



London Stock Exchange Group plc

Information Services Division update

9 November 2015



Introduction

Xavier Rolet



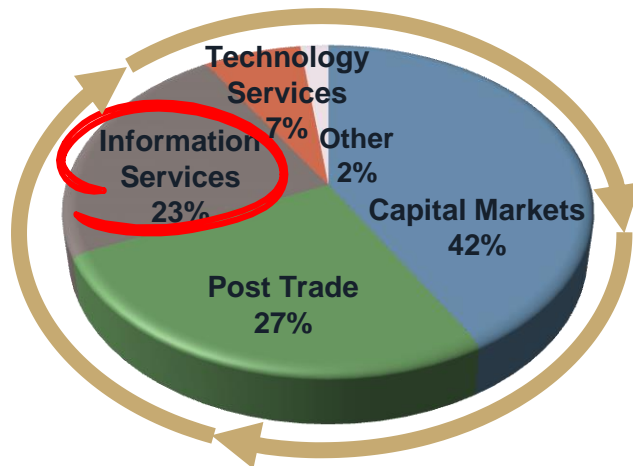
Welcome – Agenda

Introduction	Xavier Rolet - <i>LSEG CEO</i>
Overview	Mark Makepeace - <i>Group Director, Information Services and CEO FTSE Russell</i>
FTSE Russell Integration and Vanguard Update	Jonathan Horton - <i>Head of Integration, Governance & Risk of Information Services</i>
Growth and Future Opportunities	Caroline O’Shaughnessy - <i>Global Head of Sales & Marketing of Information Services</i>
ETPs and Derivatives	Ron Bundy - <i>CEO Benchmarks, North America</i>
UnaVista and SEDOL	Mark Husler - <i>MD, News & Data Products and CEO of UnaVista</i>
Summary	Mark Makepeace
Q&A	
Close	

Valuable IP / products delivering strong growth

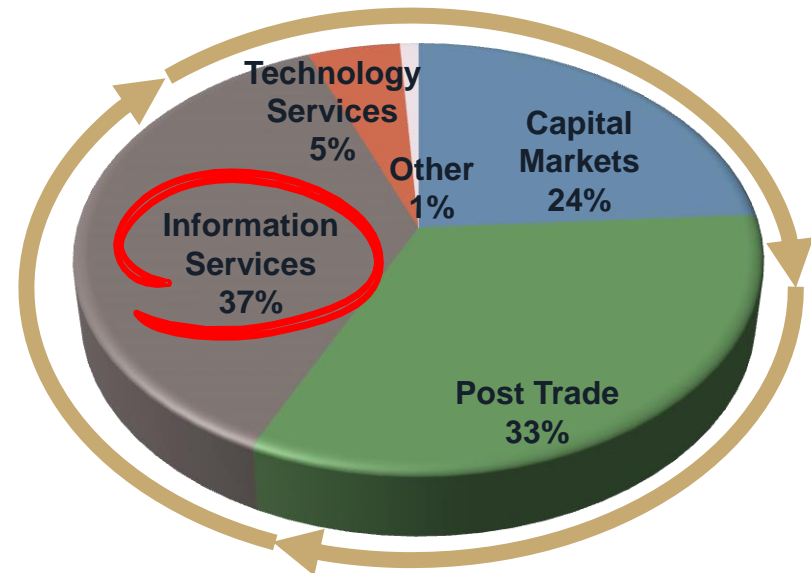
2011

Group Adjusted Income £578m
9 months ended September 2011



2015

Group Adjusted Income £1,063m⁽¹⁾
9 months ended September 2015



Interconnected market infrastructure business

- ✓ LSEG # 1 in Europe for ETP listings
- ✓ LSEG # 1 in Europe for ETP trades and turnover (order book)⁽²⁾
- ✓ Revenue from derivatives across the Group's trading, post trade and information business activities amounts to c.20% of total Group income⁽²⁾
- ✓ UnaVista links trade reporting and post trade services
- ✓ Group data opportunities including LCH.Clearnet

(1) 2015 excludes Russell Investment Management revenues. (2) January - September 2015. (2) Excluding discontinuing revenues from Russell IM

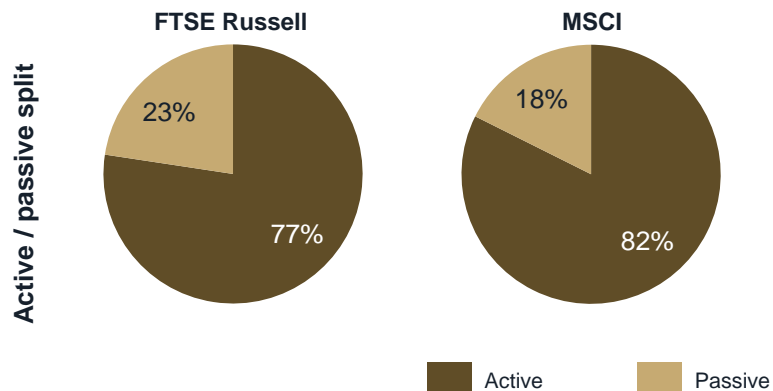
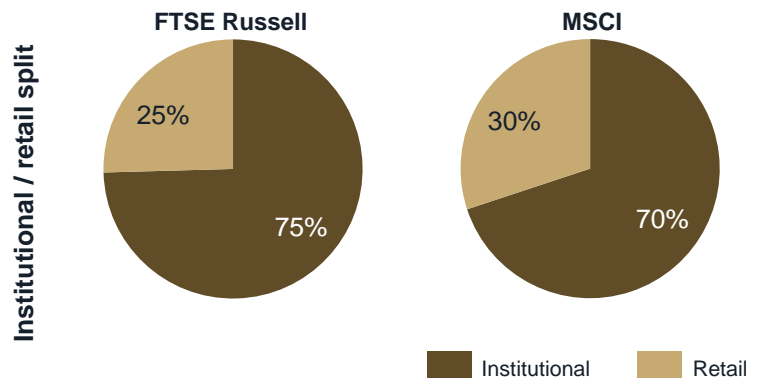


Exciting prospects for continued growth

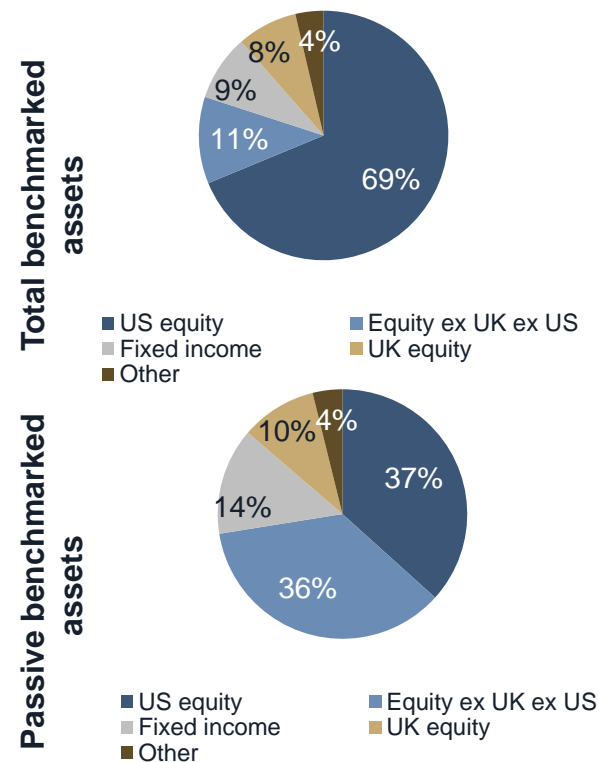
- FTSE Russell a leading **global benchmark provider** with c.\$10tr AuM
 - FTSE Russell integration – good progress being made, delivering against targets
 - Comprehensive offerings on international basis: for active and passive retail and institutional investor strategies
 - Strong ETF services and derivative licences
 - Focus on: United States, China, Smart Beta, Fixed Income
- **Multiple growth opportunities** for both FTSE Russell and UnaVista/SEDOL businesses:
 - Open Access approach partnering with others for benefit of clients
 - New product solutions for clients to adapt to evolving regulatory landscape
- Information Services Division **well positioned for further strong growth** over next three years (and beyond):
 - **Double digit growth p.a. at FTSE Russell and UnaVista/SEDOL**
 - **Increasing operating margins from achievement of cost synergies and good revenue growth**

FTSE Russell – a leading international benchmark provider

3 largest index providers each have c. \$9.5-10tr AuM⁽¹⁾ benchmarked



FTSE Russell - Broad range of international and domestic assets⁽²⁾



(1) eVestment, Morningstar (as at 31 March 2015) 2) eVestment, Morningstar and ETFGI

