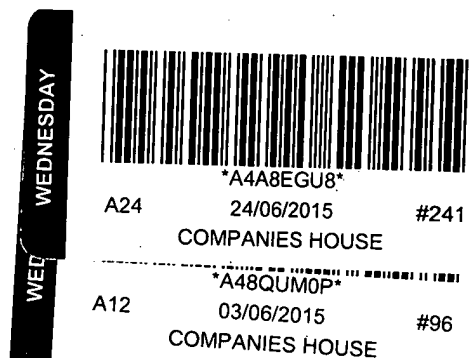


# Diamond Topco Limited

Registered number 09282450

Report and Accounts for the period  
27 October 2014 to 31 December 2014



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## STRATEGIC REPORT

The directors present their report on the affairs and audited financial statements of Diamond Topco Limited (the "Company") and its subsidiary undertakings (together, the "Group") for the period 27 October 2014 to 31 December 2014. The Company was incorporated on 27 October 2014.

The strategic report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to the Group and its subsidiary undertakings when viewed as a whole.

### Principal activities

The Company, which is controlled by Carlyle Partners VI Cayman Holdings LP (who own 68.6% of the voting shares) has the principal activity of being an investment vehicle through its ownership of Diamond Midco Limited ("Midco").

On 17 December 2014, the Group acquired 100% of Dealogic Holdings Limited, its subsidiaries and the third party interests in two joint venture companies (together, "Dealogic").

Dealogic provides a platform of cutting edge software technology, unique content and support expertise to global and regional investment banks worldwide to manage and align their core operating units, help optimise their performance and increase profitability. These firms rely on Dealogic to interconnect their professionals involved in strategy, capital markets, sales, coverage banking and compliance. Dealogic's software platform allows investment banks to more effectively identify opportunities, cover the appropriate clients, evaluate investor appetite and execute deals reliably, helping clients win more business. Over thirty years of experience and a deep knowledge of the global capital markets has put Dealogic in a unique position to foster numerous long standing relationships and to work in close partnership with investment banks globally. Founded in 1983 and headquartered in London and New York, Dealogic now employs over 700 people in offices in London, New York, Hong Kong, Budapest, Tokyo, Sydney, Mumbai, Sao Paulo and Beijing.

### Business review

Dealogic was acquired for a total consideration of \$675.7m, which was paid in the form of cash and new equity issued by the Company. The cash consideration paid was funded, in part, by an equity investment of \$242.1m in the Company and by a new secured term loan facility of \$335m. Exceptional costs of \$15.1m were incurred in connection with the acquisition. See note 26 for further details.

The consolidated statement of comprehensive income of the Group presented on page 10 shows an operating loss before exceptional items of \$1.3m, of which a profit of \$0.3m was contributed by the 14 days post-acquisition trading of Dealogic.

### Results and transfers to equity

The audited financial statements and the related notes for the period ended 31 December 2014 are set out on pages 10 to 40. The Company issued 31.6m ordinary shares during the period, raising cash of \$242.1m and contributing value of \$161.2m towards the cost of acquiring Dealogic. In addition, it issued 21.2m preference shares valued at \$1 each in connection with the acquisition of the third party interests in one of the Dealogic joint venture companies. The loss for the year, after incurring \$15.1m of exceptional costs related to the acquisition of Dealogic and \$1.5m of amortisation charges on the fair value of intangible fixed assets acquired in that transaction, was \$17.1m.

## STRATEGIC REPORT (continued)

### Principal risks and uncertainties

The Group is a provider of business critical software and data/analytics to the global capital markets industry and, in common with similar businesses, is exposed to a number of risks and uncertainties which could have a material impact on the Group's long-term performance and could cause actual results to differ materially from historical and expected results.

#### *Market risk*

The Group's financial performance is tied very closely to business activity within the capital markets industry. Consolidation and commercial viability of clients within the industry is identified as being a key market risk. The Group has a broad product offering and has established licensing models based upon both subscriptions and transactions which, together with an increasing focus by our clients on performance management tools, cost effective workflow and business management solutions, provides some protection against changes in the industry's activity levels.

#### *Operational risk*

The Group is acutely aware of the particular business and regulatory risks that apply to the environment in which its capital markets clients operate and has strived to embed the management of risk in the culture of the organisation and the services that it provides. The Group aims to sustain operations and client service with minimum disruption, with a combination of business continuity planning, duplicated infrastructure and strong supplier relations. All systems are subject to rigorous testing and a programme of continuous improvement. Our quality assurance process is benchmarked against industry best practice and Tier 3 datacentres are used for hosting our products.

Security of client information is essential to the success of the Group's business. In order to maintain a culture of security and also to safeguard against breaches of information security, the Group continues to make significant investments in the facilities, tools, and processes required to meet and exceed the stringent standards that our clients expect. The Group maintains a best-practice Information Security Management System (ISMS) which is certified to the latest ISO27001 standard. This industry standard ensures that the Group implements and follows rigorous security procedures to protect the confidentiality, integrity and availability of data contained within all client-facing systems hosted by the Group.

#### *Competitive risk*

The Group operates in a highly competitive and innovative environment. Increased investment by existing competitors together with the emergence of new market players are key risk factors and contribute to an increasing competitive pressure.

To combat this pressure the Group strives to deliver the best and most innovative software technology and the most respected and trusted content through highly skilled, connected and creative employees. The Group maintains relationships with premium financial media to help strengthen the Group's profile and reputation in the market.

#### *Intellectual property risk*

As a software and information provider, infringement of the Group's intellectual property rights by third parties or a failure to defend infringement claims could cause damage to the business and could involve significant costs. The Group has taken all reasonable steps to ensure that its intellectual property rights are appropriately protected by law.

## STRATEGIC REPORT (continued)

### Principal risks and uncertainties (continued)

#### *People risk*

Recruiting and retaining key staff is essential to the continued health and growth of the Group. The Board recognises that the future success of the Group will depend to a substantial extent not only on the ability and experience of its senior management but also on individuals and teams who create our products and support our clients. For this reason there is a particular focus by the Board on remuneration strategies. These may include an appropriate allocation of cash and the use of share based schemes together with structured performance-based staff evaluations. Employees are encouraged to undertake training and develop their skills and where appropriate are promoted in line with their potential.

#### *International risk*

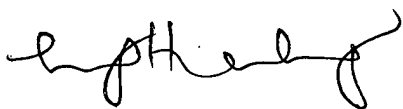
As the Group operates internationally it is subject to the tax laws and regulations of several countries. Doing business in emerging markets presents new logistical and management challenges whether related to local standards, business cultures, languages, compliance or restrictions on repatriation of earnings. The Group takes careful steps to comply with all applicable tax and legislative requirements.

