

Financial Highlights for the Group

All financial figures are expressed in Singapore dollars

	FY2002 (Year ended 30 June 2002)	FY2001 (Year ended 30 June 2001)
For the Year (in \$ million)		
Operating Revenue	228	217
Operating Expenses	171	145
EBITDA	81	92
Operating Profit	57	72
Non-Operating Revenue	20	(3)
Net Profit	61	49
At Year-End (in \$ million)		
Net Current Assets	566	554
Total Assets	2,804	3,109
Total Liabilities	1,914	2,227
Shareholders' Funds	837	831
Shares Issued (in million)	1,000	1,000
For the Year		
Revenue Growth	5.3%	-
Operating Profit Margin	24.9%	33.3%
Net Profit Margin	24.5%	23.0%
Return on Shareholders' Funds	7.3%	5.9%
Per Share Data		
Gross Dividend (in cents)	7.3	7.3
Gross Yield	6.3%	6.3%
Basic Earnings (in cents)	6.09	6.47
Net Tangible Assets (in cents)	83.66	83.09
Average Price (in \$)	1.19	1.25
Price at Year-End (in \$)	1.16	1.16

Securities Market

All financial figures are expressed in Singapore dollars

	FY2002	FY2001	Performance in FY2002 as compared to FY2001
Trading volume :	109.4 billion shares	93.7 billion shares	+16.7%
Turnover value :	\$132.4 billion	\$146.3 billion	-9.5%

No. of accounts maintained in the Central Depository (as at 30 June 2002)

Direct accounts : 1.13 million (of which 99% were held by individuals)

Sub-accounts maintained by depository agents : 56,118

No. of securities custodied with the Central Depository (as at 30 June 2002)

206.21 billion

New listings in FY2002

Total no. : 26

Total amount raised : \$284.6 million

No. of listed companies and their market capitalisation (as at 30 June 2002)

	SGX Mainboard	SGX Sesdaq	Exchange Total
No. of companies listed :	383	113	496
Market capitalisation :	\$326.4 billion	\$4.1 billion	\$330.5 billion

Derivatives Market

	FY2002	FY2001	Performance in FY2002 as compared to FY2001
Trading volume : (in no. of contracts)	31.5 million	28.1 million	+12.2%

	As at 30 June 2002	As at 30 June 2001	Performance in FY2002 as compared to FY2001
Open Interest : (in no. of contracts)	614,215	766,268	-19.8%

Top six performing derivatives contracts in FY2002 (in no. of contracts)			
	FY2002	FY2001	Performance in FY2002 as compared to FY2001
Eurodollar Futures	18,345,516	12,790,517	+43.4%
Nikkei 225 Index Futures	4,617,916	4,339,327	+6.4%
MSCI Taiwan Index Futures	4,270,925	3,688,932	+15.8%
Euroyen TIBOR Futures	2,192,341	4,842,538	-54.7%
10-Year Japanese Government Bond Futures	637,014	575,339	+10.7%
MSCI Singapore Index Futures	559,381	469,217	+19.2%

Summary of Financial Performance

All financial figures are expressed in Singapore dollars

Net Profit / Operating Profit

The Group recorded \$60.9 million net profit after tax and minority interests, and \$57.0 million operating profit for the current financial year. This is compared to \$49.0 million net profit after tax and minority interests, and \$72.4 million operating profit for the previous financial year ended 30 June 2001. The lower operating profit for the current financial year included an exceptional provision of \$7.0 million for surplus leased premises, and \$4.4 million operating loss of Asia Converge Pte Ltd, a subsidiary incorporated in the current financial year.

Operating Revenue

The Group generated operating revenue of \$228.5 million for the current financial year, compared to \$217.0 million for the previous financial year ended 30 June 2001. The 5.3% increase is attributable to the increase in revenue from both the securities and derivatives markets.

Although securities trading value dropped 9.5% to \$132.4 billion in the current financial year, from \$146.3 billion of the previous financial year, the trading volume increased by 16.7% to 109.4 billion shares in the current financial year from 93.7 billion shares in the previous financial year. Securities clearing fees increased by 4.2% to \$76.5 million from \$73.4 million despite the decrease in trading value, mainly due to an increase in volume of non-capped transactions.

Access and terminal fees increased by 3.6% to \$32.2 million in the current financial year from \$31.1 million in the previous financial year, mainly due to the monthly SESOPS fee increase from \$400 to \$480 per terminal from 1 October 2001 onward.

Derivatives trading registered record volume on a 12.2% increase to 31.5 million contracts in the current financial year from 28.1 million contracts in the previous financial year, largely on higher Eurodollar trading volume. This resulted in a 16.4% increase in derivatives clearing fees and related income to \$39.3 million from \$33.8 million.

Operating Costs

Total operating costs increased by 18.6% to \$171.5 million in the current financial year from \$144.6 million of the previous financial year. Excluding the \$7.0 million exceptional provision for surplus leased premises, the operating costs increased by 13.7%, in line with our expectation of a 15% increase driven by new initiatives and other capacity building efforts initiated by the Group.

The current financial year figure included \$7.6 million in consolidated non-intercompany expenses of Asia Converge Pte Ltd, which in turn represented 28.2% of the total operating cost increase between the two financial years.

Total staff costs for the current financial year included a first time accrual of \$1.9 million for staff's unutilised leave balance, as required under SAS 17, a new accounting standard on employee benefits and \$3.6 million of staff costs related to Asia Converge Pte Ltd. Excluding these items, the Group's staff costs increased by 10.8% between the two financial years.

Occupancy costs and depreciation charges increased by 24.0% and 19.3% respectively mainly due to relocation to the new SGX Centre premises during the current financial year.

Other major expenses for the current financial year included \$0.7 million fixed asset write-off on relocation to the new premises at SGX Centre, and \$1.9 million various other expense items incurred by Asia Converge Pte Ltd.

Performance of the Securities Market

For the current year ended 30 June 2002, the securities market generated \$154.2 million of operating revenue and \$84.1 million of segment profit. This compared to \$148.3 million of operating revenue and \$83.0 million of segment profit for the previous year ended 30 June 2001.

During the current financial year, our performance has been impacted by a weaker global economy leading to declining trading values in global securities markets, including ours. The market conditions also discouraged new listings, which dropped to 26 in the current financial year from 65 in the previous financial year.

As a result of recent consolidations and mergers of local brokers, the number of securities market members dropped to 26 as at 30 June 2002 from 32 as at 30 June 2001.

Performance of the Derivatives Market

For the current year ended 30 June 2002, the derivatives market generated \$58.9 million of operating revenue and \$10.5 million of segment profit. This compared to \$55.4 million of operating revenue and \$9.5 million of segment profit for the previous year ended 30 June 2001.

The volume growth in the current financial year was mainly attributable to the active trading in Eurodollar contracts due to increased volatility of interest rates on the actions by the US Federal Reserve Board during the financial year. Eurodollar trading volume in the current financial year increased 43% to 18.3 million contracts from 12.8 million contracts in the previous financial year, and represented 58% of our total derivatives volume for the current financial year. The MSCI Taiwan Index Futures Contract's trading volume grew by 16% to 4.3 million contracts in the current financial year compared to 3.7 million contracts in the previous financial year. Euroyen trading volume, in contrast, fell by 55% to 2.2 million contracts, on lower yen interest rate volatility.

With respect to domestic products, the Singapore Government Bond Futures Contract, which started in June 2001, registered a total trade of 129,503 contracts for the current financial year. Singapore Dollar Interest Rate Futures Contract recorded a total trade of 115,592 contracts during the current financial year, an increase of 6% over the previous financial year. Since its launch on 26 October 2001, Single Stock Futures recorded a total trading volume of 17,036 contracts up to 30 June 2002.

Trading volume in our electronic market increased by 19.9% to 1.5 million contracts in the current financial year from 1.3 million contracts in the previous financial year. This was mainly attributable to business development and marketing efforts, on the Singapore equity index and the new Singapore-dollar government bond products.

Investment Performance

The investment portfolio managed by independent fund managers appreciated by \$15.2 million in the current financial year, compared to appreciation of \$6.4 million in the previous financial year. Declining interest rate in the current financial year, as well as the relatively weak equity market conditions were conducive to the fixed income market performance.

Interest from bank deposits amounted to \$3.8 million for the current financial year, \$4.6 million lower than the previous financial year, mainly on declining interest rates.

Balance Sheet

The Group remained debt-free and its major assets included \$317.5 million placed with independent fund managers, \$253.0 million of cash and cash equivalents, and the SGX Centre premises at net book value of \$212.6 million. The Group's net assets amounted to \$836.6 million as at 30 June 2002, up by \$5.7 million from \$830.9 million as at 30 June 2001.

Chairman's Statement

The year under review marks the first full year of SGX as a listed company on its own board. SGX has now existed as a demutualised and merged exchange for capital raising and the trading and clearing of securities and derivatives for two-and-a-half years.

Unfavourable Economic and Market Conditions

The environment in that period has not been particularly hospitable. Several factors contributed to the unfavourable backdrop: the slowdown in the world economy; the setbacks of the so-called new economy; the drawn-out efforts by countries in the region to reform their financial systems, improve corporate governance and restructure their economies; as well as falling stock market indices and trading volumes. They have all left their mark on the securities business of SGX. The derivatives business, though, has seen growth of about 12% a year, as a result of continuing volatility in financial markets, as well as our ongoing efforts to widen the spectrum of risk management products and services on offer.

Robust Response by SGX

In response to the challenges posed, SGX has been actively marketing Singapore as a preferred listing venue for corporates in Singapore and the rest of Asia. At the same time, we have been cementing our links with brokerages, fund managers, other financial institutions, and retail investors. We have offered open-access facilities to securities brokers that enable them to use order-management systems of their choice, permitting them to differentiate their respective services. That facility effectively enhances distribution of the order book globally.

SGX is working on the close integration of the securities and derivatives markets through the use of common terminals and the consolidation of capital requirements. We have embarked on a study to improve our trading and clearing systems to raise them to the most advanced global standards. We have launched a business for the borrowing and lending of securities, which could lead to the development of equity options trading. And, we are proceeding with preparations for the development of a straight-through-processing, or STP, infrastructure. STP will increase settlement efficiency, and facilitate a shorter settlement period should market forces dictate the need for it. We shall work with our broking members to introduce the benefits of STP to the entire industry.

