merger will be subject to the same transfer restrictions, if any, that the shares of NYSE Group common stock were subject to prior to the merger.

Following the successful completion of the exchange offer and simultaneously with or as soon as possible after the completion of the merger, NYSE Euronext intends to effectuate a post-closing reorganization of Euronext that is intended to result in Euronext becoming a wholly owned subsidiary of NYSE Euronext. In the post-closing reorganization, Euronext shareholders who did not exchange their Euronext shares in the exchange offer generally will be provided with the same consideration that such shareholders would have received had such shareholders tendered their Euronext shares in the exchange offer and not made the cash election or stock election. (See "The Combination Agreement The Exchange Offer Mix and Match Election" and "The Combination Agreement Post-Closing Reorganization"). Although the structure of the post-closing reorganization may not be determined until after the expiration of the exchange offer, in the event that less than 95% of the outstanding Euronext shares are acquired in the exchange offer, it is currently anticipated that a significant portion of the consideration paid to Euronext shareholders pursuant to the post-closing reorganization will be subject to Dutch dividend withholding tax. Application of the Dutch dividend withholding tax could cause the net value of the consideration received by Euronext shareholders in the post-closing reorganization to be substantially less than the net value of the consideration such shareholders would have received had they tendered their Euronext shares in the exchange offer. See "The Combination Material Dutch Tax Consequences Post-Closing Reorganization Effectuated other than Pursuant to the Compulsory Acquisition Procedure Dividend Withholding Tax." This document refers to this reorganization as the "post-closing reorganization." In the post-closing reorganization, each Euronext share will be exchanged for €21.32 in cash and 0.98 of a share of NYSE Euronext common stock. However, in the event that 95%



or more of the issued and outstanding share capital of Euronext is tendered in the exchange offer, NYSE Euronext may at its option effectuate the post-closing reorganization by initiating a compulsory acquisition procedure (*uitkoopregeling*) in accordance with section 2:92a of the Dutch Civil Code. In such circumstances, the price to be paid for such shares would be paid in cash only, in an amount determined by the Enterprise Chamber of the Amsterdam Court of Appeals, which may be in an amount that is substantially more or less than the value of the consideration that Euronext shareholders received in the exchange offer. NYSE Euronext has the right to change aspects of the post-closing reorganization steps, subject to Euronext's prior consent, which may be withheld if its supervisory and managing boards determine in good faith that it needs to do so in order to comply with its fiduciary duties under applicable law. For further details regarding the post-closing reorganization, see "The Combination Agreement Post-Closing Reorganization."

Following the successful completion of the exchange offer, Euronext stock options or other Euronext stock-based awards, whether vested or unvested, will be converted into a NYSE Euronext stock option or a NYSE Euronext stock-based award, respectively, on the same terms and conditions as were applicable under such Euronext stock option and Euronext stock-based award prior to the post-closing reorganization (or such other arrangement to which NYSE Group and Euronext shall mutually agree prior to the filing of the exchange offer with the AMF). Such conversion will occur at the time of the merger or to the extent not feasible at such date for some or all holders in some or all jurisdictions (for tax reasons or otherwise), promptly thereafter and in any event no later than the completion of the post-closing reorganization. The number of shares of NYSE Euronext common stock subject to each such NYSE Euronext stock option or NYSE Euronext stock-based award shall be the number of Euronext shares subject to each such Euronext stock option or Euronext stock-based award multiplied by the stock election amount (which is the amount of stock a Euronext shareholder who made the stock election in the offer would have received), rounded, if necessary, to the nearest whole share of NYSE Euronext common stock. Such NYSE Euronext stock option shall have an exercise price per share (rounded to the nearest one-hundredth of a cent) equal to the per share exercise price specified in such Euronext stock option divided by the stock election amount.

In certain circumstances, if the conversion of any of the Euronext stock options or Euronext stock-based awards would cause holders who are French residents for tax purposes to incur incrementally more taxes and/or social security charges than would be the case had they otherwise complied with certain requirements for favorable tax treatment under French law (including by holding the Euronext stock options and Euronext stock-based awards for requisite holding and vesting periods), NYSE Euronext will make specific arrangements for such holders in order to avoid, or reimburse French holders for, such incremental tax and social security liability. For a description of these arrangements, see "The Combination Agreement Treatment of Euronext Stock Options and Stock-Based Awards Following the Exchange Offer." Certain steps may be taken to effectuate the post-closing reorganization.

The aggregate number of shares of NYSE Euronext common stock issued to the NYSE Group stockholders and Euronext shareholders in the combination will represent approximately 59% and 41%, respectively, of the NYSE Euronext common stock outstanding immediately after the combination assuming that any post-closing reorganization has been successfully completed.

The rights of holders of NYSE Euronext common stock will be different from the rights of NYSE Group stockholders and Euronext shareholders because the NYSE Euronext certificate of incorporation and bylaws in effect immediately after the combination will be different from the governing documents of NYSE Group and Euronext, and, in the case of Euronext, will be governed by Delaware law instead of Dutch law. See "Comparison of Shareholder Rights Prior to and After the Combination" for a description of the material differences.

## Background of the Combination

The NYSE Group board of directors and the Euronext supervisory and managing boards continually review their respective companies' results of operations and competitive positions in the industries in which they operate, as well as their strategic alternatives. In connection with these reviews, each of NYSE Group and Euronext from time to time has evaluated potential transactions that would further its strategic objectives.

As part of this continuous review, Euronext has since 2004 engaged in discussions regarding possible merger and acquisition transactions with a number of companies in its industry. Following the announcement by Deutsche Börse on December 13, 2004 of a potential cash offer to acquire the London Stock Exchange plc, Euronext entered into discussions with the London Stock Exchange. On December 20, 2004, Euronext announced that it was also considering making a cash offer to acquire the London Stock Exchange and was seeking a recommendation from the London Stock Exchange board. After further meetings with the London Stock Exchange, Euronext publicly reconfirmed its interest in a possible cash offer on January 27, 2005, submitted a filing relating to the possible offer with the U.K. Office of Fair Trading on January 28, 2005 and published key aspects of its potential proposal to acquire the London Stock Exchange on February 9, 2005. On March 29, 2005, the U.K. Office of Fair Trading referred the potential offers of Euronext and Deutsche Börse to the U.K. Competition Commission for investigation and report. On November 1, 2005, the U.K. Competition Commission issued its report, clearing both transactions subject to agreement of remedy undertakings that, in the case of Euronext, were agreed and announced on March 14, 2006. Discussions between Euronext and the London Stock Exchange took place during and following this antitrust review process. On April 11, 2006, Nasdaq announced that it had acquired a substantial shareholding (approximately 15%) in the London Stock Exchange. On May 3, 2006, Euronext announced that, in light of this development, it was no longer in discussions with the London Stock Exchange regarding a possible offer for the company.

Euronext also engaged in discussions with Deutsche Börse regarding a possible business combination, initially in mid-2004 and more fully in late 2005. During the latter series of discussions, however, fundamental differences in approach became apparent between the parties in terms of, among other things, business model and corporate governance.

During the same period of late 2005 and the early part of 2006, Euronext also engaged in discussions with a major U.S. exchange, following that exchange's expression of interest in a possible business combination. The discussions between the parties were focused primarily on possible synergies resulting from a combination, with preliminary discussions taking place in late April 2006 on possible transaction structures. The discussions did not lead to any concrete proposals for a combination between the two companies.

