

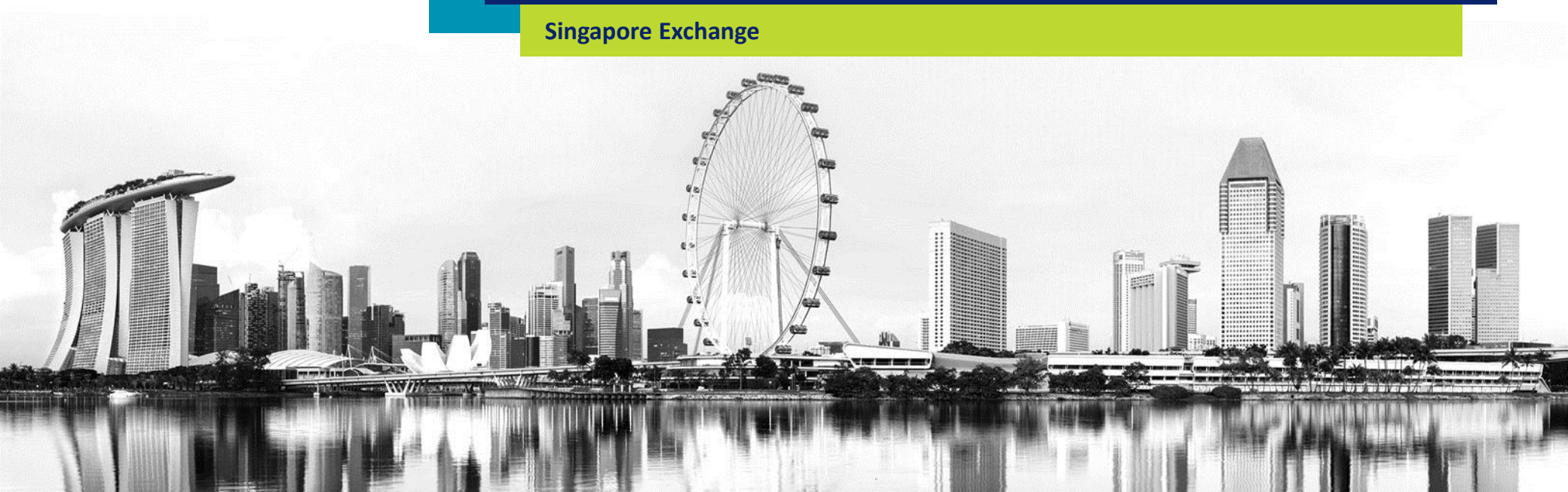
SGX - MKE

Singapore Corporate Day 2017

Investor Relations

25 August 2017

Singapore Exchange



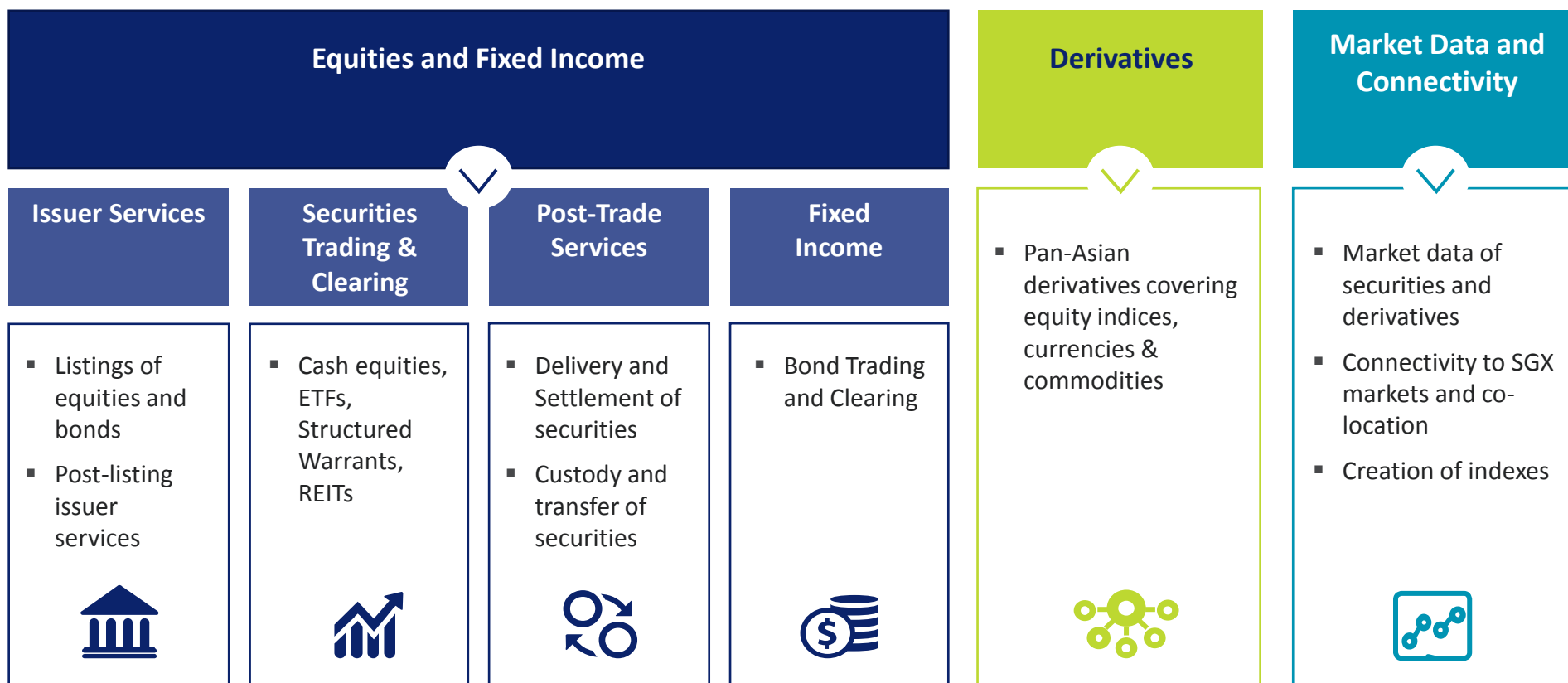
Who We Are

A diversified exchange group that runs key market infrastructure including the Singapore stock market and a pan-Asian derivatives exchange covering all major asset classes