Financial Performance

Profit after tax and minority interests rose 24.2%, to S\$60.9 million. Because of the slowdown in securities trading, revenue generated during the year rose just 5.3%, to S\$228 million.

Market Surveillance

For market surveillance, SGX has introduced new technology that enhances its ability to closely monitor securities trading, and immediately detect signs of unusual movements in the market. Thus, SGX is in a position to take corrective action when warranted. In this matter, professional judgement is crucial. There will, no doubt, be contrary views on action or timing; the regulator, presumed to be acting with the clarity bred of experience, technology and knowledge of the circumstances, should be entitled to the benefit of any doubt.

International Alliances

On the international front, SGX has forged a close working relationship with the Australian Stock Exchange (ASX). A co-trading link was established in December 2001, with about 50 stocks in each market offered for trading in the initial phase. Apart from working together to promote the use of the co-trading link, the two exchanges are currently engaged in exploring areas for greater cooperation. SGX expects that the framework of cooperation forged between the two exchanges will constitute a template for the expansion of the bilateral relationship to other like-minded and forward-looking exchanges in the region.

Staff Consolidation and Integration

We have now consolidated our staff numbers. Indeed, there was a reduction of some 6% during the course of the year, without any apparent fall in output or outcomes or quality of service provided. It appears that the process of internal integration is proceeding reasonably well, although there still is some way to go in achieving the full benefits of a truly merged exchange.

Corporate Governance

SGX is mindful of the need to observe the spirit and the letter of the Corporate Governance Code, or CGC. We shall continue the move towards greater disclosure and transparency across our systems and process of governance. We are conscious of our role, not only as a listed company, but as a self-regulatory organisation, in observing the tenets of the CGC.

Acknowledgements

It remains for me to thank my colleagues on the Board of Directors, CEO Thomas Kloet, management and staff, and all our constituencies for their support during a difficult year. Mr Kloet leaves SGX well positioned with a strong management team in place to build upon the achievements of his tenure in office.

We do not know what lies in store in the ensuing year. After three testing years, we look forward to some satisfaction for the years of struggle.



J Y Pillay
Chairman

20 August 2002

CEO's Message

By any measure, the past year has been a challenging one for markets around the world, driven principally by a global economic slowdown. The performance of our market followed global markets, with the benchmark Straits Times Index falling 10% for the 12 months ended 30 June 2002.

In the midst of this challenging environment, SGX remained focused on responding to customer needs and delivering valuable products and services to our markets. As we continue our efforts to enhance our products and services offering, extend our distribution and improve our market's infrastructure, we are confident that the innovative steps we take today will further develop the vibrancy and sophistication of our market and provide the foundation for long-term growth.

Marketplace Development

Among the most far-reaching new products delivered this year was our securities lending facility linked to our Central Depository. We believe that this facility, which was launched in January 2002, provides an important new income earning opportunity for investors and exciting new trading opportunities for market participants. A successful securities lending facility is necessary for the development of an equity options market and will increase the liquidity in our securities market.

This year we also listed Singapore's first benchmark exchange traded fund (ETF), the streetTRACKSSM Straits Times Index Fund, which began trading in April 2002. This ETF allows investors to trade a portfolio of Singapore blue chip stocks in a single stock transaction continuously priced throughout the day. We believe that customers will find the product a cost efficient means by which to own an index-tracking and diversified portfolio of stocks.

As mentioned in the Chairman's statement, our alliance network expanded with the launch of our co-trading link with the Australian Stock Exchange in December 2001. This link joins our established market linkages with a number of important international securities and derivatives markets. Together they represent an important part of our effort to diversify the product offerings in our market and expand the distribution of our products to new participants.

During the course of the year, we implemented a listing strategy designed to attract companies from throughout the Asia-Pacific region. Supported by demonstrated investor interest, a sound and transparent regulatory environment and the presence of a substantial fund management community, our efforts have had some initial success. At year-end, about 20% of our listings originated from overseas.

Our securities market volume for the year increased by 16.7% to 109.4 billion shares traded. Despite this increase, the value of trades fell by 9.5% to S\$132.4 billion for the year. Certainly investor sentiment and macro-economic factors played a large part in SGX's securities market performance in this past year.

In our derivatives market, we expanded our suite of equity index products by listing the MSCI Japan Futures Contract. Offered on our derivatives market's electronic trading system, this product responds to our customers' interest in trading an electronically listed Japanese index which complements our floor-traded Nikkei Index. We also launched a set of single stock futures, a product that provides securities market participants with an efficient new hedging device.

Demand for the risk management and trading products offered by our derivatives market increased this past year, principally due to short-term interest rate volatility. Volume in our benchmark derivative product, Eurodollar Futures, increased by 43.4% during the year, aided by a series of interest rate cuts by the US Federal Reserve and our distribution efforts.

During the uncertainty immediately after the September 11 attack on the United States, the world looked to our derivatives market to deliver crucial price discovery and liquidity for managers to hedge their exposures, especially in short-term interest rate products. Our members continued to serve their customers with commitment, determination and professionalism during that period, despite extremely difficult circumstances, and provided important benchmark pricing across a number of instruments.

Our total derivatives volume for the year increased by 12.2% to over 31 million contracts for the year. This represented about US\$20.7 trillion in notional value traded.

Marketplace Transparency

The shift towards a disclosure-based regime began in Singapore four years ago. As an integral part of the investment framework in Singapore, SGX has been supporting this effort, both in our market regulation efforts and through investor education. We recognise that confidence in the marketplace is dependent on many factors, including a transparent and comprehensible set of rules, the availability of quality and comprehensive financial information for investors, excellence in corporate governance and an effective enforcement regime.

As part of our effort to promote these principles, we embarked on a review of our securities listing manual to clarify issuers' responsibilities under our rules and to ensure that they remain relevant in the new century. This review included a public consultation process, where interested parties including investors, issuers, intermediaries and other stakeholders were invited to comment on proposed amendments. This process is now complete and the new listing manual became effective on 1 July 2002. A similar public consultation process is underway with respect to our securities market trading rules and bye-laws.

The Corporate Governance Code, which was created by a private sector-led committee last year, has been supported by a listing rule that requires the disclosure of corporate governance practices and an explanation for any area of non-compliance with the Code. We will continue our efforts to assist our listed companies with understanding their obligations under the Code ahead of the required implementation next year.

From July 2002, we launched SGX Securities Book, a new facility which provides investors with the opportunity to subscribe to full order book information through our data vendor network and our member firms. Empowering investors with enhanced data will provide them with additional information of value when making their investment decisions.

Moving Ahead

We have taken several other strategic steps towards our further development as a marketplace. These efforts include significant infrastructural improvements, technological advancements of our trading and clearing engines and important updates to our regulatory models.

Included in our priorities for the coming year are the completion of our technology infrastructure review and the continued marketing of our SGXAccess technology gateway for our securities market. We also intend to launch a Middle East Crude Oil Index Futures Contract under a cooperation agreement with the Tokyo Commodity Exchange. In our securities market, we have listed the first Real Estate Investment Trust and will continue to introduce more innovative products, as well as extend existing services, such as securities lending.

Despite the challenging environment of this past year, SGX has continued the ambitious set of initiatives that began with our demutualisation in December 1999. We remain committed to responding to the needs of our customers and delivering the solutions they desire.

The accomplishments of this past year would not have been possible without the leadership of our Board, the support of our members and customers, the commitment of our shareholders and the dedication of our staff. Each has actively contributed to the success of this past year and we look forward to a rewarding and exciting year ahead.



Thomas A. Kloet

CEO

20 August 2002

Highlights of the Year

WIDENING OUR PRODUCT RANGE

October 2001

Launched Single Stock Futures (SSF) Contracts

The introduction of SSFs is the result of the synergy derived from the integration of our securities and derivatives markets. With SSFs, institutional and individual investors will have a versatile financial tool to better manage their investments and maximise their profitability by taking advantage of varying market opportunities.

January 2002

Launched SGX Securities Lending Programme

This programme allows retail and corporate investors to participate as lenders, providing them with more flexibility in their investment strategies. We now have 1,158 registered lenders and a pool of 492 million shares valued at S\$740 million.*

*as at 30 June 2002

April 2002

Launched streetTRACKSSM Straits Times Index Fund

With Singapore's first local exchange traded fund (ETF), investors can now invest in a portfolio of local blue chip companies' stocks in a single transaction. The streetTRACKSSM STI is the first ETF to be included in the Central Provident Fund Investment Scheme – Ordinary Account.

May 2002

Launched MSCI Japan Index Futures Contract

International investors can now trade and manage their risk using an important Japanese equity index on which assets of over US\$500 billion are benchmarked.

EXTENDING OUR GLOBAL REACH

October 2001

Announced Plans to Pursue a Strategic Alliance with the Tokyo Stock Exchange

The two exchanges have agreed to explore initiatives relating to the co-trading and clearing of products listed on both exchanges, new product development, marketing, information technology development and information sharing. These initiatives will broaden the distribution and enhance the liquidity of products traded on both markets, ultimately creating wider investment opportunities for investors in both markets.

December 2001

Established Co-Trading Linkage with the Australian Stock Exchange

This linkage, the first of its kind in the world, allows investors in Australia and Singapore to co-trade selected securities in each other's market directly and cost efficiently, through brokers in their own countries, whenever the respective markets are open.

January 2002

Launched Multi-Market Access for Derivatives Members

Our derivatives members can now access overseas derivatives markets directly from the exchange's derivatives trading floor and electronic trading room via GL NETTM. This initiative adds to our existing relationships and linkages with Bloomberg and independent system vendors such as Patsystems and Easyscreen, enhancing the global connectivity of our derivatives market.

January 2002

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April 2002

Formed Strategic Alliance with the Tokyo Commodity Exchange (TOCOM)

In an agreement signed with TOCOM, our derivatives trading division will launch a Middle East Crude Oil Index Futures Contract (in US\$/barrel). This cooperative relationship will strengthen the core functions of futures markets – to hedge risk and achieve price discovery – in the Asia-Pacific region, and contribute to the market development of both exchanges.

