



Financial Statements for the Quarter Ended 31 December 2009

The financial information set out in Sections 3 to 12, 13(vii), 14, 16 and 17 of this announcement have been extracted from the interim financial report that has been prepared in accordance with Singapore Financial Reporting Standard 34 *Interim Financial Reporting*.

The following are the contents of the financial statements:

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1. CEO's Statement

SGX announced a net profit of \$165.8 million in 1H FY2010. Excluding the non-recurring CEO transition cost of \$6.3 million, this half-year's profit of \$171.1 million was 7% higher than a year ago (1H FY2009: \$159.2 million).

In 2Q FY2010, net profit was \$71.8 million, 4% lower compared to a year ago (2Q FY2009: \$74.7 million). Excluding the non-recurring CEO transition cost, this quarter's net profit stood at \$77.0 million, 3% higher than a year ago.

In line with our dividend policy, the directors are pleased to declare a quarterly base dividend of 3.75 cents per share, payable on 17 February 2010, on a tax exempt one-tier basis.

Financials

Operating revenue rose 6% in 1H FY2010 to \$324.0 million (1H FY2009: \$304.9 million) on the back of a recovery in the securities market. This was, however, offset by a slowdown in the derivatives trading as market volatility subsided.

Operating expenses amounted to \$126.9 million (1H FY2009: \$109.2 million), lifted by the non-recurring CEO transition cost of \$6.3 million, an increase in the provision for variable bonus and the continued step-up in technology-related expenses. The latter includes the successful implementation of the Quest-ST (securities) and Quest-DT (derivatives) trading engines. In addition, we launched SGX-Prime, a pre-settlement matching platform for the securities market and SGXClear, a clearing platform, as well as an upgraded market data service for the derivatives market.

Securities Market

The securities market staged a strong recovery in 1H FY2010 compared to the previous year's weak market during the financial crisis. The securities daily average trading value (SDAV) increased by 34% to \$1.6 billion in 1H FY2010 (1H FY2009: \$1.2 billion) and the annualised turnover velocity for 1H FY2010 was 62% (1H FY2009: 61%).

Primary capital raising activities improved with 23 new listings¹ (1H FY2009: 14 new listings), including CapitaMalls Asia which raised \$2.8 billion. Together, the primary and secondary markets raised \$13.7 billion in 1H FY2010 (1H FY2009: \$1.8 billion). As at 31 December 2009, total market capitalisation of the 762 companies listed on SGX was \$669.0 billion, an increase of 77% (31 December 2008: 756 companies, \$378.6 billion).

¹ 1H FY2010: 20 IPOs and 3 reverse takeover (RTOs) and 1H FY2009: 12 IPOs and 2 RTOs.

In response to market demand, issuers continue to list new market access products on SGX. With the addition of 10 ETFs, including one offering access to the China A-share market, SGX has a total of 49 ETFs providing investors access to different asset classes across developed and emerging markets. We also added the first Exchange Traded Note (ETN) in Asia ex-Japan that offers investors exposure to a broad range of commodities. The total value traded of ETFs rose 50% to \$2.3 billion (1H FY2009: \$1.5 billion).

Derivatives Market

Our Asian Gateway strategy has been strengthened by extending derivative trading hours beyond the Asian time zone into European and US markets. Remaining open until 1.00am, SGX has the longest trading hours of any exchange in Asia.

Derivatives market activities were generally subdued in 1H FY2010 as a result of the declining volatility. Futures and options trading volume dropped 16% to 27.4 million contracts from 32.6 million contracts when SGX achieved record volumes in 1H FY2009. However, as at 31 December 2009, the open interest was 676,603 contracts, 32% higher than a year ago (511,631 contracts).

SGX continues to attract new algorithmic traders. This has helped mitigate the lower trading activities from Investment Banks' proprietary trading desks. Algorithmic trading accounted for about 25% of the derivatives volume in 1H FY2010 (1H FY2009: 15%).

The launch of SGXClear in December 2009 marked a key milestone for SGX's derivatives market. The fully upgraded derivatives infrastructure, from trading to clearing and data services, enables SGX to roll out more complex and diverse products to meet the needs of our customers.

Commodities and Over-the-Counter (OTC) Clearing

SGX continues to expand in the commodities market. In 1H FY2010, AsiaClear - reaching out to 424 counterparty accounts globally - cleared 57,283 OTC contracts, more than double the previous year's volume. (1H FY2009: 25,893 contracts and 260 counterparty accounts). SGX plans to launch bunker fuel oil futures and clear OTC-traded interest rate swaps and foreign exchange forwards.

SICOM plans to trade coffee and gold contracts on the new e-SICOM platform during the current financial year.

Risk Management and Regulation

SGX issued a consultation paper seeking the public's comments on proposed new measures to strengthen corporate governance practices to safeguard shareholders' interests, as well as to foster clearer disclosure by listed companies. This includes clarification on the role of boards of directors, key officers and auditors.

We have made good progress in moving Catalist Non-Sponsored companies to the new sponsored-regime. To date, 122 out of 134 Catalist companies have found a sponsor.

SGX implemented new securities settlement processes in December 2009 for failed settlement resulting in an immediate and significant reduction in the number of such trades. SGX has also announced initiatives for compulsory marking of all short-selling orders to increase transparency of the extent of aggregate short-selling activities in individual securities.

Market Outlook

If, as the market expects, a low interest rate environment prevails in 2010, this should continue to underpin turnover in Asian securities and derivatives markets, including Singapore. At the same time, we recognize that greater volatility and weaker sentiment toward our markets can quickly result in changing funds flow. Nevertheless, our stronger IPO pipeline suggests that the issuance side of our business is expected to see a better year across our markets and key sectors, including: shipping and maritime services; resources; property and business trusts; manufacturing; and other service sectors.

Our recently announced joint venture, Chi-East, a pan-Asian crossing network, is on track for a mid-2010 launch following some key hirings. Our commodities business and SGX AsiaClear are building a critical mass of end users, traders and counterparties to ensure the success of these businesses.

Our efforts to develop new distribution channels for our increasingly international customer base are expected to show further results over the coming years. Our expectation is that our customer mix will change as we extend our market reach beyond the Asian time zone. Investment in technology remains a priority, leading to a higher operating expense base, but this is necessary to improve our competitive edge.

2. Financial Highlights - Group

2Q				Half Year			Key Variances
***	FY 2010	FY 2009		***	FY 2010	FY 2009	
			Key Results (in S\$ million)				
+	84.6	69.6	Securities market revenue	+	189.2	144.0	Resulting from 36.3% and 34.4% increase in securities trading value in 2Q and 1H FY2010 respectively.
-	31.3	42.8	Net derivatives clearing revenue	-	65.0	88.9	Reflecting a 8.9% and 15.9% decrease in futures trading volume in 2Q and 1H FY2010 respectively following lower market volatility.
+	34.8	34.3	Stable revenue	-	69.8	72.0	Mainly due to lower price information and terminal and connection fees for 1H FY2010.
+	150.7	146.7	Operating revenue	+	324.0	304.9	
-	67.2	55.8	Operating expenses	-	126.9	109.2	Mainly due to higher reversal of prior year variable bonus provision in 1H FY2009, non-recurring CEO transition cost and higher system maintenance costs.
-	83.5	90.9	Profit from operating activities	+	197.1	195.7	
+	1.0	0.6	Other gains/(losses)	+	1.5	(1.0)	
-	84.5	91.5	Profit before tax	+	198.6	194.7	
+	71.8	74.7	Profit attributable to equity holders	+	165.8	159.2	
+	693.4	660.9	Interest of equity holders as at 31 December 2009 and 31 December 2008 (in S\$ million)	+	693.4	660.9	
			Segment Revenue (in S\$ million)				
+	110.4	93.4	Securities market	+	241.6	195.5	Reflecting increase in securities trading turnover and related income.
-	39.5	52.6	Derivatives market	-	80.8	108.5	Reflecting lower futures clearing income.
+	0.8	0.7	Other operations	+	1.6	1.0	
			Key ratios				
+	2.7%	(27.9%)	Revenue growth	+	6.3%	(27.9%)	Increase due to improvement in securities market revenue.
-	44.6%	38.0%	Cost to income ratio	-	39.2%	35.8%	Higher cost/income ratio is due to increase in operating expenses at a higher rate than the operating revenue.
-	55.4%	62.0%	Operating profit margin	-	60.8%	64.2%	
-	47.3%	50.7%	Net profit margin	-	50.9%	52.4%	
-	10.3%	11.3%	Return on shareholders' equity for quarter/ half year ended 31 December 2009 and 31 December 2008	-	23.9%	24.1%	The return on shareholders' equity is not annualised and based on the reporting period for the quarter/ half year.

*** These symbols + / - represent better or worse respectively, compared to the previous corresponding period. N/M: Not Meaningful

2. Financial Highlights - Group (cont'd)

2Q				Half Year			Key Variances
***	FY 2010	FY 2009		***	FY 2010	FY 2009	
			Key cash flows (in S\$ million)				<i>The increase is due to improvement in the net receivables / payables position.</i>
+	90.4	66.5	Cash from operating activities	+	190.0	131.6	
NM	14.3	7.7	Payment for capital expenditure	NM	18.5	13.9	
			Key per share data (in cents)				
-	6.75	7.02	Basic earnings per ordinary share	+	15.59	14.97	
-	6.70	6.97	Diluted earnings per ordinary share	+	15.50	14.86	
+	65.14	61.83	Net asset value per ordinary share as at 31 December 2009 and 31 December 2008	+	65.14	61.83	
			Dividend per share (in cents)				
+	3.75	3.50	Interim - base (tax exempt one-tier)	+	7.50	7.00	<i>Increase in base dividend from FY2010.</i>

*** These symbols + / - represent better or worse respectively, compared to the previous corresponding period. N/M: Not Meaningful

