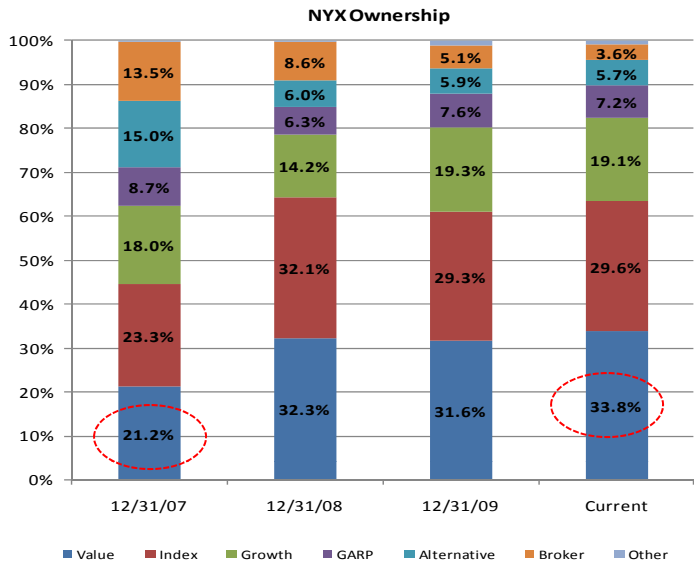
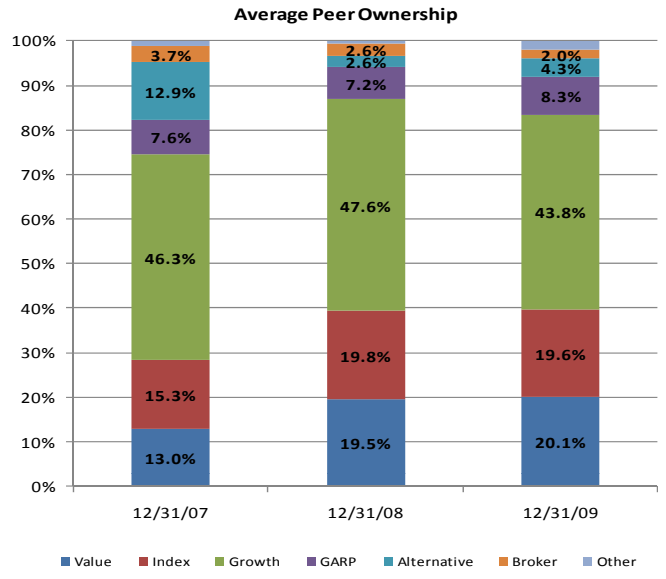
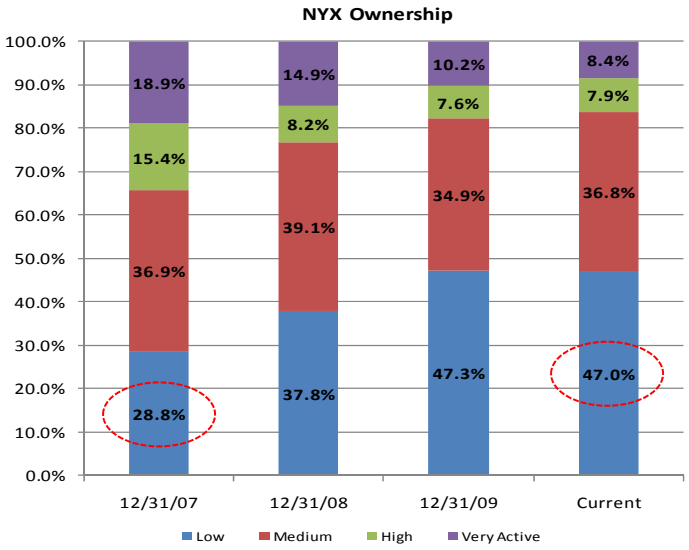
IR Program Evaluated On Ability to Establish More Stable Investor Base

