

Country by Country Reporting - Merrill Lynch International Bank Limited ('MLIB')

Reported under Irish GAAP for year ended 31 December 2013

A new Country by Country Reporting ('CBCR') obligation was introduced through Article 89 of the EU Directive 2013/36/EU, otherwise known as the Capital Requirements Directive IV ('CRD IV'). This document satisfies our reporting obligations for the 2013 financial year.

Names, nature of activities and geographical location

MLIB's head office is in Ireland, with branches in Singapore, United Kingdom, Germany, Canada, Netherlands, Bahrain, Italy and France.

MLIB has subsidiaries in the UK being Majestic Acquisitions Limited and Wave Lending Holdings Limited. It has a further subsidiary in Ireland, Merrill Lynch Financial Services Limited. MLIB also had a subsidiary in Switzerland, Merrill Lynch Bank (Suisse) SA ('MLBS') which was disposed of during the year.

MLIB's principal activities within the region are as follows:

- Principal for debt derivative and foreign exchange transactions and engages in advisory, lending, loan trading, and institutional sales activity
- Collateralised lending, letters of credit, guarantees and foreign exchange services to, and accepts deposits from, its clients
- Mortgage lending, administration and servicing in the UK non-conforming residential mortgage market

Country by Country 'Net operating income' and 'Average number of employees'

| Jurisdiction | 2013 Average number of employees | Net operating income for the year ended 31 December 2013 (\$000's) |
|--------------------|----------------------------------|--|
| Ireland | 506 | 39,500 |
| Singapore | 207 | 92,943 |
| United Kingdom | 208 | 56,161 |
| Germany | 61 | 30,049 |
| Canada | - | 19,816 |
| Netherlands | 20 | 8,069 |
| Switzerland (MLBS) | 19 | 7,184 |
| Bahrain | 8 | 3,430 |
| Italy | 19 | 314 |
| France | - | 236 |
| Consolidation | | 3 |
| Total | 1,048 | 257,705 |

Notes

- Net operating income under Irish GAAP has been used to reflect turnover in line with the financial statements
- Average number of employees is an average of monthly total full time equivalent employees, based on employees employed by MLIB
- Average number of employees excludes 143 contractors and employees seconded into MLIB
- MLIB Canada and MLIB France are not legal employers and all of their employees are seconded in
- Average number of employees of 1,191 per the financial statements includes employees seconded into MLIB