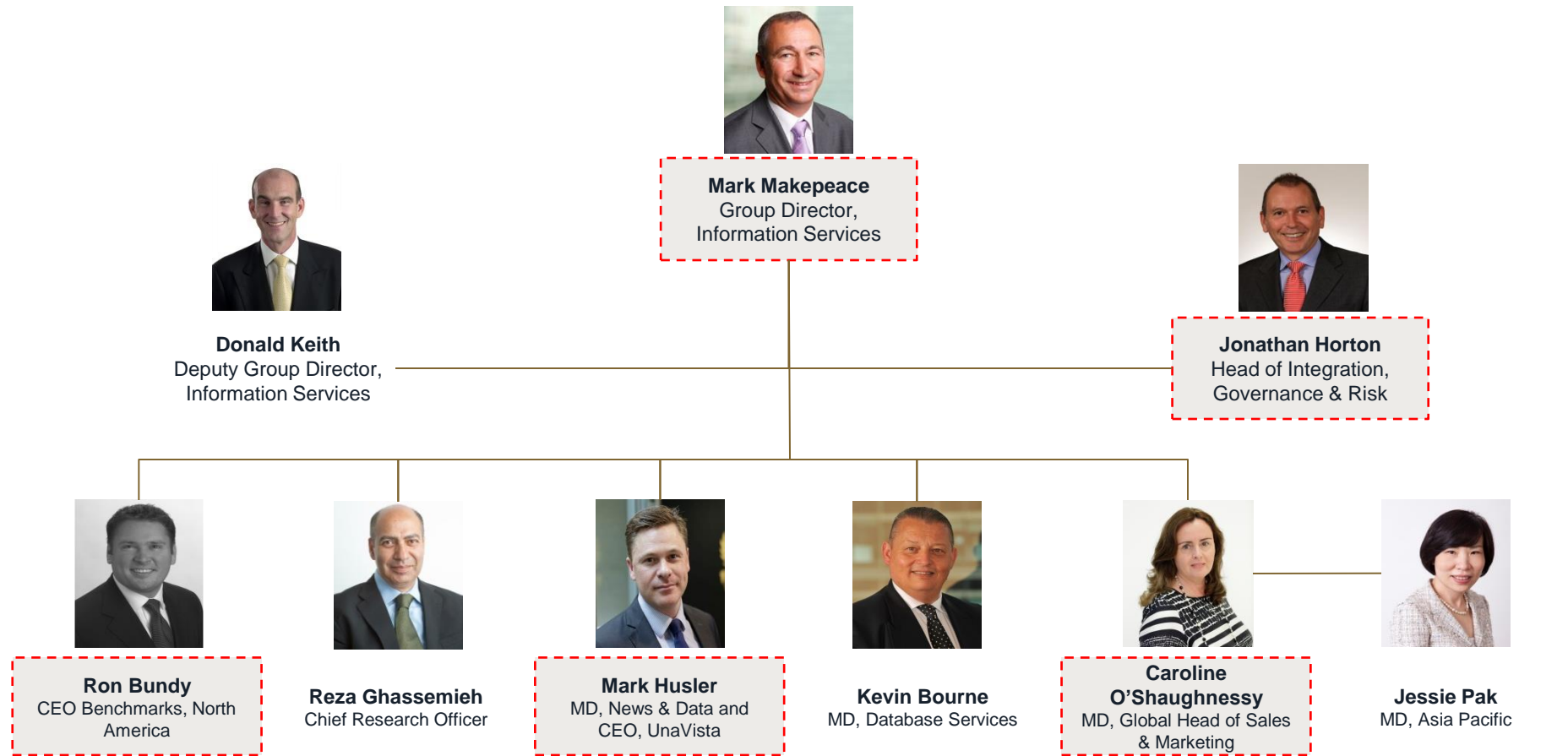


Overview

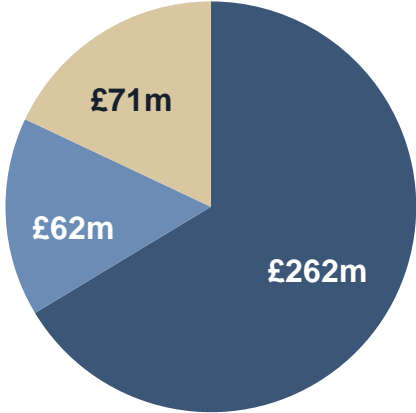
Mark Makepeace



Information Services Division – Global management team



Extensive range of high quality businesses – strong growth outlook

Segment	Description	LSEG services	Revenue driver	YTD 2015 ISD revenue: £395m ⁽¹⁾
Benchmarks	<ul style="list-style-type: none"> Tools to define investable universes, measure and analyse investment risk/ performance and value assets 	<ul style="list-style-type: none"> Equity, fixed income, alternative and smart beta benchmarks Derivatives licencing Passive funds licencing (ETPs) 	<ul style="list-style-type: none"> High retention rates Subscription fees IP licencing (passive and index based products) Derivatives volumes 	 <p>Legend: ■ Benchmarks ■ Real Time Data ■ Other</p>
Real Time Data (RTD)	<ul style="list-style-type: none"> Low latency feeds of pricing and order book data 	<ul style="list-style-type: none"> Real time market data 	<ul style="list-style-type: none"> User terminals Non-display licences 	
Other ISD	<ul style="list-style-type: none"> Classification, regulatory data and news delivered as real time, snapshot and historic databases Post-trade software and global trade reporting 	<ul style="list-style-type: none"> SEDOL UnaVista Legal Entity Identifier RNS ESG data 	<ul style="list-style-type: none"> High retention rates Subscription fees Usage fees Consultancy 	

(1) Nine months ended 30 September 2015

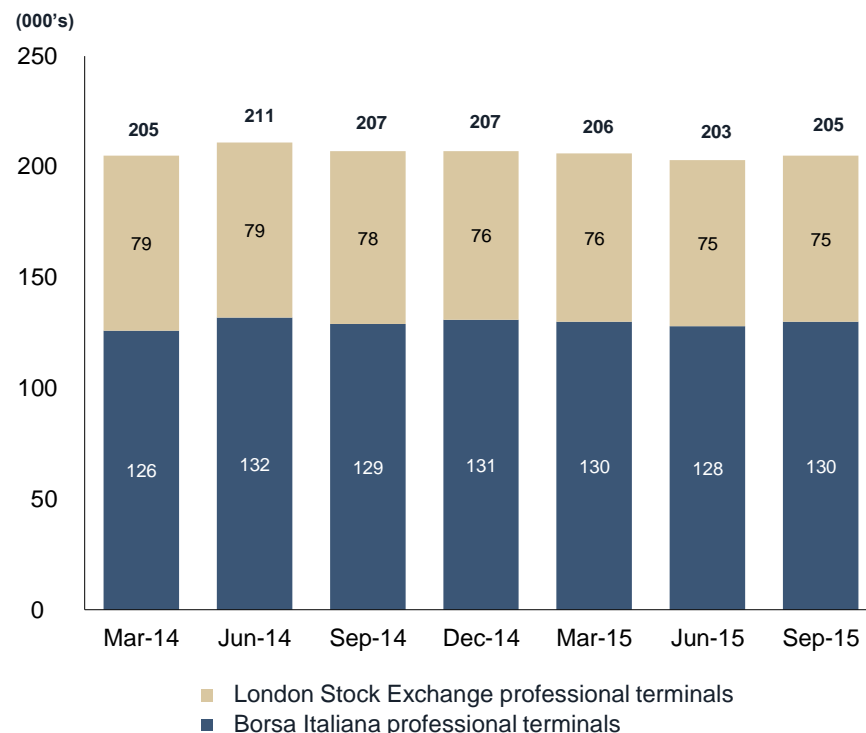


Real Time Data – New commercial models and expanded opportunities across LSEG

Real Time Data

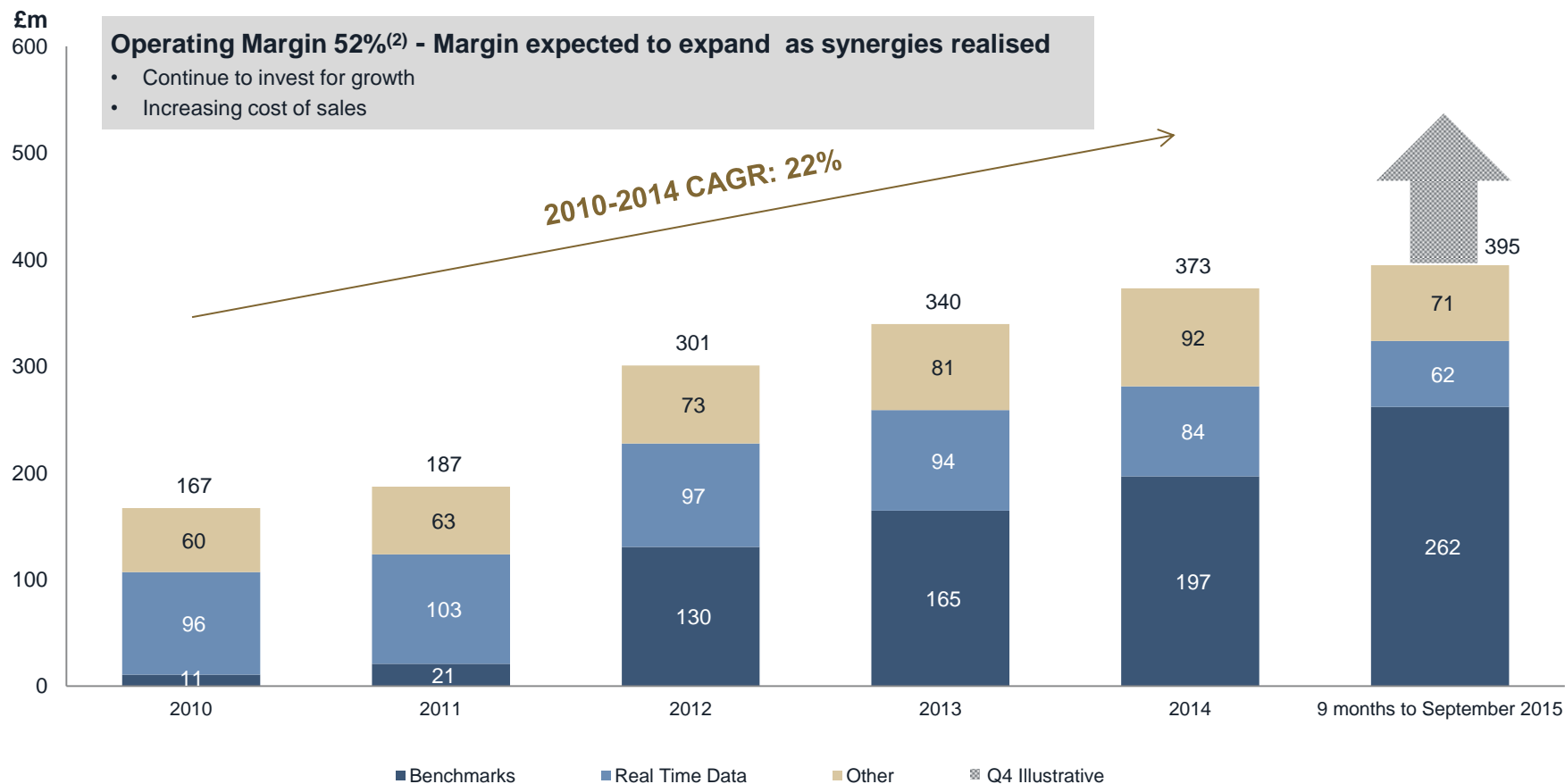
- Real Time Data (RTD) - an important part of ISD and supports secondary markets activity
- RTD remains a key offering for clients trading on LSEG venues - revenue impacted by increasing automation of trading/decline in headcount at broking houses and banks
- ISD is updating licensing model to reflect usage by clients and provide value-add
- Opportunities to apply ISD commercial knowhow to more effectively monetise other data / IP assets within LSEG
- Stabilise and reconfigure business model for future growth

