1 August 2019

LONDON STOCK EXCHANGE GROUP PLC
INTERIM RESULTS FOR THE 6 MONTHS ENDED 30 JUNE 2019

Unless otherwise stated, all figures below refer to continuing operations for the six months ended 30 June 2019 (H1 or H1 2019). Comparative figures are for continuing operations for the six months ended 30 June 2018 (H1 2018).

- Strong financial performance in H1 despite challenging market conditions
- Continued good growth in Information Services and Post Trade
- Focus on Group-wide collaboration to drive product innovation and development of growth opportunities
- Continued successful execution of strategy aligned with core principles of Open Access and Customer Partnership

<u>H1 Summary</u>

- Total Revenue up 7% to £1,018 million (H1 2018: £953 million); total income up 8% to £1,140 million (H1 2018: £1,060 million)
- FTSE Russell revenue up 9% to £315 million (H1 2018: £290 million) with growth in subscription and asset-based revenues
- Post Trade revenue at LCH up 12% to £266 million (H1 2018: £237 million), driven by strong growth in OTC volumes notably in the SwapClear service
- Operating expenses, excluding depreciation and amortisation, were flat and 2% down on a constant currency basis, with good cost control while continuing to invest
- Adjusted operating profit[1] up 11% to £533 million (H1 2018: £480 million); operating profit was up 2% at £399 million (H1 2018: £393 million); profit before tax up 1% to £363 million (H1 2018: £360 million); profit after tax of £265 million (H1 2018: £283 million)
- Adjusted EPS[1] up 13% to 100.6 pence (H1 2018: 88.7 pence); basic EPS down 1% at 70.7 pence (H1 2018: 71.1 pence)
- Interim dividend increased 17% to 20.1 pence per share (H1 2018: 17.2 pence per share), in line with stated dividend policy
- Strong balance sheet position with leverage at 1.7 times adjusted net debt: pro forma EBITDA notwithstanding continued investment spend during the period

Commenting on performance for the period, David Schwimmer, CEO said:

"The Group has delivered another strong performance with an 8% increase in income during the first half of the year. In Post Trade, LCH's OTC clearing services have achieved record volumes during the period and have seen strong growth in member and client clearing. In Information Services, we have acquired Beyond Ratings, a highly regarded provider of ESG data and analytics, which will accelerate our ability to develop differentiated multi-asset solutions in sustainable finance investing. And, in Capital Markets, despite a slower start to the year, we have seen activity improve in Q2 with companies able to benefit from access to the deep liquidity pools available across our listings and trading businesses.

"We have continued to invest across our businesses, working in partnership with customers to deliver innovative products and services, while continuing to control costs. The Group remains well positioned in an evolving regulatory and macroeconomic environment and we expect to make further progress in H2.

"**Today, we have announced a proposed transaction to acquire Refinitiv, a leading global provider of data, analytics and financial markets solutions. This transformational acquisition creates a multi-asset class capital markets business and brings world class data content, management and distribution capabilities to LSEG, accelerating our strategy and expanding our global footprint. This positions us in key areas of future growth as a global financial markets infrastructure leader".**

Organic growth combined with new product development and investment in opportunities continued throughout the period. Highlights include:

Information Services

- Acquisition of Beyond Ratings, a highly regarded provider of Environmental, Social and Governance (ESG) data for fixed income investors
- FTSE Russell launched innovative climate risk government bond index allowing investors to incorporate climate change risk considerations into their fixed income portfolios for the first time
- FTSE Russell successfully commenced inclusion of China A-Share stocks within its global equity benchmarks increasing connectivity between Chinese companies and international investors
- ETF AUM benchmarked to FTSE Russell indices increased 9% in the period to $705bn

Post Trade

- Acquisition of a 4.9% stake in Euroclear with a seat on the Board, which has helped strengthen the existing commercial relationships between the businesses
- SwapClear volumes hit a record €660trn in the period with strong growth in both member and client clearing
- Continued growth at ForexClear, RepoClear and CDSClear with record volumes cleared across all services

Capital Markets

- Newly launched Shanghai-London Stock Connect welcomed its first issuer Huatai Securities raising over $1.5bn on the Shanghai segment of London Stock Exchange
- CurveGlobal trading volumes in H1 increased 211% whilst total open interest increased 156% over the last 12 months with strong market share in SONIA products
- Following acquisition of minority investment in Nivaura, we are working in partnership to make the debt issuance process more efficient and cost-effective

[1] Before amortisation and impairment of purchased intangible assets and goodwill and non-underlying items

The Group's principal foreign exchange exposure arises from translating and revaluing its foreign currency earnings, assets and liabilities into LSEG's reporting currency of Sterling.

