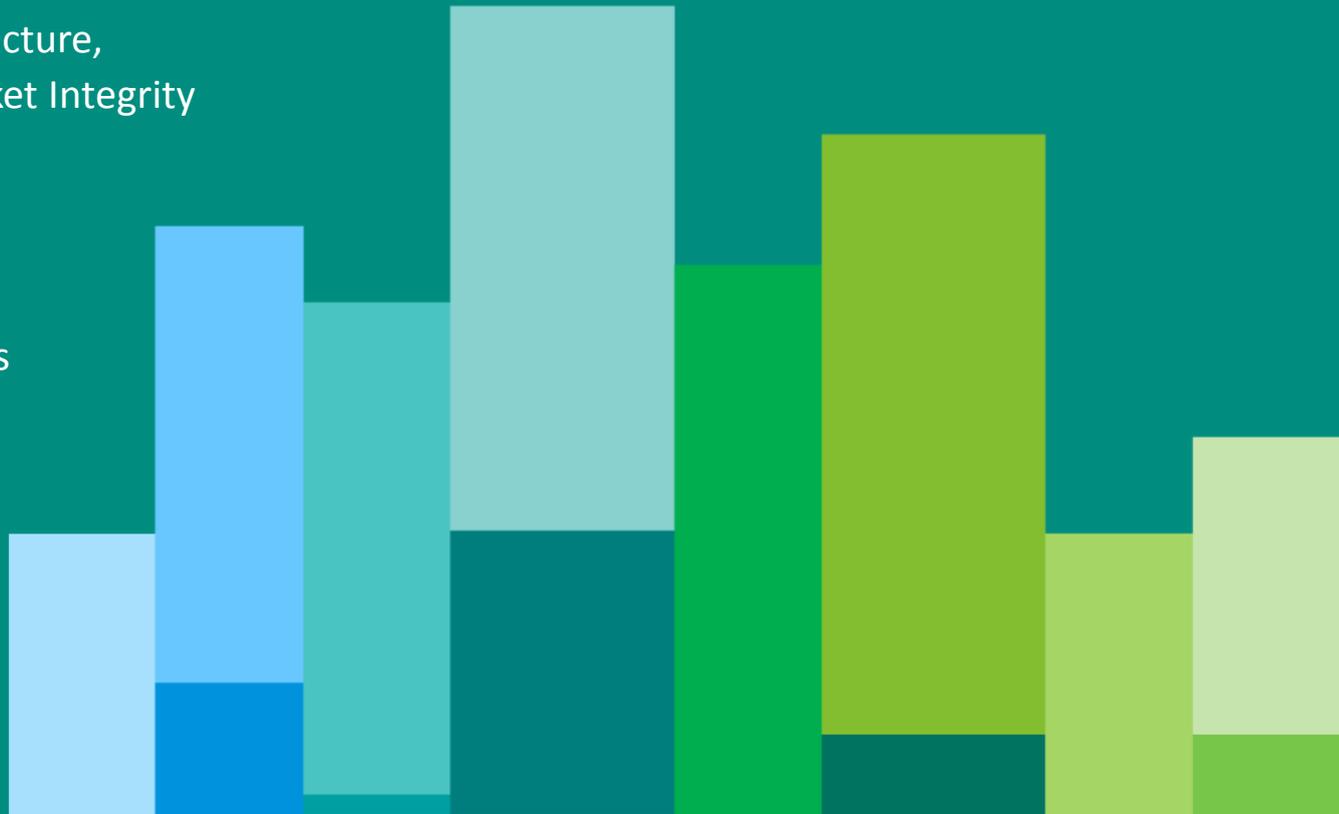


CONSOLIDATION IN GLOBAL EXCHANGES

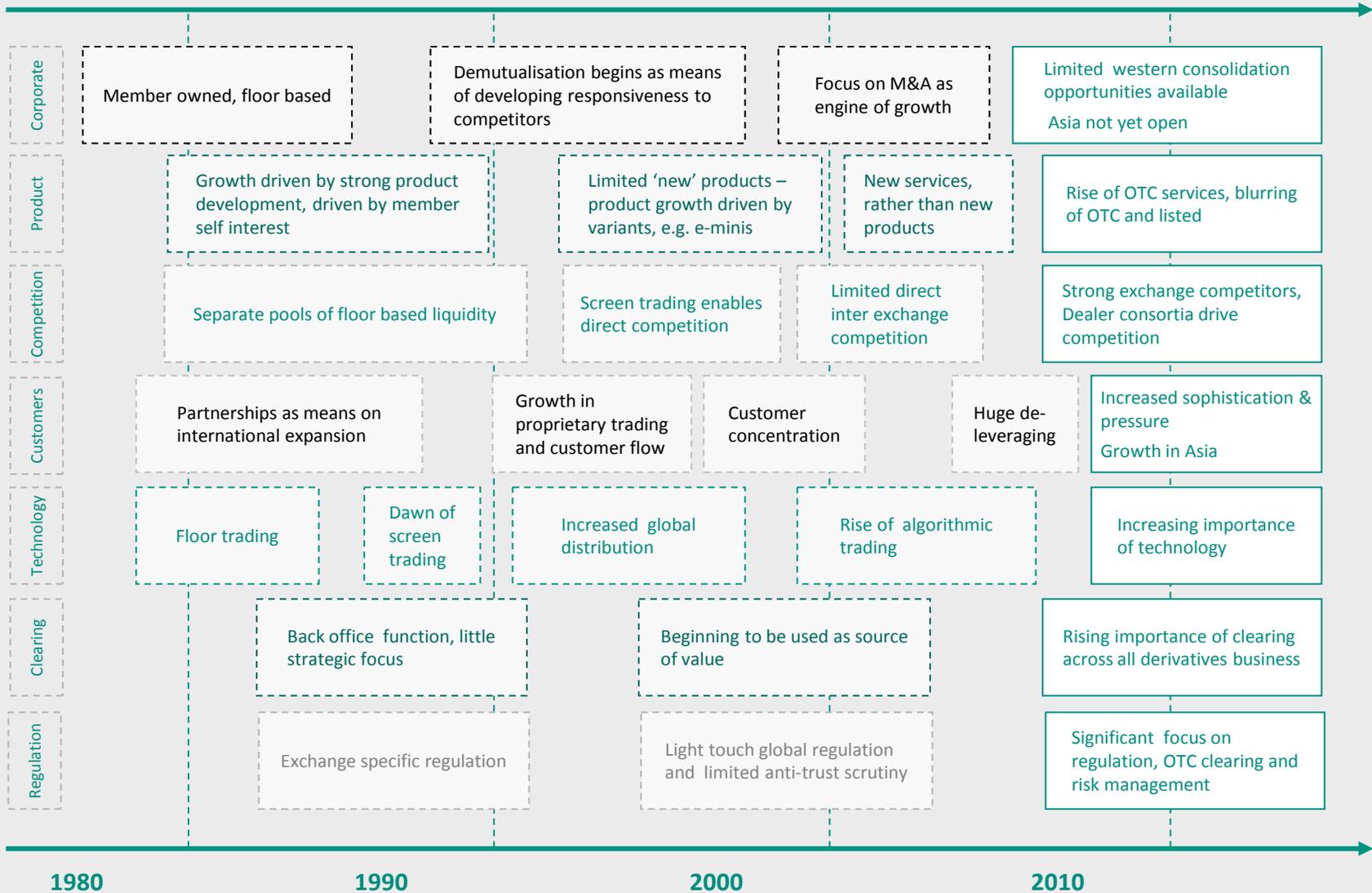
