Not for release, publication or distribution, in whole or in part, in or into or from the United States or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

The following announcement is an advertisement and not a prospectus or prospectus equivalent document and LSEG Shareholders should not make any investment decision in relation to the UK TopCo Shares except on the basis of the information in the Scheme Document and the UK TopCo prospectus which are proposed to be published in due course.

16 March 2016

RECOMMENDED ALL-SHARE MERGER OF EQUALS OF LONDON STOCK EXCHANGE GROUP PLC AND DEUTSCHE BÖRSE AG

The board of directors of London Stock Exchange Group plc ("**LSEG**") (the "**LSEG Board**") and the management board of Deutsche Börse AG ("**DBAG**") (the "**DBAG Board**" and together with the LSEG Board the "**Boards**") are pleased to announce that they have reached agreement on the terms of a recommended all-share merger of equals of LSEG and DBAG to form the "**Combined Group**" (the "**Merger**"). The Merger will be implemented via the establishment of a new UK holding company ("**UK TopCo**") which will acquire LSEG by way of a scheme of arrangement (the "**LSEG Acquisition**") and will acquire DBAG by making a securities exchange offer to all shareholders of DBAG (the "**DBAG Offer**"). The LSEG Acquisition is governed by the City Code and the DBAG Offer is governed by the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs-und Übernahmegesetz, WpÜG*) and applicable regulations supplementing it.

Under the terms of the Merger, LSEG Shareholders will be entitled to receive 0.4421 UK TopCo Shares in exchange for each LSEG Share and DBAG Shareholders will be entitled to receive one UK TopCo Share in exchange for each DBAG Share.

Assuming 100 per cent. acceptance of the DBAG Offer, the Merger will result in LSEG Shareholders owning 45.6 per cent. of UK TopCo and DBAG Shareholders owning 54.4 per cent. of UK TopCo on a fully diluted basis.

Summary

Creating a leading Europe-based global markets infrastructure group

- Highly complementary combination across divisions and asset classes which accelerates LSEG's and DBAG's respective growth strategies and results in a significantly enhanced product offering for customers.
- Through its enhanced position in the global market infrastructure sector, the Combined Group will be well placed to adapt to industry and regulatory dynamics, able to compete globally and to create shareholder value based on a track record of execution and deep understanding of customers' needs.
- Leading positions across multi-asset classes (derivatives, equities, fixed income, FX and energy products) and ability to service global customers across the investment, trading and risk and balance sheet management life cycle.
- Delivered through an attractive portfolio of leading businesses in capital markets, post-trade, index and information services and technology with diversified revenues across divisions.

- Enhances a global footprint, strengthening the Combined Group's reach and distribution.
- Balanced governance structure of the Combined Group board with equal representation from LSEG and DBAG. The newly formed holding company has been incorporated in the UK and will have a unitary board with equal representation from LSEG and DBAG, constituted in accordance with the UK Corporate Governance Code. The Combined Group will maintain its headquarters in London and Frankfurt. LSEG will maintain a one-tier-board system, while DBAG will maintain a two-tier-board system subject to applicable co-determination rules.
- The existing regulatory framework of all regulated entities within the Combined Group would remain unchanged, subject to customary and final regulatory approvals. LSEG and DBAG will continue to be subject to tax in their respective countries of incorporation.

Addressing changing global customer needs in an evolving regulatory landscape

- Compelling partner for sell-side customers, helping to manage costs and capital and regulatory / compliance requirements.
- The Combined Group will meet non-discriminatory open access provisions, across all relevant businesses, in forthcoming European regulation (MiFID II / MiFIR).
- Positioned to respond to rapidly changing fixed income markets trading requirements across dealers and clients with risk management at its heart.
- Provides issuers with access to a larger liquidity pool and investor base, creating an ecosystem for financing companies at all stages of their development, and helping to make Capital Markets Union in Europe a reality.
- Buy-side benefits from global indexing solutions and continued product innovation through a combination of FTSE Russell and STOXX.
- Helps to meet needs of customers for global service offering through strength of diversified European platform with a strong presence in US and Asia, including China.

Combination of London and Frankfurt, enhancing both financial centres domestically and internationally

- Brings together London, a leading global financial centre and Frankfurt, the home of the ECB and access point to Europe's largest economy, in an industry-defining combination.
- Both cities are important trade centres for Europe and the global economy, and the Boards are committed to maintaining their respective strengths and capabilities.
- The Merger enhances the established link between financial services and the real economy, extends services and benefits for customers and contributes to the financial stability of the European market.

- The Combined Group supports the main objectives of the European Capital Markets Union and will ultimately play a significant role in making the vision of Capital Markets Union in Europe a reality.

- London's position reinforced as a leading global financial centre, which will be the domicile of UK TopCo and UK TopCo will benefit from London's outstanding international talent pool. Strengthens position as most international listing venue, a leader in OTC clearing and risk management with LCH.Clearnet, technology and index services.

- Frankfurt is the home of the ECB and remains the access point into Europe's largest economy with strong expertise in listed derivatives, technology, post-trade and risk and balance sheet management with Clearstream and Eurex Clearing, providing better opportunities and services to German corporates and investors.

Creating a leading venue for capital formation and facilitating economic growth

- Combination of London, Frankfurt and Milan will provide a platform for financing and promoting economic growth of European companies and be an attractive offering to Asian and US companies looking to access investors and capital.

- By establishing a liquidity bridge connecting London, Frankfurt and Milan secondary cash markets, customers of the Combined Group will benefit from access to more securities, a broader range of services and a combined offering for pre-IPO markets, utilising LSEG's and DBAG's expertise in this area.

- Supports SMEs through building on, for example, AIM (the world's largest market for growth companies) and ORB (an order-driven trading service for retail bonds), as well as SME support programmes such as ELITE and Deutsche Börse Venture Network and publications such as "1000 Companies to Inspire Britain".

- A leader in fixed income markets helping government and corporate issuers through the combination of Eurex Bonds, MOT, MTS and ORB. The Combined Group will also offer systemically important financing services to banks through their repo offerings with links to clearing and settlement.

Delivering a platform of choice for risk and balance sheet management, increasing safety, resiliency and transparency in global markets

- Enhanced proposition to customers for hedging, risk and balance sheet management and capital and collateral needs through leading global derivatives trading and clearing franchise and settlement / custody assets.

- Benefit of owning leading global multi-asset class CCP clearing houses. With margin pools (in aggregate) of approximately EUR150 billion across LCH.Clearnet and Eurex Clearing, the Boards believe the Combined Group would continue to promote safety, resiliency and transparency of global financial markets.

- LCH.Clearnet Group will continue to be committed to a horizontal, open access clearing model. The Combined Group will meet non-discriminatory open access provisions, across all relevant businesses, in forthcoming European regulation (MiFID II / MiFIR).

- Planned development of a portfolio margining service between OTC and listed rate derivative clearing markets providing significant customer benefits through margin relief, and cost of capital savings, allowing capital to flow back into the real economy. The service will be subject to full regulatory approvals, adhering to all current EU regulations including EMIR.
- Through Clearstream, globeSettle and Monte Titoli, the Combined Group is well positioned to attract assets and issuers in a T2S world.
- Eurex significantly enhanced through integration and connectivity with UK markets and FTSE Russell index innovation capabilities.

Creating a leading information services business, providing innovative benchmarking, index and data products to inform decision-making across the investment lifecycle

- Fast-growing information services business with leading index brands delivers high quality subscription and licence revenue.
- Through FTSE Russell and STOXX, well positioned to respond to growth trends in the asset management industry, including the shift to passive investment and demand for innovative benchmarking tools such as factor indexes and fixed income indexes.
- Strong suite of products to respond to client needs, for example for regulatory reporting and post-trade processing met through UnaVista and Regis-TR.
- Attractive partner for asset managers and banks as they seek innovative new investment and trading strategies.

Delivering significant value creation through cost synergies of EUR450 million per annum, achieved in year three post Completion, and significant opportunity for revenue synergies.

- The Combined Group will drive significant value creation unlocked through fundamental operating principles of customer-centricity, maximising efficiencies, simplification and harmonisation.
- Both companies have a strong track record of driving shareholder value from complex transaction integrations and delivering announced synergies on schedule whilst successfully driving core business growth and retaining talent.
- The total recurring cost synergies of EUR450 million per annum are equivalent to approximately 20 per cent. of the Combined Group’s 2015 adjusted operating costs of approximately EUR2.2 billion.
- The cost synergies of EUR450 million per annum are additional to any savings already planned by LSEG and DBAG and are expected to be realised through technology enabled efficiencies, removing duplication in the corporate centre and business segment optimisation.
- Significant opportunity for revenue synergies driven by the ability of the Combined Group to offer both existing and new innovative products through an expanded global distribution network to both new and existing customers across buy-side and

sell-side. The Boards believe that the Merger will accelerate revenue growth across multiple areas, including:

- Building on the commercial expertise, IP and distribution networks of the Combined Group's information services and index business to cross-sell products and expand across reference data and regulatory reporting;
- Harnessing the benefits of the Combined Group's multiple CCP operations to further develop trading and clearing products in the FICC complex (including customer benefits arising from portfolio margining services);
- Enhanced offerings in equity and debt capital formation for listed and pre-IPO companies and trading participants (including development of a liquidity bridge for cross market access); and
- Enhancing growth in custody, settlement and collateral management services across a broader customer base.

The Combined Group

UK TopCo is a public limited company incorporated in the UK. In addition UK TopCo will be managed in such a way that it will be resident solely in the UK for tax purposes. UK TopCo will seek a premium listing for its shares on the Official List and admission to trading on the main market of the London Stock Exchange and a prime standard listing for its shares on the Frankfurt Stock Exchange. It is envisaged that the UK TopCo Shares will be eligible for inclusion in the DAX, EuroSTOXX, and FTSE Russell index series.

LSEG in London and DBAG in Frankfurt would become intermediate subsidiaries of UK TopCo. The existing regulatory framework of all regulated entities within the Combined Group would remain unchanged, subject to customary and final regulatory approvals. LSEG and DBAG will continue to be subject to tax in their respective countries of incorporation.

The Combined Group will maintain its headquarters in London and Frankfurt, with an efficient distribution of central corporate functions in both locations. The newly formed holding company (UK TopCo) has been incorporated in the UK and will have a unitary board with equal representation from LSEG and DBAG, constituted in accordance with the UK Corporate Governance Code. LSEG will maintain a one-tier-board system, while DBAG will maintain a two-tier-board system subject to applicable co-determination rules. UK TopCo will use the euro as its reporting currency for the purposes of its accounts and other financial reports following Completion. The subsidiaries of UK TopCo will continue to use their existing reporting currencies for the purposes of their accounts and other financial reports.

Initially following Completion, the UK TopCo Board will comprise 16 directors with LSEG and DBAG nominating seven non-executive directors each (including the Chairman and the Deputy Chairman and Senior Independent Director, who are identified below). It is expected that the UK TopCo Board will subsequently be reduced to 14 directors as a non-executive director nominated by each of LSEG and DBAG will stand down. The initial composition of the UK TopCo Board is as follows:

- Donald Brydon will become Chairman;
- Joachim Faber will become Deputy Chairman and Senior Independent Director;
- Carsten Kengeter will become Chief Executive;

- David Warren will become CFO; and
- Six further non-executive directors nominated by LSEG and six further non-executive directors nominated by DBAG.

On Completion, Xavier Rolet will step down from his role as CEO of LSEG. On stepping down, Xavier Rolet will become an adviser to the Chairman and Deputy Chairman to assist with a successful transition. It is presently envisaged that this arrangement would last for up to one year.

Board Committees

In addition to a nomination committee, remuneration committee, audit committee and risk committee, the UK TopCo Board intends to establish two advisory groups: the regulatory advisory group and the technology advisory group.

With effect from this announcement, LSEG and DBAG have established a Referendum Committee (which, following Completion, will become a committee of the UK TopCo Board), whose purpose is to consider the ramifications of any vote for the United Kingdom to leave the European Union (if this is the outcome chosen by the electorate of the United Kingdom) on the Combined Group. LSEG and DBAG have each appointed three members to serve on the Referendum Committee.

LSEG, DBAG and UK TopCo are proceeding on the basis that existing regulatory and political structures remain in place. The Merger would be expected to optimise fully and benefit from the potential of the Capital Markets Union project. It is recognised that a decision by the United Kingdom electorate to leave the European Union (a "**Leave Decision**") would put the Capital Markets Union project at risk.

The creation of this globally competitive exchange group would provide the European Union's 23 million small and medium-size enterprises as well as its blue-chips much greater access to the lower-cost equity and debt finance they need to scale up, powering sustainable economic growth and investment and creating the high quality jobs of tomorrow.

As the number of possible scenarios facing the Combined Group in the event of a Leave Decision is impossible to model today, the Boards have created the Referendum Committee to consider and make non-binding recommendations to the Boards on the ramifications of such a decision. Following completion of the Merger, the UK TopCo Board will not be bound by the recommendations of the Referendum Committee but will give serious consideration to the advice and recommendations put forward.

LSEG and DBAG believe that the Merger is well positioned to serve global customers irrespective of the outcome of the vote by the United Kingdom electorate on the European Union membership of the United Kingdom (the "**Referendum**"), although the outcome of that vote might well affect the volume or nature of the business carried out by the Combined Group. Accordingly, the outcome of the Referendum is not a condition of the Merger.

Recommendations

The directors of LSEG, who have been so advised by Robey Warshaw, Barclays, Goldman Sachs and J.P. Morgan Cazenove as to the financial terms of the Merger, consider the terms of the Merger to be fair and reasonable. In providing their financial advice to the directors of LSEG, Robey Warshaw, Barclays, Goldman Sachs and J.P. Morgan Cazenove have taken into account the commercial assessments of the directors of LSEG. Accordingly, the directors of LSEG intend unanimously to recommend LSEG Shareholders to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the LSEG General Meeting.

Each of the supervisory board and the management board of DBAG has approved the Merger. Accordingly, each of the supervisory board and the management board of DBAG will – subject to fulfilling all of their legal duties in connection with the review of the DBAG Offer Document after such offer document has been published – recommend in accordance with Section 27 WpÜG that the DBAG Shareholders accept the DBAG Offer by UK TopCo and tender their DBAG Shares in the DBAG Offer by UK TopCo.

General

Under the terms of the Merger, LSEG and DBAG have agreed that:

- LSEG Shareholders will be entitled to receive dividends of:
    - 25.2 pence per LSEG Share for the six month period ended 31 December 2015, scheduled to be paid on 1 June 2016; and
    - 12.0 pence per LSEG Share in respect of the six month period ending 30 June 2016 in line with LSEG's existing dividend policy, scheduled to be paid in September 2016; and
- DBAG Shareholders will be entitled to receive a dividend of EUR2.25 per DBAG Share for the 12 month period ended 31 December 2015, scheduled to be paid on 12 May 2016.

Following Completion and subject to the approval of the UK TopCo Board, the Combined Group intends to adopt a progressive dividend policy within the range of current policies and timing of both LSEG and DBAG. This will include consideration of any dividends to the UK TopCo Shareholders in respect of the financial period ending 31 December 2016. It is envisaged that shareholders of the Combined Group will be able to elect to have dividends paid in Sterling or euros.

The Scheme Document, containing further information about the Merger and notices of the Court Meeting and LSEG General Meeting, together with the Forms of Proxy, will be posted to LSEG Shareholders and (for information only) participants in the LSEG Share Schemes in due course. The Panel has consented to LSEG posting the Scheme Document more than 28 days after the date of this announcement.

The DBAG Offer Document will be published, subject to the consent of BaFin, at around the same time as the Scheme Document. The period for acceptance of the DBAG Offer ("**Acceptance Period**", *Annahmefrist*) commences on the date of publication of the DBAG Offer Document and the Acceptance Period can last from four to ten weeks from that date. During this period the shareholders of DBAG can tender their DBAG Shares into the DBAG Offer. Further details regarding the Acceptance Period will be set out in the DBAG Offer Document.

The Merger will be conditional on, amongst other things: (i) acceptances being received in respect of the DBAG Offer in respect of at least 75 per cent. of the DBAG Shares (less treasury shares held at the beginning of the Acceptance Period); (ii) the requisite approvals of the LSEG Shareholders for the Scheme and the Merger; (iii) the High Court sanctioning the Scheme, and the Merger becoming effective, no later than the Long Stop Date; and (iv) relevant anti-trust and regulatory clearances being received. The LSEG Acquisition and the DBAG Offer are inter-conditional such that Completion will only occur if both the LSEG Acquisition and the DBAG Offer are completed by UK TopCo. The LSEG Conditions and further terms as well as the DBAG Conditions (subject to BaFin's formal approval), in each case as agreed between LSEG and DBAG, are set out in Appendix 1 and in Appendix 2 respectively.

LSEG, DBAG and UK TopCo have entered into a Co-operation Agreement on 16 March 2016 in connection with the Merger. Further details of the Co-operation Agreement are contained in paragraph 18 of this announcement.

The Merger is conditional on receiving competition clearance from the relevant authorities in the European Union, the United States and Russia. Whilst there will be formal regulatory approval and notification requirements in a number of jurisdictions, including Germany, the UK, France, Luxembourg, Italy and the US, LSEG, DBAG, and UK TopCo have opened communications with a number of regulators (and will open communications with the remaining regulators in due course).

It is currently expected that the Merger will be completed by the end of 2016 or during Q1 2017.

Commenting on today's announcement, Xavier Rolet, CEO of London Stock Exchange Group plc said:

"*We are creating an industry-defining combination which will be a leading global market infrastructure business, very well positioned to create new benefits and efficiencies for our customers and increase value for our shareholders. Our highly complementary businesses will accelerate growth. Our shareholders will also benefit from substantial cost and revenue synergies. The Combined Group will continue to be fully committed to the real economy, by supporting companies, including the 23 million SMEs across Europe that drive economic growth and job creation. We will create a European leader in global markets infrastructure.*"

Commenting on today's announcement, Carsten Kengeter, Chief Executive Officer of Deutsche Börse AG said:

"*Strengthening the link between the two leading financial cities of Europe, Frankfurt and London, and building a network across Europe with Luxemburg, Paris and Milan will strengthen European capital markets. It is the logical evolution for our companies in a fundamentally changing industry. As a Combined Group we will create a European player that will compete on a global basis. Shareholders will have an opportunity to benefit from this industry defining and value enhancing combination through the execution of an accelerated growth strategy and the realisation of cost and revenue synergies. It brings together two of the most respected and successful market infrastructure providers in the world to lead the way in European capital markets and set the benchmark for further growth and best-in-class services.*"

Commenting on today's announcement, Donald Brydon, Chairman of London Stock Exchange Group plc said:

"*Xavier has been the architect of LSEG's considerable value creation and has offered to retire in order to ensure the successful creation of the new group. The Board of LSEG is* *indebted to Xavier for this action which is consistent with his focus on putting the interests of shareholders and clients first. With open access enshrined in European Securities law, the Board considers that the value creating opportunities of the combination stand as a testament to his achievement at LSEG.*"

"*I am looking forward to working closely with Carsten Kengeter and the new Board to continue to create value for our shareholders through providing industry leading products and services to our local and global customers. Carsten brings a strong track record in the financial services industry, a deep understanding of our global customers, as well as great energy and vision to this merger.*"

This summary should be read in conjunction with, and is subject to, the full text of the following announcement (including its Appendices). The LSEG Acquisition will be subject to the LSEG Conditions and certain further terms set out in Appendix 1 and to the full terms and conditions to be set out in the Scheme Document. Subject to BaFin's formal approval, the DBAG Offer will be subject to the DBAG Conditions set out in Appendix 2 and to the full terms and conditions to be set out in the DBAG Offer Document. Appendix 3 contains the sources and bases of certain information contained in this summary and the following announcement. Appendix 4 contains details of the irrevocable undertakings received by UK TopCo from (i) the directors of LSEG in respect of the LSEG Acquisition and (ii) the directors of the management board of DBAG in respect of the DBAG Offer. Appendix 5 and Appendix 6 contain details of and bases of calculation of the anticipated quantified financial benefits of the Merger and of the related reports from the reporting accountants, Deloitte, LSEG's financial advisers, Robey Warshaw, Barclays, Goldman Sachs and J.P. Morgan Cazenove, as well as DBAG's financial advisers, Perella Weinberg Partners and Deutsche Bank. Appendix 7 contains a profit forecast made by DBAG, together with the confirmations by the directors of DBAG in the terms required by Rule 28.1(c)(i) of the City Code. Appendix 8 contains the definitions of certain terms used in this summary and the following announcement.

There will be an analysts' briefing at 8:15 a.m. London time and a press briefing at 9:30 a.m. London time today.

Conference calls for investors and analysts

Carsten Kengeter, CEO of Deutsche Börse AG, Xavier Rolet, CEO of London Stock Exchange Group and David Warren, CFO of London Stock Exchange Group, will host today a conference call for investors and analysts at 8:15 London (see details below). A slide deck will be made available on the respective websites of Deutsche Börse AG and of London Stock Exchange Group plc. For those participants who wish to dial in to the events, the following lines have been set up.

Dial-in information for investors and analysts, 8:15 London time:

- Germany: +49 69 247471832
- UK: +44 1635 598062
- US: +1 862 7013503

Link to presentation for investors and analysts (view only, no audio):

- https://em-tn.meetyoo.de/?token=lI9RyfQ%2BMgY%3D&lang=en

Enquiries

London Stock Exchange Group plc

Gavin Sullivan / Lucie Holloway / Ramesh Chhabra (Press Office)	+44 20 7797 1222
Paul Froud (Investor Relations)	+44 20 7797 3322
Anthony Cardew (Cardew Group)	+44 20 7930 0777
Lucas van Praag (Fitzroy Communications)	+1 212 498 9772

Robey Warshaw – Joint Lead Financial Adviser / Rule 3 Adviser to LSEG

Simon Robey / Philip Apostolides	+44 20 7317 3900

Barclays – Joint Lead Financial Adviser / Rule 3 Adviser and Joint Corporate Broker to LSEG

Kunal Gandhi / Matthew Smith	+44 20 7623 2323

Goldman Sachs – Joint Lead Financial Adviser / Rule 3 Adviser to LSEG

FX de Mallmann / Mark Sorrell	+44 20 7774 1000

J.P. Morgan Cazenove – Joint Lead Financial Adviser / Rule 3 Adviser to LSEG

Jeremy Capstick / Dwayne Lysaght	+44 20 7742 4000

RBC Capital Markets – Joint Financial Adviser and Joint Corporate Broker to LSEG

Joshua Critchley / Oliver Asplin Hearsey	+44 20 7653 4000

Societe Generale – Financial Adviser to LSEG

George Potter / Stefan Goetz	+44 20 7676 6000

UBS – Financial Adviser to LSEG	
Javier Oficialdegui / Steven Pierson	+44 20 7568 1000
Deutsche Börse AG	
Ruediger Assion / Heiner Seidel (Press Office)	+49 69 211 15004
Jan Strecker (Investor Relations)	+49 69 211 12433
Perella Weinberg Partners – Lead Financial Adviser to DBAG and DBAG Supervisory Board	
Andrew Bednar / Michael Grace	+1 212 287 3200
Philip Yates / Graham Davidson	+44 20 7268 2800
BofA Merrill Lynch – Joint Financial Adviser and Joint Corporate Broker to DBAG	
Armin von Falkenhayn	+49 69 5899 0
Adrian Mee / Fraser Allan	+44 20 7628 1000
Edward Peel (Corporate Broking)	+44 20 7628 1000
Deutsche Bank – Joint Financial Adviser and Joint Corporate Broker to DBAG	
Tadhg Flood / Carsten Laux / James Arculus	+44 20 7545 8000
Andrew Tusa / Claire Brooksby (Corporate Broking)	+44 20 7545 8000
HSBC – Financial Adviser to DBAG	
Olivier de Grivel / Edouard de Vitry /	
Andrew Owens	+44 20 7991 8888
Deutsche Bank – Financial Adviser to DBAG Supervisory Board	
Tadhg Flood / Carsten Laux / James Arculus	+44 20 7545 8000

Further information

This announcement is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Merger or otherwise, nor shall there be any sale, issuance or transfer of securities of LSEG in any jurisdiction in contravention of applicable law.

The LSEG Acquisition will be made solely by means of the Scheme Document, which will contain the full terms and conditions of the LSEG Acquisition including details of how to vote in respect of the LSEG Acquisition. Any vote in respect of the Scheme or other response in relation to the LSEG Acquisition should be made only on the basis of the information contained in the Scheme Document.

The DBAG Offer will be made solely by means of the DBAG Offer Document which will contain the full terms and conditions of the DBAG Offer, including details of how to accept the DBAG Offer. Any acceptance in relation to the DBAG Offer should be made only on the basis of the information contained in the DBAG Offer Document.

Important notices relating to financial advisers

Robey Warshaw LLP ("Robey Warshaw"), which is authorised and regulated by the FCA, is acting as joint lead financial adviser to LSEG and no one else in connection with the contents of this announcement and will not be responsible to anyone other than LSEG for providing the protections afforded to its clients or for providing advice in connection with the contents of this announcement or any matter referred to in this announcement.

Barclays Bank PLC, acting through its Investment Bank ("Barclays"), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the FCA and the Prudential Regulation Authority, is acting exclusively for LSEG and no one else in connection with the Merger and will not be responsible to anyone other than LSEG for providing the protections afforded to clients of Barclays nor for providing advice in relation to the Merger or any other matter referred to in this announcement.

