



## London Stock Exchange Group plc: Q3 2024 Trading Update

***Strong Q3 performance, extending our track record of broad-based growth; further strategic progress***

### David Schwimmer, CEO said:

“We delivered a particularly strong quarter, with healthy growth in our subscriptions business and very strong performance in our high-quality volume-based businesses.

“We are executing successfully on our strategy, delivering multiple new products in Q3. The ongoing transformation of our business with faster product innovation and more powerful solutions is driving higher user engagement and better outcomes for our customers. Our partnership with Microsoft continues to make strong progress and our product timetable is on track.

“We are confident of continued growth as we look forward to 2025.”

### Q3 2024 highlights

*(All growth rates on an organic constant currency basis unless otherwise stated)*

- **Strong growth:** Total income (excl. recoveries) +9.5% constant currency and +8.7% organic
- **All divisions contributing to growth:** Data & Analytics +4.6%, FTSE Russell +9.2%, Risk Intelligence +10.4%, Capital Markets +22.4%, Post Trade +4.8%
- **ASV growth in-line with guidance:** Period-end ASV growth of +6.0% consistent with guidance; continue to expect ASV growth to remain around 6% for the rest of the year
- **High cadence of product innovation:** Launched global cloud-based DataScope offering, new Main Market for UK equities, multiple Workspace enhancements, SOFR futures clearing for FMX
- **Product development with Microsoft progressing well:** On track to deliver against our product timetable
- **Acquiring 8.3% of LCH Group, taking ownership to 94.2%:** Agreement to acquire further minority interest in LCH Group for €433 million

This release contains revenues, cost of sales and key performance indicators (KPIs) for the three months ended 30 September 2024 (Q3). Constant currency variances are calculated on the basis of consistent FX rates applied across the current and prior year period (GBP:USD 1.243 GBP:EUR 1.150). Organic variance is calculated on a constant currency basis, adjusting the results to remove disposals from the entirety of the current and prior year periods, and including acquisitions from the date of acquisition with a comparable adjustment to the prior year. Certain columns and rows may not add due to the use of rounded numbers for disclosure purposes.

## Q3 2024 summary

(Commentary on performance is on an organic constant currency basis, unless otherwise stated)

	Q3 2024 £m	Q3 2023 £m	Variance %	Constant currency variance %	Organic, constant currency variance %
Workflows	472	465	1.5%	3.2%	3.2%
Data & Feeds	465	443	5.0%	6.1%	6.1%
Analytics	55	55	0.0%	5.2%	5.2%
<b>Data &amp; Analytics</b>	<b>992</b>	<b>962</b>	<b>3.1%</b>	<b>4.6%</b>	<b>4.6%</b>
Subscription	156	141	10.6%	13.1%	13.1%
Asset-based	71	73	(2.7%)	1.8%	1.8%
<b>FTSE Russell</b>	<b>227</b>	<b>214</b>	<b>6.1%</b>	<b>9.2%</b>	<b>9.2%</b>
<b>Risk Intelligence</b>	<b>131</b>	<b>123</b>	<b>6.5%</b>	<b>8.5%</b>	<b>10.4%</b>
Equities	60	55	9.1%	8.5%	8.5%
Fixed Income, Derivatives & Other	341	259	31.7%	35.3%	27.3%
FX	67	61	9.8%	12.8%	12.8%
<b>Capital Markets</b>	<b>468</b>	<b>375</b>	<b>24.8%</b>	<b>27.7%</b>	<b>22.4%</b>
OTC Derivatives	148	125	18.4%	18.4%	18.4%
Securities & Reporting	55	64	(14.1%)	(11.1%)	(11.1%)
Non-cash collateral	28	27	3.7%	5.3%	5.3%
Net treasury income	66	70	(5.7%)	(5.5%)	(5.5%)
<b>Post Trade</b>	<b>297</b>	<b>286</b>	<b>3.8%</b>	<b>4.8%</b>	<b>4.8%</b>
Other	2	7	(71.4%)	(75.1%)	(75.1%)
<b>Total income (excl. recoveries)</b>	<b>2,117</b>	<b>1,966</b>	<b>7.7%</b>	<b>9.5%</b>	<b>8.7%</b>
Recoveries	89	88	1.1%	2.6%	2.6%
<b>Total income (incl. recoveries)</b>	<b>2,206</b>	<b>2,054</b>	<b>7.4%</b>	<b>9.2%</b>	<b>8.4%</b>
Cost of sales	(283)	(282)	0.4%	3.8%	3.6%
<b>Gross profit</b>	<b>1,923</b>	<b>1,772</b>	<b>8.5%</b>	<b>10.0%</b>	<b>9.2%</b>

Total income (excluding recoveries) was up 9.5% including M&A, and 8.7% on an organic basis.

