

NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OR ANY OTHER JURISDICTION IN WHICH IT WOULD BE UNLAWFUL TO DO SO. PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THIS ANNOUNCEMENT.

THIS ANNOUNCEMENT IS AN ADVERTISEMENT AND DOES NOT CONSTITUTE A PROSPECTUS OR PROSPECTUS EQUIVALENT DOCUMENT. NOTHING HEREIN SHALL CONSTITUTE AN OFFERING OF NEW SHARES. NOTHING IN THIS ANNOUNCEMENT SHOULD BE INTERPRETED AS A TERM OR CONDITION OF THE RIGHTS ISSUE. ANY DECISION TO PURCHASE, SUBSCRIBE FOR, OTHERWISE ACQUIRE, SELL OR OTHERWISE DISPOSE OF ANY NIL PAID RIGHTS, FULLY PAID RIGHTS OR NEW SHARES MUST BE MADE ONLY ON THE BASIS OF THE INFORMATION CONTAINED IN AND INCORPORATED BY REFERENCE INTO THE PROSPECTUS ONCE PUBLISHED. COPIES OF THE PROSPECTUS WILL, FOLLOWING PUBLICATION, BE AVAILABLE FROM THE REGISTERED OFFICE OF LONDON STOCK EXCHANGE GROUP PLC AND ON ITS WEBSITE AT WWW.LSEG.COM.

22 August 2014

For Immediate Release

LONDON STOCK EXCHANGE GROUP PLC

FULLY UNDERWRITTEN RIGHTS ISSUE RAISING NET PROCEEDS OF £938 MILLION TO PART FUND ACQUISITION OF FRANK RUSSELL COMPANY AND NOTICE OF GENERAL MEETING

On 26 June 2014, London Stock Exchange Group plc ("LSEG") announced the proposed acquisition of the entire issued share capital of Frank Russell Company ("Russell") from Northwestern Mutual and the minority shareholders of Russell for total consideration in cash of US\$2,700 million (£1,623 million, based on the 20 August 2014 Spot Exchange Rate), subject to customary adjustments (the "Acquisition").

The Acquisition is classified under Chapter 10 of the UK Listing Rules as a Class 1 transaction, in view of its size in relation to LSEG, and therefore requires the approval of its Shareholders. A general meeting of the LSEG Shareholders will be held on 10 September 2014 (the "General Meeting"), at which Shareholder approval will be sought for the Acquisition (the "Resolution"). The Acquisition is also subject to the fulfilment or waiver of certain other conditions. A notice of the General Meeting will be released with the combined circular and prospectus (the "Prospectus"), which is expected to be published today, subject to approval by the UK Listing Authority. The directors of LSEG (the "Directors") unanimously consider that the Resolution is in the best interests of LSEG and its Shareholders and recommend that Shareholders vote in favour of the Resolution as the Directors have irrevocably undertaken to do so in respect of their own LSEG shares.

Today LSEG announces a fully underwritten rights issue, which is intended to raise net proceeds of approximately £938 million (US\$1,561 million based on the 20 August 2014 Spot Exchange Rate) to be used to fund part of the cash consideration for the Acquisition (the "Rights Issue").

The Rights Issue will result in the issue of 74,347,813 new ordinary shares (representing approximately 27.3 per cent. of the existing issued share capital of LSEG and 21.4 per cent. of the enlarged issued share capital immediately following completion of the Rights Issue) (the "New Shares"), on the basis of a:

3 for 11 Rights Issue at 1,295p per New Share

Rights Issue

Pursuant to the Rights Issue, the Company is proposing to offer 74,347,813 New Shares by way of a Rights Issue to Qualifying Shareholders other than to Shareholders with a registered address, or resident, in one of the Excluded Territories or, subject to certain exceptions, the United States or one of the other Restricted Territories. The offer is to be made at 1,295p per New Share, payable in full on acceptance by no later than 11.00 a.m. on 25 September 2014. If the Rights Issue were to proceed but the Acquisition does not complete, LSEG commits to return the Rights Issue proceeds to Shareholders within a reasonable period of time. Such a return could carry costs for certain Shareholders and will have costs for the Company. The Rights Issue is expected to raise approximately £938 million, net of expenses (£963 million gross proceeds). The Issue Price represents a 30.1 per cent. discount to the theoretical ex-rights price based on the closing middle-market price of 2,005p per Share on 21 August 2014 (being the last business day before the announcement of the terms of the Rights Issue).

