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SEG

H1 2024 results



LSEG

Strong commercial, strategic and financial progress in H1

Delivering on all fronts in H1 2024

- Positive contribution from all business lines
- Rapid pace of innovation; Workspace regularly displacing competitors
- First Microsoft product coming to market in H2
- Greater efficiency driving margin improvements
- Significant shareholder returns

+7.6%

Total Income¹
growth in H1
2024

+6.4%

ASV growth at
H1 2024

+50bps

underlying margin
improvement²

+29%

FCF growth
in H1 2024

£1.0bn

returned via
buybacks in H1
2024

+15%

dividend growth
in H1 2024



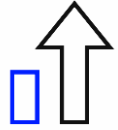
A clear pathway to delivery

Michel-Alain Proch, CFO



LSEG

Key messages



Strong portfolio of assets; multiple growth opportunities



Beginning to deliver on margin potential



Strong cash generation, pathway to further improvement

Confident in delivering our guidance

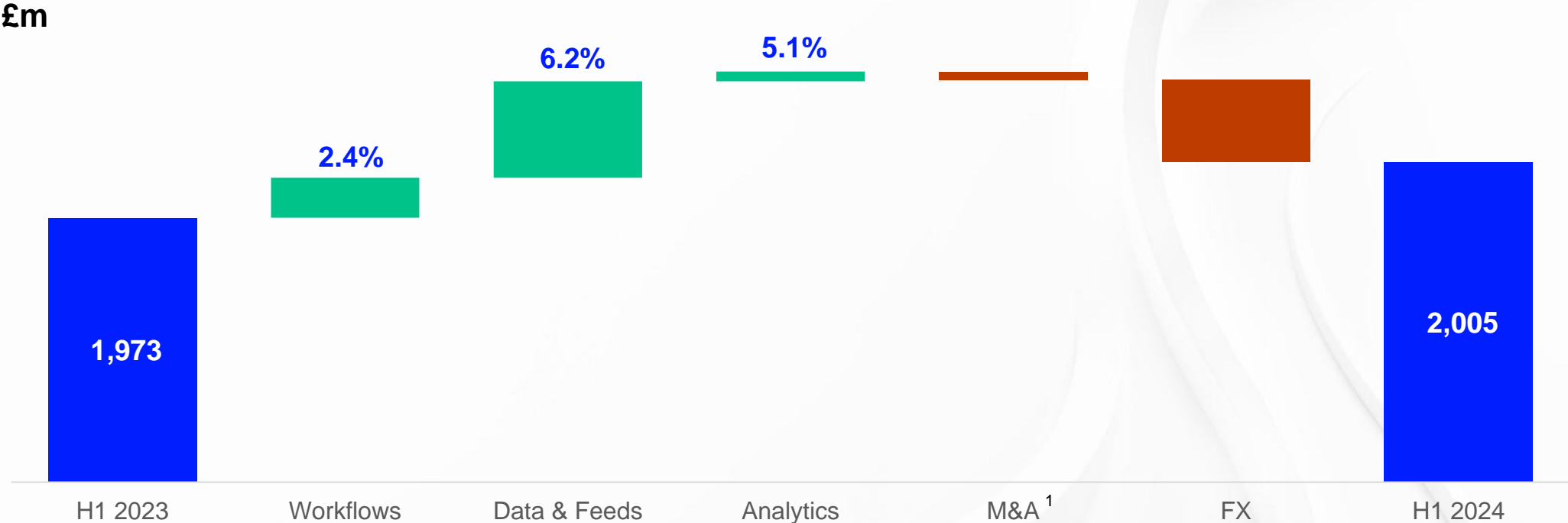
Strong H1 growth; acceleration in Q2

(GBP million)	Q1	Q2	H1
2024 total income ex. recoveries	2,089	2,115	4,204
2023 total income ex. recoveries	2,007	1,983	3,990
Reported growth	4.1%	6.7%	5.4%
Organic growth¹	6.4%	7.8%	7.1%

Delivering broad-based growth in H1

(GBP million)	H1 2024	H1 2023	Growth vs H1-23	Organic growth ¹ vs H1 2023
Data & Analytics	2,005	1,973	1.6%	4.3%
FTSE Russell	452	412	9.7%	11.5%
Risk Intelligence	263	241	9.1%	11.5%
Capital Markets	880	759	15.9%	17.4%
Post Trade	596	590	1.0%	0.0%
Total²	4,204	3,990	5.4%	7.1%

Data & Analytics: product investment driving growth



Workflows

Enhanced offering driving higher retention and displacements; key element of data access deals.

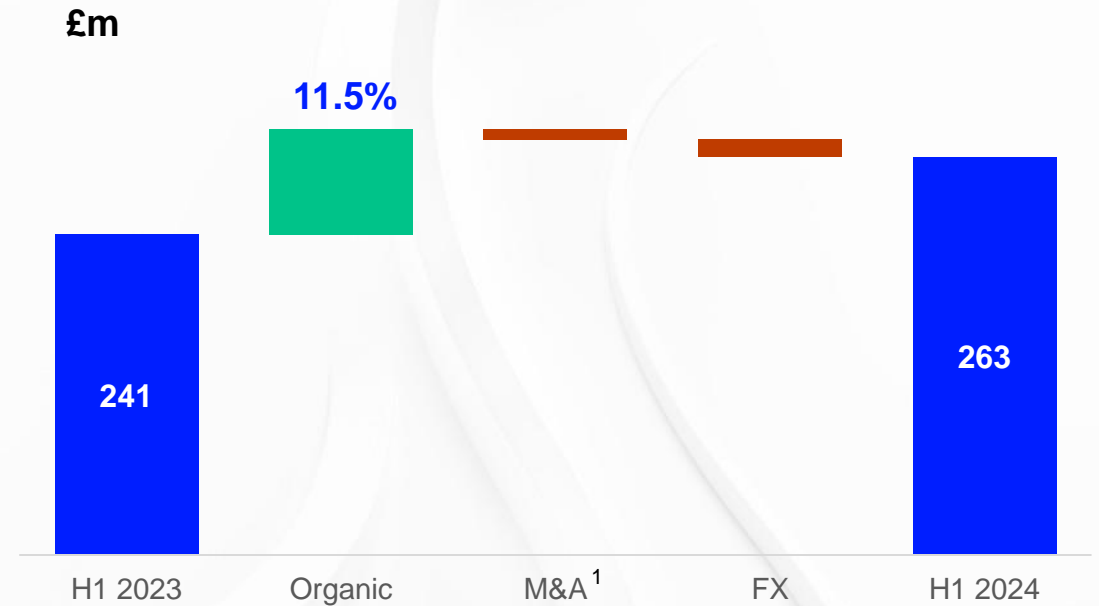
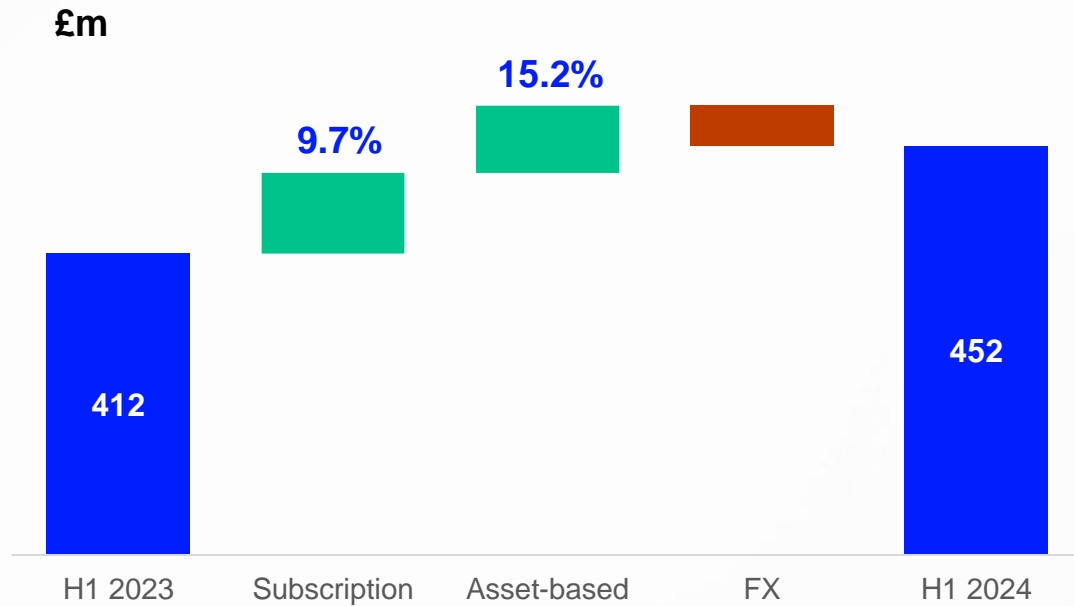
Data & Feeds