- **Data & Analytics** was up 4.6% reflecting continued strong retention, good sales and a contribution from pricing consistent with the first half.
  - **Workflows** was up 3.2%, with particular strength in FX, commodities and banking users. The continuous improvement to our offering is resonating with customers, reflected in good retention, sales and competitive displacements. We remain on track to sunset Eikon in the first half of next year.
  - **Data & Feeds** was up 6.1%, driven by continued innovation and expansion in both our Real Time and Pricing and Reference Services. We launched Snowflake access to our leading DataScope product in Q3, with further expansion into other cloud environments to follow. The first datasets in

our Data as a Service (DaaS) initiative entered into external pilot in Q3, with broader customer availability anticipated by year end.

- **Analytics** was up 5.2%, primarily driven by growth in Yieldbook's fixed income analytics and loan data.
- **FTSE Russell** was up 9.2%. Subscription revenues remained strong, growing 13.1%, driven by demand for flagship equity indices and benchmarks. Growth in asset-based revenues, up 1.8%, slowed sequentially mainly due to adverse mix effects but also reflecting the termination of an ETF contract in the period. FTSE Russell added Asian and European interest rate benchmarks to LSEG's ecommerce platform in Q3, demonstrating its continued innovation and natural linkages with the broader group.
- **Risk Intelligence** was up 10.4% driven by strong business momentum and customer demand in our screening business, World-Check.
- **Annual Subscription Value (ASV):** Period-end organic ASV growth was 6.0%, consistent with guidance. We saw a small incremental impact from Credit Suisse cancellations in the quarter. As previously communicated, we continue to expect ASV growth to remain around 6% for the rest of the year.
- **Capital Markets** was up 22.4%, with positive growth across all venues and a particularly strong contribution from Tradeweb.
  - **Equities** was up 8.5% as the LSE continued to gain share against a backdrop of strong market activity. July saw the successful launch of the new Main Market, helping to ensure the continued competitiveness of the UK market.
  - **Fixed Income, Derivatives & Other** was up 27.3% with another record quarter for Tradeweb. Strong institutional client activity drove growth in interest rate revenues, supported by Tradeweb's innovative trading protocols and an uncertain macroeconomic outlook. Credit volumes also grew strongly reflecting increased client adoption of execution tools like request-for-quote (RFQ) and portfolio trading. Tradeweb continues to increase its share of US investment grade and high yield trading, reaching 17.7% and 7.8% respectively. In August Tradeweb closed the acquisition of the corporate money market platform Institutional Cash Distributors (ICD), adding Corporates as a fourth client channel alongside Institutional, Wholesale and Retail.
  - **FX** was up 12.8% as the elevated market volatility and geopolitical uncertainty in the quarter supported growth in both interbank volumes on Matching and dealer-to-client volumes on FXall.
- **Post Trade** was up 4.8% with very strong volume-driven growth at SwapClear more than offsetting the impact from completion of the Euronext migration in the quarter. As previously highlighted, the Euronext exit will have a greater impact on Q4 growth. Net treasury income was unchanged from the previous quarter, with collateral levels stabilising after recent declines. In September, LCH entered into the clearing of SOFR futures, supporting FMX's launch in the space.
- **Group cost of sales** was up 3.6%, below the growth rate in revenue reflecting business mix and the partially fixed nature of the costs.
- **Gross profit** was up 9.2%, with growth slightly ahead of total income (excl. recoveries) as a result of the lower growth in cost of sales.

## Capital allocation

In September, LSEG agreed to acquire an additional 8.3% of LCH Group from minority shareholders for €433 million. This will take LSEG's ownership of LCH Group to 94.2%. The transaction is expected to close shortly.

Also in September, we successfully raised c.£575 million across two debt instruments as part of the ongoing financing of the group: a €600 million bond and a \$100 million private placement, with coupons of 2.75% and 4.00% respectively and 3-year maturities.

## Q3 investor and analyst conference call:

LSEG will host a conference call for its Q3 Trading Update for analysts and investors today at 10:00am (UK time). On the call will be David Schwimmer (Chief Executive Officer) and Michel-Alain Proch (Chief Financial Officer).