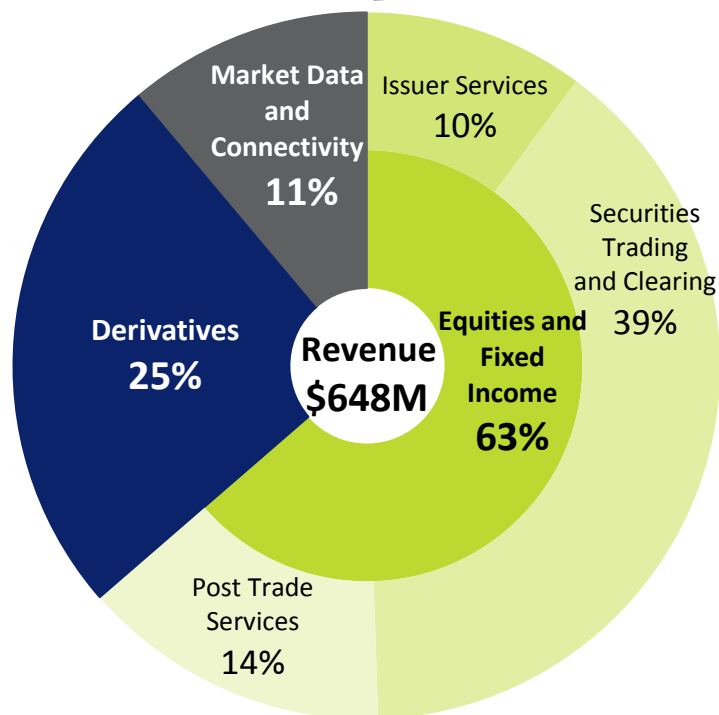
Our Business Lines

Three business units covering the entire exchange value chain, resulting in diversified and resilient revenue streams

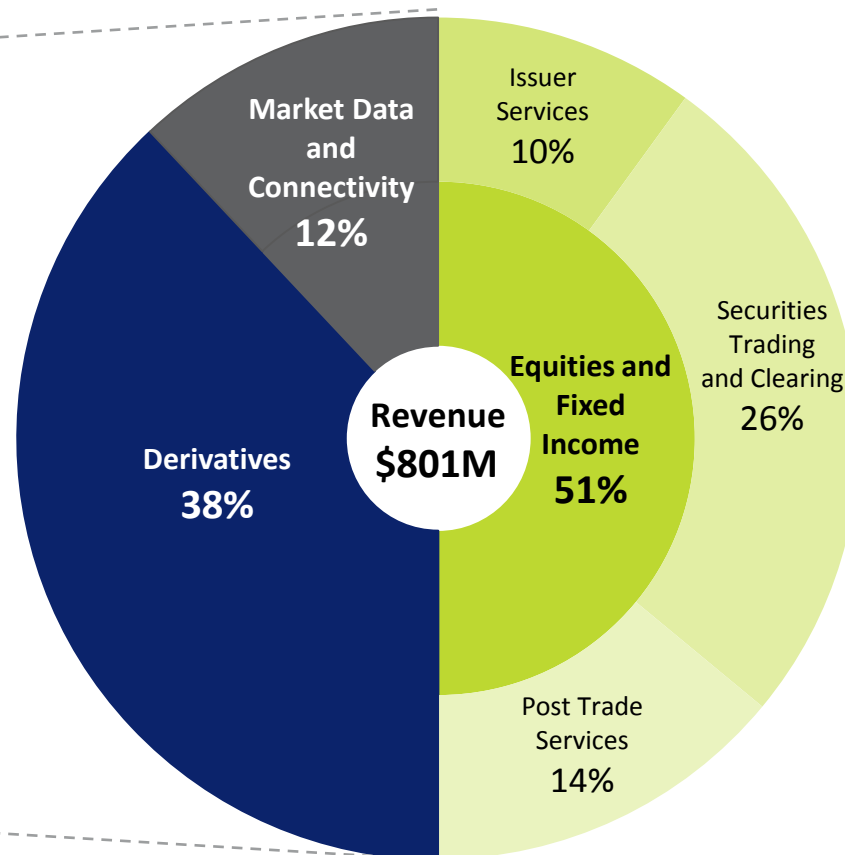


Revenue Breakdown by Business Lines

FY2012 Revenue Breakdown



FY2017 Revenue Breakdown



Net Profit: \$292 million

Net Profit: \$340 million

Note: Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.
Source: SGX. Data as of FY2017

International Footprint

Anchored in Singapore with global reach, serving a diverse set of international clients seeking Asian opportunities