Strong new product pipeline in Real Time and PRS offsetting known headwinds.

Analytics

Improving underlying retention partly offset by Credit Suisse; strong pipeline for product and sales.

Driving performance in FTSE Russell and Risk Intelligence



FTSE Russell

Continued strong demand for flagship equity indices and benchmarks. Asset-based fee growth driven by healthy inflows and favourable market trends.

Risk Intelligence

Strong regulatory and risk-driven demand for World Check; ongoing product development. Improving sales momentum in Digital Identity & Fraud.

Robust ASV performance



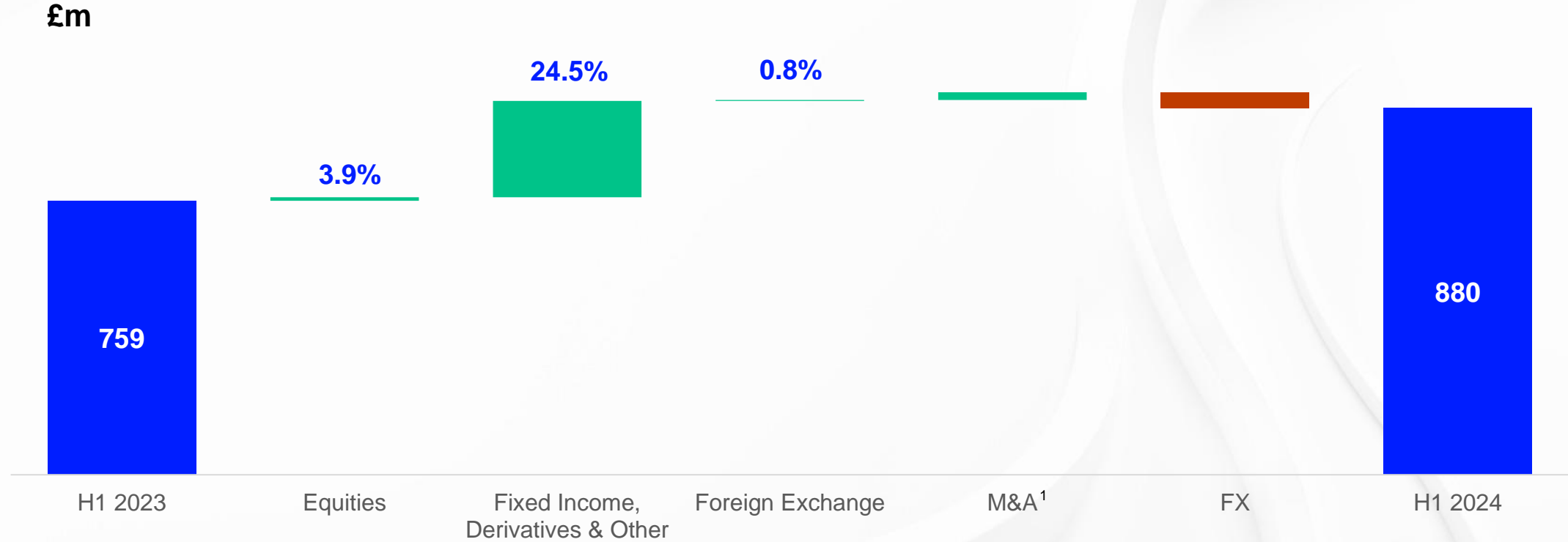
Broad-based acceleration

Long-run improvement driven by better retention and price yield; increasing gross sales contribution.

Offset by known headwinds in 2024

Credit Suisse cancellations and Q1 data access agreement.

Capital Markets: all businesses contributing to growth



Equities

Confidence returning to equity markets; strong share gains in secondary trading.

