



PRESS RELEASE, 25/09/2000

OM GRUPPEN STATEMENT ON LSE DEFENCE DOCUMENT - LSE GOING NOWHERE?

LSE's defence document demonstrates again that the LSE has:

- No strategy
- No management
- No vision

Yet the Board would have LSE shareholders believe that, in its hands, LSE can be converted into a fully commercial entity.

Commenting, Per E. Larsson, Chief Executive Officer and President of OM, said:

“After the shambles of iX the LSE is now trying to stake a claim to maximising shareholder value: yet it is obvious that the LSE has no strategy, no management and no vision. LSE's Board seems to be unmoved by its experience over the last few months. By contrast, OM's offer for LSE sets out clearly OM's vision, its technology and the capability of its management. We urge the LSE Board to reconsider our offer now.”

No Strategy

LSE has shown it needs a partner that can deliver strategy, management and technology. LSE's Board promises pro-activity: however, its performance has been characterised by aloofness, misjudgement and error. The Board's last proactive step – iX – was a disaster.

Why should shareholders believe the Board would do any better next time?
What is the Board's future strategy?

No Management

Although a search for a new Chief Executive has begun, the composition of the remainder of the Board is unaltered.

What commercially relevant experience does the current executive bring?

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What is being done to address the major conflicts of interest of a number of directors?

No Vision

The defence document barely acknowledges the extent of the competitive challenges faced by LSE.

When will LSE tell shareholders of its vision for the future?

Does LSE know where it is going?

Technology?

The defence document paints a rosy picture of LSE's technology – technology that only a few weeks ago it was prepared to abandon at considerable cost to members in favour of the Deutsche Börse's system.

What confidence can customers have in the technology that LSE was not prepared to retain?

LSE is also silent about the capacity constraints to which SETS is subject: how little expansion headroom exists?

OM's strengths

By contrast, OM will provide LSE with:

- Proven strong management
- Commercial drive
- Clear vision for the future

In addition, OM is a leading supplier of exchange trading, clearing and settlement technology to 20 international exchanges and clearing houses and provides technical facilities management services to 10 of them on a day to day basis.

OM's offer

OM's offer is valuable and sound. Far from being "derisory" (according to LSE), OM's offer provides shareholders with cash and a valuable participation in OM - a company that has achieved significant growth in revenues and profits over the long term.



Under OM's offer LSE shareholders and exchange customers would continue to have a vital influence on the operations and direction of LSE through both independent directors and consultative groups – as OM has already undertaken. LSE will continue to be headquartered in London and its operations regulated by the FSA.

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The Directors of OM accept responsibility for the information contained in this announcement and, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this announcement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Lazard, which is regulated in the UK by The Securities and Futures Authority Limited, is acting for OM and no-one else in connection with the Offer and will not be responsible to anyone other than OM for providing the protections afforded to customers of Lazard or for giving advice in relation to the Offer.

Lazard has approved this announcement solely for the purposes of Section 57 of the Financial Services Act 1986.

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