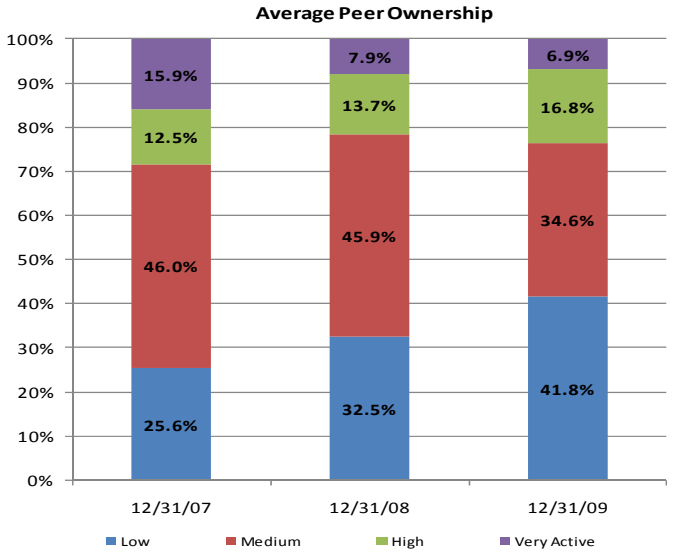
Ownership by Investment Style





Ownership by Portfolio Turnover





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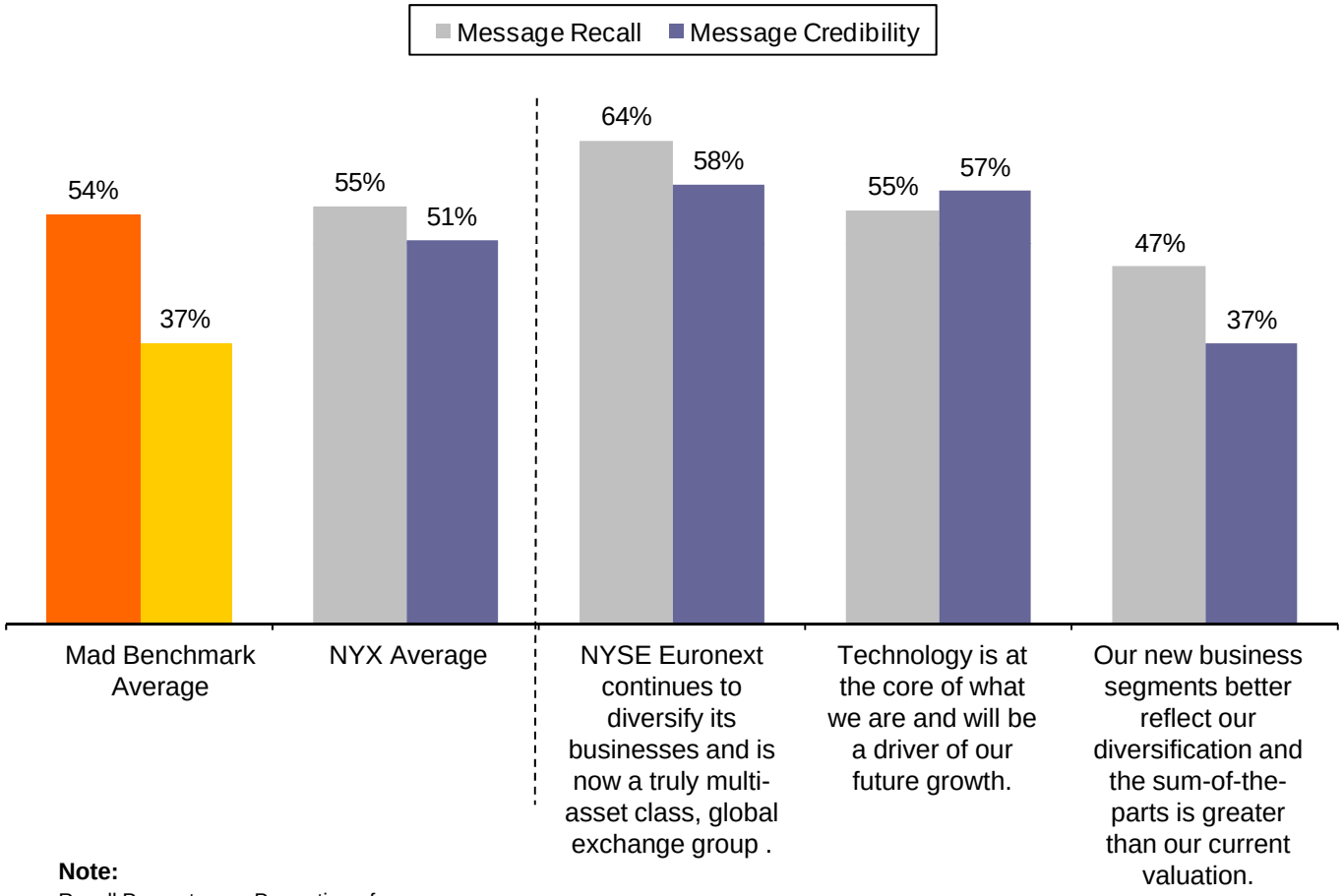
KEY MESSAGES OVERVIEW

IR Program Evaluated On Ability to Communicate Effectively Key Equity Story Messages

Key Message Recall & Credibility



Note:
Recall Percentage – Proportion of respondents that recalled each key message.

Credibility Percentage – Proportion of respondents that rated each key message "6 - or "7 - Highly Credible."