Real Time Data – Professional Terminals



Consistent track record of delivering strong revenue growth

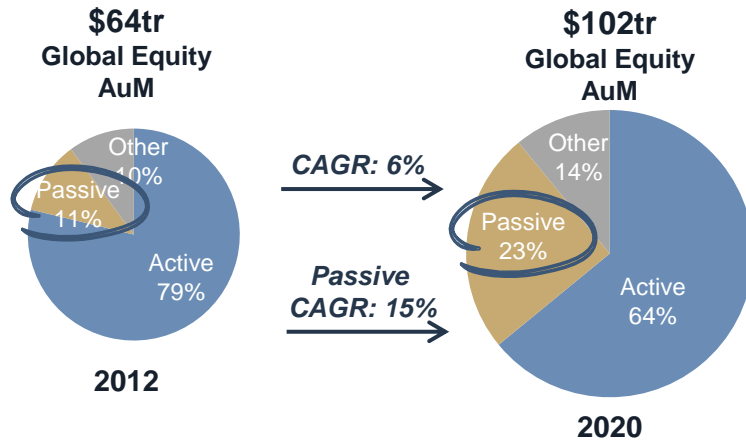
Information Services Revenue 2010-2015 (£m)⁽¹⁾



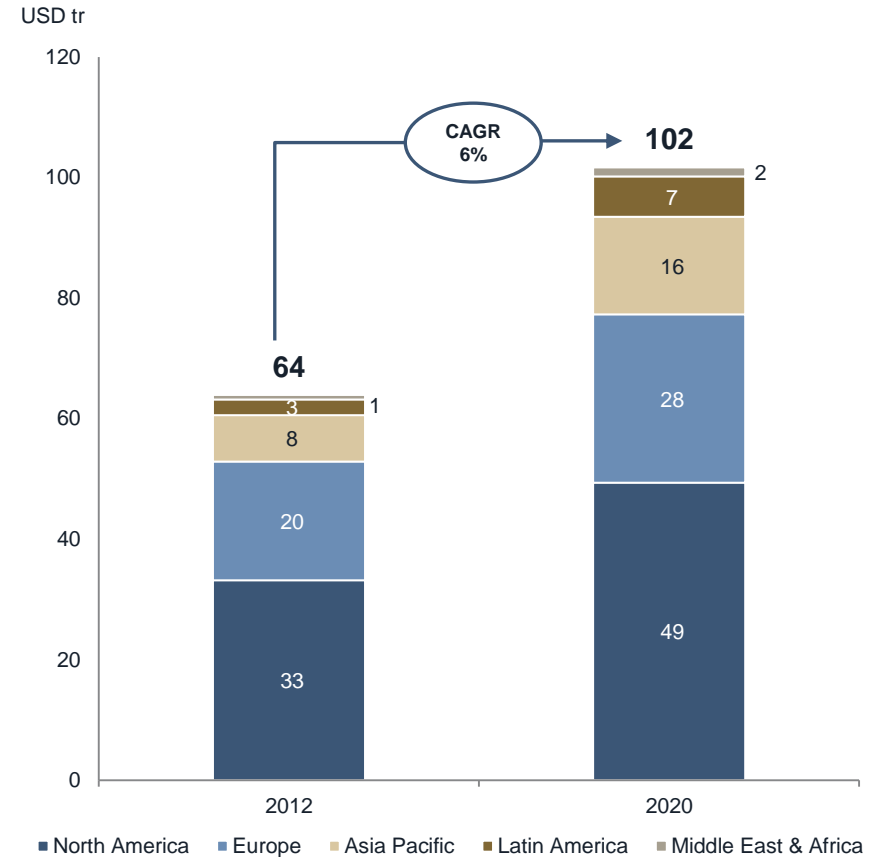
(1) Historical financials are calendar year January-December; inclusive of Proquote which was disposed on 2 November 2015. (2) 2015 H1 inclusive of central cost allocation

We operate in an “opportunity-rich” environment with strong underlying trends

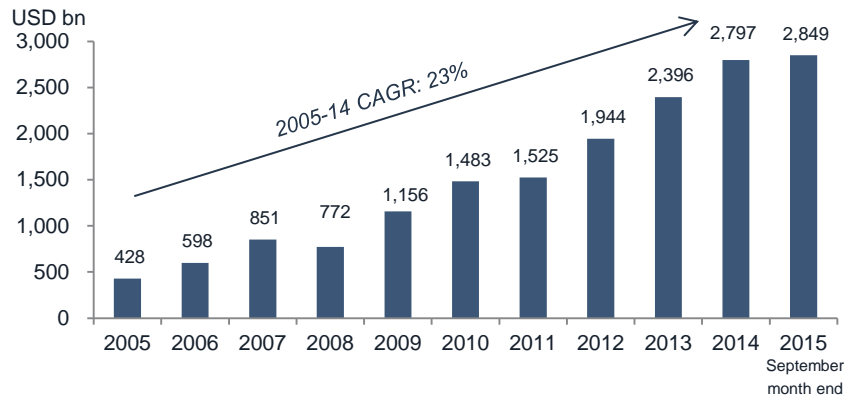
Global AuM by Investment Style⁽¹⁾



Global AuM by Region (US\$tr)⁽¹⁾



Global ETF Market Growth (US\$bn)⁽²⁾



(1) PWC – Asset Management 2020: A Brave New World; “Other” category comprises of assets which are typically not benchmarked. (2) BlackRock ETF Landscape (September, 2015).

FTSE Russell embedded in global investment processes

Statistics



~\$10tr
assets
benchmarked

~\$350bn
in benchmarked
ETF assets

#1
US equity institutional
assets benchmarked

#1
Indexer for China A
shares ETFs

~\$8tr
in global institutional
assets benchmarked

#1
UK equity mutual
funds benchmarked

#2
US equity ETF
AuM benchmarked

Global



Top 5
global
custodians

Top 10
investment banks

97 / 100
top asset
managers

48 / 50
of the largest
plan sponsors

Capabilities



**Hundreds of
thousands**
unique indexes
calculated daily

Custom
Bespoke indexes
and custom basket
calculation

Multi-asset
capabilities across
equities, fixed income
real estate and
currency

Research
100+ research
professionals
located in North
America, EMEA
and Asia

FTSE Russell – Unique coverage and a diverse offering

Competitive advantage – wide spread of global products

		Funds			Tradable products	
		Institutional funds	Mutual funds	ETPs	Listed futures and options	OTC derivatives ⁽¹⁾
Asset classes	Equity	✓	✓	✓	✓	✓
	Fixed income	✓	✓	✓	-	✓
	Alternatives	✓	✓	✓	-	✓
Index focus	Key domestic headline indexes	✓	✓	✓	✓	✓
	Global indexes	✓	✓	✓	✓	✓

c.\$10tr in AuM benchmarked and a leading diversified business

(1) OTC derivatives include covered warrants and other structured products



FTSE Russell's differentiated business model well positioned for continued growth

Strong customer relationships and sales capabilities

- Strong relationships with largest global players (buy and sell-side)
- Strong new business (sales) focus
- Leadership in product and IP development
- Highly regarded global brand
- Valuable worldwide partnerships e.g. Exchanges, RAFI, EPRA/NAREIT
- 97 out of 100 of the top asset managers as clients

Well positioned in growth markets

- North America
- China
- Global equity
- Fixed income
- Smart beta
- Derivatives
- ETFs / ETPs

