



London
Stock Exchange Group

Accessing the Global Capital Markets Through London

March 2017

London Stock Exchange Group

Organisation with Depth and Breadth



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Capital raising



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Borsa Italiana

Trading



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Borsa Italiana



Turquoise

Clearing & Settlement



CC&G

London Stock Exchange Group



Monte Titoli

London Stock Exchange Group



GLOBESETTLE

Information Services



**FTSE
Russell**

UnaVista

RNS



**SEDOL Masterfile -
uniquely identifying the
world's reference data**

Technology

millennium
information technologies

GATE
lab
Part of London Stock Exchange Group

exactpro
EXITUS ACTA PROBAT

London Stock Exchange Group

World-Leading Global Markets Infrastructure Business



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Capital Formation

2,300

Listed equity securities with aggregate market value of \$7 trillion

14,000+

Debt securities listed on LSE Main Market. Overall money raised exceeds \$4.4 trillion

65

IPOs in London raised over \$7.6bn in 2016

\$260bn+

Raised by sovereign, regional and local governments

\$6.1bn

Average UK order book value traded per day in London in 2016

\$46bn

Over \$46bn has been raised through 64 Sukuk issues on London Stock Exchange

Risk & Balance Sheet Management

9.6m

Since 1999, SwapClear has cleared over 9.6 million OTC Interest Rate Swaps (IRS) making it the leading IRS clearing service with the deepest pool of liquidity across the entire yield curve

60.3m

Settlement instructions received by Monte Titoli (LSEG's CSD) in 2015.

\$500trn+

LCH Swapclear in 2016 YTD has cleared over \$500 trillion YTD, with compression offering reducing the notional outstanding by over \$200 trillion since 2013

95%

SwapClear clears more than 95% of the overall cleared OTC interest rate swap market

Intellectual Property

\$10trn

Assets benchmarked to FTSE Russell's worldwide indices

10

The top ten investment banks and 97 of the top 100 asset managers all trust FTSE Russell indexes to benchmark their investment performance and create ETFs

80

FTSE Russell calculates thousands of indexes that measure and benchmark markets and asset classes in more than 80 countries