NYSE Group also from time to time considers its strategic alternatives. After the announcement of NYSE Group's acquisition of Archipelago, NYSE Group had begun to focus on opportunities that would provide it with the ability to enhance its competitive position globally, strengthen and diversify its business and revenue streams, enter new markets and advance its technology. In early January 2006, John A. Thain, chief executive officer of NYSE Group, and Jean-Francois Théodore, chief executive officer of Euronext, met in New York, at which meeting they discussed the possibility of a business combination between NYSE Group and Euronext. Mr. Thain and Mr. Théodore considered how such a combination would be beneficial to both companies and their respective constituents: the combination would create the first truly global exchange group with broad international reach (encompassing seven exchanges in six countries), diverse product offerings (trading equities, fixed income and derivatives in both U.S. dollars and euros) and leading technology. Mr. Thain and Mr. Théodore agreed that the possibility of a combination merited additional review and discussions.

In February 2006, NYSE Group and Euronext management representatives were present at a meeting of the World Federation of Exchanges in Milan, Italy. At that meeting, members of management of NYSE Group and Euronext continued discussions regarding a possible combination between the two companies and began exploring the structural and technical aspects of a combination.

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In light of Euronext's contacts with various parties regarding business combinations and related press speculation, Euronext issued a press release on April 3, 2006 that set out the key criteria that it would take into consideration in assessing possible business combinations. These were stated to include, in addition to value creation for shareholders and protecting the interests of its other stakeholders, the quantum and deliverability of synergies, the preservation of key markets and businesses, proposed regulatory and governance structures, implementation risk and the value proposition to its shareholders, users and issuers.

During the course of April 2006, a further series of meetings were held between representatives of Euronext and Deutsche Börse and their respective legal and financial advisors to discuss in detail various aspects of a potential combination such as the business model of the combined company, synergies of the combination, transaction structure, competition law aspects and governance. These meetings did not result in an agreement between the parties.

On April 12, 2006, NYSE Group and Euronext entered into a confidentiality agreement to facilitate exchanges of due diligence materials between the managements of both companies. During the remainder of that month, NYSE Group management and Euronext management had periodic discussions regarding possible transaction structures and consideration, as well as key social and governance issues presented by a combination between the two companies. In this regard, NYSE Group consulted with its financial advisor, Citigroup, and its legal advisor, Wachtell, Lipton, Rosen & Katz ("Wachtell Lipton"), and Euronext consulted with its financial advisors, Morgan Stanley and ABN AMRO, and its legal advisors, Bredin Prat, Cleary Gottlieb Steen & Hamilton LLP ("Cleary Gottlieb") and Stibbe. However, during this time, no formal proposals were made, and no agreement was reached.

On April 29, 2006, a joint meeting of the Euronext managing board and the Euronext supervisory board took place. At the meeting, the current status of the discussions with the London Stock Exchange, Deutsche Börse, NYSE Group and another major U.S. exchange were reviewed on the basis of presentations made by representatives of Euronext's financial advisors, Morgan Stanley and ABN AMRO, including comparisons of the financial and other terms of the respective potential transactions as known at that time, except for those relating to the London Stock Exchange, for which the boards concluded that there was no longer a basis for continued discussions given the acquisition by Nasdaq of a substantial stake in the London Stock Exchange. The Euronext boards extensively discussed the various elements of the potential transactions in terms of financial comparison, transaction rationale, synergies, proposed transaction structure (on the basis of a presentation by Euronext's legal advisor Stibbe), governance structure and management organization, business location, IT aspects, regulatory regime and competition issues and compared the potential transactions in terms of value creation, execution risk and perpetuation of the Euronext model. Without drawing any final conclusions, the Euronext boards formed the view that, based on the status of the discussions and negotiations at that time, a potential combination with NYSE Group seemed to be the preferred option, and the supervisory board requested the managing board to continue discussions with NYSE Group, with a special focus on regulatory aspects of the proposed combination and on the enshrinement of corporate governance principles that would ensure a balance between U.S. and European representation on the board of directors of the combined entity.

On May 11, 2006, the NYSE Group board of directors met to discuss various strategic alternatives that might be available to it, including the proposed business combination with Euronext. NYSE Group management updated the board on management's preliminary discussions with Euronext and outlined the potential benefits and risks associated with the combination as compared to the company's other alternatives. Citigroup also reviewed with the board the anticipated financial aspects of the various strategic alternatives, and Wachtell Lipton outlined legal and regulatory considerations in reviewing these alternatives. NYSE Group management and Citigroup explained to the board that NYSE Group and Euronext had not yet agreed upon an exchange ratio for the combination, but discussed a range of possible exchange ratios from 1.25 to 1.382 shares of NYSE Group common stock for every Euronext share (such exchange ratio based on a 100% stock transaction). NYSE Group management and Citigroup also explained that the parties had discussed a range of 70% to 100% for the percentage of consideration that

would be represented by stock as opposed to cash. The board authorized NYSE Group management to continue its discussions with Euronext regarding a potential business combination transaction.

From mid-May to June 1, 2006, NYSE Group and Euronext and their respective legal and financial advisors continued discussions regarding the terms of the transaction, including transaction structures and consideration, as well as the social and governance aspects of a combination. NYSE Group and Euronext did not agree on a precise exchange ratio for the transaction, but agreed to continue discussions on the basis of an exchange ratio of 1.3 shares of NYSE Group common stock for every Euronext share (such exchange ratio based on a 100% stock transaction), where 30% of the consideration (as determined as of the date of signing the combination agreement) would be paid in cash and the remaining 70% of the consideration would be paid in stock of the combined company. NYSE Group and Euronext also agreed to proceed with further discussions on the basis that the chairman of Euronext and NYSE Group would be the chairman and deputy chairman, respectively, of the board of the combined company, and that the chief executive officers of NYSE Group and Euronext would be the chief executive officer and deputy chief executive officer, respectively, of the combined company.

On May 15, 2006, NYSE Group, through Wachtell Lipton, delivered a draft combination agreement to Euronext, through Cleary Gottlieb, for review and negotiation. Following the delivery of the draft combination agreement, the parties and their respective counsel reviewed, negotiated and revised the draft combination agreement.

Concurrently with the review and discussions regarding the draft combination agreement, representatives of NYSE Group, Euronext, Wachtell Lipton, Cleary Gottlieb, Darrois Villey Maillot Brochier (NYSE Group's special French counsel), CMS Bureau Francis Lefebvre (NYSE Group's special French tax and employee benefits counsel), Herbert Smith LLP (NYSE Group's special U.K. counsel), Loyens & Loeff (NYSE Group's special Dutch counsel), Gonçalves Pereira Castelo Branco & Associados (NYSE Group's Special Portuguese counsel), conducted due diligence investigations with respect to NYSE Group's and Euronext's business, legal, regulatory, tax and other matters. On May 16, 2006, members of NYSE Group's and Euronext's respective senior management and their respective legal and financial advisors attended meetings in New York City to conduct due diligence and to discuss the major terms of the transaction, including exploring synergy opportunities.

On May 19, 2006, Deutsche Börse publicly announced details of a proposal for a potential merger with Euronext, which it confirmed in a letter dated May 19, 2006 to Mr. Hessels and in a letter to Mr. Théodore dated May 20, 2006 which included financial details.