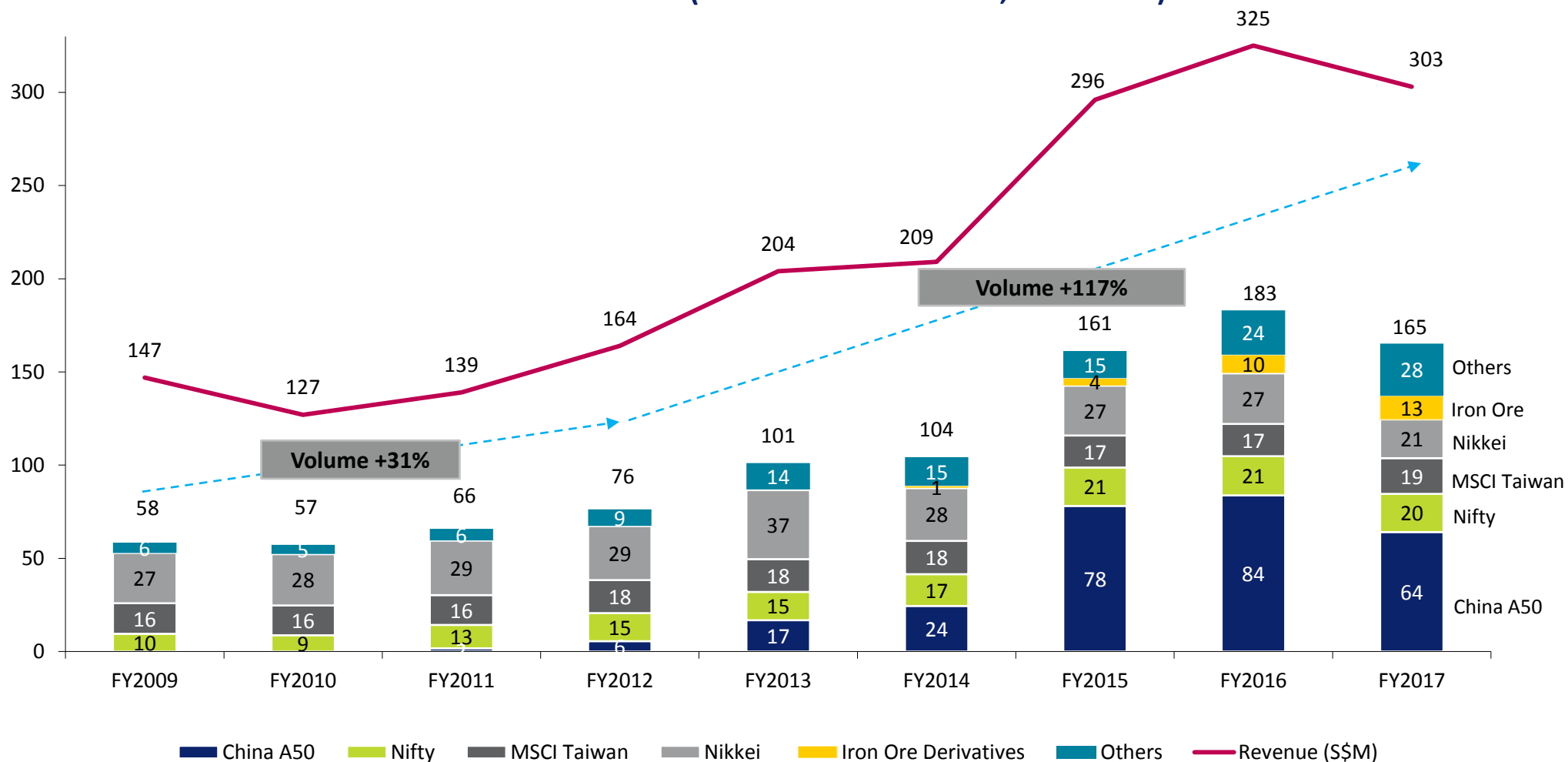


Key Clients

- **Sell-side participants** - Clearing & Trading Members and partner brokers who act as agents to clients.
- **Interdealer brokers** - Facilitate execution of business between clients of our Members
- **Corporate trade clients** - Use our derivative products for hedging their risks e.g. Steel Mills; Insurance firms; Oil companies ...
- **Corporate Finance partners** - Facilitate issuers that seek to raise capital on our exchange platforms
- **Institutional investors** – Including funds that invest in our market for various investment needs e.g. hedging, income, growth ...
- **Proprietary Trading Groups** – Companies that trade on markets using their own capital. Examples include market-makers and liquidity- providers.

World's most liquid offshore market for Asian Derivatives

Growth of Derivatives (Volumes and Revenue, in millions)



The only liquid offshore access to China and India

China

Equity Index
Futures

SGX FTSE China A50

Equity Index
Futures and
Options

MSCI China

FX futures

USD/CNH, CNY/USD,
CNY/SGD, EUR/CNH,
SGD/CNH

Commodities
, Futures,
Swaps,
Options

Iron Ore

India

Equity Index
Futures &
Options

SGX Nifty 50
SGX Nifty IT
SGX Nifty CPSE
SGX Nifty Bank
SGX Nifty Midcap 50

Equity Index
Futures

SGX MSCI India

FX futures,
options,
forwards

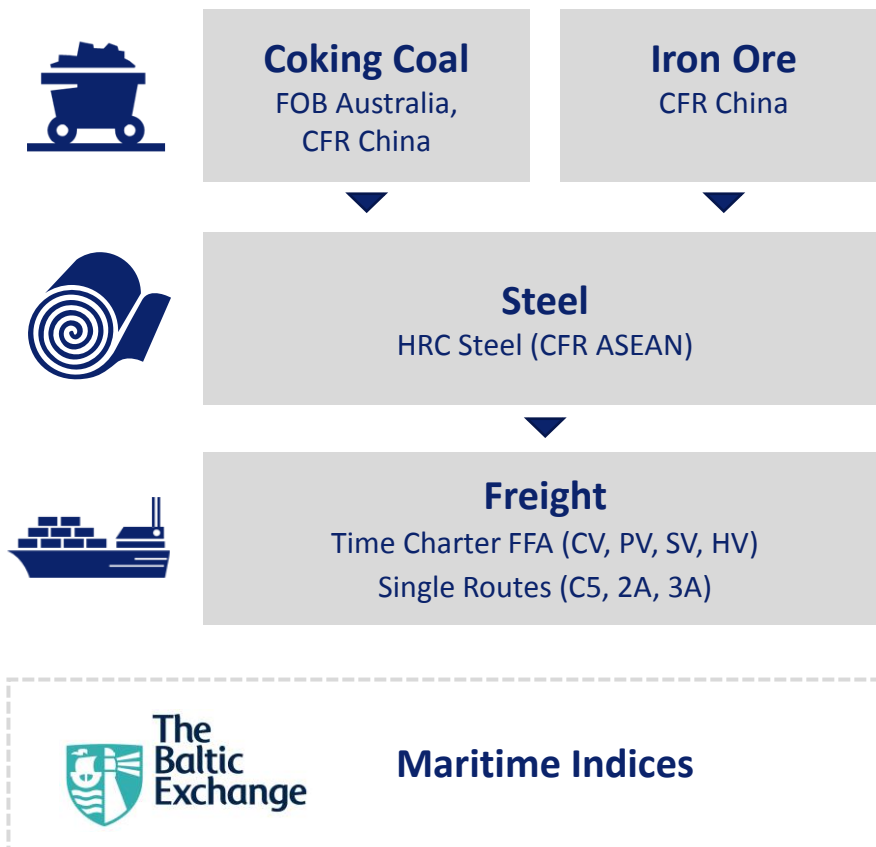
INR/USD

Our Platform

- New Integrated Trading and Clearing System offering low-latency high-throughput and enhanced risk controls and system safeguards
- Round-the-clock trading
- Delivering Asia's broadest range of listed derivatives across China, Japan, India, Taiwan and ASEAN
- Efficient client connectivity by putting together an ecosystem of users trading and clearing on-exchange or OTC
- Capital efficiency through the netting of margins

Extensive Suite Of Commodities Products

Price-Discovery Centre For The Steel Value Chain



Other Products In Commodity Franchise



Electricity



Energy



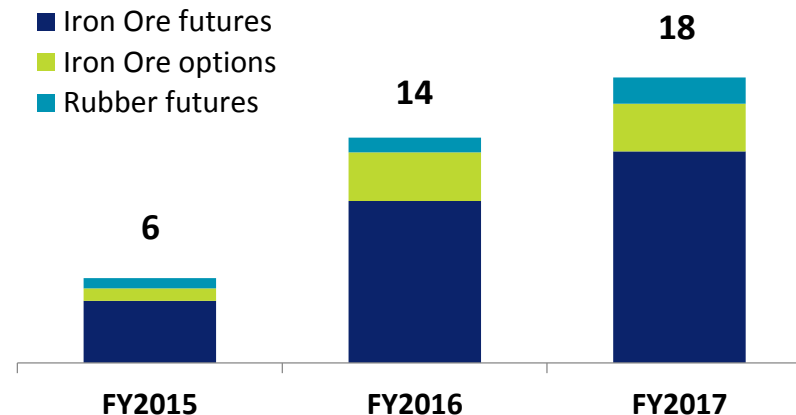
Gold



Rubber

Total Volume of Contracts Traded (M)