To access the webcast or telephone conference call please register in advance using the following link:

<https://sparklive.lseg.com/LondonStockExchangeGroup/events/f10a5c8b-8425-4298-833d-1ec6eb42b7cf/lseg-q3-results-2024-investor-analyst-call>

To ask a question live you will need to register for the telephone conference call here:

<https://registrations.events/direct/LON470060>

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## Divisional non-financial KPIs

### 1. Subscriptions<sup>1</sup>

	Q3 2024	Q3 2023
Annual subscription value growth (%) <sup>2</sup>	6.0%	7.1%
Subscription revenue growth (%) <sup>2, 3</sup>	6.1%	6.8%

<sup>1</sup> Subscription revenues in Data & Analytics, FTSE Russell and Risk Intelligence

<sup>2</sup> Organic, constant currency variance

<sup>3</sup> 12-month rolling constant currency variance

### 2. FTSE Russell

	Q3 2024	Q3 2023	Variance %
Index – ETF AUM (\$bn):			
- Period end	1,433	1,099	30.4%
- Average	1,358	1,134	19.8%

### 2. Capital Markets

	Q3 2024	Q3 2023	Variance %
<b>Equities</b>			
<i>Secondary Markets – Equities</i>			
UK Value Traded (£bn) – average daily value	4.1	3.3	24.2%
SETS yield (bps)	0.70	0.73	(4.1%)
<b>Fixed Income, Derivatives and Other</b>			
<i>Tradeweb average daily volume (\$m)<sup>4</sup></i>			
Rates – cash	496,603	361,421	37.4%
Rates – derivatives	801,512	491,837	63.0%
Credit – cash	15,251	12,980	17.5%
Credit – derivatives	27,338	16,955	61.2%
<b>FX</b>			
Average daily total volume (\$bn)	495	433	14.3%

<sup>4</sup> Q3 2023 volumes revised from previous reporting to align LSEG reporting methodology with Tradeweb methodology

### 3. Post Trade

	Q3 2024	Q3 2023	Variance %
<b>OTC</b>			
<i>SwapClear</i>			
IRS notional cleared (\$trn)	418	315	32.7%
Client trades ('000)	1,091	779	40.1%
<i>ForexClear</i>			
Notional cleared (\$bn)	9,755	7,207	35.4%
ForexClear members	39	38	2.6%
<b>Securities &amp; Reporting</b>			
EquityClear trades (m)	249	331	(24.8%)
Listed derivatives contracts (m)	39.1	54.2	(27.9%)
RepoClear – nominal value (€trn)	79.9	78.1	2.3%
<b>Collateral</b>			
Average non-cash collateral (€bn)	204.4	180.1	13.5%
Average cash collateral (€bn)	108.0	124.2	(13.0%)

### Foreign Exchange

The majority of LSEG revenues are in US dollars followed by sterling, euro and other currencies.

	USD	GBP	EUR	Other
<b>Total income by division<sup>1,2</sup></b>	58%	16%	17%	9%
Data & Analytics <sup>1</sup>	62%	9%	15%	15%
FTSE Russell	70%	22%	3%	5%
Risk Intelligence	63%	9%	16%	12%
Capital Markets	62%	16%	19%	2%
Post Trade	25%	39%	34%	2%

<sup>1</sup> Total income includes recoveries

<sup>2</sup> Percentage splits based on Q3 YTD 2024

Due to rounding, income percentages may not add to 100%.

### Spot / Average Rates

	Average rate 3 months ended 30 September 2024	Closing rate at 30 September 2024	Average rate 3 months ended 30 September 2023	Closing rate at 30 September 2023
GBP : USD	1.300	1.341	1.266	1.221
GBP : EUR	1.183	1.199	1.163	1.153

For definitions of technical terms – refer to the Glossary contained in the 2023 Annual Report, page 255.

## Organic, constant currency growth rates

	Q1 2024	Q2 2024	Q3 2024	Q3 YTD 2024
Workflows	1.7%	3.1%	3.2%	2.7%
Data & Feeds	6.8%	5.5%	6.1%	6.1%
Analytics	6.5%	3.8%	5.2%	5.1%
<b>Data &amp; Analytics</b>	<b>4.3%</b>	<b>4.3%</b>	<b>4.6%</b>	<b>4.4%</b>
Subscription	6.2%	13.2%	13.1%	10.9%
Asset-based	16.4%	14.1%	1.8%	10.5%
<b>FTSE Russell</b>	<b>9.5%</b>	<b>13.5%</b>	<b>9.2%</b>	<b>10.8%</b>
<b>Risk Intelligence</b>	<b>12.5%</b>	<b>10.4%</b>	<b>10.4%</b>	<b>11.1%</b>
Equities	1.6%	6.2%	8.5%	5.4%
Fixed Income, Derivatives & Other	21.3%	27.9%	27.3%	25.5%
FX	(2.2%)	3.9%	12.8%	4.8%
<b>Capital Markets</b>	<b>14.4%</b>	<b>20.6%</b>	<b>22.4%</b>	<b>19.1%</b>
OTC Derivatives	0.1%	6.6%	18.4%	8.1%
Securities & Reporting	(0.5%)	2.5%	(11.1%)	(3.1%)
Non-cash collateral	6.5%	5.4%	5.3%	5.7%
Net treasury income	(2.6%)	(14.7%)	(5.5%)	(7.8%)
<b>Post Trade</b>	<b>(0.1%)</b>	<b>0.1%</b>	<b>4.8%</b>	<b>1.6%</b>
Other	(43.9%)	(48.6%)	(75.1%)	(55.1%)
<b>Total income (excl. recoveries)</b>	<b>6.4%</b>	<b>7.8%</b>	<b>8.7%</b>	<b>7.7%</b>