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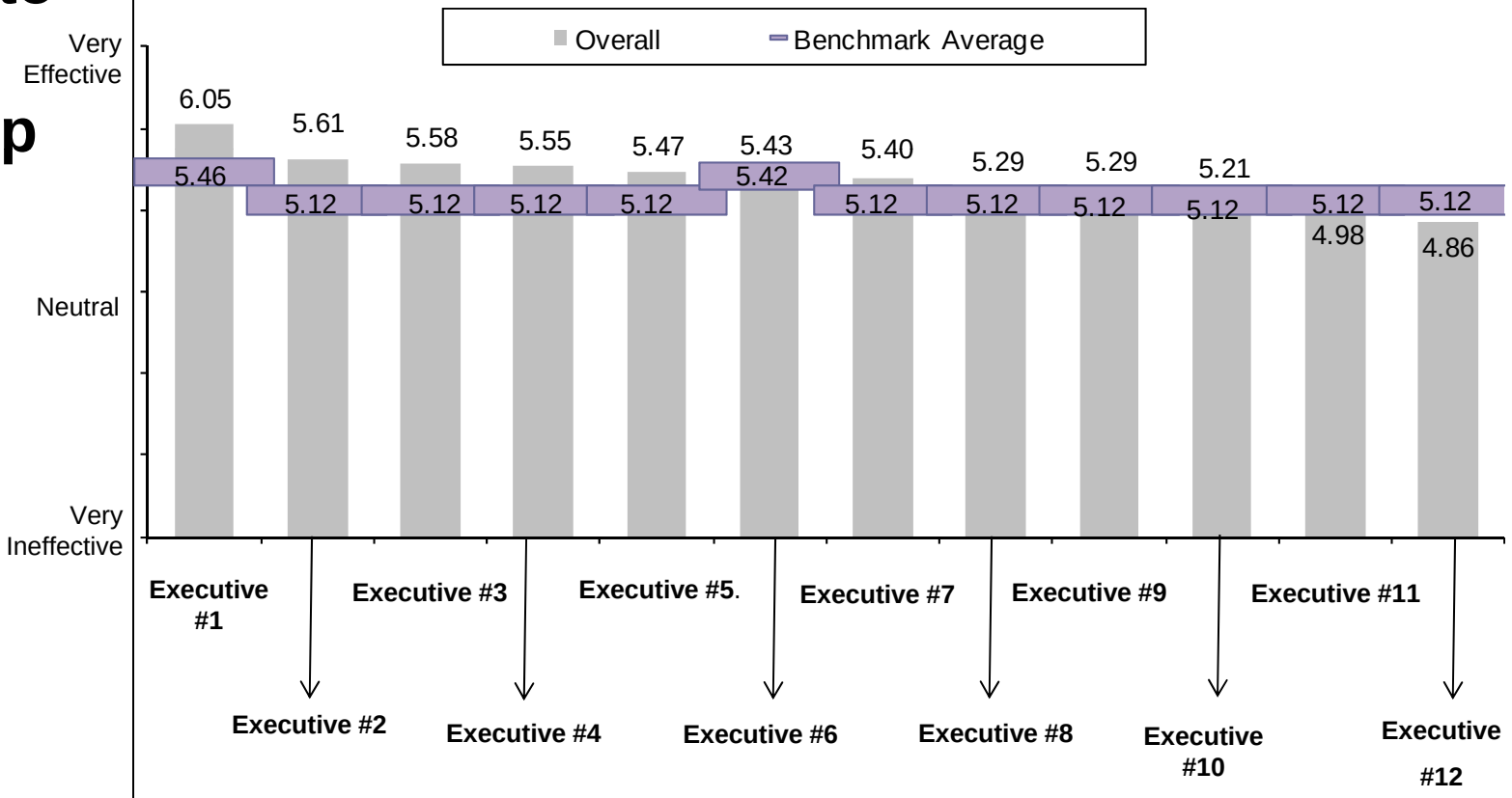
IR Program Evaluated On Ability to Position Leadership Team as Credible Story Tellers

Please rate each speaker according to how effectively each communicated a clear, concise and credible message.

SPEAKER EFFECTIVENESS BENCHMARKS

Effectiveness of Speakers



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IR Program Evaluated On Outreach During Merger Process

NYSE Euronext Investor Relations

All Events	(4/1 to 6/29)
Investor Event Count:	246
Total Shares In Events:	126,171,839
Total % S/O in Events:	48.2%
Total % of Instit. Ownership:	64.0%
Total Shares in Top 100 Met:	122,271,255
Total % of Top 100:	73.0%
Count of Top 100 Met:	54

Post-AGM to Through End of Unsolicited	(4/28 to 5/15)
Investor Event Count:	67
Total Shares In Events:	59,066,331
Total % S/O in Events:	22.5%
Total % of Instit. Ownership:	29.9%
Total Shares in Top 100 Met:	57,082,479
Total % of Top 100:	34.1%
Count of Top 100 Met:	25