#### *Financial risk*

The Group operates globally and is therefore exposed to movements in exchange rates, in particular between the US Dollar and British Pound. Funds are held in both these currencies to manage the gains and losses that arise when there is a change in the rate at which these balances are translated. Where significant exchange transactions are required or other exposures are identified, hedging instruments with major banks are used to protect specific material exposures.

The risk of adverse movements in interest rates is mitigated through the use of interest rate hedging instruments where appropriate.

By order of the Board



Christopher Hawkins

Secretary

28 April 2015

## DIRECTORS' REPORT

### Share capital

The Company was incorporated on 27 October 2014. As at 31 December 2014, the Company had 31.6 million ordinary shares in issue, comprising 26.7m Ordinary 'A' shares and 4.9m Ordinary 'B' shares. All have a nominal value of \$0.01, with only the Ordinary 'A' shares having voting rights. 68.6% of the Ordinary 'A' shares are owned by Carlyle Partners VI Cayman Holdings LP, and the remaining 31.4% by various minority shareholders. All of the Ordinary 'B' shares are owned by Euromoney Institutional Investor plc. All share transfers are subject to prior Board approval, in accordance with the Articles of Association of the Company.

### Dividends

No dividends were paid or proposed during the period, or since the period end.

### Going concern

Having reviewed the future plans and projections for the business and its current financial position, the directors are satisfied that the Group has adequate financial resources to continue to manage its business risks successfully and to remain in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report and accounts.

### Research and development

The group has invested significantly in the development of new and existing products with considerable effort applied by the technical and software development teams. \$515,000 of development expenditure has been capitalised during the period and \$480,000 has been expensed during the period.

### Financial instruments

The Group's financial risk management objective is to identify financial risks and implement suitable risk reducing measures where appropriate.

In implementing this objective, Group policy aims to ensure that sufficient cash amounts are held to meet all working capital requirements and sufficient committed borrowing facilities are available to meet longer term requirements. Hedging instruments with major banks and hedge accounting are used to manage specific material exposures.

The Group is exposed to foreign currency, interest rate, liquidity and credit risks. For information on these risks please refer to note 25.

### Corporate responsibility

#### *Employees*

People are at the heart of our business and the contribution of talented and motivated individuals is vital to the continued success of the Group.

The Group has continued to advance its policy of keeping employees informed of, and engaged in, its business strategy and performance through the Group intranet, briefings and team meetings. Employee involvement at all levels is encouraged.

The Group utilises appropriate remuneration structures in order to help align employee performance with the financial performance of the Group.

It is a policy of the Group to recruit, develop and promote people on merit and to treat everyone equally regardless of their race, ethnic origin or nationality, age, gender, sexual orientation, disability, religion or beliefs.

## **DIRECTORS' REPORT** (continued)

### **Corporate responsibility (continued)**

The Group gives every consideration to applications for employment from disabled persons where the requirements of the position may be adequately covered by the aptitude of the applicant concerned.

In the event of members of staff becoming disabled, every consideration is given to accommodating their specific needs in order to continue their employment with the Group where appropriate. It is the policy of the Group to ensure that the training, career development and promotion of disabled employees should, as far as possible, be the same as that of other employees.

### *Health and safety*

The health and safety of the Group's employees and visitors is of primary importance. The Group is committed to creating and maintaining a safe and healthy working environment.

### *Clients*

The Group values each and every client and is proud of the long standing nature of its client relationships. Being highly connected with our clients, learning from them, and working in partnership with them is fundamental to the continued growth of the business.

### *The environment*

The Group recognises the importance of environmental responsibility and believes that its activities have a low impact on the environment. The Group makes extensive use of electronic communication and documentation rather than paper-based correspondence and efforts are made to recycle waste such as paper and IT hardware where appropriate.

### **Directors**

The directors who held office during the period and up until the date of this report were:

CR Dyer	appointed 27 October 2014
PR McCarter	appointed 27 October 2014
T Fleming	appointed 17 December 2014
BR Lindley	appointed 17 December 2014
A Marone	appointed 17 December 2014
Sir PJ Ogden	appointed 17 December 2014
AR Tye	appointed 17 December 2014
DR Winn	appointed 17 December 2014
A Goor	appointed 27 January 2015
E Hatfield	appointed 27 January 2015

The Company maintains insurance cover for all directors and officers of Group companies against liabilities which may be incurred by them while acting as directors or officers of Group companies.

### **Disclosure of information to auditors**

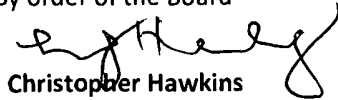
The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

## **DIRECTORS' REPORT** (continued)

### **Auditors**

KPMG LLP acted as auditor throughout the period. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



**Christopher Hawkins**  
Secretary  
28 April 2015

One New Change  
London  
EC4M 9AF



## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report and the Directors' Report and the Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent company financial statements for each financial year. Under that law they have elected to prepare the Group financial statements in accordance with IFRSs as adopted by the EU and applicable law, and have elected to prepare the parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of their profit or loss for that period. In preparing each of the Group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- for the parent company financial statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DIAMOND TOPCO LIMITED**

We have audited the financial statements of Diamond Topco Limited for the period 27 October to 31 December 2014 as set out on pages 10 to 40. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2014 and of the Group's loss for the period then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the EU;
- the parent company financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DIAMOND TOPCO LIMITED (continued)**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**John Edwards (Senior Statutory Auditor)**

For and on behalf of KPMG LLP

Chartered Accountants

15 Canada Square

London, E14 5GL

29 April 2015

**Consolidated Statement of Comprehensive Income**  
for the period 27 October to 31 December 2014

	Notes	2014 US\$000
Revenue	2.2	4,079
Staff costs	6	(2,225)
Depreciation of property, plant & equipment	12	(215)
Amortisation of intangible assets	14,15	(1,678)
Other operating expenses		(1,274)
<b>Operating loss before exceptional item</b>		<b>(1,313)</b>
Exceptional item	9	(15,143)
<b>Operating loss</b>	4	<b>(16,456)</b>
Finance income	7	122
Finance expenses	8	(1,157)
<b>Loss before income tax</b>		<b>(17,491)</b>
Income tax credit	10	395
<b>Loss for the period</b>		<b>(17,096)</b>
<b>Other comprehensive income</b>		
Currency translation differences recognised directly in equity		(112)
<b>Other comprehensive income for the period, net of income tax</b>		<b>(112)</b>
<b>Total comprehensive income for the period</b>		<b>(17,208)</b>

The above results are derived from continuing activities.

The notes on pages 15 to 34 form an integral part of these financial statements.