ENHANCING THE REGULATORY FRAMEWORK

November 2001

Enhanced Soundness of Securities Market with Automated Surveillance System

A real-time automated market surveillance system, "SMARTS", employs up-to-date technology which automatically detects irregular market behaviour such as unusual price movements or trading volumes. The ability of SMARTS to replay historical trading will allow investigators to identify the sequence of orders, quotes or trades that gave rise to a particular situation, providing for more efficient, effective and accurate investigations.

May 2002

Announced Review of SGX Securities Trading Rules and Bye-Laws

The review aims to bring the SGX-ST Rules and Bye-Laws in line with current market practices and the new Securities and Futures Act and Regulations. A public consultation process is underway and we expect the review to be completed by the second quarter of 2003.

July 2002

Implemented new Listing Manual

Meeting the changing market needs and reflecting current industry practices, this new listing manual incorporates the inputs from listed companies, professionals, shareholders, other industry players and members of the public.

IMPROVING CUSTOMER SERVICE STANDARDS

September 2001

Introduced Central Depository (CDP) Internet Access Service

Direct securities account holders can now enjoy secure online access to their shareholdings and portfolio value. This service allows users to view updates to their shareholdings, helping them make more timely investment decisions.

September 2001 & June 2002

Fostering Closer Ties with our Listed Companies

Two sessions of “Fostering Closer Ties” were held in the year. The first session in September focused on helping our listed companies understand the role of investor relations. The second in June updated our listed companies on the key amendments to the listing manual, the modifications in the corporate disclosure policy and the proposed trading halt rules.

BUILDING OUR MARKET INFRASTRUCTURE

Moving Towards a Straight-Through-Processing (STP) Environment

We are now embarking on phase two of our initiative to develop an STP infrastructure for our securities market. We expect this phase of STP to be ready in 18 to 24 months. When launched, STP will reduce the operating and business costs, lower the settlement risk and provide more timely risk management information for participants in the Singapore securities market.

Board of Directors

J Y Pillay

Chairman

Singapore Exchange Limited

Mr Pillay is the Chairman of the SGX Board and has served as the Chairman since 18 November 1999. Since 16 August 2001, Mr Pillay has served as an executive and non-independent director on the SGX Board.

Mr Pillay has held a variety of positions in the government of Singapore (1961-1995), rising to permanent secretary in 1972. He served in the ministries of finance, defence and national development. Between 1985 and 1989, Mr Pillay was the Managing Director of the Monetary Authority of Singapore (MAS) and of the Government of Singapore Investment Corporation. He was High Commissioner to the United Kingdom from 1996 to 1999. Mr Pillay has served, in a non-executive capacity, as chairman of the board of several government-linked companies: Temasek Holdings (Private) Limited (1974-1986), Development Bank of Singapore Ltd (1979-1984), Singapore Technologies Holdings (Private) Limited (1991-1994) and Singapore Airlines Ltd (1972-1996). He served as Chairman of the International Advisory Panel of the MAS from 1999 to 2000. Mr Pillay now serves as member of the Investment Committee of the United Nations Pension Fund, as Chairman of Commonwealth Africa Investments Limited, as member of the Board of Governors of Asia-Europe Foundation, as Chairman of the Council on Corporate Disclosure and Governance, as member of the Financial Sector Development Fund Advisory Committee of the MAS, as Life Trustee of the Singapore Indian Development Association, and as member of the Council of Presidential Advisers of the Republic of Singapore. Mr Pillay graduated with a first-class B.Sc (Hons) degree from Imperial College London in 1956. He was conferred with an honorary PhD in Law from the National University of Singapore in 1996, and with a Fellowship of Imperial College in 1997.

Thomas A. Kloet

Chief Executive Officer

Singapore Exchange Limited

Mr Kloet has served as a non-independent director on the SGX Board since 24 April 2000. Mr Kloet joined SGX as its Chief Executive Officer on 24 April 2000. Prior to this, Mr Kloet was a Senior Managing Director for ABN AMRO, Inc., the US investment banking and broker-dealer subsidiary of ABN AMRO Bank, NV, where he was responsible for the derivatives brokerage business throughout the Asia-Pacific region, including Singapore. Mr Kloet was also a Senior Vice President of ABN AMRO Bank, NV. From 1990 through 1997, Mr Kloet was Chief Operating Officer of Credit Agricole Futures, Inc. and Chief Financial Officer of Segespar Capital Markets, Inc. Mr Kloet served as a member of the Board of Directors and Executive Committee of the Chicago Mercantile Exchange from 1996 until he assumed his position at SGX. Mr Kloet graduated with a bachelor's degree in business administration from the University of Iowa in 1980. He is a certified public accountant and a member of the American Institute of Certified Public Accountants.

Richard Gnodde

President and Managing Director
Goldman Sachs (Asia) L.L.C.

Mr Gnodde has served as an independent director on the SGX Board since 18 November 1999. Mr Gnodde joined Goldman Sachs in London in 1987. He was appointed Managing Director of Goldman Sachs in 1996 and then President and Managing Director of Goldman Sachs (Asia) L.L.C. in the fall of 1999. Immediately prior to his current responsibilities, Mr Gnodde served as President of Goldman Sachs (Singapore) Pte Ltd. Mr Gnodde holds a Bachelor of Commerce degree from the University of Cape Town and a Master of Arts degree in Law from the University of Cambridge.

Goh Yew Lin

Executive Director
G. K. Goh Holdings Ltd

Mr Goh has served as an independent director on the SGX Board since 20 July 2000. Mr Goh has worked at G. K. Goh, a regional securities group, since 1984. Since 1990, he has been an Executive Director of SGX-listed G. K. Goh Holdings Ltd. Mr Goh is also an independent director in Boyer Allan Investment Management Ltd. He also serves on the boards of the National Arts Council, the Singapore Symphonia Company Ltd and the Singapore Conservatory of Music. Mr Goh graduated from the Wharton School, University of Pennsylvania, with a Bachelor of Science degree in Economics.

Ho Tian Yee

Executive Director
Pacific Asset Management (S) Pte Ltd

Mr Ho has served as an independent director on the SGX Board since 15 November 1999. He is currently the Executive Director of Pacific Asset Management (S) Pte Ltd. Mr Ho was previously the General Manager and Managing Director of Bankers Trust Company Singapore. Mr Ho also serves on the boards of Fraser and Neave Ltd, Great Eastern Holdings Ltd and Singapore Power International Pte Ltd. He is also a member of the SAVER-Premium Board of Trustees. Mr Ho is a graduate of Bachelor of Economics (Honours) from Portsmouth University in the United Kingdom.

Victor Liew Cheng San

Corporate Advisor
Singapore Technologies Pte. Ltd

Mr Liew has served as an independent director on the SGX Board since 15 November 1999. Mr Liew is currently Corporate Advisor at Singapore Technologies Pte. Ltd. He is also the Chairman of the Singapore Commodity Exchange Ltd. Previously Mr Liew was the Chairman of OUB Bullion and Futures Ltd. and Head of Treasury and Markets at OUB Ltd. Mr Liew has been actively involved in the development of Singapore International Monetary Exchange Ltd (SIMEX) since its inception in 1984. He has been a director of SIMEX since 1991 and Chairman from 1996 to 1999. He also served as a member of the Pro-Tem Committee

overseeing the merger of SES and SIMEX. In addition Mr Liew has been an active member of the Singapore Foreign Exchange Market Committee (SFEMC) representing Treasury markets since its inception in 1986. He was Chairman of SFEMC from 1996 to 1999 and alternate Chairman from 2000 to 2001. He graduated from the University of Singapore in 1973 with a degree of Bachelor of Social Sciences with Honours.

Low Check Kian

Chairman

Merrill Lynch Asia Pacific

Mr Low has served as an independent director on the SGX Board since 20 July 2000. Mr Low is currently the Chairman, Merrill Lynch Asia Pacific. Prior to this, he was Head of Equities for Asia-Pacific, Japan and Australia. Mr Low also sits on the boards of the Singapore Art Museum and the Infocomm Development Authority of Singapore and is serving as the Chairman of its investment arm, Infocomm Investments Pte Ltd. He had also held several advisory roles on various Singapore Government Committees including the Financial Centre Advisory Group. He graduated from the London School of Economics (LSE) with a B.Sc. (Econ) (First Class Honours) in June 1983 and a M.Sc. (Econ) in June 1984. During his stay at the LSE, he was awarded the Allan Young Prize, the Baxter-Edey Award and the Henry Luce Foundation Award.

Hidetoshi Mine

Managing Director

Principal Investment

Investment Banking Headquarters, Orix Corporation (Tokyo, Japan)

Mr Mine has served as an independent director on the SGX Board since 15 November 1999. Mr Mine is presently based at the Investment Banking Headquarters of Orix Corporation in Japan. He has served as Managing Director overseeing the company's Private Equity business since January 2001. Prior to that, Mr Mine was Managing Director of Tokyo-Mitsubishi International (Singapore) Ltd – an investment banking subsidiary of Bank of Tokyo-Mitsubishi – since April 1996. Mr Mine began his banking career with the Bank of Tokyo right after his graduation from the Hitotsubashi University, Tokyo in 1973. He moved to the investment banking business after spending several years in foreign exchange and commercial banking. Over the last 20 years, he has held several management positions at Headquarters, London, Hong Kong and Singapore respectively.

Robert Stein

Chief Executive Officer

Adelphi Capital Partners Pte Ltd

Mr Stein has served as an independent director on the SGX Board since 20 July 2000. Mr Stein is the CEO, Adelphi Capital Partners Pte Ltd. Prior to this, Mr Stein was the CEO, Asia Pacific, Deutsche Bank Group. Before joining Deutsche Bank, he was Head of Debt and Equity Markets, Asia Pacific at Merrill Lynch. He is also a non-executive director or advisor for several technology companies and funds, such as Frontline Technologies Corporation Ltd, I-Options USA, ComMira USA, Focus Ventures II USA Fund. Mr Stein holds a Bachelor of Arts degree in Philosophy and Biochemistry (Honours) from Dartmouth College and a Master of Science degree in International and Development Economics from University College, Oxford University.