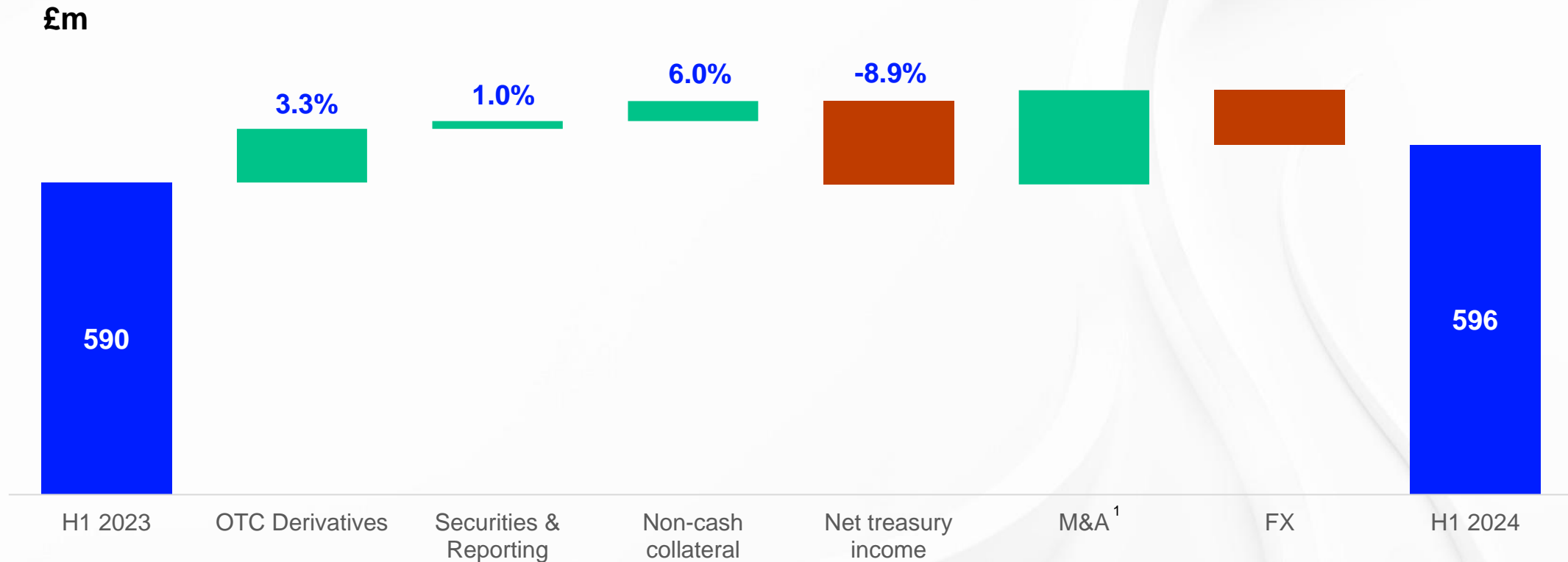
Fixed Income

Strong market activity at Tradeweb. Driving continued share gains through product innovation.

Foreign Exchange

Stronger dealer-to-client volumes at FX all offset by lower interbank volumes on FX Matching.

Post Trade: building on record performance in 2023



OTC Derivatives

Higher clearing volumes and price driving growth at SwapClear.
Significant gains in CDS volumes.

Securities & Reporting

Strong RepoClear volumes offsetting Euronext exit.

Net treasury income

Lower cash collateral driven by reduced market volatility and margin optimisation by customers.

Strong growth in EBITDA; improving AEPS performance

£m			Growth % vs H1 2023	
	H1 2024	H1 2023	Reported	Constant ccy
Total income excl. recoveries	4,204	3,990	5.4%	7.6%
Gross profit	3,801	3,607	5.4%	7.5%
Adjusted EBITDA	2,040	1,888	8.1%	8.4%
<i>Adjusted EBITDA margin</i>	<i>48.5%</i>	<i>47.3%</i>		
Adjusted depreciation, amortisation & impairment	(477)	(454)	5.1%	7.2%
Adjusted operating profit	1,563	1,434	9.0%	8.8%
Adjusted net finance expense	(112)	(79)	41.8%	
Adjusted tax expense	(360)	(321)	12.1%	
<i>Adjusted effective tax rate</i>	<i>24.8%</i>	<i>23.7%</i>		
Non-controlling interest	(160)	(146)	9.6%	
Adjusted profit attributable to equity holders	931	888	4.8%	4.4%
Adjusted earnings per share	174.0	160.9	8.1%	7.7%

Improving cost control

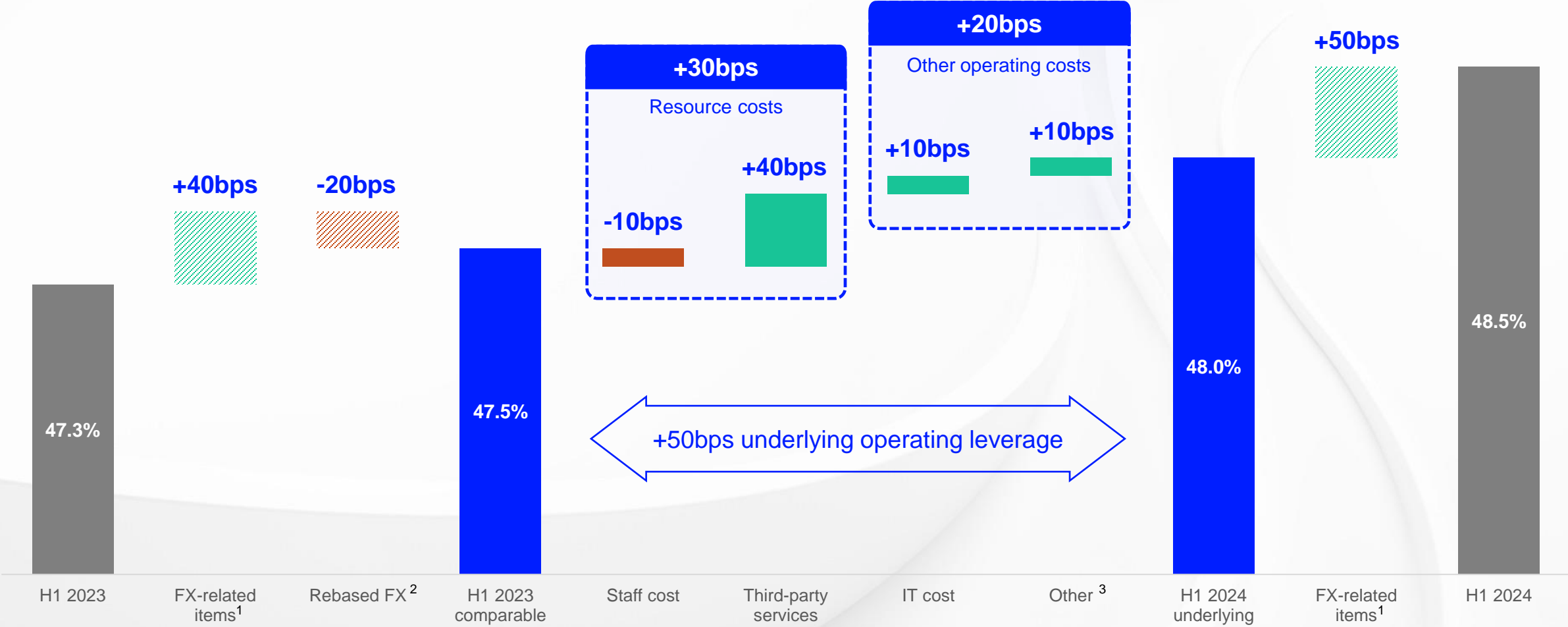
(GBP million)	Growth % vs H1 2023				
	H1 2024	H1 2023	Reported	Constant ccy	Organic ¹
Cost of sales	588	572	2.8%	5.5%	4.9%
Staff costs	1,102	1,038	6.2%	8.5%	7.5%
<i>As a % of total income ex recoveries</i>	26.2%	26.0%			
IT costs	309	296	4.4%	6.7%	6.4%
<i>As a % of total income ex recoveries</i>	7.4%	7.4%			
Third-party services	195	201	(3.0%)	0.5%	0.7%
Other costs	174	169	3.0%	0.5%	(0.8%)
Total adjusted operating expenses ex FX²	1,780	1,704	4.5%	6.4%	5.7%
FX-related items ²	(21)	14			
Total adjusted operating expenses	1,759	1,718	2.4%	6.4%	5.7%
Total Group cost base³	2,347	2,290	2.5%	6.2%	5.5%

