

FINAL TERMS

16 October 2012

London Stock Exchange Group plc

Issue of

Sterling 4.75 per cent. Notes due 2 November 2021
under the £1,000,000,000 Euro Medium Term Note Programme

Part A — Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Offering Circular dated 11 October 2012 which constitutes a base prospectus for the purposes of the Prospectus Directive (the **Offering Circular**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. A summary of the Notes (which comprises the summary in the Offering Circular as amended to reflect the provisions of these Final Terms) is annexed to these Final Terms. The Offering Circular has been published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/news/market-news/rns/rns.htm>.

The expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

1. Issuer: London Stock Exchange Group plc
2. (i) Series Number: 1
- (ii) Tranche Number: 1
- (iii) Date on which the Notes will be consolidated and form a single Series: Not Applicable
3. Specified Currency or Currencies: GBP (£)
4. Aggregate Nominal Amount:
 - (i) Tranche: The aggregate nominal amount of the Notes to be issued will depend partly on the amount of Notes for which indicative offers to subscribe are received during the Offer Period and will be specified in an announcement (the **Final Terms Confirmation Announcement**) by the Issuer after the Offer Period (as defined in Part B – item 9)
 - (ii) Series: As per 4(i) above
5. Issue Price: The Issuer has offered the Notes to the Joint Lead Managers (as defined herein) at the initial issue price of 100 per cent. of the Aggregate Nominal Amount for distribution via the Authorised Distributors (as defined herein)
6. (i) Specified Denominations: £100
- (ii) Calculation Amount: £100
7. (i) Issue Date: 2 November 2012
- (ii) Interest Commencement Date: Issue Date
8. Maturity Date: 2 November 2021
9. Interest Basis: Fixed Rate
(further particulars specified below)
10. Redemption: Subject to any purchase and cancellation or early

- redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
11. Change of Interest Basis: Not Applicable
 12. Put/Call Options: Change of Control Put pursuant to Condition 7(e)(ii)
 13. Dates of Board and Finance Committee approval for issuance of Notes obtained: The Board of the Issuer granted approval in principle for issue of the Notes on 9 October 2012
The Finance Committee granted approval for issue of the Notes on 15 October 2012

Provisions Relating to Interest (if any) Payable

14. Fixed Rate Note Provisions: Applicable
 - (i) Rate of Interest: 4.75 per cent. per annum payable semi-annually in arrear
 - (ii) Interest Payment Date(s): 2 May and 2 November in each year, commencing on 2 May 2013, up to and including the Maturity Date
 - (iii) Fixed Coupon Amount(s): Not Applicable
 - (iv) Broken Amount(s): Not Applicable
 - (v) Fixed Day Count Fraction: Actual/Actual (ICMA)
 - (vi) Determination Date(s): 2 May and 2 November in each year
15. Floating Rate Note Provisions: Not Applicable
16. Zero Coupon Note Provisions: Not Applicable
17. RPI-Linked Note Provisions: Not Applicable

Provisions Relating to Redemption

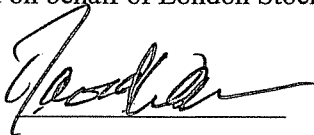
18. Issuer Call: Not Applicable
19. Investor Put: Not Applicable
20. Change of Control Put: Applicable
Change of Control Redemption Amount(s): £100 per Calculation Amount
 - (i) Minimum Change of Control Redemption Amount: Not Applicable
 - (ii) Maximum Change of Control Redemption Amount: Not Applicable
21. Final Redemption Amount: £100 per Calculation Amount
 - (i) Minimum Final Redemption Amount: Not Applicable
 - (ii) Maximum Final Redemption Amount: Not Applicable
22. Early Redemption Amount(s) payable on redemption for taxation reasons, indexation reasons or on event of default: In accordance with Condition 7(f)
 - (i) Minimum Early Redemption Amount: Not Applicable
 - (ii) Maximum Early Redemption Amount: Not Applicable
 - (iii) Notice periods for Condition 7(b): Minimum period: 30 days
Maximum period: 60 days

General Provisions Applicable to the Notes

23. (i) Form of Notes: Permanent Global Note exchangeable for Definitive Notes upon an Exchange Event
- CREST Depositary Interests (**CDIs**) representing the Notes may also be issued in accordance with the usual procedures of Euroclear UK & Ireland Limited (**CREST**)
- (ii) New Global Note: No
24. Additional Financial Centre(s): Not Applicable

Signed on behalf of London Stock Exchange Group plc:

By:



Duly authorised

Part B — Other Information

1. LISTING AND ADMISSION TO TRADING

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and through the London Stock Exchange's electronic order book for retail bonds and listed on the Official List of the UK Listing Authority with effect from 2 November 2012.

Barclays Bank PLC and The Royal Bank of Scotland plc will be appointed as registered market makers through ORB (<http://www.londonstockexchange.com/exchange/prices-and-markets/retail-bonds/retail-bonds-search.html>) when the Notes are issued. Market-making will be supported by Barclays Bank PLC on the bondscape platform (www.bondscape.net).

2. RATINGS

Ratings:

The Notes to be issued are expected to be rated A- (CreditWatch Negative) by Standard and Poor's Rating Services, a division of McGraw Hill International (UK) Limited (S&P) and Baa2 (Negative Outlook) by Moody's Investors Service Limited (Moody's).

Information currently available on the Moody's website describes the general meaning of a Baa2 credit rating as follows: "Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics." The information also explains that "the modifier 2 indicates that the obligation ranks in the mid-range of its generic rating category". The Moody's rating outlook is described as "Negative". The information states that the rating outlook is an opinion regarding the likely direction of an issuer's rating over the medium term. Information currently available on the S&P website describes the general meaning of an A credit rating as follows: "Strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances."

The information also explains that "the modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories."

The S&P rating has been placed on CreditWatch, with negative implications. S&P uses CreditWatch when it believes that the likelihood of rating action within the next 90 days from the date of the assignment of CreditWatch is substantial.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Joint Lead Managers and Authorised Distributors, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- | | | |
|-------|---------------------------|---|
| (i) | Reasons for the offer: | To refinance indebtedness and for its general corporate purposes. |
| (ii) | Estimated net proceeds: | This will be the Aggregate Nominal Amount of the Tranche multiplied by 99.20 per cent. |
| (iii) | Estimated total expenses: | The estimated total expenses will be specified in the Final Terms Confirmation Announcement |

5. YIELD

- | | |
|----------------------|---|
| Indication of yield: | 4.75 per cent. per annum |
| | The yield is calculated as at the date of these Final Terms on the basis of the Issue Price. It is not an indication of future yield. |

6. OPERATIONAL INFORMATION

- | | | |
|-------|--|---|
| (i) | ISIN Code: | XS0846486040 |
| (ii) | Common Code: | 084648604 |
| (iii) | Names(s) and address(es) of any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): | The Notes will also be made eligible for CREST via the issue of CDIs representing the Notes |
| (iv) | Delivery: | Delivery against payment |
| (v) | Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |

7. DISTRIBUTION

- | | | |
|-------|---|---|
| (i) | Names and addresses of Managers and underwriting commitments: | <p>Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB</p> <p>Lloyds TSB Bank plc
10 Gresham Street
London E14 5HQ</p> <p>The Royal Bank of Scotland plc
135 Bishopsgate
London EC2M 3UR</p> <p>(together, the Joint Lead Managers)</p> <p>The Notes will not be underwritten by the Joint Lead Managers</p> |
| (ii) | Date of underwriting Agreement: | The Subscription Agreement is expected to be dated on or about 31 October 2012 |
| (iii) | Total commission and concession: | <p>The Joint Lead Managers will receive a fee of 0.80 per cent. of the Aggregate Nominal Amount of the Notes. From this fee, the Joint Lead Managers will pay:</p> <p>i) each Specified Authorised Distributor (as defined in Paragraph 8 (xiii) below) a fee of 0.50 per cent. of the Aggregate Nominal Amount of the Notes allotted to such Specified Authorised Distributor; and</p> <p>ii) each Additional Authorised Distributor (as defined</p> |

in Paragraph 8 (xiii) below) a fee of 0.25 per cent. of the aggregate nominal amount of the Notes allotted to such Additional Authorised Distributor.

- (iv) US Selling Restrictions: Reg. S Compliance Category 2; TEFRA C
- (v) Non exempt Offer: An offer of the Notes may be made by the Joint Lead Managers and the Authorised Distributors (as defined herein) (together with the Joint Lead Managers, the **Financial Intermediaries**) other than pursuant to Article 3(2) of the Prospectus Directive in the United Kingdom (the **Public Offer Jurisdiction**) during the period from the time of publication of these Final Terms on 16 October 2012 until 12.00 p.m. (London time) on 30 October 2012 or such earlier or later time and date as agreed between the Issuer and the Joint Lead Managers and announced via a Regulatory Information Service (the **Offer Period**). The only persons authorised to use these Final Terms and the Offering Circular in connection with an offer of the Notes are the Financial Intermediaries and such persons are only entitled to use such documents during the Offer Period. See Paragraph 8 below.

8. TERMS AND CONDITIONS OF THE OFFER

- (i) Offer Price: The Notes will be issued at the Issue Price. Any investor intending to acquire any Notes from a bank, financial intermediary or other entity (including an Authorised Distributor) will do so only at the Issue Price and in accordance with any terms and other arrangements in place between the relevant seller or distributor and such investor, including as to allocations and settlement arrangements. The Issuer is not party to such arrangements with investors and accordingly investors must obtain such information from the relevant seller or distributor. The Issuer has no responsibility to an investor for such information.
- (ii) Conditions to which the offer is subject: The issue of the Notes will be (i) conditional upon the Subscription Agreement being signed by the Issuer and the Joint Lead Managers and (ii) subject to the terms of the Subscription Agreement, which will in certain circumstances entitle the Joint Lead Managers to be released and discharged from their obligations under the Subscription Agreement prior to the issue of the Notes.
- (iii) Offer Period: See paragraph 7(v) above
- (iv) Description of the application process: Applications to purchase Notes cannot be made directly to the Issuer. Notes will be issued to the investors as per the arrangements in place between the relevant seller or distributor and such investor, including as to application process, allocations and settlement arrangements.

Investors will be notified by the relevant Joint Lead Manager or Authorised Distributor of their allocations of Notes and the settlement arrangements in respect thereof as soon as practicable after the Final Terms Confirmation Announcement is made, which may be after the Offer Period has ended.

After the closing time and date of the Offer Period no Notes will be offered for sale (i) by or on behalf of the Issuer or (ii) by the Joint Lead Managers and/or any Authorised Distributor (in their respective capacities as Joint Lead Managers or Authorised Distributors) except with the consent of the Issuer.

Investors may not be allocated all of the Notes for which they apply.

- | | | |
|--------|--|---|
| (v) | Details of the minimum and/or maximum amount of application: | The minimum subscription per investor is £2,000 in nominal amount of the Notes. |
| (vi) | Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: | There will be no refund as investors will not be required to pay for any Notes until any application for Notes has been accepted and the Notes allotted. |
| (vii) | Details of the method and time limits for paying up and delivering the Notes: | The Notes will be issued on the Issue Date against payment to the Issuer by the Joint Lead Managers of the subscription moneys (less any amount of commission that the Issuer and the Joint Lead Managers agree should be deducted from the subscription moneys). Investors will be notified by their relevant Joint Lead Manager or relevant Authorised Distributor of their allocations of Notes (if any) and the settlement arrangements in respect thereof. |
| (viii) | Manner in and date on which results of the offer are to be made public: | The results of the offer will be specified in the Final Terms Confirmation Announcement by the Issuer after the Offer Period and published by a Regulatory Information Service (expected to be the Regulatory News Service operated by the London Stock Exchange) prior to the Issue Date; The Final Terms Confirmation Announcement is currently expected to be made on or around 30 October 2012. |
| (ix) | Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: | Not Applicable |
| (x) | Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: | Notes will be offered by the Joint Lead Managers and the Authorised Distributors to the public in the United Kingdom, Jersey, Guernsey and the Isle of Man during the Offer Period. |
| (xi) | Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: | Investors will be notified by the relevant Joint Lead Manager or Authorised Distributor of their allocations of Notes (if any). No arrangements have been put in place by the Issuer as to whether dealings may begin before such notification is made. Accordingly, whether investors can commence dealing before such notification will be as arranged between the relevant investor and the relevant Joint Lead Manager or Authorised Distributor. |
| (xii) | Amount of any expenses | No such expenses or taxes upon issue will be |

and taxes specifically charged to the subscriber or purchaser:

allocated by the Issuer to any investor. Any investor intending to acquire any Notes from a bank, financial intermediary or other entity (including an Authorised Distributor) other than a Joint Lead Manager in its capacity as such will do so in accordance with any terms and other arrangements in place between the relevant seller or distributor and such investor, including as to price, allocations and settlement arrangements. Neither the Issuer nor any of the Joint Lead Managers are party to such arrangements with investors and accordingly investors must obtain such information from the relevant seller or distributor. Neither the Issuer nor the Joint Lead Managers have any responsibility to an investor for such information.