Scalable model and open access

- Global presence and sales capability
- Flexible commercial model
- Strong governance and risk management
- Market leading approach to benchmark regulation (IOSCO)
- Management expertise in organic business development
- Proven track record on acquisition integration

High quality revenue

- Recurring, annuity revenue (subscription model) complemented by AuM and volume-driven licencing revenue
- High retention rates: 95%+
- Diverse range of products (asset classes and client segments)

Global scale and presence, delivering on synergies and investing in growth



FTSE Russell Integration and Vanguard Update

Jonathan Horton



Significant value creation being delivered through cost and revenue synergies

Cost

Targeting annual run-rate cost synergies of \$78m (£51m)⁽¹⁾ by end of year three

- ✓ Sales team and front office integration
- ✓ Removal of service and contract duplication
- ✓ Index operations and systems integration
- ✓ Management and back office rationalisation

Cost synergies equivalent to c. 90% of Russell Indexes cost base (c. 30% of combined FTSE Russell)

Revenue

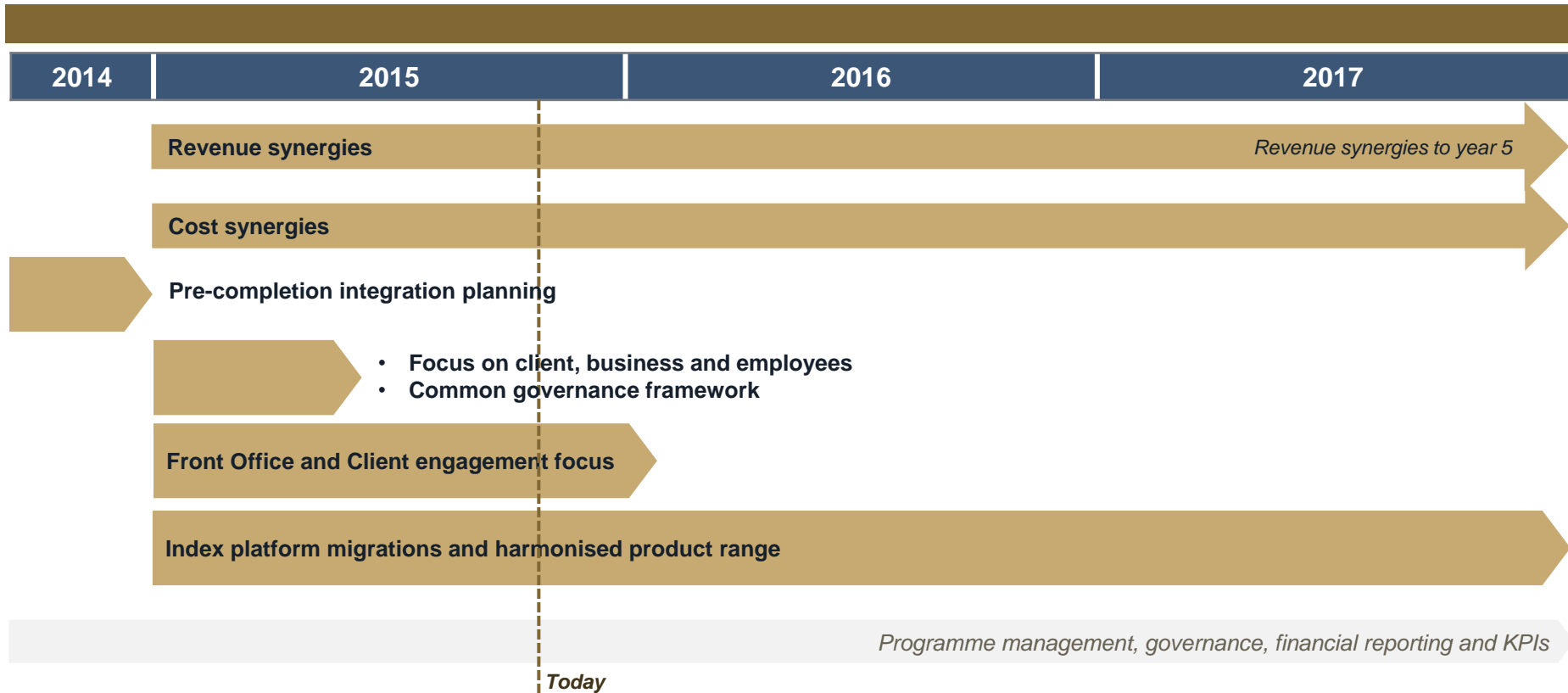
Targeting annual run-rate revenue benefits of \$30m (£19m)⁽¹⁾ and \$48m (£31m)⁽¹⁾ by end of year three and five, respectively

- ✓ Licence agreement with CBOE for FTSE and Russell cash options
- ✓ Derivatives deal with CME for futures licence on FTSE and Russell indexes
- ✓ Cross-selling successes in Europe and North America and new products / innovations
- ✓ Cross-Group synergies
- ✓ Commercial policies

(1) FX rate of 1.54 as at 4 November 2015 (transaction announcement on 26 June 2014 reported using FX rate of 1.66); LSEG expects to incur \$71m (£46m) of implementation costs to achieve these synergies



Integration on track to deliver cost and revenue synergies



Significant Early Successes

- ✓ Created single FTSE Russell brand with 'fit for the future' front office model implemented globally
- ✓ \$5m savings through termination of 46 data contracts
- ✓ Single governance framework established
- ✓ Russell IM separation to be completed Q1 2016
- ✓ Migration of Russell real time indexes to FTSE/LSEG platform
- ✓ Co-location of staff in 2 key global hubs (London & New York)

Significant Vanguard account win created valuable long-term partnership

- In October 2012 Vanguard announced **largest ever international equity benchmark switch**
 - 6 funds (5 ETFs) and \$170bn transition to FTSE indexes - now \$362bn across 17 funds

Reasons to switch to FTSE

- ✓ Governance & Methodology alignment (South Korea classification, committee structure and transparency)
- ✓ Index quality / integrity (met Vanguard 'best practice' standards)
- ✓ Long term partnership (demonstrated flexibility, access to key leadership and index expertise)
- ✓ Competitive pricing / price certainty

Long-term Partnership

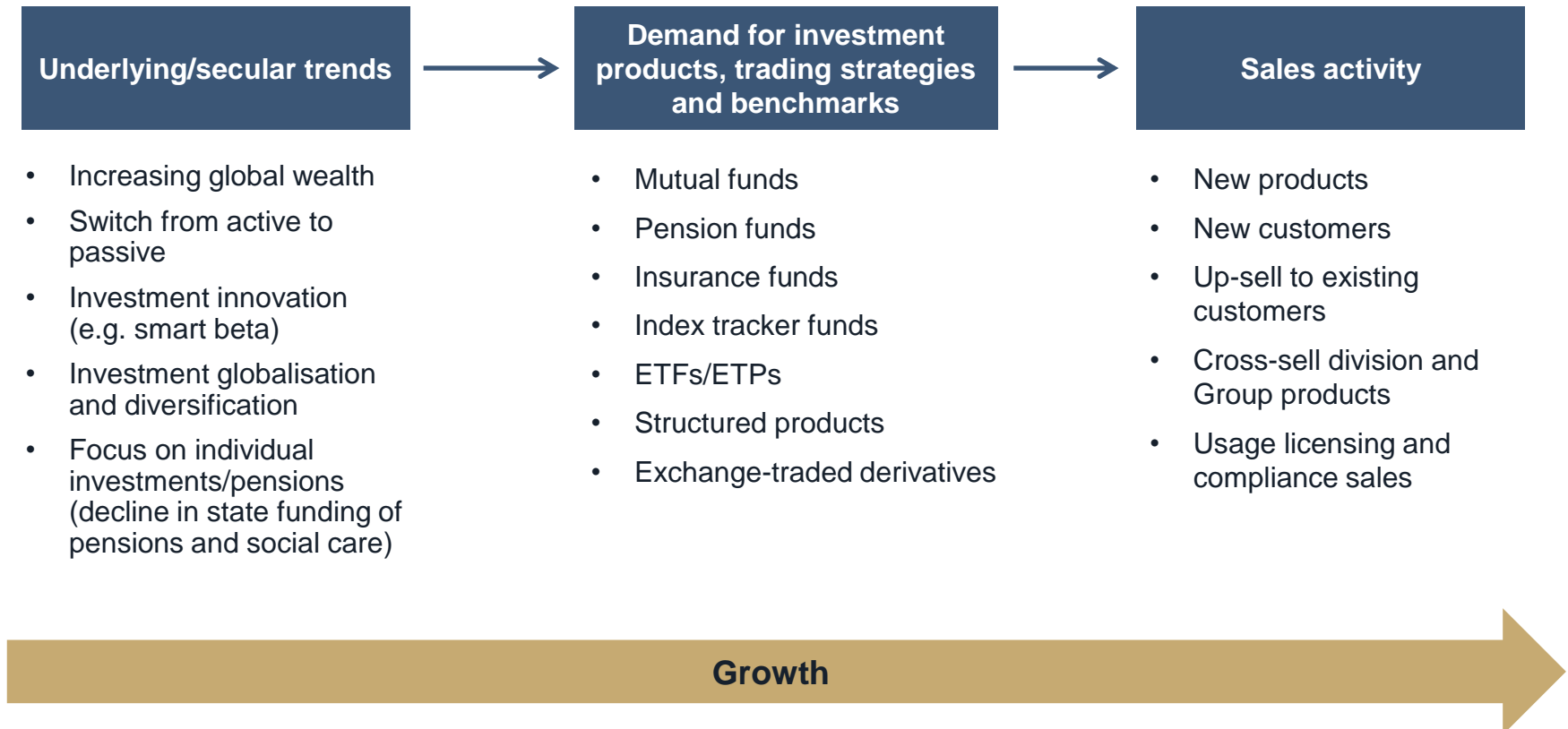
- ✓ Since the deal Vanguard have launched 25 FTSE Russell ETFs globally - with more planned
- ✓ Development of FTSE Fair Value index capabilities for Vanguard
- ✓ Vanguard is the first major adopter of the FTSE China A shares Inclusion Series. Emerging transition announced November 2015. 4 funds with \$130bn in ETF AuM moving to add China A shares and small cap exposure
- ✓ Supporting Vanguard's global ambitions