## Consolidated Statement of Financial Position

as at 31 December 2014

	Notes	2014 US\$000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	12	11,898
Intangible assets		
Goodwill	13	344,015
Capitalised software and development costs	14	13,159
Other intangible assets	15	384,317
Deferred tax assets	10.3	36,054
		<b>789,443</b>
<b>Current assets</b>		
Trade receivables	16	29,184
Current tax receivables		6,460
Other receivables	17	6,310
Cash and bank balances	18	50,231
Deferred tax assets	10.3	2,413
		<b>94,598</b>
<b>Total assets</b>		<b>884,041</b>
<b>Current liabilities</b>		
Trade and other payables	19	(21,693)
Deferred subscription income		(21,472)
Loans and borrowings	20	(23,048)
Provisions	21	(6,728)
Deferred tax liabilities	10.3	(11,276)
		<b>(84,217)</b>
<b>Net current assets</b>		<b>10,381</b>
<b>Non-current liabilities</b>		
Loans and borrowings	20	(322,699)
Provisions	21	(5,681)
Deferred tax liabilities	10.3	(106,586)
		<b>(434,966)</b>
<b>Total liabilities</b>		<b>(519,183)</b>
<b>Net assets</b>		<b>364,858</b>

The notes on pages 15 to 34 form an integral part of these financial statements.

**Consolidated Statement of Financial Position (continued)**  
as at 31 December 2014

	Notes	2014 US\$000
<b>EQUITY</b>		
<b>Capital and reserves</b>		
Share capital	22	316
Share premium		381,750
Translation reserve		(112)
Retained earnings		(17,096)
<b>Total equity</b>		<b>364,858</b>

These financial statements were approved by the Board of Directors on 28 April 2015 and were signed on its behalf by



PR McCarter  
Director

The notes on pages 15 to 34 form an integral part of these financial statements.

## Consolidated Statement of Cash Flow

for the period 27 October to 31 December 2014

	Notes	2014 US\$000
Loss for the period		(17,096)
Adjustments for:		
Income tax credit	10	(395)
Finance income	7	(122)
Finance expenses	8	1,157
Depreciation of property, plant & equipment	12	215
Amortisation of intangible assets	14,15	1,678
<b>Operating cash flows before movements in working capital and provisions</b>		<b>(14,563)</b>
Decrease in trade and other receivables		6,687
Decrease in trade and other payables		(4,254)
Decrease in provisions	21	(160)
<b>Cash used in operations</b>		<b>(12,290)</b>
<b>Net cash used in operating activities</b>		<b>(12,290)</b>
<b>Cash flows from investing activities</b>		
Interest received	7	14
Acquisition of subsidiary	26	(490,132)
Intangible fixed asset additions	14	(515)
<b>Net cash used in investing activities</b>		<b>(490,633)</b>
<b>Cash flows from financing activities</b>		
Issue of share capital		242,075
Bank loan repayments		(12,500)
External loans received		
- capital		335,000
- less arrangement and associated fees		(11,343)
<b>Net cash generated by financing activities</b>		<b>553,232</b>
<b>Net increase in cash and cash equivalents</b>		<b>50,309</b>
Effect of exchange rate fluctuations on cash held in foreign currencies		(78)
<b>Cash and cash equivalents at the end of the period</b>	18	<b>50,231</b>

The notes on pages 15 to 34 form an integral part of these financial statements.

**Consolidated Statement of Changes in Equity**  
for the period 27 October to 31 December 2014

	Share capital US\$000	Share premium US\$000	Translation reserve US\$000	Retained earnings US\$000	Total US\$000
Loss for the period	-	-	-	(17,096)	(17,096)
Other comprehensive income for the period					
Exchange movements	-	-	(112)	-	(112)
Total comprehensive income for the period	-	-	(112)	(17,096)	(17,208)
Issue of share capital	316	381,750	-	-	382,066
<b>At 31 December 2014</b>	<b>316</b>	<b>381,750</b>	<b>(112)</b>	<b>(17,096)</b>	<b>364,858</b>

The notes on pages 15 to 34 form an integral part of these financial statements.



## Notes to the Financial Statements

### 1. Reporting entity

Diamond Topco Limited (the 'Company') is a company domiciled in the United Kingdom. The address of the Company's registered office is c/o Dealogic (Holdings) Limited, One New Change, London EC4M 9AF. The consolidated financial statements of the Company for the period 27 October to 31 December 2014 comprise the financial statements of the Company and its subsidiaries (together referred to as the 'Group' and individually as 'Group entities').

### 2. Accounting policies

#### Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

#### 2.1 Basis of preparation

The Group's consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union ('adopted IFRS'), IFRIC Interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention. The Company has elected to prepare its parent company financial statements in accordance with UK GAAP; these are presented on pages 35 to 40.

The preparation of financial statements with adopted IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where the assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

The Company has considerable financial resources relative to its requirements and has contracts with customers across different geographic areas. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully. The directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they have continued to adopt the going concern basis in preparing these annual financial statements.

All financial information presented in US Dollars has been rounded to the nearest thousand.

#### 2.2 Significant accounting policies

##### 2.2.1 Basis of consolidation

The consolidated financial statements include those of Diamond Topco Limited and all of its subsidiary undertakings.

Subsidiary undertakings are those entities controlled directly or indirectly by the Company. The results of subsidiaries acquired or sold are included in the consolidated Statement of Comprehensive Income from the date of acquisition or up to the date of disposal respectively, using the same accounting policies as those of the Group. All business combinations are accounted for using the purchase method.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group balances and transactions, including any unrealised income and expense arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity invested investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## Notes to the Financial Statements (continued)

### 2.2 Significant accounting policies (continued)

#### 2.2.2 Intangible assets

All intangible assets, except goodwill, are stated at cost less accumulated amortisation and any accumulated impairment losses. Goodwill is not amortised and is stated at cost less any accumulated impairment losses.

##### *Goodwill*

Goodwill arose on the effective acquisition of the controlling interest in Dealogic, and represents the excess of the cost of the additional investment over the fair value of the subsidiary's identifiable net assets at the date of the exchange.

##### *Development costs*

Capitalised development costs relate to the development of new products once the Group has determined that:

- the product is technically and commercially feasible;
- the project is clearly defined and related expenditure is separately identifiable;
- current and future costs are expected to be exceeded by future sales;
- the Group has the intention and ability to complete the intangible asset and use or sell it; and
- adequate resources exist for the product to be completed.

The expenditure capitalised includes the cost of materials, direct labour and overheads directly attributable to preparing the asset for its intended use.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Capitalised development costs are amortised on a straight line basis over the period that prudently simulates the flow of revenues from a typical product, currently considered to be 3 years. At the close of each fiscal year products are reviewed for any impairment. Where the expected contribution to be made by a product does not exceed the expected total cost of development, an impairment provision is made.