George Teo Eng Kim

Chairman

J.M. Sassoon & Co. (Pte) Ltd & Sassoon Financial Futures Pte Ltd (Sassoon Group)

Mr Teo has served as an independent director on the SGX Board since 15 November 1999. He was elected Committee Member of the Stock Exchange of Singapore Ltd (SES) in October 1984 and since 1986, has served as Deputy Chairman of SES until 1999. He has also served as a member of the Pro-Tem Committee overseeing the merger of SES and SIMEX. Mr Teo has served as a Managing Director of the Sassoon Group, a regional securities group, since 1975. Mr Teo is a member of the Institute of Certified Public Accountants of Singapore (ICPAS) and a Fellow of the Institute of the Chartered Accountants in England & Wales (F.C.A.).

Wong Ngit Liong

Managing Director

Venture Corporation Limited

Mr Wong has served as an independent director on the SGX Board since 15 November 1999. Mr Wong was instrumental in developing the business of Venture Corporation Limited from the start-up phase. Prior to Venture, Mr Wong spent more than 12 years with Hewlett-Packard Company in various management positions at headquarters Palo Alto, Santa Clara and Cupertino Divisions, HP Singapore and HP Malaysia. Mr Wong is also an independent director on the boards of SIA Engineering Company Ltd and Economic Development Board (Singapore). Mr Wong holds a first-class (Honors) degree in Electrical Engineering, and a Master of Science (Electrical Engineering) degree from the University of California at Berkeley where he was a Fulbright Scholar. He also holds a Master of Business Administration degree (with distinction) from McGill University under the Canadian Commonwealth Fellowship.

Directors' Remuneration

Name	Fees** (S\$)	Salary (S\$)	Bonus (S\$)	Other Benefits* (S\$)
J Y Pillay	-	602,640	-	96,152
Thomas A. Kloet	-	1,357,125	1,069,725	406,592
George Teo Eng Kim	28,800	-	-	-
Wong Ngit Liong	32,300	-	-	-
Victor Liew Cheng San	35,500	-	-	-
Ho Tian Yee	42,200	-	-	-
Hidetoshi Mine	32,300	-	-	-
Richard Gnodde	24,800	-	-	-
Goh Yew Lin	28,000	-	-	-
Low Check Kian	29,600	-	-	-
Robert Stein	32,300	-	-	-

* excluding share options which are disclosed in the Directors' Report.

** these fees are subject to approval by shareholders as a lump sum at the AGM for FY2002.

Statistics of Shareholdings

As at 19 August 2002

Authorised Share Capital : S\$1,000,000,000
 Issued and Paid-up Capital : S\$10,000,000
 Class of Shares : Ordinary Shares S\$0.01 each
 Voting Rights : One vote per share

Distribution of Shareholdings

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 999	38	0.32	14,077	0.00
1,000 - 10,000	10,131	85.29	32,946,800	3.30
10,001 - 1,000,000	1,676	14.11	125,721,593	12.57
1,000,001 and above	33	0.28	841,317,530	84.13
Total	<u>11,878</u>	<u>100.00</u>	<u>1,000,000,000</u>	<u>100.00</u>

Twenty Largest Shareholders

No.	Name	No. of Shares	%
1	SEL Holdings Pte Ltd ¹	249,991,184	25.00
2	Raffles Nominees Pte Ltd	205,588,317	20.56
3	DBS Nominees Pte Ltd	103,277,705	10.33
4	Citibank Nominees Singapore Pte Ltd	65,401,145	6.54
5	HSBC (Singapore) Nominees Pte Ltd	41,241,563	4.12
6	United Overseas Bank Nominees Pte Ltd	38,840,076	3.88
7	Kim Eng Ong Asia Securities Pte Ltd	15,917,314	1.59
8	UOB Kay Hian Pte Ltd	15,887,452	1.59
9	Phillip Securities Pte Ltd	12,364,348	1.24
10	J.M. Sassoon & Co. (Pte) Ltd	12,061,000	1.21
11	DB Nominees (Singapore) Pte Ltd	9,652,282	0.97
12	Morgan Stanley Asia (Singapore) Securities Pte Ltd	8,447,000	0.84
13	Oversea-Chinese Bank Nominees Pte Ltd	6,292,840	0.63
14	Citicorp Investment Bank (Singapore) Limited	6,000,000	0.60
15	SSB Singapore Securities Pte Ltd	5,927,272	0.59
16	Millennium Securities Pte Ltd	5,454,545	0.55
17	G. K. Goh Stockbrokers Pte Ltd	4,612,026	0.46
18	Nomura Securities Singapore Pte Ltd	3,718,000	0.37
19	Meadowspring Pte Ltd	3,500,000	0.35
20	Lim & Tan Securities Pte Ltd	3,414,786	0.34
	Total	<u>817,588,855</u>	<u>81.76</u>

¹ Pursuant to Section 11 (2) (b) of the Exchanges (Demutualisation & Merger) Act 1999 (the "Merger Act"), SEL Holdings Pte Ltd ("SEL"), being the special purpose company set up under the Merger Act to, inter alia, warehouse the SGX shares, shall not exercise or control the exercise of votes attached to the SGX shares. Owing to the restriction in the exercise of votes attached to the shares, SEL is not regarded as a substantial shareholder of SGX.

Corporate Information

Board of Directors

J Y Pillay (Chairman)
Thomas A. Kloet (Chief Executive Officer)
Richard Gnodde (Non-Executive Director)
Goh Yew Lin (Non-Executive Director)
Ho Tian Yee (Non-Executive Director)
Victor Liew Cheng San (Non-Executive Director)
Low Check Kian (Non-Executive Director)
Hidetoshi Mine (Non-Executive Director)
Robert Stein (Non-Executive Director)
George Teo Eng Kim (Non-Executive Director)
Wong Ngit Liong (Non-Executive Director)

Company Secretary

Joyce Fong Foong Chao

Audit Committee

Ho Tian Yee (Chairman)
Victor Liew Cheng San
Hidetoshi Mine
Robert Stein
Wong Ngit Liong

Secretary: Siow Chee Keong

Nominating Committee

George Teo Eng Kim (Chairman)
J Y Pillay
Goh Yew Lin
Ho Tian Yee
Victor Liew Cheng San
Low Check Kian

Secretary: Joyce Fong Foong Chao

Appeals Committee

J Y Pillay (Chairman)
Victor Liew Cheng San
Low Check Kian
George Teo Eng Kim
Colin Ng (Non Director)
Lucien Wong (Non Director)

Secretary: Joyce Fong Foong Chao

Compensation and Management Development Committee

Wong Ngit Liong (Chairman)
J Y Pillay
Thomas A. Kloet
Richard Gnodde
Low Check Kian
Hidetoshi Mine
Robert Stein

Secretary: Lew Seng Huat

Strategy Committee

J Y Pillay (Chairman)
Thomas A. Kloet
Goh Yew Lin
Ho Tian Yee
Low Check Kian
Robert Stein

Secretary: Joyce Fong Foong Chao

Conflicts Committee

Thomas A. Kloet (Chairman)
Robert Stein
Wong Ngit Liong
Joyce Fong Foong Chao
Daniel Tan Bak Hiang

Secretary: Alan Shaw

Management Committee

Thomas A. Kloet (Chairman)
Ang Swee Tian
Jimmy Ang Kong Heng
Peter Chia Chon Hian
John Duggan
Gan Seow Ann
John Gollifer
Lew Seng Huat
Alan Shaw
Daniel Tan Bak Hiang
Anderson Tang Siu Ki
Siow Chee Keong

Investor Relations Team

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Share Registrar

Lim Associates (Pte) Ltd

10 Collyer Quay

#19-08 Ocean Building

Singapore 049315

Person-in-charge: Sebastian Tan

Auditors

PricewaterhouseCoopers

8 Cross Street

#17-00 PWC Building

Singapore 048424

Partner-in-charge: Phillip Tan

Summary Directors' Report

For the financial year ended 30 June 2002

IMPORTANT

The summary financial statements as set out on pages 22 to 39 contains only a summary of the information in the Directors' Report and financial statements of the Company's annual report. It does not contain sufficient information to allow for a full understanding of the results and the state of affairs of the Company and the Group. For further information, the full financial statements, the Auditors' Report on those statements and the Directors' Report in the annual report should be consulted. Shareholders may request for a copy of the annual report at no cost. Please use the Request Form at the end of the summary financial statements.

Summary Directors' Report

The directors present their report to the shareholders together with the audited financial statements of the Company ("SGX") and of the Group for the financial year ended 30 June 2002.

Directors

The directors of the Company at the date of this report are:

J Y Pillay (Chairman)	Thomas A. Kloet (Chief Executive Officer)
Richard Gnodde	Goh Yew Lin
Ho Tian Yee	Victor Liew Cheng San
Low Check Kian	Hidetoshi Mine
Robert Stein	George Teo Eng Kim
Wong Ngit Liong	

Principal Activities

The principal activities of the Company are those of investment holding, treasury management and the provision of management and administrative services to related corporations.

The principal activities of the subsidiaries in the Group are:

- Conducting of securities and financial derivatives exchanges
- Providing clearing, counterparty guarantee and related services for derivatives transactions
- Providing clearing, counterparty guarantee, depository and related services for securities transactions
- Providing computer services and maintenance, leasing and rental of software and hardware, developing applications and software maintenance
- Providing corporate share registration and custody-related services
- Providing facilities for the registration of options and the maintenance of margin for the options relating to securities

There have been no significant changes in the principal activities of the Company and its subsidiaries during the financial year.

Acquisition and Disposal of Subsidiaries

On 26 July 2001, SGXLink Pte Ltd ("SGXLink") was incorporated as a wholly-owned subsidiary of the Company with an authorised share capital of \$100,000 comprising 100,000 ordinary shares of \$1 each and an initial issued and paid up capital of \$2 comprising 2 ordinary shares of \$1 each at par.

There were no other acquisitions or disposals of interests in subsidiaries during the financial year.

Issue of Shares and Debentures

- (a) During the financial year, the following subsidiaries of the Company issued ordinary shares:

SGXLink Pte Ltd

On 26 July 2001, SGXLink Pte Ltd ("SGXLink") was incorporated as a wholly-owned subsidiary of the Company with an authorised share capital of \$100,000 comprising 100,000 ordinary shares of \$1 each and initial issued and paid-up capital of \$2 comprising 2 ordinary shares of \$1 each at par. Subsequently on 6 November 2001, the authorised share capital of SGXLink was increased to \$1,000,000 comprising 1,000,000 ordinary shares of \$1 each by the creation of 900,000 ordinary shares of \$1 each. On 8 November 2001, the issued and paid-up share capital of SGXLink was increased to \$500,000 by the issue of 499,998 ordinary shares of \$1 each at par for cash to the Company. On 6 March 2002, the issued and paid-up share capital of SGXLink was again increased to \$1,000,000 by a further issue of 500,000 ordinary shares of \$1 each at par for cash to the Company. The proceeds were used as working capital.