- (xiii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 5LB

Barclays Stockbrokers Limited
1 Churchill Place
London E14 5HP

Brewin Dolphin Limited (trading as Stocktrade)
12 Smithfield Street
London EC1A 9BD

Charles Stanley & Company Limited
25 Luke Street
London EC2A 4AR

Gerrard Investment Managers Limited
1 Churchill Place
London E14 5HP

Halifax Share Dealing Limited
Lovell Park Road
Leeds LS1 1NS

Hargreaves Lansdown Asset Management
One College Square South
Anchor Road
Bristol
BS1 5HL

Killik & Co LLP
46 Grosvenor Street
London W1K 3HN

NCL Investments Limited (trading as Smith and Williamson Securities)
25 Moorgate
London EC2R 6AY

Numis Securities Limited
10 Paternoster Square
London
EC4M 7LT

Peel Hunt LLP
Moor House
120 London Wall

London EC2Y 5ET

Redmayne-Bentley LLP
9 Bond Court
Leeds LS1 2JZ

Shore Capital Stockbrokers Limited
Bond Street House
14 Clifford Street
London
W1S 4JU

Talos Securities Limited (trading as Selftrade)
Boatman's House
2 Selsdon Way
London E14 9LA

who, as at the date of these Final Terms, are the authorised distributors who have each been appointed by the Issuer and the Joint Lead Managers to offer and distribute the Notes purchased from the Joint Lead Managers to the public in the United Kingdom, Jersey, Guernsey and the Isle of Man in accordance with all prevailing regulatory requirements during the Offer Period (together, the **Specified Authorised Distributors**).

Further Specified Authorised Distributors may be appointed with the prior written consent of the Issuer during the Offer Period.

In addition to the Specified Authorised Distributors, the Joint Lead Managers may appoint additional distributors to offer and distribute the Notes purchased from the Joint Lead Managers to the public in the United Kingdom, Jersey, Guernsey and the Isle of Man during the Offer Period (the **Additional Authorised Distributors** and, together with the Specified Authorised Distributors, the **Authorised Distributors**). The appointment of such Additional Authorised Distributors by the Joint Lead Managers shall only be effective upon the execution by the relevant Additional Authorised Distributor of a distribution agreement with the Joint Lead Managers (such distribution agreement containing, inter alia, an indemnity provided to the Issuer in relation to breach by the relevant Additional Authorised Distributor of its terms).

The Issuer will publish on its website a list of all Authorised Distributors relating to the offering of the Notes.

Neither the Issuer nor any Joint Lead Manager has authorised, nor will they authorise, the making of any other offer of the Notes in any other circumstances.

SCHEDULE 1

ISSUE SPECIFIC SUMMARY

Section A – Introduction and warnings

Element	
A.1	<p>This summary must be read as an introduction to the base prospectus and the applicable Final Terms. Any decision to invest in any Notes should be based on a consideration of the Offering Circular as a whole, including any documents incorporated by reference, and the applicable Final Terms. Where a claim relating to information contained in the Offering Circular and the applicable Final Terms is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Offering Circular and the applicable Final Terms before the legal proceedings are initiated. Following the implementation of the relevant provisions of Article 5.4 of Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area) (the Prospectus Directive) in each Member State of the European Economic Area, no civil liability will attach to the Issuer in any such Member State solely on the basis of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Offering Circular and the applicable Final Terms or it does not provide, when read together with the other parts of the Offering Circular and the applicable Final Terms, key information (as defined in Article 2.1(s) of the Prospectus Directive) in order to aid investors when considering whether to invest in the Notes.</p>
A.2	<p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a Public Offer.</p> <p>The Issuer consents to the use of the Offering Circular in connection with a Public Offer of the Notes subject to the following conditions:</p> <ul style="list-style-type: none"> (i) the consent is only valid during the period from the time of publication of the applicable Final Terms on 16 October 2012 until 12:00 pm (London time) on 30 October 2012 or such earlier or later time and date as agreed between the Issuer and the Joint Lead Managers (as defined below) and announced via a Regulatory Information Service (the Offer Period); (ii) the only Offerors authorised to use the Offering Circular to make the Public Offer of the Notes are Barclays Bank PLC, Lloyds TSB Bank plc, The Royal Bank of Scotland plc (the Joint Lead Managers), the Specified Authorised Distributors named in element E.3 below and, if the Issuer appoints further Authorised Distributors (as defined in element E.3) after the Offer Period has commenced and publishes details of them on its website, each Authorised Distributor whose details are so published; (iii) the consent only extends to the use of this Offering Circular to make Public Offers of the relevant Tranche of Notes in the United Kingdom; and (iv) the consent is subject to the other conditions set out in Part B of the applicable Final Terms. <p>The Issuer accepts responsibility, in the jurisdictions to which the consent to use the Offering Circular extends, for the content of this Offering Circular in relation to any investor who acquires any Notes in a Public Offer made by any person to whom consent has been given to use this Offering Circular in that connection in accordance with the preceding paragraphs, provided that such Public Offer has been made in accordance with all the Conditions attached to that consent.</p> <p>AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A PUBLIC OFFER FROM AN OFFEROR OTHER THAN THE ISSUER WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH</p>

	<p>OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NEITHER THE ISSUER NOR ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.</p>
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Section B – Issuer

