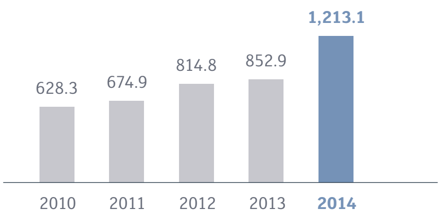
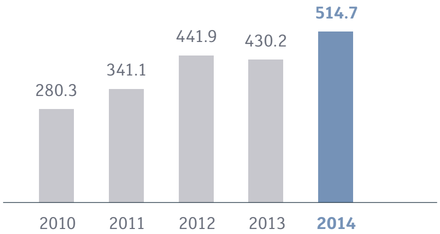
Financial highlights

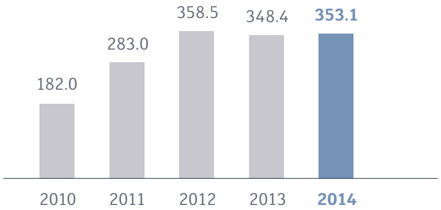
Adjusted total income*
£ million



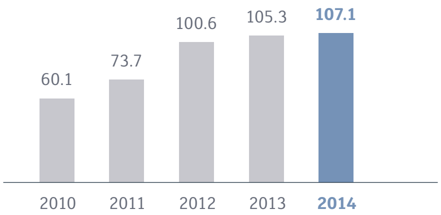
Adjusted operating profit*
£ million



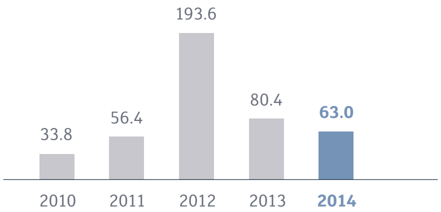
Operating profit
£ million



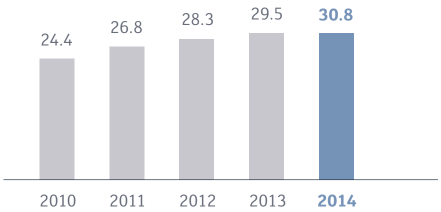
Adjusted earnings per share*
pence



Basic earnings per share
pence



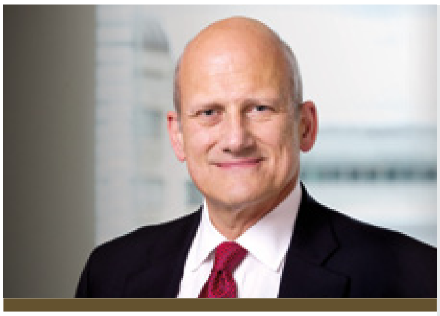
Dividends per share
pence



Year ended 31 March	2014	2013	Variance %
Adjusted total income*	**£1,213.1m**	£852.9m	42%
Adjusted operating profit*	**£514.7m**	£430.2m	20%
Operating profit	**£353.1m**	£348.4m	1%
Adjusted profit before tax*	**£445.9m**	£380.7m	17%
Profit before tax	**£284.3m**	£298.9m	-5%
Adjusted basic earnings per share*	**107.1p**	105.3p	2%
Basic earnings per share	**63.0p**	80.4p	-22%

* London Stock Exchange Group uses non-GAAP performance measures as key financial indicators as the Board believes these better reflect the underlying performance of the business. Adjusted operating profit, adjusted total income, adjusted profit before tax and adjusted basic earnings per share all exclude amortisation of purchased intangibles, non-recurring items and unrealised losses/gains.

Financial review



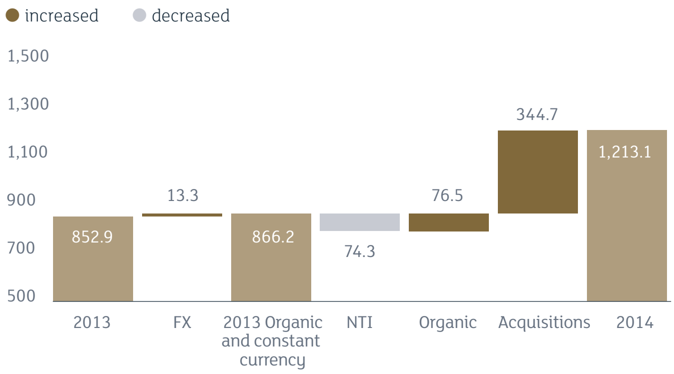
Highlights

- Adjusted total income up 42 per cent at £1,213.1 million (2013: £852.9 million) and total revenue rose 50 per cent to £1,088.3 million (2013: £726.4 million), including eleven months' contribution from LCH.Clearnet. On an organic constant currency basis adjusted total income was flat with increases in revenue from the core business segments offset by a reduction in net treasury income.
- Operating expenses increased 65 per cent to £698.4 million (2013: £422.7 million) including £245.2 million of costs relating to businesses acquired of which LCH.Clearnet was £240.6 million. On an organic constant currency basis costs were up six per cent (including inflation and growth in cost of sales) reflecting continued good cost control.
- Adjusted operating profit up 20 per cent at £514.7 million (2013: £430.2 million).
- Operating profit rose one per cent to £353.1 million (2013: £348.4 million).
- Adjusted basic earnings per share increased by two per cent to 107.1 pence. This included the benefit of one-time items of 2.4 pence relating to the release of provisions for Lehmans debtors and the exit from a leasehold property and 2.2 pence from the sale of a non-core asset (2013: 105.3 pence which included the benefit of 5.4 pence from a one-time prior years' tax adjustment).
- Basic earnings per share fell 22 per cent to 63.0 pence (2013: 80.4 pence) as a result of increased amortisation, transaction costs and interest payments following the acquisition of a majority stake in LCH.Clearnet Group and higher tax charges mainly due to a financial industry surcharge in Italy.
- Cash generated from operations increased six per cent to £515.4 million (2013: £487.5 million).
- Year end operating net debt to adjusted EBITDA at 1.9 times (2013: 1.2 times), within the Group's normal target range of one to two times following the debt financing of the acquisition of a majority stake in LCH.Clearnet and its subsequent capital raise.