The New Shares, when issued and fully paid, will rank pari passu in all respects with the existing issued Shares, including the right to receive dividends or distributions made, paid or declared after the date of issue of the New Shares. Applications will be made to the FCA and to the London Stock Exchange for the New Shares to be admitted to the Official List and to trading on the London Stock Exchange. It is expected that Admission will occur and that dealings in the New Shares (nil paid) on the London Stock Exchange will commence at 8.00 a.m. on 11 September 2014.

The consideration to be paid by LSEG at Completion will be financed primarily from the approximately £938 million (US\$1,561 million based on the 20 August 2014 Spot Exchange Rate) of net proceeds from the Rights Issue. The remaining approximately US\$1,139 million (£685 million, based on the 20 August 2014 Spot Exchange Rate) of the consideration will be financed in US\$ by LSEG from existing multi-currency bank debt facilities, including a recently signed additional £600 million multi-currency revolving credit facility with an initial two year term and an ability for LSEG to extend for a further year. Appropriate foreign exchange hedging arrangements with respect to the Rights Issue component of the Acquisition consideration were put in place by LSEG subsequent to the announcement of 26 June 2014 and appropriate hedging arrangements will be maintained until Completion. The US\$ debt raised as a component of the consideration will also appropriately hedge the Company's investment in Russell.

The Rights Issue has been fully underwritten by Barclays, RBC Capital Markets, Deutsche Bank, J.P. Morgan Cazenove, Banca IMI, Banco Santander, HSBC and Mitsubishi UFJ Securities.

The Board intends to continue with its current policy of paying dividends on a progressive basis following the Acquisition. Future dividend payments per Share will be adjusted to take account of the enlarged number of Shares that will be in issue following the Rights Issue and the Acquisition.

This summary should be read in conjunction with the full text of this announcement. Unless defined otherwise herein, capitalised terms shall have the meanings ascribed to them in the "Definitions" section at the end of this announcement.

Enquiries

London Stock Exchange Group plc

Gavin Sullivan (Media)

Paul Froud (Investors)

+44 20 7797 1222

+44 20 7797 3322

Barclays (Corporate Broker, Sole Global Co-ordinator, Joint Bookrunner and Lead Underwriter) Kunal Gandhi, Jimmy Bastock, Alisdair Gayne, Jim Renwick	+44 20 7623 2323
Barclays (Financial Adviser, Joint Sponsor) Joel Fleck, Andrew Owens, Ahsan Raza	+44 20 7623 2323
Greenhill (Financial Adviser, Joint Sponsor) Robert Smith, David Wyles, Pieter-Jan Bouten, Marcus Taylor	+44 20 7198 7400
Robey Warshaw (Financial Adviser) Simon Robey	+44 20 7318 8889
Peter J. Solomon (Financial Adviser) Ken Baronoff, John Sheldon, Jeff Jacobs	+1 212 508 1600
RBC Capital Markets (Corporate Broker to the Acquisition, Joint Bookrunner) Josh Critchley, Oliver Hearsey	+44 20 7653 4000
Deutsche Bank (Joint Bookrunner) Tadhg Flood, Lorcan O'Shea	+44 20 7545 8000
J.P. Morgan Cazenove (Joint Bookrunner) Jeremy Capstick, Greg Chamberlain	+44 20 7742 4000
Banca IMI (Co-Lead Manager) Karim Makki Rocco Bello	+44 20 7894 2660 +39 02 7261 4701
Banco Santander (Co-Lead Manager) Gonzalo Garrigues Ignacio Peña	+34 91 289 4840 +34 91 289 2545
HSBC (Co-Lead Manager) Adrian Lewis, Andrew Robinson	+44 20 7991 5276
Mitsubishi UFJ Securities (Co-Lead Manager) Geraint Thomas, Rahul Bhandari	+44 20 7628 5555
RLM Finsbury Guy Laming, David Henderson	+44 20 7251 3801

IMPORTANT NOTICE

This announcement has been issued by and is the sole responsibility of LSEG.

This announcement is not a prospectus but an advertisement and investors should not acquire any Nil Paid Rights, Fully Paid Rights or New Shares referred to in this announcement except on the basis of the information contained in the Prospectus to be published by LSEG in connection with the Rights Issue. The information contained in this announcement is for background purposes only and does not purport to be full or complete. The information in this announcement is subject to change.