Goldman Sachs International ("Goldman Sachs"), which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the UK, is acting for LSEG and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than LSEG for providing the protections afforded to its clients, or for giving advice in connection with any matter referred to in this announcement.

J.P. Morgan Limited, which conducts its UK investment banking business as J.P. Morgan Cazenove ("J.P. Morgan Cazenove"), is authorised and regulated in the United Kingdom by the FCA. J.P. Morgan Cazenove is acting as joint lead financial adviser exclusively for LSEG and no one else in connection with the Merger and the matters set out in this announcement and will not regard any other person as its client in relation to the matters set out in this announcement and will not be responsible to anyone other than LSEG for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, or for providing advice in relation to the Merger, the contents of this announcement or any other matter referred to herein.

RBC Europe Limited (trading as "RBC Capital Markets"), which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation

Authority in the United Kingdom, is acting for LSEG and no one else in connection with the Merger and will not be responsible to anyone other than LSEG for providing the protections afforded to clients of RBC Capital Markets, or for providing advice in connection with the Merger.

Societe Generale ("SG") which is a French credit institution (bank) authorised and supervised by the ECB, the Autorité de Contrôle Prudentiel et de Résolution and the Prudential Regulation Authority (PRA), and regulated by the Autorité des marchés financiers and subject to limited regulation by the FCA and the PRA.SG is acting solely for LSEG in connection with the Merger and will not be responsible to anyone other than LSEG for providing the protections afforded to the clients of SG or for providing advice in relation to the Merger or any other matter referred to in this announcement.

UBS Limited ("UBS"), which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom, is acting exclusively for LSEG and no-one else in connection with the Merger referred to in this announcement. In connection with such matters, UBS, its affiliates and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to their clients or for providing advice in relation to this Merger, the contents of this announcement or any other matter referred to herein.

Perella Weinberg Partners UK LLP ("Perella Weinberg Partners"), which is authorised and regulated by the FCA, is acting as lead financial adviser to DBAG and no one else in connection with the Merger and will not be responsible to anyone other than DBAG for providing the protections afforded to its clients or for providing advice in relation to the Merger or any matter referred to in this announcement.

Merrill Lynch International ("BofA Merrill Lynch") is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom. BofA Merrill Lynch is acting exclusively for DBAG as joint financial adviser and joint corporate broker and no-one else in connection with the Merger referred to in this announcement. In connection with such matters, BofA Merrill Lynch, its affiliates and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to their clients or for providing advice in relation to this Merger, the contents of this announcement or any other matter referred to herein.

Deutsche Bank AG ("Deutsche Bank") is authorised under German Banking Law (competent authority: ECB) and, in the United Kingdom, by the Prudential Regulation Authority. It is subject to supervision by the ECB and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to limited regulation in the United Kingdom by the Prudential Regulation Authority and FCA. Details about the extent of its authorisation and regulation by the Prudential Regulation Authority, and regulation by the FCA are available on request or from www.db.com/en/content/eu_disclosures.htm. Deutsche Bank is acting as joint financial adviser and joint corporate broker to DBAG and no one else in connection with the Merger or the contents of this announcement and will not be responsible to anyone other than DBAG and UK TopCo for providing the protections afforded to clients of Deutsche Bank or for providing advice in relation to the Merger or any other matters referred to herein.

HSBC Bank plc ("HSBC") is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom. HSBC is acting exclusively as financial adviser to DBAG and no one else in connection with the Merger and shall not be responsible to anyone other than DBAG for providing the protections afforded to clients of HSBC nor for providing advice in connection with the Merger or any matter referred to herein.

Overseas jurisdictions

The release, publication or distribution of this announcement in or into jurisdictions other than the UK or the United States may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK or the United States should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular (i) the ability of persons who are not resident in the United Kingdom, to vote their LSEG Shares with respect to the Scheme at the Court Meeting, or to execute and deliver forms of proxy appointing another to vote at the Court Meeting on their behalf; and (ii) the ability of persons who are not resident in Germany, to accept or deliver forms of acceptance of a takeover offer in respect of DBAG, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Merger disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared for the purposes of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside of England.

Copies of this announcement and formal documentation relating to the Merger will not be and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the LSEG Acquisition. If the LSEG Acquisition is implemented by way of Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.

Further details in relation to LSEG Overseas Shareholders will be contained in the Scheme Document and in relation to DBAG Overseas Shareholders in the DBAG Offer Document.

Additional information for US investors

These materials are not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia). These materials do not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States.

The UK TopCo Shares have not been and will not be registered under the US Securities Act of 1933 (the "US Securities Act") or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the UK TopCo Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States absent registration under the US Securities Act or an exemption therefrom. The UK TopCo Shares issued pursuant to the LSEG Acquisition are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. There will be no public offer of UK TopCo Shares issued under the DBAG Offer in the United States.

It may be difficult for US holders of shares in DBAG or LSEG to enforce their rights and claims arising out of the US federal securities laws, since DBAG, UK TopCo and LSEG are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the US. US holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

LSEG Acquisition

The LSEG Acquisition to be implemented by way of the Scheme is being made to acquire the securities of an English company by means of a scheme of arrangement provided for under English law. A transaction effected by means of a scheme of arrangement is not subject to the proxy solicitation or tender offer rules under the US Exchange Act. Accordingly, the Scheme will be subject to disclosure requirements, rules and practices applicable in the UK to schemes of arrangement, which are different from the disclosure requirements of the US proxy solicitation or tender offer rules. The financial information included in this announcement and the Scheme Document has been or will have been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US. If UK TopCo exercises its right to implement the LSEG Acquisition of the LSEG Shares by way of a takeover offer, such offer will be made in compliance with applicable US laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such a takeover offer, if made in the United States, would be made by UK TopCo and no one else. In addition to any such takeover offer, UK TopCo or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, LSEG Shares outside of the United Sates, other than pursuant to such takeover offer during the period in which such takeover offer would remain open for acceptance. If such purchases or arrangements to purchase were to be made they would be made outside the United States and would comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com.

DBAG Offer

The DBAG Offer relates to shares in a German company and will be governed by the laws of the Federal Republic of Germany on the implementation of such an offer. The DBAG Offer is not intended to be made pursuant to the provisions of any other legal system. Shareholders *should note that the DBAG Offer is subject to German disclosure rules, which are different from those in the US.*

The DBAG Offer is expected to be made in accordance with, and in reliance on, certain applicable laws of the United States, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder, as exempted thereunder by Rule 14d-1(d). The DBAG Offer is not expected to be subject to the requirements of Regulation 14D of the Exchange Act and as such, is not expected to be submitted to, nor reviewed by, the US Securities and Exchange Commission.

In accordance with the DBAG Offer, UK TopCo, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in DBAG outside the DBAG Offer during the period in which the DBAG Offer remains open for acceptance. If such purchases or arrangements to purchase are made they will be made outside the United States and will comply with applicable law, including the US Exchange Act. In addition, the financial advisers to LSEG and DBAG may also engage in ordinary course trading activities in the securities of LSEG and DBAG during the period in which the DBAG Offer remains open for acceptances, which may include purchases or arrangements to purchase such securities.

UK TopCo Shares have not been and will not be registered under the US Securities Act. UK TopCo Shares may not therefore be offered to certain US shareholders of DBAG unless UK TopCo believes that there is an exemption from, or if the transaction is not subject to, the registration requirements under the US Securities Act. It is anticipated that US shareholders of DBAG who are not able to receive UK TopCo Shares as part of the DBAG Offer may, in lieu of UK TopCo Shares, receive a cash amount corresponding to proceeds (less transaction costs) from the sale of UK TopCo Shares to which they would otherwise have been entitled to receive.

Forward looking statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the LSEG Acquisition, the DBAG Offer and the Merger, and other information published by LSEG and DBAG contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of LSEG and DBAG about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this announcement include statements relating to the expected effects of the Merger on LSEG and DBAG, the expected timing and scope of the Merger and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although LSEG and DBAG believe that the expectations reflected in such forward-looking statements are reasonable, LSEG and DBAG can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the *future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include the satisfaction of the LSEG Conditions and the DBAG Conditions, as well as additional factors, such as: future market conditions, currency fluctuations, the behaviour of other market participants, the actions of regulators and other factors such as the Combined Group's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Combined Group will operate or in economic or technological trends or conditions. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither DBAG nor LSEG, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the UK Listing Rules and the Disclosure and Transparency Rules of the FCA and the German Securities Acquisition and Takeover Act (Wertpapiererwerbs-und Übernahmegesetz, WpÜG), neither DBAG or LSEG is under any obligation, and LSEG and DBAG expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

Quantified Financial Benefits Statement

Statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. No statement in the Quantified Financial Benefits Statement, or this announcement generally, should be construed as a profit forecast (other than the DBAG Profit Forecast) or interpreted to mean that the Combined Group's earnings in the first full year following the Effective Date, or in any subsequent period, would necessarily match or be greater than or be less than those of LSEG and/or DBAG for the relevant preceding financial period or any other period. For the purposes of Rule 28 of the City Code, the Quantified Financial Benefits Statement contained in this announcement is the responsibility of LSEG and DBAG and the directors of LSEG and DBAG.

DBAG Profit Forecast

The DBAG Profit Forecast is a profit forecast for the purposes of Rule 28 of the City Code. The DBAG Profit Forecast is repeated in Appendix 7, together with the confirmations by the directors of DBAG in the terms required by Rule 28.1(c)(i) of the City Code.

Other than the DBAG Profit Forecast, no statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for DBAG or LSEG, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for DBAG or LSEG, as appropriate.

Dealing disclosure requirements

Under Rule 8.3(A) of the City Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any *offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (I) the offeree company and (II) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(A) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the LSEG company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

Under Rule 8.3(B) of the City Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (I) the offeree company and (II) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(B) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

In accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, Barclays and its affiliates will continue to act as exempt principal trader in LSEG securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information will also be publicly disclosed in the United Kingdom, it will also be deemed to be publicly disclosed in the United States.

In accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, J.P. Morgan Cazenove and its affiliates will continue to act as exempt principal trader in LSEG securities on the London Stock Exchange and engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information is publicly disclosed in the United Kingdom, this information will also be deemed to be publicly disclosed in the United States.

In accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, Goldman Sachs and its affiliates will continue to act as exempt principal trader in LSEG securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information will also be publicly disclosed in the United Kingdom, it will also be deemed to be publicly disclosed in the United States.

In accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, Deutsche Bank and its affiliates will continue to act as exempt principal trader in LSEG securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information will also be publicly disclosed in the United Kingdom, it will also be deemed to be publicly disclosed in the United States.

Publication on website and hard copies

A copy of this announcement and the documents required to be published by Rule 26 of the City Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on UK TopCo's website at www.mergerdocuments-db-lseg.com *and LSEG's website at* http://www.lseg.com/investor-relations/merger*. For the avoidance of doubt, the contents of those websites are not incorporated into and do not form part of this announcement.*

DBAG Shareholders and LSEG Shareholders may request a hard copy of this announcement by contacting +49 (0) 69-2 11-1 16 70 or +44 (0) 207 268 2800 (for DBAG Shareholders) or +44 (0)371 384 2544 or +44 (0) 121 415 7047 (for LSEG Shareholders) during business hours or by submitting a request in writing to Deutsche Börse AG Investor Relations at 60485 Frankfurt / Main, Germany (for DBAG Shareholders) or Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA (for LSEG Shareholders). If you have received this announcement in electronic form, copies of this announcement and any document or information incorporated by reference into this document will not be provided unless such a request is made.

Not for release, publication or distribution, in whole or in part, in or into or from the United States or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

The following announcement is an advertisement and not a prospectus or prospectus equivalent document and LSEG Shareholders should not make any investment decision in relation to the UK TopCo Shares except on the basis of the information in the Scheme Document and the UK TopCo prospectus which are proposed to be published in due course.

16 March 2016

RECOMMENDED ALL-SHARE MERGER OF EQUALS OF LONDON STOCK EXCHANGE GROUP PLC AND DEUTSCHE BÖRSE AG

1. Introduction

The board of directors of London Stock Exchange Group plc ("**LSEG**") (the "**LSEG Board**") and the management board of Deutsche Börse AG ("**DBAG**") (the "**DBAG Board**" and together with the LSEG Board the "**Boards**") announce that they have reached agreement on the terms of a recommended all-share merger of equals of LSEG and DBAG to form the "**Combined Group**" (the "**Merger**"). The Merger will be implemented via the establishment of a new UK holding company ("**UK TopCo**") which will acquire LSEG by way of a scheme of arrangement (the "**LSEG Acquisition**") and will acquire DBAG by making a securities exchange offer to all shareholders of DBAG (the "**DBAG Offer**"). The LSEG Acquisition is governed by the City Code and the DBAG Offer is governed by the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs-und Übernahmegesetz, WpÜG*) and applicable regulations supplementing it.

Assuming 100 per cent. acceptance of the DBAG Offer, the Merger will result in LSEG Shareholders owning 45.6 per cent. of UK TopCo and DBAG Shareholders owning 54.4 per cent. of UK TopCo on a fully diluted basis.

LSEG Shareholders will be entitled to receive 0.4421 UK TopCo Shares in exchange for each LSEG Share and DBAG Shareholders will be entitled to receive one UK TopCo Share in exchange for each DBAG Share.

The LSEG Acquisition will be subject to the LSEG Conditions and the further terms set out in Appendix 1 to this announcement and to be set out in the Scheme Document. Subject to BaFin's formal approval, the DBAG Offer will be subject to the DBAG Conditions set out in Appendix 2 to this announcement and further details will be set out in the DBAG Offer Document.

2. Background to and reasons for the Merger

The Boards believe the Merger represents a compelling opportunity for both businesses to significantly accelerate their successful and complementary growth strategies, and in turn create value for shareholders and broader stakeholders. The Combined Group would offer significant customer benefits providing services across capital formation, access to deep, liquid and transparent trading markets, information services, and risk and balance sheet management services for a broad range of market participants. It would also help customers respond to an evolving regulatory landscape and support the development of a deeper Capital Markets Union in Europe.

Creating a leading Europe-based global markets infrastructure group

The Boards believe that the Merger represents a compelling opportunity for both companies to significantly enhance each other's capabilities in an industry-defining combination. Through its enhanced position in the global markets infrastructure sector, the Boards believe that the Combined Group will be well placed to adapt to industry and regulatory dynamics, able to compete globally and create shareholder value based on a track record of execution and deep understanding of customers' needs.

Both LSEG and DBAG have a proven track record of delivering returns to shareholders, having generated total shareholder returns of 27 per cent. and 37 per cent. respectively in the two years to 22 February 2016 (being the latest practicable date prior to the date of the announcement made by LSEG on 23 February 2016 pursuant to Rule 2.4 of the City Code).

The combination is highly complementary for LSEG and DBAG across divisions and asset classes; it accelerates their respective growth strategies resulting in a significantly enhanced product offering for customers, whilst broadening the Combined Group's reach and distribution network through a truly global geographic footprint. The Combined Group, which will maintain a customer partnership model, will have over 70 strategic partnerships around the world and operations in over 30 countries and serve customers across the globe.

The Boards believe this improved full service offering will offer significant benefits to their customers. In particular, margin relief and capital savings are expected to arise from the development of a portfolio margining service between listed and OTC derivative rate clearing markets.

The Combined Group would be truly multi-asset class with positions in derivatives (2.3 billion derivative contracts traded in 2015), equities (EUR 5.2 trillion equities traded in 2015), fixed income, FX and energy products, servicing global customers across all parts of the investment, trading and risk and balance sheet management life cycle.

This will be delivered through an attractive portfolio of leading businesses:

- Capital Markets: AIM, Borsa Italiana, EEX, Eurex, Frankfurt Stock Exchange, London Stock Exchange plc, Main Market, MOT, MTS, Turquoise, Xetra and 360T and others;
- Post-Trade: CC&G, Clearstream, Eurex Clearing, European Commodities Clearing, globeSettle, LCH.Clearnet, Monte Titoli and others; and
- Information Services and Technology, including Indexes and Benchmarking Tools: DAX, FTSE Russell, FTSE TMX, STOXX; technology solutions: Exactpro, GATElab, MillenniumIT, Deutsche Börse Systems, 360T; and market data: MNI, Real-Time Data, Regis-TR, RNS, SEDOL, UnaVista.

This will result in an enhanced growth profile with well diversified revenues across divisions, particularly when compared to other global exchange and markets infrastructure groups.

On a historical basis, in FY 2015 the Combined Group would have generated total income of EUR4.7 billion / GBP3.5 billion and EBITDA of EUR2.2 billion / GBP 1.6 billion, making it the largest exchange group by total income.

For FY 2015 the approximate split of the Combined Group's revenues would have been as follows: 14 per cent. from cash markets, 37 per cent. from derivatives trading and clearing, 21 per cent. from settlement, custody and collateral management, and 28 per cent. from information services and technology. A significant portion of these revenues were generated from non-transactional revenue (approximately 50 per cent.), reducing revenue volatility.

As at 31 December 2015, LSEG's and DBAG's leverage, calculated as debt / EBITDA, was 1.7x and 1.9x respectively. On a combined basis, the leverage would have been 1.7x as at 31 December 2015. It is expected that the Combined Group, with its attractive cashflow profile, will reduce its leverage to 1.0x over the medium term. As at 31 December 2015, LSEG's gross assets were GBP463.3 billion and DBAG's gross assets were EUR180.1 billion.

Addressing changing global customer needs in an evolving regulatory landscape

The Combined Group would be customer centric and is ideally placed to help clients navigate the emerging regulatory landscape and respond to the evolution of global financial markets by:

- Responding to customer needs to manage the impact of evolving regulations on their cost and capital bases. The Merger simplifies and enhances global access to multiple products. The sell-side will have an infrastructure partner of choice to help improve their risk management, costs and capital efficiencies, and provide portfolio margining opportunities and more efficient collateral management through the Combined Group's post trade assets;

- Meeting non-discriminatory open access provisions, across all relevant businesses, in forthcoming European regulation (MiFID II / MiFIR);

- Positioning the business to respond to the rapidly changing fixed income trading requirements across dealers and clients, providing full transparency in pre and post trade with risk management at its heart.

- Facilitating access one of the largest investor base for issuers, helping to make the Capital Markets Union in Europe a reality for both small and medium-size enterprises, as well as larger corporates;

- Benefitting the buy-side with global indexing solutions and combined product innovation through FTSE Russell and STOXX, which delivers innovative index solutions to support asset owners, active and passive managers, product issuers and traders; and

- Creating a diversified European player with a strong presence in the United States and Asia, including China, will help to meet the increasing customer needs for a global service offering across capital markets.

Combination of London and Frankfurt, enhancing both financial centres domestically and internationally

As well as linking the market infrastructures of the two largest European economies, the Merger brings together London, a leading global financial centre and Frankfurt, the home of the ECB and access point to Europe's largest economy, in an industry defining combination. Both cities are important trade centres for Europe and the global economy, and the Boards are committed to maintaining their respective strengths and capabilities. The Merger will enhance the established link between financial services and the real economy, extends services and benefits for customers and contributes to the financial stability of the European market.

Furthermore the Boards believe that the Combined Group supports the main objectives and development of the European Capital Markets Union of (i) strengthening European capital markets; (ii) supporting customers and stakeholders; and (iii) enhancing financing opportunities for SMEs.

The Merger will reinforce both cities' roles, London, as a leading global financial centre, and Frankfurt, the home of the ECB and access point to Europe's largest economy:

- London, which will be home to the UK TopCo, will further strengthen its position in international markets, including a leading position in multi-asset class OTC clearing and risk management (through LCH.Clearnet), post-trade, technology, global indexes (FTSE Russell), and primary and secondary markets. The Combined Group will benefit from London's geopolitical role as a link to Asia and the United States, as well as its large international listing venue and the outstanding international talent pool and broad cluster of supporting professional services in London.
- Frankfurt, which is home to a number of leading post-trade services globally through Eurex Clearing and Clearstream and has strong relationships with the Frankfurt-based regulators (BaFin, Bundesbank and the ECB), will benefit from the liquidity bridge created through the Merger providing new access points and securities for German investors. Frankfurt will remain the 'City of the DAX', with the Combined Group providing better opportunities and services for German corporates to raise new capital through the Combined Group's larger liquidity pool and investor base.

Creating a leading venue for capital formation and facilitating economic growth

The Combined Group would provide a European platform and ecosystem for financing and promoting European and global economic growth by servicing the financing needs of companies, at all stages of their development and in their chosen form of capital (debt or equity), in one of the world's largest economic areas along with the US and China.

The Boards believe that the combination of the important financial centres of London, Frankfurt and Milan will position the Combined Group as a global listings partner of choice, helping to facilitate the growth of European companies and result in a combined offering to Asian and US companies looking to access international investors and capital.

In addition, by connecting the secondary cash markets of London, Frankfurt and Milan, a liquidity bridge would be established, providing customers with access to more securities, a broader range of services and combined offering for pre-IPO markets, to the benefit of market participants in line with the evolving regulatory landscape.

LSEG and DBAG are united by their fundamental belief in the role of capital markets finance in supporting the European Union's 23 million high growth businesses and SMEs, for the benefit of the real economy, as well as their blue-chip customers through providing better access to lower cost of debt and equity finance. The Combined Group is committed to building and further developing its existing markets and initiatives that serve this vital customer segment, including London Stock Exchange's AIM (the world's largest market for growth companies), ORB (order-driven trading service for retail bonds) and Borsa Italiana's MOT as well as SME support programs such as Deutsche Börse Venture Network (connecting issuers and investors to improve the funding situation for high-growth companies) and LSEG ELITE (an innovative programme to help businesses grow, including education training and direct contact with Europe's financial and advisory community) and publications such as "1000 Companies to Inspire Britain". Such initiatives are expected to facilitate the scale up and growth of European companies across the continent and globally, powering sustainable economic growth, investment and long term job creation.

As at the end of December 2015, the Combined Group would have had over 3,200 companies on its markets, with a combined market capitalisation of EUR7.1 trillion / GBP 5.6trillion.

In listed fixed income markets, government and corporate issuers will benefit from the combination of Eurex Bonds, MOT, MTS and ORB. It will also offer systemically important financing services to banks through their repo offerings with links to clearing and settlement.

In summary, the combination allows for deep expertise and knowledge to be pooled to take forward the best aspects of each market: product functionality, market micro structure and customer base.

Delivering a platform of choice for risk and balance sheet management, leading to increasing safety, resiliency and transparency in global markets

The Combined Group will offer an enhanced proposition to customers for their hedging, risk and balance sheet management and capital and collateral management needs through the provision of a leading global derivatives trading and clearing franchise and a global custody, settlement, asset servicing and collateral management service.

The Combined Group and its clients will also benefit from the ownership of leading global multi-asset class CCP clearing houses, including CC&G, EurexClearing, European Commodities Clearing and LCH.Clearnet Group. With margin pools (in aggregate) of approximately EUR150 billion across LCH.Clearnet and Eurex Clearing, the Boards believe the Combined Group would continue to promote the safety, resiliency and transparency of global financial markets.

LCH.Clearnet Group will continue to be committed to a horizontal, open access clearing model. The Combined Group will meet non-discriminatory open access provisions, across all relevant businesses, in forthcoming European regulation (MiFID II / MiFIR).

The combination of DBAG and LSEG (which had a notional outstanding of USD251 trillion in over-the-counter interest rate derivatives as at 31 December 2015; and USD328 trillion notional outstanding compressed over 2015) will also benefit from the planned development of a portfolio margining service between OTC and listed rate derivative clearing markets, that would provide significant customer benefits through margin relief, and capital savings. The service will be subject to full regulatory approvals, adhering to all current EU regulations, including EMIR.

In derivatives trading, Eurex's offering will be significantly enhanced through further integration and connectivity with UK markets. Furthermore, the Boards are confident of creating significant value for stakeholders by being successfully able to launch trading products based on FTSE Russell on Eurex.

The combination of Clearstream, a leading domestic and international CSD in Europe with Monte Titoli (first wave migrator to the Eurosystems T2S platform) within the Combined Group further increases customer access to settlement, custody, asset servicing, collateral management / financing and fund services. In 2014, Clearstream and Monte Titoli, in aggregate, would have settled 49 per cent. of all T2S transactions. In a T2S world, the Combined Group will be even better positioned to attract assets and issuers, further building upon its leading positions in equities and fixed income. With over EUR16 trillion of AUC and its collateral management capabilities, the Combined Group will significantly help to ease the burden of financing in the market and build on Clearstream's existing global liquidity hub.

These systemically important institutions will continue to benefit from strong capital ratios and leading credit ratings as they seek to accelerate growth on a global scale and build on strong links to Asian markets.

Creating a global leading information services business, providing innovative benchmarking, index and data products to inform decisions making across the investment lifecycle

The combined information services business will have a diversified product mix and will service customers globally, with combined 2015 revenues of approximately EUR1.0 billion of which 59 per cent. was related to indexes and 29 per cent. was related to information. It will comprise a strong, intellectual property-rich suite of services including a global index franchise and a valuable collection of real time, reference data technology and software assets supporting clients to stay informed, manage data and connectivity and fulfil regulatory reporting requirements.