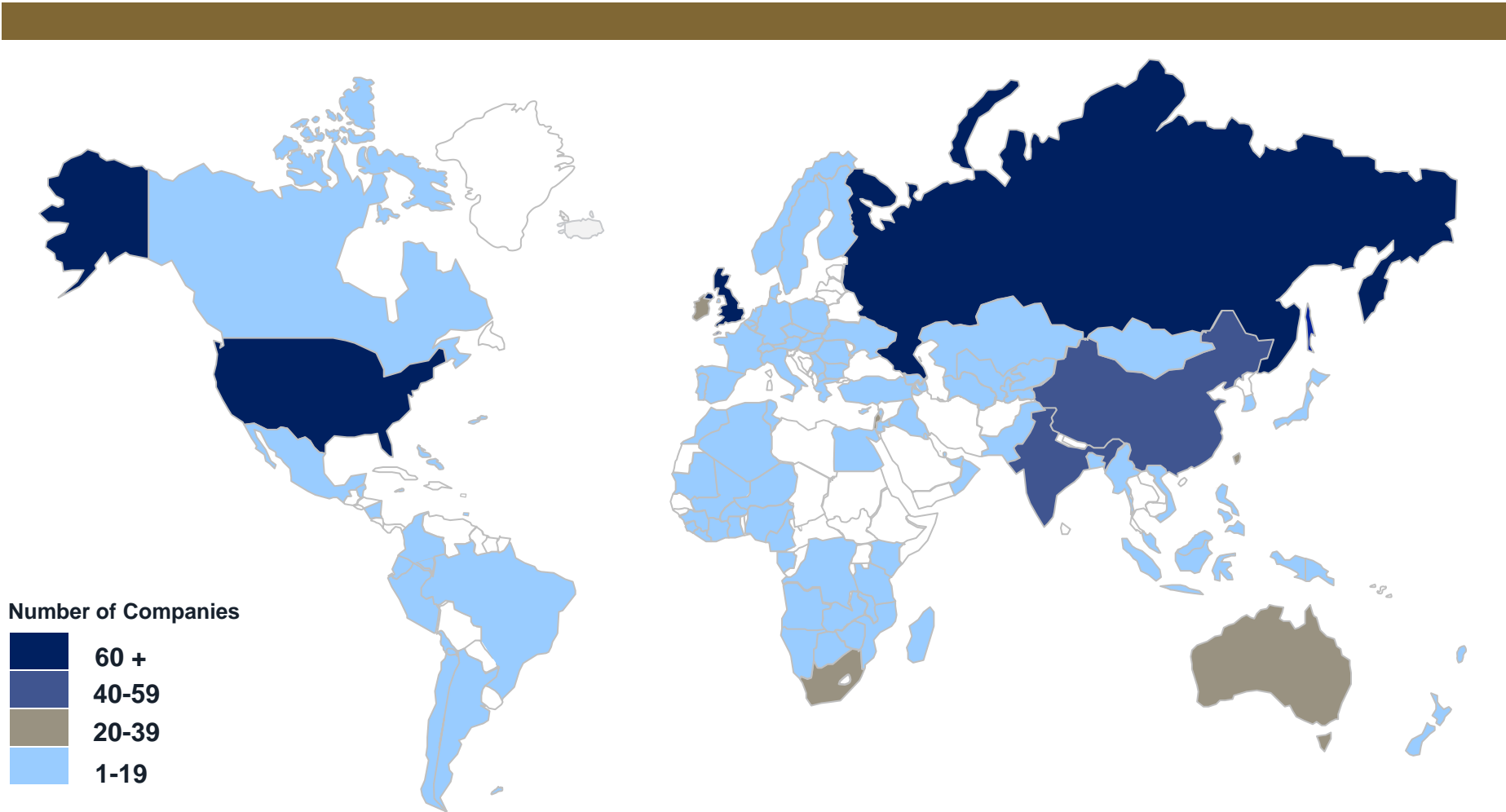
\$413bn

ETF assets currently benchmarked to FTSE Russell indexes

London Stock Exchange Group is an international market infrastructure business at the centre of the world's financial community. Over our 300 years of history, connecting international issuers and investors has been at the heart of our DNA.

Access to Global Community

Our Issuers Operate in More than 115 Different Countries



International Home for Companies from CEE, CIS and Russia



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120+ Companies listed in London

