

Press Release

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Record €35 trillion of European bond and repo trades cleared in Q2

37% increase year on year

London, 13 July 2010

The nominal value of European government bond and repo trades cleared by LCH.Clearnet group (LCH.Clearnet) reached an all-time record of €35 trillion in Q2 2010, an increase of 37% on the same period in 2009 as more market participants look to minimise their counterparty risk.

LCH.Clearnet's fixed income service, which clears an estimated 85%* of the cleared European government bond repo market, is the key mechanism through which European banks manage their euro and sterling financing needs. The recent crisis has highlighted the critical role that clearing plays in ensuring that interbank liquidity is maintained and has resulted in a significant increase in demand for the service.

John Burke, director and head of fixed income, said: "This is the second consecutive record quarter for our fixed income business, a growth which demonstrates the market's appetite for clearing. Counterparty risk management from LCH.Clearnet has provided vital support for secured inter-bank lending in the euro and sterling repo markets. Looking ahead, our focus is to continue to consolidate our market leading position by working closely with our members to support the bond and repo markets and to provide industry leading risk management services."

LCH.Clearnet is the largest clearer of bonds and repos in Europe, providing services across 10 government markets.

*ICMA's latest European repo market survey used for approximate market size comparisons.

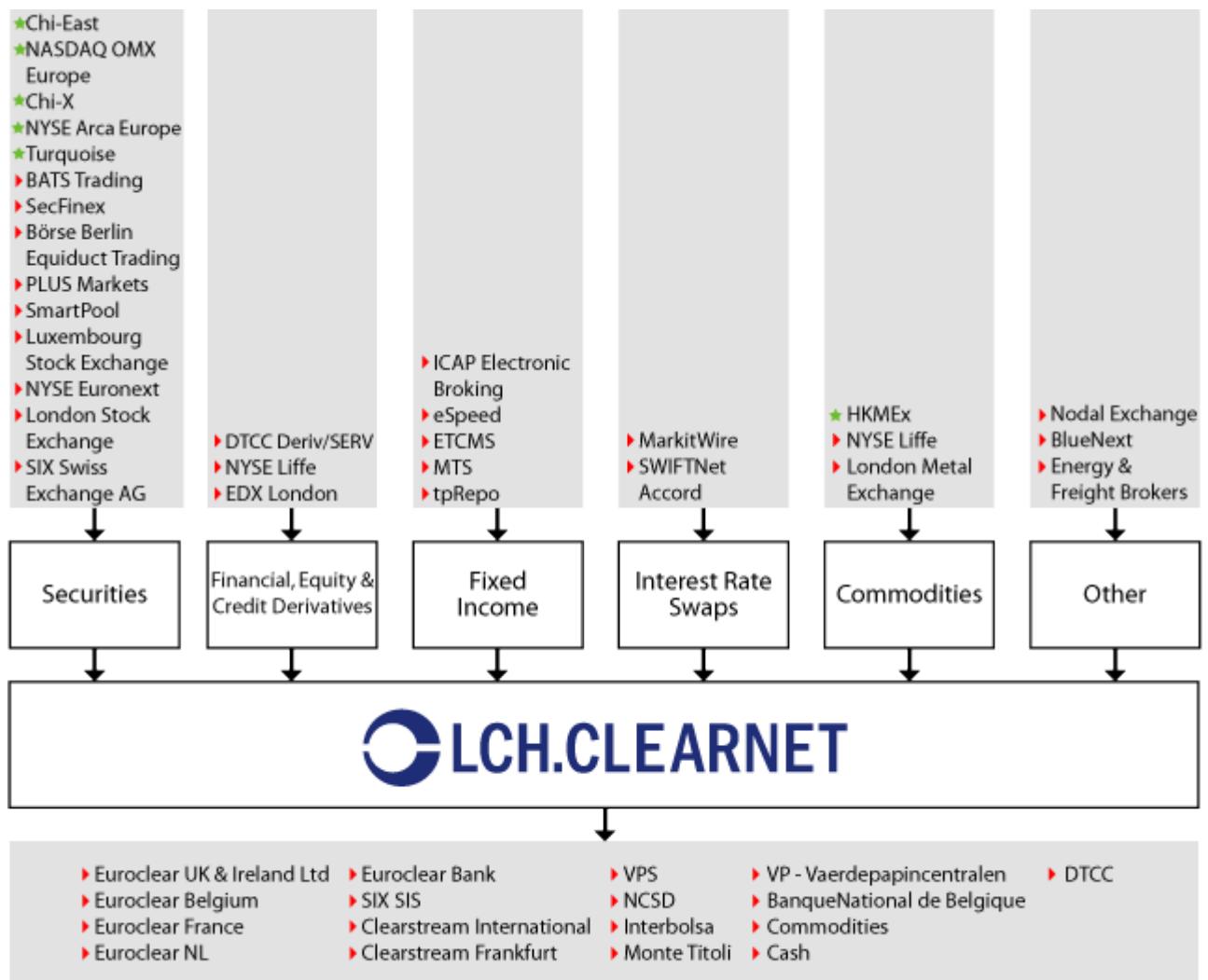
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About LCH.Clearnet

LCH.Clearnet is the leading independent clearing house group, the world's largest clearer of OTC derivatives and in addition serves major international exchanges and platforms. It clears a broad range of asset classes including: securities, exchange traded derivatives, energy, freight, interbank interest rate swaps, credit default 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.

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

In 2009 LCH.Clearnet cleared 1.6 billion contracts, including €479.8 billion of repo and bond exposures.



★ Soon to be launched