PILLAR 3 DISCLOSURE STATEMENT
YEAR ENDING 31 DECEMBER 2016

Introduction

Bloomberg Tradebook Europe Limited (the “Company”) is authorised by the Financial Conduct Authority (the “FCA”) with firm reference number 187492. The Company is classified as an “IFPRU 125k limited licence firm” under the FCA’s regulatory capital regime and is therefore required to comply with the applicable disclosure requirements set out in:

(a) Part Eight of the Capital Requirements Regulation (EU) No 575/2013 (“CRR”), referred to commonly as the “Pillar 3” disclosure obligations; and

(b) Article 96 of the Capital Requirements Directive (2013/36/EU) (“CRD IV”).

Except to the extent noted, all figures are based on the Company’s audited accounts for the year ending 31 December 2016.

Frequency

The Company makes this Disclosure Statement annually and the disclosures are as at the Company’s Accounting Reference Date.

Verification

Unless otherwise noted, the information contained in this Disclosure Statement has not been audited by the Company’s external auditors and does not constitute any form of financial statement and must not be relied upon in making any judgement on the Company.

Materiality

Many of the Pillar 3 disclosure obligations were originally drafted in contemplation of the business and operations of credit institutions. The Company is an agency broker and considers that certain of the Pillar 3 disclosure obligations are not material to its business on the basis that the omission of such information would not change or influence the assessment or decision of a user relying on that information for the purpose of making economic decisions. If the Company deems a certain disclosure to be immaterial, it may be omitted from this Disclosure Statement.

Proprietary Information and Confidentiality

Information is proprietary if sharing that information publicly would undermine the Company’s competitive position. Proprietary information may include information on products or systems which, if shared with competitors, would render the Company’s investments in them less
valuable. Information is confidential if there are obligations to customers or other counterparty relationships binding the Company to confidentiality.

Where the Company omits information from this Disclosure Statement on the grounds that it is proprietary and/or confidential, the Company explains the grounds for the omission.

1. **Article 435(1) CRR – Risk management objectives and policies**

1.1 The Company has assessed material risks to its business as part of its Internal Capital Adequacy Assessment Process ("ICAAP") and set out appropriate actions to manage them. In particular the Company identifies all material risks through scenario analysis and stress tests and then assesses whether it is appropriate to hold capital against those risks and/or adopt alternative risk mitigants.

1.2 The Company is governed by its Board of Directors ("Board"), which is ultimately responsible for the Company’s overall risk management and for maintaining an appropriate internal control framework. Responsibility for risk management is delegated to the Risk Committee which meets at least six times per year and otherwise as necessary to discharge its responsibilities effectively. In addition, the Internal Audit function reviews the business operations and system of internal controls for Bloomberg L.P. and its related entities, including the Company.

1.3 The heads of individual business units are responsible for identifying and analysing the risks relevant to their respective business units and reporting to the Risk Committee, who will then escalate significant items to the Board, in the event that these risks differ from the list of material risks set out in the Company’s risk register. Risk issues are also addressed as part of the various standing items at Board meetings.

1.4 The Company has concluded that information concerning its policies for hedging and mitigating risk, and the strategies and processes for monitoring the continuing effectiveness of hedges and mitigants, is not material to its business.

1.5 The risk identification, analysis and quantification approach adopted in the ICAAP serves the risk management needs of the business. The Board considers the risk management framework in place to be appropriate to the size, nature and complexity of the Company.

1.6 The Company has concluded that information concerning its overall risk profile associated with its business strategy is not material to its business.

2. **Article 435(2)(a) CRR to Article 435(2)(e) – Information on governance arrangements, including information on Board composition and recruitment, and risk committees**

2.1 Given the nature of the Company’s business, members of the Board may hold other directorships, primarily on the boards of other companies within the wider Bloomberg business.

2.2 The Company’s directors are appointed having regard to their individual knowledge, skills and experience and the combined knowledge, skills, experience and diversity of the Board as a whole.
2.3 When appointing directors, the Company follows the Bloomberg group policies on equal employment opportunities and is committed to treating all applicants for positions and employees in a non-discriminatory manner. The Bloomberg group policies do not contain diversity targets.