The merger enables the highly complementary combination of FTSE Russell's global leading benchmarking expertise with the derivatives and tradeable index franchise of STOXX / DAX. These index brands have a deep and broad adoption by asset owners, asset managers and traders. The Combined Group will therefore provide a complete indexing solution covering global, multi-asset benchmarks and tradeable solutions and will have a diversified index franchise balanced between data subscription revenue and product license revenue (asset and volume based). The coming together of globally recognised index brands with strong customer relationships and a highly scalable business model will create significant value for customers and other stakeholders.

With over EUR450 billion of ETF AUM already tracking the Combined Group's indexes, the Boards are confident that the Combined Group is well positioned to continue to respond to the structural growth trends in the asset management industry, including shift to passive investment and demand for innovative benchmarking tools such as factor indexes and fixed income indexes. The Combined Group will have genuinely global reach and therefore be better able to deliver industry-defining and responsive customer solutions that address these needs.

In Europe, ETF AUM has been increasing with a growth rate of 24 per cent. per annum since 2005 and offers a large market opportunity for the Combined Group as appetite broadens and deepens, driven by underlying socio-demographic trends. In addition to Europe, the Combined Group will be well positioned in the growth markets of North America and China, both in terms of products offered (such as the FTSE China A50) and client coverage through the FTSE Russell sales network.

The broader information services franchise will be greatly strengthened through the Merger with the ability to provide complete pre and post trade transparency to customers, via real time market prices, news and reference data services, software tools, technology solutions and regulatory reporting solutions. Client needs for EMIR and MiFID regulatory reporting will be better met by bringing together the complementary strengths of the Combined Group's UnaVista and Regis-TR businesses, creating leading multi-asset European trade repository, regulatory reporting and processing services as customers seek high quality and efficient solutions for their increasing regulatory reporting obligations.

The Combined Group will be an attractive partner for banks as they review their portfolio of index and information services businesses and increasingly look to rely on regulated market infrastructure to provide high quality and independent services in this area.

With a broad range of services across the investment, trading and post-trade value-chain, the Combined Group will be ideally positioned to deliver to customers the benefits of ongoing convergence between exchange, market infrastructure, data and information services companies.

Delivering significant value creation through cost synergies of EUR450 million per annum, achieved in year three post Completion, and significant opportunity for revenue synergies.

The Combined Group will drive significant value creation unlocked through fundamental operating principles of customer-centricity, maximising efficiencies, simplification and harmonisation. It is expected that the Merger will be accretive to adjusted cash earnings for both sets of shareholders in the first year post Completion.

Both companies have a strong track record of driving shareholder value from complex transaction integrations and delivering announced synergies on schedule whilst successfully driving core business growth and retaining talent.

The Boards, having reviewed and analysed the potential benefits of the Merger, based on their experience of operating in the sector, believe that the Combined Group would be able to achieve incremental recurring pre-tax cost synergies of approximately EUR450 million per annum in year three post Completion.

These synergies are expected to arise as a direct result of the Merger and could not be achieved independently of the Merger.

These cost synergies are split between and would be realised principally from:

(a) Technology enabled efficiencies, accounting for approximately 50 per cent. of the identified cost synergies:

- Harmonisation of trading and post trade platforms based on best of breed technology in the Combined Group
- Reduction of project spending in optimised IT infrastructure
- Removing duplication of central IT functions

(b) Corporate centre, accounting for approximately 30 per cent. of the identified cost synergies:

- Removing duplication and streamlining of governance
- Harmonisation of support, service functions and corporate systems
- Reduction of professional fees

(c) Business segment optimisation, accounting for approximately 20 per cent. of the identified cost synergies:

- Optimisation of customer-facing organisations
- Scale efficiencies within each common asset class
- Integration of Index businesses

The parties expect that the impact of synergy realisation would be distributed in a balanced manner across the two companies.

The total cost synergies of EUR450 million per annum are equivalent to approximately 20 per cent. of the Combined Group's 2015 adjusted operating costs of approximately EUR2.2 billion.

It is expected that synergy and saving realisation will take place progressively, whereby approximately 50 per cent. of the total cost synergies would be phased in in year one following Completion, rising to 75 per cent. effective in year two and 100 per cent. in year three following Completion.

It is expected that realisation of these synergies and savings would result in non-recurring costs of approximately EUR600 million. The phasing will be assessed further and refined as part of the detailed integration planning in due course.

Based on the analysis done to date and the facts known at the time of this announcement, the Boards do not expect material dis-synergies to arise as a direct result of the Merger.

The Boards also believe there would be significant opportunity for revenue synergies. The Boards believe that significant further value can be created driven by the ability of the Combined Group to offer both existing and new innovative products through an expanded global distribution network to both new and existing customers across the buy and sell-side. The Boards believe that the combination will accelerate revenue growth across multiple areas, including:

- Building on the commercial expertise, IP and distribution networks of the Combined Group’s information services and index business to cross-sell products and expand across reference data and regulatory reporting;
- Harnessing the benefits of Combined Group’s multiple CCP operations to further develop trading and clearing products in the FICC complex (including customer benefits arising from portfolio margining services);
- Enhanced offerings in equity and debt capital formation for listed and pre-IPO companies and trading participants (including development of a liquidity bridge for cross market access); and
- Enhancing growth in custody, settlement and collateral management services across a broader customer base.

Further, there are longer term opportunities to accelerate growth in Asia and the United States.

Please refer to Appendices 5 and 6 for further detail on the quantified synergies. These quantified synergies have been reported on under the City Code as set out in Parts B, C and D of Appendix 5 of this announcement. References in this announcement to the Quantified Financial Benefits Statement should be read in conjunction with those parts of Appendices 5 and 6.

Enhancing global footprint and creating a platform for future growth in Asia and the United States

The Combined Group will have a global footprint. Based on FY 2015 approximately 30 per cent. of the Combined Group’s combined revenue would have been generated from the UK, 15 per cent. from Germany, 30 per cent. from the rest of Europe, 19 per cent. from North America and 6 per cent. from the rest of the world, mainly from Asia.

By pooling their combined resources and assets, the Combined Group will be better positioned to compete against large US peers in North America, where it will already have well-recognised clearing (LCH.Clearnet LLC), index and information services (FTSE Russell) businesses. The Combined Group will continue to utilise existing intellectual property to offer superior and differentiated products to US customers.

In Asia, LSEG and DBAG have independently built leading partnerships and achieved success with individual products such as the FTSE China series, including the FTSE A50 derivatives contract, LCH.Clearnet clearing of interest rate derivatives, foreign exchange and commodities across the Asia-Pacific region with an operational hub in Australia, announced the launch of Eurex Clearing Singapore and CEINEX, and Clearstream's links to Asian infrastructure for securities settlement and distribution of funds. The Combined Group becomes a partner of choice for infrastructure operators, investors and issuers in Asia given the proximity and desire to work with European counterparts.

The Combined Group will also improve connectivity to China, positioning Frankfurt and London as leading RMB offshore centres.

3. Recommendations

The directors of LSEG, who have been so advised by Robey Warshaw, Barclays, Goldman Sachs and J.P. Morgan Cazenove as to the financial terms of the Merger, consider the terms of the Merger to be fair and reasonable. In providing their financial advice to the directors of LSEG, Robey Warshaw, Barclays, Goldman Sachs and J.P. Morgan Cazenove have taken into account the commercial assessments of the directors of LSEG. Accordingly, the directors of LSEG intend unanimously to recommend LSEG Shareholders to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the LSEG General Meeting.

Each of the supervisory board and the management board of DBAG has approved the Merger. Accordingly, each of the supervisory board and the management board of DBAG will, subject to fulfilling all of their legal duties in connection with the review of the DBAG Offer Document after such offer document has been published, recommend in accordance with Section 27 WpÜG that the DBAG Shareholders accept the DBAG Offer by UK TopCo and tender their DBAG Shares in the DBAG Offer by UK TopCo.

4. Structure of the Merger

The Merger will be implemented by UK TopCo acquiring LSEG by way of the Scheme pursuant to the LSEG Acquisition and by UK TopCo making the DBAG Offer to all shareholders of DBAG. The LSEG Acquisition and the DBAG Offer are inter-conditional such that Completion will only occur if both the LSEG Acquisition and the DBAG Offer are completed by UK TopCo.

The Scheme

It is intended that the LSEG Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement between LSEG and the Scheme Shareholders, under Part 26 of the Companies Act. The procedure involves, among other things, an application by LSEG to the High Court to sanction the Scheme, in consideration for which the Scheme Shareholders will receive shares in UK TopCo on the basis described above. The purpose of the Scheme is to provide for UK TopCo to become the owner of the entire issued and to be issued share capital of LSEG.

The Scheme is subject to the LSEG Conditions and certain further terms referred to in Appendix 1 to this announcement and to be set out in the Scheme Document, and will only become effective if, among other things, the following events occur on or before 30 April 2017:

- a resolution to approve the Scheme is passed by a majority in number of the Scheme Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing three-quarters or more in value of the Scheme Shares held by those Scheme Shareholders;
- the resolutions necessary to implement the LSEG Acquisition are passed by the requisite majorities of LSEG Shareholders at the LSEG General Meeting;
- the Scheme is sanctioned (with or without modification, on terms agreed by UK TopCo, LSEG and DBAG); and
- an office copy of the Scheme Court Order is delivered to the Registrar of Companies.

Upon the Scheme becoming effective: (I) it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the LSEG General Meeting (and if they attended and voted, whether or not they voted in favour); and (II) share certificates in respect of LSEG Shares will cease to be valid and entitlements to LSEG Shares held within the CREST system will be cancelled.

If the Scheme does not become effective on or before 30 April 2017, it will lapse and the Merger will not proceed.

The Scheme Document will include full details of the Scheme, together with notices of the Court Meeting and the LSEG General Meeting. The Scheme Document will also contain the expected timetable for the LSEG Acquisition and for the Merger, and will specify the necessary actions to be taken by LSEG Shareholders. The Scheme Document will be posted to LSEG Shareholders and, for information only, to persons with information rights and to holders of options granted under the LSEG Share Schemes in due course. The Panel has consented to LSEG posting the Scheme Document more than 28 days after the date of this announcement.

The DBAG Offer

It is intended that UK TopCo will acquire the shares of DBAG by way of a voluntary public takeover offer pursuant to the WpÜG. UK TopCo has today announced its decision to make the DBAG Offer pursuant to Section 10 WpÜG in parallel with this announcement. The voluntary public takeover offer will be made by way of an exchange offer of UK TopCo to the shareholders of DBAG to tender their DBAG Shares to UK TopCo in exchange for shares in UK TopCo. The terms and conditions of the DBAG Offer will be set out in the DBAG Offer Document. In addition, the DBAG Offer Document will provide further information on the intentions of UK TopCo as regards the future business, the employees and their representatives, the members of the management bodies, and material changes to the conditions of employment (including the measures planned to be taken in that respect) of the Combined Group.

Subject to BaFin’s formal approval, the DBAG Offer is subject to the DBAG Conditions set out in Appendix 2 to this announcement and to be set out in the DBAG Offer Document. Among other conditions, this will, inter alia, include a condition that minimum acceptances representing at least 75 per cent. of the DBAG Offer Shares are received from DBAG Shareholders in order for the DBAG Offer to complete.

Timing for the Merger

It is currently expected that the Merger will be completed by the end of 2016 or during Q1 2017.

5. Shareholder approval

As the Merger is a reverse takeover for the purposes of the Listing Rules, it will be necessary for LSEG Shareholders to approve it by ordinary resolution in order for the Merger to proceed. The necessary resolution will be put to LSEG Shareholders at the LSEG General Meeting (which will take place immediately after the Court Meeting). The directors of LSEG intend unanimously to recommend LSEG Shareholders to vote in favour of any such resolution as they intend to do in respect of their own beneficial shareholdings. Further details of this meeting will be sent to LSEG Shareholders in the Scheme Document.

The LSEG Acquisition will extend to any LSEG Shares that are unconditionally allotted, issued or transferred, on or prior to the Scheme Record Time to satisfy the exercise of existing options or the vesting of awards under the LSEG Share Schemes on or prior to the Scheme Record Time. The LSEG Acquisition will not extend to any LSEG Shares allotted, issued or transferred from treasury to satisfy such options or awards at any time after the Scheme Record Time. Any LSEG Shares allotted, issued or transferred after the Scheme Record Time to satisfy such options or awards will, subject to the LSEG Acquisition taking effect, be immediately transferred to UK TopCo (or its nominee) in exchange for the same consideration as LSEG Shareholders will be entitled to receive under the terms of the LSEG Acquisition. The terms of this exchange are to be set out in amendments to LSEG's articles of association which will be considered at the LSEG General Meeting.

6. Irrevocable Undertakings

UK TopCo has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the LSEG General Meeting from the directors of LSEG in respect of 604,359 LSEG Shares, representing approximately 0.173 per cent. of the existing issued ordinary share capital of LSEG.

The undertakings from the directors of LSEG will cease to be binding if the Scheme lapses or is withdrawn or if the LSEG Board or the supervisory board or the management board of DBAG changes or withdraws its recommendation (or its intention to recommend).

In respect of the DBAG Offer, UK TopCo has received, in total, irrevocable undertakings from the directors of the management board of DBAG who are holders of DBAG Shares to accept the offer in respect of 60,060 DBAG Shares, representing approximately 0.032 per cent. of DBAG's registered share capital (excluding shares held in treasury).

The undertakings from the directors of the management board of DBAG will cease to be binding if the DBAG Offer lapses or is withdrawn or if the LSEG Board or the supervisory board or the management board of DBAG changes or withdraws its recommendation (or its intention to recommend).

Further details of these irrevocable undertakings are set out in Appendix 4 to this announcement.

7. UK TopCo

Composition of the UK TopCo Board at Closing

Initially following Completion, the UK TopCo Board will comprise 16 directors with LSEG and DBAG nominating seven non-executive directors each (including the Chairman and the Deputy Chairman and Senior Independent Director, who are identified below). It is expected that the UK TopCo Board will subsequently be reduced to 14 directors as a non-executive director nominated by each of LSEG and DBAG will stand down. The initial composition of the UK TopCo Board is as follows:

- Donald Brydon will become Chairman;
- Joachim Faber will become Deputy Chairman and Senior Independent Director;
- Carsten Kengeter will become Chief Executive;
- David Warren will become CFO of UK TopCo and will report to the Chief Executive; and
- Six further non-executive directors nominated by LSEG and six further non-executive directors nominated by DBAG.

The UK TopCo Board will have a unitary board with equal representation from LSEG and DBAG and will be constituted in accordance with UK Corporate Governance Code requirements. On completion of the Merger, Xavier Rolet will step down from his role as CEO of LSEG. On stepping down, Xavier Rolet will become an adviser to the Chairman and Deputy Chairman to assist with a successful transition. It is presently envisaged that this arrangement would last for up to one year.

Appointment rights for the UK TopCo Board

The Chairman of the UK TopCo Board will be appointed for a term of three years. After three years, a new Chairman will be nominated by the DBAG nominated non-executive directors and appointed for a three year term by a majority of the UK TopCo Board. If Donald Brydon does not complete the initial three year term, the LSEG nominated non-executive directors will nominate a replacement for the remainder of the initial three-year term to be appointed by a majority of the UK TopCo Board. If the DBAG nominated new Chairman does not complete the subsequent three year term, the DBAG nominated non-executive directors will nominate a replacement to be appointed by a majority of the UK TopCo Board. A majority decision of 75 per cent. of the UK TopCo Board will be required to remove any Chairman.

The Deputy Chairman and Senior Independent Director of the UK TopCo Board will also be appointed for a term of three years. After three years, a new Deputy Chairman will be nominated by the LSEG nominated non-executive directors to be appointed by a majority of the UK TopCo Board. If such new Deputy Chairman is not also nominated as Senior Independent Director, a Senior Independent Director will be nominated by the LSEG nominated non-executive directors. If Joachim Faber does not complete the initial three year term, the DBAG nominated non-executive directors will nominate a replacement for the remainder of the initial three-year term to be appointed by a majority of the UK TopCo Board. If the LSEG nominated new Deputy Chairman and Senior Independent Director (or if the roles are separated, the Deputy Chairman or the Senior Independent Director) nominated by LSEG does not complete the subsequent three year term, the LSEG nominated non-executive directors will nominate a replacement to be appointed by a majority of the UK TopCo Board. A majority decision of 75 per cent. of the UK TopCo Board will be required to remove any Deputy Chairman.

The Chief Executive may only be removed by a majority decision of 75 per cent. of the UK TopCo Board. In the event that the Chief Executive is removed within five years of Completion, the DBAG nominated non-executive directors will nominate a replacement to be appointed by a majority of the UK TopCo Board. The DBAG nominated non-executive directors shall have this nomination right for five years from Completion. Thereafter the Chief Executive will be nominated and appointed in accordance with customary UK corporate governance practice.

The CFO may only be removed by a majority decision of the UK TopCo Board. In the event the CFO is removed within three years of Completion, the LSEG nominated non-executive directors will nominate a replacement to be appointed by a majority of the UK TopCo Board (and including the support of the Chief Executive). Thereafter the CFO will be nominated and appointed in accordance with customary UK corporate governance practice.

The non-executive directors appointed at Completion will be appointed for an initial term of three years. In the event that any of the non-executive directors does not complete a term of three years from Completion, DBAG or LSEG (as appropriate) will have the right to nominate a replacement to be appointed by a majority of the UK TopCo Board.

Except in relation to the appointment of the Chief Executive, the Chairman and the Deputy Chairman, all nomination rights reserved to either the LSEG nominated non-executive directors or the DBAG nominated non-executive directors will terminate after four years from Completion.

Notwithstanding the foregoing, all directors of the UK TopCo Board that intend to remain on the UK TopCo Board during the following year will be required to submit themselves for annual re-election in accordance with the UK Corporate Governance Code.

Board committees

Following Completion, the Chief Executive will chair an executive committee responsible for the day-to-day management of the Combined Group's business. The executive committee will report to the Chief Executive who will, among other things, be responsible for the strategy of the Combined Group. The Chief Executive will take into account the views of the UK TopCo Board when appointing the members of the executive committee.

Prior to Completion, the UK TopCo Board intends to establish a regulatory advisory group and a technology advisory group. The members of these groups will not be employees of DBAG or LSEG and will be selected by agreement of the Chairman and Deputy Chairman of UK TopCo.

It is also contemplated that there will be audit, risk, remuneration and nomination committees of the UK TopCo Board. In advance of Completion, the chairman for each committee will be selected as follows:

- the initial chairman of the audit committee shall be nominated by DBAG;
- the initial chairman of the risk committee shall be nominated by DBAG;
- the initial chairman of the remuneration committee shall be nominated by LSEG; and
- the initial chairman of the nomination committee shall be nominated by LSEG.

A summary of the Referendum Committee is set out in paragraph 8 of this announcement.

Reserved matters

Following Completion, pursuant to the articles of association of UK TopCo, certain matters will require approval from a majority of 75 per cent. of the UK TopCo Board, including:

- changes to the articles in the articles of association detailing the board composition and nomination rights structure described in the section "Appointment rights for the UK TopCo Board" above, except for any changes concerning the nomination rights in the first five years for the office of the Chief Executive, which require unanimity;
- material changes to the Combined Group's holding company structure, its corporate and organisational operating structure or its regulatory model including, in each case, from the position as described in the section entitled *"Structure of the Combined Group"* in this paragraph 7 of this announcement;
- the appointment and removal of directors of the boards of directors of LSEG or DBAG, provided that any appointments to those boards of directors shall require a recommendation from the Chief Executive of UK TopCo before becoming effective and that in respect of DBAG this shall only apply to the supervisory board;
- any material acquisitions and disposals (including joint ventures, partnerships and other equivalent structures) to be entered into by UK TopCo or any member of the *Combined* Group that would result in a percentage ratio of 10 per cent. or more under any one of the Class Tests set out in Chapter 10 of the UK Listing Rules;
- any action that would be contrary to the Combined Group's operating strategy, as described in this announcement namely that (i) LCH.Clearnet

Group will continue to be committed to a horizontal, open access clearing model, and (ii) the Combined Group will meet non-discriminatory open access provisions across all relevant businesses in European regulation from time to time (including MiFID II and MiFIR);

- any proposal to vary or disapply the terms of reference for the audit committee, nomination committee, remuneration committee, risk committee or Referendum Committee of UK TopCo; and
- any proposal to the shareholders of UK TopCo seeking to vary, disapply or remove any article of association of UK TopCo requiring an approval of at least 75 per cent. of the UK TopCo Board.

The requirement for a majority of 75 per cent. of the UK TopCo Board applies notwithstanding that any matter is required to be voted on by the shareholders of UK TopCo pursuant to applicable legislation, the Listing Rules or other rules to which UK TopCo is subject.

Structure of the Combined Group

UK TopCo is a public limited company incorporated in the UK. UK TopCo will be managed in such a way that it will be resident solely in the UK for tax purposes. UK TopCo will seek a premium listing for its shares on London Stock Exchange and a prime standard listing for its shares on the Frankfurt Stock Exchange. It is envisaged that the UK TopCo Shares will be eligible for inclusion in the EuroSTOXX, DAX and FTSE Russell index series.

LSEG in London and DBAG in Frankfurt would become intermediate subsidiaries of UK TopCo. The existing regulatory framework of all regulated entities within the Combined Group would remain unchanged, subject to customary and final regulatory approvals. LSEG and DBAG will continue to be subject to tax in their respective countries.

The Combined Group will maintain its headquarters in London and Frankfurt with an efficient distribution of central corporate functions in both locations. It is the intention of LSEG, DBAG and UK TopCo that, after Completion, the governance structure of UK TopCo, including in respect of the location of meetings and identity of members of the UK TopCo Board shall reflect the international nature of the Combined Group. UK TopCo will use the euro as its reporting currency for the purposes of its accounts and other financial reports following Completion. The subsidiaries of UK TopCo will continue to use their existing reporting currencies for the purposes of their accounts and other financial reports.

8. Referendum Committee

LSEG and DBAG have established a Referendum Committee (which following Completion will become a committee of the UK TopCo Board), whose purpose is to consider the ramifications of any vote for the United Kingdom to leave the European Union (if this is the outcome chosen by the electorate of the United Kingdom) for the Combined Group. The Referendum Committee has been tasked with reviewing the potential impact on the business of the Combined Group of the United Kingdom leaving the European Union, including any issues that LSEG and DBAG and, following Completion, the UK TopCo Board specifically requests the Referendum

Committee to consider, and to make recommendations to LSEG and DBAG and, following Completion, the UK TopCo Board in the context of this remit. Recommendations made by the Referendum Committee to LSEG and DBAG and, following Completion, the UK TopCo Board will not be binding. The directors of LSEG and DBAG and, following Completion, the UK TopCo Board, will each give serious consideration to the advice and recommendations put forward by the Referendum Committee.

The guiding principle for the Referendum Committee will be that its sole concern is the best interests of clients and shareholders of the Combined Group.

The initial composition of the Referendum Committee is as follows:

- Joachim Faber, who has been nominated by DBAG and will act as Chairman of the Referendum Committee and, in the event of any votes of the Referendum Committee being deadlocked, will have a casting vote;
- Erhard Schipporeit and Gerhard Roggemann, who have been nominated by DBAG to serve on the Referendum Committee; and
- Donald Brydon, Jacques Aigrain and Paul Heiden, who have been nominated by LSEG to serve on the Referendum Committee.

The Referendum Committee will meet as frequently as the Chairman of the Referendum Committee decides and in any event at least quarterly. It shall continue to meet and consider matters within its remit, as described above, following Completion.

The appointment of each of the members of the Referendum Committee has been made for a maximum of three years, although the committee members may be replaced from time to time, provided that each of LSEG and DBAG nominated non-executive Directors may nominate a maximum of three committee members at any one time.

The Referendum Committee will be dissolved in the event of a final and binding vote in favour of the United Kingdom remaining in the European Union.

9. UK TopCo Listing

The UK TopCo Shares will seek a dual listing in London and Frankfurt. Applications will be made to the UK Listing Authority, the London Stock Exchange and the Frankfurt Stock Exchange respectively for the UK TopCo Shares to be admitted to listing on the premium listing segment of the Official List of the FCA, trading on the London Stock Exchange’s main market for listed securities and prime standard listing and trading on the regulated market segment of the Frankfurt Stock Exchange. It is expected that admission will become effective and that dealings for normal settlement in the UK TopCo Shares will commence at 8.00a.m. (London time) on or shortly after the date of Completion.

It is envisaged that UK TopCo’s Shares will be eligible for inclusion in the DAX, EuroSTOXX and FTSE Russell index series.

10. LSEG and DBAG following Completion

LSEG

It is intended that dealings in LSEG Shares will be suspended at 5.00 p.m. (London time) on the Business Day prior to the Effective Date. It is further intended that an application will be made to the UK Listing Authority for the cancellation of the listing of the LSEG Shares on the Official List and to the London Stock Exchange for the cancellation of trading of the LSEG Shares on London Stock Exchange's main market for listed securities, with effect as of or shortly following the Effective Date.

DBAG

The DBAG Offer is conditional on, amongst other things, acceptances being received in respect of the DBAG Offer in respect of at least 75 per cent. of the DBAG Offer Shares. As such, it is possible that, after completion of the DBAG Offer, UK TopCo will hold less than 100 per cent. of the DBAG Shares. UK TopCo, LSEG and DBAG will consider suitable means by which to acquire the remaining DBAG Shares not otherwise owned by UK TopCo.