1. Constant currency organic growth.

2. FX-related items represent fair value movements on embedded derivative contracts and foreign exchange (gains)/losses (H1 2024: £21m gain, H1 2023: £14m loss). Within this, the impact of embedded derivatives was a £27 million gain in H1 2024 and zero in H1 2023.

3. Total Group cost base combines cost of sales and adjusted operating expenses.

Delivering margin expansion



1. FX-related items represent fair value movements on embedded derivative contracts and foreign exchange (gains)/losses (H1 2024: £21m gain, H1 2023: £14m loss).
 2. H1 2023 rebased onto H1 2024 FX rates.
 3. "Other" includes recoveries revenue, cost of sales and other operating expenses.

Net finance expense affected by refinancing

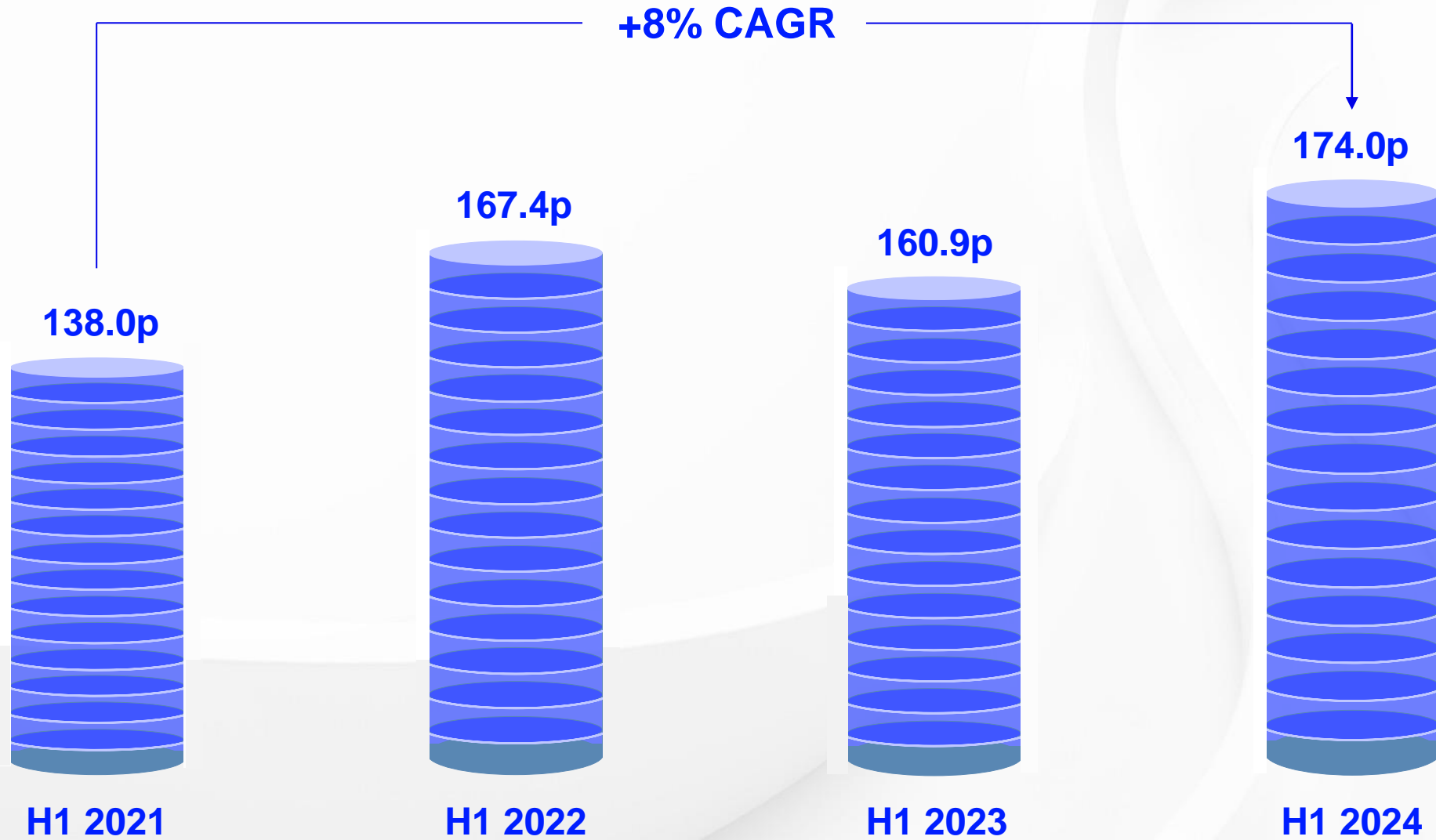
(GBP million)

	H1 2024	H1 2023
Interest expense on bank balances and other borrowings, net of derivative interest	(157)	(101)
Bank deposit and other interest income	77	49
Net lease interest expense	(9)	(7)
Interest differential and foreign exchange losses	(16)	(16)
Other finance expenses	(7)	(4)
Adjusted net finance costs	(112)	(79)

Tax rate impacted by increase to the UK corporate rate

(GBP million)	H1 2024	H1 2023
Reported income taxes	(225)	(114)
Reversal in income tax on amortisation of intangibles arising from acquisition	(141)	(124)
Rate change on non-underlying attributes ¹	44	(44)
Transactions, integration and similar costs	(33)	(43)
Other	(5)	4
Adjusted tax	(360)	(321)
Effective tax rate	24.8%	23.7%

Adjusted earnings per share



Non-underlying items: Refinitiv integration costs tracking as expected

£m	H1 2024	H1 2023
Adjusted operating profit	1,563	1,434
Transaction cost credit/(costs)	10	(64)
Integration, separation & restructuring costs	(114)	(119)
Profit on disposal & remeasurement gains	8	69
Depreciation, amortisation & impairment of intangibles and other assets	(655)	(575)
Operating profit	812	745

£114m

integration, separation and restructuring costs, mostly related to the integration of Refinitiv

£18m

in transaction credits and profits on disposal includes items relating to the sale of small businesses within Risk Intelligence