3. Income Statements - Group

3 Months				Half Year		
1 Oct 2009 to 31 Dec 2009	1 Oct 2008 to 31 Dec 2008	Change		1 Jul 2009 to 31 Dec 2009	1 Jul 2008 to 31 Dec 2008	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
			Securities market revenue			
54,332	41,784	30.0	- Securities clearing fees	123,246	89,625	37.5
17,439	18,028	(3.3)	- Securities related processing fees	36,654	32,278	13.6
12,802	9,790	30.8	- Access fees	29,286	22,124	32.4
84,573	69,602	21.5		189,186	144,027	31.4
31,317	42,812	(26.8)	Net derivatives clearing revenue	65,006	88,940	(26.9)
			Stable revenue *			
8,167	7,726	5.7	- Account maintenance and corporate action fees	17,027	16,359	4.1
5,260	5,637	(6.7)	- Terminal and connection fees	10,607	11,496	(7.7)
9,394	8,085	16.2	- Listing fees	18,298	18,388	(0.5)
1,715	1,770	(3.1)	- Membership fees	3,656	3,896	(6.2)
6,922	7,653	(9.6)	- Price information fees	13,797	15,461	(10.8)
2,468	2,177	13.4	- Sale of software and other computer services	4,674	4,386	6.6
900	1,255	(28.3)	- Others	1,816	2,011	(9.7)
34,826	34,303	1.5		69,875	71,997	(2.9)
150,716	146,717	2.7	Total operating revenue	324,067	304,964	6.3
			Operating expenses			
16,095	13,266	21.3	- Staff costs (excluding variable bonus)	29,444	27,530	7.0
8,354	7,389	13.1	- Variable bonus (including CPF)	19,451	13,145	48.0
6,735	3,815	76.5	- Share-based payment to employees	10,724	7,505	42.9
4,217	4,270	(1.2)	- Rental and maintenance of premises	8,240	8,362	(1.5)
13,059	11,305	15.5	- System maintenance and rental	24,077	20,559	17.1
5,502	4,678	17.6	- Depreciation and amortisation	10,413	8,195	27.1
3,556	2,988	19.0	- Professional charges	6,471	8,587	(24.6)
1,203	1,103	9.1	- Marketing and travelling	1,651	1,779	(7.2)
1,072	879	22.0	- Communication charges	1,894	1,742	8.7
(38)	86	NM	- Allowance/(reversal) for impairment of trade receivables (net)	275	156	76.3
-	201	(100.0)	- Net write-off/impairment of property, plant and equipment and software	-	201	(100.0)
(131)	(1,236)	(89.4)	- Net foreign exchange loss/(gain)	261	(2,089)	NM
(70)	5	NM	- Net (gain)/loss on disposal of property, plant and equipment and software	(70)	9	NM
5,787	5,129	12.8	- Cost for processing and royalties	10,855	10,079	7.7
1,825	1,934	(5.6)	- Others	3,228	3,460	(6.7)
67,166	55,812	20.3	Total operating expenses	126,914	109,220	16.2
83,550	90,905	(8.1)	Profit from operating activities	197,153	195,744	0.7
			Other gains/(losses)			
974	559	74.2	- Other revenue including interest income	1,516	(1,048)	NM
84,524	91,464	(7.6)	Profit before tax and share of results of joint ventures and associated companies	198,669	194,696	2.0
(141)	(66)	NM	Share of results of joint ventures and associated companies	(127)	(147)	(13.6)
(12,631)	(16,713)	(24.4)	Tax	(32,721)	(35,383)	(7.5)
71,752	74,685	(3.9)	Net profit after tax	165,821	159,166	4.2
71,752	74,685	(3.9)	Attributable to:			
			Equity holders of the Company	165,821	159,166	4.2

NM: Not meaningful.

* Stable revenue includes items which are less correlated to securities or derivatives turnover.

4. Statement of Comprehensive Income - Group

3 Months				Half Year		
1 Oct 2009 to 31 Dec 2009	1 Oct 2008 to 31 Dec 2008	Change		1 Jul 2009 to 31 Dec 2009	1 Jul 2008 to 31 Dec 2008	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
71,752	74,685	(3.9)	Net profit after tax	165,821	159,166	4.2
			Other comprehensive income:			
77	(53)	NM	Net currency translation differences of financial statements of associated company	121	(10)	NM
(428)	-	NM	Fair value gains/(losses) arising from cash flow hedges	89	-	NM
-	(3,700)	(100.0)	Fair value gains/(losses) on financial assets, available-for-sale	-	(3,700)	(100.0)
(351)	(3,753)	(90.6)	Other comprehensive income/ (expense) for the period, net of tax	210	(3,710)	NM
71,401	70,932	0.7	Total comprehensive income for the period	166,031	155,456	6.8
71,401	70,932	0.7	Total comprehensive income attributable to: Equity holders of the Company	166,031	155,456	6.8

5. Earnings Per Share - Group

3 Months			Half Year	
1 Oct 2009 to 31 Dec 2009	1 Oct 2008 to 31 Dec 2008		1 Jul 2009 to 31 Dec 2009	1 Jul 2008 to 31 Dec 2008
Cents	Cents		Cents	Cents
		Earnings per ordinary share for the period based on net profit attributable to equity holders		
6.75	7.02	(a) Based on weighted average number of ordinary shares in issue	15.59	14.97
6.70	6.97	(b) On a fully diluted basis	15.50	14.86
1,063,679	1,063,329	Weighted average number of ordinary shares in issue for basic earnings per share ('000)	1,063,427	1,063,307
6,706	8,083	Adjustment for assumed exercise of share options and vesting of shares granted under other share plans ('000)	6,536	7,930
1,070,385	1,071,412	Weighted average number of ordinary shares for diluted earnings per share ('000)	1,069,963	1,071,237

6. Income Statements - Company

3 Months				Half Year		
1 Oct 2009 to 31 Dec 2009	1 Oct 2008 to 31 Dec 2008	Change		1 Jul 2009 to 31 Dec 2009	1 Jul 2008 to 31 Dec 2008	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
			Operating revenue			
37,444	25,086	49.3	- Management fees from subsidiaries	66,260	56,095	18.1
83,000	87,000	(4.6)	- Dividends from subsidiaries	190,556	154,500	23.3
			Securities market revenue			
2,789	2,613	6.7	- Securities related processing fees	6,600	4,804	37.4
			Stable revenue *			
412	339	21.5	- Account maintenance and corporate action fees	931	616	51.1
711	678	4.9	- Sale of software and other computer services	1,370	1,380	(0.7)
354	246	43.9	- Others	710	519	36.8
1,477	1,263	16.9		3,011	2,515	19.7
124,710	115,962	7.5	Total operating revenue	266,427	217,914	22.3
			Operating expenses			
11,814	9,124	29.5	- Staff costs (excluding variable bonus)	20,833	19,275	8.1
5,847	5,411	8.1	- Variable bonus (including CPF)	13,115	11,409	15.0
6,735	3,815	76.5	- Share-based payment to employees	10,724	7,505	42.9
3,179	3,197	(0.6)	- Rental and maintenance of premises	6,231	6,209	0.4
4,925	2,886	70.7	- System maintenance and rental	8,589	5,313	61.7
1,379	1,095	25.9	- Depreciation and amortisation	2,634	2,161	21.9
1,675	1,103	51.9	- Professional charges	3,271	5,820	(43.8)
783	493	58.8	- Marketing and travelling	1,045	860	21.5
726	582	24.7	- Communication charges	1,322	1,219	8.4
-	20	(100.0)	- Net write-off / impairment of property, plant and equipment	-	20	(100.0)
(22)	(44)	(50.0)	- Net foreign exchange loss/(gain)	241	(421)	NM
(15)	-	NM	- Net (gain)/loss on disposal of property, plant and equipment and software	(15)	-	NM
412	161	NM	- Cost for processing and royalties	582	276	NM
1,536	1,413	8.7	- Others	2,545	2,536	0.4
38,974	29,256	33.2	Total operating expenses	71,117	62,182	14.4
85,736	86,706	(1.1)	Profit from operating activities	195,310	155,732	25.4
			Other gains/(losses)			
-	-	-	- Impairment loss on investment in subsidiary [#]	(20,827)	-	NM
778	1,047	(25.7)	- Other revenue including interest income	1,121	1,879	(40.3)
86,514	87,753	(1.4)	Profit before tax	175,604	157,611	11.4
1,162	(409)	NM	Tax **	200	(994)	NM
87,676	87,344	0.4	Net profit after tax attributable to equity holders of the Company	175,804	156,617	12.3

NM: Not meaningful.

* Stable revenue includes items which are less correlated to securities or derivatives turnover.

[#] The impairment loss on investment in subsidiary reflects the write-down of the carrying amount of the Company's investment in SGX Investment (Mauritius) Limited ("SGXM") to the net asset value of the subsidiary, following the repatriation of dividends from SGXM to the Company. This has no impact on the Group's results.

** The Company's tax income arose mainly from the tax deduction relating to the vesting of share-based compensation plans in 2Q FY2010.

7. Statement of Comprehensive Income - Company

3 Months				Half Year		
1 Oct 2009 to 31 Dec 2009	1 Oct 2008 to 31 Dec 2008	Change		1 Jul 2009 to 31 Dec 2009	1 Jul 2008 to 31 Dec 2008	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
87,676	87,344	0.4	Net profit after tax	175,804	156,617	12.3
-	(3,700)	(100.0)	Other comprehensive income: Fair value gains/(losses) on financial assets, available-for-sale	-	(3,700)	(100.0)
-	(3,700)	(100.0)	Other comprehensive income/ (expense) for the period, net of tax	-	(3,700)	(100.0)
87,676	83,644	4.8	Total comprehensive income for the period	175,804	152,917	15.0
87,676	83,644	4.8	Total comprehensive income attributable to: Equity holders of the Company	175,804	152,917	15.0

8. Statements of Financial Position - Group and Company

Group			Company	
As at 31 Dec 2009	As at 30 Jun 2009		As at 31 Dec 2009	As at 30 Jun 2009
S\$'000	S\$'000		S\$'000	S\$'000
		Assets		
		Current assets		
598,246	645,162	Cash and cash equivalents	429,366	465,273
631,929	543,912	Trade and other receivables	5,912	6,093
1,769	874	Derivative financial instruments	945	673
25,000	25,000	Securities clearing funds	-	-
1,256,944	1,214,948		436,223	472,039
		Non-current assets		
73,256	73,256	Financial assets, available-for-sale	73,256	73,256
24,548	26,398	Property, plant and equipment	22,298	23,224
102,226	92,274	Software	8,520	8,963
296	315	Club memberships	296	315
2,721	2,721	Goodwill	-	-
-	-	Investments in subsidiaries	404,591	425,418
3,973	3,813	Investments in associated companies	4,389	4,389
3,623	3,279	Deferred tax assets	3,623	3,279
210,643	202,056		516,973	538,844
		Total assets	953,196	1,010,883
1,467,587	1,417,004			
		Liabilities		
		Current liabilities		
650,072	557,808	Trade and other payables	297,008	317,475
39,914	-	Dividends payable	39,914	-
68,877	65,111	Taxation	5,559	7,556
7,134	7,284	Provisions	4,170	4,362
765,997	630,203		346,651	329,393
		Non-current liabilities		
8,203	8,696	Deferred tax liabilities	-	-
8,203	8,696		-	-
		Total liabilities	346,651	329,393
774,200	638,899			
693,387	778,105	Net assets	606,545	681,490
		Equity		
		Capital and reserves attributable to the Company's equity holders		
406,598	414,851	Share capital	406,598	414,851
(41,775)	(42,826)	Treasury shares	(41,775)	(42,826)
684	595	Cash flow hedge reserve	-	-
(495)	(616)	Currency translation reserve	-	-
34,021	34,021	Derivatives clearing fund reserve	-	-
(3,700)	(3,700)	Fair value reserve	(3,700)	(3,700)
25,000	25,000	Securities clearing fund reserve	-	-
24,849	23,927	Share-based payment reserve	24,849	23,927
248,205	161,974	Retained profits	220,573	124,359
-	164,879	Proposed dividends	-	164,879
693,387	778,105	Total equity	606,545	681,490