Pre-AGM Events	(4/1 to 4/28)
Investor Event Count:	39
Total Shares In Events:	92,629,378
Total % S/O in Events:	35.4%
Total % of Instit. Ownership:	47.0%
Total Shares in Top 100 Met:	92,110,865
Total % of Top 100:	55.0%
Count of Top 100 Met:	30

Post-Unsolicited Bid Events	(5/16 to 6/29)
Investor Event Count:	140
Total Shares In Events:	59,066,331
Total % S/O in Events:	22.5%
Total % of Instit. Ownership:	29.9%
Total Shares in Top 100 Met:	57,082,479
Total % of Top 100:	34.1%
Count of Top 100 Met:	25

Total Institutional Ownership:	*197,236,154*
Shares Outstanding:	*262,000,000*
Top 100 Total:	*167,412,180*

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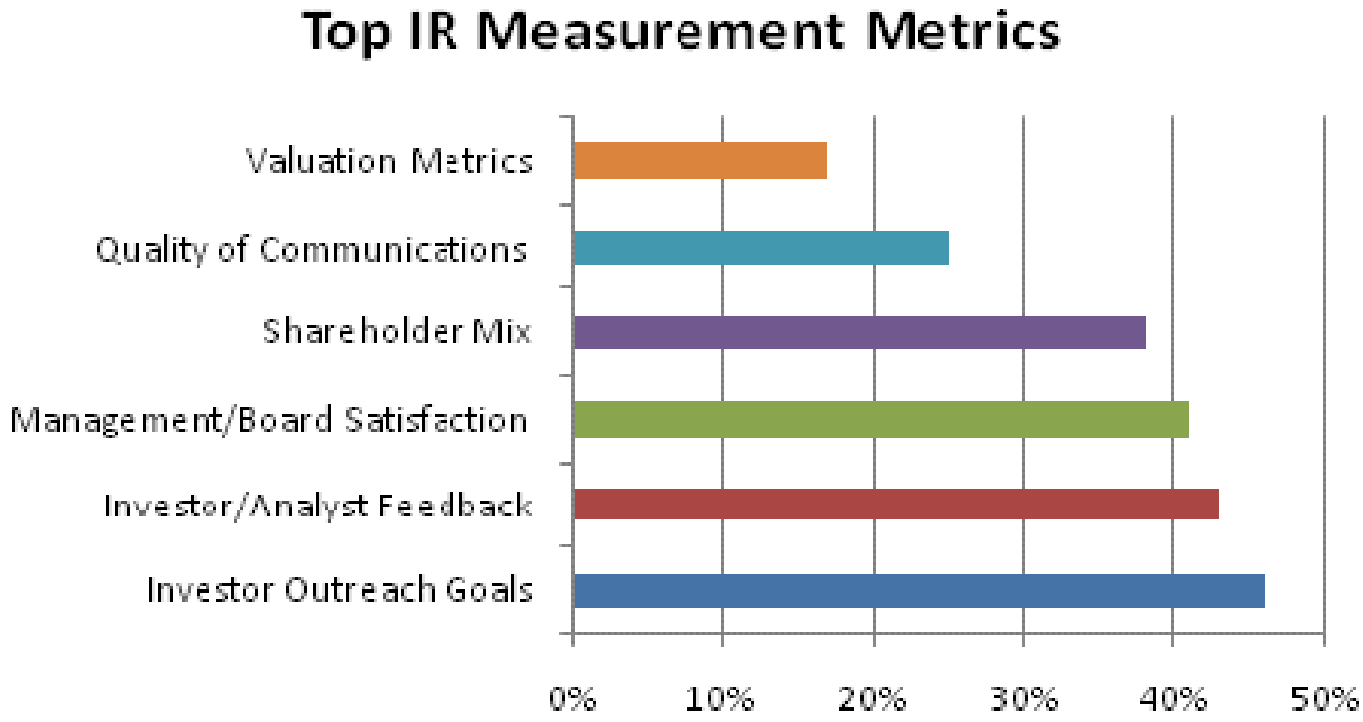
HOW IROS MEASURE THEIR PERFORMANCE



"The share price is important, it's only one of the KPIs…It's effective communication with investors, reliability of guidance, transparency, effective disclosure in terms of having a good analyst or investor presentation and managing the earnings release."
European Large Cap Financial IRO

IR ACTIVITIES – KEY METRICS

Buy-Side

- Targeting individual shareholders
- Number and/ or frequency of meetings
- Increase in ownership
- Shareholder mix: geographic, type of investor
- Concentration of investors

Sell-Side

- Increased coverage
- Effective communication of story
- Clarity of guidance
- Dispersion of consensus
- Participation at conferences