## Total income and gross profit by quarter

£m	2023					2024			
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	YTD
Workflows	488	473	465	477	<b>1,903</b>	479	479	<b>472</b>	<b>1,430</b>
Data & Feeds	446	454	443	467	<b>1,810</b>	465	472	<b>465</b>	<b>1,402</b>
Analytics	56	55	55	52	<b>218</b>	55	55	<b>55</b>	<b>165</b>
<b>Data &amp; Analytics</b>	<b>990</b>	<b>983</b>	<b>962</b>	<b>996</b>	<b>3,931</b>	<b>999</b>	<b>1,006</b>	<b>992</b>	<b>2,997</b>
Subscription	139	136	141	147	<b>563</b>	144	153	<b>156</b>	<b>453</b>
Asset-based	66	71	73	71	<b>281</b>	74	81	<b>71</b>	<b>226</b>
<b>FTSE Russell</b>	<b>205</b>	<b>207</b>	<b>214</b>	<b>218</b>	<b>844</b>	<b>218</b>	<b>234</b>	<b>227</b>	<b>679</b>
<b>Risk Intelligence</b>	<b>120</b>	<b>121</b>	<b>123</b>	<b>128</b>	<b>492</b>	<b>131</b>	<b>132</b>	<b>131</b>	<b>394</b>
Equities	59	57	55	56	<b>227</b>	60	60	<b>60</b>	<b>180</b>
Fixed Income, Derivatives & Other	269	246	259	294	<b>1,068</b>	318	317	<b>341</b>	<b>976</b>
FX	66	62	61	62	<b>251</b>	61	64	<b>67</b>	<b>192</b>
<b>Capital Markets</b>	<b>394</b>	<b>365</b>	<b>375</b>	<b>412</b>	<b>1,546</b>	<b>439</b>	<b>441</b>	<b>468</b>	<b>1,348</b>
OTC Derivatives	126	134	125	132	<b>517</b>	138	141	<b>148</b>	<b>427</b>
Securities & Reporting	64	63	64	63	<b>254</b>	62	65	<b>55</b>	<b>182</b>
Non-cash collateral	26	27	27	27	<b>107</b>	28	28	<b>28</b>	<b>84</b>
Net treasury income	73	77	70	69	<b>289</b>	69	65	<b>66</b>	<b>200</b>
<b>Post Trade</b>	<b>289</b>	<b>301</b>	<b>286</b>	<b>291</b>	<b>1,167</b>	<b>297</b>	<b>299</b>	<b>297</b>	<b>893</b>
Other	9	6	7	7	<b>29</b>	5	3	<b>2</b>	<b>10</b>
<b>Total income (excl. recoveries)</b>	<b>2,007</b>	<b>1,983</b>	<b>1,966</b>	<b>2,053</b>	<b>8,009</b>	<b>2,089</b>	<b>2,115</b>	<b>2,117</b>	<b>6,321</b>
Recoveries	93	96	88	93	<b>370</b>	93	92	<b>89</b>	<b>274</b>
<b>Total income (incl. recoveries)</b>	<b>2,100</b>	<b>2,079</b>	<b>2,054</b>	<b>2,146</b>	<b>8,379</b>	<b>2,182</b>	<b>2,207</b>	<b>2,206</b>	<b>6,595</b>
Cost of sales	(288)	(284)	(282)	(289)	<b>(1,143)</b>	(289)	(299)	<b>(283)</b>	<b>(871)</b>
<b>Gross profit</b>	<b>1,812</b>	<b>1,795</b>	<b>1,772</b>	<b>1,857</b>	<b>7,236</b>	<b>1,893</b>	<b>1,908</b>	<b>1,923</b>	<b>5,724</b>