£655m

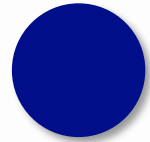
depreciation, amortisation and impairment of intangible assets, largely recognised on the acquisition of Refinitiv

Highly cash generative business model: strong free cash flow

<u>(GBP million)</u>	<u>H1 2024</u>	<u>H1 2023</u>
Operating cash flow	1,501	1,200
Net interest	(42)	(44)
Net taxes paid	(203)	(52)
Capex	(454)	(462)
Other items ¹	(41)	(50)
Equity free cash flow	761	592

Equity free cash flow: +29% vs H1 2023

Deploying our strong equity free cash flow for growth and shareholder returns



Dividends - £424m¹

Interim dividend of 41.0p, up 14.8%



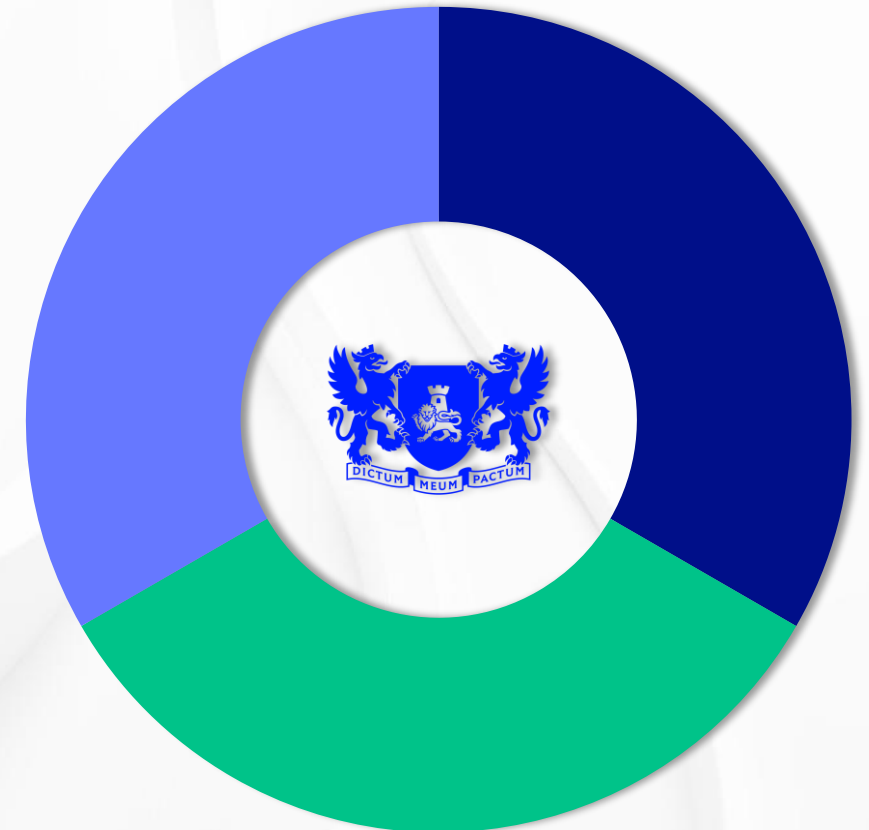
M&A - £206m

Closed r8fin acquisition and increased LCH stake

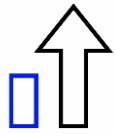


Share buyback - £1.0bn

£1bn of buybacks completed in H1



Medium-term guidance: accelerating growth, good cash conversion



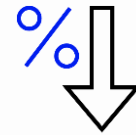
Revenue

Mid-to-high single-digit organic growth annually, accelerating after 2024



EBITDA Margin

Underlying margin to increase over time



Capex¹

Remain around current levels of 11-12% of income² in 2024, then declining over time to high single digit % of income²



Cash Conversion

Cumulative free cash flow to exceed adjusted profit after tax attributable to equity holders



Strong commercial, strategic and financial progress

David Schwimmer, CEO



LSEG

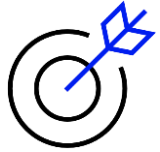
Delivering strong commercial, strategic and financial progress in H1

1. Strong commercial progress

2. Driving growth across our business

3. Accelerating growth with Microsoft

***Enterprise agreements** give customers efficient access to our global footprint, superior breadth and depth of data, improved desktop solutions and multi-asset class capabilities*



They're targeted...

Bespoke, customer-centric agreements

Approaching 10% of subscription revenues³



...customers prefer them²...

Overall satisfaction +10%

Product satisfaction +8%



...and they accelerate growth

>500bp acceleration in revenue growth¹

Vast majority immediately accretive to revenue

Building faster, better and more scalable services for our smaller customers

Expanding global support hubs

Optimising delivery: 4 new global customer service hubs added in H1, taking total to 7

Migrating customers: 2k customers transitioned to hubs in H1; total now 11k

Deploying technology: new AI tools solving customer queries 70% faster

Deploying our ecommerce platform

Expanding offering: new Risk Intelligence services added in H1

Quicker sales conversion: 8x shorter sales cycle vs. traditional channel

Broader customer reach: C-suite, strategy, legal, consultants, logistics, corporates...

Stable sales cycle and end-market demand

1. Strong commercial progress

Sales cycle

Stable

Average time to close slightly shorter in H1 vs. 2023

Deal size

Stable

Average deal size unchanged vs. 2023

Win rate

Stable

Maintained LSEG win rate vs. 2023; 700bps higher than 2021

Sales pipeline

Increasing

Continued growth since end 2023

Investing in Pricing and Reference Services¹

- ▶ 10-fold increase in debt corporate action data: 21 events across 900k securities
- ▶ ESG coverage doubled: 18k companies, 4x increase in metrics
- ▶ 80% increase in private company coverage; 19m entities

Expanding Real-Time distribution

- ▶ Industry leading low latency offering; over 70 new feeds added in H1
- ▶ Real-time distribution of full tick data via the cloud
- ▶ Enhanced Tradeweb real-time data launched in H1, utilising LSEG's industry standard data architecture

Continuous innovation is delivering an ever-stronger customer proposition

245

Workspace
updates in H1

+16%¹

Increase in primary
usage vs. Eikon

~300bp

Increase in
retention last 2yrs

A step-change in functionality for **banking users in H1**

- ▶ Integration of our corporate deals and security ownership data
- ▶ Compatibility with third-party presentation tools
- ▶ Dow Jones partnership