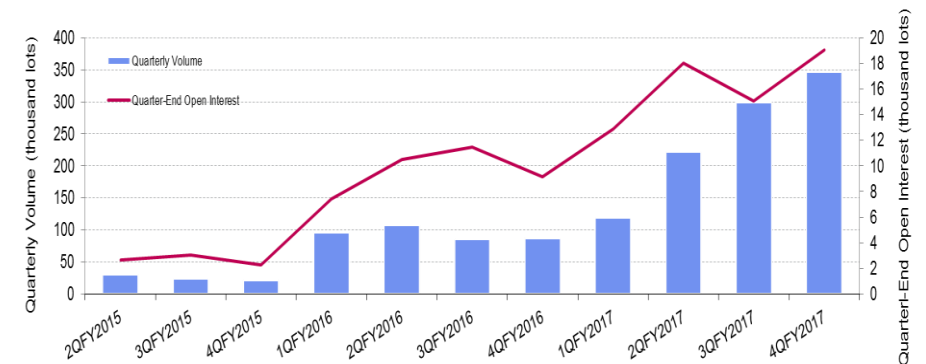
- Iron Ore futures
- Iron Ore options
- Rubber futures



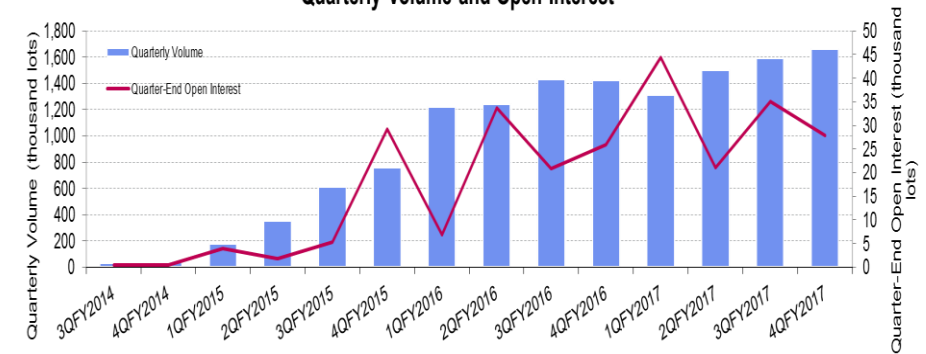
Liquid Currency Futures



SGX USD/CNH Futures
Quarterly Volume and Open Interest

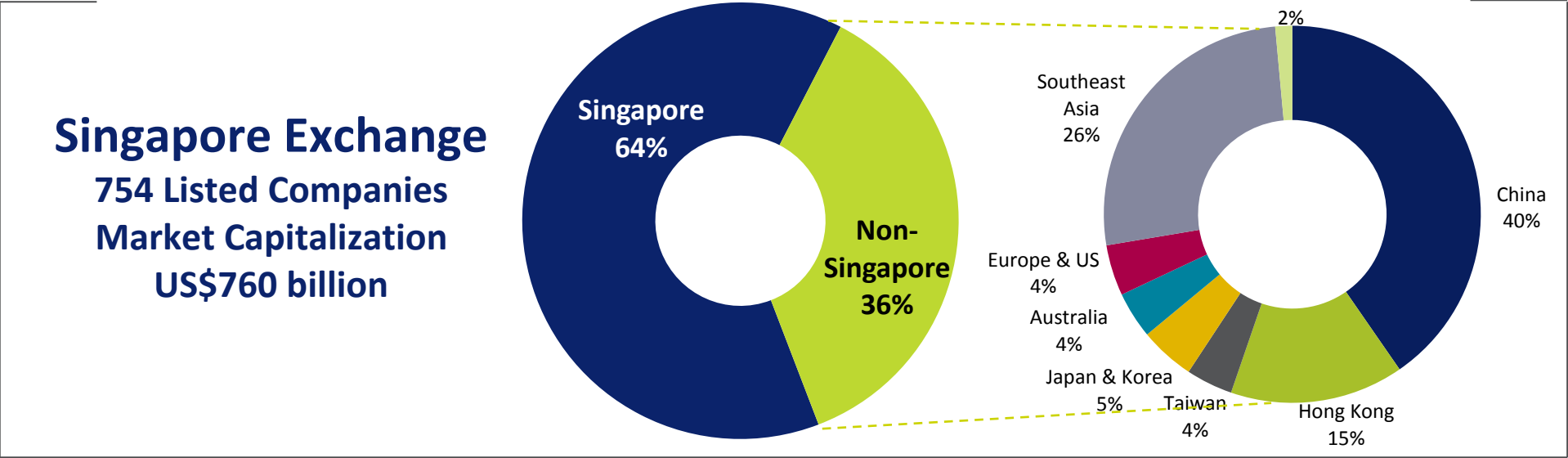


SGX INR/USD Futures
Quarterly Volume and Open Interest

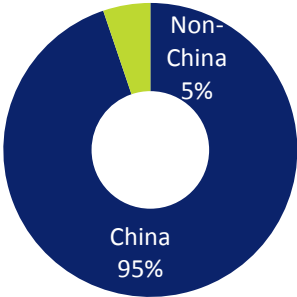


SGX is the Most International Exchange

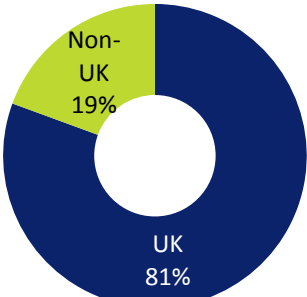
Nearly 40% of all companies listed on SGX are overseas companies



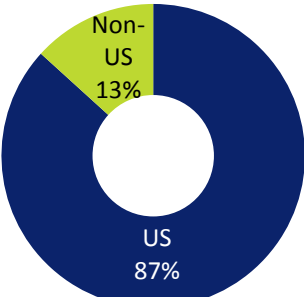
Hong Kong Stock Exchange



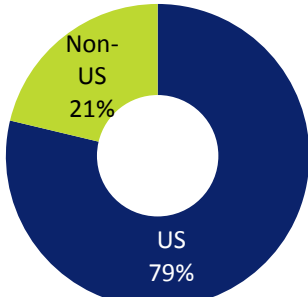
London Stock Exchange



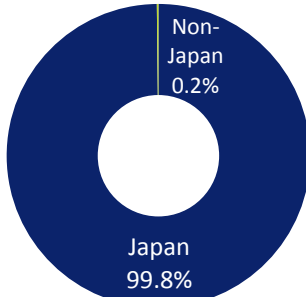
NASDAQ



New York Stock Exchange



Tokyo Stock Exchange



Source: World Federation of Exchanges and Companies' website (May 2017), Singapore Exchange (July 2017)

Key Sectors

Consumer



PE: 20x

- Includes agri-commodities, food & beverage and retail
- 153 companies with market cap of US\$113 billion