CEE

FONDUL
PROPRIETATEA

NWR
NEW WORLD
RESOURCES



OMV Petrom

globalworth™
PPP

WORK
SERVICE

WIZZ



CIS



CHAGALA

HALYK BANK

FERREXPO

Russia

@mail.ru

LUK
LUKOIL

NLMK
NOVOLIPETSK STEEL

GAZPROM

SBERBANK



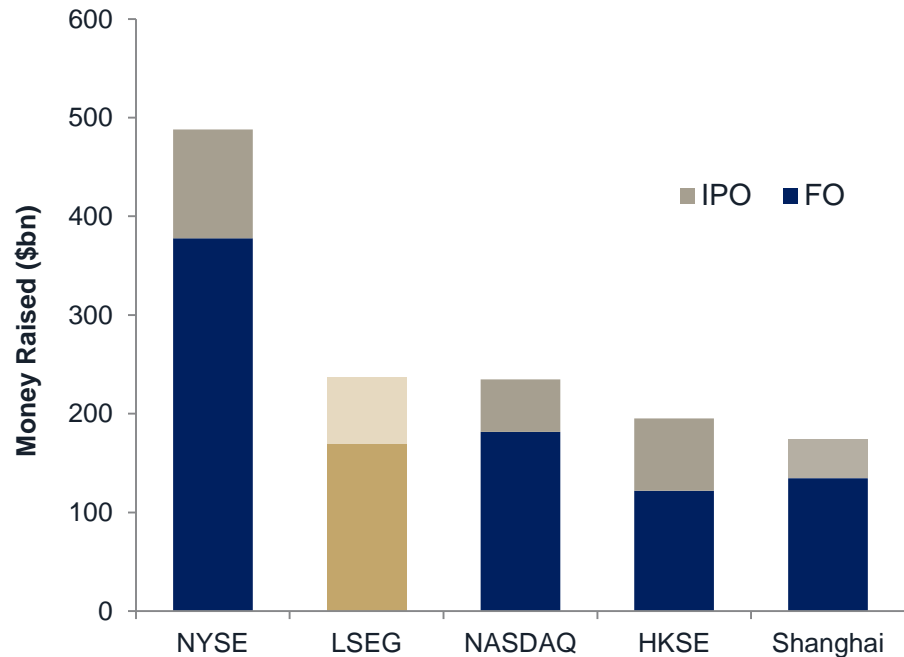


Review of Recent Activity in London Equity Markets

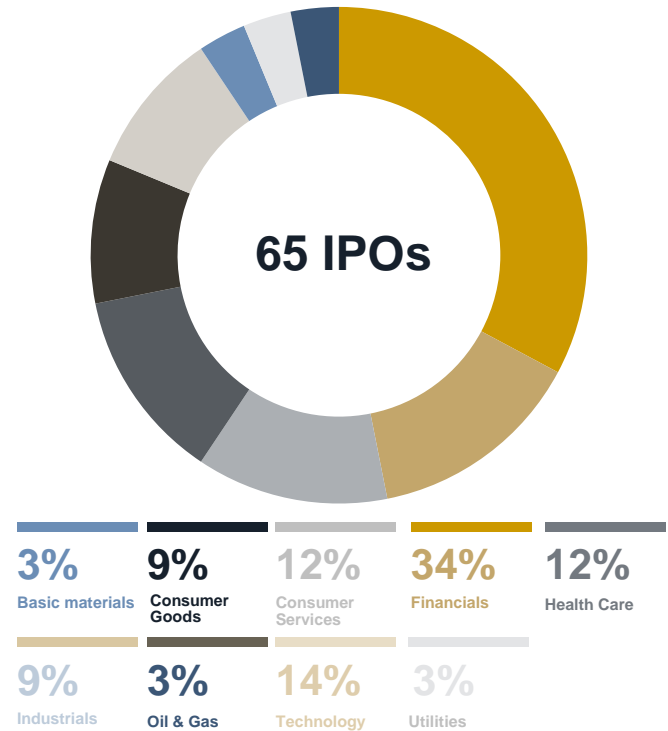
LSEG Ranks Second Globally

By money raised 2014-2016

Top 5 Exchanges by money raised, 2014-2016



2016 IPO deals in London, Industry Overview





Highlights of 2016

\$7.6bn

2016 saw a total of \$7.6bn money raised through IPOs on Main Market and AIM

65

There were 65 IPOs in 2016 on LSE.



ConvaTec Group raised £1.5 billion at IPO in October 2016 making it the largest European healthcare IPO for more than 20 years

39%

The 38 companies that floated on AIM ended the year up more than 39% on average.

78%

78% of 2016 IPOs are currently trading up



Blue Prism Group was the best performing IPO of 2016 with its shares trading up 471% at the close of the year.

ELITE

Over 440 companies have joined the ELITE programme since its launch in April 2012

38

38 IPOs on AIM compared to 31 in 2015



Van Elle became the first UK ELITE company to join the public markets raising £40 million on its admission to AIM

