

LMAX Exchange Group Reports Another Year of Record Growth in 2018

Global offering meets rising demand for transparent, precise and consistent execution in institutional electronic currency trading

London, 21 March 2019 – LMAX Exchange Group (“LMAX Exchange” or “the Company”), a leading independent operator of institutional exchanges for electronic FX trading and crypto currencies, reports excellent growth and record financial performance for the year ended 31st December 2018.

2018 financial highlights:

- Gross Revenues of US\$50.1m, up 27% from 2017
- Gross Profit of US\$44.3m, up 33% from 2017
- Statutory EBITDA of US\$20.2m, up 74% from 2017
- Operating Profit of US\$12.7m, up 117% from 2017
- Total trading volume across exchanges in excess US\$3 trillion, up 21%
- Continued growth of international exchanges
 - Trading volumes on New York (NY4) up 267% from 2017
 - Trading volumes on Tokyo (TY3) up 60 % from 2017

Over the last three years, LMAX Exchange Group has demonstrated the following growth:

- 23% three -year annually compounded growth in Gross Profit
- 165% three -year annually compounded growth in Statutory EBITDA

Record high trading volumes, more than US\$3 trillion annually across all LMAX Exchange execution venues, were driven by increased trading from existing clients, growing market traction in the institutional client segment and a stand out performance from Asia Pacific. Statutory EBITDA grew by 74%, delivering a healthy EBITDA margin of 46%. This makes LMAX Exchange one of the most profitable operators of global venues for electronic institutional FX trading.

David Mercer, CEO of LMAX Exchange, said:

“Last year saw our industry swept by consolidation and changes in market structure. Against this background, we emerged as the sole remaining independent exchange for global FX trading. Clients clearly value our independent status and distinctive business model focused on providing consistent, best-in-class service.”

“Volumes were up 21% and operating profit grew by 117%, reflecting a growing need we have identified among institutional market participants for order-driven firm liquidity and an increasing focus on transparency, precision and consistency in execution.”

“We are particularly pleased about the outstanding contribution from our Asia Pacific business, where we grew revenues by 47%. With clients in 100 different countries and 11 offices worldwide, we remain in expansion mode and have built out our multi-hub offering positions to maximise growth potential.”

“We expect this trend to continue and will build on this momentum by investing in our business to expand and deepen our client relationships across the globe, whilst continuing to deliver an optimal experience for the 300-plus funds, banks, asset managers and brokers that make up our global client base.”

“We will also further invest in our market-leading proprietary technology, which is the key enabler of the company’s business model, building on the US\$100m of investments to date to ensure the primacy of our execution venues as we expand the strength and breadth of our distribution capabilities in key growth markets.”

Key business developments in 2018:

Entry into the crypto currency market and the launch of the 6th exchange: the launch of LMAX Digital in May 2018 saw the Company become the first established FX execution venue to enter the deliverable crypto currency market and the only deliverable crypto currency exchange dedicated to institutional clients. LMAX Digital was the Company's fastest growing exchange during 2018 and is well-positioned for the anticipated entry of institutional investors and global clearing banks into the cryptocurrency industry.

Consolidation of ownership: against this background of strong growth, the Company completed a leveraged buyout, bringing 95% of LMAX Exchange Group under management ownership. This transaction confirms the Company's independent status at a time of rapid industry consolidation among OTC FX execution venues, which has seen large exchange groups expand into the asset class.

Transition of MTF and Broker businesses into distinct FCA regulated entities: as a long-term advocate for complete transparency on trading costs and execution quality, the Company welcomed the introduction of MiFID II in 2018 and worked to successfully transition its MTF and Broker businesses into two distinct regulatory entities called LMAX Exchange and LMAX Global.

David Mercer, CEO of LMAX Exchange, continued:

"As we progress into 2019, we will be placing increased focus on growing business with our global institutional client segment. Following a number of senior high calibre hires in our distribution teams, notably in EMEA and Asia Pacific, we are perfectly positioned to service these clients by convincing them about the quality of our robust, low-latency, transparent execution."

"We also expect LMAX Digital to grow exponentially in coming years in line with the institutionalisation of the crypto market."

– ENDS –

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Notes to Editors

About the LMAX Exchange Group:

LMAX Exchange Group (LMAX Exchange) is a leading independent player in global financial markets. LMAX Exchange operates multiple institutional execution venues for FX trading and crypto currencies.

Leading the transformation of the global FX marketplace to transparent, fair, precise and consistent execution, LMAX Exchange has been widely recognised for industry innovation and award-winning proprietary technology. The Group's portfolio includes LMAX Exchange (FCA regulated MTF), LMAX Global (FCA regulated Broker) and LMAX Digital, the institutional crypto currency exchange.

Servicing funds, banks, brokerages, asset managers and proprietary trading firms, the company offers an anonymous, regulated and rules-based trading environment with strict price and time priority order execution at ultra-low latency. Clients benefit from access to real-time streaming market and trade data, which enables the control of execution quality and total trading costs.

LMAX Exchange operates a global exchange infrastructure with matching engines in London, New York and Tokyo. The company's institutional client base spans over 100 countries.

LMAX Exchange Group www.lmax.com

Financial technology awards:

2017 Best FX Trading Venue – (ECN/MTF) – Fund Technology and WSL Awards
2016 Best Trading & Execution Technology – HFM US Technology Awards
2013 Best Overall Testing Project – The European Software Testing Awards
2011 Best Trading System – Financial Sector Technology Awards
2011 Innovative Programming Framework – Oracle Duke's Choice Awards

FX industry awards:

2017, 2016, 2015, 2014, 2013 Best FX Trading Venue – ECN/MTF – Fund Technology & WSL Awards
2016, 2015, 2014, 2013 Best Margin Sector Platform – Profit & Loss Readers' Choice Awards
2014 Best Infrastructure/Technology Initiative – WSL Institutional Trading Awards
2013 Best Execution Venue – Forex Magnates Awards

Business growth awards:

2016, 2015 Winner – Deloitte UK Technology Fast 50
2016, 2015 Winner – Deloitte EMEA 500
2015, 2014, 2013 Fastest Growing Tech Company in the UK – Sunday Times Tech Track 100
2015 Recognised as a Tech City Future Fifty company

LMAX Exchange Group is a holding company of LMAX Limited, LMAX Broker Limited and LMAX Digital Exchange Limited.

LMAX Exchange is a trading name of LMAX Limited, which operates a multilateral trading facility, authorised and regulated by the Financial Conduct Authority (firm registration number 509778) and is a company registered in England and Wales (number 6505809).

LMAX Global is a trading name of LMAX Broker Limited which is authorised and regulated by the Financial Conduct Authority (Firm Reference Number 783200) and is a company registered in England and Wales (number 10819525).

LMAX Digital is a trading name of LMAX Digital Exchange Limited, a company registered with the Jersey Financial Services Commission (number 125987).

The registered address for LMAX Exchange Group is Yellow Building, 1A Nicholas Road, London, W11 4AN.