

# Press release

# Communiqué de presse

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## LUXEMBOURG STOCK EXCHANGE TO IMPLEMENT NEW CLEARING AND SETTLEMENT SOLUTION

Following the partnership between the Luxembourg Stock Exchange and Euronext N.V., a subsidiary of NYSE Euronext, and the migration of its securities to the NSC® trading platform of NYSE Euronext's European cash markets, the Luxembourg Stock Exchange has chosen to establish a Central Counterparty (CCP) model for clearing and settlement. The CCP project initiated by the Luxembourg Stock Exchange and LCH.Clearnet as CCP, includes a choice of settlement venue for clients at either Euroclear Bank or Clearstream Banking Luxembourg.

As a result, post-trade infrastructure efficiency will be strengthened by the introduction of a Central Counterparty.

The project has already involved a significant level of cooperation between all four parties with respect to the initial studies and the set up of the new post-trade structure.

The clearing and settlement project of the Luxembourg Stock Exchange aims to implement an STP (Straight-Through Processing) model and offer CCP services for the most liquid securities. Straight-through processing will not only allow the Luxembourg market to operate with industry best practices by offering Central Counterparty services; it will also promote growing use of the Exchange, higher trading volumes and greater liquidity.

Final implementation of the new model is foreseen for 15 March 2008. A common testing period, which will include Trading Members of the Luxembourg Stock Exchange and Clearing Members of LCH.Clearnet, has been set up and began on 7 January 2008.

### Information on the Luxembourg Stock Exchange

The Luxembourg Stock Exchange began operating as a limited company in 1929, and has since gained extensive experience in listing and trading securities from many different regions. Today the Exchange has two markets - regulated and Euro MTF - with 30,000 international bond issues representing 45% of total bonds listed on EU markets. It also lists some 7,000 shares and units of investment funds in around twenty currencies, offering a wide range of investment opportunities, as well as around 200 Global Depositary Receipts of issuers based in the developing world. The [www.bourse.lu](http://www.bourse.lu) portal gives individual investors easy access to market information on Luxembourg securities. Additional data are available through the CCLux portal ([www.cclux.lu](http://www.cclux.lu)), a company specializing in information on Luxembourg-based funds that became part of the Luxembourg Stock Exchange in May 2002.

### Information on LCH.Clearnet

LCH.Clearnet is currently owned 67.6% by users, 17.8% by exchanges with the balance of 14.6% being held by Euroclear. Upon completion of the Euronext share buy-back programme by 2009, the Group will be owned 73.3% by users, 10.9% by exchanges and 15.8% by Euroclear.

### Information on Clearstream Banking Luxembourg

Clearstream Banking Luxembourg is a subsidiary of Clearstream International, which offers a comprehensive settlement and custody service for equities and bonds both domestic and cross-border and investment funds to a global customer base. Clearstream International forms part of Deutsche Börse Group, the world's largest exchange operations company when measured by market capitalisation. The combined group provides technology, services and products from trading and information products to clearing, settlement and custody based on straight-through processing and interoperability standards to all stages of the processing chain.

### Information on Euroclear Bank

Euroclear Bank is the Brussels-based settlement-infrastructure service provider for domestic and international securities transactions covering bonds, equities, derivatives and investment funds. Euroclear Bank is part of the Euroclear group of companies providing securities services to major financial institutions located in more than 80 countries. The Euroclear group also includes Euroclear Belgium, Euroclear France, Euroclear Nederland and Euroclear UK & Ireland. Euroclear Bank is rated AA+ by Standard & Poor's and Fitch Ratings.

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