##### *Other intangible assets*

Intangible assets purchased separately, such as software licences that do not form an integral part of related hardware, are capitalised at cost and amortised over their useful economic life of one to five years. Intangible assets acquired through a business combination are initially measured at fair value and then amortised over their useful economic lives.

#### 2.2.3 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any costs directly attributable to bringing the asset into use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is calculated on a straight-line basis so as to write down the assets to their estimated residual value over their useful economic lives, at the following rates:

Leasehold improvements	-	period of the lease
Computer equipment	-	3 years
Fixtures and fittings	-	3 years

## Notes to the Financial Statements (continued)

### 2.2 Significant accounting policies (continued)

#### 2.2.4 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised as property, plant and equipment at an amount equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments at the inception of the lease, and then depreciated over their useful economic lives. Lease payments are apportioned between the repayment of capital and interest. The capital element of future lease payments is included in the Statement of Financial Position as a liability. Interest is charged to the Statement of Comprehensive Income so as to achieve a constant rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term. Operating lease incentives are recognised as a reduction in the rental expense over the lease term.

#### 2.2.5 Impairment of non-financial assets

Goodwill is tested annually for impairment or when events or changes in circumstances indicate that it might be impaired.

The carrying values of property, plant and equipment, investments and intangible assets other than goodwill are reviewed for impairment only when events indicate the carrying value may be impaired.

In an impairment test the recoverable amount of the cash-generating unit or asset is estimated in order to determine the existence or extent of any impairment loss. The recoverable amount is the higher of fair value less costs to sell and the value in use to the group. An impairment loss is recognised to the extent that the carrying value exceeds the recoverable amount. In determining a cash-generating unit's or asset's value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the cash-generating unit or asset that have not already been included in the estimate of future cash flows. All impairment losses are recognised in the Statement of Comprehensive Income.

An impairment loss in respect of goodwill is not reversed. In the case of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. These impairment losses are reversed if there has been any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent so that the asset's carrying amount does not exceed the carrying value that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### 2.2.6 Impairment of financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on estimated future cash flows of that asset.

## Notes to the Financial Statements (continued)

### 2.2 Significant accounting policies (continued)

#### 2.2.7 Financial instruments

Financial assets and liabilities are recognised in the Group's Statement of Financial Position when the Group becomes a party to the contracted provision of the instrument. The following policies for financial instruments have been applied in the preparation of the consolidated financial statements.

##### *Cash and cash equivalents*

For the purpose of preparation of the Statement of Cash Flow, cash and cash equivalents include cash at bank and in hand, and short-term deposits with an original maturity period of three months or less.

##### *Bank borrowings*

Interest-bearing bank loans are recorded at the proceeds received. Direct issue costs paid on the establishment of loan facilities are recognised over the term of the loan on a straight line basis. The initial payment is taken to the "Statement of Financial Position" and then amortised over the full length of the facility.

##### *Trade and other receivables*

Trade and other receivables are stated at amounts receivable less any allowance for the expected future issue of credit notes and for non-recoverability due to credit risk.

##### *Trade payables*

Trade payables are non-interest bearing and are stated at their amortised cost.

##### *Share capital*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

#### 2.2.8 Taxation

Income tax expense comprises current and deferred tax.

Current tax is recognised based on the amounts expected to be paid or recovered under the tax rates and laws that have been enacted or substantively enacted by the end of reporting period.

Deferred tax is provided on temporary differences that arise between the carrying amounts of assets and liabilities for financial reporting purposes and their corresponding tax values. Liabilities are recorded on all temporary differences except in respect of the initial recognition of goodwill and in respect of investments in subsidiaries where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that it will not reverse in the foreseeable future. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the asset can be offset. Deferred tax is measured on an undiscounted basis using the tax rates and laws that have been enacted or substantively enacted by the end of reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, they relate to income taxes levied by the same tax authority and the group intends to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Current and deferred tax are recognised in the Statement of Comprehensive Income, except when the tax relates to items charged or credited directly to equity.

## Notes to the Financial Statements (continued)

### 2.2 Significant accounting policies (continued)

#### 2.2.9 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that the group will be required to settle that obligation, and it can be measured reliably. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the date of Statement of Financial Position.

A provision for an onerous contract is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A provision for the reinstatement and repair of leasehold premises, equal to the estimated eventual cost of these items, is established over the period of the lease when the group, as lessee, is obliged to reinstate the premises to their original condition at the end of the lease term.

#### 2.2.10 Foreign currencies

The Company and Group's functional and presentational currency is the US dollar. Items included in the separate financial statements of each group entity are measured in the functional currency of that entity. Transactions denominated in foreign currencies are translated into the functional currency of the entity at the rates of exchange prevailing at the dates of the individual transactions. Foreign currency monetary assets and liabilities are translated at the rates of exchange prevailing at the end of the reporting period. Exchange gains and losses arising are charged or credited to the Statement of Comprehensive Income within finance income or expenses.

The Statement of Comprehensive Income and Statement of Financial Position of foreign entities are translated into US dollars on consolidation at the average rates for the period and the rates prevailing at the end of the reporting period respectively. Exchange gains and losses arising on the translation of the Group's net investment in foreign entities are recognised as a separate component of shareholders' equity. On disposal of a foreign entity, the cumulative translation differences are recycled to the Statement of Comprehensive Income and recognised as part of the gain or loss on disposal.

#### 2.2.11 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Group's activities. Revenue is shown net of discounts, value-added tax, other sales related taxes and after the elimination of sales within the group.

Revenue comprises subscriptions and transaction fees, and fees for related services. Revenue from subscription services and software licenses is recognised evenly over the period of the subscription/license. Where transaction fees relate to a customer's investment banking transaction, revenue is recognised when the customer's transaction completes. Other transaction fees are recognised as revenue on delivery of the related service.

#### 2.2.12 Employee benefits

##### *Retirement benefits*

The Group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The amount charged against profits represents the contributions payable to the schemes in respect of the accounting period.

##### *Short-term benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## Notes to the Financial Statements (continued)

### 2.2 Significant accounting policies (continued)

#### *Short-term compensated absences*

A liability for short-term compensated absences, such as holiday, is recognised for the amount the group may be required to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

#### **2.2.13 Dividends and appropriations**

Dividends are recognised in the period in which they are approved by the Company's shareholders. Interim dividends and appropriations are recognised when paid.

### 3. Critical accounting judgements and estimates

In preparing the consolidated financial statements, the directors are required to make judgements in applying the Group's accounting policies and in making estimates and assumptions about the future. These estimates and assumptions could have a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the future financial periods.

#### **3.1 Valuation of intangible assets on acquisition**

As described in note 26, on 17 December 2014 the Group acquired Dealogic and the directors were required to value the identified assets and liabilities of Dealogic. Intangible assets identified and valued totalled US\$385,780,000. The directors made use of independent third party advisors in estimating the value of these intangible assets.

