

CSDs: Euroclear Belgium (Belgium), APK (Finland), CRESTCo (UK), CRESTCo Ireland (Ireland), Euroclear Bank (Euroclear), Euroclear France (France), Euroclear Nederland (Netherlands), VPC (Sweden) Date: 02 Jun 2008

SMI Markets: Belgium, Finland, France, Ireland, Netherlands, Sweden, UK

CMIRR Markets: Belgium, Finland, France, Ireland, Netherlands, Sweden, UK

## NCS D Group to Join Euroclear

In a joint media release, Euroclear and the NCS D group announced the signing of a memorandum of understanding underlying the acquisition of NCS D shares by Euroclear. The NCS D group is comprised of APK (Finland) and VPC (Sweden).

The merger is expected to occur in 4Q 2008, subject to regulatory approvals and the signing of the final agreement. NCS D intends to transfer its transaction processing activities to the Euroclear Single Platform upon its completion in 2011.

The press release is available at [http://www.ncsd.eu/633\\_2799\\_ENG\\_ST.htm](http://www.ncsd.eu/633_2799_ENG_ST.htm)

## CSD Risk Impact

### Euroclear Belgium (Belgium)

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

### APK (Finland)

Impacted Risk Type: Financial Risk

Current Rating = AA-

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

### CRESTCo (UK)

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

### CRESTCo Ireland (Ireland)

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

## Euroclear Bank (Euroclear)

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

## Euroclear France (France)

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

## Euroclear Nederland (Netherlands)

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

## VPC (Sweden)

Impacted Risk Type: Financial Risk

Current Rating = AA+

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

---

## Market Information Impact

### Belgium

This information affects the data contained in the Local Market Administrative Organisations sections of the Securities Market Information Service.

### Finland

This information affects the data contained in the Local Market Administrative Organisations sections of the Securities Market Information

Service.

## France

This information affects the data contained in the Local Market Administrative Organisations sections of the Securities Market Information Service.

## Ireland

This information affects the data contained in the Local Market Administrative Organisations sections of the Securities Market Information Service.

## Netherlands

This information affects the data contained in the Local Market Administrative Organisations sections of the Securities Market Information Service.

## Sweden

This information affects the data contained in the Local Market Administrative Organisations sections of the Securities Market Information Service.

## UK

This information affects the data contained in the Local Market Administrative Organisations sections of the Securities Market Information Service.

---

## Infrastructure Risk Ratings Impact

### Belgium

Market Rating: A+

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

### Finland

Market Rating: A+

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA-

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

### France

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

## Ireland

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

## Netherlands

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

## Sweden

Market Rating: AA

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA+

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

## UK

Market Rating: AA-

Market Flash Impact: On Watch

Impacted Risk Type: Financial Risk

Current Rating = AA

Flash Impact = On Watch

The merger will affect the financial risk exposures of both groups, with NCS D particularly benefiting from the wider financial resources of the Euroclear Group. The cross-border consolidation and the potential harmonisation of market practice are expected to achieve an estimated EUR 700-800 million in total annual savings for both groups.

The impact on financial risk is placed 'on-watch', pending further information and developments on the matter.

---

**For further information contact:**

*Barry Morales - Americas*

*Peter Katz - Asia Pacific, Eastern Europe*

*Jim Micklethwaite - Western Europe, Africa*

*John Woodhouse - Middle East*

Tel: (+44) 20 7830 8300 | Fax: (+44) 20 7287 1549

Email: [marketflashes@thomasmurray.com](mailto:marketflashes@thomasmurray.com)

*Whilst reasonable care has been taken in the compilation of this information, neither Thomas Murray, its affiliates or information contributors shall have any liability for any errors, omissions, delays or inadequacies in the information or for any loss or damage however occasioned (whether arising directly or indirectly), to any person or company relying on this information, or any decision made, action or inaction taken by any party in reliance upon this information (except to the extent permitted by law).*

---

© Thomas Murray Ltd. 2008