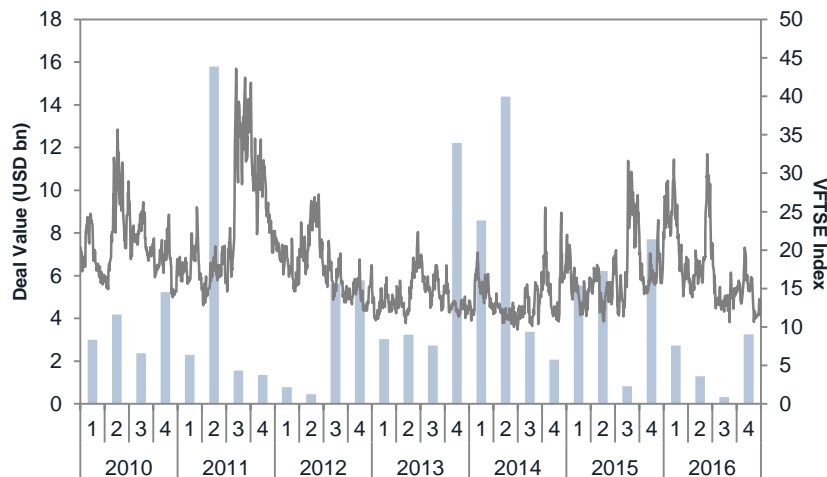
Challenging IPO Markets in 2016

But a positive year for AIM

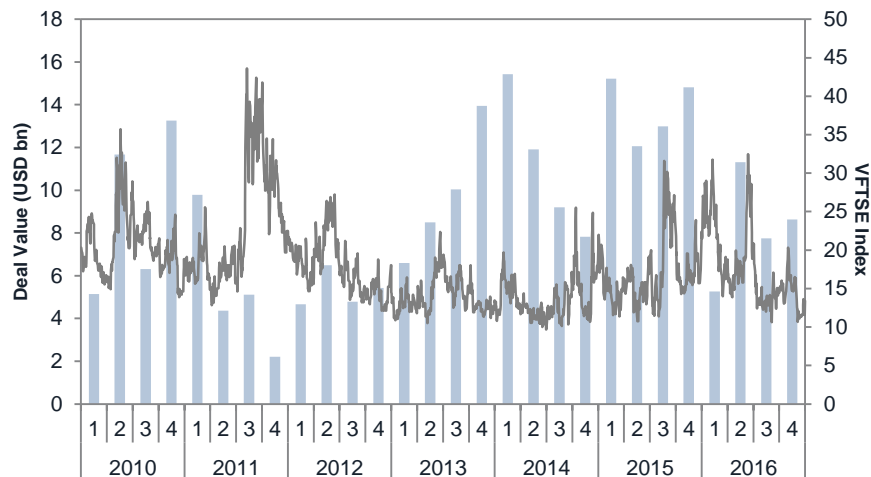
	Number of IPOs		Money raised at IPO (\$m)	
	Main Market	AIM	Main Market	AIM
2015	62	31	19,376	908
2016	27	38	6,095	1,496
% change	-58%	+23%	-68%	+65%

	Number of FOs		Money raised via FOs (\$m)	
	Main Market	AIM	Main Market	AIM
2015	179	270	47,461	7,633
2016	163	318	27,688	5,243
% change	-9%	+18%	-42%	-31%