9. Net Asset Value - Group and Company

Group			Company	
As at 31 Dec 2009	As at 30 Jun 2009		As at 31 Dec 2009	As at 30 Jun 2009
Cents	Cents		Cents	Cents
65.14	73.16	Net asset value per ordinary share based on issued share capital as at the end of the reporting period	56.98	64.07

10. Borrowings and Debt Securities - Group

(a) Aggregate amount of Group's borrowings and debt securities

As at 31 Dec 2009			As at 30 Jun 2009	
Secured	Unsecured		Secured	Unsecured
S\$'000	S\$'000		S\$'000	S\$'000
Nil	Nil	Amount repayable in one year or less, or on demand	Nil	Nil
Nil	Nil	Amount repayable after one year	Nil	Nil

(b) Details of any collaterals

None.

11. Statement of Cash Flows - Group

3 Months Ended			Half Year Ended	
31 Dec 2009	31 Dec 2008		31 Dec 2009	31 Dec 2008
S\$'000	S\$'000		S\$'000	S\$'000
Cash flows from operating activities				
84,524	91,464	Profit before tax and share of results of joint ventures and associated companies	198,669	194,696
Adjustments for:				
5,502	4,678	Depreciation and amortisation	10,413	8,195
(70)	5	Net (gain)/loss on disposal of property, plant and equipment and software	(70)	9
16	-	Net (gain)/loss on sale of club memberships	16	-
-	201	Net write-off/impairment of property, plant and equipment and software	-	201
6,735	3,815	Share-based payment to employees	10,724	7,505
-	-	Dividend income	(609)	(359)
(999)	(2,046)	Interest income	(2,280)	(4,928)
95,708	98,117	Operating cash flow before working capital change	216,863	205,319
Change in operating assets and liabilities				
119,831	(302,027)	Trade and other receivables	(89,331)	(161,300)
(95,819)	318,398	Trade and other payables	92,113	135,588
119,720	114,488	Cash generated from operations	219,645	179,607
(29,366)	(47,964)	Income tax paid	(29,684)	(47,968)
90,354	66,524	Net cash provided by operating activities	189,961	131,639
Cash flows from investing activities				
(14,313)	(7,689)	Purchases of property, plant and equipment and software	(18,540)	(13,890)
95	-	Proceeds from disposal of property, plant and equipment and software	95	-
-	-	Dividend received	609	359
1,540	3,247	Interest received	2,639	5,321
3	-	Sale of club memberships	3	-
(12,675)	(4,442)	Net cash used in investing activities	(15,194)	(8,210)
Cash flows from financing activities				
529	377	Net proceeds from issue of ordinary shares	583	3,146
(3,503)	-	Purchase of treasury shares	(17,711)	(16,488)
(204,555)	(345,576)	Dividends paid	(204,555)	(345,576)
(207,529)	(345,199)	Net cash used in financing activities	(221,683)	(358,918)
(129,850)	(283,117)	Net decrease in cash and cash equivalents held	(46,916)	(235,489)
553,575	695,189	Cash and cash equivalents at the beginning of the period	470,641	647,561
423,725	412,072	Cash and cash equivalents at the end of the period	423,725	412,072

3 Months Ended			Half Year Ended	
31 Dec 2009	31 Dec 2008		31 Dec 2009	31 Dec 2008
S\$'000	S\$'000		S\$'000	S\$'000
For the purposes of the Statement of Cash Flow, the cash and cash equivalents comprised the following:				
598,246	586,593	Cash and cash equivalents (as in Balance Sheet - Group)	598,246	586,593
(174,521)	(174,521)	Less : Cash set aside for Singapore Exchange Derivatives Clearing Limited's Clearing Fund	(174,521)	(174,521)
423,725	412,072	Cash and cash equivalents per Statement of Cash Flow	423,725	412,072

12(a). Statement of Changes in Equity - Group and Company

	Attributable to equity holders of the Company											Total Equity \$'000
	Share capital	Treasury shares	Cash flow hedge reserve *	Currency translation reserve *	Derivatives clearing fund reserve *	Securities clearing fund reserve *	Fair value reserve *	Share-based payment reserve *	Retained profits	Proposed dividends	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
(i) Consolidated - 2Q FY2010												
Balance at 1 October 2009	414,918	(56,642)	1,112	(572)	34,021	25,000	(3,700)	27,903	216,214	164,879	823,133	823,133
Changes in equity for period												
Dividends paid												
- FY2009 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	(164,879)	(164,879)	(164,879)
- FY2009 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	-	245	-	245	245
- 1Q FY2010 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	-	(92)	-	(92)	(92)
Dividend payable												
- 2Q FY2010 - Interim base dividend	-	-	-	-	-	-	-	-	(39,914)	-	(39,914)	(39,914)
Issue of ordinary shares	672	-	-	-	-	-	-	(143)	-	-	529	529
Purchase of treasury shares	-	(3,503)	-	-	-	-	-	-	-	-	(3,503)	(3,503)
Employee share plan - value of employee services	-	-	-	-	-	-	-	6,735	-	-	6,735	6,735
Vesting of shares under performance share plan	(8,992)	18,638	-	-	-	-	-	(9,646)	-	-	-	-
Tax effect on treasury shares ^^	-	(268)	-	-	-	-	-	-	-	-	(268)	(268)
	(8,320)	14,867	-	-	-	-	-	(3,054)	(39,761)	(164,879)	(201,147)	(201,147)
Total comprehensive income for the period	-	-	(428)	77	-	-	-	-	71,752	-	71,401	71,401
Balance at 31 December 2009	406,598	(41,775)	684	(495)	34,021	25,000	(3,700)	24,849	248,205	-	693,387	693,387
(ii) Consolidated - 2Q FY2009												
Balance at 1 October 2008	413,289	(43,613)	-	(536)	34,021	25,000	-	14,706	179,756	308,546	931,169	931,169
Changes in equity for period												
Dividends paid												
- FY2008 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	(308,546)	(308,546)	(308,546)
- FY2008 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	-	191	-	191	191
- 1Q FY2009 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	-	183	-	183	183
Dividend payable												
- 2Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(37,222)
Issue of ordinary shares	463	-	-	-	-	-	-	(86)	-	-	377	377
Employee share plan - value of employee services	-	-	-	-	-	-	-	3,815	-	-	3,815	3,815
Vesting of shares under performance share plan	564	817	-	-	-	-	-	(1,381)	-	-	-	-
Tax effect on treasury shares ^^	-	(30)	-	-	-	-	-	-	-	-	(30)	(30)
	1,027	787	-	-	-	-	-	2,348	(36,848)	(308,546)	(341,232)	(341,232)
Total comprehensive income for the period	-	-	-	(53)	-	-	(3,700)	-	74,685	-	70,932	70,932
Balance at 31 December 2008	414,316	(42,826)	-	(589)	34,021	25,000	(3,700)	17,054	217,593	-	660,869	660,869
(iii) Company - 2Q FY2010												
Balance at 1 October 2009	414,918	(56,642)	-	-	-	-	(3,700)	27,903	172,658	164,879	720,016	720,016
Changes in equity for period												
Dividends paid												
- FY2009 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	(164,879)	(164,879)	(164,879)
- FY2009 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	-	245	-	245	245
- 1Q FY2010 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	-	(92)	-	(92)	(92)
Dividend payable												
- 2Q FY2010 - Interim base dividend	-	-	-	-	-	-	-	-	(39,914)	-	(39,914)	(39,914)
Issue of ordinary shares	672	-	-	-	-	-	-	(143)	-	-	529	529
Purchase of treasury shares	-	(3,503)	-	-	-	-	-	-	-	-	(3,503)	(3,503)
Employee share plan - value of employee services	-	-	-	-	-	-	-	6,735	-	-	6,735	6,735
Vesting of shares under performance share plan	(8,992)	18,638	-	-	-	-	-	(9,646)	-	-	-	-
Tax effect on treasury shares ^^	-	(268)	-	-	-	-	-	-	-	-	(268)	(268)
	(8,320)	14,867	-	-	-	-	-	(3,054)	(39,761)	(164,879)	(201,147)	(201,147)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	87,676	-	87,676	87,676
Balance at 31 December 2009	406,598	(41,775)	-	-	-	-	(3,700)	24,849	220,573	-	606,545	606,545
(iv) Company - 2Q FY2009												
Balance at 1 October 2008	413,289	(43,613)	-	-	-	-	-	14,706	131,003	308,546	823,931	823,931
Changes in equity for period												
Dividends paid												
- FY2008 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	(308,546)	(308,546)	(308,546)
- FY2008 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	-	191	-	191	191
- 1Q FY2009 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	-	183	-	183	183
Dividend payable												
- 2Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(37,222)
Issue of ordinary shares	463	-	-	-	-	-	-	(86)	-	-	377	377
Employee share plan - value of employee services	-	-	-	-	-	-	-	3,815	-	-	3,815	3,815
Vesting of shares under performance share plan	564	817	-	-	-	-	-	(1,381)	-	-	-	-
Tax effect on treasury shares ^^	-	(30)	-	-	-	-	-	-	-	-	(30)	(30)
	1,027	787	-	-	-	-	-	2,348	(36,848)	(308,546)	(341,232)	(341,232)
Total comprehensive income for the period	-	-	-	-	-	-	(3,700)	-	87,344	-	83,644	83,644
Balance at 31 December 2008	414,316	(42,826)	-	-	-	-	(3,700)	17,054	181,499	-	566,343	566,343

* These reserves are not available for distribution as dividends to the equity holders of the Company.