Asia Converge Pte Ltd (formerly known as "Megatrex Trading Pte Ltd")

On 30 August 2001, Asia Converge Pte Ltd ("Asia Converge") increased its authorised share capital from \$100,000 to \$10,000,000 comprising 10,000,000 ordinary shares of \$1 each by the creation of 9,900,000 ordinary shares of \$1 each. On 21 September 2001, the issued and paid-up share capital of Asia Converge was increased to \$4,000,000 by a further issue of 3,999,998 ordinary shares of \$1 each at a premium of \$1 per share for cash to provide for working capital.

- (b) There were no other issues of shares or debentures by any corporation in the Group during the financial year.

Arrangements to Enable Directors to Acquire Shares and Debentures

The Company was not, at any time during the financial year, a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of an acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share Options" in this report.

Directors' Interests in Shares or Debentures

The directors holding office at the end of the financial year had the following interests in the share capital of the Company:

	Number of ordinary shares of \$0.01 each registered in name of director or nominee at		Number of ordinary shares of \$0.01 each in which a director is deemed to have an interest at	
	<u>30.6.2002</u>	<u>1.7.2001</u>	<u>30.6.2002</u>	<u>1.7.2001</u>
J Y Pillay	262,000	212,000	-	-
Goh Yew Lin	-	-	4,132,000	2,340,000
Robert Stein	8,000	8,000	-	-
George Teo Eng Kim	-	-	8,286,636	8,286,636

According to the register of directors' shareholdings, the director holding office at 30 June 2002 who had interests in the options to subscribe for ordinary shares of the Company is set out below:

	Number of unissued ordinary shares of \$0.01 each under option held by director at	
	<u>30.6.2002</u>	<u>1.7.2001</u>
Thomas A. Kloet	15,000,000	12,500,000

The share options were granted pursuant to Thomas A. Kloet's employment contract.

There was no change in any of the abovementioned interests in the Company or in related corporations between the end of the financial year and 21 July 2002.

Ability to Meet Obligations

No contingent or other liability of the Company or any other corporation in the Group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company and the Group to meet their obligations as and when they fall due.

Other Circumstances Affecting the Financial Statements

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the consolidated financial statements which would render any amount stated in the financial statements of the Company and the consolidated financial statements misleading.

Directors' Contractual Benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than as disclosed in the consolidated financial statements or in this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Share Options

(a) SGX Share Option Plan (the “Scheme”)

The Scheme is administered by the Compensation and Management Development Committee which comprises the following SGX directors:

Wong Ngit Liong (Chairman)	J Y Pillay	Thomas A. Kloet
Richard Gnodde	Low Check Kian	Hidetoshi Mine
Robert Stein		

The Scheme was approved at the Extraordinary General Meeting (“EGM”) of SGX on 1 November 2000.

Scheme for Group Employees (as defined in the rules of SGX Share Option Plan (“Rules”))

Under the Scheme, options granted to Group Employees may be exercised two years after the date of the grant and will have a term of no longer than seven years from the date of grant.

Scheme for Non-Executive Directors and Associated Company Employees (both as defined in the Rules)

Options granted to Non-Executive Directors or Associated Company Employees with subscription prices which are equal to, or higher than, the Market Price of SGX shares may be exercised one year after the date of the grant; while options with subscription prices at a discount to the Market Price may be exercised two years after the date of the grant. Options granted will have a term no longer than five years from the date of grant.

Restrictions

The aggregate nominal amount of new SGX shares over which options may be granted under the Scheme on any date, when added to the nominal amount of new SGX shares issued and issuable in respect of all options granted under the Scheme shall not exceed 15% of SGX’s issued share capital on the day preceding the relevant date of grant. The terms and conditions of the options granted are in accordance with the Scheme duly approved by the SGX shareholders at the EGM. The subscription price of an option will be equal to the Market Price or such higher price or a price which is set at a discount to the Market Price, subject to a maximum discount of 20% from the Market Price. Market Price is the average of the closing prices of SGX’s ordinary shares on SGX-ST over five consecutive market days immediately preceding the date of grant of that option.

Options Granted Under the Scheme

During the financial year, the following options were granted to the Group Employees under the Scheme:

<u>Date of grant</u>	<u>Exercise period</u>	<u>Number of ordinary shares granted under options</u>	<u>Subscription price</u>
3.12.2001	3.12.2003 to 2.12.2008	8,195,000	\$1.21
15.1.2002	15.1.2004 to 14.1.2009	175,000	\$1.29

No options were granted to Non-Executive Directors and Associated Company Employees since the commencement of the Scheme.

Share Options (continued)

(b) Thomas A. Kloet's Employment Contract (the "Contract")

The SGX share options under the Contract was granted to Thomas A. Kloet at the EGM.

Options granted under the Contract

<u>Name of participant</u>	<u>Number of ordinary shares granted under options during the financial year under review</u>	<u>Aggregate number of ordinary shares granted under options since commencement of Contract to end of the financial year under review</u>	<u>Aggregate number of ordinary shares granted under options exercised since commencement of Contract to end of financial year under review</u>	<u>Aggregate number of ordinary shares granted under options outstanding as at end of financial year under review</u>
Thomas A. Kloet	2,500,000	15,000,000 *	-	15,000,000

* The breakdown of the number of ordinary shares of SGX granted under the options to Thomas A. Kloet since the commencement of the Contract to the end of the financial year is as follows:

<u>Date of grant</u>	<u>Exercise period</u>	<u>Number of ordinary shares granted under options</u>	<u>Subscription price</u>
24.4.2000	24.4.2001 to 23.4.2010	5,000,000	\$1.10
24.4.2000	24.4.2001 to 23.4.2010	5,000,000	\$1.65
24.4.2001	24.4.2002 to 23.4.2011	2,500,000	\$1.17
24.4.2002	24.4.2003 to 23.4.2012	2,500,000	\$1.32
		<u>15,000,000</u>	

(c) Issue of Shares Under Option (the Scheme and the Contract)

During the financial year, no SGX shares were allotted and issued by virtue of the exercise of the options granted pursuant to the Scheme or the Contract.

(d) Unissued Shares Under Option (the Scheme and the Contract)

There were 30,296,000 unissued ordinary shares under the options granted pursuant to the Scheme and the Contract at the end of the financial year. Details of the options to subscribe for ordinary shares of \$0.01 each of SGX granted to the Group Employees pursuant to the Scheme and Thomas A. Kloet under the Contract are as follows:

Share Options (continued)

(d) Unissued Shares Under Option (the Scheme and the Contract) (continued)

Date of grant	Balance as at 1.7.2001 or date of grant if later	Options lapsed	Balance as at 30.6.2002	Number of holders as at 30.6.2002	Subscription price	Fair value as at 30.6.2002 ^{@@}	Exercise period
24.4.2000	5,000,000	-	5,000,000	1**	\$1.10	\$0.37	24.4.2001 to 23.4.2010
24.4.2000	5,000,000	-	5,000,000	1**	\$1.65	\$0.29	24.4.2001 to 23.4.2010
20.11.2000	7,790,000	509,000	7,281,000	544	\$1.10	\$0.36	20.11.2002 to 19.11.2007
24.4.2001	2,500,000	-	2,500,000	1**	\$1.17	\$0.36	24.4.2002 to 23.4.2011
3.12.2001	8,195,000	355,000	7,840,000	609	\$1.21	\$0.32	3.12.2003 to 2.12.2008
15.1.2002	175,000	-	175,000	1	\$1.29	\$0.31	15.1.2004 to 14.1.2009
24.4.2002	2,500,000	-	2,500,000	1**	\$1.32	\$0.31	24.4.2003 to 23.4.2012
Total	31,160,000	864,000	30,296,000				

** Relates to Thomas A. Kloet

^{@@} The fair value of options is estimated using the Black-Scholes Option-Pricing model based on the following factors: Current Stock Price, Option Term, Stock Price Volatility, Risk-Free Interest Rate, Dividend Yield and Exercise Price. Volatility rate is generally based on 36-month period but due to short trading period of SGX's shares, a 40% volatility rate is assumed.

The options granted by SGX do not entitle the holders of the options, by virtue of such holdings, to any right to participate in any share issue of any other company.

There are no SGX employees who have been granted or who hold options representing 5% or more of the total number of shares available under the Scheme.

No share options were granted to the SGX directors apart from Thomas A. Kloet pursuant to the Contract during this financial year.

No share options were exercised during the financial year ended 30 June 2002.

Audit Committee

The Audit Committee comprises independent non-executive directors as follows:

Ho Tian Yee (Chairman)
Victor Liew Cheng San
Hidetoshi Mine
Robert Stein
Wong Ngit Liong

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act, including a review of the financial statements of the Company and of the Group for the financial year and the auditors' report thereon.

The Audit Committee has nominated PricewaterhouseCoopers for re-appointment as auditors of the Company at the forthcoming Annual General Meeting.

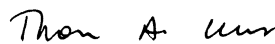
Unusual Items During and After the Financial Year

In the opinion of the directors, except for the exceptional charge arising from the provision for surplus leased premises as a result of the relocation of most of the Group's operations to SGX Centre as disclosed in the notes to the full financial statements, no item, transaction or event of a material and unusual nature has arisen during the financial year or in the interval between the end of the financial year and the date of this report which would substantially affect the results of the operations of the Company and of the Group for the financial year in which this report is made, or render any amount stated in the financial statements of the Company and of the Group for the current financial year misleading, and/or affect the ability of the Company and of the Group in meeting their obligations as and when they fall due.

The summary financial statements set out on pages 22 to 39 have been authorised for issue by the Board of Directors and signed on its behalf by:



J Y Pillay
Director



Thomas A. Kloet
Director

15 August 2002

Auditors' Statement to the Shareholders of Singapore Exchange Limited

We have examined the summary financial statements set out on pages 22 to 39.