IPOs on London Stock Exchange



Further Issues on London Stock Exchange



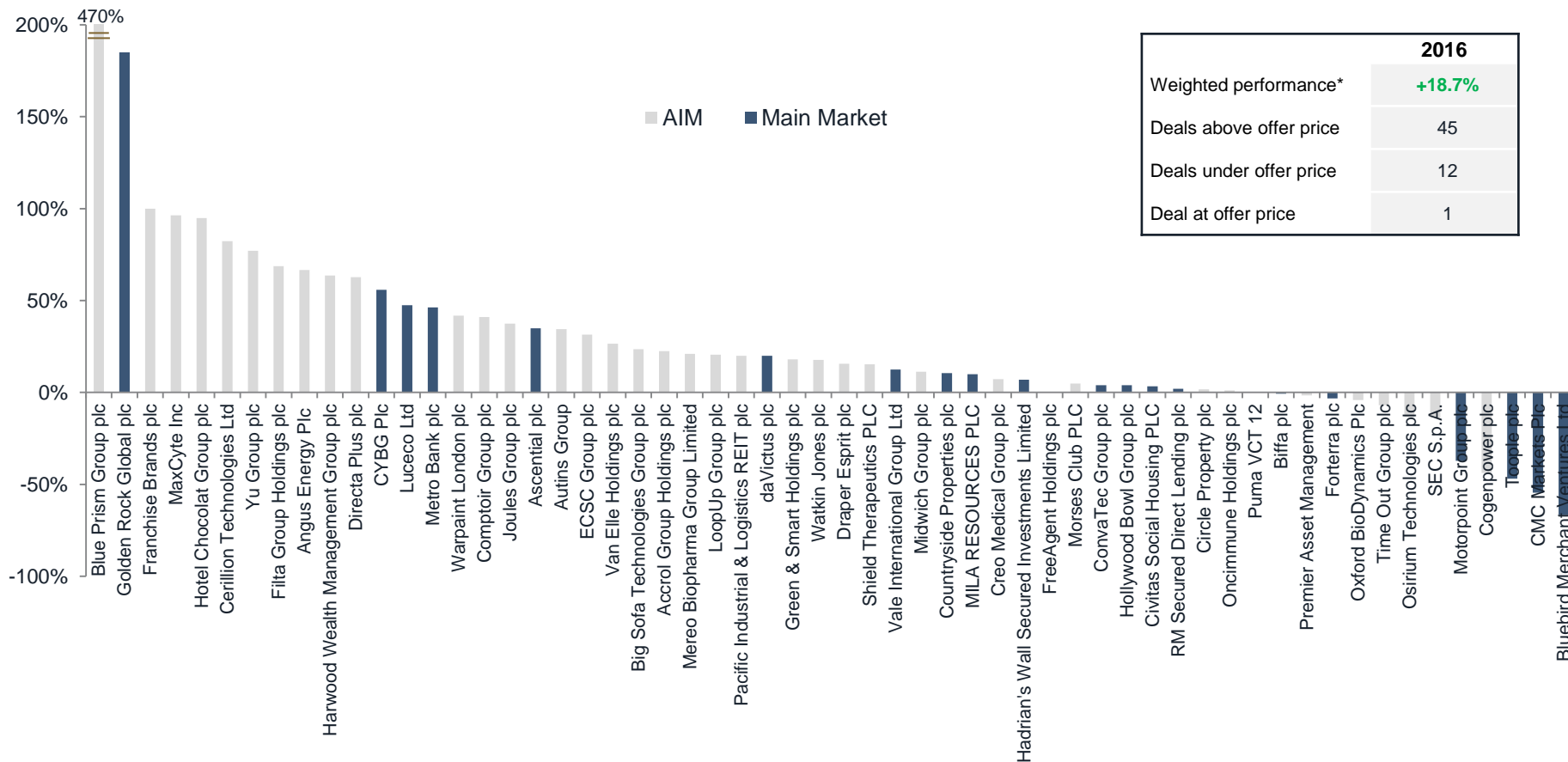
Aftermarket Performance in 2016



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2016 IPOs generally traded up despite market backdrop

London IPO Performance (2016 IPOs**)



Source: Dealogic, Bloomberg, price performance as of 30 December 2016

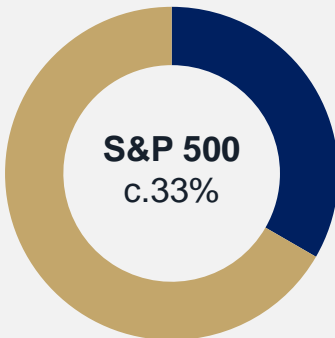
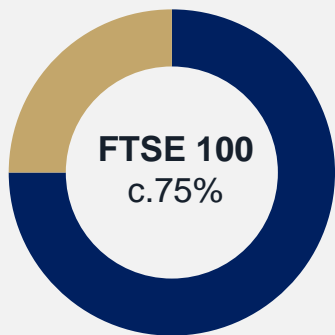
*Weighted by market cap at offer