On May 19, 2006, the NYSE Group board of directors held a special meeting to receive an update from management and the company's advisors on the status of negotiations with Euronext. At that meeting, NYSE Group management updated the board regarding the status of negotiations with Euronext. Citigroup presented an updated financial analysis of the transaction, including that NYSE Group and Euronext discussed a possible exchange ratio of 1.3 shares of NYSE Group common stock for every Euronext share (such exchange ratio based on a 100% stock transaction), where 30% of the consideration would be paid in cash and the remaining 70% of the consideration would be paid in stock of the combined company. NYSE Group management also informed the board that NYSE Group and Euronext had agreed to proceed with further discussions on the basis that (1) the chairmen of Euronext and NYSE Group would be the chairman and deputy chairman, respectively, of the board of the combined company; (2) the chief executive officers of NYSE Group and Euronext would be the chief executive officer and deputy chief executive officer, respectively, of the combined company; and (3) a management committee consisting of an equal number of representatives from Euronext and NYSE Group would manage the high-level operations of the combined company. Wachtell Lipton reviewed with the board the key provisions of the draft combination agreement being negotiated to effect the proposed transaction, including the consideration that would be received by NYSE Group stockholders and Euronext shareholders in the proposed transaction, the conditions that would be required to be fulfilled for the transaction to be consummated and the circumstances in which the NYSE Group board of directors and the Euronext boards could consider alternative transactions that each might deem superior to the

proposed transaction. The NYSE Group board was also informed that the proposed combination agreement contained only an expense reimbursement provision (and not a termination fee provision), payable by either party to the other in the event that either party terminated the combination agreement to accept an alternative proposal that its board deemed superior for NYSE Group stockholders (in the case of NYSE Group) or Euronext shareholders (in the case of Euronext) after consulting with its financial and legal advisors, and under certain other circumstances. The NYSE Group board of directors discussed at length the strategic aspects of the transaction, the advantages, including the way in which the transaction would further the company's objectives, and the risks, including that the transaction might be only partially consummated or not consummated at all. The board also considered the financial strength of the combined company and the amount of equity that it would need to achieve the company's objectives and ensure competitiveness going forward. The board also discussed the benefits that the proposed transaction would provide to NYSE Group stockholders, the challenges that would be encountered in combining the cultures and the operations of NYSE Group and Euronext, technological aspects of the combined company's trading platforms, the legal structure of the combined company as well as U.S. and European regulatory requirements. Representatives from Citigroup then presented financial analyses of the proposed transaction and indicated that, as of the date of the meeting, Citigroup was prepared to deliver an opinion that the aggregate consideration to be offered to the Euronext shareholders in the proposed combination was fair from a financial point of view to NYSE Group. The NYSE Group board also reviewed and considered, with NYSE Group's financial and legal advisors, the factors described under "The Combination NYSE Group's Reasons for the Combination," as well as regulatory approval risks, the process of SEC review of the proposed transaction and risks, such as non-consummation or failure of integration, in connection with the proposed transaction. The board agreed to meet telephonically the following day to discuss the transaction further.

NYSE Group and Euronext management continued to discuss the terms of a possible transaction, including the precise exchange ratio and the social and governance aspects of the combination. The parties agreed to continue discussions on the basis of an increased exchange ratio of 1.4 shares of NYSE Group common stock for every Euronext share (such exchange ratio based on a 100% stock transaction), where 30% of the consideration would be paid in cash and the remaining 70% of the consideration would be paid in stock of the combined company. In addition, the parties agreed to proceed on the basis that (1) the nominating and governance committee of the combined company's board of directors would consist of an equal number of U.S. domiciliaries and European domiciliaries; and (2) the combined company must have a U.S. domiciliary as chief executive officer and European domiciliary as chairman, or a U.S. domiciliary as chairman and European domiciliary as chief executive officer.

On May 20, 2006, the NYSE Group board of directors held another meeting to discuss the potential transaction with Euronext. NYSE Group management updated the NYSE Group board of directors on the terms of the transaction, including the exchange ratio of 1.4 shares of NYSE Group common stock for every Euronext share (such exchange ratio based on a 100% stock transaction), where 30% of the consideration (based on the NYSE Group stock price as of the trading date prior to the announcement of the transaction) would be paid in cash and the remaining 70% of the consideration would be paid in stock of the combined company. NYSE Group management also updated the board regarding the key social and governance terms of the proposed combination, including the composition of the board, the nominating and governance committee of the board and the chief executive officer and chairman of the combined company. After further discussing the potential benefits and risks associated with the transaction, the NYSE Group board of directors determined that pursuing the proposed combination with Euronext was in the best interest of NYSE Group and its stockholders. It therefore instructed NYSE Group management to present a public proposal to the Euronext supervisory board in advance of Euronext's annual general shareholders meeting that was scheduled to be held on May 23, 2006, at which meeting the Euronext shareholders, at the request of one of its shareholders, would be asked to vote on the principle that a merger between Deutsche Börse and Euronext was in the best interests of all the shareholders of Euronext.

Accordingly, on May 22, 2006, Mr. Carter, chairman of the NYSE Group board of directors, and Mr. Thain sent a letter to Mr. Hessels, the chairman of the Euronext supervisory board, and Mr. Théodore, confirming the terms of NYSE Group's proposal for the business combination. Under the terms of the proposal, Euronext shareholders would be offered the right to exchange each Euronext ordinary share for €21.32 in cash and 0.98 of a share of NYSE Euronext common stock in an exchange offer, and each share of outstanding NYSE Group common stock would be converted into one share of NYSE Euronext common stock in a subsequent merger. Based on the closing price of NYSE Group common stock of \$64.50 on May 19, 2006, the consideration would be equivalent to an exchange ratio of 1.4 shares of NYSE Euronext common stock for each Euronext ordinary share, with 30% of the aggregate consideration paid in cash. The exchange offer would include a mix-and-match election to permit Euronext shareholders to elect more cash or more stock to the extent that either is available. The proposed transaction terms would also assume that Euronext would pay to its shareholders its regular annual dividend of €1 per share with respect to the 2005 financial year and Euronext's previously announced return of €3 per share by way of repayment of share capital, without any decrease to the exchange offer consideration. Under the proposal, the board of the combined company would be comprised of 20 directors, 11 of whom would be former NYSE Group directors and 9 of whom would be former Euronext supervisory directors or designees of Euronext (the parties would later agree to increase the size of the board of the combined company so that it would be comprised of 22 directors, 12 of whom would be former NYSE Group directors or designees of NYSE Group and 10 of whom would be former Euronext supervisory directors or designees of Euronext). The proposal provided that the chairman of the combined company would be Mr. Hessels and the deputy chairman would be Mr. Carter. Mr. Thain would be the chief executive officer of the combined company, and Mr. Théodore would be deputy chief executive officer of the combined company. The common stock of the combined company would be listed on both the NYSE and Euronext Paris (Eurolist by Euronext), and traded in the local currency on each market.

That same day, NYSE Group publicly disclosed its proposal to Euronext and held an investor conference to explain the terms and conditions of its proposal, as well as the rationale underlying its proposal.