In our opinion, the summary financial statements are consistent with the full financial statements and Directors' Report of Singapore Exchange Limited and its subsidiary companies for the financial year ended 30 June 2002 from which they were derived, and complies with the requirements of Section 203A of the Companies (Amendment) Act 1995, and regulations made thereunder, applicable to summary financial statements.

We have issued our audit report dated 15 August 2002 on the full financial statements of Singapore Exchange Limited and its subsidiary companies for the financial year ended 30 June 2002. The audit report is as follows:

"Auditors' Report to the Shareholders of Singapore Exchange Limited

We have audited the financial statements of Singapore Exchange Limited and the consolidated financial statements of the Group for the financial year ended 30 June 2002 set out on pages # to #. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform our audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the accompanying financial statements of the Company and consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Singapore Companies Act ("Act") and Singapore Statements of Accounting Standard and so as to give a true and fair view of:
 - (i) the state of affairs of the Company and of the Group at 30 June 2002, the profit and changes in equity of the Company and of the Group, and the cash flows of the Group for the financial year ended on that date; and
 - (ii) the other matters required by section 201 of the Act to be dealt with in the financial statements of the Company, and the consolidated financial statements of the Group; and
- (b) the accounting and other records, and the registers required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Auditors' Statement to the Shareholders of Singapore Exchange Limited (continued)

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations as required by us for those purposes.

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and in respect of subsidiaries incorporated in Singapore did not include any comment made under Section 207(3) of the Act."

The logo for PricewaterhouseCoopers, featuring the company name in a stylized, cursive script.

PricewaterhouseCoopers
Certified Public Accountants

Singapore, 15 August 2002

The page numbers are as stated in the Auditors' Report dated 15 August 2002 included in Singapore Exchange Limited's Annual Report for the financial year ended 30 June 2002.

Balance Sheets

As at 30 June 2002

	Notes	The Group		The Company	
		2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Current assets					
Cash and cash equivalents		253,048	230,719	23,127	65,964
Trade and other debtors		313,371	337,253	21,809	40,402
Derivatives margin funds and deposits		1,532,519	1,846,419	-	-
Securities clearing funds		34,148	34,194	-	-
Available-for-sale investments		335,437	329,828	317,454	301,632
		<u>2,468,523</u>	<u>2,778,413</u>	<u>362,390</u>	<u>407,998</u>
Non-current assets					
Property, plant and equipment		282,344	278,550	47,413	40,381
Club memberships		700	728	700	728
Investments in subsidiaries		-	-	392,340	391,340
Investment in joint-venture		368	-	-	-
		<u>283,412</u>	<u>279,278</u>	<u>440,453</u>	<u>432,449</u>
Net assets of securities and derivatives fidelity funds		51,913	51,095	-	-
Total assets		<u>2,803,848</u>	<u>3,108,786</u>	<u>802,843</u>	<u>840,447</u>
Current liabilities					
Trade and other creditors		337,430	346,474	13,382	13,868
Derivatives margin funds and deposits		1,532,519	1,846,419	-	-
Securities clearing members' contributions to clearing funds		9,148	9,194	-	-
Provision for surplus leased premises and unutilised leave	2	4,049	-	2,601	-
Taxation		19,595	22,301	2,119	1,228
		<u>1,902,741</u>	<u>2,224,388</u>	<u>18,102</u>	<u>15,096</u>
Non-current liabilities					
Provision for surplus leased premises	2	4,816	-	3,549	-
Deferred tax liabilities		6,527	2,362	4,404	-
		<u>11,343</u>	<u>2,362</u>	<u>7,953</u>	<u>-</u>
Total liabilities		<u>1,914,084</u>	<u>2,226,750</u>	<u>26,055</u>	<u>15,096</u>
Net assets		<u>889,764</u>	<u>882,036</u>	<u>776,788</u>	<u>825,351</u>
Equity					
Share capital		10,000	10,000	10,000	10,000
Reserves		826,573	820,941	766,788	815,351
		<u>836,573</u>	<u>830,941</u>	<u>776,788</u>	<u>825,351</u>
Minority interests		1,278	-	-	-
Accumulated funds of securities and derivatives fidelity funds		51,913	51,095	-	-
		<u>889,764</u>	<u>882,036</u>	<u>776,788</u>	<u>825,351</u>

Income Statements

For the financial year ended 30 June 2002

	Notes	The Group		The Company	
		2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
Operating revenue					
Clearing fees and related income (net of rebates)		115,834	107,176	-	-
Access and terminal fees		32,180	31,064	-	-
Account maintenance and processing fees		37,111	36,921	-	-
Listing and membership fees		16,677	17,295	-	-
Price information fees		11,498	11,214	-	-
Sale of software and other computer services		6,057	5,217	-	-
Management fees from subsidiaries		-	-	79,690	77,097
Gross dividend income from subsidiaries		-	-	-	106,490
Other operating revenue		9,126	8,132	1,399	1,346
Total operating revenue		228,483	217,019	81,089	184,933
Operating expenses					
Staff costs		74,765	62,515	44,343	39,547
Occupancy costs		17,977	14,494	8,894	7,675
Depreciation		23,521	19,716	9,658	7,227
System maintenance and rental		18,930	20,964	7,090	10,557
Provision for surplus leased premises		7,000	-	4,893	-
Other operating expenses		29,300	26,956	10,289	6,655
Total operating expenses		171,493	144,645	85,167	71,661
Profit/(loss) from operating activities	3	56,990	72,374	(4,078)	113,272
Net non-operating income/(expense)		20,107	(3,478)	15,830	(10,662)
Profit before tax and minority interests		77,097	68,896	11,752	102,610
Share of results of joint-venture		(123)	(449)	-	-
		76,974	68,447	11,752	102,610
Tax		(18,710)	(19,422)	(5,200)	(25,675)
Profit after tax and before minority interests		58,264	49,025	6,552	76,935
Minority interests		2,642	-	-	-
Profit after tax and minority interests		60,906	49,025	6,552	76,935
Interim gross dividends of 2.904 cents per share net of tax at 22% (2001: 3 cents net of tax at 24.5%)		22,650	22,650	22,650	22,650
Proposed final gross dividends of 4.396 cents per share net of tax at 22% (2001: 4.3 cents net of tax at 24.5%)		34,290	32,465	34,290	32,465
Gross dividend per ordinary share (cents)		7.3	7.3	7.3	7.3

Income Statements (continued)

For the financial year ended 30 June 2002

	<u>The Group</u>	
	2002	2001
Basic earnings per share (cents)	6.09	6.47
Diluted earnings per share (cents)	6.08	6.46
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	1,000,000	757,477
Adjustment for assumed conversion of share options ('000)	971	1,206
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,000,971	758,683

Consolidated Statement of Changes in Equity

For the financial year ended 30 June 2002

The Group

	Share capital \$'000	Share premium* \$'000	Clearing fund reserve* \$'000	Translation reserve* \$'000	Hedging reserve* \$'000	General reserve \$'000	Retained profits \$'000	Proposed dividends \$'000	Total \$'000
Balance at 1 July 2001									
- as previously reported	10,000	305,537	25,000	28	-	404,322	53,589	-	798,476
- effect of adopting SAS 31	-	-	-	-	-	-	-	32,465	32,465
- as restated									830,941
- effect of adopting SAS 33	-	-	-	-	(1,755)	-	-	-	(1,755)
	10,000	305,537	25,000	28	(1,755)	404,322	53,589	32,465	829,186
Gain on hedging									
- unrealised	-	-	-	-	1,279	-	-	-	1,279
- transfer to income statement	-	-	-	-	329	-	(329)	-	-
Net profit before realisation of hedging reserve	-	-	-	-	-	-	61,235	-	61,235
Net profit for the financial year	-	-	-	-	1,608	-	60,906	-	62,514
Currency translation differences recognised directly in shareholders' equity	-	-	-	(12)	-	-	-	-	(12)
Total recognised gains for the financial year	-	-	-	(12)	1,608	-	60,906	-	62,502
Transfer to retained profits	-	-	-	-	-	(404,322)	-	-	(404,322)
Transfer from general reserve	-	-	-	-	-	-	404,322	-	404,322
Dividends paid									
- Financial year 2001	-	-	-	-	-	-	-	(32,465)	(32,465)
- Financial year 2002	-	-	-	-	-	-	(22,650)	-	(22,650)
Proposed dividends									
- Financial year 2002	-	-	-	-	-	-	(34,290)	34,290	-
Balance at 30 June 2002	10,000	305,537	25,000	16	(147)	-	461,877	34,290	836,573
Balance at 1 July 2000	62	308,278	25,000	17	-	404,322	59,679	-	797,358
Currency translation differences recognised directly in shareholders' equity	-	-	-	11	-	-	-	-	11
Net profit for the financial year	-	-	-	-	-	-	49,025	-	49,025
Total recognised gains for the financial year	-	-	-	11	-	-	49,025	-	49,036
Bonus issue of ordinary shares	2,741	(2,741)	-	-	-	-	-	-	-
Issue of ordinary share capital	7,197	-	-	-	-	-	-	-	7,197
Dividends paid									
- Financial year 2001	-	-	-	-	-	-	(22,650)	-	(22,650)
Proposed dividends									
- Financial year 2001	-	-	-	-	-	-	(32,465)	32,465	-
Balance at 30 June 2001	10,000	305,537	25,000	28	-	404,322	53,589	32,465	830,941

* Non-distributable reserves are not available for distribution as cash dividends to the shareholders of the Company.

Statement of Changes in Equity

For the financial year ended 30 June 2002

The Company

	Share capital \$'000	Share premium* \$'000	Retained profits \$'000	Proposed dividends \$'000	Total \$'000
Balance at 1 July 2001					
- as previously reported	10,000	305,537	477,349	-	792,886
- effect of adopting SAS 31	-	-	-	32,465	32,465
- as restated	10,000	305,537	477,349	32,465	825,351
Net profit - total recognised gains for the financial year	-	-	6,552	-	6,552
Dividends paid					
- Financial year 2001	-	-	-	(32,465)	(32,465)
- Financial year 2002	-	-	(22,650)	-	(22,650)
Proposed dividends					
- Financial year 2002	-	-	(34,290)	34,290	-
Balance at 30 June 2002	10,000	305,537	426,961	34,290	776,788
Balance at 1 July 2000	62	308,278	455,529	-	763,869
Net profit - total recognised gains for the financial year	-	-	76,935	-	76,935
Bonus issue of ordinary share capital	2,741	(2,741)	-	-	-
Issue of ordinary share capital	7,197	-	-	-	7,197
Dividends paid					
- Financial year 2001	-	-	(22,650)	-	(22,650)
Proposed dividends					
- Financial year 2001	-	-	(32,465)	32,465	-
Balance at 30 June 2001	10,000	305,537	477,349	32,465	825,351

* Non-distributable reserves are not available for distribution as cash dividends to the shareholders of the Company.