David Warren
Group Chief Financial Officer

Year ended 31 March Revenue	2014 £m	2013 £m	Variance %	Variance at organic and constant currency[3] %
Capital Markets	**309.5**	267.5	16	12
Post Trade Services – CC&G and Monte Titoli	**98.4**	91.8	7	4
Post Trade Services – LCH.Clearnet[1]	**263.0**	–	–	–
Information Services	**348.7**	306.3	14	10
Technology Services	**64.0**	56.1	14	12
Other	**4.7**	4.7	0	(2)
Total revenue	**1,088.3**	726.4	50	10
Net treasury income				
– CC&G	**47.6**	116.7	(59)	(61)
– LCH.Clearnet	**62.2**	–	–	–
Other income	**11.5**	9.8	17	19
Total income	**1,209.6**	852.9	42	0
Adjusted total income excluding unrealised losses[2]	**1,213.1**	852.9	42	0
Operating expenses[2]	**(698.4)**	(422.7)	65	6
Adjusted operating profit[2]	**514.7**	430.2	20	(6)
Operating profit	**353.1**	348.4	1	(12)
Adjusted basic earnings per share[2]	**107.1p**	105.3p	2	
Basic earnings per share	**63.0p**	80.4p	(22)	

Adjusted total income[2]
£ million



1 LCH.Clearnet results represent 11 months ended 31 March 2014.
2 Before amortisation of purchased intangibles, non-recurring items and unrealised net investment gains/losses at LCH.Clearnet.
3 Organic growth is calculated in respect of businesses owned for at least 12 months in either period and so excludes EuroTLX, FTSE TMX Global Debt Capital Markets, GATElab and LCH.Clearnet. The Group's principal foreign exchange exposure arises from translating our European based euro reporting businesses into sterling.

Capital Markets

Year ended 31 March Revenue	2014 £m	2013 £m	Variance %	Variance at organic and constant currency %
Primary Markets				
Annual Fees	**41.2**	38.5	7	6
Admission Fees	**39.9**	32.3	24	21
Total Primary Markets	**81.1**	70.8	15	13
Secondary Markets				
Cash equities: UK & Turquoise	**94.5**	86.0	10	10
Cash equities: Italy	**36.1**	32.7	10	7
Derivatives	**19.6**	19.1	3	0
Fixed income	**68.1**	51.8	31	17
Total Secondary Markets	**218.3**	189.6	15	10
Other	**10.1**	7.1	42	38
Total revenue	**309.5**	267.5	16	12
Operating expenses	**(164.8)**	(148.6)	11	
Operating profit	**144.7**	118.9	22	

Capital Markets revenue, which comprises primary and secondary market activities, increased 16 per cent to £309.5 million (2013: £267.5 million). Primary markets revenue was up 15 per cent to £81.1 million (2013: £70.8 million) following the highest IPO activity seen in the last six years, and secondary market revenues increased by 15 per cent on higher equity and fixed income trading volumes and the inclusion of revenue from EuroTLX in which a majority stake was acquired in September 2013.

In primary markets, the total amount of capital raised across our equity markets, both through new and further issues, increased by 90 per cent to £34.2 billion (2013: £18.0 billion). This reflected a strong recovery, particularly in the second half of the year, in equity issuance for both domestic and international companies across our markets. In total, 57 issuers (2013: 40) joined our main markets in London, 20 companies (2013: seven) came to market in Italy and 111 companies (2013: 74) were admitted to trading on AIM. Looking ahead, the pipeline of companies looking to join our markets remains encouraging.

In secondary markets, both the UK and Italian equity trading activity increased on last year with average order book daily value traded in the UK up eight per cent to £4.3 billion (2013: £4.0 billion) and order book volume in Italy up five per cent to 235,000 trades per day (2013: 223,000). Trading on Turquoise, our pan-European equities platform, delivered a 67 per cent rise in average daily equity value traded to €2.8 billion (2013: €1.7 billion). Global derivatives volumes decreased in the last year, with 23 per cent and four per cent declines in the UK and Italy respectively, largely as a result of lower market volatility.

Fixed Income produced a good performance despite MOT volumes down nine per cent, while MTS grew strongly with MTS Repo volumes up two per cent and MTS Cash and BondVision value traded up 48 per cent. In September, the Group acquired a majority stake in EuroTLX, an Italian MTF operating in the European fixed income market, and six months of revenue (£6.6 million) is included in Fixed Income (£5.8 million) and Admission Fees (£0.8 million). Other capital markets revenues of £10.1 million (2013: £7.1 million) primarily comprise fees for membership of and connectivity to our markets.

Operating expenses (including cost of sales and Euro TLX costs) were up 11 per cent to £164.8 million (2013: £148.6 million) in line with increasing revenue and operating profit was up 22 per cent to £144.7 million (2013: £118.9 million).