Technology



PE: 15x

- Includes information & communications technology, medical technology and financial technology
- 78 companies with market cap of US\$57 billion

Healthcare



PE: 47x

- Full range of companies from pharmaceuticals, healthcare services to medical devices technology
- 31 companies, 2 REITs and 1 Trust with market cap of US\$36 billion

Maritime & Offshore Services



PE: 20x

- Asia's largest cluster of listed companies
- 55 companies and 3 business trusts with market cap of US\$24 billion

Mineral, Oil and Gas



PB: 2.6x

- Companies in exploration, development and production of mineral or oil & gas
- 28 companies with market cap of US\$2.5 billion

Real Estate



PB: 0.9x

- Asia's broadest range of real estate companies and property trusts covering global real estate assets
- 96 real estate companies and property trusts with market cap of US\$135 billion

Note: PE/PB using weighted market capitalisation average

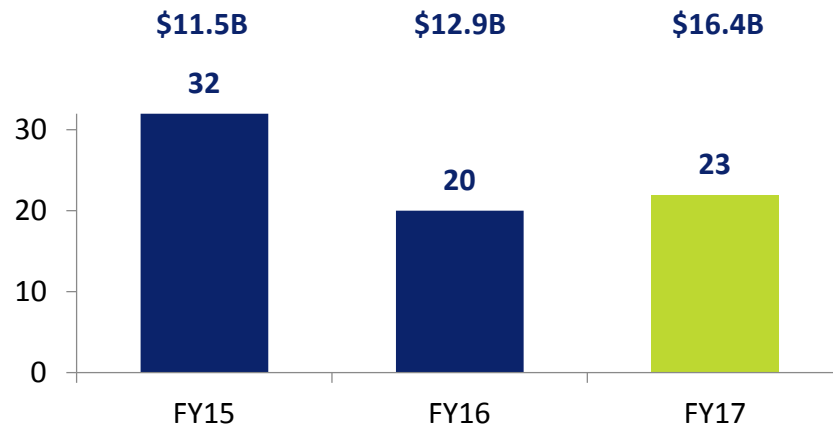
Source: Bloomberg & Singapore Exchange (July 2017)

Higher Funds Raised And Resilient SDAV Despite Challenging Macro Environment

Listings

- 23 listings in FY2017, 10% higher YoY
- S\$16.4B funds raised in FY2017, 27% higher YoY

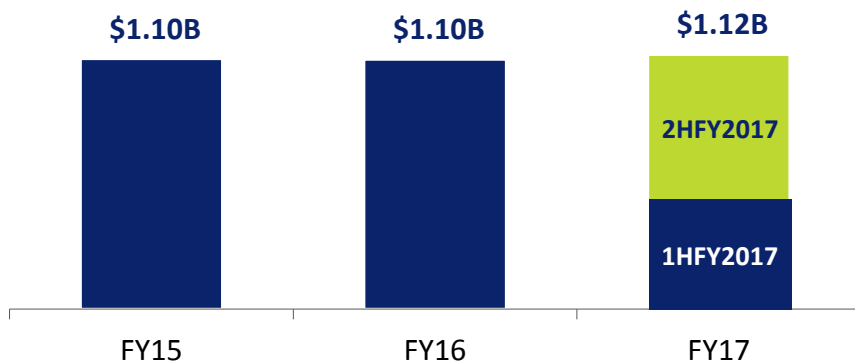
Listings¹ and funds raised²



Trading Activities

- FY2017 SDAV 2% higher YoY
- 2H FY2017 SDAV 15% higher HoH, exiting the FY with increased momentum

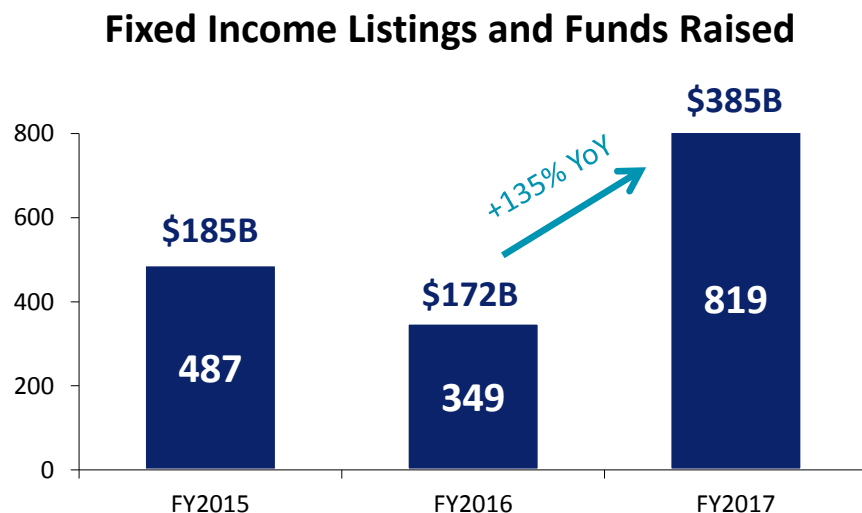
Securities Daily Avg. Traded Value (SDAV)



Source: SGX

¹Listings include Initial Public Offerings (IPOs) and Reverse Takeovers (RTOs) | ²Includes Placement, Rights and Warrants

Increase In Fixed Income Listings And Market Share



Source: SGX. Data as of FY2017

G3 Asia Pac bonds share of issuance

43% in FY2017

Broadened base of new issuers

15 bond listings from
Central & South America

SGX Bond Pro platform

1st Over-The-Counter
trading venue dedicated
to Asian bonds

Build Liquidity & Profile Companies



Market Makers & Liquidity Providers

- Enhance market quality and lower transaction costs



New Investment Choices

- New Daily Leverage Certificates
- Expand suite of ETFs and Warrants






Engage Investment Community

- Corporate Day Roadshows
- SGX Research
- SGX MyGateway
- SGX StockFacts
- Retail Investor Events