### 4. Operating loss

	2014 US\$000
Operating loss is stated after charging:	
Amortisation of capitalised software and development costs	215
Amortisation of other intangible assets	1,463
Depreciation of property, plant and equipment	215
Operating lease costs - land & buildings	59

### 5. Auditor's remuneration

	2014 US\$000
Audit of these financial statements	238
Amounts receivable by auditors and their associates in respect of:	
Audit of financial statements of subsidiaries pursuant to legislation	29
Other services relating to taxation	183
All other services	70
	520

## Notes to the Financial Statements (continued)

### 6. Staff numbers and costs

The average number of employees, and their salaries, (including directors) during the period was:

	2014 No.
Programmers & Researchers	380
Sales & Support	255
Central Services & Management	90
	<b>725</b>

	2014 US\$000
Salaries, wages and incentives	1,990
Social security costs	154
Pension contributions	78
Short-term compensated absences	3
	<b>2,225</b>

Directors' emoluments were US\$47,000 for the period, of which the highest paid director received US\$47,000. Contributions of US\$400 were paid on behalf of the directors to money purchase pension schemes, \$400 of which was for the highest paid director.

Key management remuneration (including directors) was:

	2014 US\$000
Salaries, wages and incentives	430
Pension contributions	11
Short-term compensated absences	1
	<b>442</b>

There are 21 employees (including directors) defined as being key management for the period. Key management are defined as being members of the executive committee and other staff with a significant cross-group role.

## Notes to the Financial Statements (continued)

### 7. Finance income

	2014 US\$000
Interest on short-term bank deposits	14
Foreign exchange gains	108
	<b>122</b>

### 8. Finance expenses

	2014 US\$000
Loan interest payable	874
Foreign exchange losses	283
	<b>1,157</b>

### 9. Exceptional item

The exceptional item of US\$15,143,000 incurred during the period represents costs associated with the acquisition of Dealogic.

### 10. Income tax credit

10.1 The tax credit comprises:

	2014 US\$000
<b>Current tax</b>	
UK Corporation tax	11
Foreign tax	26
	<b>37</b>
<b>Total current tax charge</b>	<b>37</b>
<b>Deferred tax</b>	
Origination and reversal of timing differences	(432)
<b>Total deferred tax credit</b>	<b>(432)</b>
<b>Total tax credit on loss on ordinary activities</b>	<b>(395)</b>



## Notes to the Financial Statements (continued)

### 10. Income tax credit (continued)

10.2 The difference between the total tax credit and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is shown below.

	2014 US\$000
<b>Group loss on ordinary activities before tax</b>	<b>(17,491)</b>
Tax on group loss on ordinary activities at the standard UK corporation tax rate of 21.0%	<b>(3,673)</b>
Effects of:	
Acquisition related expenditure not deductible in determining taxable profits	<b>1,788</b>
Tax losses carried forward	<b>1,585</b>
Other (income)/expenses that are adjusted in determining taxable profits	<b>(95)</b>
<b>Total tax credit for the period recognised in the consolidated statement of comprehensive income</b>	<b>(395)</b>

### 10.3 Deferred tax

	2014 US\$000
Deferred tax assets: current assets	<b>2,413</b>
Deferred tax assets: non-current assets	<b>36,054</b>
Deferred tax liabilities: current liabilities	<b>(11,276)</b>
Deferred tax liabilities: non-current liabilities	<b>(106,586)</b>
<b>Net deferred tax liability</b>	<b>(79,395)</b>

This is analysed below:

Deferred tax asset	Property, plant & equipment	Purchase of minority interest	Total
	US\$000	US\$000	US\$000
Acquisition of subsidiary	2,267	36,200	38,467
<b>31 December 2014</b>	<b>2,267</b>	<b>36,200</b>	<b>38,467</b>
			<b>US\$000</b>
Current assets			2,413
Non-current assets			36,054
			<b>38,467</b>

A deferred tax asset of US\$1,510,000 relating to taxable losses incurred by the company in the period has not been recognised as there is, as at the date of signing these financial statements, insufficient evidence that there will be sufficient taxable gains in the future against which the deferred tax asset could be utilised.

## Notes to the Financial Statements (continued)

### 10. Income tax credit (continued)

Deferred tax liability	Intangible assets	Capitalised development costs	Total
	US\$000	US\$000	US\$000
Acquisition of subsidiary	114,041	4,253	118,294
Credited to statement of comprehensive income	(432)	-	(432)
<b>31 December 2014</b>	<b>113,609</b>	<b>4,253</b>	<b>117,862</b>

	US\$000
Current liabilities	11,276
Non-current liabilities	106,586
	<b>117,862</b>

The main rate of UK corporation tax will change from 21% to 20% from 1 April 2015. This rate change was substantively enacted on 2nd July 2013 and will reduce the Group's tax charge accordingly. UK deferred tax is therefore recognised at the reduced rate of 20%.

### 11. Dividends and appropriations

No dividends were paid during the period ending 31 December 2014, and none have been announced as the date of signing these financial statements.

### 12. Property, plant and equipment

	Leasehold improvements	Computer equipment	Fixtures and fittings	Total
	US\$000	US\$000	US\$000	US\$000
<b>Cost</b>				
Acquisition of subsidiary	6,885	3,138	2,090	<b>12,113</b>
At 31 December 2014	<b>6,885</b>	<b>3,138</b>	<b>2,090</b>	<b>12,113</b>
<b>Depreciation</b>				
Charge for period	186	21	8	<b>215</b>
At 31 December 2014	<b>186</b>	<b>21</b>	<b>8</b>	<b>215</b>
<b>Net book value</b>				
At 31 December 2014	<b>6,699</b>	<b>3,117</b>	<b>2,082</b>	<b>11,898</b>

The Group held no assets under finance leases or hire purchase contracts as at 31 December 2014.

## Notes to the Financial Statements (continued)

### 13. Goodwill

	2014 US\$000
Acquisition of a subsidiary	344,015
<b>At 31 December</b>	<b>344,015</b>

As detailed in note 26, goodwill of US\$344,015,000 arose on the 17 December 2014 acquisition of Dealogic Holdings Limited and its subsidiary undertakings.