A copy of the Prospectus will, following publication, be available from the registered office of LSEG and on LSEG's website at www.lseg.com. The Prospectus is not, subject to certain exceptions, available (through the website or otherwise) to Shareholders in the United States or

any other Excluded Territory. Neither the content of LSEG's website nor any website accessible by hyperlinks on LSEG's website is incorporated in, or forms part of, this announcement. The Prospectus will provide further details of the New Shares, the Nil Paid Rights and the Fully Paid Rights being offered pursuant to the Rights Issue.

This announcement is for information purposes only and is not intended to and does not constitute or form part of any offer or invitation to purchase or subscribe for, or any solicitation to purchase or subscribe for, Nil Paid Rights, Fully Paid Rights or New Shares or to take up any entitlements to Nil Paid Rights in any jurisdiction. No offer or invitation to purchase or subscribe for, or any solicitation to purchase or subscribe for, Nil Paid Rights, Fully Paid Rights or New Shares or to take up any entitlements to Nil Paid Rights will be made in any jurisdiction in which such an offer or solicitation is unlawful. The information contained in this announcement is not for release, publication or distribution to persons in the United States or any other Excluded Territory, and should not be distributed, forwarded to or transmitted in or into any jurisdiction, where to do so might constitute a violation of local securities laws or regulations.

The Nil Paid Rights, the Fully Paid Rights, the New Shares and the Provisional Allotment Letters have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from or in a transaction not subject to the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Nil Paid Rights, the Fully Paid Rights or the New Shares in the United States.

The distribution of this announcement into jurisdictions other than the United Kingdom may be restricted by law, and, therefore, persons into whose possession this announcement comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of such jurisdiction. In particular, subject to certain exceptions, this announcement, the Prospectus (once published) and the Provisional Allotment Letters (once printed) should not be distributed, forwarded to or transmitted in or into the United States or any other Excluded Territory.

This announcement does not constitute a recommendation concerning any investor's options with respect to the Rights Issue. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this announcement are not to be construed as legal, business, financial or tax advice. Each Shareholder or prospective investor should consult his, her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

Notice to all investors

Barclays is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Greenhill is authorised and regulated by the Financial Conduct Authority. Robey Warshaw is authorised and regulated by the Financial Conduct Authority. RBC Capital Markets is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Deutsche Bank is authorised under German Banking Law and is regulated by BaFin, Germany's Federal Financial Supervisory Authority, the Financial Conduct Authority and the Prudential Regulation Authority. J.P. Morgan Cazenove is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Banca IMI is authorised by the Banca d'Italia and Consob and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Banco Santander is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. HSBC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Mitsubishi UFJ Securities is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Barclays, Greenhill, Robey Warshaw, Peter J. Solomon, RBC Capital Markets, Deutsche Bank, J.P. Morgan Cazenove, Banca IMI,

Banco Santander, HSBC and Mitsubishi UFJ Securities are acting for LSEG and are acting for no one else in connection with the Rights Issue and will not regard any other person as a client in relation to the Rights Issue and will not be responsible to anyone other than LSEG for providing the protections afforded to their respective clients, nor for providing advice in connection with the Rights Issue or any other matter, transaction or arrangement referred to herein.

Apart from the responsibilities and liabilities, if any, which may be imposed on Barclays and Greenhill in their capacities as Sponsors by the FSMA, none of Barclays, Greenhill, Robey Warshaw, Peter J. Solomon, RBC Capital Markets, Deutsche Bank, J.P. Morgan Cazenove, Banca IMI, Banco Santander, HSBC and Mitsubishi UFJ Securities accept any responsibility or liability whatsoever and make no representation or warranty, express or implied, for the contents of this announcement, including its accuracy, fairness, sufficiency, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with LSEG or the Nil Paid Rights, Fully Paid Rights, Provisional Allotment Letters, New Shares or the Rights Issue and nothing in this announcement is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Each of Barclays, Greenhill, Robey Warshaw, Peter J. Solomon, RBC Capital Markets, Deutsche Bank, J.P. Morgan Cazenove, Banca IMI, Banco Santander, HSBC and Mitsubishi UFJ Securities accordingly disclaims to the fullest extent permitted by law all and any responsibility and liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this announcement or any such statement. Each of Barclays, Greenhill, Robey Warshaw, Peter J. Solomon, RBC Capital Markets, Deutsche Bank, J.P. Morgan Cazenove, Banca IMI, Banco Santander, HSBC and Mitsubishi UFJ Securities and/or their affiliates provides various investment banking, commercial banking and financial advisory services from time to time to LSEG.