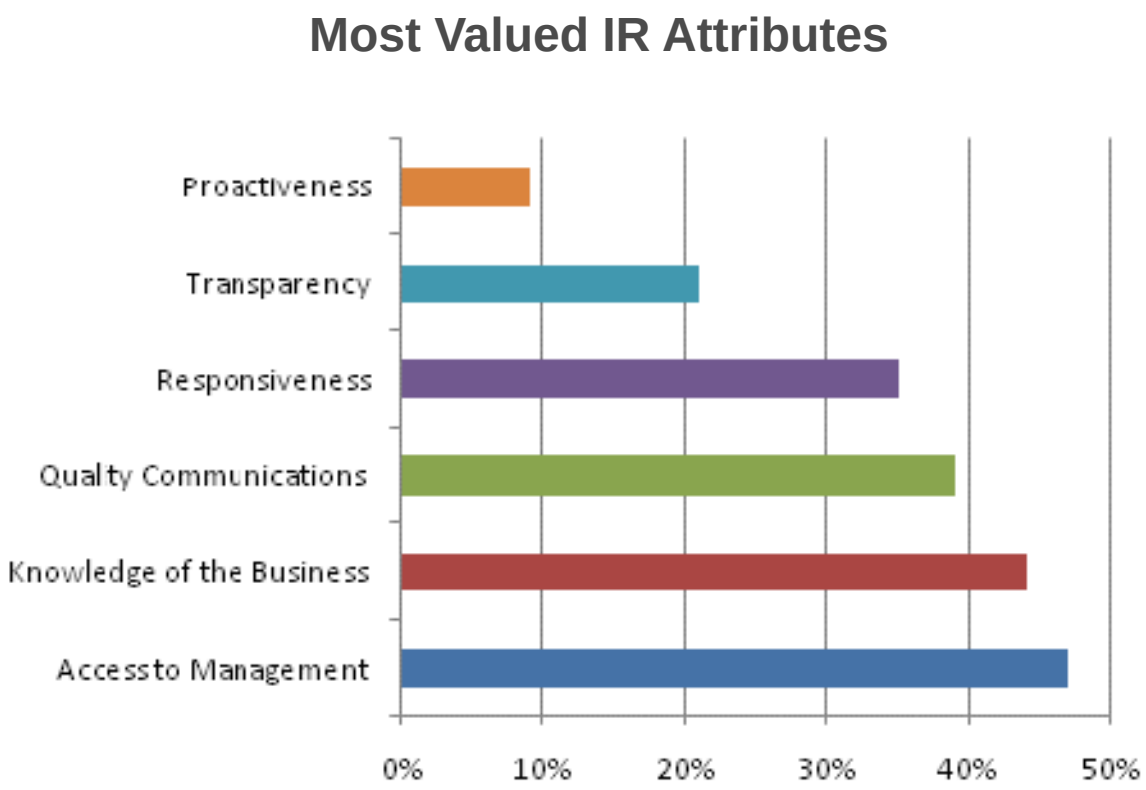
Quality of IR Program

- Effective communication with the Street
- Service levels of IR team
- Hosting effective analyst day
- Sentiment from perception studies
- Feedback post road shows and meetings
- IR Awards & Surveys

Valuation & stock price

- Multiples relative to peers
- P/E
- EV/EBITDA
- Relative share price

WHAT DO THE BUY- & SELL-SIDE VALUE MOST?



"The most important thing for investor relations is being available, answering the phone."

Buy-Side Analyst

"When I shoot a quick email to an IR team, I like when they get back to me right away with an answer. I don't like when you have to set up a time to call three days in advance."