### 14. Capitalised software and development costs

	2014 US\$000
<b>Cost</b>	
Acquisition of subsidiary	12,859
Additions	515
<b>At 31 December</b>	<b>13,374</b>
<b>Amortisation</b>	
Charge for period	215
<b>At 31 December</b>	<b>215</b>
<b>Net book value</b>	
<b>At 31 December</b>	<b>13,159</b>

### 15. Other intangible assets

	Databases US\$000	Technology US\$000	Customer relationships US\$000	Trade Names US\$000	Other US\$000	Total US\$000
<b>Cost</b>						
Acquisition of subsidiary	85,000	35,500	195,000	55,000	15,280	385,780
<b>At 31 December 2014</b>	<b>85,000</b>	<b>35,500</b>	<b>195,000</b>	<b>55,000</b>	<b>15,280</b>	<b>385,780</b>
<b>Amortisation</b>						
Charge for period	652	240	299	125	147	1,463
<b>At 31 December 2014</b>	<b>652</b>	<b>240</b>	<b>299</b>	<b>125</b>	<b>147</b>	<b>1,463</b>
<b>Net book value</b>						
<b>At 31 December 2014</b>	<b>84,348</b>	<b>35,260</b>	<b>194,701</b>	<b>54,875</b>	<b>15,133</b>	<b>384,317</b>

## Notes to the Financial Statements (continued)

### 16. Trade receivables

	2014 US\$000
Trade and other receivables	31,294
Less: credit note provision	(2,110)
	29,184

The maximum exposure to credit risk for trade receivables by geographic region was:

	2014 US\$000
Americas	16,332
EMEA and Asia	12,852
	29,184

The ageing of trade receivables, net of provisions, is:

#### Aged AR

	2014 US\$000
0-2 months	22,736
2+ months	6,448
	29,184

Trade receivables of the Group at 31 December 2014 were equivalent to 65 days, based upon the sales invoiced to customers during quarter four of 2014.

### 17. Other receivables

	2014 US\$000
Prepayments and accrued income	5,475
Other receivables	835
	6,310

### 18. Cash and cash equivalents

	2014 US\$000
Cash at bank and in hand	28,128
Cash deposits	22,103
	50,231

## Notes to the Financial Statements (continued)

### 18. Cash and cash equivalents (continued)

Of the total cash balance, US\$348,000 is deemed to be restricted cash by way of a security deposit to the landlord of the Group's New York office. A further US\$21,200,000 is held on deposit in respect of redeemable preference shares issued by the Company.

The credit ratings of the counterparties with which cash deposits were held are detailed in the table below. All cash deposits are of a short-term nature, therefore, short-term ratings are only applicable.

S&P Credit Rating	2014 US\$000
A-1+	21,755
A-1	189
A-2	159
	<b>22,103</b>

### 19. Trade and other payables

	2014 US\$000
Trade payables	2,418
Accruals	7,823
Other payables	11,452
	<b>21,693</b>

### 20. Loans and borrowings

	2014 US\$000
<b>Current liabilities</b>	
Preference shares	21,215
Other interest-bearing loans and borrowings	1,833
	<b>23,048</b>
<b>Non-current liabilities</b>	
Other interest-bearing loans and borrowings	322,699
<b>Total</b>	<b>345,747</b>

The issued preference share capital of the Company is made up of 21,214,992 shares with a nominal value of US\$1 each. These shares were issued upon incorporation of the company and are all owned by Euromoney Institutional Investor PLC. See note 22.

## Notes to the Financial Statements (continued)

### 21. Provisions

	Leasehold dilapidations US\$000	Onerous lease US\$000	Lease incentives US\$000	2014 Total US\$000
Acquisition of subsidiary	3,249	3,121	6,039	12,409
Balance at 31 December	3,249	3,121	6,039	12,409
Current liabilities	-	2,456	4,272	6,728
Non-current liabilities	3,249	665	1,767	5,681
	3,249	3,121	6,039	12,409

The leasehold dilapidations relate to obligations to re-instate leasehold premises to their original condition at the end of their leases.

The onerous lease relates to the Group's vacated office building in London, which is expiring in March 2016.

The lease incentives relate to the recognition, over the lease term, of incentives received in respect of four properties: London – new office, with a lease term of 10 years expiring in March 2023; London - previous office, with a lease term of 13 years expiring in March 2016; Hong Kong, with a lease term of 3 years expiring in April 2017; and New York, with a lease of 10 years expiring in April 2018.

### 22. Called up share capital

#### Allotted, called up and fully paid

Ordinary A shares of \$0.01 each as at 27 October and 31 December	\$ 267,218
Ordinary B shares of \$0.01 each as at 27 October and 31 December	\$ 49,021
Ordinary shares	\$ 316,239
Preference shares of \$1 each as at 27 October and 31 December	\$ 21,214,992
Preference shares	\$ 21,214,992
<b>Number allotted</b>	
Ordinary A shares of \$0.01 each	26,721,765
Ordinary B shares of \$0.01 each	4,902,083
Ordinary shares	31,623,848
Preference shares of \$1 each	21,214,992
Preference shares	21,214,992

The preference shares are redeemable with 20 days' notice, at the option of the shareholders. The holders of preference shares are not entitled to receive dividends and are not entitled to vote at meetings of the Company. See also note 20.

## Notes to the Financial Statements (continued)

### 23. Operating lease commitments

Total commitments under non-cancellable operating leases were as follows:

	2014 Property US\$000
Not later than one year	5,905
Later than one year and not later than five years	17,598
Later than five years	13,763

The Group leases a number of building and office facilities. The terms of the building leases vary from country to country. The two main leases in London and New York both run for periods of 10 years with rent reviews every 5 years. The leases are due to expire in 2023 and 2018 respectively. Within the new London base agreement, there is a lease incentive reducing lease commitments within one year by US\$2.5m and between one and five years by US\$3.2m.

### 24. Pensions

The Group's principle pension plans comprise a defined contribution pension scheme in the UK and a section 401(k) plan in the US. The pension charge for the year represents contributions payable by the Group which amounted to US\$60,000 in respect of the UK scheme and US\$18,000 in respect of the US scheme.

There were US\$5,000 outstanding contributions at the end of the financial year.

### 25. Financial instruments

#### 25.1 Financial risk management

The Group's principal financial instruments are bank balances, cash, medium term loans and revolving credit facilities. The main purpose of these financial instruments is to manage the group's funding and liquidity requirements. The Group also has other financial instruments such as trade receivables and trade payables which arise directly from its operations.

The Group is exposed through its operations to the following financial risks:

- Foreign currency risk
- Interest rate risk
- Liquidity risk
- Credit risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the group's risk management framework. Policy for managing these risks is set by the Chief Financial Officer and is implemented by the Group's finance department. Certain risks are managed centrally while others are managed locally following guidelines from Group finance. The Group also takes steps to appropriately manage its capital.

## Notes to the Financial Statements (continued)

### 25. Financial instruments (continued)

#### 25.2 Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk on sales and purchases that are denominated in currencies other than the respective functional currencies of the Group entities to which they relate, primarily with respect to GBP and USD. Foreign exchange risks also arise from recognised assets and liabilities. To the extent possible, the Group manages its exposure to currency movements by holding equivalent values of non-functional currency pairs (GBP and USD) thereby matching gains in one currency with losses in the other. The impact on loss for the year due to foreign exchange movements is shown in notes 7 and 8. The Group's investments in overseas subsidiaries are not hedged as those currency positions are either USD denominated and/or considered to be long-term in nature.