Index Growth and Future Opportunities

Caroline O'Shaughnessy

Strong global sales capability enables monetisation of underlying growth trends



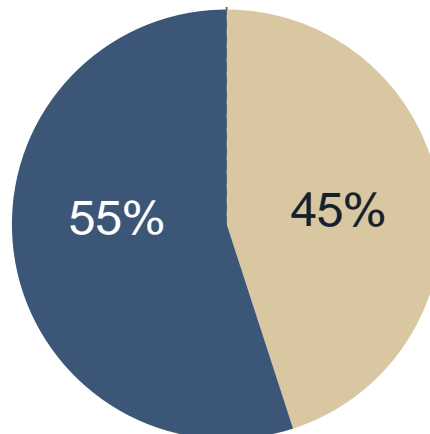
FTSE Russell business model comprises annuity and asset-based fees

Subscription Fees

Index Data and Data Services

- Revenues based on user numbers and usage rights
- Annual subscriptions
- 95%+ renewal rates
- Usage rights carefully managed
- Distribution channel agnostic

Revenue Split



Asset-based Fees

IPR Licensing for Index-based Financial Products

- Revenues based on AuM for tracker funds/ETPs and traded volumes for derivatives
- Builds on strong brand perception and product innovation
- Issuer/trading venue agnostic

Asset Owners, Investment and Actuarial Consultants

Active Fund Managers
(Institutional and Retail)

Passive Fund Managers (Institutional and Retail)

Investment Banks, Brokers

Data Vendors, Service Providers

Stock and Derivative Exchanges

Scalable sales model to address multiple growth opportunities⁽¹⁾

1 US

Strong domestic institutional position through Russell Indexes creates opportunities to cross-sell international benchmarks and broader range of index and ISD products

2 China

Opening up of domestic market creates significant opportunities for index business to build on existing leading position in international investment

3 Smart Beta

FTSE Russell leading exponents and early adopters of smart beta indexes, e.g. value/growth, fundamental, factor; smart beta is a catalyst in the switch from active to passive investment

4 Fixed Income

FTSE Russell well-positioned to meet strong emerging demand for new, well-governed fixed income indexes

(1) Selected growth opportunities

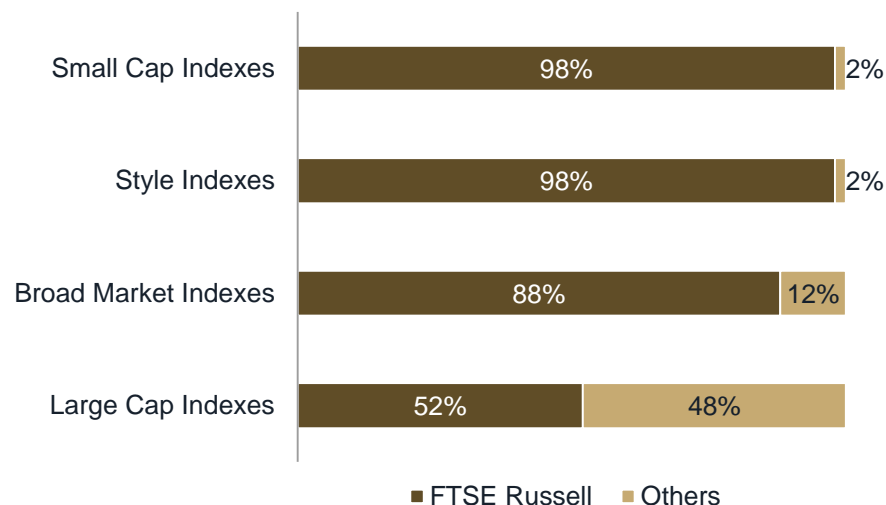


1

Complementary products and enlarged sales team create opportunities in the US – the largest global investment market

- US is the world’s largest asset pool and leads thinking and innovation in investment strategy:
 - 58% of global assets⁽¹⁾
 - 91% of Smart Beta ETP assets listed in the US⁽²⁾
- Strong client relationships and sales coverage positions FTSE Russell to grow business significantly in the US:
 - 77% of actively managed domestic US institutional equity portfolios by AuM are benchmarked to Russell⁽³⁾
- Complementary nature of FTSE and Russell products and services delivers cross-selling potential to US clients:

FTSE Russell Share of US Institutional Equity AuM⁽³⁾



FTSE Global Indexes
Fixed Income
Smart Beta



Russell
Distribution

(1) Morningstar, September 2015. (2) ETFGI, September 2015. (3) FTSE Russell 2014 Institutional Benchmark survey



2 Emerging markets are a driver of long-term growth – FTSE Russell has unique position

Managed assets in China currently ~\$700bn - estimated to grow to ~\$3.9tr by 2020⁽¹⁾

Leading position in international China ETFs

- World's largest China ETFs on FTSE China indexes in New York, London & Hong Kong
- FTSE China 50 ETF is largest China product in US & Europe; AuM \$15bn
- FTSE China A50 index has established a strong position in ETFs on QFII & RQFII schemes in Hong Kong; AuM \$11bn and 80% of ETF trading volume on Hong Kong Exchange – 75% of total China ETF AuM
- FTSE China A50 ETFs established in Hong Kong, Korea, Japan & Taiwan, Europe and US
- FTSE first global index provider to provide A shares transition indexes; Vanguard have commenced transition to inclusion of A shares in FTSE Emerging Markets ETFs

Strong basis for development of further international and domestic products

- Largest Chinese asset owners (NCSSF) and Sovereign Wealth Fund (CIC) use FTSE benchmarks
- The only Offshore derivatives contract on China Market is in Singapore based on FTSE China A50 – 7-9m contracts per month. Open interest 400 – 500,000 contracts
- FTSE introduced index series for RMB Offshore and Onshore bond market in 2013 (with Bank of China) and 2015
- 2016 will see domestic ETFs and funds based on FTSE China indexes listed in mainland China

FTSE established an early lead in provision of indexes for investors in China and is benefitting from increasing investment flows as the domestic market opens up

(1) Oliver Wyman – Asset Management in China: The Awakening of the Dragon? (2014)



3

Smart Beta: Pioneering investment strategies to challenge high cost active management

What is Smart Beta?

- Investable products that closely track indexes weighted differently to traditional market capitalization-weighted indexes
- These indexes track stocks on the basis of value, size, momentum, volatility, dividend yield or other factors
- Transparent and rules-based: no active decision as to what securities are included within the index

The Smart Beta opportunity

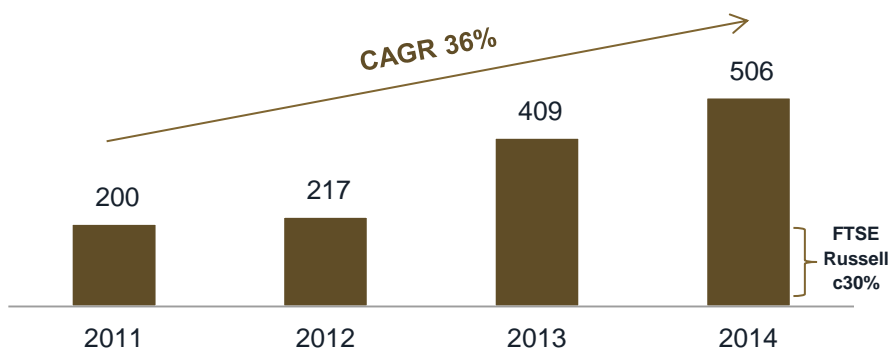
- Higher fees chargeable for passive fund licences on smart beta products
- Rapid take-up of smart beta indexes as a low-cost alternative to active strategies
- Interest being led by Institutional segment and evident in all global regions
- Provide new tools to tailor exposures to specific risk and return objectives
- Take up in its early stages with significant further growth potential

FTSE Russell competitive advantage

- First mover advantage - pioneered by FTSE/RAFI partnership
- Leading provider since 2005 with c.\$140bn AuM across all smart beta products
- More clearly defined and focussed product offering
- Leading sales and product innovation teams

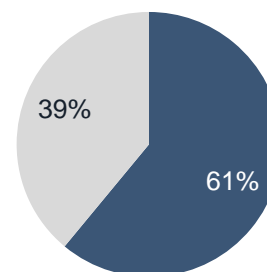
3 Smart Beta: Significant growth potential