Post Trade Services – CC&G and Monte Titoli

Year ended 31 March Revenue	2014 £m	2013 £m	Variance %	Variance at organic and constant currency %
Clearing (CC&G)	**40.0**	36.1	11	7
Settlement (Monte Titoli)	**16.4**	15.5	6	2
Custody & other	**42.0**	40.2	4	1
Total revenue	**98.4**	91.8	7	4
Net treasury income	**47.6**	116.7	(59)	(61)
Inter-segmental income	**0.9**	–		
Total income	**146.9**	208.5	(30)	(33)
Operating expenses	**(63.4)**	(64.2)	(1)	
Operating profit	**83.5**	144.3	(42)	

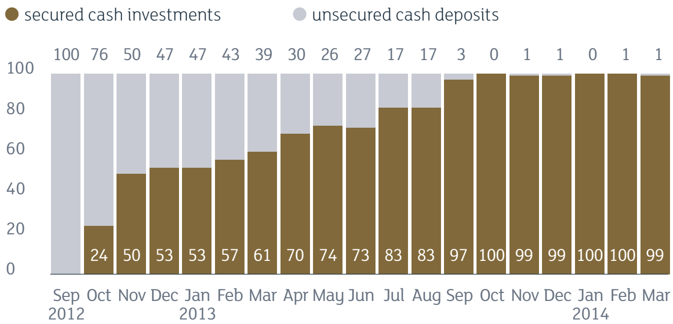
Post Trade Services – CC&G and Monte Titoli, saw an expected sharp decline in net treasury income following completion of the migration to a minimum 95 per cent secured investment portfolio, partially offset by a modest increase in revenue resulting in total income decreasing to £146.9 million (2013: £208.5 million).

Clearing revenues grew by 11 per cent to £40.0 million, following the recovery in trading volumes in equities and fixed income. Similarly settlement revenues increased by six per cent with Monte Titoli processing 58.3 million settlement instructions, up five per cent on the previous year.

In the Monte Titoli CSD business the average value of assets under custody grew by three per cent, leading to an increase in year on year revenues from Custody on a constant currency basis. The main increase in assets under custody came in Government Bonds and Equity, the latter mainly due to increases in market capitalisation.

Financial review
continued

Secured investments
(excludes cash deposited with LCH.Clearnet SA through CC&G's interoperability arrangement)
%



CC&G generates net treasury income by investing the cash margin it holds, retaining any surplus after members are paid a return on their cash collateral contributions. The average daily initial margin rose 18 per cent to €11.9 billion for the period (2013: €10.1 billion). CC&G completed the move to a minimum 95 per cent secured investment level for cash margin, required to meet EMIR regulatory standards, with a subsequent reduction in yields. Net treasury income, as a result of this change, decreased by £69.1 million to £47.6 million (2013: £116.7 million).

Operating expenses were down one per cent to £63.4 million and combined with the decline in net treasury income resulted in a 42 per cent decrease in operating profit to £83.5 million (2013: £144.3 million).

Post Trade Services – LCH.Clearnet

Year ended 31 March (eleven months) Revenue	2014 £m
OTC	**109.6**
Non-OTC	**146.3**
Other	**7.1**
Total revenue	**263.0**
Net treasury income	**62.2**
Other income	**(3.5)**
Total income	**321.7**
Operating Expenses	**(240.6)**
Operating Profit	**81.1**

The Post Trade Services – LCH.Clearnet segment comprises the Group's majority owned global clearing business which was acquired on 1 May 2013. In the 11 month period as part of the Group, the division contributed revenue of £263.0 million and net treasury income of £62.2 million, offset by operating expenses of £240.6 million and resulted in an operating profit of £81.1 million.

OTC revenue of £109.6 million includes revenue from SwapClear, the world's leading interest rate swap clearing service, CDS Clear, which clears European credit indices and ForexClear, clearing interbank foreign exchange non-deliverable forwards in multiple currencies. SwapClear membership increased to 103 members in 2014 (2013: 78 members) while CDSClear had 11 members and ForexClear 20 members, an increase in the year of three members and five members respectively.

In April 2014, the SwapClear, ForexClear and CDSClear services' arrangements were amended (with effect from 1 January 2014) to ensure they met EMIR and other regulatory requirements for clearing houses, as well as recognising the changing economics and increased regulatory capital for running OTC derivatives clearing services. The surplus share arrangements in the SwapClear and ForexClear services have been replaced with revenue share arrangements. The impact for the period to 31 March 2014, including changes to CDSClear, has been to increase OTC revenues by £14.0 million with a corresponding increase in operating expenses of £10.2 million; this reflects the move to a revenue share and LCH.Clearnet is now recognising in full the assets and their associated amortisation relating to these businesses. In 2014, it is expected that LCH.Clearnet's overall share from the three OTC services in aggregate will be over 50 per cent, while SwapClear will be over 60 per cent. The new arrangements will become increasingly beneficial as the cost base is controlled and the OTC businesses continue to grow, through fee increases for new services and products, geographic expansion and an increased number of customers using the services.

Non-OTC revenue contributed £146.3 million in 11 months including £82.1 million from clearing services for interest rate and equity derivatives as well as a range of commodities markets, £32.4 million from cash equities which provides clearing services for a wide coverage of European regulated exchanges and multilateral trading facilities and £31.8 million from clearing cash bond and repo trades across a number of European markets.

Net treasury income is earned by investing the cash margin held, retaining any surplus after members are paid a return on their cash collateral contributions. This income for the 11 month period was £62.2 million with LCH.Clearnet investments remaining at over 95 per cent secured throughout the period.