Element	Title																																																													
B.1	Legal and commercial name of the Issuer	The legal name of the Issuer is London Stock Exchange Group plc. The Issuer is a non-trading holding company with no commercial or trading name.																																																												
B.2	Domicile/ legal form/ legislation/ country of incorporation	The Issuer is a public limited company incorporated with limited liability under the laws of England and Wales.																																																												
B.4b	Trend information	Not Applicable; there are no known trends affecting the Issuer and the industries in which it operates.																																																												
B.5	Description of the Group	The Issuer is the ultimate holding company of its group of companies (the Group).																																																												
B.9	Profit forecast or estimate	Not Applicable; the Issuer has made not made any profit forecasts or estimates.																																																												
B.10	Audit report qualifications	Not Applicable; there are no qualifications contained within: (i) the audited consolidated financial statements of the Issuer as at and for the 12 months ended 31 March 2012; and (ii) the audited consolidated financial statements of the Issuer as at and for the 12 months ended 31 March 2011.																																																												
B.12	<p>Selected historical key financial information:</p> <p>The financial summary set out below has been extracted without material adjustment from the audited consolidated financial statements of the Issuer as at and for the years ended 31 March 2012 and 2011 respectively. The summary financial information should be read together with the audited consolidated financial statements of the Issuer as at and for the years ended 31 March 2012 and 2011 respectively, each of which is incorporated by reference into the Offering Circular.</p> <p>Summary Consolidated Income Statement Year ended 31 March 2012</p> <table><tr><th></th><th>Before acquisition amortisation and non-recurring items £m</th><th>Acquisition amortisation and non-recurring items £m</th><th>Total £m</th></tr><tr><td>Continuing operations</td><td></td><td></td><td></td></tr><tr><td>Total Income</td><td>814.8</td><td>-</td><td>814.8</td></tr><tr><td>Operating expenses</td><td>(378.8)</td><td>(81.0)</td><td>(459.8)</td></tr><tr><td>Share of profit after tax of joint ventures/associates</td><td>5.9</td><td>(2.4)</td><td>3.5</td></tr><tr><td>Operating profit/(loss)</td><td>441.9</td><td>(83.4)</td><td>358.5</td></tr><tr><td>(Loss)/profit on disposal/acquisition of shares in subsidiary and joint venture</td><td>(0.5)</td><td>324.3</td><td>323.8</td></tr><tr><td>Net finance expense</td><td>(40.8)</td><td>(1.8)</td><td>(42.6)</td></tr><tr><td>Profit/(loss) before taxation</td><td>400.6</td><td>239.1</td><td>639.7</td></tr><tr><td>Taxation</td><td>(116.9)</td><td>8.6</td><td>(108.3)</td></tr><tr><td>Profit/(loss) for the financial year</td><td>283.7</td><td>247.7</td><td>531.4</td></tr><tr><td>Basic earnings per share</td><td></td><td></td><td>193.6p</td></tr><tr><td>Diluted earnings per share</td><td></td><td></td><td>190.9p</td></tr><tr><td>Adjusted basic earnings per share</td><td></td><td></td><td>100.6p</td></tr><tr><td>Adjusted diluted earnings per share</td><td></td><td></td><td>99.2p</td></tr></table> <p>Summary Consolidated Income Statement Year ended 31 March 2011</p>			Before acquisition amortisation and non-recurring items £m	Acquisition amortisation and non-recurring items £m	Total £m	Continuing operations				Total Income	814.8	-	814.8	Operating expenses	(378.8)	(81.0)	(459.8)	Share of profit after tax of joint ventures/associates	5.9	(2.4)	3.5	Operating profit/(loss)	441.9	(83.4)	358.5	(Loss)/profit on disposal/acquisition of shares in subsidiary and joint venture	(0.5)	324.3	323.8	Net finance expense	(40.8)	(1.8)	(42.6)	Profit/(loss) before taxation	400.6	239.1	639.7	Taxation	(116.9)	8.6	(108.3)	Profit/(loss) for the financial year	283.7	247.7	531.4	Basic earnings per share			193.6p	Diluted earnings per share			190.9p	Adjusted basic earnings per share			100.6p	Adjusted diluted earnings per share			99.2p
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	Before acquisition amortisation and non-recurring items	Acquisition amortisation and non-recurring items	Total
	£m	£m	£m
Continuing operations			
Total Income	674.9	-	674.9
Operating expenses	(336.9)	(68.1)	(405.0)
Share of profit after tax of joint ventures/associates	3.1	10.0	13.1
Operating profit/(loss)	341.1	(58.1)	283.0
Net finance expense	(44.8)	-	(44.8)
Profit/(loss) before taxation	296.3	(58.1)	238.2
Taxation	(89.8)	8.1	(81.7)
Profit/(loss) for the financial year	206.5	(50.0)	156.5
Basic earnings per share			56.4p
Diluted earnings per share			55.9p
Adjusted basic earnings per share			73.7p
Adjusted diluted earnings per share			72.9p
Summary Consolidated Balance Sheet 31 March			
	2012	2011	
	£m	£m	
Non-current assets	2,214.0	1,525.4	
Current assets			
CCP clearing business assets	99,756.9	116,107.2	
Other current assets	452.7	425.7	
Assets held for sale	6.4	36.9	
Total assets	102,430.0	118,095.2	
Current liabilities			
CCP clearing business assets	99,747.2	116,104.5	
Other current assets	319.2	210.5	
Non-current liabilities	913.9	638.4	
Liabilities held for sale	-	4.8	
Total liabilities	100,980.3	116,958.2	
Net assets	1,449.7	1,137.0	
Total shareholder funds	1,376.8	1,036.9	
Non-controlling interests	72.9	100.1	
Total equity	1,449.7	1,137.0	
Summary Consolidated Cash Flow Statement			
Year ended 31 March			
	2012	2011	
	£m	£m	
Net cash inflow/(outflow) from operating activities	303.0	264.5	
Net cash (outflow)/inflow from investing activities	(486.1)	(43.8)	
Net cash inflow/(outflow) from financing activities	140.2	(174.0)	
(Decrease)/increase in cash and cash equivalents	(42.9)	46.7	
Cash and cash equivalents at beginning of year	267.0	223.1	
Exchange losses on cash and cash equivalents	(8.1)	(0.9)	
Transfer to assets held for sale	-	(1.9)	
Cash and cash equivalents at end of year	216.0	267.0	
Statements of no significant or material adverse change			
There has been no significant change in the financial or trading position of the Issuer or the Issuer and its subsidiaries (as defined under section 1159 of the Companies Act 2006 (Subsidiaries)) since 31 March 2012 and there has been no material adverse change in the financial position or prospects of the Issuer or the Issuer and its Subsidiaries since 31 March 2012.			

B.13	Events impacting the Issuer's solvency	Not Applicable; there have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.
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B.14	Dependence upon other group entities	<p>The Issuer is a holding company with no material assets other than its equity interests in its Subsidiaries. Almost all of the Issuer's operations are carried out through its operating Subsidiaries. The Issuer's principal source of income is, and its ability to meet its financial obligations is therefore dependent upon the level of, dividends, loan repayments, distributions and other intercompany transfers of funds it receives from its operating Subsidiaries. There is no contractual obligation for its operating Subsidiaries to make regular dividend payments to the Issuer.</p>
B.15	Principal activities	<p>The Issuer operates, through members of the Group, a broad range of international equity, bond and derivatives markets, including the London Stock Exchange plc, Borsa Italiana, MTS (facilitating electronic fixed income trading in Europe) and Turquoise Global Holdings Limited (offering pan-European and US "lit" and "dark" equity trading). Through its markets, the Group offers domestic and international businesses access to Europe's capital markets.</p> <p>Post-trade services are also offered by the Group, including clearing, settlement and custody services for cash equity, derivative and fixed income securities through CC&G and Monte Titoli.</p> <p>The Group offers its customers around the world an extensive range of real-time and reference data products with FTSE providing benchmark and other indices to active and passive asset managers and other market users on a global basis. The Group also develops high performance trading platforms and capital markets software through Millennium IT.</p>
B.16	Controlling shareholders	<p>As at 8 October 2012, the Issuer has been notified of the following interests amounting to more than 3 per cent. in the issued share capital of the Issuer in accordance with sections 791 to 828 of the Companies Act 2006 and the disclosure and transparency rules made by the Financial Services Authority (FSA) under Part VI of the Financial Services and Markets Act 2000 (FSMA) (the Disclosure and Transparency rules): Borse Dubai Limited 20.6 per cent., Qatar Investment Authority 15.1 per cent. and FIL Limited 5.2 per cent.</p>
B.17	Credit ratings	<p>The Issuer has been assigned long term ratings of A- by Standard & Poor's Rating Services a division of McGraw-Hill International (UK) Limited (S&P) and Baa2 by Moody's Investors Service Limited (Moody's). The Euro Medium Term Note Programme (the Programme) has been rated "A-" by S&P and "Baa2" by Moody's. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p>