2.4 The Company has a Risk Committee which meets at least six times per year and otherwise as necessary to discharge its responsibilities effectively. The Risk Committee met six times in the year to 31 December 2016. The Risk Committee is responsible for reporting to the Board, the Chief Executive Officer and the Executive Committee on risk issues.

2.5 The Board has designated the Executive Committee to manage the day-to-day business and operations of the Company. It comprises senior executive stakeholders from the business and meets at least eight times per year and otherwise as necessary to discharge its responsibilities effectively. The Executive Committee escalates significant items to the Board.

3. Article 436 CRR – Scope of application

The Company is not a member of a UK Consolidation Group under CRR and consequently, does not report on a consolidated basis under CRR.

4. Article 437 CRR – Own funds

Details of the Company’s own funds capital resources as at 31 December 2016 are set out below. The column headed ‘Balance sheet item’ maps each item to the corresponding item in the Company’s balance sheet (the “Statement of Financial Position”) at page 9 of its financial statements as at 31 December 2016.

<table>
<thead>
<tr>
<th>Own funds disclosure</th>
<th>U.S.$000</th>
<th>Balance sheet item</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Common Equity Tier 1 (CET1) capital: Instruments and reserves</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Capital Instruments and the related share premium accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of which: Instrument type 1 (Ordinary shares)</td>
<td>36,207</td>
<td>Called up share capital</td>
</tr>
<tr>
<td>2 Retained earnings</td>
<td>8,325</td>
<td>Profit and loss account</td>
</tr>
<tr>
<td>3 Accumulated other comprehensive income (and other reserves)</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Common Equity Tier 1 (CET1)资本 before regulatory adjustments</strong></td>
<td>44,532</td>
<td>Total shareholders’ funds</td>
</tr>
<tr>
<td><strong>Common Equity Tier 1 (CET1) capital: regulatory adjustments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25a Losses for the current financial year (negative amount)</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total regulatory adjustments to Common Equity Tier 1 (CET1)</strong></td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>29 Common Equity Tier 1 (CET1) capital</td>
<td>44,532</td>
<td>Total shareholders’ funds</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>59</td>
<td>Total capital ((TC = T1 + T2))</td>
<td>44,532</td>
</tr>
<tr>
<td>60</td>
<td>Total risk weighted assets</td>
<td>48,531</td>
</tr>
</tbody>
</table>

**Capital ratios and buffers**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>61</td>
<td>Common Equity Tier 1 (as a percentage of total risk exposure amount)</td>
<td>91.76%</td>
</tr>
<tr>
<td>62</td>
<td>Tier 1 (as a percentage of total risk exposure amount)</td>
<td>91.76%</td>
</tr>
<tr>
<td>63</td>
<td>Total capital (as a percentage of total risk exposure amount)</td>
<td>91.76%</td>
</tr>
</tbody>
</table>

The following table sets out the key features of the Company’s CET1 share capital:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Issuer</td>
<td>Bloomberg Tradebook Europe Limited</td>
</tr>
<tr>
<td>3. Governing law(s) of the instrument</td>
<td>England and Wales</td>
</tr>
<tr>
<td><strong>Regulatory treatment</strong></td>
<td></td>
</tr>
<tr>
<td>5. Post-transitional CRR rules</td>
<td>Common Equity Tier 1</td>
</tr>
<tr>
<td>6. Eligible at solo / (sub-)consolidated / solo &amp; (sub-)consolidated</td>
<td>Solo</td>
</tr>
<tr>
<td>7. Instrument type</td>
<td>Ordinary shares</td>
</tr>
<tr>
<td>8. Amount recognised in regulatory capital</td>
<td>U.S.$36,207,000</td>
</tr>
<tr>
<td>9. Nominal amount of the instrument</td>
<td>U.S.$1</td>
</tr>
<tr>
<td>9a. Issue price</td>
<td>U.S.$1 each / U.S.$36,207,000 total</td>
</tr>
<tr>
<td>10. Accounting classification</td>
<td>Shareholders’ equity</td>
</tr>
<tr>
<td>12. Perpetual or dated</td>
<td>Perpetual</td>
</tr>
<tr>
<td>13. Original maturity date</td>
<td>No maturity</td>
</tr>
<tr>
<td>14. Issuer call subject to prior supervisor approval</td>
<td>No</td>
</tr>
<tr>
<td><strong>Coupons / dividends</strong></td>
<td></td>
</tr>
<tr>
<td>17. Fixed/floating dividend/coupon</td>
<td>Floating dividend</td>
</tr>
<tr>
<td>19. Existence of a dividend stopper</td>
<td>No</td>
</tr>
<tr>
<td>20a. Fully discretionary, partially discretionary or mandatory (in terms of timing)</td>
<td>Fully discretionary</td>
</tr>
</tbody>
</table>
20b. Fully discretionary, partially discretionary or mandatory (in terms of amount) | Fully discretionary
21. Existence of step up or other incentive to redeem | No
22. Noncumulative or cumulative | Noncumulative
23. Convertible or non-convertible | Non-convertible
30. Write down features | No
35. Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Lowest ranking
36. Non-compliant transitioned features | No