Consolidated Cash Flow Statement

For the financial year ended 30 June 2002

	2002 \$'000	2001 \$'000
Cash flows from operating activities		
Profit before tax and share of results of joint-venture	77,097	68,896
Adjustments for:		
- Depreciation	23,521	19,716
- Provision for surplus leased premises	7,000	-
- Net (gain)/loss on revaluation of investments	(15,148)	13,960
- Write-off of property, plant and equipment	635	-
- Write down of club membership	28	-
- Interest income	(4,660)	(10,128)
Operating cash flow before working capital change	88,473	92,444
Change in operating assets and liabilities		
- Trade and other receivables	15,108	32,023
- Trade and other payables	(7,046)	(27,332)
Cash generated from operations	96,535	97,135
Income tax paid	(17,385)	(36,056)
Dividends paid	(55,115)	(22,650)
Net cash from operating activities	24,035	38,429
Cash flows from investing activities		
Payments for properties under development	-	(100,864)
Payments for property, plant and equipment	(29,578)	(23,313)
Purchase of investments	-	(315,000)
Interest received	7,134	13,822
Proceeds from sale of investment	10,187	9,000
Receipt from Financial Sector Development Fund ("FSDF") for purchase of property, plant and equipment	1,628	112
Investment in joint-venture	(890)	(50)
Net cash used in investing activities	(11,519)	(416,293)
Cash flows from financing activities		
Net proceeds from issue of ordinary shares	-	7,197
Receipt from FSDF	5,905	-
Contributions from minority interests	3,920	-
Net cash from financing activities	9,825	7,197
Net increase/(decrease) in cash and cash equivalents held	22,341	(370,667)
Cash and cash equivalents at the beginning of the financial year	230,719	601,375
Effects of exchange rate changes on cash and cash equivalents	(12)	11
Cash and cash equivalents at the end of the financial year	253,048	230,719

Notes to Summary Financial Statements

For the financial year ended 30 June 2002

1. Material Changes in Accounting Policies

The financial statements have been prepared in compliance with Singapore Statements of Accounting Standard ("SAS"). The new or revised SAS adopted during the financial year include:

• SAS 8 (Revised 2000)	Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies
• SAS 10 (Revised 2000)	Events after the Balance Sheet Date
• SAS 12 (Revised 2001)	Income Taxes
• SAS 17 (Revised 2000)	Employee Benefits
• SAS 22	Business Combinations
• SAS 26	Consolidated Financial Statements and Accounting for Investments in Subsidiaries
• SAS 29	Financial Reporting of Interests in Joint Ventures
• SAS 31	Provisions, Contingent Liabilities and Contingent Assets
• SAS 32	Financial Instruments: Disclosure and Presentation
• SAS 33	Financial Instruments: Recognition and Measurement
• SAS 34	Intangible Assets
• SAS 36	Impairment of Assets

The effects of adopting SAS 31 is summarised in the consolidated statement of changes in shareholders' equity and further information is disclosed in the notes to the full financial statements.

SAS 33, which the Group has adopted before its effective date, requires the gain or loss on the effective cash flow hedge to be recognised directly in equity. Accordingly, an amount of \$1,755,000 was reclassified from trade and other debtors to hedging reserve as of 1 July 2001. SAS 33 specifically requires no retrospective adjustment to be made for the comparative figures as of 30 June 2001.

There are no other material adjustments to the financial statements arising from the adoption of these new or revised SAS.

In the current financial year, certain categories of operating revenue, which were previously presented net of pertaining direct costs, have been presented on a gross basis, resulting in an increase in comparative operating revenues and operating expenses for the Group by \$8,656,000 each, and \$1,057,000 each for the Company.

2. Provision for Surplus Leased Premises and Unutilised Leave

(a) Current

	The Group		The Company	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Provision for surplus leased premises (Note (c))	2,184	-	1,344	-
Provision for unutilised leave	1,865	-	1,257	-
	<u>4,049</u>	<u>-</u>	<u>2,601</u>	<u>-</u>

(b) Non-Current

Provision for surplus leased premises (Note (c))	<u>4,816</u>	<u>-</u>	<u>3,549</u>	<u>-</u>
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2. Provision for Surplus Leased Premises and Unutilised Leave (continued)

(c) Provision for Surplus Leased Premises

The amounts shown comprise gross provisions in respect of non-cancellable operating leases which the Group currently does not occupy and does not expect to occupy in the future.

The provision has been calculated on the basis of discounted net future cash flow which the Group has to pay the landlord after deducting any rental received or expected to be received from subletting the surplus leased premises from the rent which the Group is obliged to pay under the original lease agreements with the landlord.

3. Profit/(Loss) from Operating Activities

	<u>The Group</u>		<u>The Company</u>	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
<u>Profit/(loss) from operating activities</u>				
<u>is arrived at after:</u>				
Charging:				
Audit services by auditors of the Company				
- current year	432	312	150	135
- prior year	40	105	(5)	20
Other services by auditors of the Company	196	250	70	170
Depreciation of property, plant and equipment				
- Freehold building	265	275	265	275
- Leasehold land and buildings	1,888	5	-	-
- Leasehold improvements	2,515	1,581	2,313	1,266
- Furniture, fittings and office equipment	708	1,222	225	438
- Computers	17,921	16,374	6,644	5,014
- Motor vehicles	224	259	211	234
Write-off of property, plant and equipment	635	-	623	-
Directors' fees				
- of the Company	286	308	286	308
Directors' remuneration				
- of the Company	3,532	3,772	3,532	3,772
- of the subsidiaries	2,212	1,849	-	-
Net foreign exchange loss	72	-	22	13
Rental expenses - operating leases	16,311	18,608	7,601	8,847
Rental expenses paid to subsidiaries	-	-	1,071	-
Provision for doubtful trade debts	514	2	-	-
Bad debts written off (trade)	4	50	-	-
Recoverable merger-related expenses written off	191	-	191	-
Provision for unutilised leave	1,865	-	1,257	-
Exceptional item - Provision for surplus leased premises	7,000	-	4,893	-
And crediting:				
Rental income from subsidiary	-	-	65	65
Gross dividend income from subsidiaries	-	-	-	106,490
Gain on disposal of property, plant and equipment	39	-	25	-
Net foreign exchange gain	-	303	-	-
Bank interest income	3,985	2,117	-	-

4. Directors and Employees Information

- (a) The number of employees in the Group as at 30 June 2002 was 840 (2001: 813), including 79 (2001: nil) employees of Asia Converge Pte Ltd.

(b) Remuneration of Executives

The table below shows the ranges of gross remuneration received by the top 5 executives (excluding executive directors) of the Group.

	2002	2001
Number of executives of the Group in remuneration bands:		
\$850,000 and above	-	-
\$700,000 to \$849,999	1	2
\$550,000 to \$699,999	2	1
\$400,000 to \$549,999	2	1
\$250,000 to \$399,999	-	1
Less than \$250,000	-	-
Total	5	5

(c) Remuneration of Directors

	<u>The Group</u>		<u>The Company</u>	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Directors' fees				
- of the Company	286	308	286	308
Directors' remuneration				
- of the Company	3,532	3,772	3,532	3,772
- of the subsidiaries	2,212	1,849	-	-
	6,030	5,929	3,818	4,080

(d) Gross Remuneration

The gross remuneration disclosed above is computed based on gross salaries, bonus paid in respect of prior year performance and other benefits received during the financial year.

5. Related Party Transactions

Certain directors are also directors of securities broking or derivatives broking companies. The Group, in the ordinary course of business, enters into transactions under prevailing commercial terms and conditions with corporations with which these directors are either related or employed.

6. Net Current Assets

	<u>The Group</u>		<u>The Company</u>	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
Total current assets	2,468,523	2,778,413	362,390	407,998
Total current liabilities	1,902,741	2,224,388	18,102	15,096
Net current assets	565,782	554,025	344,288	392,902

Notice of Annual General Meeting and Notice of Books Closure Date

NOTICE IS HEREBY GIVEN that the Third Annual General Meeting of Singapore Exchange Limited will be held at The Pan Pacific Singapore, Ocean Rooms 2-5, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on 4 October 2002 at 10.00 a.m. to transact the following businesses:

1) As Ordinary Business

- | | |
|--------------|---|
| Resolution 1 | To receive and adopt the Directors' Report and the Audited Accounts for the year ended 30 June 2002 with the Auditors' Report thereon. |
| Resolution 2 | To re-elect the following Directors retiring by rotation under Article 99 of the Company's Articles of Association (the "Articles") and who, being eligible, offer themselves for re-election:

a) Mr Goh Yew Lin
b) Mr Ho Tian Yee
c) Mr Victor Liew Cheng San
d) Mr Low Check Kian |
| Resolution 3 | To approve the amount of S\$285,800 proposed as Directors' fees. |
| Resolution 4 | To declare a gross final dividend of S\$0.04396 per share less income tax of 22% for the financial year ended 30 June 2002. |
| Resolution 5 | To re-appoint Messrs PricewaterhouseCoopers as Auditors of the Company and to authorise the Directors to fix their remuneration. |

2) As Special Business

To consider, and if thought fit, to pass the following resolutions as ordinary resolutions:

- | | |
|--------------|---|
| Resolution 6 | That pursuant to Section 161 of the Companies Act, Chapter 50 and the Listing Manual of the Singapore Exchange Securities Trading Limited, authority be and is hereby given to the Directors to issue shares in the capital of the Company (whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit provided that:

a) the aggregate number of shares to be issued pursuant to this Resolution does not exceed 50% of the issued share capital of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company does not exceed 20% of the issued share capital of the Company (as calculated in accordance with sub-paragraph (b) below); |
|--------------|---|

- b) notwithstanding the provisions of Article 8A(B)(a) of the Articles of Association of the Company, for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the percentage of issued share capital shall be calculated based on the maximum potential issued share capital of the Company as at the date of the passing of this Resolution (including all shares which may be issued upon the conversion or exercise of any convertible securities and share options that have been issued pursuant to any previous shareholder approval and which are outstanding as at the date of the passing of this Resolution), adjusted for any subsequent consolidation or subdivision of shares; and
- c) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

Resolution 7 That approval be and is hereby given to the Directors to offer and grant options in accordance with the provisions of the SGX Share Option Plan and to allot and issue from time to time such number of ordinary shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options under the SGX Share Option Plan, provided that the aggregate number of new shares to be issued pursuant to the SGX Share Option Plan shall not exceed 15% of the total issued share capital of the Company from time to time.