Section C – Securities

Element	Title	
C.1	Description of Notes/ ISIN	<p>The Notes described in this section are debt securities with a denomination of less than €100,000 (or its equivalent in any other currency). The Notes may be fixed rate Notes, floating rate Notes, zero coupon Notes, RPI-Linked Notes or a combination of the foregoing.</p> <p>The Notes are Sterling 4.75 per cent. fixed rate Notes due 2 November 2021.</p> <p>International Securities Identification Number (ISIN): XS0846486040</p>
C.2	Currency	<p>The currency of each Series of Notes issued will be agreed between the Issuer and the relevant Dealer at the time of issue. The currency of this Series of Notes is Pounds Sterling.</p>
C.5	Transferability	<p>There are no restrictions on the free transferability of the Notes.</p>
C.8	Rights attached to the Notes and ranking	<p>Status</p> <p>The Notes and the relative Coupons constitute direct, unconditional, unsubordinated and (subject to the provisions of the negative pledge) unsecured obligations of the Issuer and rank and will rank <i>pari passu</i> without any preference among themselves and (save for certain obligations required to be preferred by law) equally with all other outstanding unsecured (subject as aforesaid) and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.</p> <p>Taxation</p> <p>All payments in respect of Notes will be made without deduction for or on account of withholding taxes. In the event that any such deduction is required in respect of taxes imposed by or on behalf of the United Kingdom, the Issuer will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.</p> <p>All payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to Section 1471(b) of the US Internal Revenue Code of 1986, as amended (the Code) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or law implementing an intergovernmental approach thereto, as provided in Condition 8 of the Conditions of the Notes.</p> <p>Negative pledge</p> <p>The terms of the Notes contain a negative pledge provision which prohibits the Issuer from creating security interests over its undertakings and assets to secure certain indebtedness evidenced by (i) bonds, notes, debentures or other securities which are listed or traded on any stock exchange or any securities market or (ii) any guarantee or indemnity in respect of any such indebtedness listed in (i), subject to certain specified exceptions.</p>

Events of Default

The terms of the Notes contain, amongst others, the following events of default which, following their occurrence, the Trustee (as defined below) at its discretion may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an extraordinary resolution of the Noteholders (but in the case of the happening of certain events, only if the Trustee shall have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders) give notice to the Issuer that the Notes are, and they shall accordingly forthwith become immediately due and repayable:

- a. default in payment of (i) any principal or (ii) interest due in respect of the Notes continuing for a period of 7 days;
- b. failure to observe any of the other obligations under the Notes and the Trust Deed and the failure continues (except in any case where the Trustee considers the failure to be incapable of remedy where no continuation will be required) for a period of 30 days (or such longer period as the Trustee permits);
- c. events relating to the winding up, dissolution, administration, bankruptcy, insolvency and creditor arrangements of the Issuer and certain material subsidiaries of the Issuer;
- d. (i) indebtedness for borrowed money of the Issuer or certain material subsidiaries of the Issuer being accelerated by reason of the occurrence of an event of default in relation to such indebtedness; or (ii) failure by the Issuer or any material subsidiary to make any payment in respect of indebtedness for borrowed money on the due date thereof or at the expiry of any applicable grace period or (iii) any security given by the Issuer or certain material subsidiaries for certain types of indebtedness for borrowed money becomes enforceable and the holder thereof takes steps to enforce the same; or (iv) any payment due under any guarantee and/or indemnity of any such indebtedness for borrowed money given by the Issuer or certain material subsidiaries of the Issuer, when due and called upon save in any such case where there is a bona fide dispute as to whether payment or repayment is due, all subject to an aggregate threshold of £30,000,000.

Meetings

The terms of the Notes contain provisions for calling meetings of holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.

Governing law

English law.

C.9	Interest/ Redemption	<p>Notes may or may not bear interest. Interest bearing Notes will either bear interest payable at a fixed rate, a floating rate or at a rate calculated by reference to movements in the UK Retail Prices Index (RPI).</p> <p><u>Fixed Rate Notes:</u></p> <p>Fixed interest will be payable in arrear on the date or dates in each year specified in the applicable Final Terms.</p> <p>The Notes are Fixed Rate Notes. The Notes bear interest from the Interest Commencement Date at a rate of 4.75 per cent. per annum payable semi-annually in arrear on 2 May and 2 November in each year.</p> <p><u>Floating Rate Notes:</u></p> <p>Floating Rate Notes issued under the Programme will bear interest as follows:</p> <ul style="list-style-type: none"> (a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or (b) by reference to LIBOR or EURIBOR as adjusted for any applicable margin. <p>The Notes are not Floating Rate of Notes.</p> <p><u>Zero Coupon Notes:</u></p> <p>Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.</p> <p>The Notes are not Zero Coupon Notes.</p> <p><u>RPI-Linked Notes</u></p> <p>Payments of interest and principal in respect of RPI-Linked Notes will be calculated by reference to an Index Ratio, derived from the RPI (all items) published by the Office of National Statistics or the relevant successor index (RPI-Linked Notes).</p> <p>The Notes are not RPI-Linked Notes.</p> <p><u>Interest Periods and Rates of Interest:</u></p> <p>The length of the interest periods for Notes issued under the Programme and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both.</p> <p><u>Maturities:</u></p> <p>The relevant maturity date in respect of RPI-Linked Notes will be such date as may be agreed between the Issuer and the relevant Dealer at the time of issue of RPI-Linked Notes. Not Applicable; the Notes are not RPI-Linked Notes.</p> <p>The Maturity Date of the Notes will be 2 November 2021.</p> <p><u>Final Redemption:</u></p> <p>The Final Redemption Amount of each Note is £100 per Calculation Amount.</p>
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Optional Redemption:

The Notes issued under the Programme may not be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part).

Early Redemption for taxation reasons:

Notes issued under the Programme may be subject to redemption by the Issuer for reasons related to taxation.

The Early Redemption Amount (for taxation reasons) of each Note is £100 per Calculation Amount.

Early Redemption for indexation reasons:

RPI-Linked Notes issued under the Programme may be subject to redemption by the Issuer for reasons related to indexation.

Not applicable. The Notes are not RPI-Linked Notes.

Redemption at the Option of the Noteholders following a Change of Control:

Notes issued under the Programme may be subject to optional redemption by Noteholders following a change of control (a **Change of Control Put Event**).

If at any time while any relevant Note remains outstanding, a Change of Control Put Event occurs the Noteholders will, upon the giving of an exercise notice, have the option to require the Issuer to redeem the Note on the specified date at a specified amount (to be stated in the applicable Final Terms) together with accrued interest to that date.

Change of Control Put Option is Applicable.