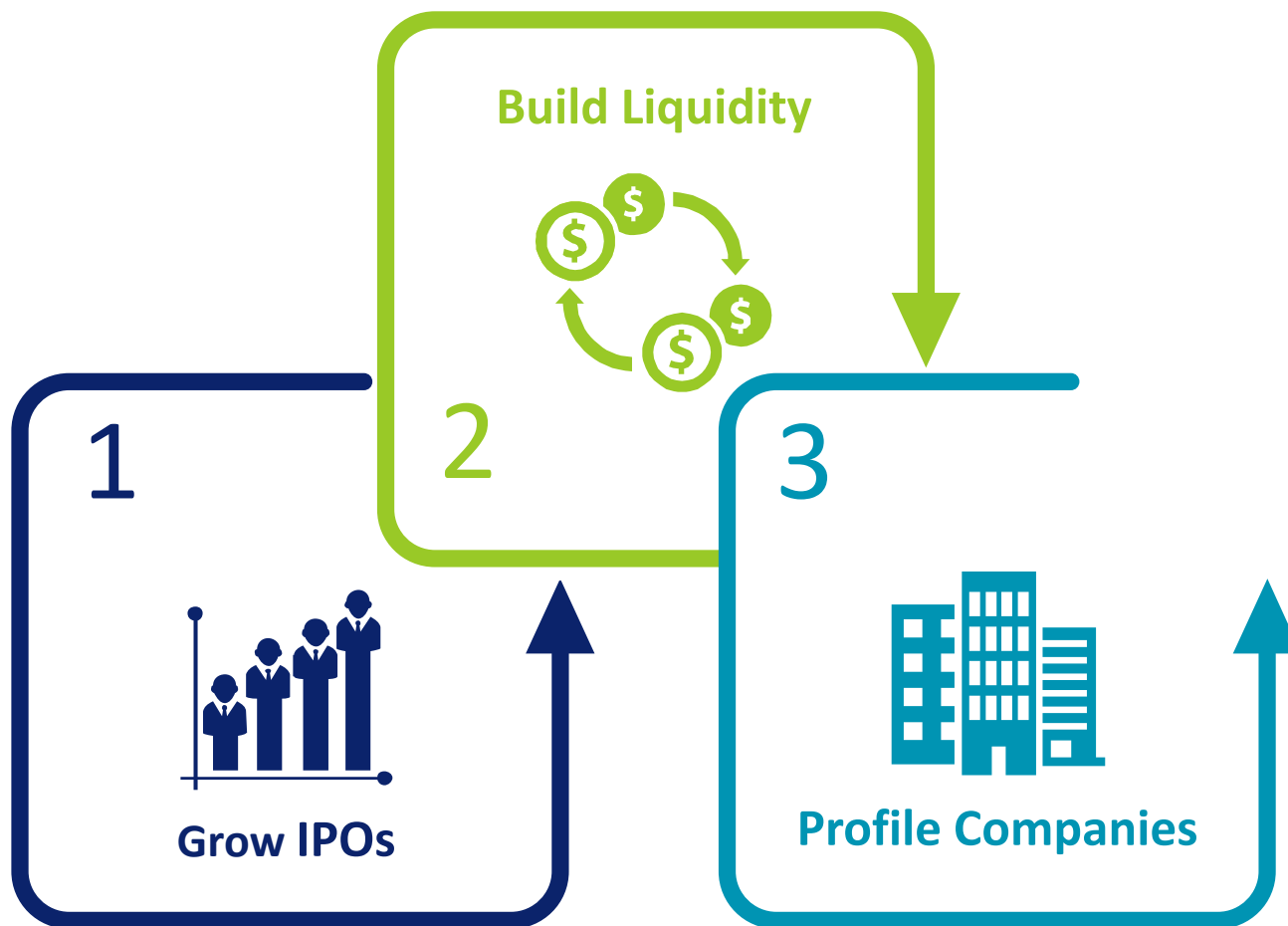
FY18 Strategic Priorities



Grow Asset Classes – Diversification

	Size of Market 	Singapore 	SGX 
FX	<ul style="list-style-type: none"> ▪ US\$5.1 trillion traded daily ▪ Largest off-exchange (OTC) market globally ▪ Regulatory trends favour shift to on-exchange trading 	<ul style="list-style-type: none"> ▪ US\$500 billion traded daily ▪ Largest FX center in Asia Pacific, third largest globally ▪ Leading global trading venue for key Asian currencies 	<ul style="list-style-type: none"> ▪ 21 currency futures contracts ▪ >70% market share in CNH and > 40% market share in INR
Fixed Income	<ul style="list-style-type: none"> ▪ Asia (ex-Japan) bond market of US\$14 trillion ▪ Shift towards electronic trading 	<ul style="list-style-type: none"> ▪ Strong distribution network to institutional investors 	<ul style="list-style-type: none"> ▪ Leading listing venue with a 40% share of new G3 issuance ▪ Launch of SGX Bond Pro

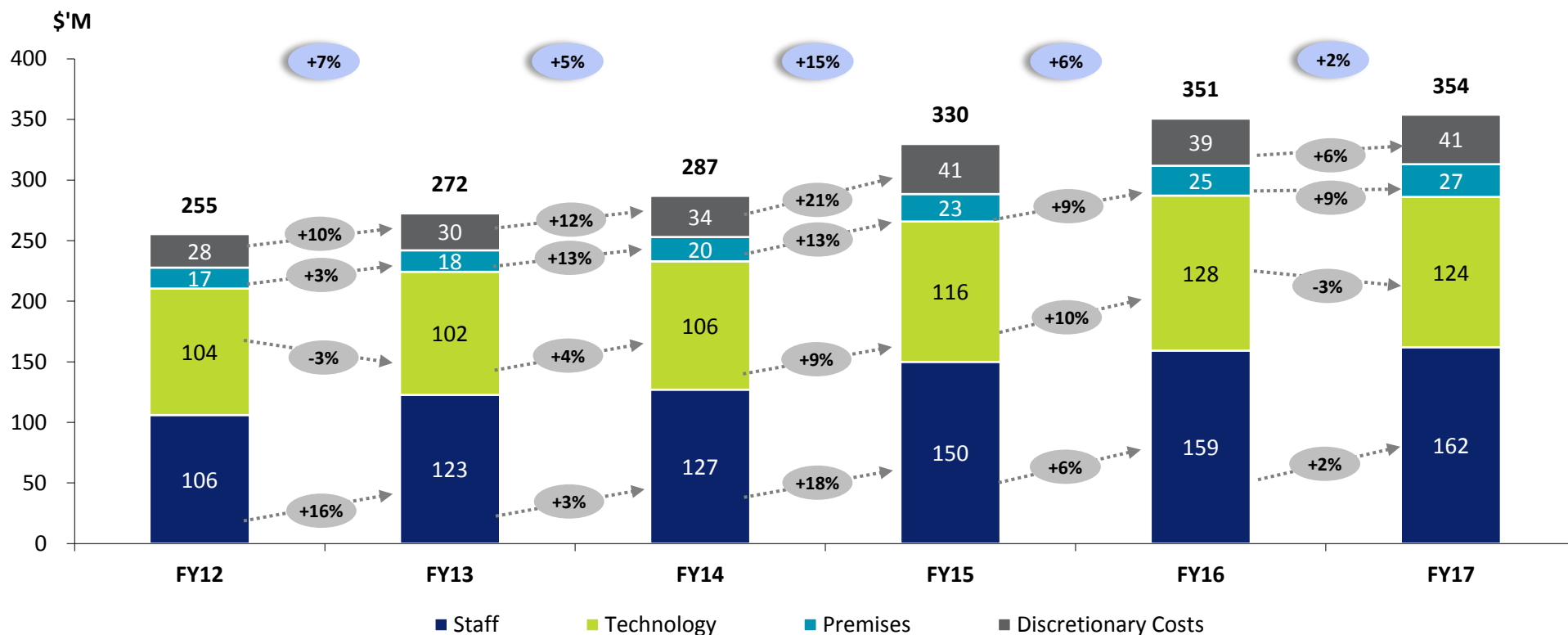
Advance our Securities Market



Optimize Resources and Control Costs

- Our focus has been on improving our platform, expanding distribution, and ensuring operational resiliency.
- Our operating jaw has been improving – We saw a flat jaw for FY2017, an improvement from -4% in FY2016.

