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TA Associates and Reverence Capital Partners to Acquire Russell Investments from London Stock Exchange Group

LONDON & BOSTON, October 8, 2015 – TA Associates, a leading global growth private equity firm, today announced it has signed a definitive agreement to acquire Frank Russell Company's asset management business ("Russell Investments") from London Stock Exchange Group plc (LSE.L) ("LSEG") in a transaction valued at US\$1,150 million, subject to customary closing adjustments. Reverence Capital Partners ("Reverence Capital") partnered with TA Associates and will make a significant minority investment in Russell Investments. The transaction is contingent upon standard regulatory and other required approvals and is expected to be completed in the first half of 2016.

Russell Investments is a leading global investment manager, with a nearly 80-year heritage of delivering innovative solutions, strong investment results and high quality client service to institutional and retail investors globally. The firm has US\$266¹ billion of assets under management and is focused on delivering outcome-oriented investments through a multi-asset solutions approach to its clients worldwide. Integral to the delivery of multi-asset solutions, Russell Investments has created implementation capabilities that include transition management, currency management, overlay

¹ As of 30 June 2015

services, commission management and agency trading. Russell Investments also offers consulting services with US\$2.4² trillion of assets under advisory.

"We are delighted to partner with such an established and highly respected market leader in the investment management industry," said Todd Crockett, a Managing Director at TA Associates. "We believe that the breadth of Russell Investments' investment and implementation operations, as well as its orientation to multi-asset and solutions investing, will continue to be a differentiator and driver of growth in the marketplace going forward." Added Milton Berlinski, Managing Partner of Reverence Capital, "We are pleased to partner with TA Associates on the acquisition of Russell Investments, a pioneer and leader in global multi-asset investment solutions." Mr. Crockett, Mr. Berlinski and Roger Kafker, a Managing Director at TA Associates, will join the Russell Investments Board of Directors upon close of the transaction.

"We are excited to work with the principals at TA Associates and Reverence Capital, firms we've been well acquainted with for many years," said Len Brennan, President and CEO of Russell Investments, who will also join the Board upon closing. "TA Associates and Reverence Capital have extensive experience in asset management and we consider their decision to invest in Russell Investments a notable endorsement of our leading position in outcome-oriented solutions, one of the fastest growing segments in the asset management industry. Through their financial backing, strategic guidance and industry expertise, TA Associates and Reverence Capital will support Russell Investments' growth and help us continue to deliver innovative investment solutions to our global client base."

"We are very pleased to have agreed the proposed sale of Russell Investments to TA Associates and Reverence Capital, both of whom have strong track records investing in the asset management industry," said Xavier Rolet, Chief Executive of LSEG. "We look forward to working with them and Russell Investments' management to deliver a smooth transition of ownership. Until completion, LSEG remains firmly committed to Russell Investments, its global customer base, its exemplary client service and its innovative product offering."

TA Associates has been a leading investor in the asset management industry for more than 25 years, having made 17 investments in the space to date. Reverence Capital is an active investor in the asset management sector, and its founders have been working with asset management firms for nearly 30 years.

Goodwin Procter LLP is providing legal counsel services to TA Associates and Reverence Capital. Freshfields Bruckhaus Deringer LLP is serving as legal counsel to LSEG. Broadhaven Capital Partners is advising TA Associates and Reverence Capital, and J.P. Morgan and Goldman Sachs are advising LSEG and Russell Investments.

About Russell Investments

Russell Investments is a global asset manager and one of only a few firms that offers actively managed multi-asset portfolios and services that include advice, investments and implementation. Russell Investments stands with institutional investors, financial advisors and individuals working with their advisors—using the firm's core capabilities that extend across capital market insights, manager research, asset allocation, portfolio implementation and factor exposures to help each achieve their desired investment outcomes.

² As of 31 December 2014

Headquartered in Seattle, Washington, Russell Investments is wholly owned by London Stock Exchange Group (LSEG) and operates globally, including through its offices in Seattle, New York, London, Paris, Amsterdam, Milan, Dubai, Sydney, Melbourne, Auckland, Singapore, Seoul, Tokyo, Beijing, Toronto, Chicago, Milwaukee and Edinburgh. For more information about Russell Investments, please visit <u>www.russell.com</u>.

About TA Associates

TA Associates is one of the largest and most experienced global growth private equity firms. The firm has invested in more than 450 companies around the world and has raised over \$18 billion in capital. With offices in Boston, Menlo Park, London, Mumbai and Hong Kong, TA Associates leads buyouts and minority recapitalizations of profitable growth companies in the technology, financial services, business services, healthcare and consumer industries. More information about TA Associates can be found at <u>www.ta.com</u>.

About Reverence Capital Partners

Founded in 2013 by Milton Berlinski, Peter Aberg, and Alexander Chulack, Reverence Capital Partners is a private investment firm focused on investing in leading financial services companies. The firm's partners bring over 90 years of experience across a wide range of financial services sectors, including asset management, banks and specialty finance, capital markets, financial technology, and insurance. For more information on Reverence Capital Partners, please see www.reverencecapital.com.

About London Stock Exchange Group

London Stock Exchange Group (LSE.L) is a diversified international market infrastructure and capital markets business. Headquartered in London, with significant operations in North America, Italy, France and Sri Lanka, the Group employs approximately 4,700 people. Further information on London Stock Exchange Group can be found at <u>www.lseg.com</u>.

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