The Group has identified significant additional cost savings as part of the integration process that commenced following completion of the acquisition. We have increased the cost synergies from the original €23 million (£19 million) target, to €60 million (£49 million) to be achieved in 2015 (from an expected annualised 2013 cost base of €306 million (£251 million), just prior to last year's acquisition). One-time costs to achieve the savings are expected to be €43 million (£35 million), with €31 million (£26 million) of this included in non-recurring items in the Group's March 2014 results.

These savings are being achieved through a number of measures, including restructuring of operations, procurement efficiencies, combination of group functions and other headcount reductions. These savings will more than offset expected cost increases over the same period, principally from higher depreciation charges from investment in systems and processes necessary to meet EMIR requirements and other operational needs.

Information Services

Year ended 31 March Revenue	2014 £m	2013 £m	Variance %	Variance at organic and constant currency %
FTSE revenues	**174.0**	134.1	30	22
Real time data	**90.8**	96.9	(6)	(7)
Other information services	**83.9**	75.3	11	11
Total revenue	**348.7**	306.3	14	10
Operating Expenses	**(179.0)**	(159.2)	12	
Operating Profit	**169.7**	147.1	15	

Information Services provides fast, reliable market information including global indices products, trade processing operations, desktop and workflow products. In the last year Information Services revenue rose 14 per cent to £348.7 million (2013: £306.3 million) reflecting a strong performance from FTSE as well as growth in other products.

FTSE's revenue increased 30 per cent to £174.0 million (2013: £134.1 million) driven by an increase in subscription revenues from net new business and the completion of Vanguard's benchmark switch to FTSE. Growth was boosted from the inclusion of the new FTSE TMX fixed income indices joint venture in April 2013. We remain on track to achieve the three year aggregate target of £28 million set for FTSE global revenue and cost synergies, with the SEDOL business benefiting in particular through the FTSE sales network.

Real time data revenue declined six per cent year on year as a result of fewer users in both the UK and Italy, down six per cent and eight per cent respectively. These falls were largely the result of headcount reductions and general cost cutting in the sector. Other Information Services performed well, in particular UnaVista which increased its user base to over 30,000 in the last year (2013: 9,000). UnaVista also launched its EMIR trade repository solution to assist clients manage their evolving regulatory and reporting needs.

Operating expenses of £179.0 million (2013: £159.2 million) are up 12 per cent on 2013 levels reflecting increased cost of sales, up 25 per cent, and staff costs following strong growth in the FTSE business. Operating profit rose 15 per cent to £169.7 million (2013: £147.1 million).

Technology Services

Year ended 31 March Revenue	2014 £m	2013 £m	Variance %	Variance at organic and constant currency %
MillenniumIT	**31.5**	26.9	17	21
Technology	**32.5**	29.2	11	3
Total revenue	**64.0**	56.1	14	12
Intersegmental revenue	**10.9**	21.3	(49)	(45)
Total income	**74.9**	77.4	(3)	(2)
Operating expenses	**(63.1)**	(57.2)	10	
Operating profit	**11.8**	20.2	(42)	

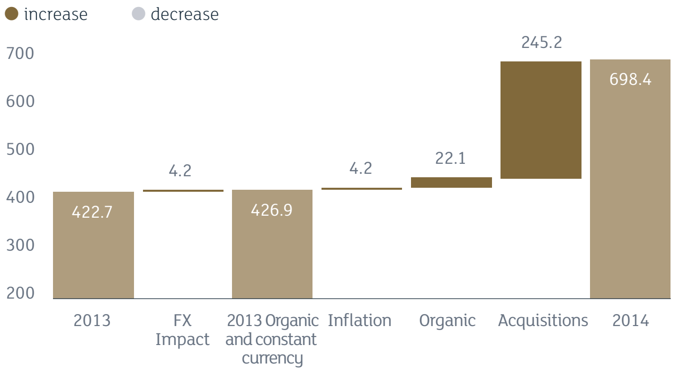
Technology Services comprises technology connections and data centre services, along with the MillenniumIT business, based in Sri Lanka, which provides technology and enterprise services for the Group and third parties. Revenues for Technology Services increased by 14 per cent to £64.0 million (2013: £56.1 million).

MillenniumIT third party revenue rose 17 per cent to £31.5 million (2013: £26.9 million) mostly relating to growth in the Enterprise Service Provision (ESP) operation. The business continued to perform well, launching new technology and building new relationships with Singapore Stock Exchange and Canada's TMX among others.

Revenue from other technology services grew by 11 per cent to £32.5 million (2013: £29.2 million) including a full year's contribution from the GATELab business (acquired in December 2012), which supplies advanced trading and post trade technology globally.

Operating expenses were up 10 per cent to £63.1 million (2013: £57.2 million), primarily due to an increase in cost of sales relating to growth in ESP revenues, and operating profit was down 42 per cent to £11.8 million (2013: £20.2 million).

Operating expenses
£ million



Operating expenses before amortisation of purchased intangibles and non-recurring items rose 65 per cent to £698.4 million (2013: £422.7 million), mainly reflecting the inclusion of £240.6 million of costs relating to 11 months of LCH.Clearnet and costs of £4.6 million from other acquired businesses (FTSE TMX, EuroTLX and GATELab) for a full year.

Organic costs on a constant currency basis remained well controlled, up six per cent (including inflation), mainly attributable to investments in staff, higher project-related professional fees and an increase in cost of sales. Offsetting these cost increases were one-time items of £8.4 million for the release of provisions relating to Lehmans debtors and the exit from a leasehold property.