On May 22, 2006, after receipt of Mr. Carter's and Mr. Thain's letter of the same day, the Euronext supervisory and managing boards met in preparation for the annual general meeting of Euronext shareholders to be held the following day. Having received proposals regarding a combination from each of Deutsche Börse and NYSE Group, the Euronext boards reviewed and compared the proposals carefully and considered their relative merits from the perspective of shareholders and other stakeholders, based on presentations made by Euronext's financial advisors, Morgan Stanley and ABN AMRO, and its legal advisor, Stibbe. The Euronext boards specifically reviewed and compared the proposals in respect of the same elements as those reviewed during the April 29, 2006 board meeting and the criteria set out in Euronext's April 3, 2006 press release. In particular, the boards focused on the then-current status of the discussions with NYSE Group and Deutsche Börse, respectively, regarding the key objective of a balanced corporate governance structure that would be enshrined in the constitutional documents of the combined company, as well as on the potential for regulatory issues to delay or prevent the consummation of the respective proposed combinations. The Euronext boards reached the conclusion that, based on the proposals received, the transaction with NYSE Group offered the most attractive combination, and resolved to explain both proposals at the annual meeting of Euronext shareholders to be held the next day.

On May 23, 2006, Euronext held its annual meeting of shareholders. At this meeting, the NYSE Group proposal and the Deutsche Börse proposal were explained to Euronext shareholders. Among the items to be voted on was agenda item 10b, requested to be included on the agenda by Euronext's shareholder, Winchfield Holdings N.V., which stated "the principle that a merger between Deutsche Börse and Euronext is in the best interests of all the shareholders of Euronext." The Euronext managing and supervisory boards unanimously recommended that Euronext shareholders vote against item 10b. After extensive discussions and questions-and-answers at the meeting, the Euronext shareholders voted against the Winchfield resolution, with approximately 43.9 million votes cast against, approximately 30.6 million votes cast in favor and approximately 6.6 million abstentions.

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On May 23, 2006, after the completion of Euronext's annual meeting of shareholders, the Euronext supervisory and managing boards reconvened to discuss the outcome of the shareholders meeting, in the presence of the company's financial advisors, Morgan Stanley and ABN AMRO, and its legal advisor, Stibbe. The boards reviewed the various questions asked and comments made by shareholders during the meeting earlier that day, as well as the outcome of the vote on the proposal submitted by Winchfield Holdings N.V. The boards resolved that the negotiations with NYSE Group on an agreement regarding the proposed combination should continue.

From May 23, 2006 to June 1, 2006, NYSE Group, Euronext and their respective financial and legal advisors continued to negotiate the terms of the combination agreement, with a focus on the key governance aspects of the combination. In addition to the composition of the board and management that had been part of prior drafts of the combination agreement, NYSE Group and Euronext agreed that the bylaws of the combined company would provide that certain decisions of the board of the combined company, including certain acquisitions undertaken by the combined company, would require approval of two-thirds of the directors of the combined company, thereby ensuring that both U.S. domiciliaries and European domiciliaries on the board would have to approve such transactions. In addition, NYSE Group and Euronext agreed that the bylaws of the combined company would provide that the positions of chairman of the board of directors and chief executive officer of NYSE Euronext would always be filled by one person who is a European domiciliary and one person who is a U.S. domiciliary and that the nominating and governance committee of the combined company's board of directors would be composed of an equal number of U.S. domiciliaries and European domiciliaries. These provisions could only be amended with the approval of 80% of the combined company's shareholders or two-thirds of its directors then in office.

By June 1, 2006, NYSE Group, Euronext and their respective financial and legal advisors finalized the terms of the proposed combination agreement.

On that day, a joint meeting of the Euronext managing board and supervisory board was held, again in the presence of its financial advisors, Morgan Stanley and ABN AMRO, and its legal advisor, Stibbe. The boards considered the outcome of the negotiations that had taken place with NYSE Group and its advisors since May 23, 2006, based on presentations given by their advisors, including a comparison of the terms and key considerations of the proposed transaction with NYSE Group and the latest proposal of Deutsche Börse, being the proposal received by Euronext on May 20, 2006, as well as a summary of the proposed combination agreement between Euronext and NYSE Group. Among other things, the boards noted the improvements agreed to with respect to a balanced corporate governance structure for the combined company, to be enshrined in its certificate of incorporation and bylaws, and the consideration given in that context to the relevant regulatory aspects of the transaction and the proposed combination. The Euronext boards also reviewed and considered with their financial and legal advisors various factors described under "The Combination Euronext's Reasons for the Combination." Representatives from Morgan Stanley and ABN AMRO provided a financial analysis of the transaction and Morgan Stanley rendered its oral opinion, subsequently confirmed in writing by each financial advisor, that, as of June 1, 2006, and based upon and subject to the assumptions and other limitations set forth in its opinion, the consideration to be received by the Euronext shareholders in the exchange offer was fair from a financial point of view to the Euronext shareholders, as a whole. In addition, representatives from ABN AMRO rendered to the Euronext supervisory and managing boards the opinion of ABN AMRO that, as of June 1, 2006, and based upon and subject to the assumptions, qualifications and other considerations set forth in its opinion, the standard offer consideration to be offered to the Euronext shareholders in the exchange offer was fair from a financial point of view to the Euronext shareholders. After deliberation, the Euronext supervisory board determined that the combination agreement and the transactions contemplated thereby presented the most attractive solution in the context for Euronext, its shareholders and other stakeholders and the supervisory board authorized the managing board to sign the combination agreement on behalf of Euronext.

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That same day, the NYSE Group board of directors met again to consider the proposed transaction. At the meeting, NYSE Group management updated the board on its discussions with Euronext and reviewed the updated terms of the proposed combination agreement. Representatives from Wachtell Lipton described the updated terms of the combination agreement and governance arrangements proposed to be entered into in connection with the combination. Representatives from Citigroup provided a financial analysis of the transaction and rendered Citigroup's oral opinion, subsequently confirmed in writing, that, as of June 1, 2006 and based upon and subject to the various considerations set forth in the opinion, the consideration to be offered to the Euronext shareholders in the proposed combination was fair from a financial point of view to NYSE Group. The NYSE Group board of directors also reviewed and considered, with NYSE Group's financial and legal advisors, the factors described under "The Combination NYSE Group's Reasons for the Combination." After deliberations, the NYSE Group board of directors determined that the combination agreement and the transactions contemplated by the combination agreement were fair and in the best interest of NYSE Group and its stockholders and authorized management to execute the combination agreement on behalf of the company.

Shortly thereafter, NYSE Group and Euronext entered into the combination agreement.

On November 24, 2006, the combination agreement was amended and restated to, among other things:

increase the size of the NYSE Euronext board of directors immediately following the combination from 20 to 22 members;

increase the size of the NYSE Euronext management committee from 12 to 14 members;

change the termination date from January 31, 2007 (subject to extension under certain circumstances to March 31, 2007) to February 28, 2007 (subject to extension under certain circumstances to April 30, 2007); and

attach different forms of the amended and restated NYSE Euronext certificate of incorporation and the amended and restated NYSE Euronext bylaws.

For a description of the combination agreement, see "The Combination Agreement."