^^ The tax effect relates to the deferred tax benefit/ (liability) on the difference between consideration paid for treasury shares and share-based payment to employees.

12(b). Statement of Changes in Equity - Group and Company

	Attributable to equity holders of the Company											Total Equity \$'000
	Share capital	Treasury shares	Cash flow hedge reserve *	Currency translation reserve *	Derivatives clearing fund reserve *	Securities clearing fund reserve *	Fair value reserve *	Share-based payment reserve*	Retained profits	Proposed dividends	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
(v) Consolidated - Half Year FY2010												
Balance at 1 July 2009	414,851	(42,826)	595	(616)	34,021	25,000	(3,700)	23,927	161,974	164,879	778,105	778,105
Changes in equity for period												
Dividends paid												
- FY2009 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	(164,879)	(164,879)	(164,879)
- FY2009 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	-	245	-	245	245
- 1Q FY2010 - Interim base dividend	-	-	-	-	-	-	-	-	(39,829)	-	(39,829)	(39,829)
- 1Q FY2010 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	-	(92)	-	(92)	(92)
Dividend payable												
- 2Q FY2010 - Interim base dividend	-	-	-	-	-	-	-	-	(39,914)	-	(39,914)	(39,914)
Issue of ordinary shares	739	-	-	-	-	-	-	(156)	-	-	583	583
Purchase of treasury shares	-	(17,711)	-	-	-	-	-	-	-	-	(17,711)	(17,711)
Employee share plan - value of employee services	-	-	-	-	-	-	-	10,724	-	-	10,724	10,724
Vesting of shares under performance share plan	(8,992)	18,638	-	-	-	-	-	(9,646)	-	-	-	-
Tax effect on treasury shares ^^	-	124	-	-	-	-	-	-	-	-	124	124
	(8,253)	1,051	-	-	-	-	-	922	(79,590)	(164,879)	(250,749)	(250,749)
Total comprehensive income for the period	-	-	89	121	-	-	-	-	165,821	-	166,031	166,031
Balance at 31 December 2009	406,598	(41,775)	684	(495)	34,021	25,000	(3,700)	24,849	248,205	-	693,387	693,387
(vi) Consolidated - Half Year FY2009												
Balance at 1 July 2008	409,880	(27,271)	-	(579)	34,021	25,000	-	11,656	132,679	308,546	893,932	893,932
Changes in equity for period												
Dividends paid												
- FY2008 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	(308,546)	(308,546)	(308,546)
- FY2008 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	-	191	-	191	191
- 1Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	-	(37,404)	-	(37,404)	(37,404)
- 1Q FY2009 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	-	183	-	183	183
Dividend payable												
- 2Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(37,222)
Issue of ordinary shares	3,872	-	-	-	-	-	-	(726)	-	-	3,146	3,146
Purchase of treasury shares	-	(16,488)	-	-	-	-	-	-	-	-	(16,488)	(16,488)
Tax effect on treasury shares ^^	-	116	-	-	-	-	-	-	-	-	116	116
Employee share plan - value of employee services	-	-	-	-	-	-	-	7,505	-	-	7,505	7,505
Vesting of shares under performance share plan	564	817	-	-	-	-	-	(1,381)	-	-	-	-
	4,436	(15,555)	-	-	-	-	-	5,398	(74,252)	(308,546)	(388,519)	(388,519)
Total comprehensive income for the period	-	-	-	(10)	-	-	(3,700)	-	159,166	-	155,456	155,456
Balance at 31 December 2008	414,316	(42,826)	-	(589)	34,021	25,000	(3,700)	17,054	217,593	-	660,869	660,869
(vii) Company - Half Year FY2010												
Balance at 1 July 2009	414,851	(42,826)	-	-	-	-	(3,700)	23,927	124,359	164,879	681,490	681,490
Changes in equity for period												
Dividends paid												
- FY2009 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	(164,879)	(164,879)	(164,879)
- FY2009 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	-	245	-	245	245
- 1Q FY2010 - Interim base dividend	-	-	-	-	-	-	-	-	(39,829)	-	(39,829)	(39,829)
- 1Q FY2010 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	-	(92)	-	(92)	(92)
Dividend payable												
- 2Q FY2010 - Interim base dividend	-	-	-	-	-	-	-	-	(39,914)	-	(39,914)	(39,914)
Issue of ordinary shares	739	-	-	-	-	-	-	(156)	-	-	583	583
Purchase of treasury shares	-	(17,711)	-	-	-	-	-	-	-	-	(17,711)	(17,711)
Employee share plan - value of employee services	-	-	-	-	-	-	-	10,724	-	-	10,724	10,724
Vesting of shares under performance share plan	(8,992)	18,638	-	-	-	-	-	(9,646)	-	-	-	-
Tax effect on treasury shares ^^	-	124	-	-	-	-	-	-	-	-	124	124
	(8,253)	1,051	-	-	-	-	-	922	(79,590)	(164,879)	(250,749)	(250,749)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	175,804	-	175,804	175,804
Balance at 31 December 2009	406,598	(41,775)	-	-	-	-	(3,700)	24,849	220,573	-	606,545	606,545
(viii) Company - Half Year FY2009												
Balance at 1 July 2008	409,880	(27,271)	-	-	-	-	-	11,656	99,134	308,546	801,945	801,945
Changes in equity for period												
Dividends paid												
- FY2008 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	(308,546)	(308,546)	(308,546)
- FY2008 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	-	191	-	191	191
- 1Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	-	(37,404)	-	(37,404)	(37,404)
- 1Q FY2009 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	-	183	-	183	183
Dividend payable												
- 2Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(37,222)
Issue of ordinary shares	3,872	-	-	-	-	-	-	(726)	-	-	3,146	3,146
Purchase of treasury shares	-	(16,488)	-	-	-	-	-	-	-	-	(16,488)	(16,488)
Tax effect on treasury shares ^^	-	116	-	-	-	-	-	-	-	-	116	116
Employee share plan - value of employee services	-	-	-	-	-	-	-	7,505	-	-	7,505	7,505
Vesting of shares under performance share plan	564	817	-	-	-	-	-	(1,381)	-	-	-	-
	4,436	(15,555)	-	-	-	-	-	5,398	(74,252)	(308,546)	(388,519)	(388,519)
Total comprehensive income for the period	-	-	-	-	-	-	(3,700)	-	156,617	-	152,917	152,917
Balance at 31 December 2008	414,316	(42,826)	-	-	-	-	(3,700)	17,054	181,499	-	566,343	566,343

* These reserves are not available for distribution as dividends to the equity holders of the Company.

^^ The tax effect relates to the deferred tax benefit/ (liability) on the difference between consideration paid for treasury shares and share-based payment expense.

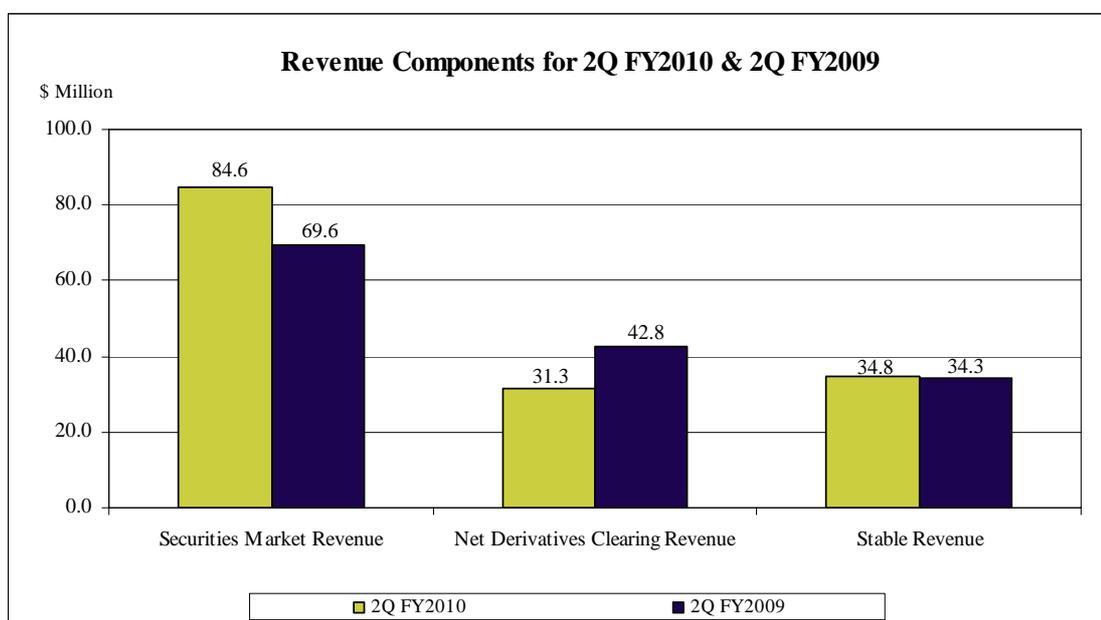
13. Performance Review of SGX Group

(i) *2Q FY2010 Financial Highlights*

SGX Group achieved \$71.8 million net profit after tax for the current quarter ended 31 December 2009, a decrease of 3.9% from \$74.7 million recorded in the previous corresponding quarter ended 31 December 2008. Excluding the non-recurring CEO transition cost of \$6.3 million, the net profit after tax for 2Q FY2010 would amount to \$77.0 million. Operating profit for the current quarter amounted to \$83.5 million, compared to \$90.9 million for the previous corresponding quarter.

Revenue

The Group's revenue increased 2.7% to \$150.7 million from \$146.7 million, mainly on increase in Securities Market Revenue which is partially offset by decrease in Net Derivatives Clearing Revenue.