11. Dividends

Under the terms of the Merger, LSEG and DBAG have agreed that:

- LSEG Shareholders will be entitled to receive dividends of:
  - 25.2 pence per LSEG Share for the six month period ended 31 December 2015, scheduled to be paid on 1 June 2016; and
  - 12.0 pence per LSEG Share in respect of the six month period ending 30 June 2016 in line with LSEG's existing dividend policy, scheduled to be paid in September 2016,

each dividend that is permissible under these criteria being a "Permitted LSEG Dividend" and together the "Permitted LSEG Dividends"; and

- DBAG Shareholders will be entitled to receive a dividend of EUR2.25 per DBAG Share for the 12 month period ended 31 December 2015, scheduled to be paid on 12 May 2016 (the "Permitted DBAG Dividend").

For the avoidance of doubt, if Completion occurs after the announcement or declaration of any dividend permissible under these criteria, but before its payment date, the relevant shareholders will not be entitled to receive such dividend.

If either party announces, declares, makes or pays any dividend or other distribution on or after the date of this announcement and prior to Completion, other than:

- a Permitted LSEG Dividend, or in excess of the Permitted LSEG Dividends, UK TopCo reserves the right to reduce the LSEG Exchange Ratio so as to reflect the value attributable to any such dividend or such excess; and
- the Permitted DBAG Dividend, or in excess of the Permitted DBAG Dividend, LSEG shall be entitled to declare and pay an equalising dividend to LSEG Shareholders so as to reflect the value attributable to

any such dividend or such excess adjusted by multiplying by the sum of 45.6 divided by 54.4 to reflect the pro rata share of the Combined Group that LSEG, DBAG and UK TopCo expect LSEG Shareholders to hold at Completion, without any consequential change to the LSEG Exchange Ratio.

Following Completion and subject to the approval of the UK TopCo Board, the Combined Group intends to adopt a progressive dividend policy within the range of current policies and timing of both LSEG and DBAG. This will include consideration of any dividends payable to LSEG and DBAG shareholders in relation to 2016. It is envisaged that shareholders of the Combined Group will be able to elect to have dividends paid in Sterling or euros.

The UK TopCo Shares will carry the right to all dividends and other distributions declared, made or paid on or after Completion.

12. Information relating to LSEG

LSEG is an international markets infrastructure business. Its diversified global business focuses on capital formation, intellectual property and risk and balance sheet management. The LSEG Group can trace its history back to 1698.

The LSEG Group operates a broad range of international equity, ETF, bond and derivatives markets, including London Stock Exchange; Borsa Italiana; MTS (a leading fixed income market); and Turquoise (a pan-European equities MTF). Through its platforms, LSEG offers market participants, including retail investors, institutions and SMEs unrivalled access to Europe's capital markets. The LSEG Group also plays a vital economic and social role, enabling companies to access funds for growth and development.

Through FTSE Russell, the LSEG Group is a global leader in financial indexing, benchmarking and analytic services with approximately USD10 trillion benchmarked to its indexes. The LSEG Group also provides customers with an extensive range of real time and reference data products, including SEDOL, UnaVista, and RNS.

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

LSEG is a leading developer and operator of high performance technology solutions, including trading, market surveillance and post trade systems for over 40 organisations and exchanges, including the Group's own markets. Additional services include network connectivity, hosting and quality assurance testing. MillenniumIT, GATElab and Exactpro and are among LSEG's technology companies.

Headquartered in the United Kingdom, with significant operations in North America, Italy, France and Sri Lanka, the LSEG Group employs approximately 5,500 people.

For the year ended 31 December 2014, LSEG's income was GBP1,381.1 million and it made an operating profit of GBP346.0 million. For year ended 31 December 2015, LSEG's income was GBP2,381.5 million and it made an operating profit of GBP499.9 million.

LSEG Shares are traded on London Stock Exchange's main market for listed securities.

13. Information relating to DBAG

DBAG is a German stock corporation (*Aktiengesellschaft*) with its registered legal seat in Frankfurt am Main, Germany. It is registered with the commercial register of the Local Court Frankfurt am Main under HRB 32232 and listed on the Frankfurt Stock Exchange.

DBAG is a diversified exchange organisation whose products and services span the entire financial sector value chain from trading and clearing of equities and derivatives, through transaction settlement, custody and collateral management and the provision of market information, to the development and operation of electronic systems. Additionally, DBAG offers IT services, indices and market data for its worldwide trading platforms.

The main business areas of DBAG are: (i) listing and trading, which includes the operation of the Frankfurter Wertpapierbörse (FWB, the Frankfurt Stock Exchange), an institution governed by public law, where corporate securities are listed in accordance with legal requirements and stock exchange rules, and various regulated markets for trading equities, derivatives and structured products based on DBAG's Xetra and T7 electronic trading systems; (ii) clearing, through Eurex Clearing and C7, which handle risk management for derivatives and cash market transactions (both on- and off-exchange); (iii) post-trade services, which include the Clearstream, LuxCSD, and REGIS-TR brands providing a post-trade banking, settlement and custody offering for fixed-income securities, shares and investment funds to customers in over 110 countries; and (iv) IT and market data services, which supply markets with technology and information products covering prices, macroeconomic indicators and data for the DAX and STOXX index families, as well as network services and infrastructure for exchange trading.

As at 31 December 2015, DBAG employed 5,283 people across multiple jurisdictions, including Luxembourg, the Czech Republic, Great Britain, Switzerland, Russia, the United States, Hong Kong, China and Japan. For the period 1 January 2015 to 31 December 2015, DBAG generated net revenue of EUR2,367.4 million (a year-on-year increase of approximately 16 per cent.), with adjusted earnings before interest and tax (EBIT) at EUR1,124.0 million (a year-on-year increase of approximately 14 per cent.).

DBAG Shares are traded on the regulated market of the Frankfurt Stock Exchange.

14. Information relating to UK TopCo

UK TopCo was incorporated on 9 March 2016 and was formed solely for the purpose of effecting the Merger. UK TopCo has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Merger. Prior to Completion, all of the shares in UK TopCo will be held by the UK TopCo Shareholder, which is a foundation formed under the law of the Netherlands for the purposes of holding the shares in UK TopCo until Completion. UK TopCo Shareholder does not itself have any shareholders.

15. LSEG Share Schemes

Participants in the LSEG Share Schemes will be contacted regarding the effect of the LSEG Acquisition on their rights and appropriate proposals will be made to such participants in due course. Details of these proposals will be set out in the Scheme Document and in separate letters to be sent to participants in the LSEG Share Schemes.

16. DBAG Share Schemes

Participants in the DBAG Share Schemes will be contacted regarding the effect of the DBAG Offer on their rights and appropriate proposals will be made to such participants in due course. Details of these proposals will be set out in the DBAG Offer Document and in separate letters to be sent to participants in the DBAG Share Schemes.

17. Management and employees

LSEG and DBAG attach great importance to the skills and experience of both the DBAG Group's and LSEG Group's management and employees. The Combined Group will augment the capabilities of both LSEG and DBAG and will offer significant opportunities for employees in a business of greater size and scope incorporating the skills and talents present in both companies.

LSEG and DBAG confirm that they have given assurances to each other's directors that, upon and following Completion, they intend to fully safeguard the existing employment rights of management and employees in accordance with contractual and statutory requirements. In addition, they intend to comply with their pension obligations in relation to the employees and other members of the pension schemes operated by LSEG and DBAG.

Subject to further review and discussion the Boards recognise that in order to achieve the expected benefits of the Merger, operational and administrative restructuring would likely be required following Completion. The initial synergy work carried out to date has highlighted the potential to generate savings for the Combined Group in areas where there may be duplication.

The detailed plans for any restructuring are not yet known and finalisation of any such plans would be subject to detailed and comprehensive planning and appropriate engagement with stakeholders, including employee representative bodies. Until such plans are finalised, LSEG and DBAG cannot be certain what impact there will be on the employment of the management and employees of the Combined Group.

18. Offer-related Arrangements

Confidentiality Agreement

LSEG and DBAG have entered into a confidentiality agreement dated 19 January 2016 pursuant to which each of LSEG and DBAG has undertaken, amongst other things, to: (A) keep confidential information relating to the Merger and the other party and not to disclose it to third parties (other than certain permitted parties) unless required by law or regulation; and (B) use the confidential information for the sole purpose of evaluating, negotiating, advising on or implementing the Merger. These obligations remain in force until 12 months after the completion of the parties' negotiations, whether or not the Merger is implemented. The agreement also contains certain provisions pursuant to which each party has agreed not to solicit certain employees of the other party, subject to customary carve-outs, for a period of 12 months.

Confidentiality and Joint Defence Agreement

LSEG and DBAG have also entered into a Confidentiality and Joint Defence Agreement dated 18 February 2016, the purpose of which is to ensure that the exchange and disclosure of certain materials relating to the parties and between their respective legal counsel preserves the confidentiality of such materials and does not result in a waiver of any privilege, right or immunity that might otherwise be available.

Clean Team Non-Disclosure Agreement

In addition, LSEG and DBAG have also entered into a Clean Team Non-Disclosure Agreement dated 3 March 2016 which sets out how any confidential information that is competitively sensitive can be disclosed, used or shared.

Co-operation Agreement

LSEG, DBAG and UK TopCo have entered into a Co-operation Agreement on 16 March 2016 in connection with the Merger, which sets out certain mutual commitments between the parties to implement the Merger.

Information and assistance

- Each of LSEG, DBAG and UK TopCo has agreed to work co-operatively and reasonably with the other parties to the Co-operation Agreement and their respective professional advisers to satisfy the Conditions relating to antitrust and regulatory clearances.

- Each of DBAG and UK TopCo has agreed to provide information and other assistance to LSEG in the preparation of the Scheme Document.

- Each of DBAG and LSEG has agreed to provide information to UK TopCo to the extent required for the purposes of obtaining approval of the DBAG Offer Document and the prospectus for the listing of the UK TopCo Shares.

- UK TopCo has undertaken to apply for admission at Completion of the UK TopCo Shares to (i) premium listing on the Official List of the UK Listing Authority and to trading on the main market of the London Stock Exchange and (ii) prime standard listing and trading on the regulated market of the Frankfurt Stock Exchange.

Implementation

- The Co-operation Agreement reflects the intentions of DBAG and LSEG to implement the LSEG Acquisition by way of the Scheme. However, UK TopCo may implement the LSEG Acquisition by way of a Takeover Offer if

LSEG and DBAG consent; and DBAG may implement the LSEG Acquisition by way of a Takeover Offer if (i) a third party announces a firm intention to make an offer for LSEG which is recommended by the directors of LSEG, or (ii) the board of directors of LSEG withdraws its unanimous recommendation of the LSEG Acquisition.

- Until Completion or termination of the Co-operation Agreement, DBAG has agreed that it will not take certain actions (relating to (i) the issuance of DBAG Shares, other than in the ordinary course in relation to DBAG's existing employee incentive plans; and (ii) entering into material acquisitions, disposals, joint ventures and material non-ordinary course contracts) without the prior consent of LSEG (not to be unreasonably withheld, delayed or conditioned).

Governance

- The parties to the Co-operation Agreement have agreed that, prior to Completion, the UK TopCo Board and the board of the UK TopCo Shareholder will at all times comprise an equal number of nominated representatives from each of LSEG and DBAG.

- On Completion, UK TopCo has agreed to take certain actions required to implement the agreed governance structure for the Combined Group with effect from Completion, including the agreed composition of the UK TopCo Board and arrangements in respect of the Referendum Committee, as described in further detail in paragraphs 7 and 8 of this announcement. The schedules to the Co-operation Agreement include the agreed articles of association of UK TopCo with effect from Completion and the terms of reference for certain committees of UK TopCo, including the Referendum Committee and the nomination committee.

Termination

- The Co-operation Agreement shall be terminated with immediate effect if: (i) all of the parties so agree; (ii) any Condition becomes incapable of satisfaction, and has not been waived or is otherwise invoked, prior to the Long Stop Date; (iii) Completion has not occurred by the Long Stop Date; or (iv) if the LSEG Acquisition or the DBAG Offer lapses, terminates or is withdrawn.

- LSEG and DBAG may each terminate the Co-operation Agreement if: (i) the Court Meeting and the LSEG General Meeting are not held by specified dates, and in any event by the end of the Acceptance Period; (ii) the Scheme is not approved, or the relevant resolutions to approve the Merger are not passed, by the LSEG Shareholders at the Court Meeting and the LSEG General Meeting respectively; (iii) the Scheme Court Hearing is not held by specified dates; (iv) the court does not sanction the Scheme; (v) the LSEG Board withdraws or modifies its recommendation for the LSEG Acquisition; (vi) the DBAG Board withdraws or modifies its positive reasoned statement for the DBAG Offer; (vii) a third party announces a firm intention to make an offer for either DBAG or LSEG which either is recommended by the DBAG

Board or the LSEG Board, as applicable, or becomes or is declared unconditional in all respects or is completed.

Employees

The Co-operation Agreement also contains provisions that apply in respect of the DBAG Share Schemes and the LSEG Share Schemes and directors' and officers' liability insurance.

19. Anti-trust and regulatory approvals and notifications

The Merger is conditional on receiving competition clearance from the relevant authorities in the European Union, the United States and Russia. Whilst there will be formal regulatory approval and notification requirements in a number of jurisdictions, including Germany, the UK, France, Luxembourg, Italy and the US, LSEG, DBAG and UK TopCo have opened communications with a number of regulators (and will open communications with the remaining regulators in due course).

20. Disclosure of interests in LSEG relevant securities

Except for the irrevocable undertakings referred to in paragraph 6 above, as at close of business on 15 March 2016 (being the latest practicable date prior to the date of this announcement), neither UK TopCo, DBAG, nor any of the directors of UK TopCo or DBAG or any member of the DBAG Group, nor, so far as the directors of DBAG are aware, any person acting in concert with UK TopCo or DBAG for the purposes of the Merger had any interest in, right to subscribe for, or had borrowed or lent any LSEG Shares or securities convertible or exchangeable into LSEG Shares, nor did any such person have any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to take delivery, or any dealing arrangement of the kind referred to in Note 11 of the definition of acting in concert in the City Code, in relation to LSEG Shares or in relation to any securities convertible or exchangeable into LSEG Shares.

21. Consents

Robey Warshaw, Barclays, Goldman Sachs and J.P. Morgan Cazenove have given and not withdrawn their consent to the issue of this announcement with the inclusion of references to their names in the form and context in which they appear.

Perella Weinberg Partners, BofA Merrill Lynch, Deutsche Bank and HSBC have given and not withdrawn their consent to the issue of this announcement with the inclusion of references to their names in the form and context in which they appear.

22. Overseas Shareholders

The availability of the LSEG Acquisition and the distribution of this announcement to LSEG Shareholders who are not resident in the United Kingdom, Germany or the United States may be affected by the laws of the relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. LSEG Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

This announcement does not constitute an offer for sale for any securities or an offer or an invitation to purchase any securities. LSEG Shareholders are advised to read carefully the Scheme Document and related Forms of Proxy once these have been dispatched.

23. Documents published on a website

Copies of the following documents will, by no later than 12 noon (London time) on 17 March 2016, be published on LSEG's website at http://www.lseg.com/investor-relations/merger and UK TopCo's website at www.mergerdocuments-db-lseg.com until the end of the Merger:

- this announcement;
- the irrevocable undertakings referred to in paragraph 6 and set out in Appendix 4;
- the Confidentiality Agreement, the Confidentiality and Joint Defence Agreement, the Clean Team Non-Disclosure Agreement and the Co-operation Agreement, each as referred to in paragraph 18.

24. General

The LSEG Acquisition will be subject to the LSEG Conditions and certain further terms set out in Appendix 1 and the further terms and conditions set out in the Scheme Document when issued. LSEG and DBAG envisage that, subject to BaFin's formal approval, the DBAG Offer will be subject to the DBAG Conditions as set out in Appendix 2 and further details will be set out in the DBAG Offer Document when issued.

UK TopCo reserves the right to elect, with the consent of the Panel and LSEG and otherwise subject to and in accordance with the Co-operation Agreement, to implement the LSEG Acquisition by way of a Takeover Offer by UK TopCo for the entire issued and to be issued share capital of LSEG as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme.

If a third party announces a firm intention to make an offer for the issued and to be issued ordinary share capital of LSEG which is recommended by the directors of LSEG, or the board of directors of LSEG withdraws its unanimous recommendation of the LSEG Acquisition, DBAG reserves the right to elect, with the consent of the Panel and otherwise subject to and in accordance with the Co-operation Agreement, to implement the LSEG Acquisition by way of a Takeover Offer by DBAG for the entire issued and to be issued share capital of LSEG as an alternative to the Scheme.

If the LSEG Acquisition is effected by way of a Takeover Offer and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, UK TopCo intends to: (I) make a request to the UK Listing Authority to cancel the listing of the LSEG Shares from the Official List; (II) make a request to the London Stock Exchange to cancel trading in LSEG Shares on its market for listed securities; and (III) exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily the remaining LSEG Shares in respect of which the Takeover Offer has not been accepted.

The Scheme will be governed by English law and will be subject to the jurisdiction of the courts of England and Wales. The Scheme will be subject to the applicable requirements of the City Code, the Panel, the London Stock Exchange and the FCA.

The bases and sources of certain financial information contained in this announcement are set out in Appendix 3. Certain terms used in this announcement are defined in Appendix 8.

Enquiries

London Stock Exchange Group plc	
Gavin Sullivan / Lucie Holloway / Ramesh Chhabra (Press Office)	+44 20 7797 1222
Paul Froud (Investor Relations)	+44 20 7797 3322
Anthony Cardew (Cardew Group)	+44 20 7930 0777
Lucas van Praag (Fitzroy Communications)	+1 212 498 9772
Robey Warshaw – Joint Lead Financial Adviser / Rule 3 Adviser to LSEG	
Simon Robey / Philip Apostolides	+44 20 7317 3900
Barclays – Joint Lead Financial Adviser / Rule 3 Adviser and Joint Corporate Broker to LSEG	
Kunal Gandhi / Matthew Smith	+44 20 7623 2323
Goldman Sachs – Joint Lead Financial Adviser / Rule 3 Adviser to LSEG	
FX de Mallmann / Mark Sorrell	+44 20 7774 1000
J.P. Morgan Cazenove – Joint Lead Financial Adviser / Rule 3 Adviser to LSEG	
Jeremy Capstick / Dwayne Lysaght	+44 20 7742 4000
RBC Capital Markets – Joint Financial Adviser and Joint Corporate Broker to LSEG	
Joshua Critchley / Oliver Asplin Hearsey	+44 20 7653 4000

Societe Generale – Financial Adviser to LSEG	
George Potter / Stefan Goetz	+44 207 676 6000
UBS – Financial Adviser to LSEG	
Javier Oficialdegui / Steven Pierson	+44 20 7568 1000
Deutsche Börse AG	
Ruediger Assion / Heiner Seidel (Press Office)	+49 69 211 15004
Jan Strecker (Investor Relations)	+49 69 211 12433
Perella Weinberg Partners – Lead Financial Adviser to DBAG and DBAG Supervisory Board	
Andrew Bednar / Michael Grace	+1 212 287 3200
Philip Yates / Graham Davidson	+44 20 7268 2800
BofA Merrill Lynch – Joint Financial Adviser and Joint Corporate Broker to DBAG	
Armin von Falkenhayn	+49 69 5899 0
Adrian Mee / Fraser Allan	+44 20 7628 1000
Edward Peel (Corporate Broking)	+44 20 7628 1000
Deutsche Bank – Joint Financial Adviser and Joint Corporate Broker to DBAG	
Tadhg Flood / Carsten Laux / James Arculus	+44 20 7545 8000
Andrew Tusa / Claire Brooksby (Corporate Broking)	+44 20 7545 8000
HSBC – Financial Adviser to DBAG	
Olivier de Grivel / Edouard de Vitry /	
Andrew Owens	+44 20 7991 8888

Deutsche Bank – Financial Adviser to DBAG Supervisory Board

Tadhg Flood / Carsten Laux / James Arculus +44 20 7545 8000

Further information

This announcement is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Merger or otherwise, nor shall there be any sale, issuance or transfer of securities of LSEG in any jurisdiction in contravention of applicable law.

The LSEG Acquisition will be made solely by means of the Scheme Document, which will contain the full terms and conditions of the LSEG Acquisition including details of how to vote in respect of the LSEG Acquisition. Any vote in respect of the Scheme or other response in relation to the LSEG Acquisition should be made only on the basis of the information contained in the Scheme Document.

The DBAG Offer will be made solely by means of the DBAG Offer Document which will contain the full terms and conditions of the DBAG Offer, including details of how to accept the DBAG Offer. Any acceptance in relation to the DBAG Offer should be made only on the basis of the information contained in the DBAG Offer Document.

Important notices relating to financial advisers

Robey Warshaw LLP ("Robey Warshaw"), which is authorised and regulated by the FCA, is acting as joint lead financial adviser to LSEG and no one else in connection with the contents of this announcement and will not be responsible to anyone other than LSEG for providing the protections afforded to its clients or for providing advice in connection with the contents of this announcement or any matter referred to in this announcement.

Barclays Bank PLC, acting through its Investment Bank ("Barclays"), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the FCA and the Prudential Regulation Authority, is acting exclusively for LSEG and no one else in connection with the Merger and will not be responsible to anyone other than LSEG for providing the protections afforded to clients of Barclays nor for providing advice in relation to the Merger or any other matter referred to in this announcement.

Goldman Sachs International ("Goldman Sachs"), which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the UK, is acting for LSEG and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than LSEG for providing the protections afforded to its clients, or for giving advice in connection with any matter referred to in this announcement.

J.P. Morgan Limited, which conducts its UK investment banking business as J.P. Morgan Cazenove ("J.P. Morgan Cazenove"), is authorised and regulated in the United Kingdom by the FCA. J.P. Morgan Cazenove is acting as joint lead financial adviser exclusively for LSEG and no one else in connection with the Merger and the matters set out in this announcement and will not regard any other person as its client in relation to the matters set out in this announcement and will not be responsible to anyone other than LSEG for providing the *protections afforded to clients of J.P. Morgan Cazenove or its affiliates, or for providing advice in relation to the Merger, the contents of this announcement or any other matter referred to herein.*

RBC Europe Limited (trading as "RBC Capital Markets"), which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom, is acting for LSEG and no one else in connection with the Merger and will not be responsible to anyone other than LSEG for providing the protections afforded to clients of RBC Capital Markets, or for providing advice in connection with the Merger.

Societe Generale ("SG") which is a French credit institution (bank) authorised and supervised by the ECB, the Autorité de Contrôle Prudentiel et de Résolution and the Prudential Regulation Authority (PRA), and regulated by the Autorité des marchés financiers and subject to limited regulation by the FCA and the PRA. SG is acting solely for LSEG in connection with the Merger and will not be responsible to anyone other than LSEG for providing the protections afforded to the clients of SG or for providing advice in relation to the Merger or any other matter referred to in this announcement.

UBS Limited ("UBS"), which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom, is acting exclusively for LSEG and no-one else in connection with the Merger referred to in this announcement. In connection with such matters, UBS, its affiliates and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to their clients or for providing advice in relation to this Merger, the contents of this announcement or any other matter referred to herein.

Perella Weinberg Partners UK LLP ("Perella Weinberg Partners"), which is authorised and regulated by the FCA, is acting as lead financial adviser to DBAG and no one else in connection with the Merger and will not be responsible to anyone other than DBAG for providing the protections afforded to its clients or for providing advice in relation to the Merger or any matter referred to in this announcement.

Merrill Lynch International ("BofA Merrill Lynch") is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom. BofA Merrill Lynch is acting exclusively for DBAG as joint financial adviser and joint corporate broker and no-one else in connection with the Merger referred to in this announcement. In connection with such matters, BofA Merrill Lynch, its affiliates and their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to their clients or for providing advice in relation to this Merger, the contents of this announcement or any other matter referred to herein.

Deutsche Bank AG ("Deutsche Bank") is authorised under German Banking Law (competent authority: ECB) and, in the United Kingdom, by the Prudential Regulation Authority. It is subject to supervision by the ECB and by BaFin, Germany's Federal Financial Supervisory Authority, and is subject to limited regulation in the United Kingdom by the Prudential Regulation Authority and FCA. Details about the extent of its authorisation and regulation by the Prudential Regulation Authority, and regulation by the FCA are available on request or from www.db.com/en/content/eu_disclosures.htm. Deutsche Bank is acting as joint financial *adviser and joint corporate broker to DBAG and no one else in connection with the Merger or the contents of this announcement and will not be responsible to anyone other than DBAG and UK TopCo for providing the protections afforded to clients of Deutsche Bank or for providing advice in relation to the Merger or any other matters referred to herein.*

HSBC Bank plc ("HSBC") is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the United Kingdom. HSBC is acting exclusively as financial adviser to DBAG and no one else in connection with the Merger and shall not be responsible to anyone other than DBAG for providing the protections afforded to clients of HSBC nor for providing advice in connection with the Merger or any matter referred to herein.

