



## NEWS RELEASE

### SGX Announces Third Quarter Profit for FY2008

14 April 2008 - Singapore Exchange Limited (SGX) today announced a profit of \$101.5 million for the third quarter of its financial year 2008 (3Q FY2008), that ended 31 March 2008. This was an increase of 13.9% from 3Q FY2007 (\$89.1 million). Compared to the previous record quarters, 3Q FY2008 has been a challenging quarter affected by the sharp downturn in global markets. 3Q FY2008 profit dropped by 17.1% from 2Q FY2008 (\$122.4 million), on the back of decreased trading activity in the securities market.

SGX's operating revenue in 3Q FY2008 grew 10.2% to \$173.3 million from \$157.3 million in 3Q FY2007. This is despite the securities market revenue falling 0.4% to \$96.3 million over the corresponding quarter in FY2007. The key contribution to the growth in revenue came from derivatives market revenue, which jumped 36.4% to \$39.0 million due to higher futures clearing revenue. In addition, stable revenue rose 18.7% to \$38.0 million due to higher corporate action, price information, listing and membership fees. In its efforts to manage costs, SGX's operating expenses fell 5.1% to \$53.4 million as compared to \$56.3 million in 3Q FY2007, mainly due to the decrease in variable bonus provision.

With the volatile market and trading conditions, SGX's 3Q FY2008 securities daily average trading value (SDAV) of \$1.9 billion was close to 3Q FY2007 of \$1.97 billion. However, this was a drop in value as compared to 2Q FY2008's \$2.37 billion. The annualised trading velocity in 3Q FY2008 was 68.3% as compared to 75.1% of 2Q FY2008.

Despite that, the trading value of the Exchange-traded funds (ETFs) surged by 244.5% to hit a record quarter value of \$727.4 million as compared to \$211.2 million in 3Q FY2007. With the launch of Asia's first India ETF based on the Nifty index in March 2008, SGX offers in total a suite of 18 ETFs with exposure to commodities such as gold, and major Asian markets including Singapore, India, Greater China, Korea and Japan.

Bolstered by strong growth across its main Asian equity futures products, SGX's futures trading volume swelled 51.0% to 14.8 million contracts over the same period last year. For example, the CNX Nifty contract registered strong growth from a low base in 3Q FY2007 to 2.9 million contracts in 3Q FY2008. The MSCI Singapore futures contracts saw a volume increase of 62.0% to 1.3 million contracts, and the MSCI Taiwan futures contract volume increased 49.2% to 4.3 million contracts, as compared to 2.9 million contracts in 3Q FY2007. The strong performance of the derivatives business reflected the market participants' appetite for equity derivatives products and services in the Asian equity markets during the Asian time zone.

Mr Hsieh Fu Hua, CEO of SGX said, "It has been a challenging quarter affected by global market uncertainties. Nevertheless, we are pleased with the performance year-on-year, especially the sustained improvement in our derivatives volume."



## Financial Highlights of 9 Months FY2008 Results – 1 July 2007 to 31 March 2008

S\$ Million	9 Months FY2008	9 Months FY2007	Change	3Q FY2008	3Q FY2007	Change
Operating Revenue	596.5	386.1	54.5%	173.3	157.3	10.2%
Operating Expenses	(172.5)	(151.0)	14.2%	(53.4)	(56.3)	(5.1%)
Operating Profit	424.0	235.1	80.4%	119.9	101.0	18.7%
Other Gains/(Losses)	44.1*	58.1**	(24.1%)	4.6	5.5	(16.5%)
Profit Before Tax and Share of Results of Joint Ventures and Associated Company	468.1	293.2	59.7%	124.5	106.5	16.9%
Share of Results of Joint Ventures and Associated Company	(0.5)	(1.9)	(69.6%)	-	(0.4)	(91.9%)
Tax	(79.6)***	(45.8)	73.8%	(23.0)	(17.0)	35.1%
<b>Profit Attributable to Equity Holders</b>						
– before distribution from SGX-DT Compensation Fund and write back of allowance for impairment	353.9	200.5	76.5%	101.5	89.1	13.9%
– after distribution from SGX-DT Compensation Fund and write back of allowance for impairment	388.0	245.5	58.0%	101.5	89.1	13.9%
Basic earnings per ordinary share (cents)						
– before distribution from SGX-DT Compensation Fund and write back of allowance for impairment	33.38	19.02	14.36	9.57	8.43	1.14
– after distribution from SGX-DT Compensation Fund and write back of allowance for impairment	36.58	23.29	13.29	9.57	8.43	1.14
Interim base (tax exempt one tier) dividend per share (cents)	9.00	6.00	3.00	3.00	2.00	1.00

\* Includes \$34 million distribution from SGX-DT Compensation Fund

\*\* Includes \$45 million write back of allowance for impairment on SGX Centre

\*\*\* Distribution from SGX-DT Compensation Fund is not subject to tax



The complete 3Q FY2008 financial statements are available on SGXNET and the Investor Relations page of our website at [www.sgx.com](http://www.sgx.com). (SGX SP, SGXL.SI)

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