Smart Beta AuM growth (\$bn)⁽¹⁾



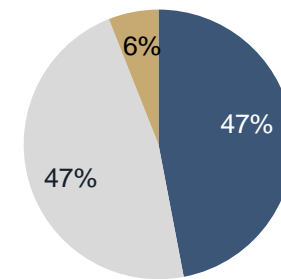
Smart Beta usage outlook (next 18 months)⁽²⁾

Managers with smart beta allocation



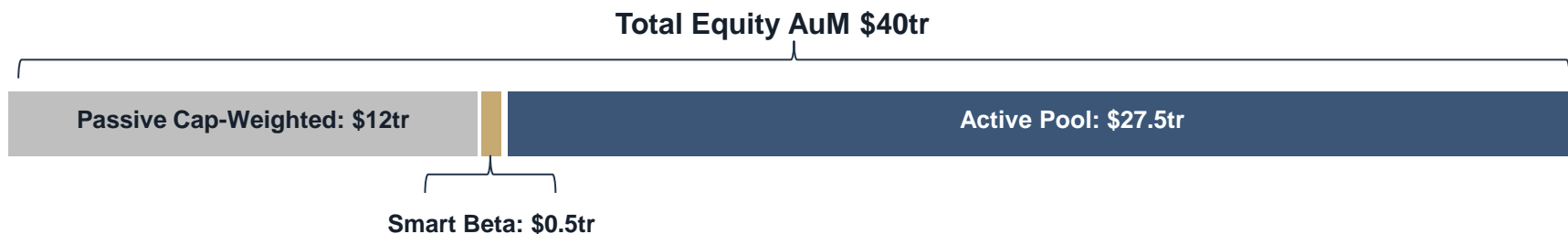
- Increase allocation
- Maintain allocation

Managers currently without smart beta



- Expect to make allocation
- Don't know
- Do not expect to make allocation

Equity AuM spectrum



(1) Barclays broker research note (19 August 2015); Definitions of smart beta vary therefore share shown is approximate and may not tally to management reports or other sources

(2) 2015 FTSE Russell Smart Beta: 2015 Global Survey Findings From Asset Owners <http://www.russell.com/indexes/americas/insights-research/smart-beta-indexes.page>

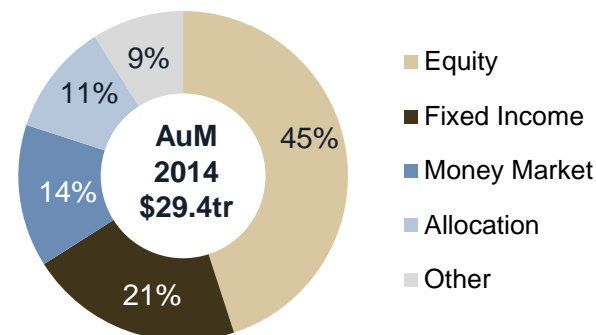


4 Increased demand for fixed income indexes

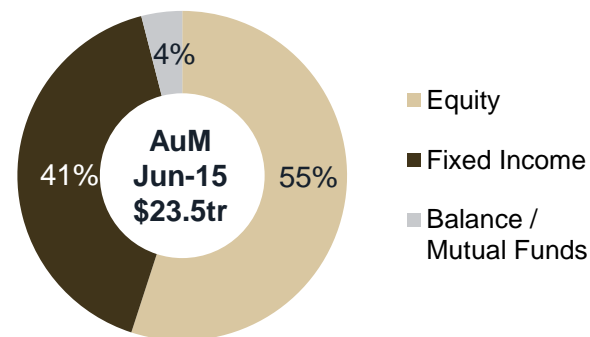
- 41% of Institutional Fund AuM is currently allocated to fixed income asset class
- Fixed income accounts for 17% of total ETF assets globally, growing by 13% in the first nine months of 2015 to \$485bn
- Investment banks as traditional providers of fixed income indexing are divesting due to concerns of conflict of interest post-LIBOR crisis
- Clients are demanding alternative options and greater product innovation, including transparent pricing from multiple sources
- Using a transparent, multi-price sourced model, FTSE/TMX has a leading position in Canada and FTSE/MTS in Europe; FTSE Russell ranks in the top 3 fixed income index providers globally

FTSE Russell to launch new Global Fixed Income Index series in Q1 2016

Global Mutual Funds and ETPs – AuM Split⁽¹⁾



Institutional funds by assets class – AuM⁽²⁾



(1) Morningstar – 2014 Global Asset Flows Report (AuM includes mutual funds and ETPs, but excludes funds-of-funds). (2) eVestment Institutional AuM by asset class (as at 2015 Q2)



Multiple opportunities for continued growth

- Index business model geared towards recurring subscription based revenues and asset-based fees - **high retention rates and up-selling potential**
- FTSE Russell has a **unique position** in a range of key **growth areas** - product development capabilities to meet new benchmarking opportunities
- Global salesforce to deliver on **synergies and opportunities** arising from **secular trends**
- Responsive to customer needs for **new data and analytic tools**



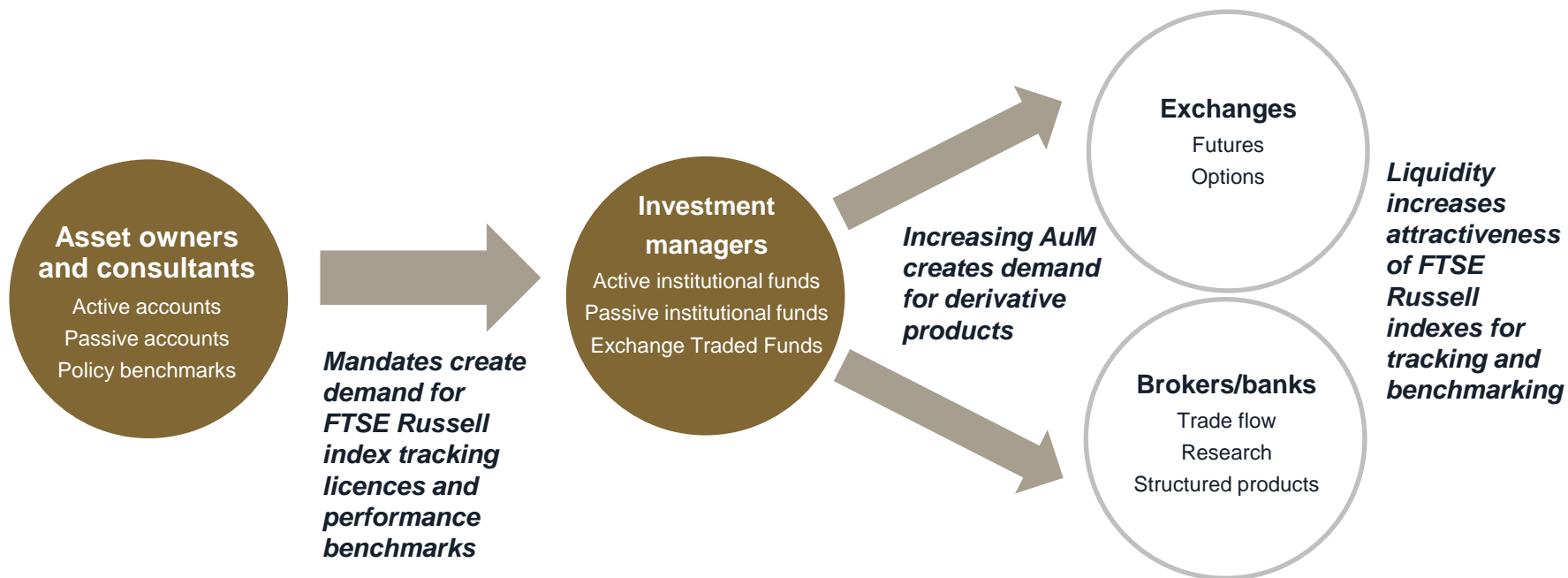
ETPs and Derivatives

Ron Bundy



FTSE Russell operates throughout the index ecosystem

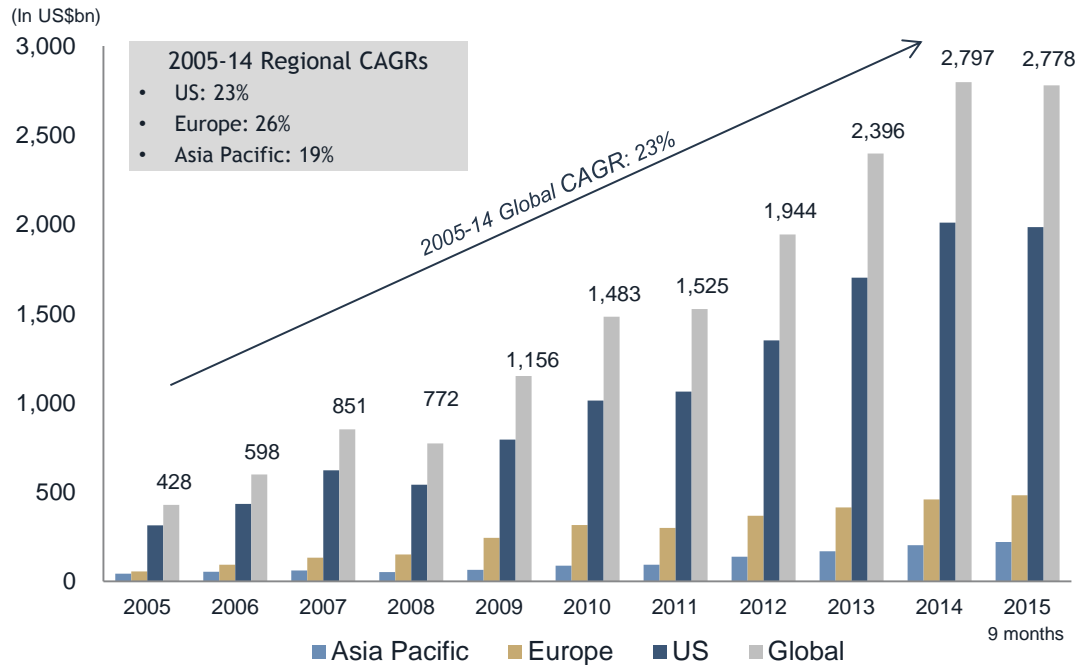
Indexes used throughout the investment and trading value chain⁽¹⁾