### **NYSE Group's Reasons for the Combination**

On June 1, 2006, the NYSE Group board of directors determined that the combination agreement and the transactions contemplated by the combination agreement were advisable, fair to and in the best interests of NYSE Group stockholders and approved and adopted the combination agreement and the transactions contemplated by the combination agreement. **The NYSE Group board of directors recommends that NYSE Group stockholders vote FOR the approval and adoption of the combination agreement and the transactions contemplated by the combination agreement at the NYSE Group special meeting of stockholders.**

In reaching this decision, the NYSE Group board of directors consulted with NYSE Group management and its financial and legal advisors and considered a variety of factors, including the material factors described below. In light of the number and wide variety of factors considered in connection with its evaluation of the transaction, the NYSE Group board of directors did not consider it practicable to, and did not attempt to, quantify or otherwise assign relative weights to the specific factors that it considered in reaching its determination. The NYSE Group board of directors viewed its position as being based on all of the information available and the factors presented to and considered by it. In addition, individual directors may have given different weight to different factors. This explanation of NYSE Group's reasons for the proposed combination and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under "Forward-Looking Statements."



***Strategic Considerations***

The NYSE Group board of directors considered a number of factors pertaining to the strategic rationale for the combination as generally supporting its decision to enter into the combination agreement, including the following:

its expectation that the combined company would be the world's first truly global exchange group with the world's largest securities marketplaces on a combined basis and encompassing seven exchanges in six countries, including Belgium, France, the Netherlands, Portugal, the United Kingdom and the United States;

its expectation that the combined company would be a leader in a diverse set of large and growing businesses, including cash equities, listings, derivatives, equity options and futures, bonds, market data and technology;

its expectation that the combined company would be the home to the world's premier listing venues, with a total worldwide market capitalization of listed issuers of \$27 trillion (as of April 30, 2006);

its expectation that the combined company would be led by an experienced global board and world-class leadership team, with its U.S. headquarters located at NYSE Group's current headquarters and the headquarters of its non-U.S. business located at Euronext's current headquarters;

NYSE Group's and Euronext's shared commitment to the highest standards of quality, innovation and governance;

NYSE Group's and Euronext's common vision of technology strategy and a business model that does not include the clearing and settlement of trades as a key driver of revenues and/or profits (*i.e.*, a horizontal business model);

its expectation that the combined company will be able to compete effectively for non-U.S. listings outside of the United States using the NYSE and Euronext brands, offering sizable liquidity within Europe as an alternative for companies that do not want to be subject to the U.S. regulatory and legal regime;

its expectation that the combined company will have the ability to offer additional services in Europe to companies listing in the United States, such as investor relations outreach programs for non-European issuers interested in European visibility; and

its expectation that the combination will over time create substantial incremental efficiency and growth opportunities.

For a discussion of NYSE Euronext's strategy for taking advantage of these strengths of the combined company after the combination, see "Information About NYSE Euronext NYSE Euronext's Competitive Strengths" and "Information About NYSE Euronext NYSE Euronext's Strategy."

***Financial Considerations***

The NYSE Group board of directors also considered a number of financial factors pertaining to the combination as generally supporting its decision to enter into the combination agreement, including the following:

based on the advice of NYSE Group management who had discussions with Euronext management, its expectation that the combination would create significant cost savings and revenue synergies, including:

approximately \$275 million of annual cost savings, achievable within three years after the combination (with approximately \$55 million of these cost savings achieved by 2007, \$125 million by 2008 and the full \$275 million by 2009); and



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approximately \$100 million of annual incremental revenue, achievable within three years after the combination;

the financial terms of the exchange offer and the merger, including:

the €21.32 in cash and 0.98 of a share of NYSE Euronext common stock that Euronext shareholders would receive in the exchange offer for each of their Euronext shares;

the one share of NYSE Euronext common stock that NYSE Group stockholders would receive in the merger for each of their shares of NYSE Group common stock;

the earnings, cash flow and balance sheet impact of the proposed combination, as well as the historical financial performance of NYSE Group and the historical trading price of NYSE Group common stock; and

the expectation that NYSE Group stockholders will hold approximately 59% of the outstanding shares of NYSE Euronext immediately after the combination and will have the opportunity to share in the future growth and expected synergies of the combined company; and

the financial analyses and opinion of Citigroup, NYSE Group's financial advisor, that, as of June 1, 2006 and based upon and subject to the considerations and limitations set forth in the opinion, Citigroup's financial analysis and other factors that Citigroup deemed relevant, the aggregate consideration to be paid by NYSE Euronext in the exchange offer is fair, from a financial point of view, to NYSE Group.

### *Other Transaction Considerations*

The NYSE Group board of directors also considered a number of additional factors in its decision to enter into the combination agreement, including the following:

the proposed structure of the NYSE Euronext board of directors, which would include the following:

the chairman of the Euronext supervisory board as of immediately prior to the combination (who is expected to be the chairman of the NYSE Euronext board of directors);

the chairman of the NYSE Group board of directors as of immediately prior to the combination (who is expected to be deputy chairman of the NYSE Euronext board of directors);

the chief executive officer of NYSE Group as of immediately prior to the combination (who is expected to be the chief executive officer of NYSE Euronext);

the chief executive officer of Euronext as of immediately prior to the combination (who is expected to be deputy chief executive officer of NYSE Euronext); and

sixteen other individuals comprised of all of the other directors of NYSE Group and all of the members of the Euronext supervisory board, except for one, as of immediately prior to the combination (which the parties subsequently agreed to change in the amended and restated combination agreement to eighteen other individuals comprised of all of the other directors of NYSE Group, all of the members of the Euronext supervisory board and Sylvain Hefes, who is a European domiciliary approved by both the Euronext supervisory board and the NYSE

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Group board of directors);

the board of directors of NYSE Euronext would initially consist of 20 persons, and be composed of the smallest possible majority of U.S. domiciliaries and the largest possible minority of European domiciliaries (which the parties subsequently agreed to change in the amended and restated combination agreement so that the initial size of the board of directors would be 22 persons, with an even number of U.S. domiciliaries and European domiciliaries on the board, which parity will be

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maintained unless the nominating and governance committee and the board of directors of NYSE Euronext, both equally composed of U.S. domiciliaries and European domiciliaries, decide otherwise or unless the NYSE Euronext bylaws are amended by a supermajority vote); the NYSE Euronext bylaws would provide that the NYSE Euronext board of directors could be composed either of: (1) an even number of U.S. domiciliaries and European domiciliaries or (2) the smallest possible majority of U.S. domiciliaries and the largest possible minority of European domiciliaries; and these composition requirements could not be changed without the approval of not less than (1) two-thirds of the directors then in office or (2) 80% of the votes entitled to be cast by the holders of the then-outstanding shares of capital stock of NYSE Euronext entitled to vote generally in the election of directors;

the nominating and governance committee of NYSE Euronext would consist of an equal number of U.S. domiciliaries and European domiciliaries, and this composition requirement could not be changed without the approval of not less than (1) two-thirds of the directors then in office or (2) 80% of the votes entitled to be cast by the holders of the then-outstanding shares of capital stock of NYSE Euronext entitled to vote generally in the election of directors;

the positions of chairman of the board of directors and chief executive officer of NYSE Euronext would be filled by one person who is a U.S. domiciliary and one person who is a European domiciliary;