Indication of Yield:

The yield in respect of each issue of Fixed Rate Notes under the Programme will be calculated on the basis of the Issue Price using the following formula:

$$\text{Rate of Interest} * \frac{1 - \left(\frac{1}{(1 + \text{Yield})^n} \right)}{\text{Yield}} + \left[\text{Final Redemption Amount} * \frac{1}{(1 + \text{Yield})^n} \right]$$

Where:

Rate of Interest means the Rate of Interest expressed as a percentage as specified in the applicable Final Terms and adjusted according to the frequency (and in the case of Zero Coupon Notes, means "0") i.e. for a semi-annual paying Note, the rate of interest is half the stated annualised rate of interest in the applicable Final Terms;

Yield means the yield to maturity calculated on a frequency commensurate with the frequency of interest payments as specified in the applicable Final Terms (and in the case of Zero Coupon Notes, means the Accrual Yield as specified in the applicable Final Terms); and

n means the number of interest payments to maturity.

As an example, where:

$$N = 6$$

		<p>Rate of Interest = 3.875%</p> <p>Issue Price = 99.392</p> <p>Final Redemption Amount = 100</p> <p>99.392 =</p> $3.875 * \frac{1 - \left(\frac{1}{(1 + \text{Yield})^6} \right)}{\text{Yield}} + \left[100 * \frac{1}{(1 + \text{Yield})^6} \right]$ <p>Yield = 3.99% (calculated by iteration)</p> <p>The yield specified in the applicable Final Terms in respect of a Series of Notes will not be an indication of future yield.</p> <p>The Yield of the Notes is 4.75 per cent. per annum.</p> <p><i>Representative of holders</i></p> <p>HSBC Corporate Trustee Company (UK) Limited (the Trustee) will act as trustee for the holders of Notes. The Trustee may, without the consent of any holders and without regard to the interests of particular holders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or (ii) determine without the consent of any holders that an event of default or potential event of default shall not be treated as such or (iii) the substitution of another company as principal debtor under the Notes in place of the Issuer.</p>
C.10	Derivative component	Not Applicable; the Notes are not derivative securities.
C.11	Listing/Distribution	<p><i>Listing</i></p> <p>The Notes will be listed on the official list of the UK Listing Authority and admitted to trading on the London Stock Exchange's regulated market and electronic order book for retail bonds.</p> <p><i>Distribution</i></p> <p>Notes will be offered by the Joint Lead Managers and the Authorised Distributors to the public in the United Kingdom, Jersey, Guernsey and the Isle of Man during the Offer Period.</p>
C.15	Any underlying which may affect the value of Notes	Not Applicable; the Notes are not RPI-Linked Notes.
C.16	Exercise date/ final reference date	<p>The relevant maturity date in respect of RPI-Linked Notes will be such date as may be agreed between the Issuer and the relevant Dealer at the time of issue of RPI-Linked Notes.</p> <p>Not Applicable; the Notes are not RPI-Linked Notes.</p>
C.17	Settlement procedure of derivative securities	<p>Not Applicable; the Notes are not RPI-Linked Notes.</p> <p>Noteholders will hold interests in the Notes through CREST through the issuance of dematerialised depositary interests (CDIs), issued, held, settled and transferred through Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited) (CREST), representing interests in the Notes underlying the CDIs. CDIs are independent securities constituted under English law and transferred through CREST and will be issued by CREST</p>

		<p>Depository Limited pursuant to the global deed poll dated 25 June 2001 (as subsequently modified, supplemented and/or restated).</p> <p>Neither the Notes nor any rights attached thereto will be issued, held, transferred or settled within the CREST system other than through the issue, holding, transfer and settlement of CDIs. Holders of CDIs will not be entitled to deal directly in the Notes and, accordingly, all dealings in the Notes will be effected through CREST in relation to the holding of CDIs.</p>
C.1 8	Return on derivative securities	<p>Payments of principal and/or interest on RPI-Linked Notes are subject to adjustment by reference to movements in RPI.</p> <p>Not Applicable; the Notes are not RPI-Linked Notes.</p>
C.19	Exercise price/final reference price	Not Applicable; the Notes are not RPI-Linked Notes.
C.20	Underlying	Not Applicable; the Notes are not RPI-Linked Notes.

Section D - Risks

Element	Title	
D.2	Key risks regarding the Issuer	<p>The following is a summary of the key risks relating to the Issuer:</p> <p>Key Financial markets Risks</p> <ul style="list-style-type: none"> • The Group is highly dependent upon the level of activity in capital markets, as well as the individual market capitalisations of the issuers listed or admitted to trading on the markets that the Group operates. Many of the factors that influence the levels of secondary market trading, primary market issuance (listings), issuers' market capitalisations and trading and clearing volumes will be beyond the control of the Group, including economic, fiscal, legal, regulatory, political and geopolitical market conditions. • The Group may be subject to risks associated with the Eurozone debt crisis. The Group has a significant proportion of its assets, liabilities and expenses denominated in euro. If one or more countries default and/or leave the euro and re-establish their own national currency or European monetary union collapses, it is likely that there would be significant, extended and generalised market dislocation with unpredictable and materially adverse consequences for all participants in the world's financial markets, including members of the Group. <p>Redenomination of the euro in a country in which a clearing subsidiary of the Group is located may result in exposures (but not the corresponding rights or collateral) or the rights (but not the corresponding exposures or collateral) or simply just the collateral being redenominated into a currency other than the euro. If a Eurozone country in which a clearing subsidiary of the Group is incorporated or located leaves the euro such a move may be accompanied by exchange control and mandatory payment laws.</p> <p>Key Regulatory risks</p> <ul style="list-style-type: none"> • The Group and its exchanges, central clearing counterparties (CCPs) and other regulated entities operate in highly and increasingly regulated industries and are subject to extensive regulation by governmental, competition and regulatory bodies at European and national levels. In particular, as a result of the multi-market environment, difficult global economic conditions, the increasing systemic importance of CCPs and prevailing regulatory changes, the Group may be subject to more intensive regulation of its businesses by regulators in the jurisdictions in which the Group operates and may in future operate. • The Group may be required to adversely change the