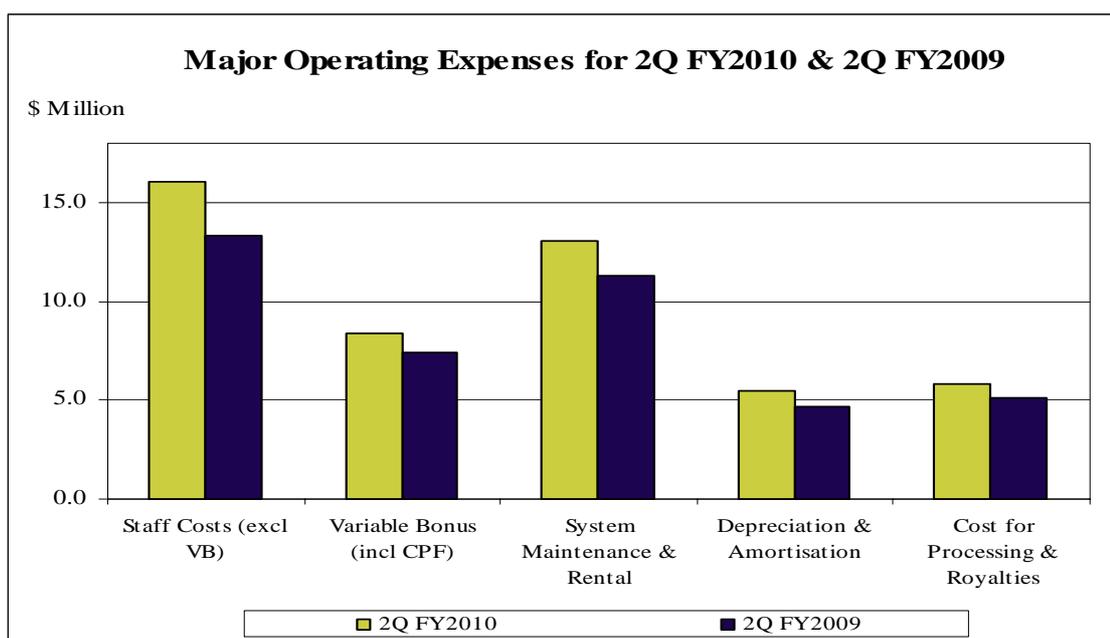
Expenses

Operating expenses for 2Q FY2010 increased 20.3% to \$67.2 million from \$55.8 million. The increase was mainly due to the non-recurring CEO transition cost and increase in technology related expenses.

The non-recurring transition cost for the new CEO comprises a \$3.0 million compensation for loss of benefits from his previous employment, recruitment and relocation costs. In addition, the cost includes a \$3.1 million expense arising from the conditional award of shares and a \$0.2 million payment for leave encashment to the former CEO.

There is a remaining CEO transition cost of \$2.1 million, which is being amortised till December 2012 and payable to the new CEO in three tranches by the same date.

The following chart presents the major expenses for these two periods:

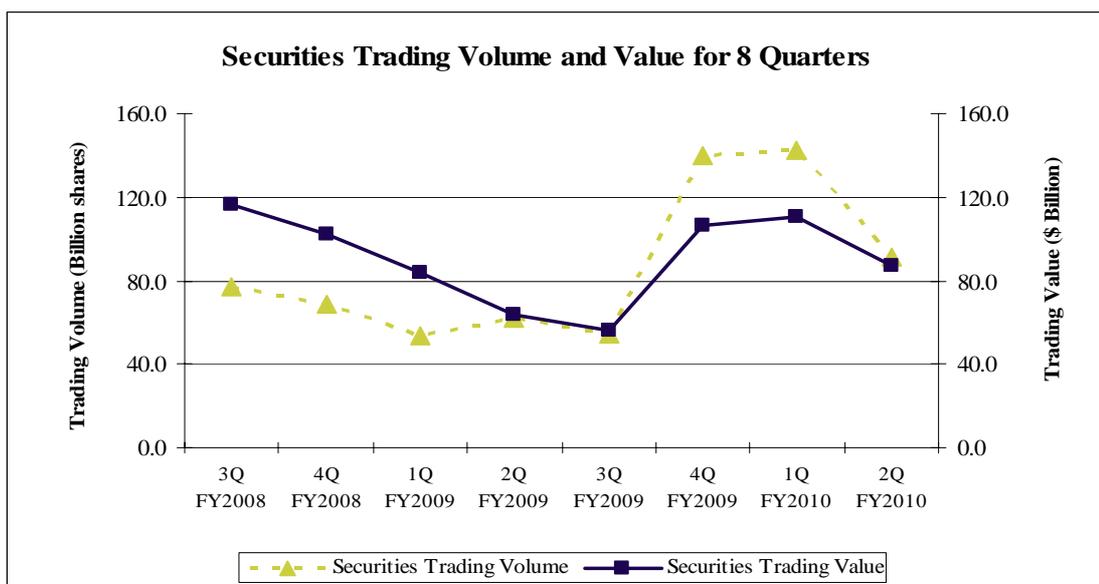


Securities Market

The table below shows the key figures for the securities market, followed by a chart with its turnover statistics for the past eight quarters:

Securities Market Data	2Q FY2010	2Q FY2009	Change
Clearing fees (\$ million)	54.3	41.8	30.0%
Trading value:			
• Full quarter (\$ billion)	87.2	63.9	36.3%
• Daily average (\$ billion) ¹	1.36	1.03	32.1%
Trading volume:			
• Full quarter (billion shares)	91.3	61.9	47.5%
• Daily average (billion shares) ¹	1.43	1.00	42.9%
Number of IPOs,	11	2	9
of which Foreign Company IPOs	3	2	1
Funds raised via IPOs:			
• Total (\$ billion)	3.0	0.1	NM
• Average per IPO (\$ million)	270.9	70.2	285.6%
Market capitalisation of IPOs:			
• Total (\$ billion)	8.8	0.7	NM
• Average per IPO (\$ million)	799.2	335.6	138.2%
Number of listed companies as at quarter end	762	756	6
Number of Securities Market members as at quarter end	26	26	-

(1) Daily average computed based on 64 and 62 trading days in 2Q FY2010 and 2Q FY2009 respectively.
 NM: Not meaningful.



Clearing fees were levied at 0.04% of contract values for approximately 63% of the contracts traded in 2Q FY2010 (2Q FY2009: 63%). Fees on the remaining contracts were levied at \$600 per contract.

Derivatives Market

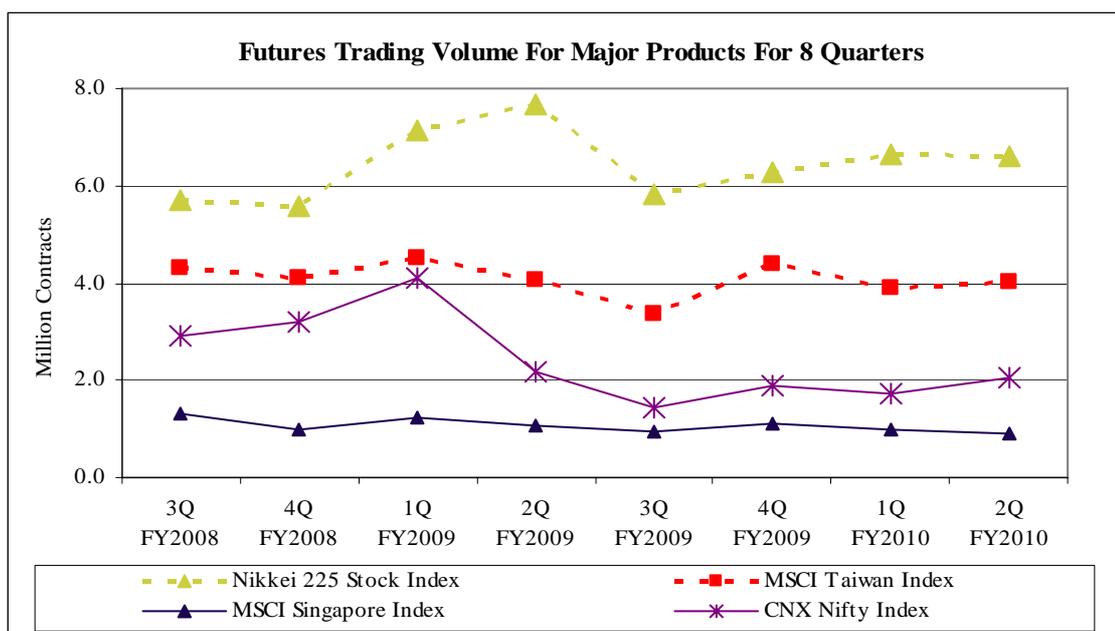
Net Derivatives Clearing Revenue comprises clearing revenue from futures, options and structured warrants, as follows:

Net Derivatives Clearing Revenue	2Q FY2010 (\$ million)	2Q FY2009 (\$ million)	Change (%)
Futures and Options Clearing Revenue	30.0	40.5	(25.8)
Structured Warrants Clearing Revenue	1.3	2.3	(45.2)
Total	31.3	42.8	(26.8)

Futures and Options Contracts

The table below summarises the key statistics for futures and options, followed by a chart on the turnover statistics of four major derivatives contracts for the past eight quarters:

Futures and Options Trading Volume (million contracts)	2Q FY2010	2Q FY2009	Change (%)	% of Total Volume	
				2Q FY2010	2Q FY2009
• Asian Equity Derivatives	13.7	15.0	(8.9)	98.2	98.3
- Nikkei 225 Stock Index	6.6	7.7	(13.9)	47.6	50.4
- MSCI Taiwan Index	4.1	4.1	(0.5)	29.1	26.7
- CNX Nifty Index	2.1	2.1	(4.3)	14.9	14.2
- MSCI Singapore Index	0.9	1.1	(14.3)	6.6	7.0
• Others (including Options)	0.2	0.2	(10.1)	1.8	1.7
Total	13.9	15.2	(8.9)	100.0	100.0

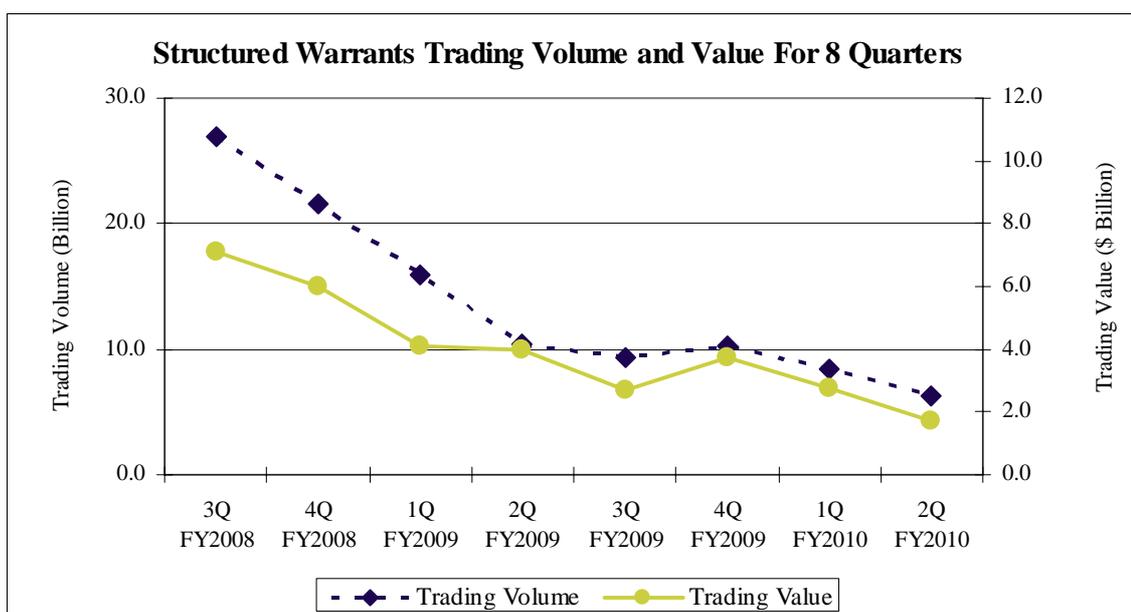


Number of Derivatives Members	As at 31 December 2009	As at 31 December 2008	Change
Locals	201	196	5
Corporate	267	256	11
Total	468	452	16

