

NEX Group plc – Trading Statement

- Q3 Group revenue up 11% (YTD up 4%)
- NEX Markets Q3 revenue up 15% (YTD up 4%)
- NEX Optimisation Q3 revenue up 6% (YTD up 4%)
- Completion of transaction with Tullett Prebon
- Abide Financial joins NEX Optimisation

London, 15 February 2017 – NEX Group plc (“NEX”) (NXG.L), a financial technology company at the centre of global markets, announces today its trading statement for the third quarter ended 31 December 2016. This is the first trading update since the official launch of NEX Group. Full year results for the year ended 31 March 2017 will be announced on 15 May 2017.

Michael Spencer, Group Chief Executive Officer of NEX, said: “30 December 2016 was a momentous and exciting day as we completed the disposal of our Global Broking business and officially launched NEX Group.

“After Trump’s election victory we benefited from an increase in trading activity as market participants considered the impact of potential policy changes on bond and foreign exchange markets. Both of our electronic platforms, BrokerTec and EBS, performed robustly under heightened volumes, providing our customers with non-stop access to liquidity. However it is still too early to assume with any confidence that the previous and prolonged period of subdued market conditions has come to a permanent end; indeed volumes in January were generally more muted.

“Via NEX Opportunities, our financial technology investment business, we recently acquired Abide Financial, which has joined NEX Optimisation. This follows the addition of ENSO earlier in the year and builds on our strategy of growing the NEX Optimisation ecosystem by adding new services across the transaction lifecycle for our customers and generating growth for our shareholders. Looking ahead, we will continue to leverage our competitive advantages, namely our networks, industry expertise and track record of delivering superior products. Our focus on medium-term growth while maintaining a strong cost discipline across the Group remains paramount.”

Group revenue for the third quarter to 31 December 2016 increased by 11% on a like-for-like constant currency basis (26% on a like-for-like, reported basis).

NEX Markets

Through the EBS and BrokerTec platforms, NEX Markets provides foreign exchange (FX) and fixed income electronic trading technology and services that help clients access liquidity and execute efficiently.

NEX Markets revenue increased by 15% on a constant currency basis (29% on a reported basis) during the third quarter compared to the same period last year, as the US election generated increased volatility in both fixed income and FX markets.

While maintaining its leading market position, average daily volume in US Treasuries on the BrokerTec platform increased by 19% to \$175 billion in the third quarter compared to the same period last year. The

day after the US election, when Trump's victory was announced, BrokerTec had its second highest volume day on record with more than \$437 billion transacted. Average daily volume for the third quarter in both US and EU repos increased by 8% and 11% respectively compared to the same period last year.

The US election and uncertainty around the new administration's policies regarding international trade and the potential impact on inflation triggered significant volatility in dollar/yen, one of the major currency pairs on EBS Market. Average daily volume on EBS increased by 23% to \$96 billion. In addition, EBS benefited from increased trading activity in Asian currencies including a 52% increase in NDF's and a 42% increase in the offshore Chinese renminbi (CNH) during the third quarter compared to the same period last year. Asian currencies continue to offer a significant area of growth potential.

Average daily volume on EBS Direct, the platform that allows liquidity providers to stream tailored prices directly to customers, reached a new record at \$22.5 billion in the third quarter – an increase of 37% as compared to the same period last year.

The recent launch of EBS Live Ultra, NEX's fastest FX data product to-date, has significantly improved price discovery and increased market transparency, efficiency and liquidity.

NEX Optimisation

NEX Optimisation offers cloud-hosted services across the transaction lifecycle, which help clients reduce complexity and optimise resources.

NEX Optimisation's revenue increased by 6% on a like-for-like, constant currency basis (21% on a like-for-like, reported basis) during the third quarter compared to the same period last year, underpinned by customer growth, innovation and a change to direct billing at NEX Data. NEX Optimisation's operating margin is being impacted by investments in new products, acquisitions and a change in the product mix.

TriOptima, continued to see buoyant customer demand for compression services. In addition, the triResolve reconciliation service continued to perform strongly and saw a steady increase in the number of participants, up 15% on the same period last year.

NEX Data saw the completion of the migration of all client to direct contracts, enabling closer relationships and increased opportunities to cross-sell a variety of data services. Notwithstanding a challenging sales environment, Traiana made good progress in diversifying its revenue base. Its non-FX volume continued to perform strongly with revenue across its new non-FX networks, namely in securities, cleared swaps and futures, up 15% on the same period last year. Reset, a provider of risk mitigation services, continues to endure a difficult period driven by the continuing low interest rate environment particularly in the euro.

ENSO is now a critical component of NEX Optimisation and has made strong progress in growing its portfolio of analytical solutions to asset managers and hedge funds. Abide Financial, a regulatory reporting provider, which helps customers to meet their reporting obligations in an efficient way, saw strong growth in volumes and clients compared to the same period last year. Both ENSO and Abide are expected to reach run-rate break even within the next 18 months.

Notes

Revenue

Like-for-like revenue excludes Enso and Abide Financial

FX

The closing exchange rates at 13 February 2017 were \$1.25/£ and €1.18/£. If these rates remain constant for the rest of FY2016/17 then the average exchange rates for FY2016/17 will be \$1.32/£ (FY2015/16: \$1.50/£) and €1.20/£ (FY2015/16: €1.36/£). The estimated year-on-year impact, if FY2015/16 operating profit was restated at these average rates, would be a £33 million increase after the impact of hedging due to translational and transactional exposures. £20m of this relates to the dollar and £13m relates to the euro.

Share count

EPS for the current year will be calculated based on the number of NEX Group plc shares in issue at 31 March 2017 less the number of shares held by the Employee Benefit Trust at that date. Today, NEX Group plc has 379 million shares in issue and 9 million shares are currently held by the Employee Benefit Trust. Prior year comparatives will be restated on the same basis.

ENDS

Investors & Analysts Conference Call:

This will be hosted by Michael Spencer at 09:00am on Wednesday 15 February 2017

Dial in number: +44 (0)20 3003 2666

Access Code: NEX

A recording of this call will be available at www.nex.com

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NEX GROUP PLC offers customers better ways to execute trades and manage risk. Our products and services underpin the entire trade lifecycle pre-, during and post-execution. Our electronic trading platforms are industry standards. Customers use our lifecycle management and information services to optimise portfolios, control risk and reduce costs. We partner with emerging technology companies to bring greater efficiency, transparency and scale to the world's capital markets. NEX is headquartered in London with offices worldwide. NEX. Empowering markets.