No person has been authorised to give any information or to make any representations other than those contained in this announcement and the Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by LSEG or Barclays, Greenhill, Robey Warshaw, Peter J. Solomon, RBC Capital Markets, Deutsche Bank, J.P. Morgan Cazenove, Banca IMI, Banco Santander, HSBC and Mitsubishi UFJ Securities. Subject to the Listing Rules, the Prospectus Rules and the Disclosure and Transparency Rules of the Financial Conduct Authority, the issue of this announcement shall not, in any circumstances, create any implication that there has been no change in the affairs of LSEG since the date of this announcement or that the information in it is correct as at any subsequent date.

The Underwriters and their respective affiliates, acting as investors for their own accounts, may, in accordance with applicable legal and regulatory provisions, engage in transactions in relation to the Nil Paid Rights, the Fully Paid Rights, the New Shares and/or related instruments for their own account for the purpose of hedging their underwriting exposure or otherwise. Accordingly, references in the Prospectus to the Nil Paid Rights, Fully Paid Rights or New Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Underwriters and any of their respective affiliates acting as investors for their own accounts. Except as required by applicable law or regulation, the Underwriters do not propose to make any public disclosure in relation to such transactions.

Cautionary statement regarding forward-looking statements

This announcement may contain certain forward-looking statements, beliefs or opinions, with respect to the financial condition, results of operations and business of LSEG, Russell and the Enlarged Group.

These statements, which contain the words “anticipate”, “believe”, “intend”, “estimate”, “expect”, “may”, “will”, “seek”, “continue”, “aim”, “target”, “projected”, “plan”, “goal”, “achieve” and words of similar meaning, reflect the Company's beliefs and expectations and are based on numerous assumptions regarding the Company's present and future business strategies and the environment the Company and the Enlarged Group will operate in and are subject to risks and uncertainties that may cause actual results to differ materially. No representation is made that any of these statements or forecasts will come to pass or that any forecast results will be

achieved. Forward-looking statements involve inherent known and unknown risks, uncertainties and contingencies because they relate to events and depend on circumstances that may or may not occur in the future and may cause the actual results, performance or achievements of the Company or the Enlarged Group to be materially different from those expressed or implied by such forward looking statements. Many of these risks and uncertainties relate to factors that are beyond the Company's or the Enlarged Group's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of regulators and other factors such as the Company's or the Enlarged Group's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company or Russell operates or in economic or technological trends or conditions. Past performance of the Company or Russell cannot be relied on as a guide to future performance. As a result, you are cautioned not to place undue reliance on such forward-looking statements. The list above is not exhaustive and there are other factors that may cause the Company's or the Enlarged Group's actual results to differ materially from the forward-looking statements contained in this announcement. Forward-looking statements speak only as of their date and the Company, its parent and subsidiary undertakings, the subsidiary undertakings of such parent undertakings, Barclays, Greenhill, Peter J. Solomon, Robey Warshaw, RBC Capital Markets, Deutsche Bank, J.P. Morgan Cazenove, Banca IMI, Banco Santander, HSBC and Mitsubishi UFJ Securities and any of such person's respective directors, officers, employees, agents, affiliates or advisers expressly disclaim any obligation to supplement, amend, update or revise any of the forward-looking statements made herein, except where it would be required to do so under applicable law.

You are advised to read this announcement and the Prospectus (once published) in their entirety for a further discussion of the factors that could affect LSEG's future performance. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this announcement may not occur.

No statement in this announcement is intended as a profit forecast or a profit estimate and no statement in this announcement should be interpreted to mean that earnings per share of LSEG for the current or future financial years would necessarily match or exceed the historical published earnings per share of LSEG.

London Stock Exchange Group plc

Fully Underwritten Rights Issue to Fund Acquisition of Frank Russell Company and Notice of General Meeting

Introduction

On 26 June 2014, London Stock Exchange Group plc ("LSEG") announced the proposed acquisition of the entire issued share capital of Frank Russell Company ("Russell") from Northwestern Mutual and the minority shareholders of Russell for total consideration in cash of US\$2,700 million (£1,623 million, based on the 20 August 2014 Spot Exchange Rate), subject to customary adjustments. The Acquisition is subject to the completion of certain conditions.