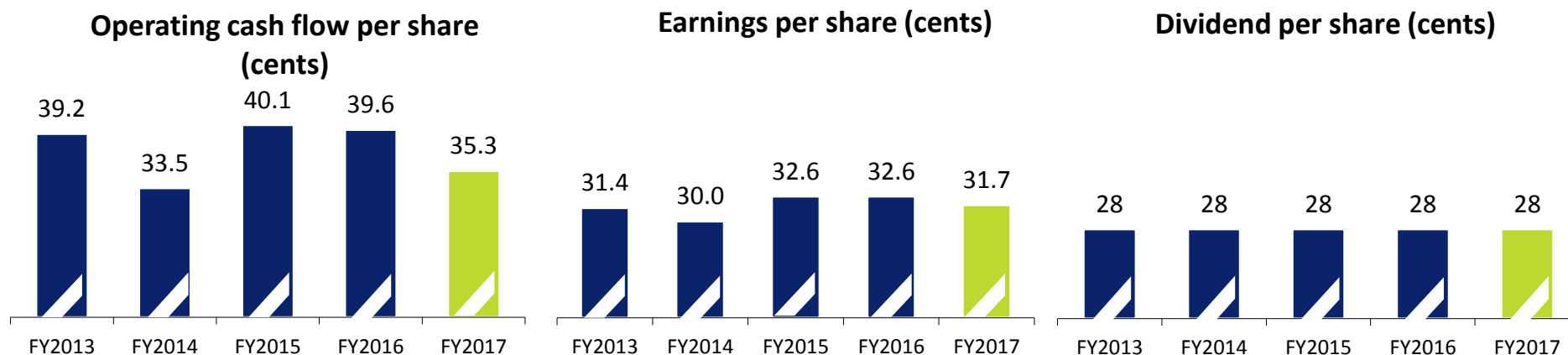
Operating Expenses, excluding volume-related Processing & Royalties



Financials

Financial Performance: Key Indicators (Recent years)

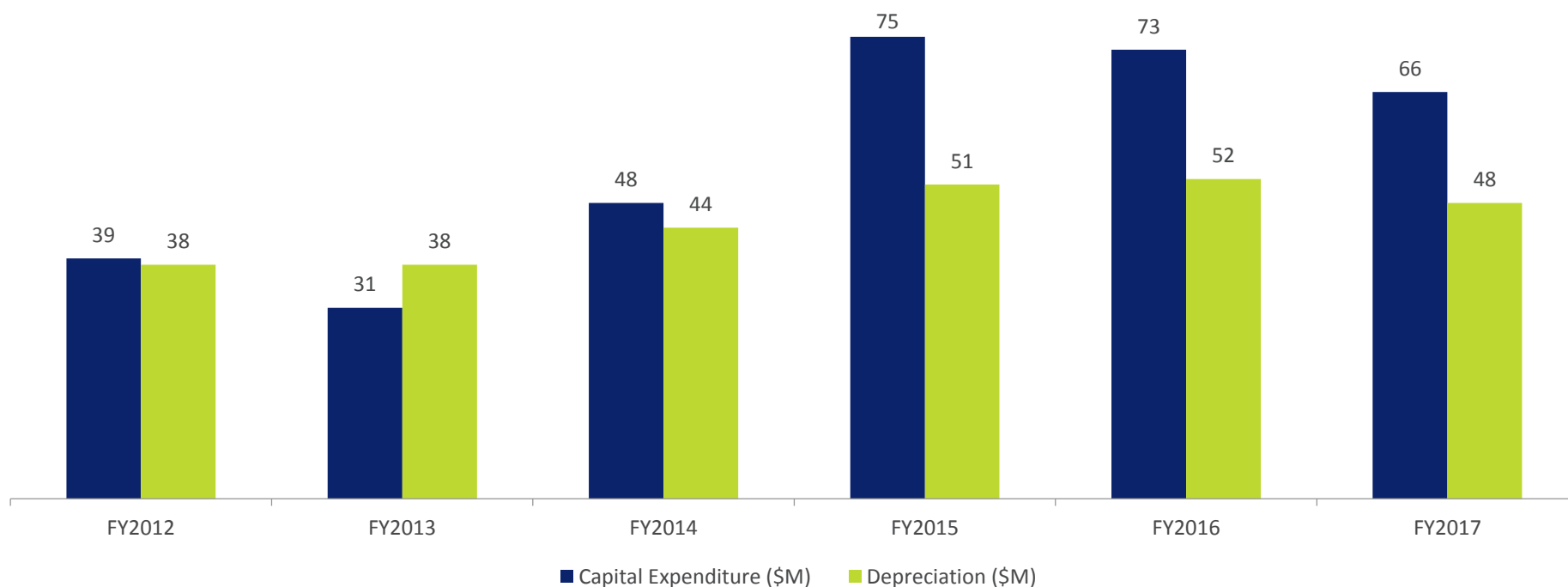
	FY2013	FY2014	FY2015	FY2016	FY2017
Revenue (\$ million)	714	686	779	818	801
Operating profit (\$ million)	413	371	402	409	402
Operating profit margin	58%	54%	52%	50%	50%
Net profit (\$ million)	336	320	349	349	340
Return on equity	39%	35%	37%	36%	34%
Earnings per share (cents)	31.4	30.0	32.6	32.6	31.7
Dividend per share (cents)	28	28	28	28	28



Note: All figures in \$ millions unless otherwise stated and may be subject to rounding

Technology CAPEX and Depreciation: Annual Trend

- FY2017 investments were mainly for the migration to a new secondary data centre, enhancements to our securities post-trade system, and improvements in operational resiliency.