London Stock Exchange Group uses non-GAAP performance measures as key financial indicators as the Board believes these better reflect the underlying performance of the business. As in previous years, adjusted operating expenses, adjusted operating profit, adjusted profit before tax, adjusted earnings before interest, tax, depreciation and amortisation and adjusted earnings per share all exclude amortisation and impairment of purchased intangibles assets and goodwill and non-underlying items.

Further information is available from:

London Stock Exchange Group plc	Gavin Sullivan / Lucie Holloway – Media	+44 (0) 20 7797 1222
	Paul Froud – Investor Relations	+44 (0) 20 7797 3322

Additional information on London Stock Exchange Group can be found at **www.lseg.com**

The Group will host a conference call for analysts and investors today at 09:30am (UK time). On the call to discuss the H1 results will be David Schwimmer (CEO), David Warren (CFO) and Paul Froud (Group Head of Investor Relations).

To access the telephone conference call please pre-register using the following link and instructions below: **http://emea.directeventreg.com/registration/5664169**

- **Please register in advance of the conference using the link above**. Upon registering with your full name, company name and email address, you will be provided with participant dial-in numbers, Direct Event passcode and unique registrant ID
- In the 10 minutes prior to the call start time, you will need to use the conference access information provided in the email received at the point of registering

Note: Due to regional restrictions some participants may receive operator assistance when joining this conference call and will not be automatically connected.

For further information, please call the Group's Investor Relations team on +44 (0) 20 7797 3322.

Chief Executive's Statement

Overview of H1 results

The Group has produced a strong half-year performance, with good growth in FTSE Russell, record clearing volumes across a number of services at LCH, and a resilient performance in Capital Markets against a challenging market backdrop.

We have maintained good cost control while continuing to invest in organic growth initiatives and efficiency opportunities, as well as make a number of acquisitions, including Beyond Ratings, a provider of specialist data for fixed income investors, and the purchase of a minority share in Euroclear. We have launched new services, such as the Shanghai-London Stock Connect service which welcomed its first issuer, and new products, including an innovative climate risk government bond index allowing climate change considerations to be incorporated in fixed income portfolios. We continue to make good progress towards achievement of our revenue and margin growth targets. Our strategy, based on open access and customer partnership, continues to position us well, providing critical services to clients around the world.

On a reported basis, total income increased 8%, including a £32 million one-off change in estimate for IFRS 15 accounting in Primary Markets. Total operating expenses were 4% higher on a constant currency basis, driven by increased depreciation and amortisation. Excluding depreciation and amortisation, operating expenses were flat, reflecting good cost control and the effect of an IFRS 16 related transfer of lease costs from expenses to depreciation. The Group's EBITDA margin increased in H1 to 54.5% (2018 H1: 51.3%), reflecting the good operational performance and the benefit of the one-off IFRS 15 impact. Adjusted operating profit increased 11% to £533 million, and adjusted EPS rose 13% to 100.6 pence per share.

We remain in a strong financial position. The Group is strongly cash generative, supporting development of the Group, and leverage remained stable at 1.7 times net debt to pro forma EBITDA. In line with the Group's stated progressive dividend policy, we have increased the interim dividend by 17%, to 20.1 pence per share.

Further commentary on the Group's performance from continuing operations in the six month period is provided below.

Operational Performance

Information Services, the Group's largest business segment by revenue, delivered a 7% increase in revenue, to £441 million (up 4% on a constant currency basis). FTSE Russell revenue increased by 9% to £315 million, and was 4% higher on a constant currency basis. Subscription revenue grew 10% to £203 million, while asset-based revenue increased 7% to £112 million. ETF AUM benchmarked to FTSE Russell indexes increased 9% to US$705 billion. Revenue from other Information Services and real time data both grew 3% to £78 million and £48m respectively. Cost of sales rose 5%, with 7% growth in gross profit at £405 million.

Post Trade Services - LCH, the Group's majority-owned global clearing business, produced a 12% increase in total revenue, to £266 million (up 12% at constant currency). OTC clearing revenue increased 14%, reflecting a strong performance at SwapClear, with record clearing activity in terms of notional value cleared and compressed, including a 5% increase in the number of client trades which account for c.50% of SwapClear's clearing revenue. Volumes at CDSClear increased, and ForexClear produced good growth in Deliverable FX Options and client clearing. Membership numbers for all three OTC services increased during the period. Non-OTC products clearing revenue rose 2% (3% at constant currency), reflecting growth in fixed income clearing at RepoClear, offset by lower cash equities and derivatives clearing volumes.