Today LSEG announces a fully underwritten Rights Issue to raise net proceeds of approximately £938 million (US\$1,561 million based on the 20 August 2014 Spot Exchange Rate) which will be used to fund part of the cash consideration for Russell, through the issue of 74,347,813 New Shares (representing approximately 27.3 per cent. of the existing issued share capital of LSEG and 21.4 per cent. of the enlarged issued share capital immediately following completion of the Rights Issue) through a 3 for 11 Rights Issue at 1,295p per New Share.

Dealings in the New Shares (nil-paid) is expected to commence on 11 September, the first trading day after the approval of the Acquisition by Shareholders at the General Meeting, expected to be held on 10 September 2014. If the Rights Issue were to proceed but the

Acquisition does not complete, LSEG commits to return the Rights Issue proceeds to Shareholders within a reasonable period of time. Such a return could carry costs for certain Shareholders and will have costs for the Company.

The notice of the General Meeting and related form of proxy are being mailed to Shareholders today and, in accordance with paragraph 9.6.1 of the FCA Listing Rules, have been submitted to the National Storage Mechanism where they will shortly be available for inspection at www.hemscott.com/nsm.do.

Background to and reasons for the Rights Issue

The consideration for the Acquisition to be paid by LSEG at Completion will be financed primarily from the approximately £938 million (US\$1,561 million based on the 20 August 2014 Spot Exchange Rate) of net proceeds from the Rights Issue. The remaining approximately US\$1,139 million (£685 million, based on the 20 August 2014 Spot Exchange Rate) of the consideration will be financed in US\$ by LSEG from existing multi-currency bank debt facilities, including a recently signed additional £600 million multi-currency revolving credit facility with an initial two year term and an ability for LSEG to extend for a further year. Appropriate foreign exchange hedging arrangements with respect to the Rights Issue component of the Acquisition consideration were put in place by LSEG subsequent to the announcement of 26 June 2014 and appropriate hedging arrangements will be maintained until Completion. The US\$ debt raised as a component of the consideration will also appropriately hedge the Company's investment in Russell.

The Rights Issue has been fully underwritten by Barclays, RBC Capital Markets, Deutsche Bank, J.P. Morgan Cazenove, Banca IMI, Banco Santander, HSBC and Mitsubishi UFJ Securities.

Current trading and prospects

LSEG has this morning announced unaudited financial results for the quarter ending 30 June 2014, which follows the Group's preliminary full year results announcement for the 12 months to 31 March 2014 on 15 May 2014.

LSEG delivered a strong financial performance for the quarter against the three months to 30 June 2013. Adjusted total income increased 16 per cent. to £323.9 million, and up seven per cent. on an organic and constant currency basis, with growth in nearly all main business segments. Adjusted operating expenses increased eight per cent., mainly reflecting inclusion of acquired companies. Core operating costs, excluding the effect of acquisitions and currency changes, remained well controlled with a three per cent. reduction. Adjusted operating profit rose 25 per cent. to £148.2 million and profit before tax increased 40 per cent. Basic earnings per share for the period increased 47 per cent. while adjusted basic EPS rose 18 per cent. to 31.9 pence.

In primary markets, new issues remained strong in July with 28 new issues on the Group's UK and Italian markets, compared with a total of 25 in July last year. The amount of money raised in the month also rose, doubling to £5.2 billion. New issue activity has continued in August, with seven IPOs so far in what is normally a seasonally quiet period.

In secondary markets, cash equities trading in London increased six per cent. in July compared with the same month last year. Trading in July in Italy was also good with a 25 per cent. rise year on year in the number of trades, and Turquoise delivered a 23 per cent. increase in pan-European value traded. In fixed income markets, MTS saw year on year growth in both cash and repo trading in July, up 27 and four per cent., respectively. Fixed income and equities trading

across the Group's markets to date in August has been good, with average daily volumes above the levels for the same month last year. Both FTSE and LCH.Clearnet Group have continued to perform well since the quarter end.

The Group has made good progress so far in the financial year. Activity in both primary and secondary markets in the current quarter has been good and the pipeline of companies seeking to raise capital on the Group's markets remains encouraging. Overall, the Group remains well placed to benefit from continued positive market trends through its increasingly diversified businesses and from the work to realise the previously announced integration synergies at LCH.Clearnet Group.

On 27 March 2014 LSEG confirmed that its accounting reference date would change from 31 March to 31 December, with effect from 1 April 2014.