IOSCO ANNUAL CONFERENCE

Financial Market Infrastructure,
OTC Derivatives and Market Integrity

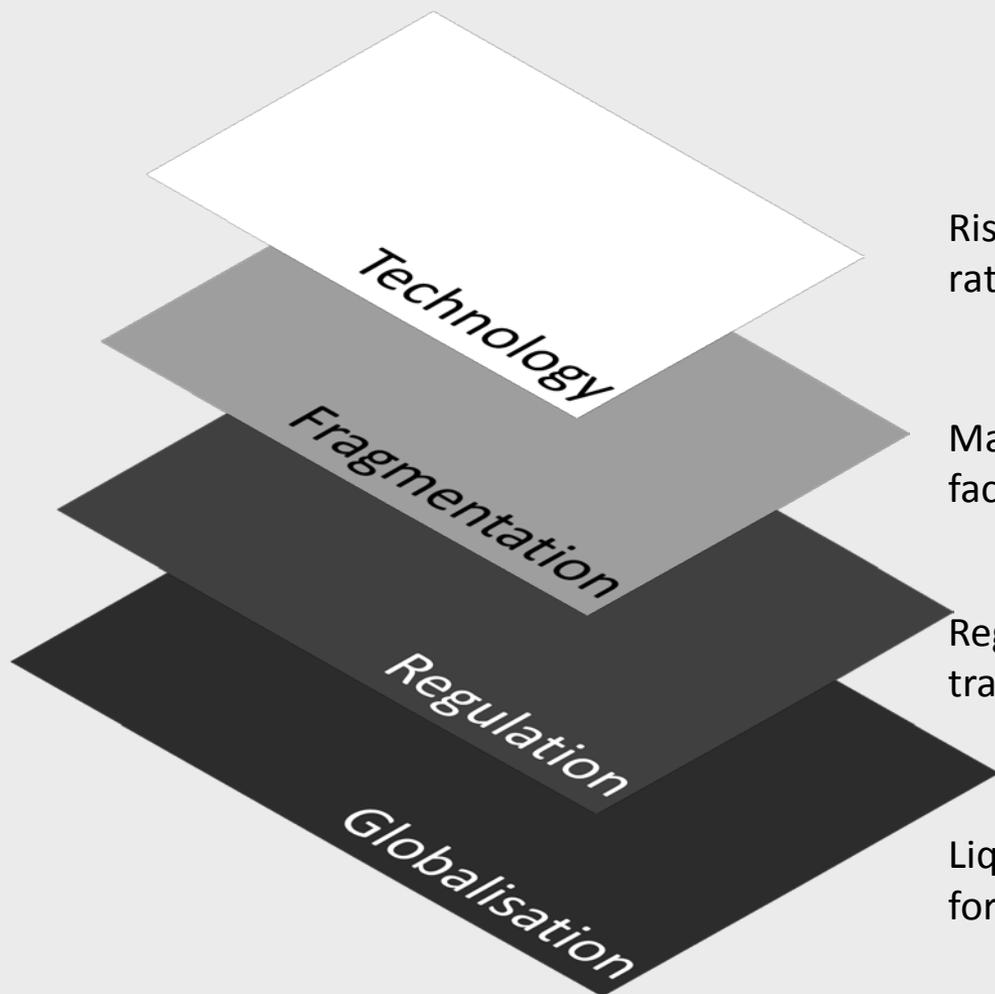
Garry Jones
Group EVP &
Head of Global Derivatives
14 May, 2012