Security Analyst, Sell-Side Firm

BEST PRACTICES FOR MEASURING IR

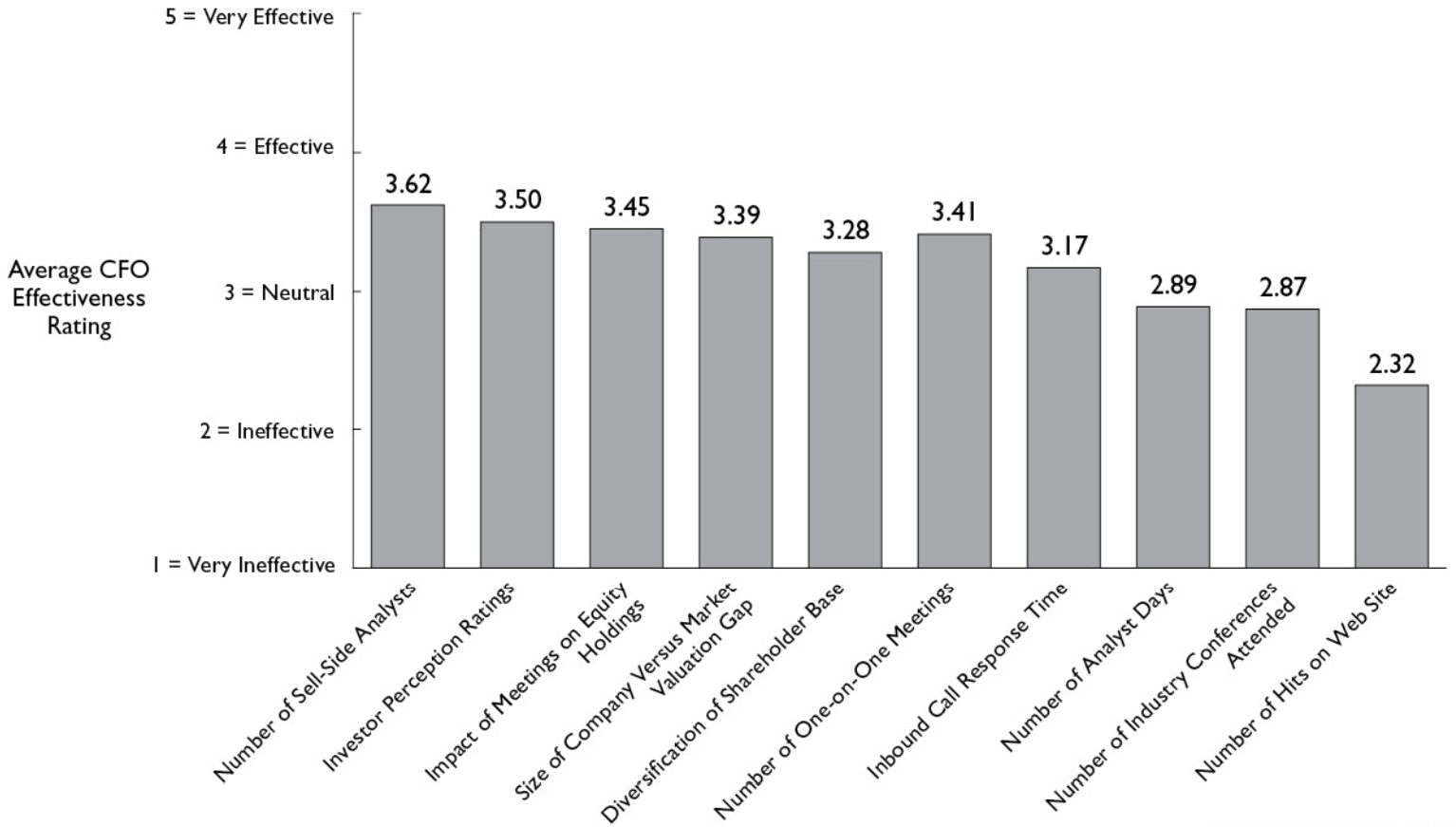
- Top Pan-European companies for IR in 2007-2011 outperformed their peers on average by 24%
- What are the **Europe All Stars** doing better?
  - **More aware of key trends -** sustainability, divisional directors access and using social media
  - Put **more executive time** into meeting **prospective and former investors**
  - Take the **market pulse** regularly by getting feedback on IR program
  - Don’t spend more money; but **spend more wisely** on their website and investor days and less on AGMs
  - Receive bonuses at a higher proportion of salary

CFOs' Ratings of the Effectiveness of IR Metrics

CFOs most highly value metrics related to desired IR outcomes, not just IR activities

CFO Metric Effectiveness Rating

CFO Investor Relations Performance Survey



n = 64.

Source: CFO Investor Relations Performance Survey; Investor Relations Roundtable research.

From the CFO EXECUTIVE BOARD
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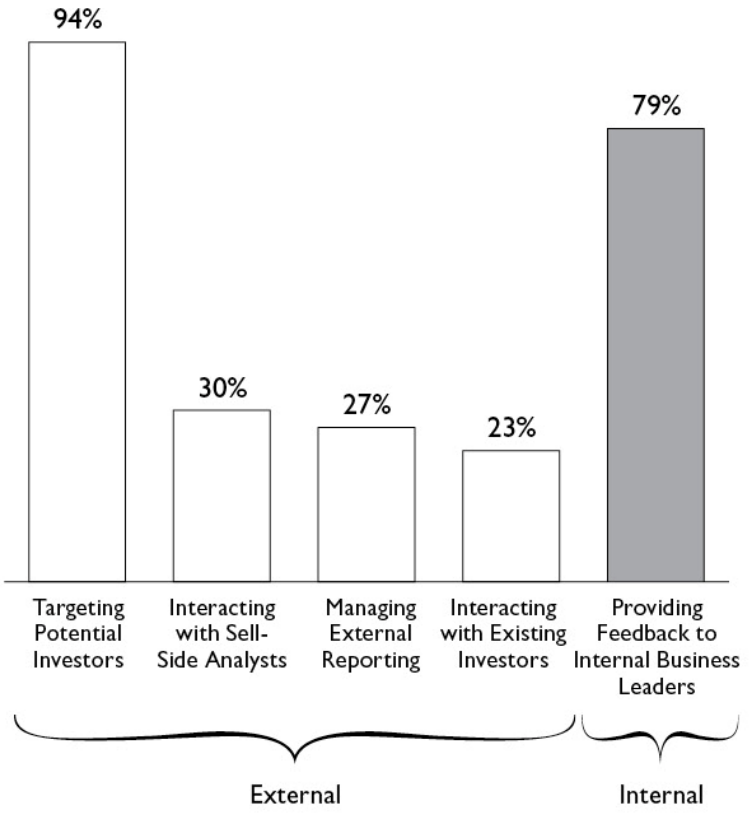
What Differentiates Very Effective IR Programs