Overseas jurisdictions

The release, publication or distribution of this announcement in or into jurisdictions other than the UK or the United States may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK or the United States should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular (i) the ability of persons who are not resident in the United Kingdom, to vote their LSEG Shares with respect to the Scheme at the Court Meeting, or to execute and deliver forms of proxy appointing another to vote at the Court Meeting on their behalf; and (ii) the ability of persons who are not resident in Germany, to accept or deliver forms of acceptance of a takeover offer in respect of DBAG, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Merger disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared for the purposes of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside of England.

Copies of this announcement and formal documentation relating to the Merger will not be and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the LSEG Acquisition. If the LSEG Acquisition is implemented by way of Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.

Further details in relation to LSEG Overseas Shareholders will be contained in the Scheme Document and in relation to DBAG Overseas Shareholders in the DBAG Offer Document.

Additional information for US investors

These materials are not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia). These materials do not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States.

The UK TopCo Shares have not been and will not be registered under the US Securities Act of 1933 (the "US Securities Act") or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the UK TopCo Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States absent registration under the US Securities Act or an exemption therefrom. The UK TopCo Shares issued pursuant to the LSEG Acquisition are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. There will be no public offer of UK TopCo Shares issued under the DBAG Offer in the United States.

It may be difficult for US holders of shares in DBAG or LSEG to enforce their rights and claims arising out of the US federal securities laws, since DBAG, UK TopCo and LSEG are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the US. US holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

LSEG Acquisition

The LSEG Acquisition to be implemented by way of the Scheme is being made to acquire the securities of an English company by means of a scheme of arrangement provided for under English law. A transaction effected by means of a scheme of arrangement is not subject to the proxy solicitation or tender offer rules under the US Exchange Act. Accordingly, the Scheme will be subject to disclosure requirements, rules and practices applicable in the UK to schemes of arrangement, which are different from the disclosure requirements of the US proxy solicitation or tender offer rules. The financial information included in this announcement and the Scheme Document has been or will have been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US. If UK TopCo exercises its right to implement the LSEG Acquisition of the LSEG Shares by way of a takeover offer, such offer will be made in compliance with applicable US laws and regulations, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such a takeover offer, if made in the United States would be made by UK TopCo and no one else. In addition to any such takeover offer, UK TopCo or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, LSEG Shares outside of the United Sates, other than pursuant to such takeover offer during the period in which such takeover offer would remain open for acceptance. If such purchases or arrangements to purchase were to be made they would be made outside the United States and would comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com.

DBAG Offer

The DBAG Offer relates to shares in a German company and will be governed by the laws of the Federal Republic of Germany on the implementation of such an offer. The DBAG Offer is not intended to be made pursuant to the provisions of any other legal system. Shareholders should note that the DBAG Offer is subject to German disclosure rules, which are different from those in the US.

The DBAG Offer is expected to be made in accordance with, and in reliance on, certain applicable laws of the United States, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder, as exempted thereunder by Rule 14d-1(d). The DBAG Offer is not expected to be subject to the requirements of Regulation 14D of the Exchange Act and as such, is not expected to be submitted to, nor reviewed by, the US Securities and Exchange Commission.

In accordance with the DBAG Offer, UK TopCo, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in DBAG outside the DBAG Offer during the period in which the DBAG Offer remains open for acceptance. If such purchases or arrangements to purchase are made they will be made outside the United States and will comply with applicable law, including the US Exchange Act. In addition, the financial advisers to LSEG and DBAG may also engage in ordinary course trading activities in the securities of LSEG and DBAG during the period in which the DBAG Offer remains open for acceptances, which may include purchases or arrangements to purchase such securities.

UK TopCo Shares have not been and will not be registered under the US Securities Act. UK TopCo Shares may not therefore be offered to certain US shareholders of DBAG unless UK TopCo believes that there is an exemption from, or if the transaction is not subject to, the registration requirements under the US Securities Act. It is anticipated that US shareholders of DBAG who are not able to receive UK TopCo Shares as part of the DBAG Offer may, in lieu of UK TopCo Shares, receive a cash amount corresponding to proceeds (less transaction costs) from the sale of UK TopCo Shares to which they would otherwise have been entitled to receive.

Forward looking statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the LSEG Acquisition, the DBAG Offer and the Merger, and other information published by LSEG and DBAG contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of LSEG and DBAG about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this announcement include statements relating to the expected effects of the Merger on LSEG and DBAG, the expected timing and scope of the Merger and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results *"may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although LSEG and DBAG believe that the expectations reflected in such forward-looking statements are reasonable, LSEG and DBAG can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include the satisfaction of the LSEG Conditions and the DBAG Conditions, as well as additional factors, such as: future market conditions, currency fluctuations, the behaviour of other market participants, the actions of regulators and other factors such as the Combined Group's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Combined Group will operate or in economic or technological trends or conditions. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither DBAG nor LSEG, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the UK Listing Rules and the Disclosure and Transparency Rules of the FCA and the German Securities Acquisition and Takeover Act (Wertpapiererwerbs-und Übernahmegesetz, WpÜG), neither DBAG or LSEG is under any obligation, and LSEG and DBAG expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

Quantified Financial Benefits Statement

Statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. No statement in the Quantified Financial Benefits Statement, or this announcement generally, should be construed as a profit forecast (other than the DBAG Profit Forecast) or interpreted to mean that the Combined Group's earnings in the first full year following the Effective Date, or in any subsequent period, would necessarily match or be greater than or be less than those of LSEG and/or DBAG for the relevant preceding financial period or any other period. For the purposes of Rule 28 of the City Code, the Quantified Financial Benefits Statement contained in this announcement is the responsibility of LSEG and DBAG and the directors of LSEG and DBAG.

DBAG Profit Forecast

The DBAG Profit Forecast is a profit forecast for the purposes of Rule 28 of the City Code. The DBAG Profit Forecast is repeated in Appendix 7, together with the confirmations by the directors of DBAG in the terms required by Rule 28.1(c)(i) of the City Code.

Other than the DBAG Profit Forecast, no statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for DBAG or LSEG, as appropriate, *for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for DBAG or LSEG, as appropriate.*

Dealing disclosure requirements

Under Rule 8.3(A) of the City Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (I) the offeree company and (II) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(A) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the LSEG company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(B) of the City Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (I) the offeree company and (II) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(B) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

In accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, Barclays and its affiliates will continue to act as exempt principal trader in LSEG securities on the London Stock Exchange. These purchases and *activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information will also be publicly disclosed in the United Kingdom, it will also be deemed to be publicly disclosed in the United States.*

In accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, J.P. Morgan Cazenove and its affiliates will continue to act as exempt principal trader in LSEG securities on the London Stock Exchange and engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information is publicly disclosed in the United Kingdom, this information will also be deemed to be publicly disclosed in the United States.

In accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, Goldman Sachs and its affiliates will continue to act as exempt principal trader in LSEG securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information will also be publicly disclosed in the United Kingdom, it will also be deemed to be publicly disclosed in the United States.

In accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, BofA Merrill Lynch and its affiliates will continue to act as exempt principal trader in LSEG securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information will also be publicly disclosed in the United Kingdom, it will also be deemed to be publicly disclosed in the United States.

In accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, BofA Merrill Lynch and its affiliates will continue to act as exempt principal trader in LSEG securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information will also be publicly disclosed in the United Kingdom, it will also be deemed to be publicly disclosed in the United States.

In accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, Deutsche Bank and its affiliates will continue to act as exempt principal trader in LSEG securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com.

To the extent that such information will also be publicly disclosed in the United Kingdom, it will also be deemed to be publicly disclosed in the United States.

Publication on website and hard copies

A copy of this announcement and the documents required to be published by Rule 26 of the City Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on DBAG's website at http://deutsche-boerse.com/dbg/dispatch/de/listcontent/dbg_nav/investor_relations/80_potential_merger/Content_Files/Potential_merger.htm, UK TopCo's website at www.mergerdocuments-db-lseg.com and LSEG's website at http://www.lseg.com/investor-relations/merger*. For the avoidance of doubt, the contents of those websites are not incorporated into and do not form part of this announcement.*

DBAG Shareholders and LSEG Shareholders may request a hard copy of this announcement by contacting +49 (0) 69-2 11-1 16 70 or +44 (0) 207 268 2800 (for DBAG Shareholders) or +44 (0) 371 384 2544 or +44 (0) 121 415 7047 (for LSEG Shareholders) during business hours or by submitting a request in writing to Deutsche Börse AG Investor Relations at 60485 Frankfurt / Main, Germany (for DBAG Shareholders) or Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA (for LSEG Shareholders). If you have received this announcement in electronic form, copies of this announcement and any document or information incorporated by reference into this document will not be provided unless such a request is made.

Appendix 1
LSEG Conditions and Certain Further Terms

Part A
LSEG Conditions

The LSEG Acquisition is subject to the Scheme becoming effective, subject to the City Code, by not later than 30 April 2017 and all other LSEG Conditions having been satisfied or waived by the time of the Scheme Court Hearing.

LSEG Scheme Conditions and Shareholder Approval

1. The Scheme is subject to the following conditions:

(i) by the expiration of the Acceptance Period, the Scheme having been approved at the Court Meeting by a majority in number of the Scheme Shareholders present and voting, either in person or by proxy, representing three-quarters or more in value of the Scheme Shares held by those Scheme Shareholders;

(ii) by the expiration of the Acceptance Period, all resolutions of the LSEG General Meeting in connection with or required to approve and implement the Scheme and Merger as set out in the notice of the LSEG General Meeting (including, without limitation, the Special Resolution) having been duly passed by the requisite majority at the LSEG General Meeting at the time of expiration of the Acceptance Period;

(iii) by the expiration of the Long Stop Date:

a. the Scheme having been sanctioned at the Scheme Court Hearing; and

b. an office copy of the Scheme Court Order having been delivered to the Registrar of Companies.

Other Conditions

In addition, subject as stated below and subject to the requirements of the Panel, the LSEG Acquisition is subject to the following Conditions 2 to 22 which, unless stipulated otherwise, must be satisfied by no later than the Scheme Court Hearing and accordingly a copy of the Scheme Court Order shall not be delivered to the Registrar of Companies unless such Conditions (as amended, if appropriate) have been satisfied or, where relevant, waived:

2. *DBAG Offer Acceptance Condition*

at the time of expiration of the Acceptance Period, the sum of the total number of DBAG Shares in relation to which the DBAG Offer has been accepted and withdrawal has not been validly declared and the total number of DBAG Shares that UK TopCo already holds or has acquired, equals at least 75 per cent. of the sum of the DBAG Shares existing as of the end of the Acceptance Period minus 6,276,014 DBAG Shares held by DBAG at the time of the publication of the DBAG Offer Document;

3. *Listing*

by the Scheme Court Hearing (i) the FCA having acknowledged to UK TopCo or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the UK TopCo Shares to the Official List of the FCA with a premium listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject (**"UK Listing Conditions"**)) admission will become effective as soon as a dealing notice has been issued by the FCA and any UK Listing Conditions have been satisfied; and (ii) the London Stock Exchange having acknowledged to UK TopCo or its agent (and such acknowledgement not having been withdrawn) that the UK TopCo Shares will be admitted to trading on the main market of the London Stock Exchange;

4. *EC Merger Control*

by the Scheme Court Hearing:

(i) the European Commission having approved the Merger in accordance with Article 6(1)(b), Article 6(2), Article 8(1) or Article 8(2) of the Merger Regulation, or the Merger being deemed to have been approved in accordance with the Merger Regulation; or

(ii) the European Commission having issued a decision to refer the whole or part of the Merger to the competent authorities of one or more European Union or EFTA state under Article 9(3) of the Merger Regulation; and

(a) each such authority taking a decision with equivalent effect to that referred to in Condition 4(i) with respect to those parts of the Merger referred to it; and

(b) the European Commission taking any of the decisions referred to in Condition 4(i) with respect to any part of the Merger retained by it;

5. *US Merger Control*

(i) by the Scheme Court Hearing (a) all filings having been made and (b) all or any applicable waiting periods (including any extensions thereof) under the United States Hart Scott Rodino Antitrust Improvements Act of 1976 and the regulations thereunder having expired, lapsed or been terminated as appropriate in each case in respect of the Merger, or any matters arising from the Merger; or

(ii) where either or both of (a) and (b) has not occurred, a Panel Statement relating to the circumstances described in (i) above having been published;

6. *No insolvency of DBAG or LSEG or similar proceedings / no conflicting sovereign legal acts*

During the period from the date of this announcement until the end of the Acceptance Period:

(i) *No insolvency of DBAG*

(aa) DBAG not having published an ad-hoc announcement pursuant to section 15 of the German Securities Trading Act that insolvency proceedings under German law have been opened against the assets of

DBAG or that the DBAG Board has petitioned for the opening of such proceedings or that there is a reason that would require the opening of such insolvency; or

(bb) where such announcement has been published by DBAG, a Panel Statement relating to the circumstances described in (aa) above having been published;

(ii) *No insolvency of LSEG*

(aa) LSEG not having published an announcement pursuant to the Disclosure and Transparency Rules that it has had any legal proceedings instituted against it in relation to the suspension of payments, a moratorium of indebtedness or for the appointment of any liquidator, administrator or receiver; or

(bb) where such announcement has been published by LSEG, a Panel Statement relating to the circumstances described in (aa) above having been published;

(iii) *No conflicting sovereign legal acts relating to DBAG*

(aa) DBAG not having published an ad-hoc announcement pursuant to section 15 of the German Securities Trading Act that a government authority, a legislative body or a court in the United Kingdom, Germany, France, Italy or the USA has issued a law, regulation, directive, administrative order or injunction that is still in force or continues to exist at the time when the Acceptance Period expires and that prohibits or would make illegal the completion of the DBAG Offer (each, a **"Relevant DBAG Event"**); or

(bb) where a Relevant DBAG Event has occurred, a Panel Statement relating to the circumstances described in (aa) above having been published;

(iv) *No conflicting sovereign legal acts relating to LSEG*

(aa) LSEG not having published an announcement pursuant to the Disclosure and Transparency Rules that a government authority, a legislative body or a court in the United Kingdom, Germany, France, Italy or the USA has issued a law, regulation, directive, administrative order or injunction that is still in force or continues to exist at the time when the Acceptance Period expires and that prohibits or would make illegal the completion of the LSEG Acquisition (each, a "**Relevant LSEG Event**"); or

(bb) where a Relevant LSEG Event has occurred, a Panel Statement relating to the circumstances described in (aa) above having been published;

7. *Russian Merger Control*

(i) the Russian FAS (the Federal Antimonopoly Service of the Russian Federation) has cleared the Merger or issued a decision stating that no approval is required pursuant to the Competition Law (the Russian Federal Law No. 135-FZ dated 26 July 2006 "On Protection of Competition" (as further amended)); or

(ii) where there is no such clearance or decision, a Panel Statement relating to the circumstances described in (i) above having been published;

8. *No Scheme lapse*

By the time of the expiration of the Acceptance Period, the Scheme not having lapsed as a result of the European Commission either initiating proceedings under Article 6(1)(c) of the Merger Regulation or making a referral to a competent authority of the United Kingdom under Article 9(1) of the Merger Regulation resulting in a reference to the chair of the Competition and Markets Authority for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 before the Court Meeting or the LSEG General Meeting;

9. *Financial holding company*

(i) by the Scheme Court Hearing, none of the FCA, BaFin, and ACPR has confirmed in writing that UK TopCo will become a financial holding company as defined in Article 4(1)(20) of Regulation (EU) No 575/2013 as a result of the Merger; or

(ii) in the case of any such confirmation having been provided, a Panel Statement relating to the circumstances described in (i) above having been published;

10. *Deutsche Börse German regulatory conditions*

(i) (a) BaFin (aa) not having prohibited the intended indirect acquisition of a qualifying holding in Eurex Repo GmbH, Eurex Bonds GmbH and 360 Treasury Systems AG within the period available to it pursuant to Section 2c(1a) of the German Banking Act (Kreditwesengesetz) whereby the acquisition is deemed to be approved, as well as in Eurex Clearing AG and European Commodity Clearing AG in their status as central counterparties ("**CCPs**") within the period available to it pursuant to Article 31(2) to (4) of EMIR whereby the acquisition is deemed to be approved, or (bb) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(b) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(ii) (a) the Hessian Exchange Supervisory Authority (aa) not having prohibited the intended (indirect) acquisition of a qualifying holding in Deutsche Börse AG, Börse Frankfurt Zertifikate AG and Eurex Frankfurt AG within the period available to it pursuant to Section 6(2) of the German Exchange Act (Börsengesetz) whereby the acquisition is deemed to be approved, or (bb) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(b) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(iii) (a) the ECB (aa) not having prohibited the intended indirect acquisition of a significant participation in Eurex Clearing AG, Tradegate AG Wertpapierhandelsbank, and Clearstream Banking AG within the period available to it pursuant to Section 2c(1a) of the German Banking Act (Kreditwesengesetz) and Article 4(1)(c) and 15 of Regulation (EU) No 1024/2013 whereby the acquisition is deemed to be approved, or (bb) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(b) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(iv) (a) the Saxonian Exchange Supervisory Authority (aa) not having prohibited the intended indirect acquisition of a qualifying holding in European Energy Exchange AG within the period available to it pursuant to Section 6(2) of the German Exchange Act (Börsengesetz) whereby the acquisition is deemed to be approved, or (bb) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(b) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(v) (a) the Berlin Exchange Supervisory Authority (aa) not having prohibited the intended indirect acquisition of a qualifying holding in Tradegate Exchange GmbH within the period available to it pursuant to Section 6(2) of the German Exchange Act (Börsengesetz) whereby the acquisition is deemed to be approved, or (bb) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(b) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

11. *Deutsche Börse Luxembourg regulatory conditions*

(i) (a) the Luxembourg Supervisory Authority for the Financial Sector (Commission de Surveillance du Secteur Financier - "**CSSF**") having, in accordance with Article 18 of the amended Luxembourg law of 5 April 1993 on the financial sector ("**LFS**"), not prohibited the intended indirect acquisition of Clearstream International S.A., Clearstream Services S.A. and

LuxCSD S.A. within the statutory assessment period available to it whereby the acquisition is deemed to be approved; or

(b) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(ii) (a) the ECB (aa) not having prohibited the intended indirect acquisition of a qualifying holding in Clearstream Banking S.A. within the period available to it pursuant to Article 6 of the amended Luxembourg law of 5 April 1993 on the financial sector ("**LFS**") and Articles 4(1)(c) and 15 of Regulation (EU) No 1024/2013 whereby the acquisition is deemed to be approved, or (bb) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(b) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

12. *Deutsche Börse Switzerland regulatory condition*

(i) the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**") having given notice of its approval in writing or otherwise or being treated as having given its approval under the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FMIA) dated 19 June 2015, in respect of any increase in or acquisition of control over Eurex Zürich AG, Deutsche Börse AG, Eurex Deutschland, European Energy Exchange AG, Powernext SA, Cleartrade Exchange Pte. Limited, Tradegate Exchange GmbH, Frankfurter Wertpapierbörse FWB, and Tradegate AG Wertpapierhandelsbank, which would take place as a result of the DBAG Acquisition becoming effective; or

(ii) where such approval has not been given and is not treated as having been given, a Panel Statement in relation to the circumstances set out under (i) above having been published;

13. *Deutsche Börse Singapore regulatory condition*

(i) the Monetary Authority of Singapore ("**MAS**") having given approval under Singapore law (including under the Securities and Futures Act (Chapter 289) of Singapore) in respect of the direct or indirect acquisition of shareholding and/or the control of Deutsche Börse Asia Holding Pte. Ltd., Eurex Clearing Asia Pte. Ltd. and Eurex Exchange Asia Pte. Ltd; or

(ii) where such approval has not been given, a Panel Statement in relation to the circumstances set out under (i) above having been published;

14. *Deutsche Börse France regulatory condition*

(i) the French Ministry of Economy (Ministre chargé de l'économie) (a) having given approval under article L. 421-9 of the French Monetary and Financial Code (the "**FMF Code**") in respect of the indirect change of control over Powernext SA, and (b) where the French Ministry of Economy has not given notice that its approval to the indirect investment in EPEX SPOT SE in its capacity as an operator of vital importance (opérateur d'importance vitale) is not required, the French Ministry of Economy having granted in writing its approval under articles L. 151-3 and R. 153-4, or being deemed to have been given such approval by virtue of article R. 153-8 of the FMF Code; or

(ii) where either or both of such approvals have not been granted and are not deemed to have been given, a Panel Statement in relation to the circumstances set out under (i) above having been published;

15. *Deutsche Börse United States regulatory condition*

(i) the Securities and Exchange Commission, or the Division of Trading and Markets pursuant to delegated authority, having given approval of the proposed rule change of ISE Gemini, LLC, ISE Mercury, LLC and International Securities Exchange, LLC pursuant to Section 19(b)(1) of the Exchange Act and Rule 19b-4 thereunder; or

(ii) where there is no such approval, a Panel Statement in relation to the circumstances set out under (i) above having been published;

16. *Deutsche Börse UK regulatory condition*

(i) the FCA having given notice of its approval in writing under section 189(4) of FSMA or a decision notice under section 189(7) of FSMA, or the approval is deemed to have been given by virtue of section 189(6) of FSMA, in respect of any increase in or acquisition of control (as defined in sections 181 and 182 of FSMA) over R5FX Ltd, Global Markets Exchange Group Ltd and Digital Vega FX Ltd which would take place as a result of the DBAG Acquisition becoming effective; or

(ii) where no such approval is given and is not deemed to have been given, a Panel Statement in relation to the circumstances set out under (i) above having been published;

17. *LSEG French regulatory conditions*

(i) (a) the ECB (aa) not having prohibited the intended indirect acquisition of a qualifying holding in LCH.Clearnet S.A. (Banque centrale de compensation) in its capacity as a credit institution within the period available to it pursuant to Article L. 511-12-1 of the French Monetary and Financial Code (Code monétaire et financier) as specified by the French CRBF (Comité de la règlementation bancaire et financière) Regulation no. 96-16 (as amended) and Articles 4(1)(c) and 15 of Regulation (EU) No 1024/2013 whereby the acquisition is deemed to be approved, or (bb) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(b) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(ii) (a) the ACPR (aa) not having prohibited the intended indirect acquisition of a qualifying holding in LCH.Clearnet S.A. (Banque centrale de compensation) in its capacity as a CCP within the period available to it pursuant to Article 31(2) to (4) of EMIR whereby the acquisition is deemed to be approved, or (bb) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(b) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(iii) (a) the French Ministry of Economy (Ministre chargé de l'économie) having given its approval under Articles L. 151-3, R. 153-2, R. 153-3 and R. 153-4 of the French Monetary and Financial Code (Code monétaire et financier), or been deemed to have given its approval, in respect of the indirect change in control of LCH.Clearnet S.A. (Banque centrale de compensation) in its capacity as an operator of vital importance (opérateur d'importance vitale); or

(b) where no such approval is given and is not deemed to have been given, a Panel Statement in relation to the circumstances set out under (a) above having been published;

18. *LSEG Italian regulatory conditions*

(i) (a) the Commissione Nazionale per la Societa e la Borsa having not objected, (or being deemed to have not objected whereby the changes are deemed to be approved), to the changes in voting capital in relation to Borsa Italiana SpA under Article 61(8-bis) of the Financial Law Consolidated Act (Decreto Legislativo 24 febbraio 1998, n. 58 - Testo unico delle disposizioni in materia di intermediazione finanziaria); or

(b) where there is such objection or the changes are not deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(ii) (a) the Banca d'Italia (aa) not having prohibited the intended indirect acquisition of a qualifying holding in Cassa di Compensazione e Garanzia SpA within the period available to it pursuant to Article 31(2) to (4) of EMIR whereby the acquisition is deemed to be approved, or (bb) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(b) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(iii) (a) the Banca d'Italia having not objected to the changes, (or being deemed to have not objected whereby the changes are deemed to be approved), in voting capital in relation to MTS SpA under Article 61(8-bis) of the Financial Law Consolidated Act (Decreto Legislativo 24 febbraio 1998, n. 58 - Testo unico delle disposizioni in materia di intermediazione finanziaria); or

(b) where there is such objection or such changes are not deemed to be approved, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(iv) (a) the Banca d'Italia having given notice of its approval in writing as provided under Article 15 of the Financial Law Consolidated Act (Decreto Legislativo 24 febbraio 1998, n. 58 - Testo unico delle disposizioni in materia di intermediazione finanziaria), as implemented by the Regulations of the Banca d'Italia of 4 August 2000 as amended or supplemented by the provisions of Articles 4, 10 and 10(a) of Directive 2004/39/EC and Directive 2007/44/EC, or such approval is deemed to have been given in respect of the acquisition of a qualified holding in Euro TLX SIM S.p.A; or

(b) where there is no such approval and no such approval is deemed to have been given, a Panel Statement in relation to the circumstances set out under (a) above having been published;

19. *LSEG Norwegian regulatory condition*

(i) the Financial Supervisory Authority of Norway (Finanstilsynet) having not objected to the change in control of LCH.Clearnet Ltd under the Norwegian Securities Trading Act (Lov om verdipapirhandel) section 13-1 and section 9-10 (or such objection being deemed not to have been made whereby the change in control is deemed to be approved); or

(ii) where there is such objection or the change in control is not deemed to be approved, a Panel Statement in relation to the circumstances set out under (i) above having been published;

20. *LSEG UK regulatory conditions*

(i) (a) the FCA having given notice of its approval in writing under section 301G(3)(a) of FSMA or such approval is deemed to have been given by virtue of section 301G(4) of FSMA, in respect of any increase in or acquisition of control (as defined in section 301D of FSMA) over London Stock Exchange plc which would take place as a result of the LSEG Acquisition becoming effective; or

(b) where there is no such approval (and no such approval is deemed to have been given), a Panel Statement in relation to the circumstances set out under (a) above having been published;

(ii) (a) the FCA having given notice of its approval in writing under section 189(4) of FSMA or a decision notice under section 189(7) of FSMA, or the approval is deemed to have been given by virtue of section 189(6) of FSMA, in respect of any increase in or acquisition of control (as defined in sections 181 and 182 of FSMA) over EuroMTS Ltd and Turquoise Global Holdings Ltd which would take place as a result of the LSEG Acquisition becoming effective; or

(b) where no such approval is given and is not deemed to have been given, a Panel Statement in relation to the circumstances set out under (a) above having been published;

(iii) (a) the Bank of England ("**BoE**") having given notice of its approval in writing under Article 31 of EMIR, or such approval is deemed to have been given by virtue of Article 31(6) of EMIR in respect of any increase in or acquisition of a qualifying holding (as defined in Article 31(2) of EMIR) in LCH.Clearnet Ltd which would take place as a result of the LSEG Acquisition becoming effective; or

(b) where there is no such approval and such approval is not deemed to have been given, a Panel Statement in relation to the circumstances set out under (a) having been published;

21. *LSEG US regulatory condition*

(i) the Commodity Futures Trading Commission not having responded to a notice disclosing the anticipated changes in ownership given pursuant to 17 C.F.R. § 39.19(c)(4)(viii) in respect of LCH.Clearnet LLC, LCH.Clearnet Ltd or LCH.Clearnet SA by issuing an order, notice or other communication that removes, restricts or makes material changes to that entity's authorisation; or

(ii) where such objection notice has been issued, a Panel Statement in relation to the circumstances set out under (i) having been published; and

22. *LSEG Switzerland regulatory condition*

(i) FINMA having given notice of its approval in writing or by other means according to the practice of FINMA or such approval or consent is deemed to have been given under the Financial Market Infrastructure Act (Ordonnance sur l'infrastructure des marches financiers/ Finanzmarktinfrastrukturgesetz/ Legge sull'infrastruttura finanziaria) ("**FMIA**") dated 19 June 2015, in respect of any increase in or acquisition of control over Borsa Italiana SpA; or

(ii) where no such approval or consent has been given and no such approval or consent is deemed to have been given, a Panel Statement in relation to the circumstances set out under (i) having been published.