acquisitions, dispositions, mergers and consolidations involving greater than 30% of the aggregate equity market capitalization or value of NYSE Euronext, or involving an entity whose principal place of business is outside of the United States and Europe pursuant to which NYSE Euronext has agreed that one or more directors of the board of directors of NYSE Euronext shall be a person who is neither a U.S. domiciliary nor a European domiciliary, would require approval of two-thirds of the directors then in office, and this requirement could not be changed without the approval of two-thirds of the directors then in office or 80% of the votes entitled to be cast by the holders of the then-outstanding shares of capital stock of NYSE Euronext entitled to vote generally in the election of directors;

the proposed management committee of NYSE Euronext would include an equal number of designees of NYSE Group (including the chief executive officer of NYSE Group as of immediately prior to the combination) and of designees of Euronext (including the chief executive officer of Euronext as of immediately prior to the combination);

the expectation that the merger would qualify as a reorganization for U.S. federal income tax purposes and that, as a result, the exchange by NYSE Group stockholders of their shares of NYSE Group common stock for shares of NYSE Euronext common stock in the merger generally would not be taxable to the NYSE Group stockholders for U.S. federal income tax purposes (see "The Combination Material U.S. Federal Income Tax Consequences Tax Consequences of the Merger to U.S. Holders of NYSE Group Common Stock");

information concerning NYSE Group's and Euronext's businesses, historical financial performance and condition, operations, properties, assets, regulatory issues, competitive positions, prospects and management;

the current and prospective economic and competitive environment facing the securities industry and NYSE Group in particular, including the anticipated consolidation in the industry and the competitive effects of this consolidation on NYSE Group;

the historical market prices, volatility and trading information with respect to NYSE Group common stock and Euronext shares;

the risks and uncertainties associated with the strategic alternatives available to NYSE Group, including the rapid technological and regulatory changes being confronted by the financial services industry and the risks and challenges associated with these changes;

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the U.S. and European regulatory requirements that would be applicable to the combined company;

the material terms of the combination agreement (see "The Combination Agreement"), including the nature and scope of the closing conditions and the ability of the NYSE Group board of directors to terminate the combination agreement with Euronext to pursue an alternative proposal that it deems superior for NYSE Group stockholders subject to, and in accordance with, the terms of the combination agreement;

the lack of antitrust issues associated with a business combination transaction between NYSE Group and Euronext, resulting in expedited closure and execution by an experienced management team; and

the view of the board of directors that the satisfaction of the conditions to completion of the combination was probable within a reasonable period of time.

### **Risks**

The NYSE Group board of directors also considered a number of uncertainties, risks and other potentially negative factors associated with the combination, including the following:

the value of the NYSE Euronext common stock at the time of the closing of the merger could be lower than the price of NYSE Group common stock as of the date of the combination agreement as a result of, among other things, a change in the value of the assets and liabilities of the NYSE Group and Euronext;

the risk that the amount of cost savings and revenue synergies that are actually achieved by NYSE Euronext turn out to be less than originally projected;

the possibility that regulatory or governmental authorities in the United States and Europe might seek to impose conditions on or otherwise prevent or delay the combination;

the risks and costs to NYSE Group if the combination is not completed, including the potential diversion of management and employee attention, potential employee attrition and the potential effect on business and customer relationships;

the risk that the potential benefits of the combination may not be fully or partially realized, recognizing the many potential management and regulatory challenges associated with successfully combining the businesses of NYSE Group and Euronext;

the risk of diverting management focus and resources from other strategic opportunities and from operational matters, and potential disruption associated with combining and integrating the companies;

the risk that certain members of NYSE Group senior management who have been selected to hold senior management positions in the combined company might not choose to remain with the combined company;

the potential challenges and difficulties relating to integrating the operations of NYSE Group and Euronext;

the restrictions on the conduct of NYSE Group's business prior to the completion of the combination, requiring NYSE Group to conduct its business in the ordinary course, subject to specific limitations, which may delay or prevent NYSE Group from undertaking business opportunities that may arise pending completion of the combination;

the requirement that NYSE Group submit the combination agreement to its stockholders for approval in certain circumstances, even if the NYSE Group board of directors withdraws its recommendation, which could delay or prevent the

NYSE Group's ability to pursue alternative proposals if one were to become available;

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the risk that either the NYSE Group stockholders or the Euronext shareholders may fail to approve the combination, or that an insufficient number of Euronext shareholders tender their Euronext shares into the exchange offer;

the requirement that NYSE Group pay Euronext expense reimbursement if the combination agreement were to be terminated and if the NYSE Group board of directors changes its recommendation of the proposed combination, the NYSE Group stockholders fail to approve the proposed combination or, in certain circumstances, if NYSE Group receives an acquisition proposal relating to another transaction (see "The Combination Agreement Termination");

the risk that because the exchange ratio to be paid to the NYSE Group stockholders is fixed, the value of the consideration to NYSE Group stockholders in the combination could fluctuate;

that some officers and directors of NYSE Group have interests in the combination as individuals in addition to, and that may be different from, the interests of NYSE Group stockholders (see "The Combination Interests of Officers and Directors in the Combination");

the risk that, under the terms of the shareholders agreement with Borsa Italiana, Euronext may be required, in case of a change in control of Euronext, to sell to Borsa Italiana its 51% stake in the parent company of MTS, a company specialized in the trading of government bonds, for fair market value, or, at any time at Borsa Italiana's discretion, to acquire Borsa Italiana's 49% stake for a price based on Euronext's acquisition cost and on the economic performance of MTS (see "Information about Euronext Business Segments MTS");

the fees and expenses associated with completing the combination; and

various other risks associated with the combination and the business of the NYSE Group, Euronext and the combined company described under "Risk Factors."

The NYSE Group board of directors believed that these potential risks and drawbacks were greatly outweighed by the potential benefits that the NYSE Group board expected NYSE Group and its stockholders to achieve as a result of the proposed combination.

In considering the proposed combination, the NYSE Group board of directors was aware of the interests of certain officers and directors of, and advisors to, NYSE Group and its board in the combination, as described under "The Combination Interests of Officers and Directors in the Combination" and "The Combination Certain Relationships and Related-Party Transactions."

### **Euronext's Reasons for the Combination**

On June 1, 2006, at a joint meeting of the Euronext managing and supervisory boards, the supervisory board determined that the combination agreement and the transactions contemplated by the combination agreement presented the most attractive solution in the context for Euronext and its shareholders and other stakeholders and decided to enter into the combination agreement. On November 23, 2006, at a joint meeting of the Euronext supervisory and managing boards, the supervisory and managing boards adopted a resolution recommending that Euronext shareholders approve the combination agreement and the transactions contemplated by the combination agreement, including the post-closing reorganization. **The Euronext supervisory and managing boards recommend that Euronext shareholders vote FOR the approval of the combination agreement and the transactions contemplated by the combination agreement, including the post-closing reorganization.**

In reaching the decisions to approve and recommend the combination agreement and the transactions contemplated thereby, the Euronext boards consulted with their financial and legal advisors and considered a variety of factors, including the material factors described below. In light of the number and wide variety of factors considered in connection with their evaluation of the transaction, the Euronext boards did not consider it practicable or possible to quantify or otherwise assign relative weights to the specific factors that they considered in reaching their determination. The Euronext boards viewed their





position as being based on all of the information available and the factors presented to and considered by them. This explanation of Euronext's reasons for the proposed combination and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under "Forward-Looking Statements."