We remain committed to maintaining high levels of cost control, including realising synergies as part of the LCH.Clearnet acquisition, where we have increased annualised target cost savings from €23 million (£19 million) to €60 million (£49 million) by the end of 2015.

Finance income and expense and taxation
Net finance costs were £68.8 million, up £19.3 million on the prior year, principally reflecting the full year cost of the £300 million retail bond (issued in November 2012), the drawing of credit facilities to fund the acquisition of the majority stake in LCH.Clearnet in May 2013 (and its subsequent capital raise), 11 months' interest cost on the LCH.Clearnet Preferred Securities and also arrangement fees totalling £3 million for new bank facilities, signed in July 2013.

Financial review
continued

The Group's effective tax rate on profit before amortisation of purchased intangibles and non-recurring items was 28.2 per cent, which is slightly lower than last year (2013: 29.0 per cent). This reflects the ongoing reduction in the UK statutory corporation tax rate of 23.0 per cent (2013: 24.0 per cent) and a slight change in the taxable profit mix towards the UK following the majority acquisition of LCH.Clearnet. This downward move is offset by a temporary increase in the Italian corporate tax rate for certain of the Group's Italian entities and the expansion of the Group into new markets (France and Canada) following the majority acquisitions of LCH.Clearnet and FTSE TMX Global Debt Capital Markets. Both of these jurisdictions have higher statutory rates of corporate tax than the UK.

Cash flow and balance sheet

The Group's business continued to be strongly cash generative during the year, with cash generated from operations up six per cent to £515.4 million. Total investment in the year, net of dividends received, was £28.0 million principally due to the Group investing £376.5 million in the majority acquisitions of LCH.Clearnet, EuroTLX and FTSE TMX along with £90.9 million on capital expenditure offset by acquired cash from acquisitions of £432.0 million. The Group purchased shares for £28 million to cover long term incentive plan commitments; however, in future years it is expected that we will issue shares in combination with cash purchases to meet these requirements.

At 31 March 2014, the Group had net assets of £1,956.9 million (2013: £1,599.0 million). Intangible assets increased by £426.7 million, mainly reflecting goodwill and purchased intangibles recognised from the purchase of LCH. Clearnet. The central counterparty clearing business assets and liabilities within LCH.Clearnet and CC&G largely offset each other but are shown gross on the balance sheet as the amounts receivable and payable are with different counterparties.

Net debt, facilities and credit rating

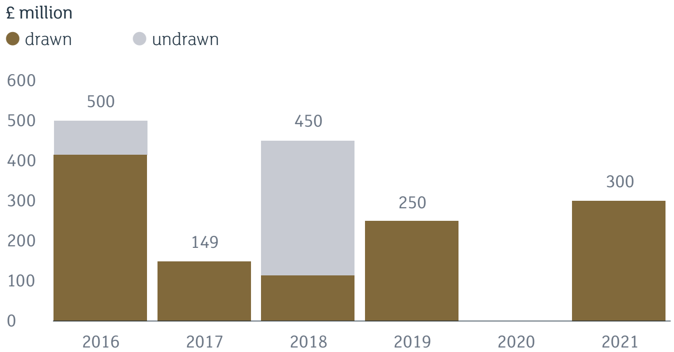
	2014 £m	2013 £m
Gross borrowings	**1,223.7**	796.8
Cash and cash equivalents	**(919.2)**	(446.2)
Net derivative financial liabilities/(assets)	**0.7**	(0.7)
Net debt	**305.2**	349.9
Regulatory and operational cash	**803.6**	200.0
Operating net debt	**1,108.8**	549.9

At 31 March 2014, the Group had operating net debt of £1,108.8 million after adjusting for £803.6 million of cash and cash equivalents held to support regulatory and operational requirements, including cash and cash equivalents held by LCH.Clearnet together with a further £200 million covering requirements at other LSEG companies.

The Group's gross borrowings increased by £426.9 million reflecting the financing of the acquisition of the majority stake in LCH.Clearnet including our participation in its subsequent capital raise to fund increased regulatory capital needs, the consolidation of the LCH.Clearnet Group Preferred Securities, the investment in the FTSE TMX Debt Capital Markets joint venture and the acquisition of a 70 per cent interest in EuroTLX.

In July 2013, the Group took advantage of favourable market conditions and signed a new £700 million unsecured, committed revolving bank facility package, on improved terms, to replace its existing credit lines. The new facility comprises a mix of three and five year commitments which extend the Group's debt maturity profile and underpin its financial flexibility. At 31 March 2014, the Group had drawn debt and committed credit lines totalling £1.65 billion, with maturities extending to July 2016 or beyond. With £422 million of undrawn bank lines available, together with continuing strong cash generation, the Group remains well positioned to fund future growth.

Debt maturity profile



The Group's interest cover (the coverage of net finance expense by earnings before interest, taxation, depreciation and amortisation, both before non-recurring items) reduced to 8.6 times (2013: 9.5 times) due to the increase in net finance costs during the year being only partially covered by the growth in EBITDA. However, the Group's cash generation remained strong, which resulted in an improvement in leverage in the second half of the year following the material increase in borrowings in the first half. As at 31 March 2014, operating net debt to adjusted EBITDA of 1.9 times (2013: 1.2 times) is back within the Group's target range for leverage of one to two times.