CFOs indicate that one of the biggest differentiating factors for very effective IR teams is providing internal feedback…

Percentage Difference Between CFO Rating of "Very Effective" Versus "Neutrally Effective" IR Teams

CFO Investor Relations Performance Survey



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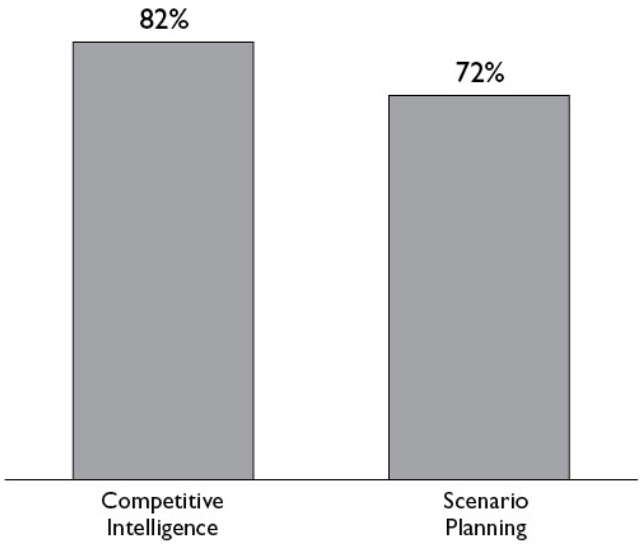
…especially to inform strategic decisions

Percentage of CFOs that Value Select Analyses Received from IR

CFO Investor Relations Performance Survey



n = 64.

Source: CFO Investor Relations Performance survey; Investor Relations Roundtable research.

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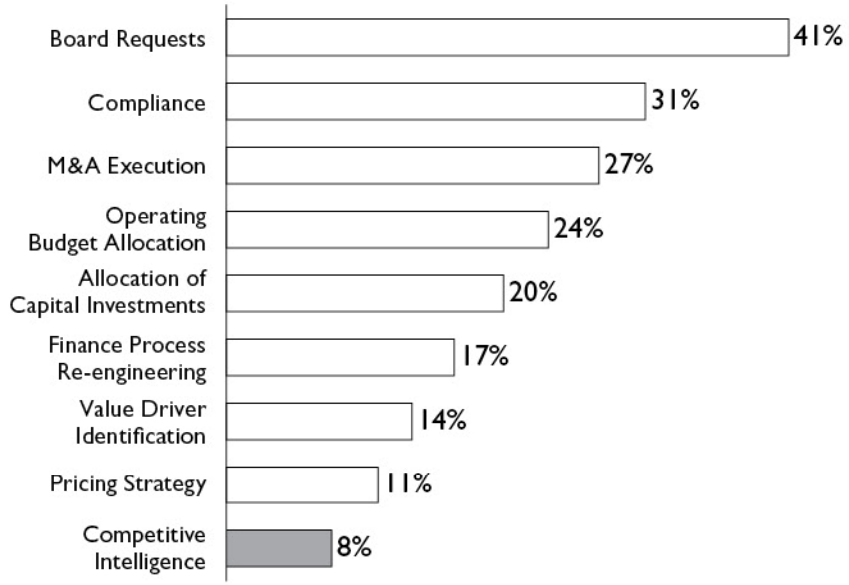
Competitive Intelligence as a CFO Concern/IR Opportunity

Few CFOs feel that they are very effective at providing competitive intelligence…

…yet they spend a significant amount of time discussing this with investors

Percentage of CFOs Rating Themselves "Very Effective"

CFO Personal Effectiveness Survey



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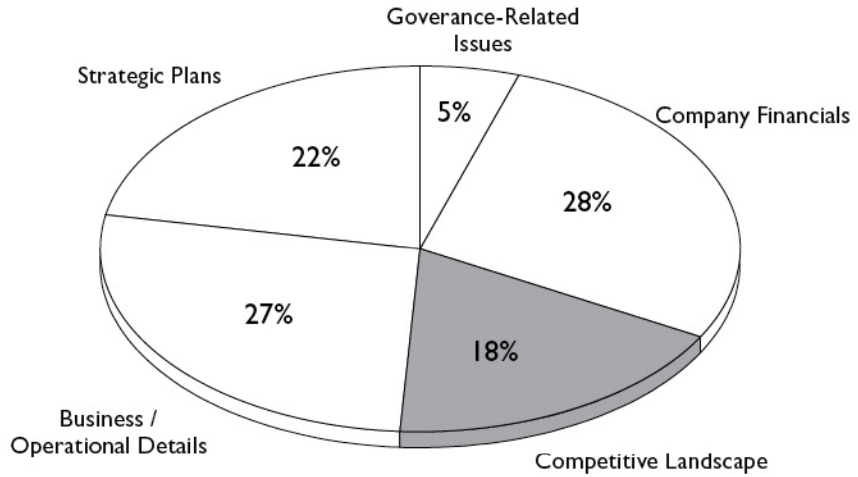
Breakdown of CFO Time Spent with Institutional Investors and Analysts

CFO Personal Effectiveness Survey



n=89.