Structured Warrants

The following are the key figures for structured warrants and a chart on turnover statistics for the past eight quarters:

Structured Warrants Data	2Q FY2010	2Q FY2009	Change
Trading value (\$ billion)	1.7	4.0	(57.1%)
Trading volume (billion units)	6.3	10.5	(39.8%)
Number of new issues	201	227	(26)



Commodity Futures Contracts

The table below summarises the key statistics for commodities futures, traded through Singapore Commodity Exchange Limited (SICOM):

Commodities Futures Trading Volume (thousand lots)	2Q FY2010	2Q FY2009	Change (%)	% of Total Volume	
				2Q FY2010	2Q FY2009
Rubber Contracts	68.6	84.9	(19.3)	100.0	100.0
- TSR20	48.6	56.4	(14.0)	70.8	66.4
- RSS3	20.0	28.5	(29.8)	29.2	33.6

AsiaClear Over-the-Counter (“OTC”)

The following are the key statistics for AsiaClear OTC:

AsiaClear OTC Data	2Q FY2010	2Q FY2009	Change
Cleared volume (contracts)	37,347	14,430	158.8%
Number of counterparty accounts as at quarter end	424	260	164

(ii) *Financial Summary - 3 months ended 31 December 2009 vs 3 months ended 31 December 2008*

Securities Market Revenue

<i>Securities Clearing Fees</i>	+30.0%	<ul style="list-style-type: none">Securities trading value increased by 36.3% as securities daily average trading value rose from \$1.03 billion to \$1.36 billion.
<i>Securities Related Processing Fees</i>	-3.3%	<ul style="list-style-type: none">Lower securities transfer fees on decrease in volume of off-market transfers.
<i>Access Fees</i>	+30.8%	<ul style="list-style-type: none">Higher value traded via SGXAccess.
<i>Net Derivatives Clearing Revenue</i>	-26.8%	<ul style="list-style-type: none">Mainly due to the decrease in futures trading volume following lower market volatility; lower income from margin deposits due to lower balances and interest rates; depreciation of USD and decrease in structured warrants trading value.

Stable Revenue

<i>Listing Fees</i>	+16.2%	<ul style="list-style-type: none">Higher listing fees on increase in number of bond issues and IPOs.
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Operating Expenses

<i>Staff Costs (excluding variable bonus)</i>	+21.3%	<ul style="list-style-type: none">Mainly due to non-recurring compensation paid to the new CEO for loss of benefits accrued from his previous employment of \$2.6 million.
<i>Variable Bonus (including CPF)</i>	+13.1%	<ul style="list-style-type: none">Higher variable bonus provision.
<i>Share-based Payment to Employees</i>	+76.5%	<ul style="list-style-type: none">Mainly due to the \$3.1 million conditional award of shares, granted in 2Q FY2010, to the former CEO under the SGX Performance Share Plan.

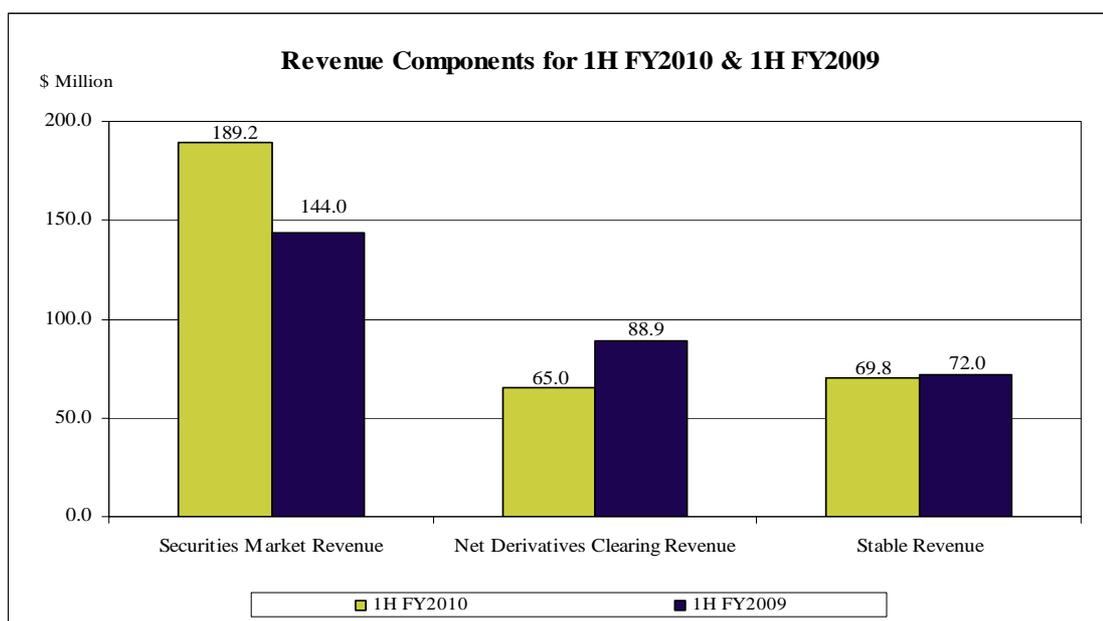
<i>System Maintenance and Rental</i>	+15.5%	<ul style="list-style-type: none"> Largely due to increase in software licensing and maintenance costs of newly launched IT systems.
<i>Net Foreign Exchange Loss/ (Gain)</i>	+\$1.1MM	<ul style="list-style-type: none"> Mainly due to net foreign exchange gain of \$1.2 million in 2Q FY2009 from foreign currency denominated receipts and payments.

(iii) 1H FY2010 Financial Highlights

SGX Group achieved \$165.8 million net profit after tax for the current half year ended 31 December 2009, compared to \$159.2 million for the previous corresponding half year ended 31 December 2008. Excluding the non-recurring CEO transition cost, net profit after tax for 1H FY2010 would amount to \$171.1 million. Operating profit for the current half year amounted to \$197.1 million, compared to \$195.7 million for the previous corresponding half year.

Revenue

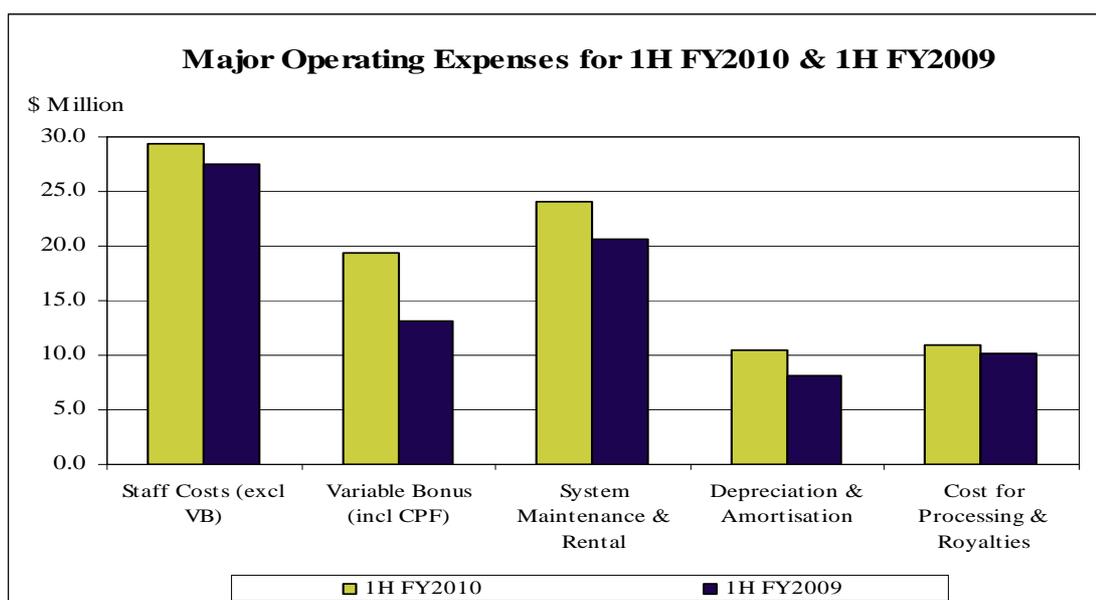
The Group's revenue increased 6.3% to \$324.0 million from \$304.9 million, mainly on increase in Securities Market Revenue, partially offset by the decrease in Net Derivatives Clearing Revenue, as follows:



Expenses

Operating expenses for 1H FY2010 increased 16.2% to \$126.9 million from \$109.2 million. The increase was mainly due to higher variable bonus expenses from lower write-back of FY2009 variable bonus provision in 1H FY2010 of \$0.5 million (1H FY2009: \$6.3 million), increase in technology related expenses and the non-recurring CEO transition costs.

The following chart highlights the major expenses:



Securities Market

The table below shows the key figures for the securities market:

Securities Market Data	1H FY2010	1H FY2009	Change
Clearing fees (\$ million)	123.2	89.6	37.5%
Trading value:			
• Half year (\$ billion)	198.2	147.5	34.4%
• Daily average (\$ billion) ¹	1.55	1.15	34.4%
Trading volume:			
• Half year (billion shares)	233.3	115.8	101.5%
• Daily average (billion shares) ¹	1.82	0.90	101.5%
Number of IPOs,	20	12	8
of which Foreign Company IPOs	7	7	-
Funds raised via IPOs:			
• Total (\$ billion)	3.2	0.4	665.2%
• Average per IPO (\$ million)	159.4	34.7	359.1%
Market capitalisation of IPOs:			
• Total (\$ billion)	9.6	2.0	341.5%
• Average per IPO (\$ million)	481.2	181.7	164.9%

(1) Daily average computed based on 128 trading days in both 1H FY2010 and 1H FY2009.