**7 companies either suspended or undetermined value

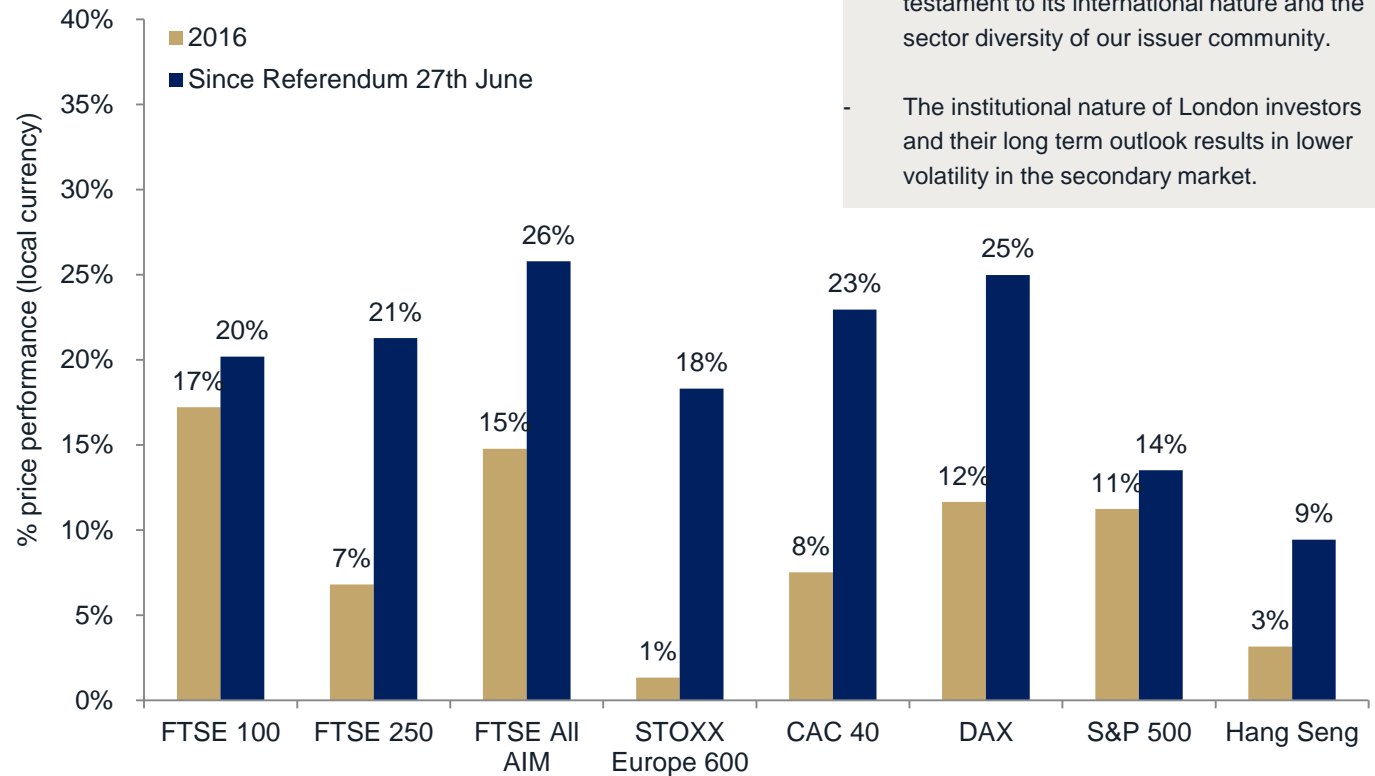
The Impact of Brexit

Opportunity for Internationally-Focused Companies

Index Constituents' Overseas Revenue



Global Equity Indices Performance



The resilience of the FTSE 100 during the volatility surrounding the EU referendum is testament to its international nature and the sector diversity of our issuer community.

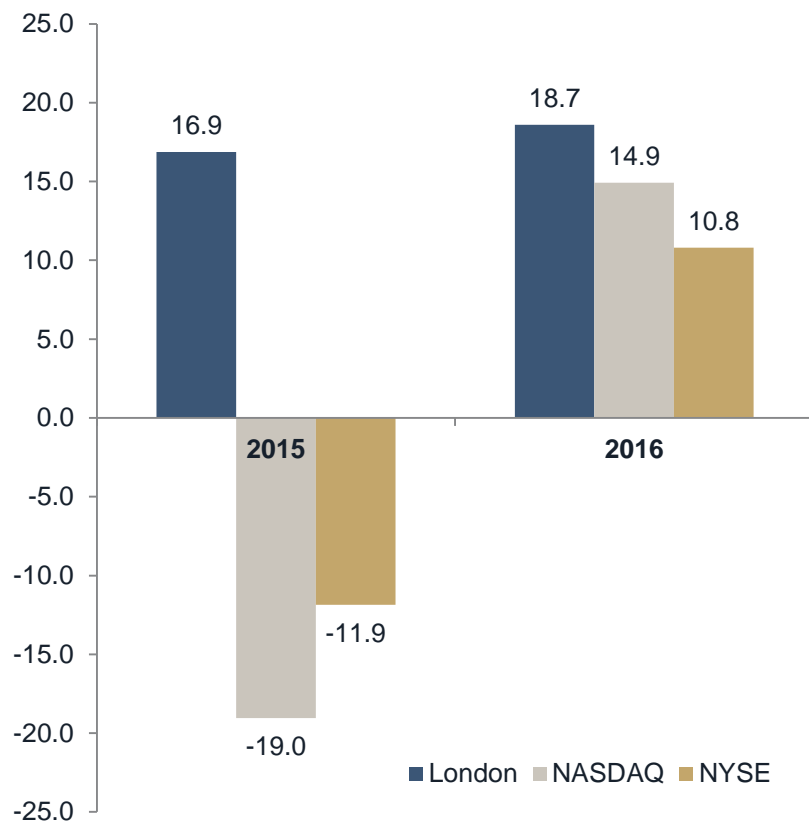
The institutional nature of London investors and their long term outlook results in lower volatility in the secondary market.