*Strategic Considerations*

The exchange sector is experiencing consolidation, which is intensifying competition among exchanges worldwide. One of the key drivers of the trend towards consolidation is the perceived benefit in combining and harmonizing technologies across exchanges in order to lower trading costs and increase liquidity. In this context, Euronext discussed possible combinations with a number of potential partners in the months preceding the joint meeting of the Euronext managing and supervisory boards on June 1, 2006. The Euronext boards considered a number of factors pertaining to the strategic rationale for the combination with NYSE Group as generally supporting their decision to enter into the combination agreement, including the following:

the current and prospective economic and competitive environment facing the securities industry and Euronext in particular, including the potential benefits to being one of the leading participants in the consolidation within the industry, and their expectation that the combination with NYSE Group would permit Euronext to fully participate as consolidation in the industry continues;

their expectation that the combined company would be the world's first, truly global exchange group, with the world's largest securities/derivatives marketplaces on a combined basis and encompassing seven exchanges in six countries, including Belgium, France, the Netherlands, Portugal, the United Kingdom and the United States;

their expectation that the combined company would be a leader in a diverse set of large and growing businesses, including cash equities, listings, derivatives, equity options and futures, bonds, market data and technology;

their expectation that the combination would represent a true merger-of-equals, with a corporate and governance structure that respects the independence of all exchanges involved as well as the flexibility necessary to preserve Euronext's federal and horizontal business model;

their expectation that, based on the data available on June 1, 2006, the combined company would be the home to the world's premier listing venues, with a total worldwide market capitalization of listed issuers of €20 trillion (as of April 30, 2006);

their expectation that the combined company would be led by an experienced global board and world-class leadership team;

Euronext's and NYSE Group's shared commitment to the highest standards of quality, innovation and governance;

Euronext's and NYSE Group's common vision of technology strategy and a horizontal business model;

their expectation that the combined company would be able to compete effectively for non-U.S. listings outside of the United States using the Euronext and NYSE brands, offering sizable liquidity within Europe as an attractive alternative for companies that do not want to be subject to the U.S. regulatory and legal regime;

their expectation that the combined company would have opportunities to develop new products including transatlantic indices, products leveraging the NYSE brand name and new equity derivatives;

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their expectation that the combination represents a unique opportunity for Europe and would put the European capital markets particularly the Eurozone markets in a strong position in the rapid globalization of the sector;

their expectation that there would be no U.S. regulatory risks for the European markets, with the European markets and Euronext-listed companies continuing to be regulated exclusively by European regulators;

their expectation, which was subsequently confirmed by the SEC in public statements, that the combination with NYSE Group would not by itself require the registration of Euronext's listed companies with the SEC or mandatory compliance with U.S. federal securities laws, including the Sarbanes-Oxley Act, merely because of Euronext's affiliation with a U.S. securities exchange;

their expectation that Euronext's federal approach would be maintained with the opportunity to attract and consolidate new European markets;

their expectation that NYSE Euronext would also be an attractive platform for further consolidation globally; and

their expectation that the combination would over time create substantial incremental efficiency and growth opportunities produced by combining seven international securities marketplaces leveraging best-in-class technology, synergies and management expertise.

For a discussion of NYSE Euronext's strategy for taking advantages of these strengths of the combined company after the combination, see "Information About NYSE Euronext Euronext's Strategy."

### ***Financial Considerations***

The Euronext managing and supervisory boards also considered a number of financial factors pertaining to the combination as generally supporting their decisions to enter into the combination agreement and to recommend that Euronext shareholders approve the combination agreement and the transactions contemplated thereby, including the following:

their belief that the combined company, as a leader in the consolidation in the securities industry, would be well positioned to have attractive long-term financial results that could lead to share price appreciation that would benefit Euronext shareholders to the extent that they retain shares of NYSE Euronext received in the exchange offer;

their expectation that Euronext shareholders would hold a substantial percentage of the outstanding shares of NYSE Euronext immediately after the combination and would have the opportunity to share in the future growth and expected synergies of the combined company;

their expectation that the combination would create significant cost savings and revenue synergies;

the financial terms of the exchange offer and the merger, including:

the €21.32 in cash and 0.98 of a share of NYSE Euronext common stock that Euronext shareholders would receive in the exchange offer for each of their Euronext shares;

the "mix-and-match" election permitting Euronext shareholders to elect whether to receive cash or NYSE Euronext shares, subject to proration in the event either choice is oversubscribed;

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the one share of NYSE Euronext common stock that NYSE Group stockholders would receive in the merger for each of their shares of NYSE Group common stock;

the earnings, cash flow and balance sheet impact of the proposed combination, as well as the historical financial performance of Euronext (and NYSE Group) and the historical trading price of Euronext shares and NYSE Group common stock;

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the financial analyses of Morgan Stanley and ABN AMRO, Euronext's financial advisors, in addition to the opinions of Morgan Stanley, that, as of June 1, 2006 and as of November 23, 2006, and based upon and subject to the assumptions and other limitations set forth in its opinions, the consideration to be received by the Euronext shareholders in the exchange offer was fair from a financial point of view to the Euronext shareholders, as a whole, and the opinions of ABN AMRO that, as of June 1, 2006 and as of November 23, 2006, and based upon and subject to the assumptions, qualifications and other considerations set forth in its opinions, the standard offer consideration to be offered to the Euronext shareholders in the exchange offer was fair from a financial point of view to the Euronext shareholders; and

the written report of Houlihan Lokey obtained by the supervisory board in accordance with Article 261-1 *et seq.* of the General Rules of the AMF and AMF Instruction No. 2006-08 of July 25, 2006, including Houlihan Lokey's opinion (*attestation d'équité*), dated as of November 23, 2006, to the effect that, as of the date of the report and based upon and subject to the assumptions, qualifications and other considerations set forth therein, the consideration to be offered to the shareholders of Euronext in the exchange offer taken as a whole, was fair to such shareholders from a financial point of view.

### ***Other Transaction Considerations***

The Euronext managing and supervisory boards also considered a number of additional factors in their decisions to enter into the combination agreement and to recommend that Euronext shareholders approve the combination agreement and the transactions contemplated thereby, including the following:

the proposed structure of the NYSE Euronext board of directors, which would initially include the following:

the chairman of the Euronext supervisory board as of immediately prior to the combination (who is expected to be the chairman of the NYSE Euronext board of directors);

the chairman of the NYSE Group board of directors as of immediately prior to the combination (who is expected to be deputy chairman of the NYSE Euronext board of directors);

the chief executive officer of NYSE Group as of immediately prior to the combination (who is expected to be the chief executive officer of NYSE Euronext);

the chief executive officer of Euronext as of immediately prior to the combination (who is expected to be deputy chief executive officer of NYSE Euronext); and

nine other individuals who were directors of NYSE Group as of immediately prior to the combination;

eight other individuals who were members of the Euronext supervisory board as of immediately prior to the combination; and

Sylvain Hefes, who is a European domiciliary who has been approved by both the Euronext supervisory board and the NYSE Group board of directors;

the ongoing composition of the NYSE Euronext board of directors, specifically:

that the initial NYSE Euronext board of directors would consist of 11 U.S. domiciliaries and 11 European domiciliaries (the original combination agreement, entered into on June 1, 2006, having provided for 20 directors, including 11 U.S. domiciliaries and 9 European domiciliaries);