5. **Article 438 CRR – Capital Requirements**

5.1 Capital forecasts are managed on a top-down and bottom-up analysis through both Short Term (1 Year) and Medium Term (3 year) financial planning cycles. The Company’s capital plans are developed with the objective of maintaining capital that is adequate in quantity and quality to support the Company’s risk profile, regulatory and business needs.

5.2 The Company considers the Pillar 2 capital requirement to be its overall capital requirement which is calculated as follows:

<table>
<thead>
<tr>
<th>Risk type</th>
<th>Value (U.S.$000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit risk</td>
<td>1,153</td>
</tr>
<tr>
<td>Market risk</td>
<td>825</td>
</tr>
<tr>
<td>Operational risk</td>
<td>3,299</td>
</tr>
<tr>
<td>Business risk</td>
<td>6,862</td>
</tr>
<tr>
<td><strong>Total Pillar 2 Requirement</strong></td>
<td><strong>12,139</strong></td>
</tr>
</tbody>
</table>

5.3 The Company does not utilise the Internal Ratings Based Approach and has concluded that information concerning its capital requirement amounts for: (i) credit risk for each standardised approach exposure class; (ii) market risk; and (iii) operational risk, are not material to its business.

6. **Article 439 CRR – Exposure to counterparty credit risk**

The Company does not trade as principal through the course of operating its services, hence the Company is not exposed to counterparty credit risk arising out of unsettled trades.

The main source of credit risk for the Company arises from cash balances it holds at banks.

7. **Article 440 CRR – Capital buffers**

The Company is not required to have a countercyclical capital buffer.
8. **Article 441 CRR – Indicators of global systemic importance**

The Company is not an institution of global systemic importance.

9. **Article 442 CRR – Credit risk adjustments; Article 443 CRR – Unencumbered assets; Article 444 CRR – Use of ECAIs; Article 445 CRR – Exposure to market risk**

The Company has concluded that this information is not generally material to its business, but highlights the following:

**Use of ECAIs:** The Company’s policy is to only deposit cash balances with banks which have a credit rating equivalent to the FCA’s credit quality step 2 rating. The Company does not hold any investments that require it to calculate its credit requirements using a credit rating agency.

**Exposure to market risk:** The Company’s assets are not subject to market fluctuation as they are held in cash. The Company does not face settlement risk or commodities risk. The Company does face foreign currency risk as it receives revenue in currencies other than its accounting currency of U.S. dollars. The Company’s market risk requirement referred to above reflects its foreign currency risk.

10. **Article 446 CRR – Operational Risk**

The Company is not subject to a Pillar 1 operational risk requirement.

11. **Article 447 CRR – Exposures in equities not included in the trading book**

The Company has no non-trading book exposure to equities.

12. **Article 448 CRR – Exposure to interest rate risk on positions not included in the trading book**

The Company has concluded that this information is not material to its business.

13. **Article 449 CRR – Exposure to securitisation positions**

The Company does not have exposure to securitisation positions.