Clearing fees were levied at 0.04% of the contract value for approximately 65% of the contracts traded in 1H FY2010 (1H FY2009: 58%). Fees on the remaining contracts were levied at \$600 per contact.

Derivatives Market

Net Derivatives Clearing Revenue comprises clearing revenue from futures, options and structured warrants, as follows:

Net Derivatives Clearing Revenue	1H FY2010 (\$ million)	1H FY2009 (\$ million)	Change (%)
Futures and Options Clearing Revenue	61.9	83.8	(26.1)
Structured Warrants Clearing Revenue	3.1	5.1	(39.9)
Total	65.0	88.9	(26.9)

Futures and Options Contracts

The table below summarises the key statistics for futures and options:

Futures and Options Trading Volume (million contracts)	1H FY2010	1H FY2009	Change (%)	% of Total Volume	
				1H FY2010	1H FY2009
• Asian Equity Derivatives	26.9	32.0	(15.8)	98.2	98.0
- Nikkei 225 Stock Index	13.2	14.8	(10.7)	48.3	45.5
- MSCI Taiwan Index	8.0	8.6	(7.1)	29.0	26.2
- CNX Nifty Index	3.8	6.3	(39.4)	13.9	19.2
- MSCI Singapore Index	1.9	2.3	(16.9)	7.0	7.1
• Others (including Options)	0.5	0.6	(24.1)	1.8	2.0
Total	27.4	32.6	(15.9)	100.0	100.0

Structured Warrants

The following are key figures for structured warrants:

Structured Warrants Data	1H FY2010	1H FY2009	Change
Trading value (\$ billion)	4.5	8.1	(44.8%)
Trading volume (billion units)	14.8	26.4	(44.1%)
Number of new issues	349	468	(119)

Commodity Futures Contracts

The table below summarises the key statistics for commodities futures, traded through Singapore Commodity Exchange Limited (SICOM):

Commodities Futures Trading Volume (thousand lots)	1H FY2010	1H FY2009	Change (%)	% of Total Volume	
				1H FY2010	1H FY2009
Rubber Contracts	132.8	202.5	(34.4)	100.0	100.0
- TSR20	97.9	140.0	(30.1)	73.7	69.1
- RSS3	34.9	62.5	(44.1)	26.3	30.9

AsiaClear Over-the-Counter (“OTC”)

The following are the key statistics for AsiaClear OTC:

AsiaClear OTC Data	1H FY2010	1H FY2009	Change
Cleared volume (contracts)	57,283	25,893	121.2%

(iv) *Financial Summary - 6 months ended 31 December 2009 vs 6 months ended 31 December 2008*

Securities Market Revenue

<i>Securities Clearing Fees</i>	+37.5%	<ul style="list-style-type: none"> Securities trading value increased by 34.4% and securities daily average trading value rose from \$1.15 billion to \$1.55 billion.
<i>Securities Related Processing Fees</i>	+13.6%	<ul style="list-style-type: none"> Higher contract processing and contract charges income on higher market turnover and higher securities transfer fees.
<i>Access Fees</i>	+32.4%	<ul style="list-style-type: none"> Higher value traded via SGXAccess.
<i>Net Derivatives Clearing Revenue</i>	-26.9%	<ul style="list-style-type: none"> Mainly due to the decrease in futures trading volume following lower market volatility; lower income from margin deposits due to lower balances and interest rates; depreciation of USD and decrease in structured warrants trading value.

Stable Revenue

<i>Price Information Fees</i>	-10.8%	<ul style="list-style-type: none">Mainly due to lower income from derivatives datafeed on decrease in number of terminal subscriptions.
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Operating Expenses

<i>Staff Costs (excluding variable bonus)</i>	+7.0%	<ul style="list-style-type: none">Mainly due to non-recurring compensation paid to the new CEO for loss of benefits accrued from his previous employment of \$2.6 million.
<i>Variable Bonus (including CPF)</i>	+48.0%	<ul style="list-style-type: none">Due to the lower write-back of FY2009 variable bonus provision in 1H FY2010 of \$0.5 million (1Q FY2009: \$6.3 million).
<i>Share-based Payment to Employees</i>	+42.9%	<ul style="list-style-type: none">Mainly due to the \$3.1 million conditional award of shares, granted in 1H FY2010, to the former CEO under the SGX Performance Share Plan.
<i>System Maintenance and Rental</i>	+17.1%	<ul style="list-style-type: none">Largely due to higher data centre outsourcing fees on higher usage and server upgrades for newly launched IT systems.
<i>Depreciation and Amortisation</i>	+27.1%	<ul style="list-style-type: none">Mainly due to the launch of several new IT systems subsequent to 1H FY2009.
<i>Professional Charges</i>	-24.6%	<ul style="list-style-type: none">Higher professional fees incurred for corporate development work in 1H FY2009.
<i>Net Foreign Exchange Loss/ (Gain)</i>	+\$2.4MM	<ul style="list-style-type: none">Net foreign exchange loss of \$0.3 million in 1H FY2010 and net foreign exchange gain of \$2.1 million in 1H FY2009 from foreign currency denominated receipts and payments.
<i>Cost for Processing and Royalties</i>	+7.7%	<ul style="list-style-type: none">Increase in cost of contract charges on increase in volume.

Other Gains/ (Losses)

<i>Other Revenue Including Interest Income</i>	+\$2.6MM	<ul style="list-style-type: none">Mainly due to gains from forward foreign exchange contracts (“forward FX contracts”) to hedge the USD derivatives clearing fees, partially offset by lower interest income on lower interest rates and cash balances.
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The gains from the forward FX contracts entered prior to 1 January 2009, were recognised in Other Revenue Including Interest Income. After that date, the Group has designated the hedges as cash flow hedges. The fair value changes on the effective portion of these hedges are then recognised in the cash flow hedge reserve in equity and transferred to Net Derivatives Clearing Revenue in the Statement of Comprehensive Income when the hedged revenues are recognised.

(v) *Statement of Financial Position Review – 31 December 2009 vs 30 June 2009*

<i>Group Equity</i>	-\$85MM	<ul style="list-style-type: none">Mainly attributable to the payment of \$205 million dividends in 1H FY2010, which was partially offset by 1H FY2010 profits.
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<i>Group Assets</i>	+\$51MM	<ul style="list-style-type: none">Largely due to an increase in trade and other receivables and investments in technology software.
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Trade and other receivables comprise mainly of trade receivables from clearing members and settlement banks for daily settlement of accounts for due contracts and rights, with corresponding amounts in trade and other payables.

In 1H FY2010, the Group acquired a 50% stake in Chi-East Pte. Ltd., a joint venture with Chi-X Global Inc., at a consideration of US\$1. Both the Group and Chi-X Global also extended a loan of \$1.4 million to the joint venture to fund its initial start-up costs and business operations.

<i>Group Liabilities</i>	+\$136MM	<ul style="list-style-type: none">Mainly attributable to higher payables to clearing members and settlement banks for daily settlement of accounts for due contracts and rights, and the 2Q FY2010 interim base dividend payable.
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(vi) *Performance of 3 months ended 31 December 2009 vs 3 months ended 30 September 2009*

The following table is an overview of the 2Q FY2010 against 1Q FY2010 comparison:

	2Q FY2010	1Q FY2010	Change (%)
A. <u>Financial Performance (\$ million)</u>			
Operating revenue			
- Securities market revenue	84.6	104.6	(19.2)
- Net derivatives clearing revenue	31.3	33.7	(7.0)
- Stable revenue	34.8	35.1	(0.6)
Total	150.7	173.4	(13.1)
Operating expenses	67.2	59.7	12.4
Operating profit	83.5	113.7	(26.5)
Other gains/(losses)	1.0	0.5	79.7
Share of results of joint ventures and associated companies	(0.1)	0.0	NM
Tax	(12.6)	(20.1)	37.1
Net profit after tax	71.8	94.1	(23.7)
B. <u>Market Turnover Statistics</u>			
Securities trading value:			
- Quarter (\$ billion)	87.2	111.0	(21.5)
- Daily average (\$ billion) ¹	1.36	1.73	(21.5)
Securities trading volume:			
- Quarter (billion shares)	91.3	142.0	(35.7)
- Daily average (billion shares) ¹	1.43	2.22	(35.7)
Futures and Options trading volume:			
- Quarter (million contracts)	13.9	13.5	2.4
- Daily average (million contracts) ¹	0.22	0.21	2.4
Structured warrants trading value:			
- Quarter (\$ billion)	1.7	2.7	(37.8)
- Daily average (\$ billion) ¹	0.03	0.04	(37.8)
Structured warrants trading volume:			
- Quarter (billion units)	6.3	8.5	(25.5)
- Daily average (billion units) ¹	0.10	0.13	(25.5)
SICOM commodities futures trading volume:			
- Quarter (thousand lots)	68.6	64.2	6.8
- Daily average (thousand lots) ¹	1.07	1.00	6.8
AsiaClear OTC cleared volume:			
- Quarter (contracts)	37,347	19,936	87.3
(1) Daily average computed based on 64 trading days in both 2Q FY2010 and 1Q FY2010. NM: Not meaningful.			

(vii) ***Bank Facilities, Contingent Liabilities & Commitments***

Bank Facilities

- As at 31 December 2009, the Group had \$450 million of bank credit facilities in place, comprising \$200 million committed share financing and \$250 million committed unsecured credit lines, for prudent risk management and emergency funding needs.

Contingent Liabilities

- As at 31 December 2009, the Group had contingent liabilities to banks for US\$64.5 million of unsecured standby letters of credit issued to Chicago Mercantile Exchange as margin and performance bond for futures trading.

Standby Credit to Group Companies

- The Group has provided an unsecured standby credit line of \$75 million to the CDP Clearing Fund in accordance with The Central Depository (Pte) Limited's Clearing Rules.

Other Commitments

- The Company has extended a guarantee of \$72.5 million to Singapore Exchange Derivatives Clearing Limited ("SGX-DC") to be utilized for the Singapore Exchange Derivatives Clearing Fund. This amount has been earmarked in cash.
- SGX-DC has set aside \$68 million in cash, equivalent to its share capital, and the \$34 million distribution on the expiry of the SGX-DT Compensation Fund for the Singapore Exchange Derivatives Clearing Fund. These amounts have been earmarked in cash.