Source: Corporate Executive Board CFO Personal Effectiveness Survey; Investor Relations Roundtable research.

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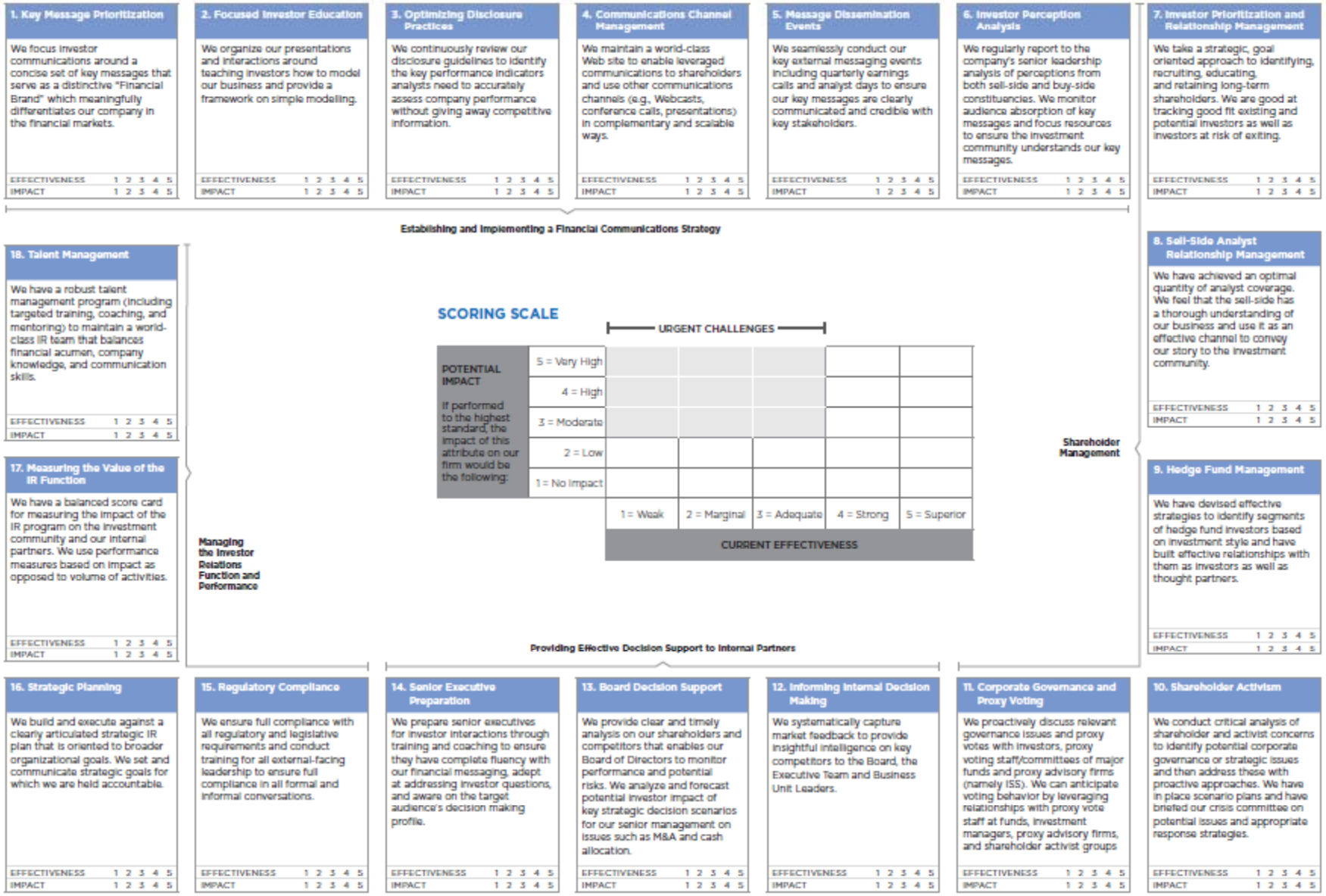
FINANCE AND STRATEGY PRACTICE
INVESTOR RELATIONS ROUNDTABLE*

The Anatomy of a World-Class Investor Relations Organization



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