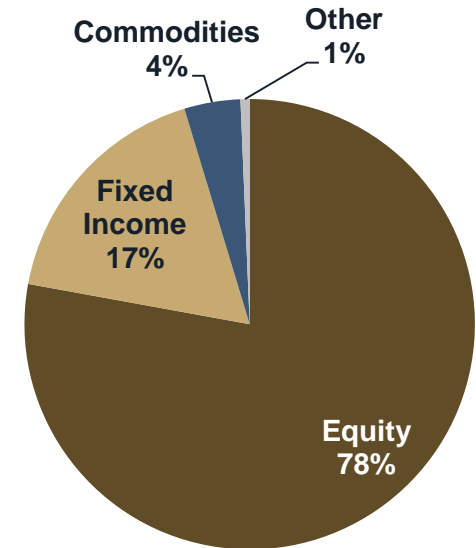
(1) Illustrative of demand creation for derivatives

The rapid expansion of the ETP market has increased index provider visibility and is a significant growth driver

ETP Market Growth⁽¹⁾



ETP AuM by Asset Class⁽¹⁾



FTSE Russell share of global ETF AuM has increased c.30% since October 2012

(1) BlackRock ETP Landscape, September 2015



FTSE Russell combination – an accelerator for strategically important ETP business

Greater Scale: FTSE Russell integration creates a global leader in ETPs

- Top 3 in global ETP assets at \$351bn (diversified across North America, EMEA, Asia-Pacific)
- Strong ETP flows with \$20.5bn (continuing new business momentum through the integration)⁽¹⁾
- 48 new ETPs launched and 9 benchmark switches YTD (benefitting from combined product development capabilities)⁽¹⁾

Global Capabilities: FTSE Russell can respond to a wide range of client needs

- Clients implementing ideas across index brands and methodologies (e.g. JPM factor ETFs based on FTSE GEIS and Russell 1000)
- Product line covers full array of asset classes; primarily equity and fixed with significant capabilities in fast growing smart beta space

Brand and Reputation: Complementary offering and tradition of innovation drives growth

- Well known names: FTSE (FTSE 100, FTSE China 50, FTSE Emerging) and Russell (Russell 1000 and Russell 2000) well established in US and global markets - no other index provider offers two strong complementary index brands
- Brand: institutional and retail investors recognise the FTSE Russell brand names, helps with cross-selling products
- Thought leadership and innovation: RAFI methodology key driver of smart beta adoption

A global derivatives business

Europe

Africa

**FTSE 100, FTSE 250, MIB,
Eurofirst 80/100,
JSE Top/40**

Over 96m contracts traded in
2014 by our partners:

- Athens Derivatives Exchange
- Borsa Italiana
- Euronext Derivatives Market
- ICE Futures Europe
- JSE Securities Exchange
- London Stock Exchange

North America

**Russell 1000 & 2000
series, FTSE 100,
FTSE China 50**

Over 57m contracts traded in
2014 by our partners:

- CBOE
- CME Group
- ICE Futures US
- Montreal Exchange

Asia

**FTSE China A50,
FTSE 100**

Over 41m contracts traded in
2014 by our partners:

- National Stock Exchange of
India
- Singapore Exchange
- Tokyo Financial Exchange

FTSE Russell is a top 3 equity index provider for derivatives trading

Strong demand for FTSE Russell derivatives licences

Continue to expand as leading derivatives exchanges globally introduce index-based futures and options based on FTSE Russell indexes

	CME	CBOE	SGX
Products	<ul style="list-style-type: none"> Futures Options on Futures 	<ul style="list-style-type: none"> Cash Options 	<ul style="list-style-type: none"> Futures
Key Strategic benefits	<ul style="list-style-type: none"> New contract launches significantly expand FTSE Russell futures product set globally Greater US futures revenue potential through concentration of liquidity Partnership with US leader in equity index futures - new FTSE Russell futures contracts will offer US investors access to some of the most actively traded indexes in the world 	<ul style="list-style-type: none"> New contract launches significantly expand FTSE Russell cash options in the US Launches a significant new co-branded product every year for duration of agreement CBOE is #1 options exchange globally - preferred venue in the US for Russell and FTSE options users seeking deep liquidity pools and breadth of market makers 	<ul style="list-style-type: none"> Provides FTSE Russell with ability to monetise increasing interest in derivative contracts on Chinese-based indexes Supports take-up of FTSE China benchmarks in domestic market FTSE China A50 Derivatives traded volume has shown a 102% CAGR from 2012 to 2014⁽¹⁾ In the first 9m of 2015, volumes are already over 90% higher than full year 2014⁽¹⁾

(1) SGX monthly fact sheets

‘Open access’ model helps index derivatives expansion

Broader Derivatives Offering: Early synergy success through derivatives licensing agreements

- Investors and clients increasingly looking for more global set of derivatives products
- FTSE Russell can now offer a much broader set of index exposures across markets, regions and asset classes
- Exchange clients such as CBOE and CME committed to broadening their product offering to European and Asian-based derivatives

Increased Global Reach: New trading opportunities for customers using FTSE Russell

- CBOE (options) and CME (futures) agreements are global and include derivatives on FTSE and Russell Indexes
- “Open access” model is the driver of a collaborative approach between FTSE Russell, CBOE and CME
- Derivatives agreements increase liquidity in all FTSE Russell indexes, including ETFs and structured products

Potential for Expansion: Increasing trading volumes creates opportunities for new products

- CME launches first Sterling and US dollar FTSE 100 contracts in the US along with US futures on the China 50
- CBOE broadens its offering to include Russell 1000 Value and Growth cash options, plans to launch FTSE 100 and China 50 cash options
- Brand recognition is key to opening new doors and increasing investor engagement globally
- Additional cross-Group opportunities for derivative services e.g. CurveGlobal