Part B
Certain further terms of the LSEG Acquisition

1. LSEG Shares will be acquired by UK TopCo fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and other third party rights of any nature whatsoever and together with all rights attaching to them as at the date of this announcement or subsequently attaching or accruing to them, including the right to receive and retain, in full, all dividends and other distributions (if any) declared, made, paid or payable, or any other return of capital made, on or after the date of this announcement.

2. The LSEG Acquisition will be subject, inter alia, to the LSEG Conditions and certain further terms which are set out in this Part B of this Appendix 1 and those terms which will be set out in the Scheme Document and such further terms as may be required to comply with the Listing Rules and the provisions of the City Code.

3. The availability of the LSEG Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders will be contained in the Scheme Document.

4. This announcement and any rights or liabilities arising hereunder, the LSEG Acquisition, the Scheme, and any proxies will be governed by English law and be subject to the jurisdiction of the courts of England and Wales. The Scheme will be subject to the applicable requirements of the City Code, the Panel, the London Stock Exchange and the FCA.

5. The Scheme shall lapse (unless otherwise agreed with the Panel) if the European Commission either initiates proceedings under Article 6(1)(c) of the Merger Regulation or makes a referral to a competent authority of the United Kingdom under Article 9(1) of the Merger Regulation and there is then a reference to the chair of the Competition and Markets Authority for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 before the Court Meeting or the LSEG General Meeting.

6. Except in the circumstances described in paragraph 8 in this Part B of this Appendix 1, UK TopCo, and no other entity, will be the offeror for the purposes of the LSEG Acquisition and the Merger will only be capable of implementation with UK TopCo as the offeror for the purposes of both the LSEG Acquisition and the DBAG Offer

7. UK TopCo reserves the right to elect, with the consent of the Panel and LSEG and otherwise subject to and in accordance with the Co-operation Agreement, to implement the LSEG Acquisition by way of a Takeover Offer by UK TopCo for the entire issued and to be issued share capital of LSEG as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme.

8. If a third party announces a firm intention to make an offer for the issued and to be issued ordinary share capital of LSEG which is recommended by the directors of

LSEG, or the board of directors of LSEG withdraws its unanimous recommendation of the LSEG Acquisition, DBAG reserves the right to elect, with the consent of the Panel and otherwise subject to and, if then in force, in accordance with the Co-operation Agreement, to implement the LSEG Acquisition by way of a Takeover Offer by DBAG for the entire issued and to be issued share capital of LSEG as an alternative to the Scheme.

9. Subject to the requirements of the Panel, UK TopCo reserves the right to waive in whole or in part, all or any of the above LSEG Conditions 2 to 22 (inclusive).

10. Under the terms of the Merger, LSEG and DBAG have agreed that:

(a) LSEG Shareholders will be entitled to receive dividends of:

(i) 25.2 pence per LSEG Share for the six month period ended 31 December 2015, scheduled to be paid on 1 June 2016; and

(ii) 12.0 pence per LSEG Share in respect of the six month period ending 30 June 2016 in line with LSEG's existing dividend policy, scheduled to be paid in September 2016,

each dividend that is permissible under these criteria being a "**Permitted LSEG Dividend**" and together the "**Permitted LSEG Dividends**"; and

(b) DBAG Shareholders will be entitled to receive a dividend of EUR2.25 per DBAG Share for the 12 month period ended 31 December 2015, scheduled to be paid on 12 May 2016 (the "**Permitted DBAG Dividend**").

(c) For the avoidance of doubt, if Completion occurs after the announcement or declaration of any dividend permissible under these criteria, but before its payment date, the relevant shareholders will not be entitled to receive such dividend.

(d) If either party announces, declares, makes or pays any dividend or other distribution on or after the date of this announcement and prior to Completion, other than:

(i) a Permitted LSEG Dividend, or in excess of the Permitted LSEG Dividends, UK TopCo reserves the right to reduce the LSEG Exchange Ratio so as to reflect the value attributable to any such dividend or such excess; and

(ii) the Permitted DBAG Dividend, or in excess of the Permitted DBAG Dividend, LSEG shall be entitled to declare and pay an equalising dividend to LSEG Shareholders so as to reflect the value attributable to any such dividend or such excess adjusted by multiplying by the sum of 45.6 divided by 54.4 to reflect the pro rata share of the Combined Group that LSEG, DBAG and UK TopCo expect LSEG Shareholders to hold at Completion, without any consequential change to the LSEG Exchange Ratio.

(e) The UK TopCo Shares will carry the right to all dividends and other distributions declared, made or paid on or after Completion.

11. The LSEG Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction.

12. The LSEG Acquisition is governed by the law of England and Wales and is subject to the jurisdiction of the English courts and to the LSEG Conditions and further terms set out in this Appendix 1 and to be set out in the Scheme Document. The LSEG Acquisition will be subject to the applicable requirements of the City Code, the Panel, the London Stock Exchange, the FCA and the UK Listing Authority.

13. The UK TopCo Shares will be issued credited as fully paid.

14. Arrangements relating to fractional entitlements arising under the LSEG Acquisition will be set out in the Scheme Document.

15. Each of the LSEG Conditions will be regarded as a separate LSEG Condition and will not be limited by reference to any other LSEG Condition.

16. If a Panel Statement is published, UK TopCo will treat the relevant LSEG Condition(s) to the LSEG Acquisition as having been satisfied or fulfilled.

Appendix 2
DBAG Conditions

The DBAG Offer and the Scheme are interconditional. As a result the Merger will only take place if both the DBAG Offer and the Scheme are completed by UK TopCo ("**Interconditionality**"). The Interconditionality is achieved by making both the DBAG Offer and the Scheme dependent on the same conditions, or conditions that are functionally equivalent, as the case may be. In particular, the DBAG Offer is subject to the condition that the Scheme is court-approved, and the Scheme is subject to the condition that the DBAG Offer Acceptance Condition has been satisfied (for further information, see the DBAG Closing Conditions section under B.5 as well as the LSEG Scheme Conditions section under 1.).

DBAG Closing Conditions

The DBAG Offer and the agreements with the DBAG Shareholders which are concluded by accepting the DBAG Offer will only be closed if the following requirements (the "**Closing Conditions**") have been satisfied, or validly waived by UK TopCo before the failure of the respective Closing Condition up to one working day (*Werktag*) prior to the expiration of the Acceptance Period:

A. Conditions applying until the end of the Acceptance Period

1. *DBAG Offer Acceptance Condition*

At the time of expiration of the Acceptance Period, the sum of the total number of DBAG Shares in relation to which the DBAG Offer has been accepted and withdrawal has not been validly declared and the total number of DBAG Shares that UK TopCo already holds or has acquired, equals at least 75 per cent. of the sum of the DBAG Shares existing as at the end of the Acceptance Period minus 6,276,014 DBAG Shares held by DBAG at the time of the publication of the DBAG Offer Document.

2. *No insolvency of DBAG or LSEG or similar proceedings / no conflicting sovereign legal acts*

At the time of expiration of the Acceptance Period:

(i) each of the following Closing Conditions 2(i)(a) to 2(i)(d) having been satisfied:

a. *No insolvency of DBAG*

(aa) DBAG not having published an ad-hoc announcement pursuant to section 15 of the German Securities Trading Act that insolvency proceedings have been opened against the assets of DBAG or that the DBAG Board has petitioned for the opening of such proceedings or that there is a reason that would require the filing of a petition for the opening of insolvency; or

(bb) to the extent that DBAG has published such an announcement, a Panel Statement relating to the circumstances described in (aa) above having been published;

b. *No insolvency of LSEG or similar proceedings concerning LSEG*

(aa) LSEG not having published an announcement pursuant to the Disclosure and Transparency Rules that it has had any legal proceedings instituted against it in relation to the suspension of payments, a moratorium of indebtedness, or for the appointment of any liquidator, administrator or receiver; or

(bb) where such announcement has been published by LSEG, a Panel Statement relating to the circumstances described in (aa) above having been published;

c. *No conflicting sovereign legal acts relating to DBAG*

(aa) DBAG not having published an ad-hoc announcement pursuant to section 15 of the German Securities Trading Act that a government authority, a legislative body or a court in the United Kingdom, Germany, France, Italy or the USA has issued a law, regulation, directive, administrative order or injunction that is still in force or continues to exist at the time when the Acceptance Period expires and that prohibits or would make illegal the completion of the DBAG Offer (each, a **"Relevant DBAG Event"**); or

(bb) where a Relevant DBAG Event has occurred, a Panel Statement relating to the circumstances described in (aa) above having been published;

d. *No conflicting sovereign legal acts relating to LSEG*

(aa) LSEG not having published an announcement pursuant to the Disclosure and Transparency Rules that a government authority, a legislative body or a court in the United Kingdom, Germany, France, Italy or the USA has issued a law, regulation, directive, administrative order or injunction that is still in force or continues to exist at the time when the Acceptance Period expires and that prohibits or would make illegal the completion of the LSEG Acquisition (each, a "**Relevant LSEG Event**"); or

(bb) where a Relevant LSEG Event has occurred, a Panel Statement relating to the circumstances described in (aa) above having been published;

3. *LSEG Shareholder Approval*

At the time of the expiration of the Acceptance Period:

(i) the Scheme having been approved at the Court Meeting by a simple majority in number of the Scheme Shareholders present and voting, either in person or by proxy, representing three-quarters or more in value of the Scheme Shares held by those Scheme Shareholders;

(ii) all resolutions of the LSEG General Meeting in connection with or required to approve and implement the Scheme and Merger as set out in the notice of the LSEG General Meeting (including, without limitation, the Special Resolution) having been duly passed by the requisite majority at the LSEG General Meeting; and

4. *No Scheme lapse*

prior to the expiration of the Acceptance Period, the Scheme not having lapsed as a result of the European Commission either initiating proceedings under Article 6(1)(c) of the Council Regulation (EC) No 139/2004 (the "**Merger Regulation**") or making a referral to a competent authority of the United Kingdom under Article 9(1) of the Merger Regulation resulting in a reference to the chair of the UK Competition and Markets Authority for the constitution of a group under Schedule 4 to the UK Enterprise and Regulatory Reform Act 2013 before the Court Meeting or the LSEG General Meeting.

B. Conditions applying after the end of the Acceptance Period

By no later than the expiration of the Long Stop Date, each of the following Closing Conditions 5 to 8 will have been satisfied:

5. *Scheme Sanction*

(i) the Scheme having been sanctioned at the Scheme Court Hearing; and

(ii) an office copy of the Scheme Court Order having been delivered to the Registrar of Companies;

6. *Listing*

by the Scheme Court Hearing: (i) the FCA having acknowledged to UK TopCo or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the UK TopCo Shares to the Official List of the FCA with a premium listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("**UK Listing Conditions**")) admission will become effective as soon as a dealing notice has been issued by the FCA and any UK Listing Conditions have been satisfied; and (ii) the London Stock Exchange having acknowledged to UK TopCo or its agent (and such acknowledgement not having been withdrawn) that the UK TopCo Shares will be admitted to trading on the main market of the London Stock Exchange;

7. *EC Merger Control*

by the Scheme Court Hearing

(i) the European Commission having approved the Merger in accordance with Article 6(1)(b), Article 6(2), Article 8(1) or Article 8(2) of the Merger

Regulation, or the Merger being deemed to have been approved in accordance with the Merger Regulation; or

(ii) the European Commission having issued a decision to refer the whole or part of the Merger to the competent authorities of one or more European Union state or EFTA state under Article 9(3) of the Merger Regulation; and

a. each such authority taking a decision with equivalent effect to that referred to in Condition (7)(i) with respect to those parts of the Merger referred to it; and

b. the European Commission taking any of the decisions referred to in Condition (7)(i) with respect to any part of the Merger retained by it;

8. *Regulation/Non-EC Merger Control*

by the Scheme Court Hearing:

(i) each of the following Closing Conditions 8(i)(a) to 8(i)(p) is satisfied:

(a) *US Merger Control*

(aa) (AA) all filings having been made and (BB) all or any applicable waiting periods (including any extensions thereof) under the United States Hart Scott Rodino Antitrust Improvements Act of 1976 and the regulations thereunder having expired, lapsed or been terminated as appropriate in each case in respect of the Merger, or any matters arising from the Merger; or

(bb) where either or both of (AA) and (BB) has not occurred, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(b) *Russian Merger Control*

(aa) the Russian FAS (the Federal Antimonopoly Service of the Russian Federation) has cleared the Merger or issued a decision stating that no approval is required pursuant to the Competition Law (the Russian Federal Law No. 135-FZ dated 26 July 2006 “On Protection of Competition” (as further amended)); or

(bb) where there is no such clearance or decision, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(c) *Financial holding company*

(aa) neither the FCA, nor BaFin, nor the ACPR has confirmed in writing that UK TopCo will become a financial holding company as defined in Article 4(1)(20) of Regulation (EU) No 575/2013 as result of the Merger; or (bb) in the case of any such confirmation having been provided, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(d) *Deutsche Börse German regulatory conditions*

A. (aa) BaFin (AA) not having prohibited the intended indirect acquisition of a qualifying holding in Eurex Repo GmbH, Eurex Bonds GmbH and 360 Treasury Systems AG within the period available to it pursuant to Section 2c(1a) of the German Banking Act (Kreditwesengesetz) whereby the acquisition is deemed to be approved,, as well as in Eurex Clearing AG and European Commodity Clearing AG in their status as central counterparties ("**CCPs**") within the period available to it pursuant to Article 31(2) to (4) of EMIR whereby the acquisition is deemed to be approved, or (BB) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(bb) in the case of prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

B. (aa) the Hessian Exchange Supervisory Authority (AA) not having prohibited the intended (indirect) acquisition of a qualifying holding in Deutsche Börse AG, Börse Frankfurt Zertifikate AG and Eurex Frankfurt AG within the period available to it pursuant to Section 6(2) of the German Exchange Act (Börsengesetz) whereby the acquisition is deemed to be approved, or (BB) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(bb) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

C. (aa) the ECB (AA) not having prohibited the intended indirect acquisition of a significant participation in Eurex Clearing AG, Tradegate AG Wertpapierhandelsbank, and Clearstream Banking AG within the period available to it pursuant to Section 2c(1a) of the German Banking Act (Kreditwesengesetz) and Articles 4(1)(c) and 15 of Regulation (EU) No 1024/2013 whereby the acquisition is deemed to be approved, or (BB) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or (bb) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

D. (aa) the Saxonian Exchange Supervisory Authority (AA) not having prohibited the intended indirect acquisition of a qualifying holding in European Energy Exchange AG within the period available to it pursuant to Section 6(2) of the German Exchange Act (Börsengesetz) whereby the acquisition is deemed to be approved, or (BB) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(bb) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

E. (aa) the Berlin Exchange Supervisory Authority (AA) not having prohibited the intended indirect acquisition of a qualifying holding in Tradegate Exchange GmbH within the period available to it pursuant to Section 6(2) of the German Exchange Act (Börsengesetz) whereby the acquisition is deemed to be approved, or (BB) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(bb) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(e) *Deutsche Börse Luxembourg regulatory conditions*

A. (aa) the Luxembourg Supervisory Authority for the Financial Sector (Commission de Surveillance du Secteur Financier - "**CSSF**") having, in accordance with Article 18 of the amended Luxembourg law of 5 April 1993 on the financial sector ("**LFS**"), not having prohibited the intended indirect acquisition of Clearstream International S.A., Clearstream Services S.A. and LuxCSD S.A. within the statutory assessment period available to it whereby the acquisition is deemed to be approved; or

(bb) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

B. (aa) the ECB (AA) not having prohibited the intended indirect acquisition of a qualifying holding in Clearstream Banking S.A. within the period available to it pursuant to Article 6 of the amended Luxembourg law of 5 April 1993 on the financial sector ("**LFS**") and Articles 4(1)(c) and 15 of Regulation (EU) No 1024/2013 whereby the acquisition is deemed to be approved, or (BB) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(bb) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(f) *Deutsche Börse Switzerland regulatory condition*

(aa) the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**") having given notice of its approval in writing or otherwise or being treated as having given its approval under the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FMIA) dated 19 June 2015, in respect of any increase in or acquisition of control over Eurex Zürich AG, Deutsche Börse AG, Eurex Deutschland, European Energy Exchange AG, Powernext SA, Cleartrade Exchange Pte. Limited, Tradegate Exchange GmbH, Frankfurter Wertpapierbörse FWB, and Tradegate AG Wertpapierhandelsbank, which would take place as a result of the DBAG Acquisition becoming effective; or

(bb) where such approval has not been given and is not treated as having been given, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(g) *Deutsche Börse Singapore regulatory condition*

(aa) the Monetary Authority of Singapore ("**MAS**") having given approval under Singapore law (including under the Securities and Futures Act (Chapter 289) of Singapore) in respect of the direct or indirect acquisition of shareholding and/or the control of Deutsche Börse Asia Holding Pte. Ltd., Eurex Clearing Asia Pte. Ltd. and Eurex Exchange Asia Pte. Ltd; or

(bb) where such approval has not been given, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(h) *Deutsche Börse France regulatory condition* (aa) the French Ministry of Economy (Ministre chargé de l'économie) (a) having given approval under article L. 421-9 of the French Monetary and Financial Code (the "**FMF Code**") in respect of the indirect change of control over Powernext SA, and (b) where the French Ministry of Economy has not given notice that its approval to the indirect investment in EPEX SPOT SE in its capacity as an operator of vital importance (opérateur d'importance vitale) is not required, the French Ministry of Economy having granted in writing its corresponding approval under articles L. 151-3 and R. 153-4, or such approval being deemed to have been given by virtue of article R. 153-8 of the FMF Code; or

(bb) where either or both of such approvals have not been granted and are not deemed to have been given, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(i) *DBAG United States regulatory condition*

(aa) the Securities and Exchange Commission, or the Division of Trading and Markets pursuant to delegated authority, having given approval of the proposed rule change of ISE Gemini, LLC, ISE Mercury, LLC and International Securities Exchange, LLC pursuant to Section 19(b)(1) of the Exchange Act and Rule 19b-4 thereunder; or

(bb) where there is no such approval, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(j) *Deutsche Börse UK regulatory condition*

(aa) the FCA having given notice of its approval in writing under section 189(4) of FSMA or a decision notice under section 189(7) of FSMA, or the approval is deemed to have been given by virtue of section 189(6) of FSMA, in respect of any increase in or acquisition of control (as defined in sections 181 and 182 of FSMA) over R5FX Ltd, Global Markets Exchange Group Ltd and Digital Vega FX Ltd which would take place as a result of the DBAG Acquisition becoming effective; or

(bb) where no such approval is given and is not deemed to have been given, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(k) *LSEG French regulatory conditions*

A. (aa) the ECB (AA) not having prohibited the intended indirect acquisition of a qualifying holding in LCH.Clearnet S.A. (Banque centrale de compensation) in its capacity as a credit institution within the period available to it pursuant to Article L. 511-12-1 of the French Monetary and Financial Code (Code monétaire et financier) as specified by the French CRBF

(Comité de la règlementation bancaire et financière) Regulation no. 96-16 (as amended) and Articles 4(1)(c) and 15 of Regulation (EU) No 1024/2013 whereby the acquisition is deemed to be approved, or (BB) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(bb) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

B. (aa) the ACPR (AA) not having prohibited the intended indirect acquisition of a qualifying holding in LCH.Clearnet S.A. (Banque centrale de compensation) in its capacity as a CCP within the period available to it pursuant to Article 31(2) to (4) of EMIR whereby the acquisition is deemed to be approved, or (BB) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(bb) in the case of such prohibition having occurred or such acquisition not being deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

C. (aa) the French Ministry of Economy (Ministre chargé de l'économie) having given its approval under Articles L. 151-3, R. 153-2, R. 153-3 and R. 153-4 of the French Monetary and Financial Code (Code monétaire et financier), or been deemed to have given its approval, in respect of the indirect change in control of LCH.Clearnet S.A. (Banque centrale de compensation) in its capacity as an operator of vital importance (opérateur d'importance vitale); or

(bb) where no such approval is given and is not deemed to have been given, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(l) *LSEG Italian regulatory conditions*

A. (aa) the Commissione Nazionale per la Societa e la Borsa having not objected (or being deemed to have not objected whereby the changes are deemed to be approved), to the changes in voting capital in relation to Borsa Italiana SpA under Article 61(8-bis) of the Financial Law Consolidated Act (Decreto Legislativo 24 febbraio 1998, n. 58 - Testo unico delle disposizioni in materia di intermediazione finanziaria) or, (bb) where there is such objection or the changes are not deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

B. (aa) the Banca d'Italia (AA) not having prohibited the intended indirect acquisition of a qualifying holding in Cassa di Compensazione e Garanzia SpA within the period available to it pursuant to Article 31(2) to (4) of EMIR whereby the acquisition is deemed to be approved, or (BB) having issued a corresponding declaration of non-objection with regard to the specifically intended acquisition within this period; or

(bb) in the case of such prohibition having occurred or such acquisition not being deemed to be approved a Panel Statement in relation to the circumstances set out under (aa) above having been published;

C. (aa) the Banca d'Italia having not objected to the changes (or being deemed to have not objected whereby the changes are deemed to be approved) in voting capital in relation to MTS SpA under Article 61(8-bis) of the Financial Law Consolidated Act (Decreto Legislativo 24 febbraio 1998, n. 58 - Testo unico delle disposizioni in materia di intermediazione finanziaria); or

(bb) where there is such objection or such changes are not deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

D. (aa) the Banca d'Italia having given notice of its approval in writing as provided under Article 15 of the Financial Law Consolidated Act (Decreto Legislativo 24 febbraio 1998, n. 58 - Testo unico delle disposizioni in materia di intermediazione finanziaria), as implemented by the Regulations of the Banca d'Italia of 4 August 2000 as amended or supplemented by the provisions of Articles 4, 10 and 10(a) of Directive 2004/39/EC and Directive 2007/44/EC, or such approval is deemed to have been given in respect of the acquisition of a qualified holding in Euro TLX SIM S.p.A; or

(bb) where there is no such approval and no such approval is deemed to have been given, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(m) *LSEG Norwegian regulatory condition*

(aa) the Financial Supervisory Authority of Norway (Finanstilsynet) having not objected to the change in control of LCH.Clearnet Ltd under the Norwegian Securities Trading Act (Lov om verdipapirhandel) section 13-1 and section 9-10 (or such objection being deemed not to have been made whereby the change in control is deemed to be approved); or

(bb) where there is such objection or the change in control is not deemed to be approved, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

(n) *LSEG UK regulatory conditions*

A. (aa) the FCA having given notice of its approval in writing under section 301G(3)(a) of FSMA or such approval is deemed to have been given by virtue of section 301G(4) of FSMA, in respect of any increase in or acquisition of control (as defined in section 301D of FSMA) over London Stock Exchange plc which would take place as a result of the LSEG Acquisition becoming effective; or

(bb) where there is no such approval (and no such approval is deemed to have been given), a Panel Statement in relation to the circumstances set out under (aa) above having been published;

B. (aa) the FCA having given notice of its approval in writing under section 189(4) of FSMA or a decision notice under section 189(7) of FSMA, or the approval is deemed to have been given by virtue of section 189(6) of FSMA, in respect of any increase in or acquisition of control (as defined in sections 181 and 182 of FSMA) over EuroMTS Ltd and Turquoise Global Holdings Ltd which would take place as a result of the LSEG Acquisition becoming effective; or

(bb) where no such approval is given and is not deemed to have been given, a Panel Statement in relation to the circumstances set out under (aa) above having been published;

C. (aa) the Bank of England ("**BoE**") having given notice of its approval in writing under Article 31 of EMIR, or such approval is deemed to have been given by virtue of Article 31(6) of EMIR in respect of any increase in or acquisition of a qualifying holding (as defined in Article 31(2) of EMIR) in LCH.Clearnet Ltd which would take place as a result of the LSEG Acquisition becoming effective; or

(bb) where there is no such approval and such approval is not deemed to have been given, a Panel Statement in relation to the circumstances set out under (aa) having been published;

(o) *LSEG US regulatory condition*

(aa) the Commodity Futures Trading Commission not having responded to a notice disclosing the anticipated changes in ownership given pursuant to 17 C.F.R. § 39.19(c)(4)(viii) in respect of LCH.Clearnet LLC, LCH.Clearnet LTD or LCH.Clearnet SA by issuing an order, notice or other communication that removes, restricts or makes material changes to that entity's authorisation; or

(bb) where such objection notice has been issued, a Panel Statement in relation to the circumstances set out under (aa) having been published; and

(p) *LSEG Switzerland regulatory condition*

(aa) FINMA having given notice of its approval in writing or by other means or such approval or consent is deemed to have been given under the Financial Market Infrastructure Act (Ordonnance sur l'infrastructure des marches financiers/ Finanzmarktinfrastrukturgesetz/ Legge sull'infrastruttura finanziaria) ("**FMIA**") dated 19 June 2015, in respect of any increase in or acquisition of control over Borsa Italiana SpA; or

(bb) where no such approval has been given and no such approval is deemed to have been given, a Panel Statement in relation to the circumstances set out under (aa) having been published.