14. **Article 451 CRR – Leverage**

The Company has concluded that this information is not material to its business.

15. **Article 450 CRR – Remuneration Disclosure**

15.1 Decision making process (Article 450(1)(a) CRR)

The Company has a Remuneration Committee appointed by the Board which comprises the Chief Executive Officer and a member of the Human Resources (HR) function. The Remuneration Committee is responsible for advising the board on
remuneration policies and procedures and reviewing and approving material changes to them. The Remuneration Committee is also responsible for ensuring that regulatory requirements relating to remuneration, including disclosures and identification of Remuneration Code staff, are met. The Remuneration Committee met twice during the financial year ending 31 December 2016. The Chief Compliance Officer is invited to comment on regulatory matters relating to remuneration at each meeting. The Company has engaged UK counsel Travers Smith LLP to provide advice on its remuneration policies and procedures.

Qualitative information

15.2 Information on the link between pay and performance (Article 450(1)(b) CRR)

The Company's remuneration system aims to incentivise high level performance of the Company’s staff and promote sound risk management, which is achieved primarily by the annual performance review used to determine an employee’s cash bonus and future base salary (described at paragraph 15.3 below).

15.3 Design characteristics of the remuneration system (Article 450(1)(c) CRR)

The Company's remuneration system comprises fixed and variable components:

1. The fixed remuneration component is made up of fixed salary, minor benefits determined at Bloomberg global level (e.g. mobile phone allowance, life and disability insurance), and, for eligible staff, a contribution to a group personal pension scheme.

2. The variable remuneration component comprises a cash bonus.

Cash bonus

The cash bonus payable to an individual is determined by reference to the collective level of success of Bloomberg L.P. and the performance of the individual as determined by the performance review process.

Total bonus pool

The total bonus pool available to the Company in any given performance year is based on the Company’s performance and the profits of the Bloomberg group as a whole.

Deferral and performance adjustment

As an FCA proportionality Tier 3 firm, the Company has concluded it is disproportionate to apply rules on deferral and performance adjustment.

Performance measurement

The target bonus is determined by reference to: (i) the projected cash bonus available to the Bloomberg Tradebook sub-group as a whole; (ii) the cash bonus
pool available for staff in the relevant division; and (iii) the cash bonus awarded to
the individual in relation to the previous year.

The annual performance review is an assessment of an employee against personal
objectives set in the previous year, including compliance criteria. In addition to its
role in setting bonus, the performance review is also used to determine whether to
increase the employee’s base salary.

15.4 The ratios between fixed and variable remuneration (Article 450(1)(d) CRR)

As a Tier 3 firm, the Company has concluded it is disproportionate to apply the rules
on setting a ratio of fixed to variable remuneration.

15.5 Information on the performance criteria on which the entitlement to shares, options
or variable components of remuneration is based (Article 450(1)(e) CRR)

Please see the description of the annual performance review at 15.3 above.

15.6 The main parameters and rationale for any variable component scheme and any
other non-cash benefits (Article 450(1)(f) CRR)

Please see the description of the annual performance review at 15.3 above.

15.7 Quantitative information

a) Aggregate quantitative information on remuneration, broken down by business area
(Article 450(1)(g) CRR)

The information below relates to the financial year ending 31 December 2016. The
Company has a single business area and accordingly total remuneration is provided
below.

<table>
<thead>
<tr>
<th>Remuneration Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Remuneration</td>
<td>U.S.$9,214,734</td>
</tr>
</tbody>
</table>

b) Aggregate quantitative information on remuneration, broken down by senior
management and members of staff whose actions have a material impact on the
risk profile of the institution (Article 450(1)(h) CRR)

The information below relates to the financial year ending 31 December 2016.

