

Press Release

Contact: Andrea Schlaepfer/ Rachael Harper, Corporate Communications
Tel: + 44 (0) 20 7426 7463 /7175

LCH.Clearnet goes live with clearing for the London Stock Exchange's IOB

London, 31 March 2009

LCH.Clearnet Ltd (LCH.Clearnet) has launched clearing services for the International Order Book (IOB), the London Stock Exchange's platform for liquid emerging market securities.

LCH.Clearnet has worked closely with the London Stock Exchange in response to member demands to deliver this innovative product. For the first time, investors will benefit from centralised clearing when trading in emerging market securities.

Offered through LCH.Clearnet's EquityClear® service, clearing will cover the 50 most liquid securities traded on the IOB.

The IOB offers specialist investors easy and cost efficient access to international markets via Depositary Receipts (DRs) from 46 countries.

Trading on the IOB has grown rapidly since its inception; the value traded on the service has more than quadrupled in the last five years, reaching \$246.2 billion in 2008. The introduction of clearing will further strengthen the service by providing counterparty risk protection, post-trade anonymity and greatly improved settlement netting facilities.

Wayne Eagle, Director Equity Services, LCH.Clearnet commented: "This is another innovative offering from LCH.Clearnet which underscores our dedication to find new ways to add value to the market and support the continued growth of trading on the IOB. We look forward to further cooperation with The London Stock Exchange as EquityClear continues to be enhanced and diversified."

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London

Aldgate House
33 Aldgate High Street
London EC3N 1EA

Paris

18, rue du Quatre Septembre
75002 Paris

Amsterdam

P.O. Box 15 913
1001 NK Amsterdam

Brussels

Palais de la Bourse
B-1000 Brussels

Lisbon

Av. da Boavista, 3433
4149-017 Porto

Editors Notes

LCH.Clearnet is the leading independent central counterparty group (CCP) in Europe, serving major international exchanges and platforms, as well as a range of OTC markets. It clears a broad range of asset classes including: securities, exchange traded derivatives, energy, freight,

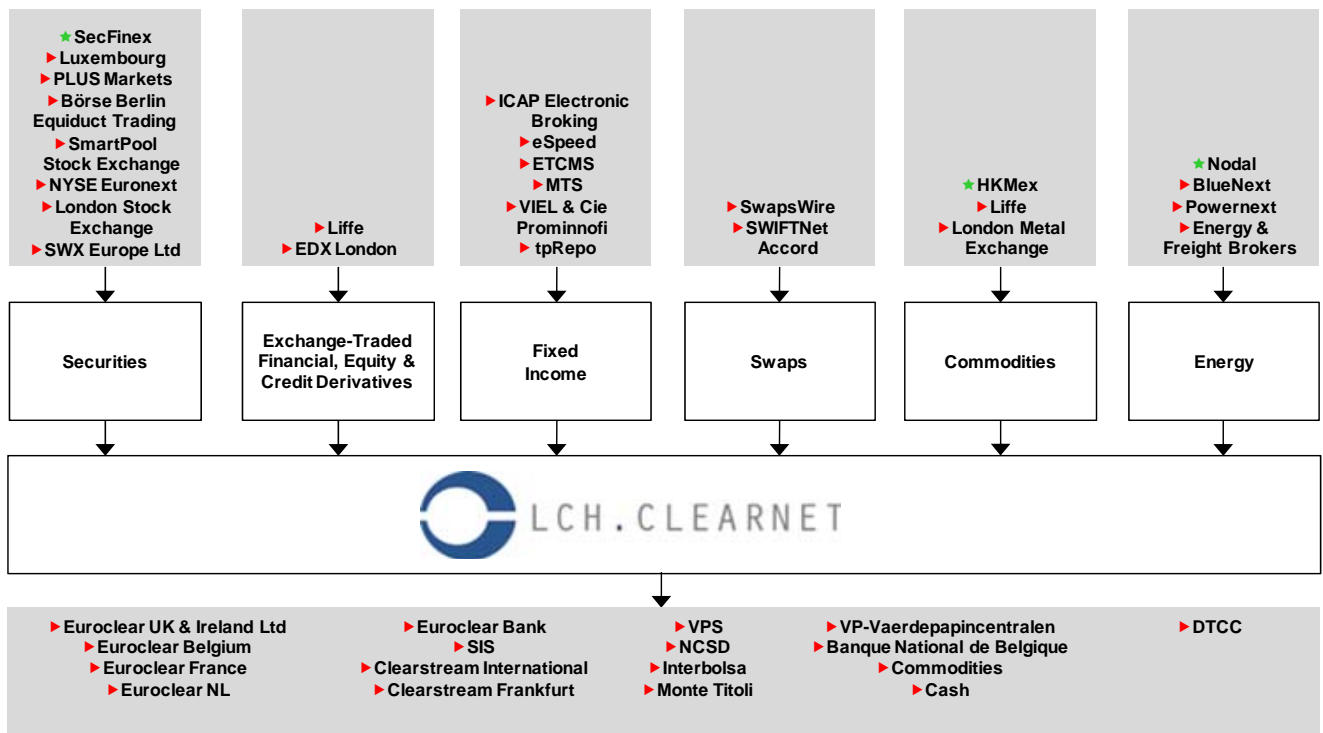


interbank interest rate swaps and euro and sterling denominated bonds and repos; and works closely with market participants and exchanges to identify and develop clearing services for new asset classes.

As a CCP, LCH.Clearnet sits in the middle of a trade, assuming the counterparty risk involved when two parties (or members) trade. When the trade is registered with LCH.Clearnet, it becomes the legal counterparty to the trade, ensuring the financial performance; if one of the parties fails, LCH.Clearnet steps in. By assuming the counterparty risk, LCH.Clearnet underpins many important financial markets, facilitating trading and increasing confidence within the market.

Initial and variation margin (or collateral) is collected from LCH.Clearnet members; should they fail, this margin is used to fulfill their obligations. The amount of margin is decided by LCH.Clearnet's highly experienced risk management teams, who assess a member's positions and market risk on a daily basis. Both the soundness of the risk management approach and the resilience of its systems have been proven in recent times.

LCH.Clearnet is regulated or overseen by the national securities regulator and/or central bank in each jurisdiction from which it operates.



★ Soon to be launched