The total cash earmarked by the Group for the above purposes is \$174.5 million.

- The Company has extended a guarantee of \$4 million to SGX-DC and Singapore Commodity Exchange Limited ("SICOM") in consideration of SGX-DC and SICOM's agreement to waive margin requirements in respect of positions held by each other.

14 (a). Segment Information - Group

3 Months ended 31 December 2009				Reporting by Market	3 Months ended 31 December 2008			
Securities Market	Derivatives Market	Other Operations	Group		Securities Market	Derivatives Market	Other Operations	Group
S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	S\$'000	S\$'000	S\$'000
				SEGMENT REVENUE				
110,378	39,514	824	150,716	External revenue	93,443	52,574	700	146,717
96	4	-	100	Inter-segment revenue	91	-	-	91
110,474	39,518	824	150,816		93,534	52,574	700	146,808
(96)	(4)	-	(100)	Less: Consolidation elimination	(91)	-	-	(91)
110,378	39,514	824	150,716		93,443	52,574	700	146,717
				RESULTS				
80,335	14,133	758	95,226	Segment results	70,296	24,913	705	95,914
			(11,676)	Unallocated expenses				(5,009)
			83,550	Profit from operating activities				90,905
				Other gains/(losses)				
			974	- Unallocated				559
			(141)	Share of results of joint ventures and associated companies				(66)
			(12,631)	Tax				(16,713)
			71,752	Profit after tax				74,685
				SEGMENT ASSETS				
717,025	230,814	7,275	955,114	Segment assets	1,217,426	195,013	5,926	1,418,365
			512,473	Unallocated assets				440,611
			1,467,587	Consolidated total assets				1,858,976
				SEGMENT LIABILITIES				
596,948	53,848	2,229	653,025	Segment liabilities	1,020,198	42,603	290	1,063,091
			121,175	Unallocated liabilities				135,016
			774,200	Consolidated total liabilities				1,198,107
				OTHER INFORMATION				
860	13,453	-	14,313	Capital expenditure	2,131	5,556	2	7,689
2,909	2,593	-	5,502	Depreciation and amortisation	2,978	1,668	32	4,678

14 (b). Segment Information - Group

Half Year ended 31 December 2009				Reporting by Market	Half Year ended 31 December 2008			
Securities Market	Derivatives Market	Other Operations	Group		Securities Market	Derivatives Market	Other Operations	Group
S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	S\$'000	S\$'000	S\$'000
				SEGMENT REVENUE				
241,580	80,865	1,622	324,067	External revenue	195,452	108,508	1,004	304,964
146	10	-	156	Inter-segment revenue	105	-	-	105
241,726	80,875	1,622	324,223		195,557	108,508	1,004	305,069
(146)	(10)	-	(156)	Less: Consolidation elimination	(105)	-	-	(105)
241,580	80,865	1,622	324,067		195,452	108,508	1,004	304,964
				RESULTS				
178,491	34,559	1,373	214,423	Segment results	143,381	61,855	1,053	206,289
			(17,270)	Unallocated expenses				(10,545)
			197,153	Profit from operating activities				195,744
				Other gains/(losses)				
			1,516	- Unallocated				(1,048)
			(127)	Share of results of joint ventures and associated companies				(147)
			(32,721)	Tax				(35,383)
			165,821	Profit after tax				159,166
				SEGMENT ASSETS				
717,025	230,814	7,275	955,114	Segment assets	1,217,426	195,013	5,926	1,418,365
			512,473	Unallocated assets				440,611
			1,467,587	Consolidated total assets				1,858,976
				SEGMENT LIABILITIES				
596,948	53,848	2,229	653,025	Segment liabilities	1,020,198	42,603	290	1,063,091
			121,175	Unallocated liabilities				135,016
			774,200	Consolidated total liabilities				1,198,107
				OTHER INFORMATION				
1,487	17,053	-	18,540	Capital expenditure	3,686	10,202	2	13,890
5,857	4,556	-	10,413	Depreciation and amortisation	5,137	2,994	64	8,195

15. Dividend - Company

Interim Base Dividend

	3 Months Ended	
	31 December 2009	31 December 2008
Name of Dividend	Interim Base	Interim Base
Dividend Type	Cash	Cash
Dividend Rate - Base	3.75 cents per ordinary share	3.5 cents per ordinary share
Tax Rate	Tax Exempt One-Tier	Tax Exempt One-Tier
Books Closure Date	3 February 2010, 5pm	6 February 2009, 5pm
Date Payable/Paid	17 February 2010	18 February 2009

16. Share Capital - Company

During the 3 months ended 31 December 2009, the Company issued 320,200 ordinary shares at prices ranging from \$0.90 to \$1.70 upon the exercise of options granted under the SGX Share Option Plan (ESOS).

As at 31 December 2009, there were outstanding options for 2,098,000 (31 December 2008: 2,722,700) unissued ordinary shares under the ESOS.

The total number of issued ordinary shares as at 31 December 2009 was 1,069,554,900 (31 December 2008: 1,068,934,200), of which 5,194,850 (31 December 2008: 5,462,550) were held by the Company as treasury shares.

During the 3 months ended 31 December 2009, the Company purchased 436,000 (2Q FY2009: nil) of its ordinary shares by way of on-market purchases at share prices ranging from \$7.96 to \$8.09 (2Q FY2009: nil). The total amount paid to purchase the shares was \$3.5 million (2Q FY2009: \$nil).

During the 3 months ended 31 December 2009, 2,377,200 (2Q FY2009: 158,100) of its ordinary shares under the Company's share-based compensation plans have vested.

The movement of treasury shares for the period is as follows:

3 Months			Half Year	
1 Oct 2009 to 31 Dec 2009	1 Oct 2008 to 31 Dec 2008		1 Jul 2009 to 31 Dec 2009	1 Jul 2008 to 31 Dec 2008
7,136,050	5,620,650	Balance at beginning of period	5,462,550	3,070,450
436,000	-	Purchase of treasury shares	2,109,500	2,550,200
(2,377,200)	(158,100)	Vesting of treasury shares	(2,377,200)	(158,100)
5,194,850	5,462,550	Balance at end of period	5,194,850	5,462,550

The Company holds the shares bought back as treasury shares and plans to use the shares to fulfill its obligations under the Company's share-based compensation plans.

17. Accounting Policies - Group

The same accounting policies and methods of computation as in the FY2009 audited annual financial statements have been applied for the current reporting period except for the following Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are effective for the Group's financial year beginning 1 July 2009:

- | | | | |
|-------|---------------------|---|--------------------------------------|
| (i) | FRS 1 (R) | - | Presentation of Financial Statements |
| (ii) | FRS 107 (Amendment) | - | Financial Instruments : Disclosures |
| (iii) | FRS 108 | - | Operating segments |

The adoption of the above FRS and INT FRS did not result in substantial changes to the Group's and the Company's accounting policies. Additional disclosures will be required in the financial statements of the Company and its subsidiaries for the full year ended 30 June 2010.

Joyce Fong
Company Secretary
18 January 2010

18. Listing Manual Compliance Checklist

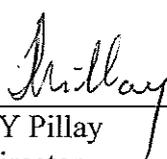
The following table sets out the requirements in Appendix 7.2 of the Listing Manual and the sections in the SGX quarter announcement in compliance with the Listing Manual requirements.

Listing Manual Paragraph	Summary of Listing Manual Requirements	Compliance in SGXNet Section
1	Income Statement - Group Balance Sheet - Group and Company Borrowings and Debt Securities - Group Cash Flow Statement - Group Statement of Changes in Equity - Group and Company Changes in Share Capital - Company Number of shares that may be issued on conversion of all outstanding convertibles, as well as the number of treasury shares Total number of issued shares excluding treasury shares as at the end of the current financial period and immediately preceding year Statement of sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on	3 8 10 11 12 16 16 16 16
2	Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice	Content page and attached auditors' report
3	Where the figures have been audited/reviewed, the auditors' report	Attached auditors' report
4 and 5	Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied. To state reasons and effect of change, if any	17
6	Earnings per ordinary share - Group: (a) Weighted average number of ordinary shares on issue; and (b) On a fully diluted basis	5
7	Net asset value per ordinary share based on the total number of issued shares excluding treasury shares - Group and Company	9
8	A review of the performance of the Group	13
9	Variance between a previously disclosed forecast or prospect statement and actual results	Not applicable. No forecast or prospect statement provided previously
10	A commentary of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months	1 - CEO's Statement, paragraph on "Outlook"
11 and 12	Information on dividend	15
13	Segment information	14
14	In the review of performance, factors leading to any material changes in contributions to turnover and earnings.	13
15	Breakdown of first and second half year results for sales and operating profit	Not applicable for quarter results
16	Breakdown in total annual dividend in dollar value by ordinary and preference shares	15
NA	Not required (Additional information provided by SGX)	1 - CEO's Statement and 2 - Financial Highlights

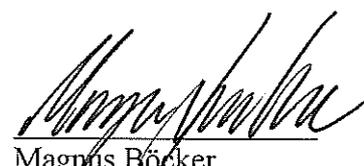
**CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE
LISTING MANUAL**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the second quarter ended 31 December 2009 to be false or misleading.

On behalf of the Board of Directors



J Y Pillay
Director



Magnus Böcker
Director

18 January 2010

The extract of the review report dated 18 January 2010, on the interim financial report of the Company and its subsidiaries for the period ended 31 December 2009 which has been prepared in accordance with Singapore Financial Reporting Standards 34 Interim Financial Reporting, is as follows:



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Facsimile (65) 6236 3300

GST No.: M90362193L
Reg. No.: T09LL0001D

**To the Shareholders and Board of Directors of
Singapore Exchange Limited ("Company") and its subsidiaries ("Group")**

**Report on Review of Interim Financial Information
For the second quarter ended 31 December 2009**

Introduction

We have reviewed the accompanying condensed statement of financial position of the Company as of 31 December 2009 and the related condensed statements of comprehensive income and changes in equity of the Company for the three-month period and six-month period then ended, the consolidated condensed statement of financial position of the Group as of 31 December 2009 and the related consolidated condensed statements of comprehensive income, changes in equity and cash flows of the Group for the three-month period and six-month period then ended, and other explanatory notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Financial Reporting Standards ("FRS") 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with FRS 34.

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants

Singapore, 18 January 2010