<table>
<thead>
<tr>
<th>Remuneration Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Remuneration</td>
<td>U.S.$4,141,966</td>
</tr>
<tr>
<td>Senior managers</td>
<td></td>
</tr>
<tr>
<td>Total Fixed Remuneration</td>
<td>U.S.$2,880,978</td>
</tr>
<tr>
<td>Total Variable Remuneration</td>
<td>U.S.$1,260,988</td>
</tr>
<tr>
<td>Same remuneration bracket</td>
<td></td>
</tr>
<tr>
<td>Total Fixed Remuneration</td>
<td>U.S.$1,612,969</td>
</tr>
<tr>
<td>Total Variable Remuneration</td>
<td>U.S.$405,155</td>
</tr>
<tr>
<td>Total Remuneration</td>
<td>U.S.$2,018,124</td>
</tr>
</tbody>
</table>
All Remuneration Code staff

Total Fixed Remuneration  
U.S.$4,493,947

Total Variable Remuneration  
U.S.$1,666,143

Total Remuneration  
U.S.$6,160,090

Notes:

1. 8 Remuneration Code staff are senior managers and 8 Remuneration Code staff are in the same remuneration bracket. No other members of staff have a material impact on the risk profile of the firm.

2. As a Tier 3 firm, the Company has concluded it is appropriate to disclose the above information to satisfy Articles 450(1)(g) and (h).

15.8 The number of individuals being remunerated EUR 1 million or more per financial year, for remuneration between EUR 1 million and EUR 5 million broken down into pay bands of EUR 500,000 and for remuneration of EUR 5 million and above broken down into pay bands of EUR 1 million (Article 450(1)(i) CRR)

The Company has omitted this disclosure on the basis of Article 450(2) CRR and the EU Data Protection Directive 95/46/EC (as implemented in the United Kingdom by the UK Data Protection Act 1998, as amended).

16. Management Body Disclosures – Article 88 and Article 91 CRD IV

16.1 Article 88 and Article 91 of CRD IV have been implemented in the UK by SYSC 4.3A of the FCA Handbook.

16.2 The principal role of the Board is to provide leadership of the Company within a framework of prudent and effective controls. The Board is responsible for overseeing the Company’s business and for promoting the success of the Company as a whole by directing and supervising its affairs. Matters ultimately reserved for the Board include: (1) strategy and management; (2) financial reporting and controls and capital management; (3) internal controls; (4) expenditure; and (5) corporate governance matters. The Board reviews the matters reserved for the Board as and when required but in any event at least once a year.

16.3 The Board has delegated certain responsibilities and duties to the Executive Committee, the Risk Committee and the Remuneration Committee. Each committee is subject to the authority of the Board and the Board retains the authority to overrule the decisions of each committee.

16.4 The Board comprises the Chief Executive Officer (who chairs meetings of the Board), a further executive Director and a non-executive Director.

16.5 Before a director is appointed to the Board, the Company undertakes a due diligence review of the candidate’s background, competence and qualifications. The Company appoints directors who have substantial experience of working at senior levels of the wider Bloomberg business or at the senior levels of other businesses and have therefore accumulated the relevant knowledge, skills and experience to fulfil their duties as members of the Board.
16.6 The Company has detailed compliance systems and controls in place which include
the induction and training of members of the Board.

16.7 Given the nature of the Company’s business, members of the Board may hold a
number of other directorships, primarily on the boards of other companies within the
wider Bloomberg business.

16.8 The Company is not required to have a nomination committee. When appointing
directors, the Company follows the Bloomberg group policies on equal employment
opportunities and is committed to treating all applicants for positions and employees
in a non-discriminatory manner. The Bloomberg group policies do not contain
diversity targets.

17. Country by Country Reporting – Article 89 CRD IV

17.1 This information is included as a Schedule to this Disclosure Statement.

18. Remuneration Disclosure – Articles 92 to 95 CRD IV

18.1 Articles 92 to 95 of CRD IV have been implemented in the UK by SYSC 19A of the
FCA Handbook.

18.2 The Company has adopted a Remuneration Policy Statement (“RPS”) that complies
with applicable remuneration provisions in SYSC 19A of the FCA Handbook. Provisions relating to deferral, payment in shares or other instruments, performance
adjustment and ratios of fixed to variable remuneration have not been applied by
the Company on the basis of proportionality given its categorisation as a Tier 3 firm
for FCA remuneration purposes. The Company's RPS and Remuneration Code
staff list will be subject to review and approval by the Company’s Remuneration
Committee on at least an annual basis. The Company ensures that it identifies its
Remuneration Code staff pursuant to the FCA Rules and Commission Delegated
of the European Parliament and of the Council with regard to regulatory technical
standards with respect to qualitative and appropriate quantitative criteria to identify
categories of staff whose professional activities have a material impact on an
institution's risk profile.