A compelling end-to-end solution for **buyside users**

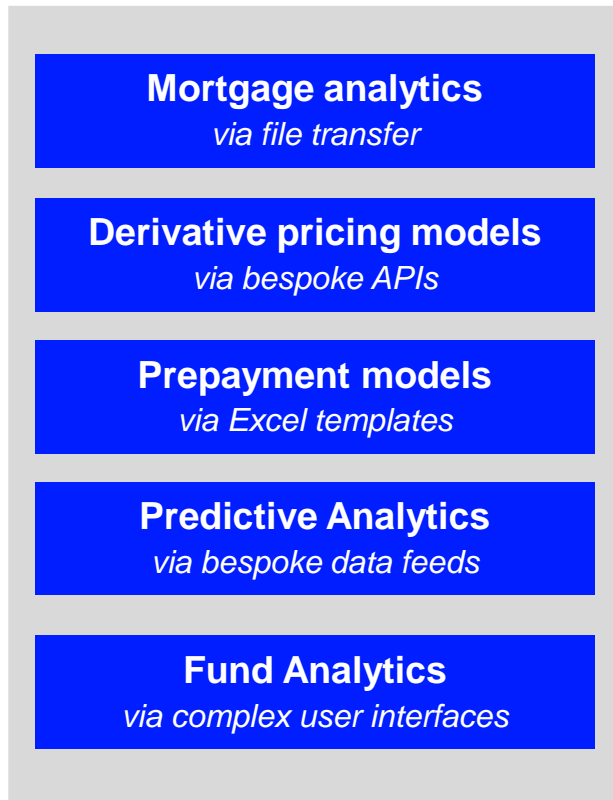
- ▶ Addition of our order and execution management tools
- ▶ Integration of FXall and Advanced Dealing
- ▶ Compatibility with industry standard technology protocols

Bringing powerful simplicity and scale to Analytics

From a disjointed set of ~300 models and analytics across a disparate estate

...to a single API for all LSEG analytics products...

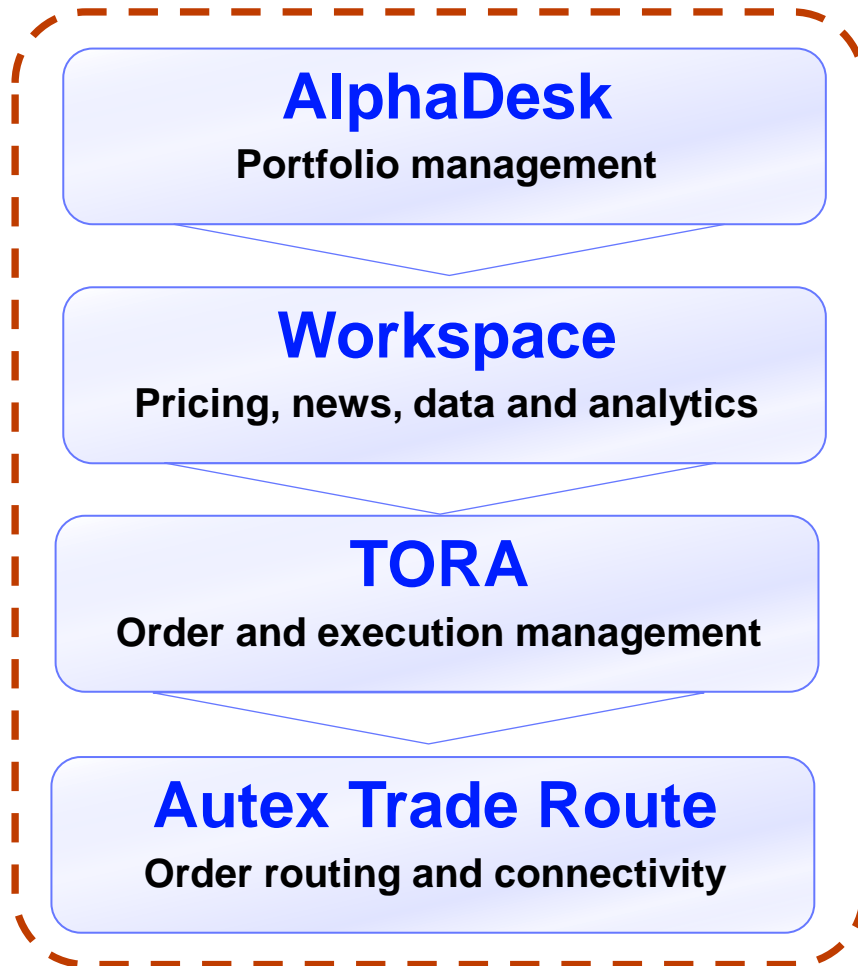
...bringing substantial benefits to LSEG and our customers



- Much quicker and easier to connect customers
- Easier to find content with embedded catalogue
- Streaming Analytics updated in real time
- Consistent model framework across asset classes
- Ability to monetise based on consumption
- Seamless distribution to other customer environments (data lakes, quants labs, etc)

Case study: Asia Pacific asset manager

- ▶ **Seamless** end-to-end offering for buy-side Workflow
- ▶ **Displacing** four competitor products from two separate providers



Select customer wins in H1

Asian quant fund: Company-wide adoption of LSEG's Workflows, Data & Feeds and Analytics solutions

Large US bank: adopts Workspace, displacing 400 competitor desktops

US market maker: Switching to LSEG's Real Time services, displacing a competitor

Commodities trading firm: adopts Workspace, displacing 100+ competitor desktops

Global fund administrator: Adopting LSEG data as their master dataset

European wealth manager: Switching to Workspace, displacing ~100 competitor desktops

US regional bank: Integrating LSEG's mortgage analytics to manage RMBS risk

Modernising markets

- ▶ New trading protocols, e.g. Portfolio trading, RFM¹
- ▶ Enhanced automation tools, e.g. AiEX²

Improving risk management

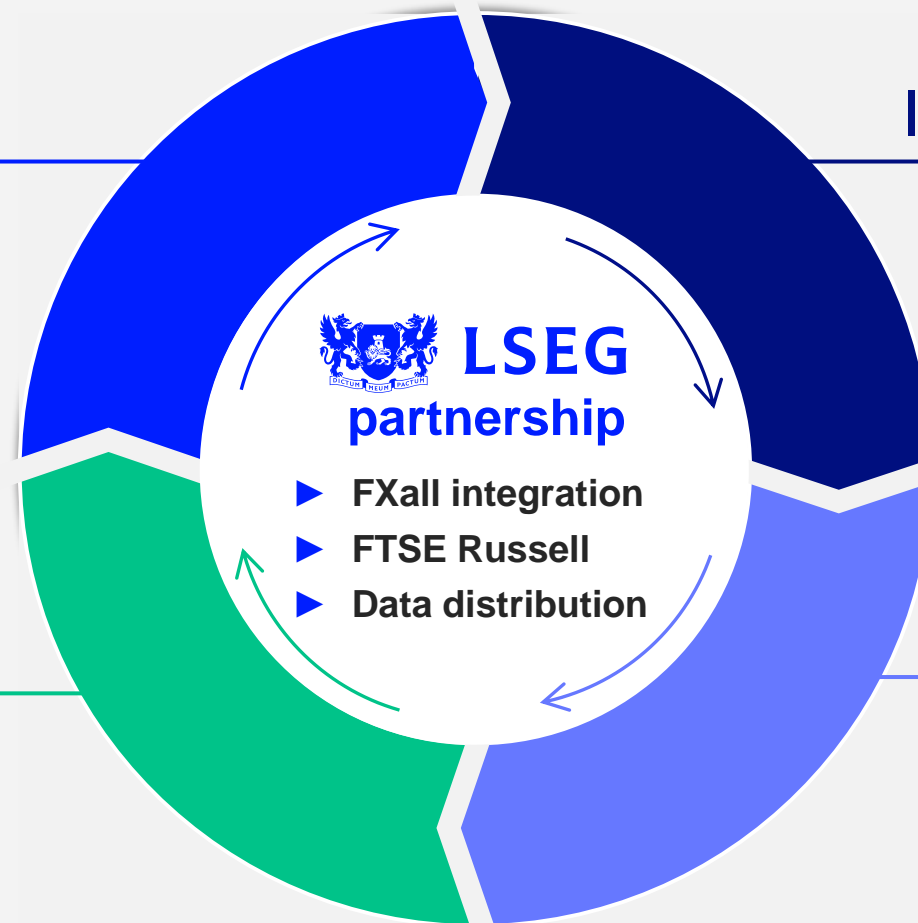
- ▶ Transaction Cost Analysis
- ▶ AiPrice³