LCH net treasury income (NTI) rose 16% as average cash collateral increased 7% to €92 billion.

NTI is expected to be slightly lower in H2, reflecting lower yields. Cost of sales for LCH rose 15% and gross profit rose 13% to £301 million. In Q1 we announced that LCH benefited from an updated SwapClear agreement with partner banks, with effect from the start of the year, estimated to deliver c.£30 million savings to cost of sales in 2019. LCH's EBITDA margin increased to 51.2% (2018 H1: 47.5%), reflecting the good H1 result and the benefit of the updated SwapClear agreement.

Total income for Post Trade Services in Italy, comprising CC&G and Monte Titoli, grew 3% to £75 million (up 4% at constant currency), underpinned by NTI which grew by 14% to £24 million. Clearing revenue was flat at £22 million while settlement and custody revenue declined 3% to £29 million. Cost of sales grew from £3 million to £4 million, with gross profit growing 3% to £71 million.

Capital Markets increased revenue by 5% on a reported and constant currency basis, helped by a one-off change in estimate for IFRS 15 accounting in Primary Markets, with an impact of c.£32 million. In Secondary Markets, equities trading revenue fell 16%, reflecting a challenging trading environment with equity value traded on LSE and Turquoise down 24% and 33% respectively, and the number of trades at Borsa Italiana down 21%. Fixed income, derivatives and other trading revenue fell by 4% in aggregate, with growth in repo offset by weaker derivatives markets. Cost of sales fell from £9 million to £3 million, reflecting the removal of "maker-taker" rebates at Turquoise since Q4 2018. In total, gross profit grew 8% to £223 million.

Technology Services revenue decreased 6% on a reported basis. Lower cost of sales meant overall gross profit for the segment was down 2% at £26m.

Financial Summary

Unless otherwise stated, all figures below refer to continuing operations for the six months ended 30 June 2019 (H1 2019). Comparative figures are for continuing operations for the six months ended 30 June 2018 (H1 2018). Variances are also provided on a constant currency basis. All income is on an organic basis as there has been no inorganic income seen in either period.

	Six months ended 30 June			**Constant currency**
	2019	**2018**	**Variance**	**variance**
Continuing operations	**£m**	**£m**	**%**	**%**
Revenue				
Information Services	**441**	412	7%	4%
Post Trade Services - LCH	**266**	237	12%	12%
Post Trade Services - CC&G and Monte Titoli	**51**	52	(1%)	-
Capital Markets	**226**	215	5%	5%
Technology Services	**30**	32	(6%)	(7%)
Other revenue	**4**	5	-	-
Total revenue	**1,018**	953	7%	5%
Net treasury income through CCP businesses	**120**	104	16%	14%
Other income	**2**	3	-	-
Total income	**1,140**	1,060	8%	6%
Cost of sales	**(109)**	(106)	3%	2%
Gross profit	**1,031**	954	8%	7%

Operating expenses before depreciation, amortisation and impairment	**(406)**	(407)	-	(2%)
Underlying depreciation, amortisation and impairment	**(88)**	(64)	37%	37%
Total operating expenses	**(494)**	(471)	5%	4%
Share of loss after tax of associate	**(4)**	(3)	20%	20%
Adjusted operating profit [1]	**533**	480	11%	9%
Add back underlying depreciation, amortisation and impairment	**88**	64	37%	37%
Adjusted earnings before interest, tax, depreciation, amortisation and impairment [1]	**621**	544	14%	13%
Amortisation and impairment of purchased intangible assets and goodwill and non-underlying items [2]	**(134)**	(87)	55%	51%
Operating profit	**399**	393	2%	-
Earnings per share				
Basic earnings per share (p)	**70.7**	71.1	(1%)	
Adjusted basic earnings per share (p) [1]	**100.6**	88.7	13%	
Dividend per share (p)	**20.1**	17.2	17%	

[1] Before amortisation and impairment of purchased intangible assets and goodwill and non-underlying items

[2] 2019 H1 includes transaction costs and restructuring costs

Note: Variances in all tables are calculated from underlying numbers.

The Group's principal foreign exchange exposure arises from translating and revaluing its foreign currency earnings, assets and liabilities into LSEG's reporting currency of Sterling.