C. Non-fulfilment of Closing Conditions

If one of the Closing Conditions has not been satisfied and UK TopCo has not validly waived the relevant Closing Condition in accordance with Sec. 21 para. 1 sent. 1 no. 4 WpÜG up until one working day prior to expiration of the Acceptance Period, and before the non-fulfilment of said Closing Condition, the DBAG Offer will lapse.

In this case, the agreements entered into by virtue of the acceptance of the DBAG Offer will not be consummated and will cease to exist (condition subsequent). For the avoidance of doubt, it is hereby stated that if a Panel Statement is published, UK TopCo will treat the relevant Closing Condition(s) to the DBAG Offer as having been satisfied or fulfilled.

Appendix 3
Bases and Sources

(a) The value attributed to the existing issued and to be issued share capital of LSEG is based upon the 348,376,066 LSEG Shares in issue on 15 March 2016 and:

(i) As at 15 March 2016, 5,955,603 shares that have been awarded under long term incentive plans. Awards vest (and options become exercisable at no cost) under these plans subject to certain conditions;

(ii) As at 15 March 2016, 903,823 outstanding share options that have been granted by LSEG under the sharesave plans with a weighted average exercise price of GBP 13.98;

(iii) As at 15 March 2016, 299,675 outstanding share options that have been granted by LSEG under other share option plans, of which the majority are nil cost except 34,328 with a weighted average exercise price of GBP 7.81. Options become exercisable under these plans subject to certain conditions; and

(iv) As at 15 March 2016, 462,378 ordinary shares were held by LSEG's Employee Benefit Trust.

There are no LSEG Shares held in treasury by LSEG.

As at 15 March 2016 this implies 354,628,695 LSEG Shares outstanding on a fully diluted basis.

(b) LSEG Shareholders will be entitled to receive 0.4421 UK TopCo Shares in exchange for each LSEG Share and DBAG Shareholders will be entitled to receive one UK TopCo Share in exchange for each DBAG share.

The value attributed to the existing issued and to be issued ordinary share capital of DBAG is based upon the 193,000,000 DBAG Shares in issue on 15 March 2016 (except for 6,276,014 DBAG Shares held as treasury shares on such date), and nil DBAG Shares which are subject of options granted under the DBAG Share Schemes.

As at 15 March 2016 this implies 186,723,986 DBAG Shares outstanding on a fully diluted basis.

The value attributed to the existing issued and to be issued ordinary share capital of LSEG is set out in paragraph (a) above.

Assuming 100 per cent. acceptance of the DBAG Offer, LSEG Shareholders will be entitled to receive in aggregate 156,781,346 UK TopCo Shares and DBAG Shareholders will be entitled to receive in aggregate 186,723,986 UK TopCo shares, implying UK TopCo ownership of 45.6 per cent. by LSEG shareholders and 54.4 per cent. by DBAG shareholders. For the purposes of the calculation of proportionate shareholding contained in this announcement, no account has been taken of the treatment of fractions under the LSEG Acquisition.

The implied ownership assumes no change in treasury shares for either DBAG or LSEG.

(c) For the purposes of calculating the aggregated historical financial data to show the position for the Combined Group, no adjustments have been made to take account of any differences in accounting policies between LSEG and DBAG.

(d) The Combined Group adjusted operating cost base of EUR2.2 billion comprises:

(i) LSEG operating expenses of GBP708.4 million (excluding discontinued operations) as disclosed in LSEG's preliminary results announcement for the year ended 31 December 2015;

(ii) DBAG operating costs of EUR1,248.8 million (adjusted for non-recurring effects) as disclosed in DBAG's annual report for the year ended 31 December 2015; and

(iii) the average 2015 EUR / GBP exchange rate of 0.7264 has been used to translate the numbers.

(e) The total shareholder returns of 27 per cent. and 37 per cent. generated by LSEG and DBAG respectively in the two years to 22 February 2016 are sourced from Thomson Reuters Datastream.

(f) In 2015, the Combined Group traded 2.3 billion derivative contracts, comprising 2,272,446,122 derivative contracts traded by Eurex Group in 2015 and 48,879,243 derivative contracts traded by LSEG in 2015. The numbers have been sourced from the Futures Industry Association.

(g) In 2015, the Combined Group traded EUR5.2 trillion equities, comprising EUR1,702,234 million equities traded by LSEG in 2015 (as disclosed in the LSEG December 2015 monthly market report), EUR1,505,752 million traded by Xetra in 2015 (as disclosed in the DBAG December 2015 monthly turnover statistics), EUR1,093,831 million traded by Turquoise in 2015 (as disclosed in the LSEG December 2015 monthly market report) and EUR943,540 million traded by Borsa Italiana in 2015 (as disclosed in the LSEG December 2015 monthly market report).

(h) Combined Group FY 2015 total income of EUR4.7 billion / GBP3.5 billion comprises:

(i) FY 2015 total income for LSEG of GBP1,418.6 million (excluding discontinued operations) as disclosed in LSEG's preliminary results announcement for the year ended 31 December 2015;

(ii) FY 2015 total revenue for DBAG of EUR2,797.0 million (adjusted for non-recurring effects) as disclosed in DBAG's annual report for the year ended 31 December 2015; and

(iii) the average 2015 EUR / GBP exchange rate of 0.7264 has been used to translate the numbers.

(i) Combined Group FY 2015 EBITDA of EUR2.2 billion / GBP1.6 billion comprises:

(i) LSEG FY 2015 EBITDA of GBP643.6 million, calculated as adjusted operating profit (excluding discontinued operations) of GBP584.7 million plus depreciation of GBP58.9 million, as disclosed in LSEG's preliminary results announcement for the year ended 31 December 2015;

(ii) DBAG FY 2015 adjusted EBITDA of EUR1,264.8 million, as disclosed in DBAG's annual report for the year ended 31 December 2015; and

(iii) the average 2015 EUR / GBP exchange rate of 0.7264 has been used to translate the numbers.

(j) Based on FY 2015 total income, the Combined Group would be the largest exchange group by total income with its closest peers being Intercontinental Exchange, Inc which generated total income of USD4,682 million in FY 2015 (as disclosed in the Intercontinental Exchange, Inc quarterly results presentation for Q4 2015), CME Group Inc. which generated total income of USD3,327 million in FY 2015 (as disclosed in the CME Group Inc. Q4 2015 announcement) and Nasdaq, Inc which generated total income of USD3,403 million in FY 2015 (as disclosed in the Nasdaq, Inc Form 10-K for FY 2015).

(k) The Combined Group's split of FY 2015 revenue by product is calculated as follows:

(i) Cash markets:

(A) For LSEG, capital markets FY 2015 total revenue of GBP330.3 million; and

(B) For DBAG, FY 2015 sales revenue from Xetra (excluding clearing fees of EUR 41.3 million) of EUR169.8 million.

(ii) Derivatives trading and clearing:

(A) For LSEG, FY 2015 total revenue from LCH.Clearnet of GBP302.1 million and from CC&G of GBP38.0 million; and

(B) For DBAG, FY 2015 sales revenue from Eurex of EUR1,208.7 million and Xetra clearing fees of EUR41.3 million.

(iii) Settlement, custody and collateral management:

(A) For LSEG, Monte Titoli FY2015 total revenue of GBP51.8 million; and

(B) For DBAG, FY 2015 sales revenue from Clearstream of EUR901.1 million.

(iv) Information services and technology:

(A) For LSEG, information services FY 2015 total revenue of GBP517.4 million, technology services FY 2015 total revenue of GBP80.6 million and other FY 2015 total revenue of GBP4.5 million; and

(B) For DBAG, FY 2015 sales revenue from market data and services of EUR447.9 million.

(v) The LSEG numbers above are disclosed in LSEG's preliminary results announcement for the year ended 31 December 2015.

(vi) The DBAG numbers above are disclosed in DBAG's annual report for the year ended 31 December 2015.

(l) The split of transactional versus non-transactional FY 2015 revenue for the Combined Group is calculated as follows:

(i) Transactional revenues:

(A) For LSEG, includes revenue from equity (capital markets division excluding primary markets and secondary markets other), LCH.Clearnet and CC&G; and

(B) For DBAG includes all sales revenue from Eurex (excluding repurchase agreements and other assets), all sales revenue from Xetra (excluding other assets), and transaction fee revenue from Clearstream.

(ii) Non-transaction revenues:

(A) For LSEG, all other revenue not listed in (i) (A) above; and

(B) For DBAG, all other revenue not listed in (i) (B) above.

(iii) The LSEG numbers are disclosed in the LSEG preliminary results announcement for the year ended 31 December 2015.

(iv) The DBAG numbers are disclosed in DBAG's annual report for the year ended 31 December 2015.

(m) LSEG's leverage as at 31 December 2015 was 1.7x is based on operating net debt of GBP1,272.7 million (excluding cash set aside to support regulatory and operational requirements) as disclosed in the LSEG preliminary results announcement for the year ended 31 December 2015 and adjusted EBITDA of GBP643.6 million as set out in paragraph (i) (i) above.

(n) DBAG's leverage as at 31 December 2015 was 1.9x based on gross debt of EUR2,341.5 million as disclosed in the DBAG annual report for the year ended 31 December 2015 and EBITDA of EUR1,264.8 million as set out in paragraph (i) (ii) above.

(o) The Combined Group leverage as at 31 December 2015 would have been ~1.7x based on the sum of the above calculations, with LSEG's operating net debt translated into Euros based on the spot EUR / GBP exchange rate as at 31 December 2015 of 0.7801 and LSEG's adjusted EBITDA for FY 2015 translated into Euros based on the average 2015 EUR / GBP exchange rate of 0.7264.

(p) LSEG had gross assets of GBP463.3 billion as at 31 December 2015, as disclosed in the LSEG preliminary results announcement for the year ended 31 December 2015.

(q) DBAG had gross assets of EUR180.1 billion as at 31 December 2015, as disclosed in the DBAG annual report for the year ended 31 December 2015.

(r) As at 31 December 2015, the Combined Group would have had over 3,200 companies on its markets, as disclosed by the World Federation of Exchanges. The companies have a market cap of EUR7.1 trillion / GBP5.6 trillion as at the end of December 2015, comprising GBP3.9 trillion market capitalisation of companies listed on the London Stock Exchange (as disclosed on the London Stock Exchange website), EUR0.6 trillion market cap of companies listed on Borsa Italiana (as disclosed on the Borsa Italiana website) and EUR1.6 trillion market cap of companies listed on Deutsche Börse exchanges (as disclosed by the Federation of European Securities Exchanges).

(s) The Combined Group has margin pools of approximately EUR 150 billion, comprising LCH.Clearnet which had margin pool of EUR77.5 billion through LCH.Clearnet Ltd and EUR23.2 billion through LCH.Clearnet SA as at September 2015, and Eurex Clearing which had margin pool of EUR47.0 billion as at September 2015, as disclosed in derived by Eurex Clearing using source data published by each of LCH.Clearnet and Eurex Clearing as of 30 September 2015.

(t) LCH.Clearnet had a notional amount outstanding of USD251 trillion in over-the-counter derivatives as at 31 December 2015 and compressed amount of USD328 trillion during the year ended 31 December 2015 as disclosed in the LSEG's preliminary results announcement for the year ended 31 December 2015.

(u) In 2014, Clearstream and Monte Titoli would have settled 49 per cent. of all T2S transactions, with 35 per cent. in Germany and 14 per cent. in Italy. This information has been sourced and calculated from the European Central Securities Depositaries Association.

(v) The Combined Group has over EUR16 trillion of AUC. This comprises:

(i) EUR13.3 trillion of AUC held by Clearstream as at 31 December 2015, as disclosed in Clearstream's FY 2015 figures; and

(ii) EUR3.3 trillion of AUC held by Monte Titoli as at 31 December 2015, as disclosed in LSEG's preliminary results presentation for the year ended 31 December 2015.

(w) The Combined Group's information services FY 2015 revenue of EUR1.0 billion comprises:

(i) LSEG total information services revenue for FY 2015 of GBP517.4 million as disclosed in LSEG's preliminary results announcement for the year ended 31 December 2015;

(ii) The sum of DBAG's information sales revenue of EUR181.2 million and DBAG's index sales revenue of EUR114.0 million, both for the year ended 31 December 2015 and as disclosed in DBAG's annual report for the year ended 31 December 2015; and

(iii) The average 2015 EUR / GBP exchange rate of 0.7264 has been used to translate the numbers.

(x) The information services FY 2015 revenue split between indexes, information and other and is calculated as follows:

(i) Index revenue comprises:

(A) For LSEG, revenue relating to FTSE Russell Indexes of GBP348.9 million; and

(B) For DBAG, sales revenue relating to its index business of EUR114.0 million.

(ii) Information revenue comprises:

(A) For LSEG, revenue relating to Real-Time Data of GBP82.2 million; and

(B) For DBAG, sales revenue relating to its information business of EUR181.2 million.

(iii) Other revenue comprises LSEG revenue relating to its other information services of GBP86.3 million.

(iv) All of the LSEG numbers above are disclosed in LSEG's preliminary results announcement for the year ended 31 December 2015. DBAG numbers above are disclosed in DBAG's annual report for the year ended 31 December 2015.

(v) The average 2015 EUR / GBP exchange rate of 0.7264 has been used to translate the numbers.

(y) Over EUR450 billion of ETF AUM tracking the Combined Group's indexes comprises USD385 billion tracking Russell and FTSE indexes and USD 121 billion tracking STOXX indexes, a total AUM of USD506 billion which equates to over EUR450 million when converted at the spot EUR / USD exchange rate as at 31 December 2015 of 1.086. The ETF AUM numbers have been sourced from www.etfgi.com.

(z) Europe ETF AUM growth rate of 24 per cent. per annum since 2005, calculated based on the compounded annual growth rate between 2005 (AUM: USD56 billion) and 2015 (AUM: USD511 billion) based on the AUM figures disclosed in the BlackRock Global ETP Landscape report, January 2016.

(aa) The shift to passive investment (a structural growth trend in the asset management industry) is based on the forecast passive AUM growth from USD 7 trillion in 2012 to USD 23 trillion in 2020, as stated in the PwC Asset Management 2020 report.

(bb) The Combined Group's FY 2015 revenue split by geography is based on:

(i) LSEG's revenue split by geography as disclosed in LSEG's preliminary results presentation for the year ended 31 December 2015; and

(ii) DBAG's split of sales revenue as disclosed in the DBAG annual report for the year ended 31 December 2015.

(cc) Unless otherwise stated, the financial information on DBAG is extracted (without material adjustment) from DBAG's annual report for the year ended 31 December 2015 and from DBAG's internal records.

(dd) Unless otherwise stated, the financial information on LSEG is extracted (without material adjustment) from LSEG's preliminary results for the year ended 31 December 2015 and from LSEG's internal records.

Appendix 4
Details of Irrevocable Undertakings

The following holders of LSEG Shares have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the LSEG General Meeting in relation to the following LSEG Shares:

Name	**Number of LSEG Shares**	**Percentage of existing issued ordinary share capital of LSEG**
Donald Brydon	5,000	0.0014
Paul Heiden	3,818	0.0011
Raffaele Jerusalmi	52,130	0.0150
Xavier Rolet	519,069	0.1490
David Warren	24,342	0.0070

The following holders of DBAG Shares have given irrevocable undertakings accept the offer in relation to the following DBAG Shares:

Name	**Number of DBAG Shares**	**Percentage of existing registered share capital of DBAG (excluding shares held in treasury)**
Carsten Kengeter	60,000	0.03213
Andreas Preuß	60	0.00003

Appendix 5
Deloitte Report on Quantified Financial Benefits Statement

The Board of Directors
On behalf of HLDCO123 PLC
c/o Hackwood Secretaries Limited
One Silk Street
London
EC2Y 8HQ
United Kingdom

The Board of Directors
on behalf of Deutsche Boerse AG
The Cube
Mergenthalerallee 61
65760 Eschborn
Germany

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
EC2N 2DB

Perella Weinberg Partners UK LLP
18 – 20 Grafton Street
London W1S 4DZ

The Board of Directors
on behalf of London Stock Exchange Group plc
10 Paternoster Square
London EC4M 7LS

Robey Warshaw LLP
31 St. James's Place
London SW1A 1NR

Barclays Bank PLC, acting through its Investment Bank
5 The North Colonnade
Canary Wharf
London E14 4BB

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB

J.P Morgan Limited
25 Bank Street
Canary Wharf
London E14 5JP

16 March 2016

Dear Sirs

Recommended all-share merger of equals of Deutsche Börse AG and London Stock Exchange Group plc via a new UK holding company (HLDCO123 plc, the "UK TopCo")

We report on the joint statement made by the directors of Deutsche Börse AG, London Stock Exchange Group plc and UK TopCo (the "Directors") of synergy benefits set out in Part A of Appendix 6 to the announcement (the "Announcement") jointly issued by Deutsche Börse AG, London Stock Exchange Group plc and UK TopCo (the "Quantified Financial Benefits Statement" or the "Statement"). The Statement has been made in the context of the disclosures within Part A setting out, inter alia, the basis of the Directors' belief (identifying the principal assumptions and sources of information) supporting the Statement and their analysis, explanation and quantification of the constituent elements.

Responsibilities

It is the responsibility of the Directors to prepare the Statement in accordance with Rule 28 of the Takeover Code.

It is our responsibility to form our opinion, as required by Rule 28.1(a) of the Takeover Code, as to whether: the Statement has been properly compiled on the basis stated and to report that opinion to you.

This report is given solely for the purposes of complying with Rule 28.1(a)(i) of the Takeover Code and for no other purpose. Therefore, to the fullest extent permitted by law we do not assume any other responsibility to any person for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Rule 23.3 of the Takeover Code, consenting to its inclusion in the Announcement.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom.

Our work included considering whether the Statement has been accurately computed based upon the disclosed bases of belief (including the principal assumptions). Whilst the bases of belief (and the principal assumptions) upon which the Statement is based are solely the responsibility of the Directors, we considered whether anything came to our attention to indicate that any of the bases of belief (or principal assumptions) adopted by the Directors which, in our opinion, are necessary for a proper understanding of the Statement have not been disclosed or if any basis of belief (or principal assumption) made by the Directors appears to us to be unrealistic. Our work did not involve any independent examination of any of the financial or other information underlying the Statement.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Statement has been properly compiled on the basis stated.

Since the Statement (and the principal assumptions on which it is based) relates to the future, the actual financial benefits achieved are likely to be different from those anticipated in the Statement and the differences may be material. Accordingly, we can express no opinion as to the achievability of the financial benefits identified by the Directors in the Statement.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. We have not consented to the inclusion of this report and our opinion in any registration statement filed with the SEC under the US Securities Act of 1933 (either directly or by incorporation by reference) or in any offering document enabling an offering of securities in the United States (whether under Rule 144A or otherwise). We therefore accept no responsibility to, and deny any liability to, any person using this report and opinion in connection with any offering of securities inside the United States of America or who makes a claim on the basis they had acted in reliance on the protections afforded by United States of America law and regulation.

Opinion

In our opinion, based on the foregoing, the Statement has been properly compiled on the basis stated.

Yours faithfully

Deloitte LLP
Chartered Accountants

Appendix 6
Quantified Financial Benefits Reports

Part A

Paragraph 2 of this announcement (Background to and reasons for the Merger) contains statements of estimated cost savings and synergies arising from the Merger (together, the "Quantified Financial Benefits Statement").

A copy of the Quantified Financial Benefits Statement is set out below:

> ***"Delivering significant value creation through cost synergies of EUR450 million per annum, achieved in year three post Completion, and significant opportunity for revenue synergies.***
>
> The Combined Group will drive significant value creation unlocked through fundamental operating principles of customer-centricity, maximising efficiencies, simplification and harmonisation. It is expected that the Merger will be accretive to adjusted cash earnings for both sets of shareholders in the first year post Completion.
>
> Both companies have a strong track record of driving shareholder value from complex transaction integrations and delivering announced synergies on schedule whilst successfully driving core business growth and retaining talent.
>
> The Boards, having reviewed and analysed the potential benefits of the Merger, based on their experience of operating in the sector, believe that the Combined Group would be able to achieve incremental recurring pre-tax cost synergies of approximately EUR450 million per annum in year three post Completion.
>
> These synergies are expected to arise as a direct result of the Merger and could not be achieved independently of the Merger.
>
> These cost synergies are split between and would be realised principally from:
>
> (a) Technology enabled efficiencies, accounting for approximately 50 per cent. of the identified cost synergies:
>
> - Harmonisation of trading and post trade platforms based on best of breed technology in the Combined Group
> - Reduction of project spending in optimised IT infrastructure
> - Removing duplication of central IT functions
>
> (b) Corporate centre, accounting for approximately 30 per cent. of the identified cost synergies:
>
> - Removing duplication and streamlining of governance
> - Harmonisation of support, service functions and corporate systems
> - Reduction of professional fees

(c) Business segment optimisation, accounting for approximately 20 per cent. of the identified cost synergies:

- Optimisation of customer-facing organisations
- Scale efficiencies within each common asset class
- Integration of Index businesses

The parties expect that the impact of synergy realisation would be distributed in a balanced manner across the two companies.

The total cost synergies of EUR450 million per annum are equivalent to approximately 20 per cent. of the Combined Group's 2015 adjusted operating costs of approximately EUR2.2 billion.

It is expected that synergy and saving realisation will take place progressively, whereby approximately 50 per cent. of the total cost synergies would be phased in in year one following Completion, rising to 75 per cent. effective in year two and 100 per cent. in year three following Completion.

It is expected that realisation of these synergies and savings would result in non-recurring costs of approximately EUR600 million. The phasing will be assessed further and refined as part of the detailed integration planning in due course.

Based on the analysis done to date and the facts known at the time of this announcement, the Boards do not expect material dis-synergies to arise as a direct result of the Merger.

The Boards also believe there would be significant opportunity for revenue synergies. The Boards believe that significant further value can be created driven by the ability of the Combined Group to offer both existing and new innovative products through an expanded global distribution network to both new and existing customers across the buy and sell-side. The Boards believe that the combination will accelerate revenue growth across multiple areas, including:

- Building on the commercial expertise, IP and distribution networks of the Combined Group's information services and index business to cross-sell products and expand across reference data and regulatory reporting;
- Harnessing the benefits of Combined Group's multiple CCP operations to further develop trading and clearing products in the FICC complex (including customer benefits arising from portfolio margining services);
- Enhanced offerings in equity and debt capital formation for listed and pre-IPO companies and trading participants (including development of a liquidity bridge for cross market access); and
- Enhancing growth in custody, settlement and collateral management services across a broader customer base.

Further, there are longer term opportunities to accelerate growth in Asia and the United States."

Further information on the bases of belief supporting the Quantified Financial Benefits Statement, including the principal assumptions and sources of information, is set out below.

Bases of belief for the Quantified Financial Benefits Statement

Following initial discussions regarding the Merger, synergy development teams were established at LSEG and DBAG to evaluate and assess the potential synergies available from the Merger.