		<p>manner in which its exchanges, CCPs and authorised firms conduct their respective businesses or govern themselves.</p> <ul style="list-style-type: none"> • The draft technical standards recently published by the European Securities and Markets Authority and European Banking Authority will, if endorsed by the European Commission and finalised in their current form, (i) require CCP entities within the Group to hold more liquid financial resources and such requirements will restrict the range of investments which such entities can hold as collateral or in which it can invest, which will in turn limit the extent to which additional investment income can be earned on collateral held by (and/or investments of) the CCPs in the Group; and (ii) increase the capital requirements of CCP entities within the Group. • Other regulatory changes may increase the capital requirements of one or more entities within the Group. • Increased capital requirements for market participants may adversely affect the level of market activity in the Group trading and clearing venues. • Other regulatory developments bring further risk of changes to the regulatory environment in which the Group will operate, including as a result of the creation of three new European supervisory authorities, the revision of the UK regulatory structure, developments in relation to recovery and resolution regimes for financial market infrastructures (including CCPs) and proposals for a UK resolution regime for non-banks, including exchanges, CCPs, investment firms and parent undertakings of investment firms. • The risk of conflict between regulatory regimes in the various countries in which the Group operates. <p>Key Competition Risk</p> <ul style="list-style-type: none"> • The Group is exposed to the risk of competition in relation to other exchange groups, venues and alternative platforms, post-trade, information services and technology sales. Competitors may respond more quickly to competitive pressures or develop similar products to those the Group offers and/or alternative competitive products that are preferred by customers. <p>Key Business Risks</p> <ul style="list-style-type: none"> • The Group may be unsuccessful in the implementation of future business initiatives, mergers, acquisitions, partnerships and joint ventures with third parties. • The Group and its brand and reputation are highly dependent on the development and successful and secure operation of sophisticated technology and advanced information systems. • The calibre and performance of the Group's senior
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		<p>management and other key employees, as a whole, is critical to the success of the Group, and there can be no assurance that the Group will be successful in attracting and retaining the personnel it requires.</p> <ul style="list-style-type: none"> • The Group's clearing activities expose it to counterparty investment risk, pricing and model risk, market and liquidity risk and legal risk, including in particular the risk of a default by an issuer of bonds, a deposit-taking custodian bank, a clearing member or a third party central counterparty and any change in policy of the ECB on Eurozone clearing. <p>Key Risks associated with the LCH Acquisition</p> <p>Completion of the LCH Acquisition by the Issuer of certain of the issued share capital of LCH.Clearnet Group Limited (LCH Clearnet) (the LCH Acquisition) is subject to the satisfaction (or waiver, where applicable) of a number of conditions, including regulatory approvals and merger control clearances. If these (or other) conditions are not satisfied (or waived if applicable) or the transaction is otherwise terminated in accordance with its terms the LCH Acquisition will not be completed.</p> <p>On completion of the LCH Acquisition, the Issuer will be exposed to the following additional key risks:</p> <ul style="list-style-type: none"> • The Issuer may become a financial holding company (<i>compagnie financière</i>) as defined in Article 517-1 of the French code monétaire et financier or in the laws, rules or regulations of any other EU Member State transposing Article 4 of Directive 2006/48/EC or Article 3 of Directive 2006/49/EC which could result in significantly increased regulatory capital requirements for the Group. • LCH.Clearnet Group currently has greater risk in relation to its OTC businesses. The markets for certain OTC products tend to be less liquid and more volatile than is the case for exchange traded products, making it harder to close out a defaulting member's position and making it harder to assess the risk inherent in the product and accordingly the appropriate level of initial and variation margin to be provided by clearing members. In addition, the over-the-counter (OTC) initiatives of LCH Clearnet and its current subsidiaries as at the date of this document (the LCH.Clearnet Group) may not be successful. In particular any changes to the regulatory environment for the trading and clearing of OTC derivatives may affect demand for the Group's services and change the competitive environment. • The governance structure of the LCH.Clearnet Group post-completion of the LCH Acquisition will restrict the control exercisable by the Issuer over the LCH.Clearnet Group's activities and the Issuer may need to take corrective action to ensure that it continues to control the majority of the Group assets.
D.3	Key risks regarding the Notes	<p>There are also risks associated with the Notes including a range of risks relating to the structure of the Notes, market risks and risks relating to Notes generally including that the Issuer is dependent</p>

		<p>on its subsidiaries to meet its payment obligations under the Notes; changes in prevailing interest rates and inflation could affect the value of the Notes; the Notes may be subject to early redemption, which may limit their market value; principle paid on redemption may be less than the face value of the Note; there may be no or only a limited secondary market in the Notes; the Notes are not protected by the UK Financial Services Compensation Scheme; the Conditions of the Notes may be modified without the consent of the holder in certain circumstances; investors who purchase the Notes in denominations which are not an integral multiple of the Specified Denomination will be adversely affected if definitive Notes are subsequently required to be issued; the value of Notes may be affected by a change in law or regulation; investors who hold CDIs may experience different rights and returns than those who do not; the value of an investor's investment may be adversely affected by exchange rate movements where the Notes are not denominated in the investor's own currency; and any credit rating assigned to the Notes may not adequately reflect all risks associated with an investment in the Notes.</p>
D.6	Risk warning	Not Applicable; the Notes will be redeemed at 100 per cent. of their principal amount.

Section E - Offer

Element	Title	
E.2b	Use of proceeds	The net proceeds from each issue of Notes may be applied by the Issuer for refinancing of indebtedness and for its general corporate purposes or may be applied for particular uses, as determined by the Issuer. If, in respect of an issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.
E.3	<p>Terms and conditions of the offer</p> <p>Offer Price:</p> <p>Conditions to which the offer is subject:</p> <p>Offer Period:</p> <p>Description of the application process:</p>	<p>An investor intending to acquire or acquiring any Notes from an Offeror other than the Issuer will do so, and offers and sales of Notes to an investor by such Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such investor including as to price, allocations and settlement arrangement.</p> <p>The Notes will be issued at the Issue Price of 100% of the aggregate nominal amount of the Notes. Any investor intending to acquire any Notes from a bank, financial intermediary or other entity (including an Authorised Distributor) will do so only at the Issue Price and in accordance with any terms and other arrangements in place between the relevant seller or distributor and such investor, including as to allocations and settlement arrangements. The Issuer is not party to such arrangements with investors and accordingly investors must obtain such information from the relevant seller or distributor. The Issuer has no responsibility to an investor for such information.</p> <p>The issue of the Notes will be (i) conditional upon the Subscription Agreement being signed by the Issuer and the Joint Lead Managers and (ii) subject to the terms of the Subscription Agreement, which will in certain circumstances entitle the Joint Lead Managers to be released and discharged from their obligations under the Subscription Agreement prior to the issue of the Notes.</p> <p>The period from the time of publication of the applicable Final Terms on 16 October 2012 until 12:00 pm (London time) on 30 October 2012 or such earlier or later time and date as agreed between the Issuer and the Joint Lead Managers and announced via a Regulatory Information Service.</p> <p>Applications to purchase Notes cannot be made directly to the Issuer. Notes will be issued to the investors as per the arrangements in place between the relevant seller or distributor and such investor, including as to application process, allocations and settlement arrangements.</p> <p>Investors will be notified by the relevant Joint Lead</p>