3) To Transact Any Other Business

By Order Of The Board



Joyce Fong Foong Chao (Ms)
Company Secretary
Singapore Exchange Limited
Dated : 6 September 2002

Statement Pursuant to Article 59 of the Company's Articles of Association

Resolution 6 is to empower the Directors to issue shares in the capital of the Company up to an amount not exceeding in total 50% of the issued share capital of the Company, with a sub-limit of 20% for shares issued other than on a pro-rata basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued share capital will be calculated based on the maximum potential issued share capital as at the date of the passing of the Resolution (including all shares which may be issued upon the conversion or exercise of any convertible securities and share options that have been issued pursuant to any previous shareholder approval and which are outstanding as at the date of the passing of the Resolution), adjusted for any subsequent consolidation or subdivision of shares. This calculation is in accordance with Listing Rule 806(3) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Resolution 7 is to empower the Directors to offer and grant options, and to issue shares in the capital of the Company, pursuant to the SGX Share Option Plan which was approved by shareholders at the Extraordinary General Meeting on 1 November 2000, provided that the aggregate number of new shares to be issued shall not exceed 15% of the total issued share capital of the Company from time to time.

Notes:

- 1) An ordinary shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote on his behalf.
- 2) A proxy need not be a member of the Company.
- 3) The instrument appointing a proxy or proxies (together with the power of attorney, if any, under which it is signed or a certified copy thereof) must be deposited at the registered office of the Company, at 2 Shenton Way, #19-00 SGX Centre 1, Singapore 068804 not less than 48 hours before the time appointed for holding the Annual General Meeting.

Notice of Books Closure Date and Dividend Payment Date

The Company gives notice that the Register of Members and the Transfer Books of the Company will be closed from 10 October 2002 after 5.00 p.m. to 11 October 2002, both dates inclusive, for the preparation of dividend warrants. The Register of Members and the Transfer Books will re-open on 14 October 2002. Duly completed registered transfers of shares received by the Company's Share Registrar, Lim Associates (Pte) Ltd, at 10 Collyer Quay, #19-08 Ocean Building, Singapore 049315 before 5.00 p.m. on 10 October 2002, will be registered in the Register of Members and the Transfer Books of the Company to determine shareholders' entitlements to the proposed final dividend. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the proposed final dividend will be paid by the Company to CDP which will in turn distribute the final dividend entitlements to the CDP account holders in accordance with its normal practice.

The proposed final dividend, if approved by the shareholders at the Annual General Meeting to be held on 4 October 2002, will be paid on 22 October 2002.

Copies of Summary Annual Report and Annual Report

The Summary Annual Report will be sent to all shareholders on the Register as at the date of this Notice. The Annual Report will be sent to shareholders upon request and will be available on SGX's website www.sgx.com.

1. For investors who have used their CPF monies to buy the Company's shares, this report is forwarded to them at the request of their CPF approved nominees and is sent solely FOR THEIR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purportedly to be used by them.

Proxy Form for Annual General Meeting

I/We, _____ of _____
_____ being a member/members* of SINGAPORE EXCHANGE LIMITED hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Shareholdings
and/or*			

Or failing him/her*, the Chairman of the Annual General Meeting ("AGM") of the Company, as my/our* proxy/proxies*, to attend and to vote for me/us* on my/our* behalf, at the AGM of the Company to be held at The Pan Pacific Singapore, Ocean Rooms 2-5, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on 4 October 2002 at 10.00 a.m. and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/her/their* discretion, as he/she/they* will on any other matter arising at the AGM and at any adjournment thereof. If no person is named in the above boxes, the Chairman of the AGM shall be my/our* proxy/proxies* to vote, for or against the Resolutions to be proposed at the AGM as indicated hereunder, for me/us* and on my/our* behalf at the AGM and at any adjournment thereof.

No.	Ordinary Resolutions	For	Against
1	To adopt the Directors' Report and Audited Accounts.		
2 (a)	To re-elect Mr Goh Yew Lin who retires by rotation under Article 99.		
2 (b)	To re-elect Mr Ho Tian Yee who retires by rotation under Article 99.		
2 (c)	To re-elect Mr Victor Liew Cheng San who retires by rotation under Article 99.		
2 (d)	To re-elect Mr Low Check Kian who retires by rotation under Article 99.		
3	To approve Directors' fees of S\$285,800.		
4	To declare a final dividend.		
5	To appoint Auditors and authorise Directors to fix their remuneration.		
	SPECIAL BUSINESS		
6	Authority to issue and allot ordinary shares.		
7	Authority to offer and grant options and issue shares under the SGX Share Option Plan.		

*Delete as appropriate

Dated this _____ day of _____ 2002

Signature(s) of Member(s)/ Common Seal

Total number of Shares held

Second fold along this line

Affix Postage
Stamp

THE COMPANY SECRETARY
Singapore Exchange Limited
2 Shenton Way #19-00
SGX Centre 1
Singapore 068804

First fold along this line

Notes:

1. Please insert the number of shares registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to the entire number of shares registered in your name(s).
2. A member entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him and the proxy need not be a member of the Company.
3. This instrument appointing a proxy or proxies (together with the power of attorney, if any, under which it is signed or a certified copy thereof) must be deposited at the registered office of the Company, at 2 Shenton Way, #19-00 SGX Centre 1, Singapore 068804 not less than 48 hours before the time appointed for holding the Annual General Meeting ("AGM").
4. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
5. This instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of any officer or attorney duly authorised.
6. A corporation which is a member may authorise by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Chapter 50.
7. The Company shall be entitled to reject this instrument of proxy if it is incomplete, or illegible, or where the true intentions are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of a member whose shares are entered in the Depository Register, the Company shall be entitled to reject this instrument of proxy which has been lodged if such member is not shown to have shares entered against his name in the Depository Register at least 48 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

Request Form

6 September 2002

Dear Shareholder

This notice accompanies a copy of the Summary Annual Report ("SAR") of Singapore Exchange Limited ("SGX") for the financial year ended 30 June 2002 ("FY2002"). The SAR contains a review of the SGX and its group of companies ("Group") for FY2002. It also contains a summary of the audited financial statements of SGX and the Group for FY2002.

The Directors' Report and the full financial statements of SGX and of the Group for FY2002 are set out in a separate report called Annual Report ("AR") 2002. This report is available to all registered SGX shareholders at no cost upon request.

We will continue to send you a copy of the SAR for as long as you are a SGX shareholder unless you indicate otherwise.

For shareholders who wish to receive a copy of the AR for FY2002, please complete the request form below accordingly, and return it to us, not later than **19 September 2002**.

For shareholders who are receiving this SAR for the first time, or who did not respond previously, if you wish to receive a copy of the AR for FY2002 and for future financial years for as long as you are a shareholder, please complete the request form below by ticking the appropriate box and returning it to us by **19 September 2002**. If we do not receive your request form, it would indicate that you do not wish to receive copies of the AR for FY2002 and for future financial years.

For shareholders who have indicated to us previously that you wish to receive the AR for as long as you are a shareholder, you may change your wishes by ticking the relevant box in the request form below and returning it to us by **19 September 2002**. If we do not receive your request form, it would indicate that there is no change to your wishes.

Your latest request will supersede the earlier requests received by us.

Please note that the AR for FY2002 will be available on SGX's website www.sgx.com.

Yours faithfully
for **SINGAPORE EXCHANGE LIMITED**



Joyce Fong Foong Chao (Ms)
Company Secretary

To **Singapore Exchange Limited**

N.B. Please tick only one box. Incomplete forms will not be processed.

- ☐ Please do not send me/us the Summary Annual Report or the Annual Report for future financial years for as long as I am/we are a shareholder of Singapore Exchange Limited.
- ☐ Please send me/us the Annual Report for financial year 2002 as well as for future financial years for as long as I am/we are a shareholder of Singapore Exchange Limited.

Name of Shareholder: _____

NRIC / Passport No.: _____ CDP Securities Account No.*: _____

Address: _____

Postcode: _____

Signature: _____ Date: _____

*This is only applicable if your shares in Singapore Exchange Limited are registered with the Central Depository (Pte) Limited ("CDP").

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THE COMPANY SECRETARY
Singapore Exchange Limited
c/o The Central Depository (Pte) Limited
20 Cecil Street #06-03/08
Singapore Exchange
Singapore 049705

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SGX CENTRE 1

The Year's Achievements at a Glance

WIDENED OUR PRODUCT RANGE

Launched Single Stock Futures Contracts

Launched Securities Lending Programme

Launched streetTRACKSSM Straits Times Index Fund

Launched MSCI Japan Index Futures Contract

EXTENDED OUR GLOBAL REACH

Announced Plans to Pursue a Strategic Alliance with the Tokyo Stock Exchange

Established Co-Trading Linkage with the Australian Stock Exchange

Launched Multi-Market Access for Derivatives Members

Formed Strategic Alliance with the Tokyo Commodity Exchange

ENHANCED OUR REGULATORY FRAMEWORK

Enhanced Soundness of Securities Market with Automated Surveillance System

Announced Review of Securities Trading Rules and Bye-Laws

Implemented new Listing Manual

IMPROVED CUSTOMER SERVICE STANDARDS

Introduced Central Depository Internet Access Service

ENHANCED OUR MARKET INFRASTRUCTURE

Launched Phase Two of Straight-Through-Processing



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NEW YORK OFFICE

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