Principal terms and conditions of the Rights Issue

Pursuant to the Rights Issue, the Company is proposing to offer 74,347,813 New Shares by way of a Rights Issue to Qualifying Shareholders other than to Shareholders with a registered address, or resident, in one of the Excluded Territories or, subject to certain exceptions, the United States or one of the other Restricted Territories. The offer is to be made at 1,295p per New Share, payable in full on acceptance by no later than 11.00 a.m. on 25 September 2014. If the Rights Issue were to proceed but the Acquisition does not complete, LSEG commits to return the Rights Issue proceeds to Shareholders within a reasonable period of time. Such a return could carry costs for certain Shareholders and will have costs for the Company. The Rights Issue is expected to raise approximately £938 million, net of expenses (£963 million gross proceeds). The Issue Price represents a 30.1 per cent. discount to the theoretical ex-rights price based on the closing middle-market price of 2,005p per Share on 21 August 2014 (being the last business day before the announcement of the terms of the Rights Issue).

The Rights Issue will be made on the basis of:

3 New Shares at 1,295p per New Share for every 11 Existing Shares

held by Qualifying Shareholders at the close of business on the Record Date.

Entitlements to New Shares will be rounded down to the nearest whole number and fractional entitlements will not be allotted to Shareholders but will be aggregated and issued into the market for the benefit of the Company. Holdings of Existing Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue.

The Rights Issue will result in 74,347,813 New Shares being issued (representing approximately 27.3 per cent. of the existing issued share capital and 21.4 per cent. of the enlarged issued share capital immediately following completion of the Rights Issue).

The Rights Issue is conditional, inter alia, upon:

- (i) the Underwriting Agreement having become unconditional in all respects save for the condition relating to Admission;
- (ii) Admission becoming effective by not later than 8.00 a.m. on 11 September 2014 (or such later time and date as the Joint Sponsors and the Company may agree); and
- (iii) the passing, without material amendment, of the Resolution.

Certain resolutions authorising the allotment of further shares in the Company and the waiver of pre-emption rights in connection with a rights issue were passed at an annual general meeting of the Company held on 16 July 2014. These authorities will be relied upon for the purposes of the Rights Issue.

The New Shares, when issued and fully paid, will rank pari passu in all respects with the existing issued Shares, including the right to receive dividends or distributions made, paid or declared after the date of issue of the New Shares. Applications will be made to the FCA and to the London Stock Exchange for the New Shares to be admitted to the Official List and to trading on the London Stock Exchange. It is expected that Admission will occur and that dealings in the New Shares (nil paid) on the London Stock Exchange will commence at 8.00 a.m. on 11 September 2014.

The Acquisition is subject to the completion of certain conditions, including:

- (i) the approval of the Acquisition (as a Class 1 transaction under the Listing Rules) by a majority of votes cast by Shareholders at the General Meeting;
- (ii) the receipt of consents from certain Russell investment management clients representing at least 70 per cent. of Russell's investment management fee revenues as of an agreed upon base date;
- (iii) confirmation that the Acquisition will not result in LSEG becoming an FHC;
- (iv) certain antitrust and regulatory approvals, including under the HSR Act and by the UK Competition and Markets Authority; and
- (v) the receipt by LSEG of the Rights Issue proceeds.

As at the date of this announcement: (i) reasonable assurance in writing has been received that, as a result of the Acquisition, LSEG will not become an FHC; and (ii) early termination of the applicable waiting period under the HSR Act in respect of the Acquisition has been granted. Certain other regulatory and antitrust approvals and consents remain outstanding.

Dividend and dividend policy

The Board intends to continue with its current policy of paying dividends on a progressive basis following the Acquisition. Interim and final dividends are expected to be payable in the approximate proportions of one third and two thirds, respectively, of the expected total dividend. Future dividend payments per Share will be adjusted to take account of the enlarged number of Shares that will be in issue following the Rights Issue and the Acquisition.

Directors' intentions

The Directors are fully supportive of the Rights Issue. Each of the Directors who holds Shares either intends, to the extent that he or she is able, to take up in full his or her rights to subscribe for New Shares under the Rights Issue or to sell a sufficient number of their Nil Paid Rights during the nil paid trading period to meet the costs of taking up the balance of their entitlements to New Shares.

Similarly, any Executive Director for whom Shares are held as "invested shares" under the Company's 2004 Long-Term Incentive Plan, which entitle the Director to be granted a matching share award under that plan, either intends in respect of such invested shares, to the extent that he is able, to take up in full the rights to subscribe for New Shares under the Rights Issue or sell a sufficient number of the Nil Paid Rights to take up the balance of the entitlement to New

Shares. The LSEG remuneration committee intends to make an appropriate adjustment to the related matching awards to increase the number of Shares subject to those awards.