	<p>Manager or Authorised Distributor of their allocations of Notes and the settlement arrangements in respect thereof as soon as practicable after the Final Terms Confirmation Announcement (as defined below) is made, which may be after the Offer Period has ended.</p> <p>After the closing time and date of the Offer Period no Notes will be offered for sale (i) by or on behalf of the Issuer or (ii) by the Joint Lead Managers and/or any Authorised Distributor (in their respective capacities as Joint Lead Managers or Authorised Distributors) except with the consent of the Issuer.</p> <p>Investors may not be allocated all of the Notes for which they apply.</p> <p>The minimum subscription per investor is £2,000 in nominal amount of the Notes.</p> <p>There will be no refund as investors will not be required to pay for any Notes until any application for Notes has been accepted and the Notes allotted.</p> <p>The Notes will be issued on the Issue Date against payment to the Issuer by the Joint Lead Managers of the subscription moneys (less any amount of commission that the Issuer and the Joint Lead Managers agree should be deducted from the subscription moneys). Investors will be notified by their relevant Joint Lead Manager or relevant Authorised Distributor of their allocations of Notes (if any) and the settlement arrangements in respect thereof.</p> <p>The results of the offer will be specified in an announcement (the Final Terms Confirmation Announcement) by the Issuer after the Offer Period and published by a Regulatory Information Service (expected to be the Regulatory News Service operated by the London Stock Exchange) prior to the Issue Date. The Final Terms Confirmation Announcement is currently expected to be made on or around 30 October 2012.</p> <p>Not Applicable</p> <p>Not Applicable</p> <p>Investors will be notified by the relevant Joint Lead Manager or Authorised Distributor of their allocations of</p>
<p>Details of the minimum and/or maximum amount of application:</p> <p>Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:</p> <p>Details of the method and time limits for paying up and delivering the Notes:</p> <p>Manner in and date on which results of the offer are to be made public:</p> <p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:</p> <p>Whether tranche(s) have been reserved for certain countries:</p> <p>Process for notification to applicants of the</p>	

	<p>amount allotted and the indication whether dealing may begin before notification is made:</p> <p>Amount of any expenses and taxes specifically charged to the subscriber or purchaser:</p> <p>Name(s) and address(es), to the extent known to the Issuer, or the placers in the various countries where the offer takes place:</p>	<p>Notes (if any). No arrangements have been put in place by the Issuer as to whether dealings may begin before such notification is made. Accordingly, whether investors can commence dealing before such notification will be as arranged between the relevant investor and the relevant Joint Lead Manager or Authorised Distributor.</p> <p>No such expenses or taxes upon issue will be allocated by the Issuer to any investor. Any investor intending to acquire any Notes from a bank, financial intermediary or other entity (including an Authorised Distributor) other than a Joint Lead Manager in its capacity as such will do so in accordance with any terms and other arrangements in place between the relevant seller or distributor and such investor, including as to price, allocations and settlement arrangements. Neither the Issuer nor any of the Joint Lead Managers are party to such arrangements with investors and accordingly investors must obtain such information from the relevant seller or distributor. Neither the Issuer nor the Joint Lead Managers have any responsibility to an investor for such information.</p> <p>Barclays Bank PLC 5 The North Colonnade Canary Wharf London E14 5LB</p> <p>Barclays Stockbrokers Limited 1 Churchill Place London E14 5HP</p> <p>Brewin Dolphin Limited (trading as Stocktrade) 12 Smithfield Street London EC1A 9BD</p> <p>Charles Stanley & Company Limited 25 Luke Street London EC2A 4AR</p> <p>Gerrard Investment Managers Limited 1 Churchill Place London E14 5HP</p> <p>Halifax Share Dealing Limited Lovell Park Road Leeds LS1 1NS</p> <p>Hargreaves Lansdown Asset Management One College Square South Anchor Road Bristol BS1 5HL</p>
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	<p>Killik & Co LLP 46 Grosvenor Street London W1K 3HN</p> <p>NCL Investments Limited (trading as Smith and Williamson Securities) 25 Moorgate London EC2R 6AY</p> <p>Numis Securities Limited 10 Paternoster Square London EC4M 7LT</p> <p>Peel Hunt LLP Moor House 120 London Wall London EC2Y 5ET</p> <p>Redmayne-Bentley LLP 9 Bond Court Leeds LS1 2JZ</p> <p>Shore Capital Stockbrokers Limited Bond Street House 14 Clifford Street London W1S 4JU</p> <p>Talos Securities Limited (trading as Selftrade) Boatman's House 2 Selsdon Way London E14 9LA</p> <p>who, as at the date of the applicable Final Terms, are the authorised distributors who have each been appointed by the Issuer and the Joint Lead Managers to offer and distribute the Notes purchased from the Joint Lead Managers to the public in the United Kingdom, Jersey, Guernsey and the Isle of Man in accordance with all prevailing regulatory requirements during the Offer Period (together, the Specified Authorised Distributors).</p> <p>Further Specified Authorised Distributors may be appointed with the prior written consent of the Issuer during the Offer Period.</p> <p>In addition to the Specified Authorised Distributors, the Joint Lead Managers may appoint additional distributors to offer and distribute the Notes purchased from the Joint Lead Managers to the public in the United Kingdom, Jersey, Guernsey and the Isle of Man during the Offer Period (the Additional Authorised Distributors and, together with the Specified Authorised Distributors, the Authorised Distributors). The appointment of such Additional</p>
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	Categories of potential investors to which the Notes are offered:	<p>Authorised Distributors by the Joint Lead Managers shall only be effective upon the execution by the relevant Additional Authorised Distributor of a distribution agreement with the Joint Lead Managers (such distribution agreement containing, <i>inter alia</i>, an indemnity provided to the Issuer in relation to breach by the relevant Additional Authorised Distributor of its terms).</p> <p>The Issuer will publish on its website a list of all Authorised Distributors relating to the offering of the Notes.</p> <p>Neither the Issuer nor any Joint Lead Manager has authorised, nor will they authorise, the making of any other offer of the Notes in any other circumstances.</p> <p>Notes will be offered by the Joint Lead Managers and the Authorised Distributors to the public in the United Kingdom, Jersey, Guernsey and the Isle of Man during the Offer Period.</p>
E.4	Interest of natural and legal persons involved in the issue/offer	<p>The relevant Dealer(s) may be paid fees in relation to any issue of Notes under the Programme.</p> <p>The Joint Lead Managers will receive a fee of 0.80 per cent. of the aggregate nominal amount of the Notes. From this fee, the Joint Lead Managers will pay:</p> <ul style="list-style-type: none"> i) each Specified Authorised Distributor a fee of 0.50 per cent. of the aggregate nominal amount of the Notes allotted to such Specified Authorised Distributor; and ii) each Additional Authorised Distributor a fee of 0.25 per cent. of the aggregate nominal amount of the Notes allotted to such Additional Authorised Distributor. <p>Any Joint Lead Manager and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.</p>
E.7	Expenses charged to the investor by the Issuer or an offeror	<p>It is not anticipated that the Issuer will charge any expenses to investors in connection with any issue of Notes. Other offerors may, however, charge expenses to investors. Such expenses (if any) will be determined on a case by case basis but would be expected to be in the range of between 1 per cent. and 7 per cent. of the nominal amount of the Notes to be purchased by the relevant investor.</p>