#### 25.3 Interest rate risk

The Group is exposed to interest rate risk on its loan financing arrangements.

During the year the Group entered into an external loan financing arrangement from which it received USD\$335m. Interest payable on this loan is directly linked to LIBOR. As at the year end, the Group has no hedging in place against future LIBOR movements, but it is the Group's intention to set up such a hedge within the first half of 2015.

The table below shows the extent to which the Group holds monetary assets in various currencies and the proportions of fixed and floating interest rates.

	Weighted average Interest Rate	Cash at Bank & in Hand US\$000	Cash Deposits US\$000	2014 Total US\$000
Sterling		15,311	346	15,657
US Dollars		10,777	21,757	32,534
HK Dollars		250	-	250
Yen		66	-	66
Euros		564	-	564
Hungarian Forint		844	-	844
Australian Dollars		30	-	30
Indian Rupees		5	-	5
Brazilian Real		257	-	257
Chinese Yuan		24	-	24
Rate	0.4%	28,128	22,103	50,231

All monetary assets mature within one year.



## **Notes to the Financial Statements (continued)**

### **25. Financial instruments (continued)**

#### **25.4 Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group considers that it has no significant liquidity risk, although, the addition of the bank loan facilities has tightened liquidity.

The Group has a financial covenant on the bank facilities relating to leverage and has met all conditions of the covenant.

The Group held cash and cash equivalents US\$50.2m and had US\$324.5m of term debt at the year end. The ratio of current assets to current liabilities is 1.1:1. Each major Group company is mainly financed by self-generated cash flows. In addition, Group finance ensures that there are sufficient available cash resources for each Group company to operate effectively.

#### **25.5 Credit risk**

The primary risk arises from the Group's receivables from customers. The majority of the Group's customers are investment banks or financial institutions who have been transacting with the Group for many years. Losses from this category of customer have occurred infrequently. The Group is mainly exposed to credit risks from credit sales but the Group has no significant concentrations of credit risk and keeps the credit status of customers under review. Credit risks of new customers are assessed before entering into contracts. The overall Group debtor exposure is monitored by Group finance and local entities report their exposure on a monthly basis.

The Group does not consider the exposure to the above risks to be significant and has therefore not presented a sensitivity analysis on the identified risks.

The Group has reviewed trade receivables at the end of the reporting period for both current and past due debtors. The review was undertaken on a customer by customer basis. During the process risks associated with each customer were considered and where those risks warranted it a provision was made. The Company is satisfied that sufficient provision has been made in relation to credit risk and that the maximum credit risk exposure does not exceed the amount of this provision.

The Group makes an allowance for the future issue of credit notes in respect of period end trade receivables based on management's expectation. There is no significant allowance for impairment in respect of trade receivables.

The credit quality of debtors neither past due nor impaired is good. Refer back to note 16 for further analysis on trade receivables.

#### **25.6 Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group's income or the value of its holdings of financial instruments. The Group's objectives in using financial instruments are to manage the foreign exchange risk and to maximise returns from financial assets.

## Notes to the Financial Statements (continued)

### 25. Financial instruments (continued)

The Group reviews its foreign exchange exposure on a regular basis and, if there is a material exposure to exchange rate fluctuations and the Board considers it appropriate, the Group will reduce the risk by currency hedging on the net balances. Currency deposits are made or forward contracts entered into so as to match their maturity with currency receipt or requirement.

The Group aims to maximise returns from funds held on deposit and uses mainly money market deposits with major clearing banks for this purpose.

#### 25.7 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines profit before tax divided by net assets excluding income tax-related balances. The Board of Directors also monitors the level of dividends paid to shareholders.

The Board keeps under consideration the balance between the higher returns that might be possible with borrowings and the advantages and security afforded by limited or no gearing.

The Group entered into a credit facility agreement under which the Group is subject to certain financial covenants relating to leverage.

#### 25.8 Financial instruments held for trading purposes

The Group does not trade in financial instruments.

#### 25.9 Fair values of financial instruments

The carrying value of Cash and Cash Deposits approximates their fair value due to the short maturity of these instruments. The fair value of available-for-sale financial instruments is based upon the open market value of these instruments. There is no difference between the fair value of the financial assets and liabilities of the Group and the carrying value in the accounts.

### 26. Acquisition

On 17 December 2014, the Dealogic group was acquired for a total consideration of \$675.7m, which was paid in the form of cash and new equity issued by the Company. The cash consideration paid was funded, in part, by an equity investment of \$242.1m in the Company and by a new secured term loan facility of \$335m. As a result of the acquisition, the Group is expected to enhance the expertise of the assembled developers and the expected future technology product enhancements and expansions.

## Notes to the Financial Statements (continued)

### 26. Acquisition (continued)

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below:

	Book value US\$000	FV adjustment US\$000	Fair Value US\$000
Tangible fixed assets	9,142	2,971	12,113
Capitalised software and development costs	12,626	233	12,859
Other identified intangible assets	-	385,780	385,780
Deferred tax arising on other identifiable intangible assets	-	(114,041)	(114,041)
Other assets and liabilities	31,346	3,636	34,982
Identified net assets	53,114	278,579	331,693
Goodwill			344,015
Total consideration			675,708

Satisfied by:

	US\$000
Cash	514,501
Equity	161,207
Total consideration transferred	675,708

Net cashflow arising on acquisition:

	US\$000
Cash consideration	514,501
Less: cash balances acquired	(24,369)
	490,132

The revenue included in the consolidated statement of comprehensive income since the acquisition date contributed by Dealogic was US\$4,079,000. Dealogic also contributed an operating profit of US\$294,000 and a profit after tax of US\$134,000 over the same period.

Dealogic's results for the full 2014 year included revenue of US\$146,246,000 and operating profit of \$50,073,000.

### 27. Related parties

During the period, the Group paid US\$30,822 to the related party, Carlyle Investment Management LLC, in respect of a management fee for the period 17 December to 31 December 2014. This entity is related by way of it's majority ownership of the Company (68.6% of the voting shares).

During the period, the Group paid \$10,274 to the related party, FiveW, in respect of a management fee for the period 17 December to 31 December 2014. This entity is related by way of it's shareholding in the Company (6.4% of the voting shares).

## **Notes to the Financial Statements (continued)**

### **27. Related parties (continued)**

Related party transactions are made on terms equivalent to those that prevail in arm's length transactions only if such terms can be substantiated.