IPO Aftermarket Price Performance

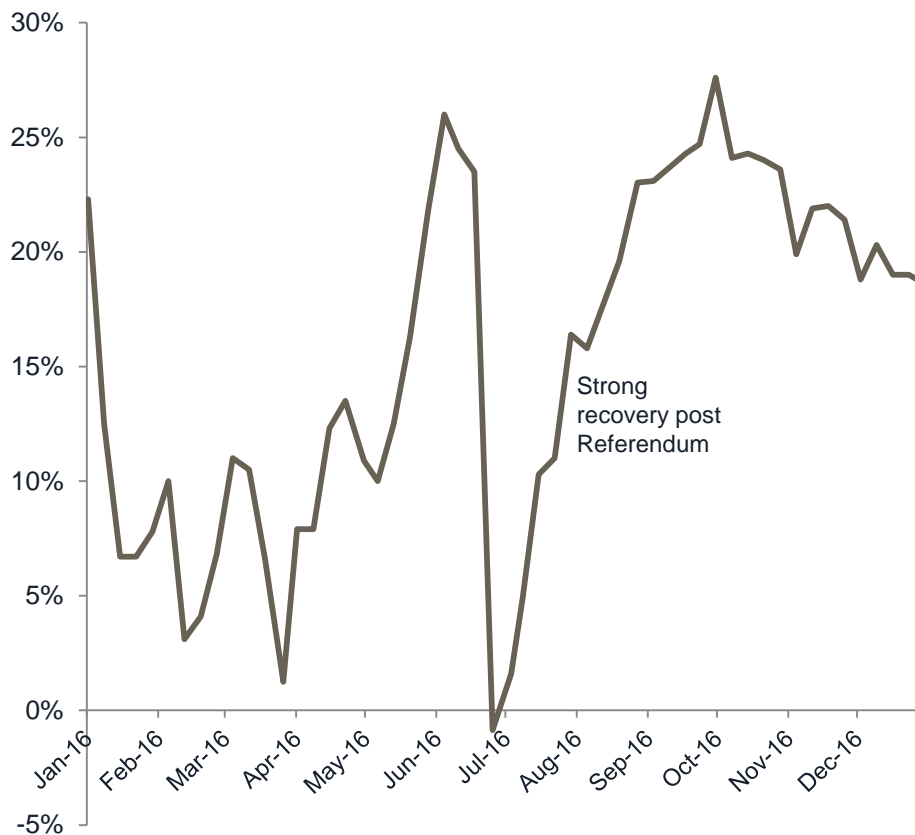


Has Remained Positive – on Absolute and Relative Basis

2015/16 IPO Performance (%)



2016 IPO Performance – London only





Largest London IPOs of Q4

Issuer	Deal Size (USDm)	Market	Lead Managers	Sector	About the Company	Offer to current price change	% of company sold
ConvaTec Group	1,939	Main Market – Premium	BAML; Goldman Sachs; UBS; Credit Suisse; Deutsche Bank; JPM; Morgan Stanley	Healthcare equipment & services	Global medical products and technologies company	↑4.0%	36.1%
Civitas Social Housing	436	Main Market – Premium	Cenkos Securities; Zeus Capital	Real Estate Investment Trusts	Real Estate Investment Trust investing in social housing	↑3.4%	100.0%
Biffa	258	Main Market – Premium	Citi; JPMorgan; HSBC; Peel Hunt	Support Services	Leading UK-based integrated waste management business	↓0.7%	47.2%
BB Healthcare Trust	186	Main Market – Premium	Peel Hunt	Closed End Fund	Bellevue Asset Management's new biotech investment trust	↑3.9%	100.0%
Luceco	113	Main Market - Premium	Numis Securities	Electronic & Electrical Equipment	Manufactures and distributes electrical products	↑47.5%	44.6%



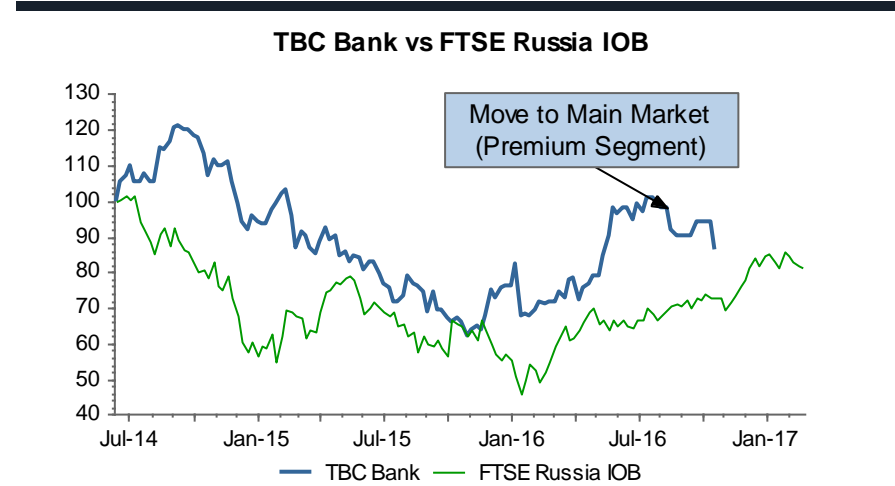
Case Studies



Company	TBC Bank
Market	MM
Sector	Banks
Main Country of Operation	Georgia
Admission Date	GDR: 11 Jun 2014 Premium: 10 Aug 2016
Money Raised at Admission	£239 million
Current Market Cap	£760 million
Bookrunners	Barclays, UBS and RenCap