MARKET EVOLUTION



CONSOLIDATION PRESSURES



Rise of technology and order-driven trading rather than capital commitment

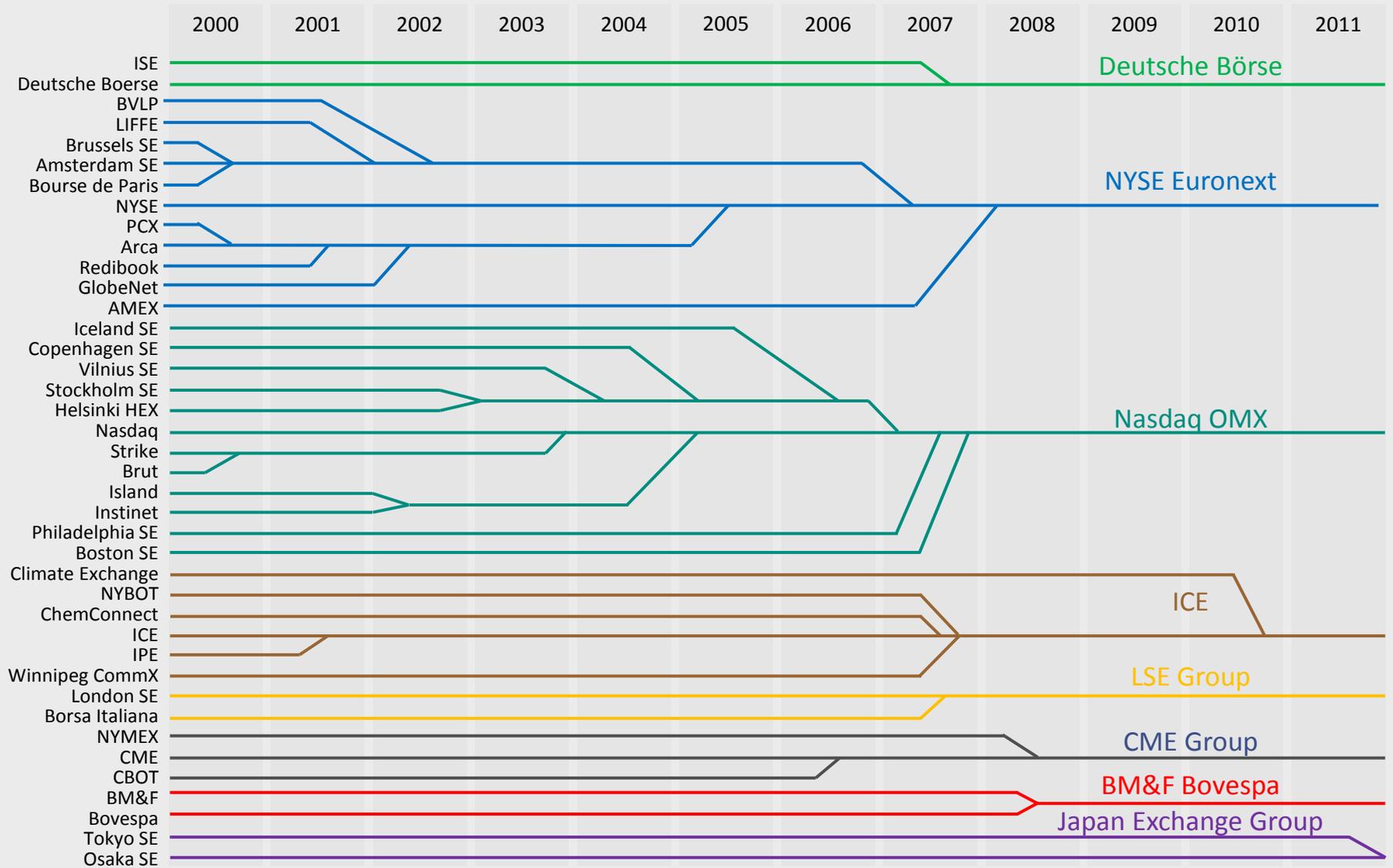
Mandated competition in cash equities markets, facilitated by sell-side platforms