### **28. Ultimate parent company and parent company of larger group**

The Company is a subsidiary undertaking of Carlyle Partners VI Cayman Holdings LP which is the immediate parent company, incorporated in the Cayman Islands. As at 31 December 2014, it owns 68.6% of the Company's Ordinary 'A' Shares. The ultimate controlling party is Carlyle Investment Management LLC.

The largest group in which the results of the Company are consolidated is the Company itself. No other group financial statements include the results of the Company.

**Company Balance Sheet**  
as at 31 December 2014

	Notes	2014 US\$000
<b>Fixed assets</b>		
Investments	3	242,075
		<b>242,075</b>
<b>Current assets</b>		
Debtors - Amounts falling due within one year	4	161,207
		<b>161,207</b>
<b>Creditors due within one year</b>	5	<b>(21,220)</b>
<b>Net current assets</b>		<b>139,987</b>
<b>Net assets</b>		<b>382,062</b>
<b>Capital and reserves</b>		
Share capital	6	316
Share premium	7	381,750
Profit and loss account	7	(4)
<b>Shareholders' funds</b>		<b>382,062</b>

These financial statements were approved by the Board on 28 April 2015 and signed on its behalf by:



PR McCarter  
Director

The notes on pages 37 to 40 form an integral part of these financial statements.

## **Notes to the Financial Statements for the period ended 31 December 2014**

### **1. Basis of Preparation**

These financial statements are prepared under the historical cost convention in accordance with applicable UK accounting standards.

As allowed by s408 Companies Act 2006, no profit and loss account is presented in respect of the parent company.

### **2. Accounting Policies**

#### **(a) Foreign exchange**

The Company's functional and presentational currency is the US Dollar. Transactions denominated in foreign currencies are translated into the functional currency of the entity at the rates prevailing at the dates of the individual transactions. Foreign currency monetary assets and liabilities are translated at the rates prevailing at the balance sheet date. Exchange gains and losses arising are charged or credited to the profit and loss.

#### **(b) Taxation**

Deferred taxation is provided in full for material timing differences except where recoverability of a deferred tax asset is considered to be remote in the foreseeable future. Deferred tax balances are not discounted unless the effects are considered to be material to the Company's results.

#### **(c) Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

#### **(d) Related party transactions**

The Company has elected not to disclose intra-group transactions where the subsidiaries are 100% owned by the terms of Financial Reporting Standard 8.

#### **(e) Dividend distribution**

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders and in the period in which interim dividends are paid.

#### **(f) Financial instruments**

The Company is exempt from the requirement of FRS 29 Financial Instruments: Disclosures, as the disclosures that comply with this standard are included in the Consolidated Financial Statements of the Company.

### 3. Investments

	2014 US\$000
<b>Shares in group undertakings</b>	
Investment in Diamond Midco Limited	242,075
<b>At 31 December</b>	<b>242,075</b>

During the period, the Company acquired all of the issued share capital of Diamond Midco Limited, a company registered in England and Wales and incorporated on 28 October 2014, for a purchase price of \$13.24 per share. This comprised 18,280,692 Ordinary Shares.

The principal direct and indirect subsidiaries of the Company as at 31 December 2014 are set out below:

Subsidiary undertakings	Country of incorporation	Percentage of ordinary shares held
Diamond Midco Limited	England & Wales	100%
Diamond Bidco Limited	England & Wales	100%
Diamond US Holding LLC	USA	100%
Deallogic (Holdings) Limited	England & Wales	100%
Deallogic Limited	England & Wales	100%
Deallogic LLC	USA	100%
Capital Net Limited	England & Wales	100%
Capital Data Limited	England & Wales	100%
Deallogic Japan Limited	England & Wales	100%
Investor Profiles, LLC	USA	100%
Deallogic Hungary Kft.	Hungary	100%
Deallogic Asia Pacific Limited	Hong Kong	100%
Deallogic Soluções Brasil Limitada	Brazil	100%
Deallogic Information Solutions (Beijing) Limited	China	100%
Junction RDS Limited	England & Wales	100%

### 4. Debtors

	2014 US\$000
Amount due from group undertakings	161,207
	<b>161,207</b>

## 5. Creditors: Amounts Falling Due Within One Year

	2014 US\$000
Preference shares	21,215
Accruals and deferred income	5
	<b>21,220</b>

The issued preference share capital of the Company is made up of 21,214,992 shares with a nominal value of \$1 each. These shares were issued upon incorporation of the company and are all owned by Euromoney Institutional Investor PLC. See note 6.

## 6. Share capital

### Allotted, called up and fully paid

Ordinary A shares of \$0.01 each as at 27 October and 31 December	\$ 267,218
Ordinary B shares of \$0.01 each as at 27 October and 31 December	\$ 49,021
Ordinary shares	<b>\$ 316,239</b>

Preference shares of \$1 each as at 27 October and 31 December	\$ 21,214,992
Preference shares	<b>\$ 21,214,992</b>

### Number allotted

Ordinary A shares of \$0.01 each	26,721,765
Ordinary B shares of \$0.01 each	4,902,083
Ordinary shares	<b>31,623,848</b>

Preference shares of \$1 each	21,214,992
Preference shares	<b>21,214,992</b>

The Company issued 31.6m \$0.01 ordinary shares during the year. The Ordinary 'A' shares of the Company, at 31 December 2014, are held by various shareholders, the largest being Carlyle Partners VI Cayman Holdings LP (68.6%). The holders of Ordinary A shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The Ordinary 'B' shares are held by Euromoney Institutional Investor PLC and do not carry any rights to receive dividends or other distributions of profits.

The preference shares are redeemable with 20 days' notice, at the option of the shareholders. The holders of preference shares are not entitled to receive dividends and are not entitled to vote at meetings of the Company. See also note 5.

For information on dividends and appropriations please refer to note 11 in the consolidated financial statements.



## 7. Reserves

	Share capital	Share premium	Profit & loss account	Total
	US\$000	US\$000	US\$000	US\$000
Loss for the period	-	-	(4)	(4)
Shares issued	316	381,750	-	382,066
<b>At 31 December 2014</b>	<b>316</b>	<b>381,750</b>	<b>(4)</b>	<b>382,062</b>

## 8. Employees and directors

The Company employed no staff in the period.

Amounts paid by Diamond Topco Limited, the Company, in respect of directors in the period was US\$nil. See note 6 in Diamond Topco Limited consolidated financial statements for details of the directors' remuneration within the group.

## 9. Ultimate parent company and parent company of larger group

The Company's immediate parent company is Carlyle Partners VI Cayman Holdings LP, incorporated in the Cayman Islands. As at 31 December 2014, it owns 68.6% of the Company's Ordinary 'A' Shares. The ultimate controlling party is Carlyle Investment Management LLC.

The largest group in which the results of the Company are consolidated is the Company itself. No other group financial statements include the results of the Company.