The Group's long term credit ratings remained unchanged during the year. Standard & Poor's concluded its watch reviews over both LSEG and LCH.Clearnet on 3 May 2013, following the majority acquisition of LCH.Clearnet, by affirming its A- rating for LSEG, and moving the A+ rating of LCH.Clearnet back to a stable outlook. However, following the introduction of new global criteria published later in 2013 (that examines the risks to LSEG around its businesses in Italy – given that the sovereign state is rated lower than LSEG, at BBB) and reflecting its caution, in the short term, around the achievement of key financial metric targets set for the Group Standard & Poor's has placed LSEG on credit watch with negative implications. This credit watch also applies to the A+ rating of LCH.Clearnet with the watch review period to the end of May 2014.

Moody's affirmed its rating of Baa2 during the year and assigned a stable outlook following completion of the LCH.Clearnet Group acquisition.

Foreign exchange

	2014	2013
Spot £/€ rate at 31 March	**1.21**	1.18
Average £/€ rate for the year	**1.19**	1.23

The Group's principal foreign exchange exposure arises as a result of translating the Group's euro earnings, assets and liabilities from our European based euro reporting businesses into sterling. A €5c movement in the average £/€ rate for the year would have changed the Group's operating profit for the year before amortisation of purchased intangibles and non-recurring items by approximately £12 million.

The acquisition of a majority stake in LCH.Clearnet has increased the exposure the Group has to the euro. In addition, the growth of LCH.Clearnet and the FTSE businesses during the year has also increased, but to a lesser extent, our foreign exchange exposure to the US dollar. The Group manages its translation risk exposure by matching the currency of its debt (including debt effectively swapped from sterling into currency) to the currency of its earnings, where possible, to ensure its key financial metrics are protected from material foreign exchange rate volatility.

Earnings per share

The Group recorded an adjusted basic earnings per share, which excludes amortisation of purchased intangible assets, non-recurring items and unrealisable gains/losses on investments, of 107.1 pence, up two per cent including an increase of one-time items of 2.4 pence from the £8.4 million release of provisions relating to Lehmans debtors and the exit from a leasehold property and 2.2 pence from £6.9 million sale of a non-core asset (2013: 105.3 pence including 5.4 pence relating to the one-time prior years' tax adjustment). Basic earnings per share decreased by 21 per cent to 63.0 pence (2013: 80.4 pence) as a result of increased amortisation, transaction costs and interest payments following the acquisition of a majority stake in LCH.Clearnet and higher tax charges mainly due to a financial industry surcharge in Italy.

Consolidated income statement

Year ended 31 March 2014	Notes	2014 Before acquisition amortisation and non-recurring items £m	2014 Acquisition amortisation and non-recurring items £m	2014 Total £m	2013 Before acquisition amortisation and non-recurring items £m	2013 Acquisition amortisation and non-recurring items £m	2013 Total £m
Revenue	4	**1,088.3**	**–**	**1,088.3**	726.4	–	726.4
Net treasury income through CCP business		**109.8**	**–**	**109.8**	116.7	–	116.7
Other income		**11.5**	**–**	**11.5**	9.8	18.3	28.1
Total income	4	**1,209.6**	**–**	**1,209.6**	852.9	18.3	871.2
Expenses							
Operating expenses	5	**(698.4)**	**(158.1)**	**(856.5)**	(422.7)	(100.1)	(522.8)
Operating profit/(loss)	7	**511.2**	**(158.1)**	**353.1**	430.2	(81.8)	348.4
Finance income		**5.5**	**–**	**5.5**	2.7	–	2.7
Finance expense		**(74.3)**	**–**	**(74.3)**	(52.2)	–	(52.2)
Net finance expense	8	**(68.8)**	**–**	**(68.8)**	(49.5)	–	(49.5)
Profit/(loss) before taxation		**442.4**	**(158.1)**	**284.3**	380.7	(81.8)	298.9
Taxation	9	**(124.7)**	**23.1**	**(101.6)**	(95.7)	12.3	(83.4)
Profit/(loss) for the financial year		**317.7**	**(135.0)**	**182.7**	285.0	(69.5)	215.5
Profit/(loss) attributable to non-controlling interests		**30.7**	**(18.1)**	**12.6**	1.0	(2.5)	(1.5)
Profit/(loss) attributable to equity holders		**287.0**	**(116.9)**	**170.1**	284.0	(67.0)	217.0
		317.7	**(135.0)**	**182.7**	285.0	(69.5)	215.5
Basic earnings per share	10			**63.0p**			80.4p
Diluted earnings per share	10			**61.4p**			79.0p
Adjusted basic earnings per share	10			**107.1p**			105.3p
Adjusted diluted earnings per share	10			**104.4p**			103.4p
Dividend per share in respect of the financial period:	11						
Dividend per share paid during the year				**29.9p**			28.7p
Dividend per share declared for the year				**30.8p**			29.5p

Consolidated statement of comprehensive income

Year ended 31 March 2014	Notes	2014 £m	2013 £m
Profit for the financial year		**182.7**	215.5
Other comprehensive income/(loss):			
Items that may be subsequently reclassified to profit or loss			
Defined benefit pension scheme actuarial loss	16	**(1.3)**	(6.9)
Cash flow hedge		**(0.3)**	0.3
Net investment hedge		**(16.4)**	(1.9)
Change in value of available for sale financial assets		**6.1**	1.2
Exchange (loss)/gain on translation of foreign operations		**(43.7)**	19.2
Tax related to items not recognised in income statement	9	**1.5**	3.9
Other comprehensive (loss)/income net of tax		**(54.1)**	15.8
Total comprehensive income for the financial year		**128.6**	231.3
Attributable to non-controlling interests		**5.2**	(0.6)
Attributable to equity holders		**123.4**	231.9
Total comprehensive income for the financial year		**128.6**	231.3