Revenue increased 7% to £1,018 million (H1 2018: £953 million), and up 5% on a constant currency basis. As described in the operational performance section above, many parts of the Group have delivered good results, with strong contributions in particular from LCH and Information Services. Total income rose 8% to £1,140 million (H1 2018: £1,060 million), and up 6% on a constant currency basis. Cost of sales increased 3% to £109 million, (2% on a constant currency basis) primarily as a result of the growth in LCH and FTSE Russell, with gross profit increasing 8% to £1,031 million (H1 2018: £954 million).

Operating expenses excluding depreciation, amortisation and impairment were flat on a reported basis and down 2% on a constant currency basis. Underlying depreciation and amortisation at £88 million was 37% higher than last year, reflecting investments in previous periods and incorporating IFRS 16 accounting changes transferring lease costs from expenses to depreciation. The Group continues to invest in new products and efficiency projects, to increase sales and to develop the Group's infrastructure. Due to the phasing of spend during the year, operating expenses (including depreciation and amortisation) in the second half of the year are likely to be c.£25 million higher than H1.

Adjusted operating profit for the period, before amortisation and impairment of purchased intangible assets and goodwill and non-underlying items, increased 11% to £533 million (H1 2018: £480 million). Operating profit was up 2% at £399 million (H1 2018: £393 million) dampened by an increase in amortisation and impairment of intangible assets and goodwill and non-underlying items.

Net finance costs were £36 million (H1 2018: £33 million) reflecting marginally higher debt levels after the purchase of a 4.9% stake in Euroclear within the period. Profit before tax was £363 million (H1 2018: £360 million). The effective underlying tax rate was 22.9%, and 24.1% for H1 with the inclusion of one-off adjustments (year ended 31 December 2018: 21.9%).

Adjusted basic EPS, before amortisation and impairment of purchased intangible assets and goodwill and non-recurring items, increased 13% to 100.6 pence (H1 2018: 88.7 pence) while basic EPS was 70.7 pence (H1 2018: 71.1 pence).

Net cash inflow from operating activities was £400 million (H1 2018: £287 million), the increase year on year reflecting stronger business performance with good cost control. Capital expenditure in the period amounted to £89 million, (H1 2018: £90 million). Looking ahead, we expect capex to run at a slightly higher level in H2 as we continue to invest in further product development and projects to help scale-up our business. Net cash generated after capex, other investing activities and dividends, was £122 million (H1 2018: £28 million). Discretionary free cash flow per share on the same basis was 89.7 pence (30 June 2018: 56.6 pence).

At 30 June 2019, operating net debt had increased to £1,942 million (after setting aside £1,022 million of cash for regulatory and operational support purposes). During the period the Group acquired a 4.92% stake in Euroclear for €278 million (£244 million) and completed some smaller inorganic investments. Cash generated by the business funded the majority of the Group's investment activities referred to above as well as the regular debt servicing and dividend payments, with the balance being sourced from bank facilities. Operating net debt: pro forma EBITDA remained stable at 1.7 times (from 1.8 times at 31 December 2018), reflecting strong earnings growth offsetting the increase in operating net debt.

During the period, Standard & Poor's raised its long term ratings of LSEG to A and of LCH Limited and LCH SA to AA-, with stable outlooks for all three rated entities. Moody's maintained its A3 rating of LSEG, but raised its outlook to positive from stable. The Group had net assets of £3,788 million at 30 June 2019 (31 December 2018: £3,698 million), including £1,450 million in cash and cash equivalents (31 December 2018: £1,510 million).

The Group's principal foreign exchange exposure arises as a result of translating and revaluing its foreign currency earnings, assets and liabilities into LSEG's reporting currency of Sterling. For the 6 months to 30 June 2019, the main translation exposures for the Group were its Euro reporting businesses (accounting for 29% of Group income and 28% of Group expenses) and its US dollar reporting businesses (accounting for 28% of income and 19% of expenses). A 10 cent movement in the average £/€ rate for the six months would have changed the Group's operating profit for the period before amortisation of purchased intangible assets and non-recurring items by approximately £14 million. A 10 cent movement in the average £/US$ rate for the six months would have changed the Group's operating profit by approximately £15 million. The Group continues to manage its translation risk exposure by matching the currency of its debt (including debt effectively issued in one currency and swapped into a different currency) to the currency of its earnings, where possible, to ensure its key financial ratios are protected from material foreign exchange rate volatility.