The teams, which comprise senior strategy and financial personnel at LSEG and DBAG, have worked separately to identify and quantify potential synergies as well as estimate any associated costs. The teams have engaged with the relevant functional heads and other personnel at LSEG and DBAG to provide input into the development process and to agree on the nature and quantum of the identified synergy initiatives.

In preparing the Quantified Financial Benefits Statement, both LSEG and DBAG have shared certain operating and financial information to facilitate a detailed analysis in support of evaluating the potential synergies available from the Merger. In circumstances where data has been limited for commercial or other reasons, the teams have made estimates and assumptions to aid the development of individual synergy initiatives.

The cost base used for the quantified exercise is the combination of the LSEG cost base contained in the LSEG Preliminary Results for the year ended 31 December 2015 and that in the DBAG Preliminary Results 2015.

In arriving at the estimate of synergies set out in this announcement, the Boards made the following operational assumptions:

- the Combined Group will converge to best of breed systems and technologies guided by a ‘one process, one system’ principle;
- policies and procedures will be harmonised according to best practices at LSEG and DBAG; and
- the relative quantum and nature of one-off implementation costs will be similar to those costs incurred in past experience within LSEG and DBAG.

The Boards have also assumed that UK TopCo will own 100 per cent. of the ordinary share capitals of LSEG and DBAG.

The Boards have, in addition, made the following assumptions, all of which are outside the influence of the Boards:

- there will be no material impact on the underlying operations of either company or their ability to continue to conduct their businesses;
- there will be no material change to macroeconomic, political, regulatory or legal conditions in the markets or regions in which LSEG and DBAG operate that materially impact on the implementation or costs to achieve the proposed cost savings;
- there will be no material change in current foreign exchange rates; and

- there will be no change in tax legislation or tax rates or other legislation or regulation in the countries in which LSEG and DBAG operate that could materially impact the ability to achieve any benefits.

The Boards believe that the expected synergies will arise as a direct result of the Merger and could not be achieved independently of the Merger.

The assessment and quantification of the potential synergies have in turn been informed by both LSEG and DBAG management's combined industry experience as well as their experience of executing and integrating past acquisitions.

Reports

As required by Rule 28.1(a) of the City Code, Deloitte, as reporting accountants to UK TopCo, LSEG and DBAG, and Robey Warshaw, Barclays, Goldman Sachs and J.P Morgan Cazenove, financial advisers to LSEG, as well as Perella Weinberg Partners and Deutsche Bank, financial advisers to DBAG, have provided the opinions required under that Rule. Deloitte and each financial adviser have given and have not withdrawn their consent to the publication of its report in the form and context in which it is included.

Notes

1. The statements of estimated synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the synergies referred to may not be achieved, or may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated.

2. Due to the scale of the Combined Group, there may be additional changes to the Combined Group's operations. As a result, and given the fact that the changes relate to the future, the resulting synergies may be materially greater or less than those estimated.

3. No statement should be construed as a profit forecast or interpreted to mean that the Combined Group's earnings in the first full year following implementation of the Merger, or in any subsequent period, would necessarily match or be greater than or be less than those of LSEG and / or DBAG for the relevant preceding financial period or any other period.

Part B

Report from Robey Warshaw LLP, Barclays Bank PLC, acting through its Investment Bank, Goldman Sachs International, and J.P. Morgan Limited

The Directors
London Stock Exchange Group plc
10 Paternoster Square
London
EC4M 7LS

16 March 2016

Dear Ladies and Gentlemen,

Recommended all-share merger of equals between London Stock Exchange Group plc ("LSEG") and Deutsche Börse AG ("DBAG") via a new UK holding company (the "UK TopCo")

We refer to the Quantified Financial Benefits Statement, the bases of belief thereof and the notes thereto (together, the "Statement") as set out in Part A of Appendix 6 of the Rule 2.7 announcement dated 16 March 2016 (the "announcement"), for which the Boards of Directors of LSEG, DBAG and UK TopCo (the "Directors") are solely responsible under Rule 28.1(a)(ii) of the City Code on Takeovers and Mergers (the "Code").

We have discussed the Statement (including the assumptions, accounting policies, bases of calculation and sources of information referred to therein), with the Directors and those officers and employees of LSEG and DBAG who have developed the underlying assessment as well as with Deloitte LLP. The Statement is subject to uncertainty as described in the announcement and our work did not involve an independent examination of any of the financial or other information underlying the Statement.

We have relied upon the accuracy and completeness of all the financial and other information provided to us by or on behalf of LSEG and / or DBAG, or otherwise discussed with or reviewed by us, and we have assumed such accuracy and completeness for the purposes of providing this letter.

We do not express any view as to the achievability of the quantified financial benefits identified by the Directors.

We have also reviewed the work carried out by Deloitte LLP and have discussed with it its opinion addressed to you and us on this matter and which is set out in the announcement, and the accounting policies and bases of calculation for the Statement.

On the basis of the foregoing, we consider that the Statement, for which the Directors are solely responsible, for the purposes of the Code, has been prepared with due care and consideration.

This letter is provided to you solely in connection with Rule 28.1(a)(ii) of the Code and for no other purpose. We accept no responsibility to LSEG, DBAG or their shareholders or any person other than the Directors of LSEG in respect of the contents of this letter. We are acting exclusively as financial advisers to LSEG and no one else in connection with the merger between LSEG and DBAG and it was for the purpose of complying with Rule 28.1(a)(ii) of the Code that LSEG requested Robey Warshaw LLP, Barclays Bank PLC, acting through its Investment Bank, Goldman Sachs International and J.P. Morgan Limited to prepare this report on the Statement. No person other than the Directors of LSEG can rely on the contents of, or the work undertaken in connection with, this letter, and to the fullest extent permitted by law, we expressly exclude and disclaim all liability (whether in contract, tort or otherwise) to any other person, in respect of this letter, its contents or the work undertaken in connection with this letter or any of the results that can be derived from this letter or any written or oral information provided in connection with this letter.

Yours faithfully,

Robey Warshaw LLP, Barclays Bank PLC, acting through its Investment Bank, Goldman Sachs International, and J.P. Morgan Limited

Part C
Report from Perella Weinberg Partners and Deutsche Bank

The Supervisory Board
Deutsche Boerse AG
The Cube
Mergenthalerallee 61
65760 Eschborn
Germany

The Directors
HLDCO123 plc
One Silk Street
London
EC2Y 8HQ

16 March 2016

Dear Ladies and Gentlemen,

Recommended all-share merger of Deutsche Börse AG ("DBAG") and London Stock Exchange Group plc ("LSEG") via HLDCO123 plc, a new UK holding company (the "UK TopCo")

We refer to the Quantified Financial Benefits Statement, the bases of belief thereof and the notes thereto (together, the "Statement") as set out in Part A of Appendix 6 of the Rule 2.7 announcement dated 16 March 2016 (the "**Announcement**"), for which the directors of DBAG, LSEG and UK TopCo (the "Directors") are solely responsible under Rule 28.1(a)(ii) of the City Code on Takeovers and Mergers (the "**City Code**").

We have discussed the Statement (including the assumptions, accounting policies, bases of calculation and sources of information referred to therein), with the Directors and those officers and employees of DBAG and / or LSEG who have developed the underlying assessment as well as with Deloitte LLP. The Statement is subject to uncertainty as described in the Announcement and our work did not involve an independent examination of any of the financial or other information underlying the Statement.

We have relied upon the accuracy and completeness of all the financial and other information provided to us by DBAG and / or LSEG, or otherwise discussed with us, and we have assumed such accuracy and completeness for the purposes of providing this letter.

We do not express any opinion as to the achievability of the quantified financial benefits identified by the Directors.

We have also reviewed the work carried out by Deloitte LLP and have discussed with them the opinion set out in the Announcement addressed to you and us on this matter.

This letter is provided to you solely in connection with Rule 28.1(a) (ii) of the City Code and for no other purpose. We accept no responsibility to DBAG, LSEG or their shareholders or any person other than the Directors of each of DBAG and UK TopCo in respect of the contents of this letter. We are acting exclusively as financial advisers to DBAG and, in the case of Deutsche Bank AG, UK TopCo and no one else in connection with the merger between DBAG and LSEG and it was for the purpose of complying with Rule 28.1(a)(ii) of the City Code that Perella Weinberg Partners UK LLP and Deutsche Bank AG were requested to prepare this report on the Statement. No person other than the Directors of each of DBAG and UK TopCo can rely on the contents of this letter and to the fullest extent permitted by law, we exclude all liability (whether in contract, tort or otherwise) to any other person, in respect of this letter, its contents or the work undertaken in connection with this letter or any of the results that can be derived from this letter or any written or oral information provided in connection with this letter, and any such liability is expressly disclaimed, except to the extent that such liability cannot be excluded by law.

On the basis of the foregoing, we consider that the Statement, for which the Directors are solely responsible, has been prepared with due care and consideration.

Yours faithfully,

Perella Weinberg Partners UK LLP

Deutsche Bank AG, London Branch

Appendix 7
Deutsche Börse Profit Forecast

On 17 February 2016, DBAG released its preliminary results announcement for the fourth quarter and full year ended 31 December 2015. On 18 February 2016, DBAG presented its preliminary results for the fourth quarter and full year ended 31 December 2015 in an annual press briefing and an analyst and investor conference call.

Included in the preliminary results announcement, annual press briefing and analyst and investor conference call was the following guidance for the financial years ending 31 December 2016 and 31 December 2018, which for the purposes of Rule 28.1(c) of the City Code constitute an ordinary course profit forecast pursuant to Note 2(a) on Rule 28.1 of the City Code:

2016 Guidance.

- 5%-10% net revenue growth.
- 0%-5% operating costs growth, excluding around EUR75m of exceptional items (e.g. restructuring, litigation, M&A integration).
- 5%-10% net income growth.

Mid-term guidance until 2018.

- 5%-10% net revenue growth per annum (EUR2,800m-EUR3,200m by 2018).
- 10%-15% EBIT growth per annum (EUR1,550m-EUR1,750m by 2018).
- 10%-15% net income growth per annum (EUR1,025m-EUR1,175m by 2018).

EUR2,800m-EUR3,200m indicative net revenue estimated for 2018.

- Over EUR285m of structural net revenue opportunities from Eurex.
- Over EUR120m of structural net revenue opportunities from Clearstream.
- Over EUR60m of structural net revenue opportunities from Market Data and Services.
- EUR50m-EUR200m of cyclical net revenue opportunities from Eurex.
- EUR50m-EUR200m of cyclical net revenue opportunities from Clearstream.

Total targeted cost savings: EUR50m in 2016, EUR80m in 2017, EUR100m in 2018.

- Structural personnel measures: EUR15m in 2016, EUR30m in both 2017 and 2018.
- Structural non-personnel measures: EUR20m in 2016, EUR20m in both 2017 and 2018.
- Continuous improvement process: EUR5m in 2016, EUR20m in 2017, EUR40m in 2018.
- Old efficiency measures: EUR10m in 2016, EUR10m in both 2017 and 2018.

The Chairman and the members of the management board of DBAG hereby confirm that the DBAG Profit Forecast remains valid and has been properly compiled on the basis of the assumptions stated below and that the basis of accounting used is consistent with the company's accounting policies.

Basis of preparation

The DBAG Profit Forecast is based on the preliminary results for the fourth quarter and full year ended 31 December 2015, management account forecasts of the results for the financial year ending 31 December 2016 and medium-term management forecasts for the period ending 31 December 2018. The profit forecast is required to be presented on a basis consistent with the accounting policies of DBAG.

Assumptions

The Profit Forecast is based on the following assumptions for the period to which they relate:

Factors outside the influence or control of the DBAG directors:

- There will be continued recovery of the eurozone and world economies.
- There will be no material changes to the conditions of the markets in which DBAG operates.
- The main exchange rates and inflation and tax rates in DBAG's principal markets will remain materially unchanged from the prevailing rates.
- There will be no material adverse events that will have a significant impact on DBAG's financial performance.
- There will be no material changes in legislation or regulatory requirements impacting on DBAG's operations or its accounting policies.
- There will be no material changes to DBAG's obligations to customers.
- There will be no material change to the competitive environment leading to an adverse impact on consumer preferences or the capacity of the business to penetrate new markets.

Factors within the influence and control of the DBAG Directors:

- There will be no material impact on DBAG's ability to negotiate new business.
- There will be no material change to DBAG's customer base or the ability or willingness of the customer base to meet its obligations to DBAG from that currently anticipated by the Directors.

Appendix 8
Definitions

The following definitions apply throughout this announcement unless the context requires otherwise.

"£", "GBP", "Sterling", "pence" or "p"	the lawful currency of the UK
"Acceptance Period"	the period for acceptance of the DBAG Offer by the DBAG Shareholders pursuant to Sec. 16 para. 1 sent. 1 WpÜG
"ACPR"	Autorité de contrôle prudentiel et de résolution, France
"Admission"	admission of the Consideration Shares to: (a) (i) the premium listing segment of the Official List (in accordance with the Listing Rules and FSMA); and (ii) trading on the main market of the London Stock Exchange (in accordance with the Admission and Disclosure Standards of London Stock Exchange plc); and (b) the regulated market of the Frankfurt Stock Exchange and the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange
"announcement"	this announcement in relation to UK TopCo's firm intention to make the LSEG Acquisition under Rule 2.7 of the City Code
"AUC"	assets under custody
"AUM"	assets under management
"Authorisations"	authorisations, orders, grants, recognitions, determinations, certificates, confirmations, consents, licences, clearances, provisions and approvals, in each case, of a Third Party
"BaFin"	the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*)
"Barclays"	Barclays Bank PLC, acting through its Investment Bank
"Boards"	the LSEG Board and the DBAG Board
"BofA Merrill Lynch"	Merrill Lynch International
"Business Day"	any day which is not a Saturday, a Sunday or a public holiday in England or Frankfurt am Main, Germany
"CEINEX"	China Europe International Exchange

"CFO"	the chief financial officer of UK TopCo
"Chief Executive"	the chief executive officer of UK TopCo
"City Code"	the City Code on Takeovers and Mergers as from time to time amended and interpreted by the Panel
"Closing Conditions"	the conditions to the DBAG Offer
"Code Offer"	a takeover offer (as defined in Section 974 of the Companies Act 2006) governed by the City Code to be made if the LSEG Acquisition is implemented by way of a contractual takeover offer
"Combined Group"	the DBAG Group, LSEG Group and UK TopCo following completion of the Merger
"Companies Act"	the Companies Act 2006, as amended from time to time
"Completion"	completion of the Merger
"Co-operation Agreement"	the co-operation agreement entered into by LSEG, DBAG and UK TopCo on 16 March 2016 in connection with the Merger
"Combined Group"	the combined group to be created by the Merger
"Conditions"	the DBAG Conditions and the LSEG Conditions, and "Condition" shall mean any one of them
"Court Meeting"	the meeting(s) of the Scheme Shareholders to be convened by order of the High Court pursuant to section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of approving the Scheme, including any adjournment thereof
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 / 3755)) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form
"Daily Official List"	the daily official list of the London Stock Exchange
"DBAG"	Deutsche Börse AG
"DBAG Acquisition"	the proposed acquisition by UK TopCo of the entire issued and to be issued shares in DBAG by way of the DBAG Offer
"DBAG Board"	the management board of DBAG
"DBAG Conditions"	the conditions to the implementation of the DBAG

	Offer as set out in Appendix 2 to this announcement and to be set out in the DBAG Offer Document
"DBAG Group"	DBAG and its subsidiaries
"DBAG Offer"	the securities exchange offer to be made to all shareholders of DBAG by UK TopCo in connection with the Merger
"DBAG Offer Document"	the document to be published pursuant to § 14 para. 1 WpÜG containing and setting out the full terms and conditions of the DBAG Offer
"DBAG Offer Shares"	the DBAG Shares existing at the end of the Acceptance Period minus 6,276,014 DBAG Shares held by DBAG at the time of the publication of the DBAG Offer Document
"DBAG Overseas Shareholders"	DBAG Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside Germany
"DBAG Profit Forecast"	the profit forecast of DBAG as set out in Appendix 7
"DBAG Share Schemes"	(i) the Performance Share Plan as of November 2015 for executive board members of DBAG; (ii) the Long-term Sustainable Instrument for Group Risk Takers 2015 of DBAG Group; the Long-term Sustainable Instrument for Group Risk Takers 2015 of Eurex Clearing AG*; the Long-term Sustainable Instrument for Group Risk Takers 2015 of Eurex Clearing AG*; applicable to employees below the Executive Board identified as Risk Takers; *and identical plans for Clearstream entities (iii) the Stock Bonus Plan of DBAG; and any other share incentive plan or arrangement operated by DBAG
"DBAG Shareholders"	the holders of DBAG Shares from time to time
"DBAG Shares"	the registered no-par-value shares in the share capital of DBAG, each representing a pro-rata amount in the share capital of DBAG of EUR 1.00 per share
"Dealing Disclosure"	an announcement pursuant to Rule 8 of the City Code containing details of dealings in interests in relevant securities of a party to an offer
"Deutsche Bank"	Deutsche Bank AG
"Disclosure and Transparency	the Disclosure and Transparency Rules of the FCA in its capacity as the UK Listing Authority under the

Rules”	Financial Services and Markets Act 2000 (as amended) and contained in the UK Listing Authority’s publication of the same name
“ECB”	the European Central Bank
“Effective Date”	the date upon which the Scheme becomes effective in accordance with its terms
“EMIR”	Regulation (EU) No 648/2012
“Excluded Shares”	(i) any LSEG Shares beneficially owned by UK TopCo or any other member of the Combined Group; and (ii) any LSEG Shares held in treasury by LSEG
“HSBC”	HSBC Bank plc
“FCA”	the Financial Conduct Authority
“Forms of Proxy”	the form of proxy in connection with each of the Court Meeting and the LSEG General Meeting, which shall accompany the Scheme Document
“Goldman Sachs”	Goldman Sachs International
“High Court”	the High Court of Justice of England and Wales
“J.P. Morgan Cazenove”	J.P. Morgan Limited, which conducts its UK investment banking business as J.P. Morgan Cazenove
“Leave Decision”	a decision by the United Kingdom electorate to leave the European Union
“Listing Rules”	the rules and regulations made by the FCA in its capacity as the UK Listing Authority under the Financial Services and Markets Act 2000, and contained in the UK Listing Authority’s publication of the same name
“London Stock Exchange”	London Stock Exchange plc
“Long Stop Date”	30 April 2017
“LSEG”	London Stock Exchange Group plc
“LSEG Acquisition”	the proposed acquisition by UK TopCo of the entire issued and to be issued ordinary share capital in LSEG which is to be effected by means of a Scheme or, if UK TopCo so elects and LSEG and the Panel each consents, by means of a Code Offer
“LSEG Board”	the board of directors of LSEG
“LSEG Conditions”	the conditions to the implementation of the Scheme and the LSEG Acquisition as set out in Appendix 1 to this announcement and to be set out in the Scheme

	Document
"LSEG Exchange Ratio"	means the exchange ratio applicable to the LSEG Acquisition of 0.4421 of a UK TopCo Share for every one LSEG Share
"LSEG General Meeting"	the general meeting of LSEG to be convened in connection with the Scheme and the Merger, notice of which will be set out in the Scheme Document, including any adjournment thereof
"LSEG Group"	LSEG and its subsidiary undertakings
"LSEG Overseas Shareholders"	LSEG Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
"LSEG Share Schemes"	the LSEG Long Term Incentive Plan 2014, the LSEG Long Term Incentive Plan 2004, the Deferred Bonus Plan 2014, the LSEG SAYE Option Scheme, the LSEG International Sharesave Plan 2008, the LSEG Performance Aligned Restricted Share Plan 2010, the LSEG Restricted Share Award Plan 2008, the LCH.Clearnet Group Limited Long Term Incentive Plan 2014 and any other share incentive plan or arrangement operated by LSEG
"LSEG Shareholders"	the registered holders of LSEG Shares from time to time
"LSEG Shares"	ordinary shares of $6^{79/86}$ pence each in the capital of LSEG
"Merger"	the recommended all-share merger of equals of LSEG and DBAG to form the Combined Group on the terms as agreed by the board of directors of LSEG and the management board of DBAG
"MiFID II"	Markets in Financial Instruments Directive II
"MiFIR"	Markets in Financial Instruments Regulation
"MTS SpA"	Mercato dei Titoli di Stato – MTS S.p.A, Italy
"Official List"	the official list of the UK Listing Authority
"Overseas Shareholders"	LSEG Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom or the United States
"Panel"	the UK Panel on Takeovers and Mergers including the following bodies: the Executive, Hearings Committee and Takeover Appeal Board

"Panel Statement"	the Panel having published a statement on its website (www.thetakeoverpanel.org.uk) that UK TopCo is required to treat the relevant LSEG Condition as having been satisfied because either: (i) in accordance with Rule 13.5(a) of the City Code, no circumstances have arisen that are finally determined by the Panel to be of material significance to UK TopCo in the context of the LSEG Acquisition; or (ii) in accordance with Rule 13.5(b) of the City Code, the Panel has finally determined that UK TopCo has not used all reasonable efforts to ensure the satisfaction of the relevant LSEG Condition
"Perella Weinberg Partners"	means Perella Weinberg Partners UK LLP
"Permitted DBAG Dividend"	has the meaning given in paragraph 11 of this announcement
"Permitted LSEG Dividend"	has the meaning given in paragraph 11 of this announcement
"Quantified Financial Benefits Statement"	the quantified financial benefits statement set out in Appendix 5 of this announcement
"RBC Capital Markets"	RBC Europe Limited trading as RBC Capital Markets
"Registrar of Companies"	the Registrar of Companies in England and Wales
"Regulatory Information Service"	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
"Referendum"	the vote by the United Kingdom electorate on the continuing membership of the United Kingdom of the European Union
"Referendum Committee"	a joint committee made up of LSEG and DBAG representatives established to consider the potential impact on the business of the Combined Group of a Leave Decision
"Restricted Jurisdiction"	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Merger is sent or made available to LSEG Shareholders in that jurisdiction
"Robey Warshaw"	means Robey Warshaw LLP
"Scheme"	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between LSEG and the Scheme Shareholders, on terms subject to any modification, addition or condition approved or

	imposed by the High Court and agreed to by LSEG and UK TopCo
"Scheme Court Hearing"	the hearing of the High Court to sanction the Scheme by no later than the expiration of the Long Stop Date
"Scheme Court Order"	the order of the High Court sanctioning the Scheme under Part 26 of the Companies Act by no later than the expiration of the Long Stop Date
"Scheme Document"	the document to be sent to (among others) LSEG Shareholders containing and setting out, among other things, the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and the LSEG General Meeting
"Scheme Record Time"	the time and date specified in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately prior to the Effective Date
"Scheme Shareholders"	holders of Scheme Shares
"Scheme Shares"	LSEG Shares: (a) in issue as at the date of the Scheme Document; (b) (if any) issued after the date of the Scheme Document and prior to the Scheme Voting Record Time; and (c) (if any) issued on or after the Scheme Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme, but in each case other than the Excluded Shares
"Scheme Voting Record Time"	the time and date specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined
"SG"	Societe Generale
"SMEs"	small and medium-size enterprises
"Special Resolution"	the special resolution to be proposed by LSEG at the LSEG General Meeting in connection with, among other things, the approval of the Scheme and the alteration of LSEG's articles of association and such other matters as may be necessary to implement the Scheme and the delisting of the LSEG Shares

"Takeover Offer"	if (subject to the consent of the Panel) UK TopCo elects to effect the LSEG Acquisition by way of a takeover offer, the offer to be made by or on behalf of UK TopCo to acquire the issued and to be issued ordinary share capital of LSEG on the terms and subject to the conditions to be set out in the related offer document
"Third Party"	any central bank, government, government department or governmental, quasi governmental, supranational, statutory, regulatory, environmental or investigative body, authority (including any national or supranational anti trust or merger control authority), court, trade agency, association, institution or professional or environmental body or any other person or body whatsoever in any relevant jurisdiction, including, for the avoidance of doubt, the Panel
"T2S"	TARGET2-Securities, the ECB's centralised platform for securities settlement
"UBS"	UBS Limited
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"UK Listing Authority"	the FCA acting in its capacity as the competent authority for listing under the Financial Services and Markets Act 2000
"UK TopCo"	HLDCO123 PLC, a new holding company incorporated in England and Wales (with company number 10053870) that will acquire each of LSEG and DBAG in connection with the Merger
"UK TopCo Board"	the board of directors of UK TopCo
"UK TopCo General Meeting"	the general meeting of UK TopCo to be convened in connection with the issue and allotment of the UK TopCo Shares to be issued in connection with the Merger
"UK TopCo Shares"	ordinary shares in the capital of UK TopCo
"UK TopCo Shareholder"	Stichting HLDCO123, a foundation formed under the law of the Netherlands and having its official seat in the municipality of Amsterdam, the Netherlands
"United States of America", "United States" or "US"	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
"US Exchange Act"	the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated

	thereunder
"US Securities Act"	the United States Securities Act of 1933, and the rules and regulations promulgated thereunder
"WpÜG"	German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*)
"1000 Companies to Inspire Britain"	http://www.lseg.com/resources/1000-companies-inspire-britain

For the purposes of this announcement, "subsidiary", "subsidiary undertaking", "undertaking", "associated undertaking" have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement. All references to time in this announcement are to London time unless otherwise stated.