“We are delighted to have successfully completed our Listing on the London Stock Exchange. We welcome our new shareholders and look forward to embarking on the next phase of our development as we benefit from the major growth opportunities represented by the Georgian economy.”

Mr Mamuka Khazardze, Chairman of TBC Bank



Top 5 Institutional Investors (value held \$m)	
Schroder Investment Management Ltd.	50
Societe Generale Gestion SA	46
JPMorgan Asset Management (UK) Ltd.	46
Newton Investment Management Ltd.	10
Denker Capital (Pty) Ltd.	8

Listing Story

TBC is a leader in the fast growing Georgian banking market: the #1 bank by retail deposits and top 2 bank across other key segments commanding a 23-33% market share across key product segments.

The offering consisted of 7.692m based on primary shares and 10.671m based on shares provided by some of the bank’s shareholders. TBC planned to use the net proceeds of the offering to support the growth of its assets in accordance with its strategy, including the intended growth of its loan portfolio in the retail, SME and microfinance segments.

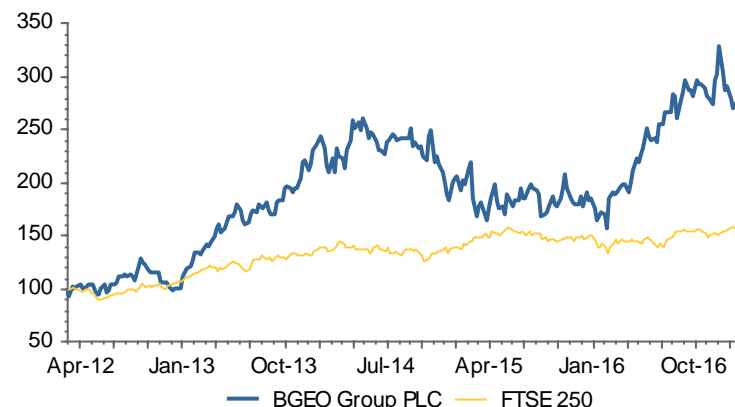
The Bank’s overall strategy is to deliver solid, sustainable growth and profitability, whilst maintaining strong asset quality. Management intends to continue focusing on core banking operations in Georgia and to expand TBC’s market share.

Barclays, UBS and RenCap have acted the joint bookrunners in relation to the admission and the offering.



Company	Bank of Georgia Holdings Plc
Market	MM
Sector	Banks
Main Country of Operation	Georgia
Admission Date	GDR: 29 Nov 2006 Premium: 29 Feb 2012
Money Raised at GDR Admission	\$160 million
Current Market Cap	\$1.38 billion
Lead Bookrunner	ING Bank
P/B	1.6x
P/E NTM	7.2x

BGEO Group PLC vs FTSE 250 Index



Top 5 Institutional Investors (value held \$m)

Schroder Investment Management Ltd.	146
Harding Loevner LP	131
Westwood International Advisors, Inc.	58
Artemis Investment Management LLP	51
Russell Investment Management LLC	51

Listing Story

Bank of Georgia is Georgia's leading bank with more than a third of the market share based on total assets, total loans, total deposits and total shareholders' equity. It offers a broad range of retail banking, corporate banking, wealth management, brokerage and insurance services to its clients.

The Bank reached a market cap of US\$440 million at admission. In 2012, the bank listed on the Premium Segment of the Main Market organising a tender offer for existing GDRs and ordinary shares on a one-for-one basis.

The Tender offer had a 98.3% acceptance rate with shares opening at 895.5 pence, up 8% from the last close of the corresponding GDRs. ADTV increased 4-fold from \$475k in the 5 months leading up to the tender offer, to \$1,821k in the 5 months after listing

The Bank was included in the FTSE 250 index in June 2012. ING acted as the Lead bookrunner in relation to the admission and the offering.



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