Opening new markets

- ▶ Corporate Treasurers e.g. ICD
- ▶ Emerging Markets

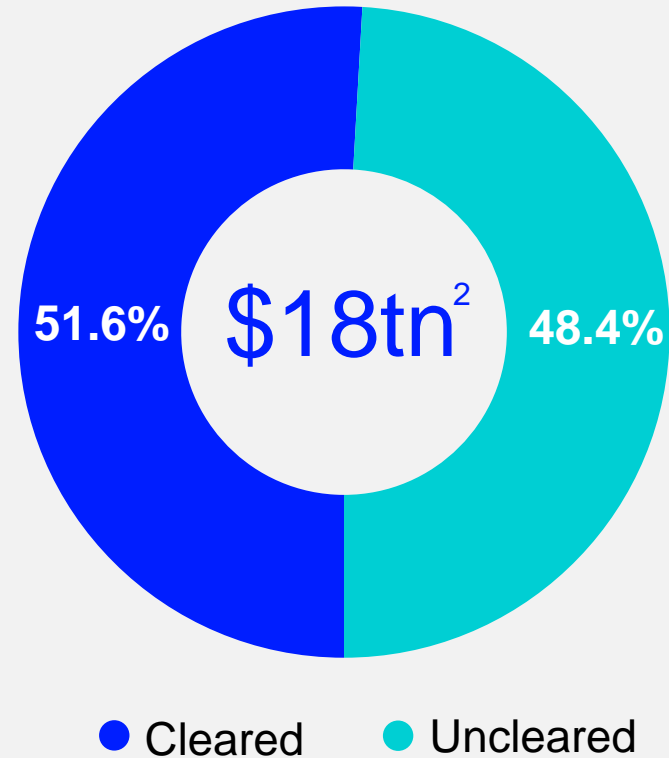
Enhancing insights

- ▶ Benchmark pricing across US, Eurozone and UK govt. bonds
- ▶ NAV pricing tools for fixed income ETFs



A decade of delivery from LCH¹ in **cleared** products

- ▶ Three-fold increase in revenues; >€900m 2023 vs. ~€250m in 2013
- ▶ EBITDA margins doubled; ~56% in 2023 vs. 24% in 2013
- ▶ Six-fold increase in operating profit; ~€450 in 2023 vs. €50m in 2013



Partnering to build industry solutions for **uncleared** products

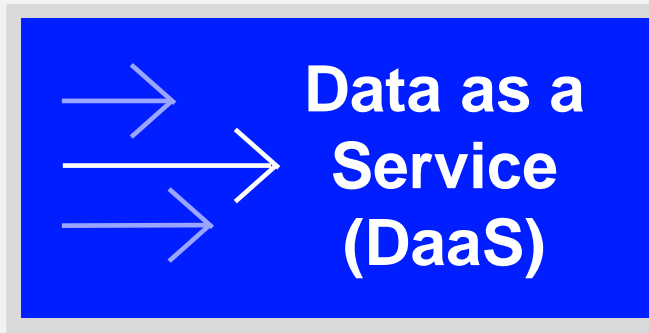
- ▶ Pressing customer need for solutions to acute regulatory and capital-driven pressures
- ▶ Opportunity similar in size to cleared space
 - instruments with ~\$9trn gross market value currently uncleared

SwapAgent QUANTILE **acadia**

From: Current industry norms

- ▶ Hard to find data
- ▶ Differing access points between datasets
- ▶ Data fragmented across products

To: Access to the full breadth of our data from a single cloud-based architecture



Delivering: Significant customer benefits

- ▶ Step-change in data discoverability
- ▶ Customer efficiencies in accessing and organising data
- ▶ Supporting repeatable, scalable customer processes
- ▶ Delivering our data where customers want it



Many of our key datasets available via DaaS over the next 18 months

2024

The initial DaaS offering will include:

- ▶ All 8 migrated datasets
- ▶ **Discovery** via web-application, Fabric platform or a proprietary tool
- ▶ **Distribution** via queryable database or bulk delivery



 Completed onboarding
 Onboarded by end-2024

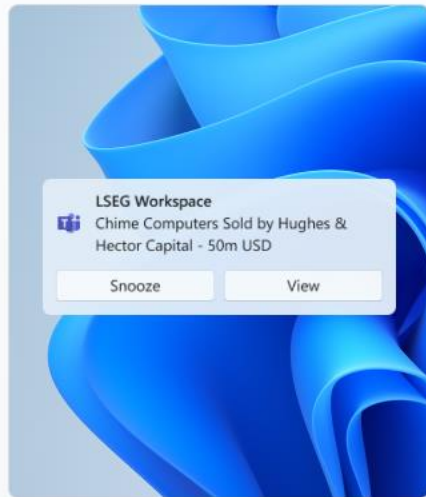
Continuous expansion and innovation

- ▶ Further **expansion** with another 12+ datasets added in 2025; continuing expansion thereafter
- ▶ **Innovating** with additional data management tools from 2025

Powered by
LSEG Workspace

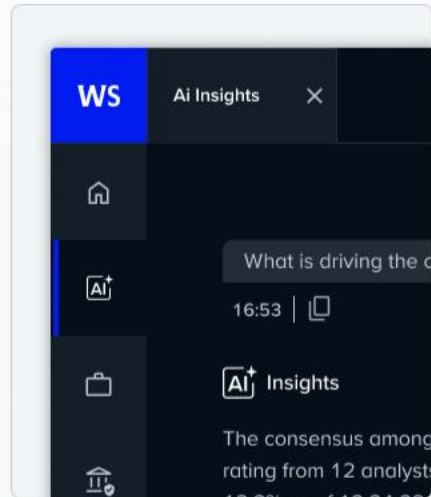
Enabling Time Saving | Powering Insight Discovery | Delivering Workflow Accuracy