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that the combination agreement provides that at the first annual meeting of the NYSE Euronext stockholders, the initial directors of NYSE Euronext will be renominated as directors of the board; and

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that the parity between U.S. domiciliaries and European domiciliaries will be maintained unless the nominating and governance committee and the board of directors of NYSE Euronext, both equally composed of U.S. domiciliaries and European domiciliaries, decide otherwise or unless the NYSE Euronext bylaws are amended by a supermajority vote;

the NYSE Euronext bylaws, which would provide that the NYSE Euronext board of directors could be composed of either (1) an even number of U.S. domiciliaries and European domiciliaries or (2) the smallest possible majority of U.S. domiciliaries and the largest possible minority of European domiciliaries; and these composition requirements could not be changed without the approval of not less than (1) two-thirds of the directors then in office or (2) 80% of the votes entitled to be cast by the holders of the then-outstanding shares of capital stock of NYSE Euronext entitled to vote generally in the election of directors;

the nominating and governance committee of NYSE Euronext would consist of an equal number of U.S. domiciliaries and European domiciliaries, and this composition requirement could not be changed without the approval of not less than (1) two-thirds of the directors then in office or (2) 80% of the votes entitled to be cast by the holders of the then-outstanding shares of capital stock of NYSE Euronext entitled to vote generally in the election of directors;

the position of chairman of the board or of chief executive officer of NYSE Euronext would be filled by a European domiciliary and the other position would be filled by a U.S. domiciliary, and this balancing requirement could not be changed without the approval of not less than (1) two-thirds of the directors then in office or (2) 80% of the votes entitled to be cast by the holders of the then-outstanding shares of capital stock of NYSE Euronext entitled to vote generally in the election of directors;

acquisitions, dispositions, mergers and consolidations involving greater than 30% of the aggregate equity market capitalization or value of NYSE Euronext, or involving an entity whose principal place of business is outside of the United States and Europe pursuant to which NYSE Euronext has agreed that one or more directors of the board of directors of NYSE Euronext shall be a person who is neither a U.S. domiciliary nor a European domiciliary, would require approval of two-thirds of the directors then in office, and this requirement could not be changed without the approval of not less than (1) two-thirds of the directors then in office or (2) 80% of the votes entitled to be cast by the holders of the then-outstanding shares of capital stock of NYSE Euronext entitled to vote generally in the election of directors;

the proposed management committee of NYSE Euronext, which would include an equal number of designees of NYSE Group (including the chief executive officer of NYSE Group as of immediately prior to the combination) and designees of Euronext (including the chief executive officer of Euronext as of immediately prior to the combination);

the intention to preserve Euronext's and NYSE Group's decentralized management policies;

the expectations that the exchange offer generally would allow those Euronext shareholders subject to French and U.K. tax laws to exchange their Euronext shares for NYSE-Euronext shares tax-free (except to the extent of cash received), but that the combination agreement contemplates that the receipt by holders of Euronext shares of the offer consideration in the exchange offer and in the post-closing reorganization will be structured as a taxable transaction for U.S. federal income tax purposes, unless NYSE Group elects, subject to the provisions of the combination agreement, to structure the post-closing reorganization so that, in the opinion of counsel to NYSE Group, the exchange offer together with the post-closing reorganization, is treated either as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code or an exchange described in Section 351 of the Internal Revenue Code (see "The Combination Material U.S. Federal Income Tax Consequences");

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information concerning Euronext's and NYSE Group's businesses, historical financial performance and condition, operations, properties, assets, regulatory issues, competitive positions, prospects and management;

the historical market prices, volatility and trading information with respect to Euronext shares and NYSE Group common stock;

the risks and uncertainties associated with the strategic alternatives available to Euronext, including the antitrust considerations, and the rapid technological and regulatory changes being confronted by the financial services industry and the risks and challenges associated with these changes;

the balance of European and U.S. regulatory requirements that would be applicable to the combined company;

the material terms of the combination agreement (see "The Combination Agreement"), including the nature and scope of the closing conditions and the ability of the Euronext boards to terminate the combination agreement with NYSE Group to pursue an alternative proposal that it deems superior for Euronext shareholders subject to, and in accordance with the terms of, the combination agreement;

the lack of competition law or antitrust issues associated with a business combination transaction between Euronext and NYSE Group, resulting in expedited closure and execution by an experienced management team;

the view of the board of directors that the satisfaction of the conditions to completion of the combination was probable within a reasonable period of time;

the opportunity for European investors to gain better access to many of the world's best and fastest-growing companies, the widest diversity of investment products, and best execution in speed and price;

their expectation of an increased opportunity, as a result of the freer flow of capital across the Atlantic, for European investors to diversify their portfolios;

the potential for Euronext-listed companies to benefit from increased exposure to U.S. investors, as well as inclusion in NYSE-Euronext indices and ETFs; and

the potential that the combined company's global market will strengthen opportunities for more robust growth and new jobs within Europe.

### ***Risks***

The Euronext managing and supervisory boards also considered a number of uncertainties, risks and other potentially negative factors associated with the combination, including the following:

the fact that the value of the per share consideration payable to Euronext shareholders (consisting of NYSE Euronext common stock and cash) at the time of the closing of the exchange offer cannot be predicted and will depend on, among other things, t%,">



- (1) To elect nine persons to the Board of Directors.

**Nominees:**

01.

**Bernard Goldstein**

02.

James B. Perry

03.

Robert S. Goldstein

04.

Alan J. Glazer

05.

W. Randolph Baker

06.

Jeffrey D. Goldstein

07.

John G. Brackenbury

08.

Shaun R. Hayes

09.

Lee S. Wielansky

**Vote on Proposal**

(2)

To ratify the appointment of Ernst & Young, LLP as our independent registered public accounting firm for the 2009 fiscal year.

**For**

**Against**

**Abstain**

o

o

o

(3)

These proxies are authorized to vote, in their discretion, upon all such matters as may properly come before the Annual Meeting.



Signature [PLEASE SIGN WITHIN BOX]

Date

Signature (Joint Owners)

Date





<b>NOTICE OF ANNUAL MEETING OF STOCKHOLDERS</b>
<b>To be Held on Monday, October 6, 2008</b>
The undersigned stockholder(s) of Isle of Capri Casinos, Inc., a Delaware corporation (the Company hereby appoints James B. Perry, Virginia M. McDowell, Dale R. Black and Edmund L. Quatmann, Jr., and each of them, attorneys and proxies of the undersigned, with full power of substitution, to vote all of the shares of common stock of the Company which the undersigned is entitled to vote at the Annual Meeting of Stockholders of the Company, to be held at 600 Emerson Road, St. Louis, Missouri, on October 6, 2008 at 9:00 a.m., Central Time, and at any and all adjournments, postponements, continuations or reschedulings thereof (the Annual Meeting ), with all the powers the undersigned would possess if

personally present at the Annual Meeting, as directed on this ballot.
<b>THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED AS DIRECTED BY THE STOCKHOLDER(S). IF NO SUCH DIRECTIONS ARE MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF THE NOMINEES FOR THE BOARD OF DIRECTORS LISTED ON THE REVERSE SIDE, AND FOR PROPOSAL 2.</b>
<b>PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY CARD USING THE ENCLOSED REPLY ENVELOPE.</b>

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