Russell Financial Information

For financial information on Russell, please refer to the Prospectus expected to be published later today, including in particular paragraph 7.2 of Part I “Letter from the Chairman of London Stock Exchange Group plc”, Part VII “Operating and Financial Review of Russell” and Part IX “Financial Information of Russell”.

Expected Timetable for the Rights Issue

	2014 ^{(2) (3)}
Publication and posting of the Prospectus, the notice of General Meeting and the Form of Proxy	22 August
Record Date for entitlements under the Rights Issue	close of business on 8 September
Latest time and date for receipt of General Meeting Forms of Proxy	9.30 a.m. on 8 September
General Meeting	9.30 a.m. on 10 September
Date of dispatch of Provisional Allotment Letters (to Qualifying non-CREST Shareholders only ⁽¹⁾)	10 September
Dealings in New Shares, nil paid, commence on the London Stock Exchange	8.00 a.m. on 11 September
Nil Paid Rights credited to stock accounts in CREST (Qualifying CREST Shareholders only)	As soon as practicable after 8.00 a.m. on 11 September
Nil Paid Rights and Fully Paid Rights enabled in CREST	As soon as practicable after 8.00 a.m. on 11 September
Shares marked ex-Rights	11 September
Recommended latest time for requesting withdrawal of Nil Paid Rights or Fully Paid Rights from CREST (i.e. if your Nil Paid Rights or Fully Paid Rights are in CREST and you wish to convert them into certificated form)	4.30 p.m. on 19 September
Latest time and date for depositing renounced Provisional Allotment Letters, nil paid or fully paid, into CREST or for dematerialising Nil Paid Rights into a CREST stock account	3.00 p.m. on 22 September
Latest time and date for splitting Provisional Allotment Letters	3.00 p.m. on 23 September
Latest time and date for acceptance and payment in full and registration of renounced Provisional Allotment Letters	11.00 a.m. on 25 September

Expected date of announcement of results of the Rights Issue through a Regulatory Information Service

26 September

Dealings in the New Shares to commence on the London Stock Exchange fully paid

8.00 a.m. on 26 September

New Shares credited to CREST stock accounts (uncertificated holders only⁽¹⁾)

As soon as practicable after 8.00 a.m. on 26 September

Dispatch of definitive share certificates for New Shares in certificated form (to Qualifying non-CREST Shareholders only⁽¹⁾)

by no later than 6 October

Notes:

- (1) Subject to certain restrictions relating to Overseas Shareholders.
- (2) The times and dates set out in the expected timetable of principal events above may be adjusted by the Company, in which event details of the new dates will be notified to the Financial Conduct Authority and to the London Stock Exchange and, where appropriate, to Shareholders.
- (3) References to times in this document are to London GMT time unless otherwise stated.

Definitions

“20 August 2014 Spot Exchange Rate”	the noon buying rate of the pound sterling on 20 August 2014, which was US\$1.6632 per £1.00
“Acquisition”	the proposed acquisition of Russell by LSEG in accordance with the Merger Agreement
“Admission”	admission of the New Shares, nil paid, to (i) the Official List, and (ii) trading on the London Stock Exchange’s main market for listed securities
“Banca IMI”	Banca IMI S.p.A
“Banco Santander”	Banco Santander, S.A.
“Barclays”	Barclays Bank PLC
“Company” or “LSEG”	London Stock Exchange Group plc
“Completion”	completion of the Acquisition under the Merger Agreement
“CREST”	the relevant system (as defined in the CREST Regulations) for the paperless settlement of trades in listed securities in the United Kingdom, of which Euroclear UK & Ireland Limited is the operator (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755)
“Deutsche Bank”	Deutsche Bank AG, London Branch
“Directors” or “Board”	the Executive Directors and the Non-Executive Directors