Balance sheets

31 March 2014	Notes	Group 2014 £m	Group 2013 £m	Company 2014 £m	Company 2013 £m
Assets					
Non-current assets					
Property, plant and equipment	12	**93.3**	80.1	**–**	–
Intangible assets	13	**2,476.0**	2,049.3	**–**	–
Investments in associates		**0.3**	0.6	**–**	–
Investments in subsidiary undertakings	14	**–**	–	**3,858.9**	3,779.1
Deferred tax assets	15	**42.2**	19.2	**–**	–
Derivative financial instruments	18	**6.7**	4.3	**6.7**	4.0
Available for sale investments	18	**4.8**	–	**–**	–
Retirement benefit asset	16	**14.5**	–	**–**	–
Other non-current assets		**38.0**	12.0	**–**	–
		2,675.8	2,165.5	**3,865.6**	3,783.1
Current assets					
Inventories		**0.5**	1.5	**–**	–
Trade and other receivables	17	**250.5**	185.7	**534.1**	579.4
CCP financial assets		**470,497.7**	137,620.2	**–**	–
CCP cash and cash equivalents (restricted)		**33,278.5**	8,476.2	**–**	–
CCP clearing business assets	18	**503,776.2**	146,096.4	**–**	–
Current tax		**22.3**	24.6	**0.1**	–
Assets held at fair value	18	**18.7**	6.1	**–**	–
Cash and cash equivalents	20	**919.2**	446.2	**–**	0.1
		504,987.4	146,760.5	**534.2**	579.5
Total assets		**507,663.2**	148,926.0	**4,399.8**	4,362.6
Liabilities					
Current liabilities					
Trade and other payables	21	**401.5**	230.0	**204.3**	160.9
Derivative financial instruments	18	**3.4**	0.1	**–**	–
CCP clearing business liabilities	18	**503,747.4**	146,088.1	**–**	–
Current tax		**14.8**	43.2	**–**	–
Borrowings	22	**278.7**	0.4	**26.0**	–
Provisions	24	**2.8**	1.1	**–**	–
		504,448.6	146,362.9	**230.3**	160.9
Non-current liabilities					
Borrowings	22	**945.0**	796.4	**796.6**	796.4
Other non-current payables	21	**–**	3.4	**–**	–
Derivative financial instruments	18	**4.0**	3.5	**4.0**	3.5
Deferred tax liabilities	15	**176.0**	109.0	**–**	–
Retirement benefit obligation	16	**36.9**	25.6	**–**	–
Other non-current liabilities		**79.2**	–	**–**	–
Provisions	24	**16.6**	26.2	**–**	–
		1,257.7	964.1	**800.6**	799.9
Total liabilities		**505,706.3**	147,327.0	**1,030.9**	960.8
Net assets		**1,956.9**	1,599.0	**3,368.9**	3,401.8
Equity					
Capital and reserves attributable to the Company's equity holders					
Ordinary share capital	25	**18.8**	18.8	**18.8**	18.8
Retained (losses)/earnings		**(79.0)**	(126.8)	**1,531.6**	1,564.5
Other reserves		**1,587.0**	1,638.5	**1,818.5**	1,818.5
Total shareholder funds		**1,526.8**	1,530.5	**3,368.9**	3,401.8
Non-controlling interests		**430.1**	68.5	**–**	–
Total equity		**1,956.9**	1,599.0	**3,368.9**	3,401.8

The financial statements on pages 106-141 were approved by the Board on 15 May 2014 and signed on its behalf by:

Xavier Rolet
Chief Executive

David Warren
Chief Financial Officer

Cash flow statements

Year ended 31 March 2014	Notes	Group 2014 £m	Group 2013 £m	Company 2014 £m	Company 2013 £m
Cash flow from operating activities					
Cash generated from/(absorbed by) operations	26	**515.4**	487.5	**(13.0)**	0.1
Interest received		**4.6**	2.4	**23.5**	47.1
Interest paid		**(71.7)**	(43.2)	**(62.6)**	(51.9)
Corporation tax paid		**(99.8)**	(64.9)	**–**	24.9
Withholding tax paid		**(23.2)**	(39.3)	**–**	–
Net cash inflow/(outflow) from operating activities		**325.3**	342.5	**(52.1)**	20.2
Cash flow from investing activities					
Purchase of property, plant and equipment		**(23.6)**	(18.2)	**–**	–
Purchase of intangible assets		**(67.3)**	(28.2)	**–**	–
Investment in other acquisition		**–**	(11.2)	**–**	–
Investment in subsidiaries		**(376.5)**	(3.1)	**–**	–
Net cash inflow from acquisitions		**432.0**	1.1	**–**	–
Dividends received		**0.3**	0.2	**118.2**	160.7
Proceeds from sale of investment in associate		**7.1**	–	**–**	–
Net cash (outflow)/inflow from investing activities		**(28.0)**	(59.4)	**118.2**	160.7
Cash flow from financing activities					
Capital Raise		**114.4**	–	**–**	–
Dividends paid to shareholders		**(80.8)**	(77.4)	**(80.8)**	(77.4)
Dividends paid to non-controlling interests		**(2.9)**	(4.3)	**–**	–
Cost of capital raise		**(2.7)**	–	**–**	–
Loans from/(to) ESOP trust		**–**	–	**–**	(13.9)
Loans to subsidiary companies		**–**	–	**16.6**	(139.4)
Purchase of own shares by ESOP Trust		**(28.0)**	(13.9)	**(28.0)**	
Proceeds from own shares on exercise of employee share options		**2.3**	0.3	**–**	0.3
Proceeds from borrowings		**283.5**	297.6	**26.0**	297.6
Repayments of borrowings		**(91.4)**	(257.8)	**–**	(247.8)
Net cash inflow/(outflow) from financing activities		**194.4**	(55.5)	**(66.2)**	(180.6)
Increase/(decrease) in cash and cash equivalents		**491.7**	227.6	**(0.1)**	0.3
Cash and cash equivalents at beginning of year		**446.2**	216.0	**0.1**	0.2
Exchange (losses)/gains on cash and cash equivalents		**(18.7)**	2.6	**–**	(0.4)
Cash and cash equivalents at end of year		**919.2**	446.2	**–**	0.1