18.3 The Board has established a Remuneration Committee, even though it is not strictly
required to establish one on the basis that it is a Tier 3 firm for FCA remuneration
purposes.
SCHEDULE

COUNTRY BY COUNTRY REPORTING
FINANCIAL YEAR ENDED 31 DECEMBER 2016
Bloomberg Tradebook Europe Limited

Country by Country Reporting
Financial Year Ended 31 December 2016

Registered Number: 3556095
Introduction

Bloomberg Tradebook Europe Limited (the “Company”) is authorised and regulated by the Financial Conduct Authority (the “FCA”) in the United Kingdom with firm reference number 187492. The Company is a limited company incorporated in England and Wales on 30 April 1998 under Company No. 3556095. The Company is wholly-owned by Bloomberg L.P. (“BLP”), a Delaware limited partnership. The Company is authorised as an investment firm and is classified as an “IFPRU 125K limited licence firm” under the FCA’s regulatory capital regime.

The Company is required to comply with the provisions of Statutory Instrument 2013 No. 3118 Capital Requirements (Country-by-Country Reporting) Regulations 2013. These regulations have been transposed into UK law to impose certain reporting obligations on institutions within the United Kingdom within the scope of the Capital Requirements Directive (CRD IV).

Except to the extent noted, all figures noted below are based on the Company’s audited accounts for the year ending 31 December 2016.

Country by Country Reporting (1)

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Bloomberg Tradebook Europe Limited</th>
<th>Bloomberg Tradebook Europe Limited, DIFC Branch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nature of activities</td>
<td>Investment Firm</td>
<td>Arranging Deals in Investments</td>
</tr>
<tr>
<td>Geographical location</td>
<td>United Kingdom</td>
<td>Dubai International Financial Centre (DIFC), Dubai, United Arab Emirates (UAE)</td>
</tr>
<tr>
<td>Turnover (U.S.$’000)</td>
<td>42,884</td>
<td>99 (2)</td>
</tr>
<tr>
<td>Number of employees</td>
<td>46</td>
<td>nil</td>
</tr>
<tr>
<td>Profit before tax (U.S.$’000)</td>
<td>2,341</td>
<td>9</td>
</tr>
<tr>
<td>Corporation tax paid (U.S.$’000)</td>
<td>724</td>
<td>nil</td>
</tr>
<tr>
<td>Public subsidies received</td>
<td>nil</td>
<td>nil</td>
</tr>
</tbody>
</table>

(1) The information in this table has been prepared based on the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013 and has been audited by the Company’s auditors, PricewaterhouseCoopers LLP.

(2) The turnover for Bloomberg Tradebook Europe Limited, DIFC Branch, is eliminated in consolidation of Bloomberg Tradebook Europe Limited.
Independent auditors' report to the Directors of Bloomberg Tradebook Europe Limited

We have audited the accompanying schedule of Bloomberg Tradebook Europe Limited for the year ended 31 December 2016 ("the schedule"). The schedule has been prepared by the directors based on the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Directors' Responsibility for the schedule
The directors are responsible for the preparation of the schedule in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013, for the appropriateness of the basis of preparation and the interpretation of the Regulations as they affect the preparation of the schedule, and for such internal control as the directors determine is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on the schedule based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the country-by-country information in the schedule as at 31 December 2016 is prepared, in all material respects, in accordance with the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Basis of Preparation and Restriction on Distribution
Without modifying our opinion, we draw attention to Note 1 to the schedule, which describes the basis of preparation. The schedule is prepared to assist the directors to meet the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013. As a result, the schedule may not be suitable for another purpose.

Our report is intended solely for the benefit of the directors of Bloomberg Tradebook Europe Limited. We do not accept or assume any responsibility or liability to any other party save where terms are agreed between us in writing.

PricewaterhouseCoopers LLP
Chartered Accountants

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