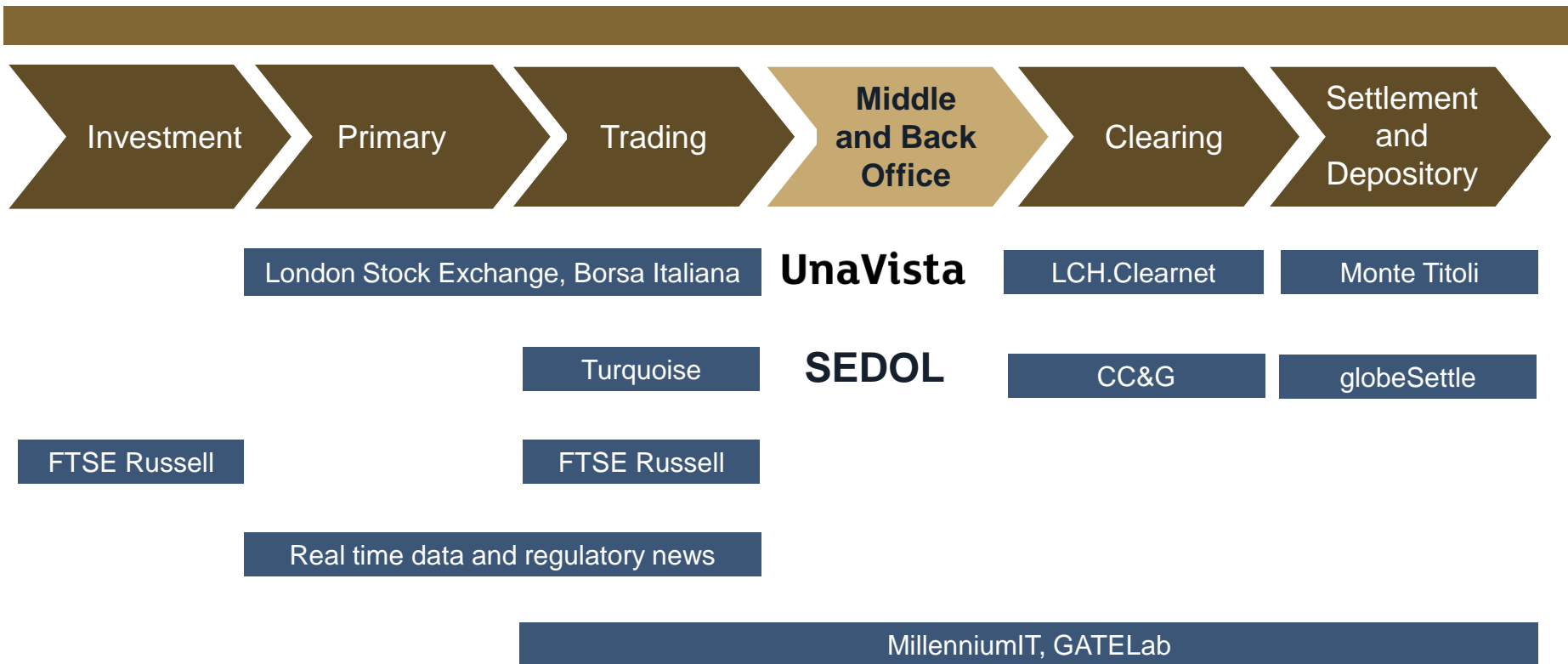


UnaVista and SEDOL

Mark Husler



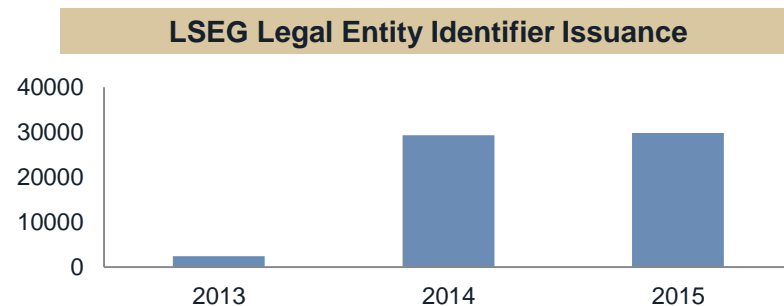
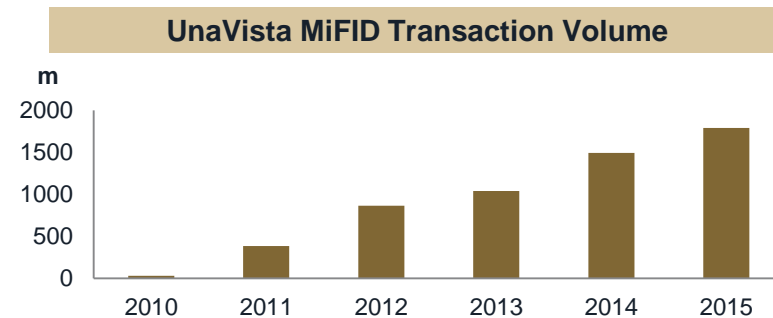
UnaVista and SEDOL – Leading trade reporting mechanism and global security identifier





Innovative identification and reporting services

- **SEDOL**: universal unique security identification number - embedded in trade messages/processing systems for automation of middle/back office
- **UnaVista** platform: provides regulatory reporting services - enabling clients to comply with reporting requirements on cross-border transactions – and other risk, data and analytics services
 - Launched 2007 - access to fast and flexible data matching software and integrated reference data
 - Integration of SEDOL a key benefit of service
- UnaVista and SEDOL together generated revenue of **£49m** in 2014 - CAGR of 24% in past 3 years
- Growth being driven by changing regulatory requirements
- **90%** of revenues generated from annual base subscription plus volume-based charges; **10%** from consultancy services





Multi-asset platform for global operational and regulatory risk management

Regulation

- **Regulatory Reporting**
 - #1 MiFID Approved Reporting Mechanism (ARM)
 - EMIR approved Trade Repository
 - Legal Entity Identifier (LEI)
- **Software Services**
 - G20 OTC Derivatives
 - White-Labelled Software

Risk and Controls

- **Reconciliations**
 - Cash and Stock
 - Front/Back Office
 - Regulatory
- **Confirmations**
 - Broker/Buy-Side
 - Swaps
- **CCP Connectivity**

Data and Analytics

- **Data**

SEDOL Masterfile and Corporate actions

 - National Numbering Agency
 - 5m+ Global SEDOLs
 - 2,000+ Licenced Customers
- **Analytics**
 - Management Information
 - Peer-Peer Analysis

- Covers global multi-asset class instruments and transactions
 - Exchange and OTC markets
- **30,000 global users** across **3,000 companies** in 86 countries
- Clients include:
 - Sell-side
 - Buy-side
 - Infrastructure companies (CCPs, CSDs, exchanges, regulators)



Further growth from underlying secular drivers and enlarged sales capabilities

Regulatory Change

- MiFIR
- G20 Derivatives Reporting
- Transparency Directive

Product Expansion

- Further high value software platform sales, e.g. SIX, Maroclear, and NetOTC
- North America targeted product launches
- Strategic Partnerships
 - DTCC MiFIR reporting
 - LSEG/BOAT
- SEDOL expansion to new asset classes

Leveraging ISD Global Sales Capabilities

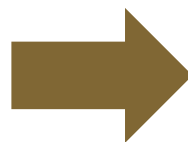
- Low cost market entry for UnaVista and continued expansion of SEDOL into new geographic and client segments
- US is a key target market: dedicated UnaVista expertise established in New York



MiFIR – Fundamental regulatory changes will drive further adoption of UnaVista

Key growth drivers

- Go-live set for 2017
- Removal of existing buy-side reporting exemption
- Requirement to report both on-exchange and OTC trades
- Expansion of asset classes into ETFs and derivatives
- Regulatory mandate to use Legal Entity Identifier (LEI) for MiFIR reporting
- Acceptance of UK ARM reporting model across other EEA countries
- Significant expansion of data required by EEA regulators, including personal information and data from global firms trading EEA traded products



UnaVista is well positioned to benefit from this opportunity

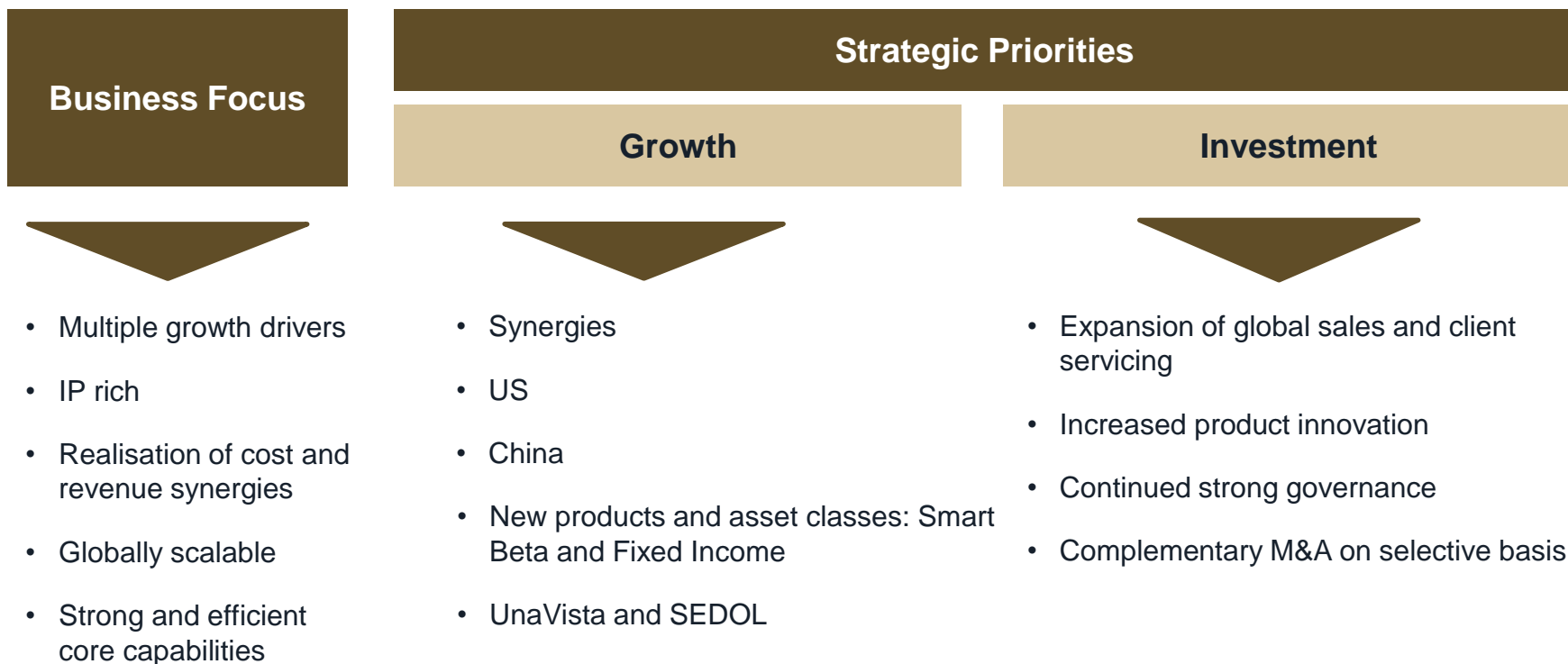
- The only combined ARM and EMIR trade repository, giving access to large number of reporting entities
- Largest number of clients of any ARM - 700 active clients
- Unique partnership model; DTCC partnership channels DTCC client reporting to UnaVista for European territory
- UK operating unit for issuance of LEIs
- Integration of SEDOL database enhances matching capabilities for trade reporting
- Broad client base including traditional ISD/LSEG clients plus regulators and CCPs
- Highly flexible servicing model allows for future product expansion



Summary

Mark Makepeace

Information Services well positioned for continued growth



Double digit growth per annum at FTSE Russell and UnaVista / SEDOL over next 3 years
Operating margins to grow from delivery of new products and cost synergies



London Stock Exchange Group plc

Information Services Division update - Q&A



Appendix



Our partners

Stock Exchanges



Products





FTSE Russell - Locations