Group cash flow does not include cash and cash equivalents held by the Group's Post Trade operations on behalf of its clearing members for use in its operation as manager of the clearing and guarantee system. These balances represent margins and default funds held for counterparties for short periods in connection with this operation. Interest on CCP balances are received net of withholding tax, which is deducted at source. This withholding tax is effectively a cash outflow for the Group, and is shown separately in the cash flow statement.

Statements of changes in equity

Group	Attributable to equity holders					
	Ordinary share capital £m	Retained loss £m	Other reserves £m	Total attributable to equity holders £m	Non-controlling interests £m	Total equity £m
31 March 2012	**18.8**	**(262.9)**	**1,620.9**	**1,376.8**	**72.9**	**1,449.7**
Profit/(loss) for the year	–	217.0	–	217.0	(1.5)	215.5
Other comprehensive income for the year	–	(2.7)	17.6	14.9	0.9	15.8
Final dividend relating to the year ended 31 March 2012	–	(51.2)	–	(51.2)	–	(51.2)
Interim dividend relating to the year ended 31 March 2013	–	(26.2)	–	(26.2)	–	(26.2)
Dividend payments to non-controlling interests	–	–	–	–	(3.8)	(3.8)
Employee share scheme expenses	–	(0.8)	–	(0.8)	–	(0.8)
31 March 2013	**18.8**	**(126.8)**	**1,638.5**	**1,530.5**	**68.5**	**1,599.0**
Profit for the year	**–**	**170.1**	**–**	**170.1**	**12.6**	**182.7**
Other comprehensive income for the year	**–**	**4.8**	**(51.5)**	**(46.7)**	**(7.4)**	**(54.1)**
Final dividend relating to the year ended 31 March 2013	**–**	**(53.5)**	**–**	**(53.5)**	**–**	**(53.5)**
Interim dividend relating to the year ended 31 March 2014	**–**	**(27.3)**	**–**	**(27.3)**	**–**	**(27.3)**
Dividend payments to non-controlling interests	**–**	**–**	**–**	**–**	**(5.4)**	**(5.4)**
Employee share scheme expenses	**–**	**(13.0)**	**–**	**(13.0)**	**–**	**(13.0)**
Purchase of non-controlling interest	**–**	**(33.3)**	**–**	**(33.3)**	**361.8**	**328.5**
31 March 2014	**18.8**	**(79.0)**	**1,587.0**	**1,526.8**	**430.1**	**1,956.9**

Other reserves comprise the following:

Capital redemption reserve of £514.2 million (2013: £514.2 million), a non-distributable reserve set up as a result of a court approved capital reduction.

Reverse acquisition reserve of £(512.5) million (2013: £(512.5) million), a non-distributable capital reserve arising on consolidation as a result of the capital reduction scheme.

Foreign exchange translation reserve of £318.5 million (2013: £353.3 million), reflecting the impact of foreign currency changes on the translation of foreign operations.

Merger reserve of £1,304.3 million (2013: £1,304.3 million), arising on consolidation when the Company issued shares as part of the consideration to acquire subsidiary undertakings.

Hedging reserve of £(37.5) million (2013: £(20.8) million), representing the cumulative fair value adjustment recognised in respect of net investment and cash flow hedges undertaken in accordance with hedge accounting principles.

Company	Attributable to equity holders				
			Other reserves		
	Ordinary share capital £m	Retained earnings £m	Capital redemption reserve £m	Merger reserve £m	Total attributable to equity holders £m
31 March 2012	**18.8**	**1,463.3**	**514.2**	**1,304.3**	**3,300.6**
Profit for the year	–	176.2	–	–	176.2
Final dividend relating to the year ended 31 March 2012	–	(51.2)	–	–	(51.2)
Interim dividend relating to the year ended 31 March 2013	–	(26.2)	–	–	(26.2)
Employee share scheme expenses	–	2.4	–	–	2.4
31 March 2013	**18.8**	**1,564.5**	**514.2**	**1,304.3**	**3,401.8**
Profit for the year	**–**	**63.2**	**–**	**–**	**63.2**
Final dividend relating to the year ended 31 March 2013	**–**	**(53.5)**	**–**	**–**	**(53.5)**
Interim dividend relating to the year ended 31 March 2014	**–**	**(27.3)**	**–**	**–**	**(27.3)**
Employee share scheme expenses	**–**	**(15.3)**	**–**	**–**	**(15.3)**
31 March 2014	**18.8**	**1,531.6**	**514.2**	**1,304.3**	**3,368.9**