Interim Dividend

In line with the Group's dividend policy, the interim dividend is calculated as one-third of the prior full year dividend. Accordingly, the Directors have declared an interim dividend of 20.1 pence per share, an increase of 17% (H1 2018: 17.2 pence per share). The interim dividend will be paid on 17 September 2019 to shareholders on the register on 23 August 2019.

Board of Directors

Cressida Hogg CBE joined the LSEG Board as an Independent Non-Executive Director on 8 March 2019. Cressida is Chair of Landsec and brings a strong corporate background in infrastructure and private equity. In July, Dominic Blakemore was announced to be joining the LSEG Board as an Independent Non-Executive Director, with effect from 1 January 2020. Dominic is the Chief Executive of Compass Group PLC and will bring deep financial and commercial expertise to the Group**.** It is expected that Dominic will become Chair of the Board's Audit Committee after the conclusion of the 2020 AGM.

Outlook

The Group has delivered a strong financial performance in H1, with good revenue growth and cost control across our businesses while we invest in new products and support the Group's development. We continue to make good progress towards achievement of our financial targets. The Group remains well positioned in an evolving regulatory and macroeconomic environment and we expect to make further progress in H2.

In addition to strong H1 results, today the Group has announced a transaction to acquire Refinitiv, a leading global provider of data, analytics and financial markets solutions. This transformational acquisition creates a multi-asset class capital markets business and brings world class data content, management and distribution capabilities to LSEG, accelerating our strategy and expanding our global footprint. This positions us in key areas of future growth as a global financial markets infrastructure leader. Completion is expected in H2 2020.

David Schwimmer - Group CEO
1 August 2019

Operating Performance – Key statistics

To assist investors in understanding the underlying performance of the Group, percentage changes are also presented on an organic and constant currency basis.

Information Services

The Information Services division consists of global indices products, real time data products and a number of other discrete businesses including trade processing operations, desktop and work flow products. As stated in our Q1 2019 release, we have revised the reporting format for Information Services as per the below:

	Six months ended 30 June			Constant currency
	2019	**2018**	**Variance**	**variance**
	£m	**£m**	**%**	**%**
Revenue				
Index - Subscription	**203**	185	10%	6%
Index - Asset based	**112**	105	7%	2%
FTSE Russell	**315**	290	9%	4%
Real time data	**48**	47	3%	3%
Other information services	**78**	75	3%	1%
Total revenue	**441**	412	7%	4%
Cost of sales	**(36)**	(34)	5%	1%
Gross profit	**405**	378	7%	4%

Note:
Mergent and some other minor items (previously reported in FTSE Russell subscriptions), are now included in Other information services

Previous reporting format:

	Six months ended 30 June			Constant currency
	2019	2018	Variance	variance
	£m	£m	%	%
Revenue				
FTSE Russell	**336**	309	9%	4%
Real time data	**48**	47	3%	3%
Other information services	**57**	56	2%	2%
Total revenue	**441**	412	7%	4%
Cost of sales	**(36)**	(34)	5%	1%
Gross profit	**405**	378	7%	4%

	As at 30 June		Variance
	2019	2018	%
ETF assets under management benchmarked ($bn)			
FTSE	421	387	9%
Russell Indexes	284	259	10%
Total	**705**	**646**	**9%**
Terminals			
UK	66,000	68,000	(3%)
Borsa Italiana Professional Terminals	100,000	109,000	(8%)

Post Trade Services - LCH

This LCH division comprises the Group's majority owned global clearing business.

	Six months ended 30 June			Constant currency
	2019	2018	Variance	variance
	£m	£m	%	%
Revenue				
OTC - SwapClear, ForexClear & CDSClear	**148**	130	14%	12%
Non OTC - Fixed income, Cash equities & Listed derivatives	**69**	67	2%	3%
Other	**49**	40	25%	24%
Total revenue	**266**	237	12%	12%
Net treasury income	**96**	83	16%	14%
Total income	**362**	320	13%	12%
Cost of sales	**(61)**	(53)	15%	16%
Gross profit	**301**	267	13%	12%

	Six months ended 30 June 2019	2018	Variance %
OTC derivatives			
SwapClear			
IRS notional cleared ($tn)	660	574	15%
SwapClear members	120	109	10%
Client trades ('000)	807	771	5%
CDSClear			
Notional cleared (€bn)	348	325	7%
CDSClear members	26	14	86%
ForexClear			
Notional value cleared ($bn)	8,767	8,664	1%
ForexClear members	34	32	6%
Non-OTC			
Fixed income - Nominal value (€tn)	52.7	48.8	8%
Listed derivatives (contracts m)	73.0	76.9	(5%)
Cash equities trades (m)	349	414	(16%)
Average cash collateral (€bn)	91.8	85.9	7%

Post Trade Services – CC&G and Monte Titoli

This division comprises the Group's Italian-based clearing, settlement and custody businesses.

	Six months ended 30 June 2019 £m	2018 £m	Variance %	Constant currency variance %
Revenue				
Clearing	**22**	22	-	1%
Settlement, Custody & other	**29**	30	(3%)	(2%)
Total revenue	**51**	52	(1%)	-
Net treasury income	**24**	21	14%	15%
Total income	**75**	73	3%	4%
Cost of sales	**(4)**	(3)	13%	13%
Gross profit	**71**	70	3%	3%

	Six months ended 30 June 2019	2018	Variance %
CC&G Clearing			
Contracts (m)	50.1	62.5	(20%)
Initial margin held (average €bn)	14.0	9.7	44%
Monte Titoli			
Settlement instructions (trades m)	21.5	23.9	(10%)
Custody assets under management (average €tn)	3.30	3.30	-

Capital Markets

Capital Markets comprises the Group's Primary Markets activities, providing access to capital for corporates and others, and the Secondary Market trading of cash equities, derivatives and fixed income.

	Six months ended 30 June			Constant currency
	2019 £m	**2018 £m**	**Variance %**	**variance %**
Revenue				
Primary Markets [1]	**90**	62	44%	44%
Secondary Markets - Equities	**74**	89	(16%)	(16%)
Secondary Markets - Fixed income, derivatives and other	**62**	64	(4%)	(3%)
Total revenue	**226**	215	5%	5%
Cost of sales	**(3)**	(9)	(68%)	(68%)
Gross profit	**223**	206	8%	8%

[1] Primary Markets revenue has increased by c.£32 million in H1 2019 due to a change in estimate relating to IFRS 15. This is due to a reduction in the length of time initial admissions and further issue revenues are required to be recognised. Under this new treatment, it is estimated the impact on Primary Markets will be an increase in revenue of £1 million on an annual basis.

Capital Markets - Primary Markets

	Six months ended 30 June		Variance
	2019	**2018**	**%**
New Issues			
UK Main Market, PSM & SFM	28	38	(26%)
UK AIM	15	36	(58%)
Borsa Italiana	15	13	15%
Total	**58**	**87**	**(33%)**
Money Raised (£bn)			
UK New	2.7	1.9	42%
UK Further	10.8	10.8	-
Borsa Italiana new and further	1.9	2.5	(24%)
Total (£bn)	**15.4**	**15.2**	**1%**

Capital Markets - Secondary Markets

	Six months ended 30 June		Variance
Equity	**2019**	**2018**	**%**
Totals for period			
UK value traded (£bn)	583	769	(24%)
Borsa Italiana (no of trades m)	31.1	39.4	(21%)
Turquoise value traded (€bn)	311	464	(33%)
SETS Yield (basis points)	0.69	0.62	11%

Average daily			
UK value traded (£bn)	4.7	6.2	(24%)
Borsa Italiana (no of trades '000)	249	312	(20%)
Turquoise value traded (€bn)	2.5	3.7	(32%)
Derivatives (contracts m)			
LSE Derivatives	1.6	4.1	(61%)
IDEM	16.8	20.7	(19%)
Total	18.4	24.8	(26%)
Fixed Income			
MTS cash and BondVision (€bn)	1,650	1,888	(13%)
MTS money markets (€bn term adjusted)	57,749	43,964	31%

Technology Services

Technology Services comprises technology connections and data centre services for clients of London Stock Exchange and Borsa Italiana, plus the MillenniumIT software business, based in Sri Lanka, which provides technology for the Group as well as third party sales.

	Six months ended 30 June			Constant currency
	2019	**2018**	**Variance**	**variance**
Revenue	**£m**	**£m**	**%**	**%**
MillenniumIT & other technology	**30**	32	(6%)	(7%)
Cost of sales	**(4)**	(5)	(28%)	(28%)
Gross profit	**26**	27	(2%)	(3%)

Basis of Preparation

Results for the European and US businesses have been translated into Sterling using the exchange rates set out below. Constant currency growth rates have been calculated by translating prior period results at the average exchange rate for the current period.

	Average rate 6 months ended 30 June 2019	Closing rate at 30 June 2019	Average rate 6 months ended 30 June 2018	Closing rate at 30 June 2018
GBP : EUR	1.15	1.12	1.14	1.13
GBP : USD	1.29	1.27	1.38	1.32