“EPS”	earnings per share
“Enlarged Group”	the Group following its acquisition of Russell
“Excluded Territories”	the Commonwealth of Australia, its territories and possessions, the Republic of South Africa, Japan and any other jurisdictions where the extension and availability of the Rights Issue would breach any applicable law
“Executive Directors”	Xavier Rolet, David Warren and Raffaele Jerusalemi
“FHC”	a financial holding company for the purposes of the Capital Requirements Directive (2013/36/EU) and Capital Requirements Regulation (EU) (No 575/2013) in any Member State of the European Union
“Financial Conduct Authority” or “FCA”	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA
“Form of Proxy”	the form of proxy enclosed with the Prospectus for use in connection with the General Meeting
“FSMA”	the Financial Services and Markets Act 2000, as amended
“Fully Paid Rights”	rights to acquire New Shares, fully paid
“General Meeting”	the general meeting of the Company to be convened to consider the Resolution
“Greenhill”	Greenhill & Co. International LLP
“Group”	the Company and its subsidiary undertakings and, where the context requires, its associated undertakings
“HSBC”	HSBC Bank plc
“HSR Act”	Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder
“Joint Sponsors”	Barclays and Greenhill
“J.P. Morgan Cazenove”	J.P. Morgan Securities plc
“LCH.Clearnet Group”	LCH.Clearnet Group Limited, a company incorporated in England and Wales (registered number 04743602), whose registered office is at Aldgate House, 33 Aldgate High Street, London EC3N 1EA whose wholly owned subsidiaries include LCH.Clearnet Limited, LCH Clearnet SA and LCH Clearnet LLC
“Listing Rules”	the listing rules of the Financial Conduct Authority
“London Stock Exchange”	“London Stock Exchange plc”
“Merger Agreement”	the Agreement and Plan of Merger entered into between and among the Company, Russell, Northwestern Mutual and Merger Sub on 26 June 2014, as summarised in Part XII “Key Transaction Terms” of the Prospectus

“Merger Sub”	London Stock Exchange Group US Sub, Inc., a wholly owned indirect subsidiary of the Company incorporated in Washington
“Mitsubishi UFJ Securities”	Mitsubishi UFJ Securities International plc
“MTS”	the Group’s European fixed income trading market
“New Shares”	the new Shares which the Company will allot and issue pursuant to the Rights Issue, including, where appropriate, the Provisional Allotment Letters, the Nil Paid Rights and Fully Paid Rights
“Nil Paid Rights”	rights to acquire New Shares, nil paid
“Non-Executive Directors”	Chris Gibson-Smith, Jacques Aigrain, Sherry Coutu CBE, Paul Heiden, Andrea Munari, Stuart Lewis, Stephen O’Connor, Joanna Shields OBE, Massimo Tononi, Sharon Bowles and Robert Webb QC
“Northwestern Mutual”	The Northwestern Mutual Life Insurance Company
“Official List”	the Official List of the Financial Conduct Authority
“Overseas Shareholders”	Qualifying Shareholders with registered addresses in, or who are citizens, residents or nationals of jurisdictions outside the United Kingdom
“Peter J. Solomon”	Peter J. Solomon Company, L.P.
“Prospectus”	the prospectus and circular to be published by the Company in respect of the Rights Issue and the Acquisition, together with any supplements or amendments thereto and including the notice of General Meeting
“Prospectus Rules”	the Prospectus Rules of the Financial Conduct Authority
“Provisional Allotment Letter”	the provisional allotment letter to be issued to Qualifying non-CREST Shareholders (other than certain Overseas Shareholders)
“Qualifying Crest Shareholders”	Qualifying Shareholders holding Shares in uncertificated form
“Qualifying non-Crest Shareholders”	Qualifying Shareholders holding Shares in certificated form
“Qualifying Shareholders”	Shareholders on the register of members of the Company at the Record Date
“RBC Capital Markets”	RBC Europe Limited
“Resolution”	the resolution to be proposed at the General Meeting in connection with the Acquisition, notice of which will be set out in the Prospectus
“Record Date”	the record date for the Rights Issue
“Restricted Territories”	Canada, China, Dubai International Finance Centre, Kuwait, Qatar, Singapore, Switzerland and any member state of the European Economic Area (other than the United Kingdom)

“Rights Issue”	the offer by way of rights to Qualifying Shareholders to subscribe for New Shares, on the terms and conditions to be set out in the Prospectus and the Provisional Allotment Letter
“Robey Warshaw” “Russell”	Robey Warshaw LLP Frank Russell Company
“Securities Act”	the US Securities Act of 1933, as amended
“Shareholders”	holders of Shares
“Shares”	ordinary shares in the capital of the Company
“Turquoise”	the Group’s pan-European multilateral trading facility
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“Underwriters”	Barclays, RBC Capital Markets, Deutsche Bank, J.P. Morgan Cazenove, Banca IMI, Banco Santander, HSBC and Mitsubishi UFJ Securities
“Underwriting Agreement”	the underwriting arrangements described in Part XIII “Additional Information” of the Prospectus
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia