

Microsoft taking 4% stake in London Stock Exchange

December 12 2022



The Microsoft company logo is displayed at their offices in Sydney, Australia, on Wednesday, Feb. 3, 2021. Microsoft is taking a roughly 4% stake in the operator of the London Stock Exchange, which has agreed to spend at least \$2.8 billion in cloud-computing services from the technology giant. That spending commitment will be spread out over 10 years, according to the terms of the deal announced Sunday, Dec. 11, 2022 by Microsoft. Credit: AP Photo/Rick Rycroft, File

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Major exchanges have recently begun partnering with [tech companies](#) to shift their technology infrastructure to the cloud. About a year ago, Nasdaq announced it would migrate its North American markets to Amazon Web Services' platform, while commodities and futures exchange operator CME Group inked a 10-year deal with Google to move its trading systems to the cloud.

The London Stock Exchange Group, or LSEG, is aiming to upgrade its current data infrastructure and analytics capabilities. That will involve migrating LSEG's data platform and other technology into Azure, Microsoft's cloud computing platform.

LSEG may spend more than the \$2.8 billion on Microsoft's offerings, contingent on demand for its data [platform](#) and other services, the companies said.

Microsoft will be restricted from selling its shares in LSEG for one year from the time it completes buying the 4% [stake](#) in the company. Microsoft also is prohibited from selling more than half of its LSEG stake in the following 12 months.

Scott Guthrie, executive vice president of Microsoft's cloud and artificial intelligence business, will be appointed a non-executive director of LSEG, subject to certain approvals, the [company](#) said.

Microsoft shares rose 1.8% in midday trading Monday.

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