Augmentation



Smart Alerting

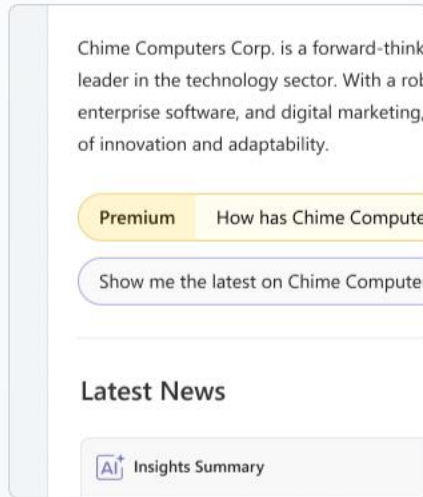
The right content, at the right time



Natural Language Discovery

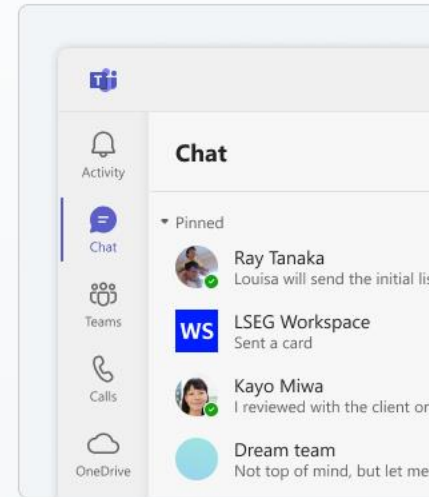
Within Teams & Workspace

Interoperability



Upgrade to Premium content

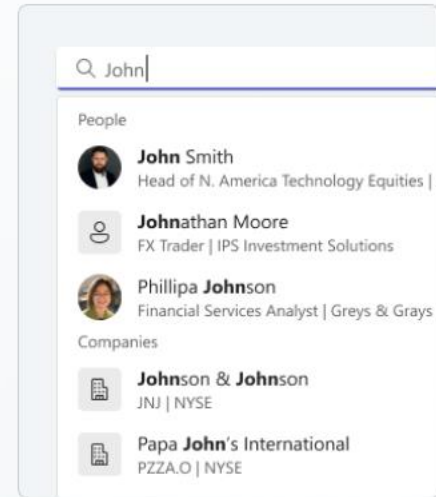
Accessible in Workspace



Share directly to Teams

Seamless workflows

Collaboration



Empowering communities

Find contacts in Open Directory

Multiple means of monetisation

Clear commercial framework

– **We get paid for consumption of:**

- ▶ Our data
- ▶ Our intellectual property and products

– **Microsoft gets paid for consumption of:**

- ▶ Its intellectual property and products
- ▶ Its cloud services

Price realisation on enhanced products

- ▶ E.g. Meeting Prep, Open Directory enhancing value of Workspace

Increased consumption on existing data

- ▶ E.g. Data as a Service (DaaS) liberating current datasets

New licences for new products

Amplified by share gains and expansion into adjacent segments

Strong commercial, strategic and financial progress



Strong, broad-based growth; higher margins



Active capital management and shareholder returns



Continuous innovation delivering better customer solutions



Microsoft partnership; first commercial launches in H2 2024

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Q&A



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Appendix

H1 2024 condensed consolidated income statement

(GBP million)	H1 2024 P&L	Integration, separation, restructuring and transaction costs	Profit on disposal of business	Amortisation and impairment of software and other intangibles	Non-underlying finance expense ¹	Non-underlying tax ²	Non-underlying loss attributable to non-controlling interest	H1 2024 adjusted P&L
Total income	4,389							4,389
Cost of sales	(588)							(588)
Operating expenses	(1,863)	104						(1,759)
Profit on disposal of businesses	8		(8)					-
Share of loss after tax of associates	(2)							(2)
EBITDA	1,944	104	(8)					2,040
<i>EBITDA margin</i>	<i>46.2%</i>							<i>48.5%</i>
Depreciation, amortisation and impairment	(1,132)			655				(477)
Operating profit	812	104	(8)	655				1,563
Net finance expense	(119)				7			(112)
Taxation	(225)					(135)		(360)
Non-controlling interest	(122)						(38)	(160)
Net income attributable to equity holders	346	104	(8)	655	7	(135)	(38)	931

Net debt profile – by currency

Operating net debt as of 30 June 2024

(GBP million)

	Total	USD	EUR	GBP	Other
2024 Bonds	424	424			
2025 Bonds	424		424		
2026 Bonds	1,387	1,387			
2027 Bonds	814	392	422		
2028 Bonds	1,210	788	422		
2029 Bonds	422	169	253		
2030 Bonds	1,098	603		495	
2031 Bonds	984	984			
2033 Bonds	419		419		
2034 Bonds	586	586			
2041 Bonds	585	585			
Bonds	8,353	5,918	1,940	495	-
Commercial paper	1,841			1,841	
Other	(8)			(8)	
Leases	654	237	42	290	85
Gross borrowings	10,840	6,155	1,982	2,618	85
Cash and cash equivalents	(3,656)	(1,520)	(1,003)	(952)	(181)
Net derivative financial assets	(9)			(9)	
Net debt	7,175	4,635	979	1,657	(96)
Less lease liabilities	(654)	(237)	(42)	(290)	(85)
Regulatory and operational amounts	1,310	108	623	572	7
Operating net debt	7,831	4,506	1,560	1,939	(174)

Net debt profile – fixed vs floating

Operating net debt as of 30 June 2024

(GBP million)

	Total	Fixed rate	Floating rate	N/A
2024 Bonds	424	424		
2025 Bonds	424	424		
2026 Bonds	1,387	791	596	
2027 Bonds	814	814		
2028 Bonds	1,210	1,210		
2029 Bonds	422	422		
2030 Bonds	1,098	495	603	
2031 Bonds	984	984		
2033 Bonds	419	419		
2034 Bonds	586		586	
2041 Bonds	585	585		
Bonds	8,353	6,568	1,785	-
Commercial paper	1,841		1,841	
Other	(8)	(8)		
Leases	654			654
Gross borrowings	10,840	6,560	3,626	654
Cash and cash equivalents	(3,656)		(3,656)	
Net derivative financial assets	(9)			(9)
Net debt	7,175	6,560	(30)	645
Less lease liabilities	(654)			(654)
Regulatory and operational amounts	1,310		1,310	
Operating net debt	7,831	6,560	1,280	(9)

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