Regulatory push for increased competition, transparency and oversight

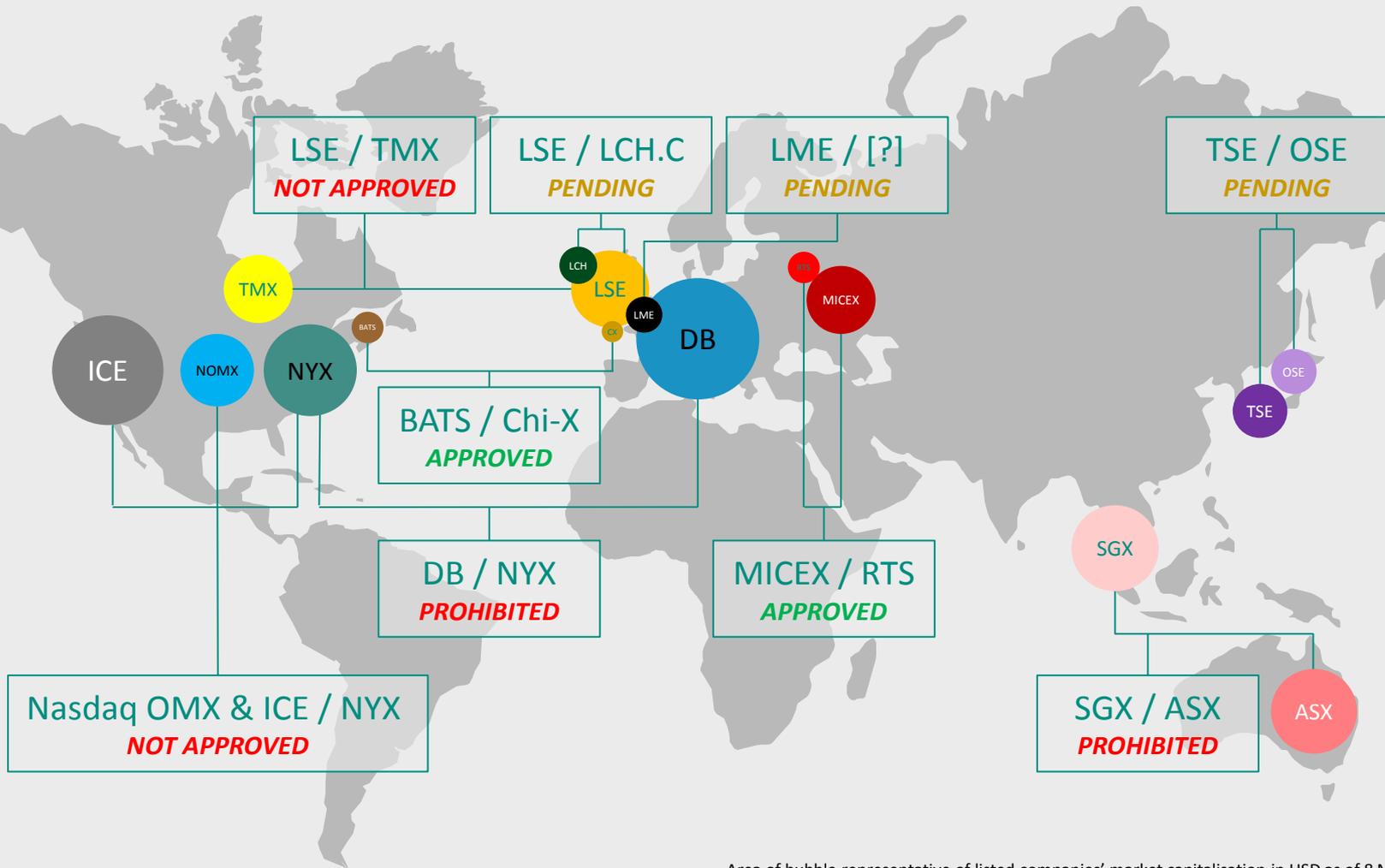
Liquidity and better valuation potential for major exchange groups



A DECADE OF CONSOLIDATION



THE “M&A FRENZY” OF 2011



Area of bubble representative of listed companies' market capitalisation in USD as of 8 May, 2012

Estimated market cap for BATS: \$760m (based on IPO pricing)

Estimated market caps: Chi-X: \$350m, LME: \$1bn, LCH: \$1.06bn, MICEX: \$3.5bn, RTS: \$750m, TSE: \$2.2bn (based on M&A reporting)



KEY TRENDS

Drivers of
change



