

London Stock Exchange Group acquires minority stake in AcadiaSoft

- LSEG completes acquisition of circa 16% minority stake in AcadiaSoft
- LCH SwapAgent and AcadiaSoft sign heads of terms for an agreement to further streamline margin calculations and processing in the non-cleared derivatives market
- Combines LCH's global reach and track record in risk management with AcadiaSoft's expertise in non-cleared market infrastructure
- Improved operational efficiency for customers of both LCH SwapAgent and AcadiaSoft

London Stock Exchange Group (LSEG) today announced that it has acquired a minority circa 16% stake in AcadiaSoft. The terms of the transaction have not been disclosed.

Alongside LSEG's investment, LCH SwapAgent and AcadiaSoft have signed a heads of terms for an agreement to deepen collaboration on new products aimed at automating and standardising the margin process for non-cleared derivatives. The proposed collaboration provides the opportunity for the two firms to work together to provide market participants with a simplified operational process for margin calculation. As part of the collaboration, LCH SwapAgent would provide its independently calculated collateral information to the AcadiaSoft Hub ("The Hub") which would help customers using The Hub to improve processing efficiency and reduce margin disputes.

Daniel Maguire, Chief Executive Officer, LCH Group and Member of the Executive Committee, LSEG:

"The acquisition of a stake in AcadiaSoft underlines our strategy to expand into the non-cleared space, an area in which AcadiaSoft has considerable experience. The non-cleared margin rules continue to impact the dealer and buy-side community, and it is crucial that integrated services are available to support market participants in reducing risk while maximising their capital and operational efficiencies. LCH SwapAgent brings our expertise in managing risk, and operational resilience to the bilateral market and we are delighted to be collaborating with AcadiaSoft to foster further innovation in this market."

Chris Walsh, Chief Executive Officer, AcadiaSoft:

"We welcome this investment and we're excited to embark on this new opportunity to collaborate so we can bring more products to LCH SwapAgent and AcadiaSoft's mutual customer base. We see our

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services as extremely complementary and look forward to continuing to bring standardisation and simplicity to the non-cleared market.”

LCH SwapAgent is a service for the non-cleared derivatives market. It is designed to simplify the processing, margining and settlement of trades without requiring novation to a central counterparty or a change to the underlying trade terms. The service went live processing cross-currency swaps in November 2017, and most recently handled its first Settled-To-Market trade. 15 dealers have signed up to LCH SwapAgent, including: Bank of America Merrill Lynch, Barclays, BNP Paribas, Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, HSBC, J.P. Morgan, Morgan Stanley, Nomura and RBS.

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About LCH:

LCH is a group of leading multi-asset clearing houses that provides proven risk management capabilities across a range of asset classes. As demand for robust clearing services continues to grow, LCH is committed to maintaining the highest standards of risk management across all our services.

As the markets' partner, LCH operates an open access model, offering a choice of execution venues, delivering unprecedented choice and efficiencies to the marketplace.

LCH operates clearing houses around the world, with clearing houses incorporated in the UK, France and the United States with additional offices in the Asia Pacific region. It offers clearing services across asset classes including OTC and listed rates; CDS and FX derivatives; fixed income; commodities; cash equities and equity derivatives. LCH also serves the non-cleared derivatives market through LCH SwapAgent, a new service which is designed to simplify the processing, margining and settlement of trades without requiring novation to a central counterparty or a change to the underlying trade terms.

LCH is majority owned by London Stock Exchange Group (LSE.L), an international markets infrastructure business that sits at the heart of the world's financial community.

Further information on LCH can be found at www.lch.com

About London Stock Exchange Group:

London Stock Exchange Group (LSEG) is an international markets infrastructure business. Its diversified global business focuses on capital formation, intellectual property and risk and balance sheet management. LSEG operates an open access model, offering choice and partnership to customers across all of its businesses. The Group can trace its history back to 1698.

The Group operates a broad range of international equity, ETF, bond and derivatives markets, including London Stock Exchange; Borsa Italiana; MTS (a European fixed income market); and Turquoise (a pan-European equities MTF). Through its platforms, LSEG offers market participants, unrivalled access to

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Europe's capital markets. The Group also plays a vital economic and social role, enabling companies, including SMEs, to access funds for growth and development.

Through FTSE Russell, the Group is a global leader in financial indexing, benchmarking and analytic services with approximately \$15 trillion benchmarked to its indexes. The Group also provides customers with an extensive range of data services, research and analytics through The Yield Book, Mergent, SEDOL, UnaVista, XTF and RNS.

Post trade and risk management services are a significant part of the Group's business operations. In addition to majority ownership of LCH, a multi-asset global CCP operator, LSEG owns CC&G, the Italian clearing house and Monte Titoli, a leading European custody and settlement business.

LSEG Technology develops and operates high performance technology solutions, including trading, market surveillance and post trade systems for over 40 organisations and exchanges, including the Group's own markets.

Headquartered in the United Kingdom, with significant operations in North America, Italy, France and Sri Lanka, the Group employs approximately 4,500 people.

Further information on London Stock Exchange Group can be found at www.lseg.com. The Group's ticker symbol is LSE.L