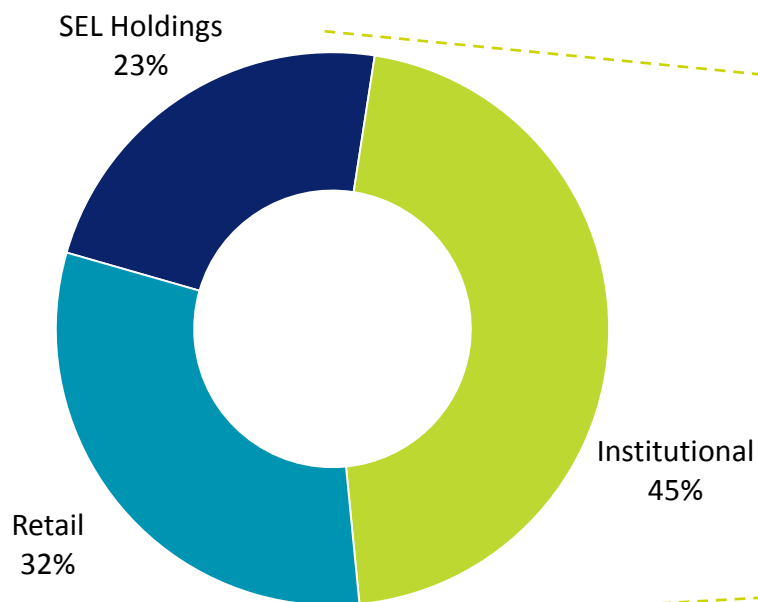
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Appendix

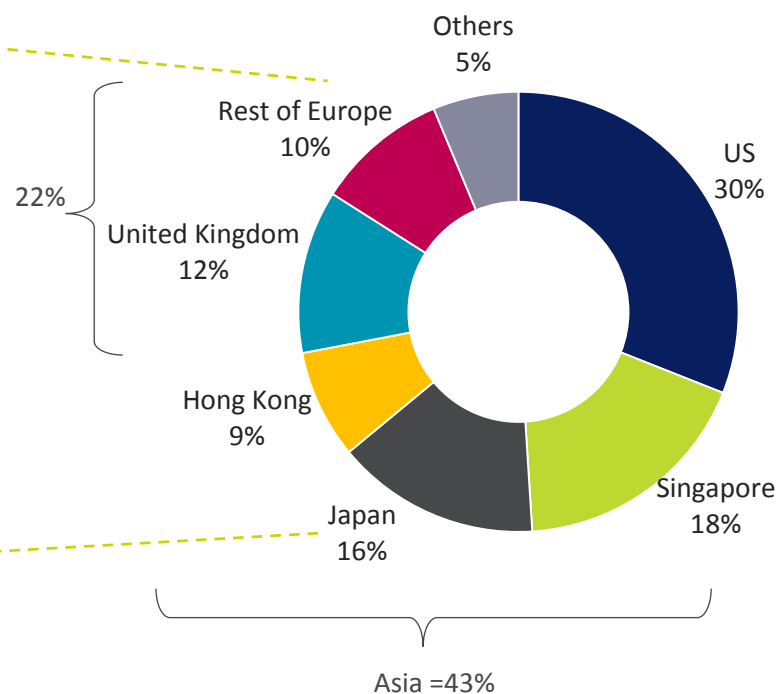
SGX Shareholders' Profile

Broad shareholding base with domestic retail shareholders, as well as domestic and international institutions

SGX Shareholder Composition¹



Institutional Shareholding by Geography

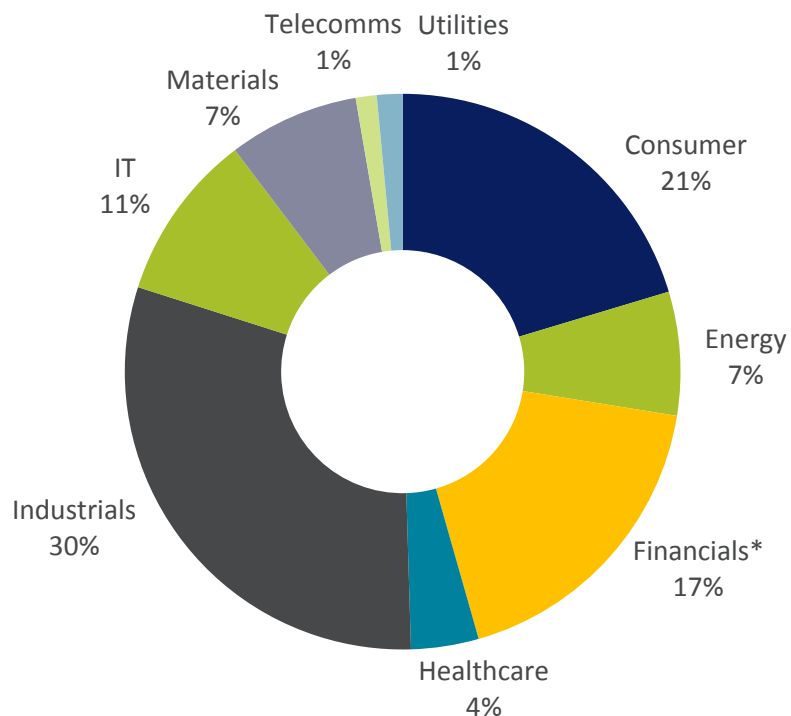


¹ As of June 2017

Diversity of Listed Companies on SGX

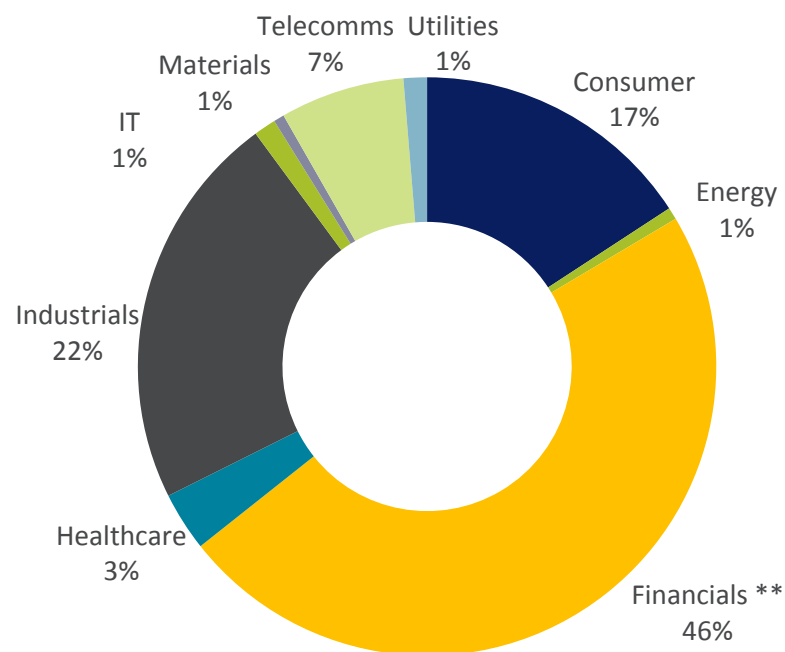
Breakdown by Number of Companies

754 companies in total



Breakdown by Market Capitalisation

US\$759 billion in total

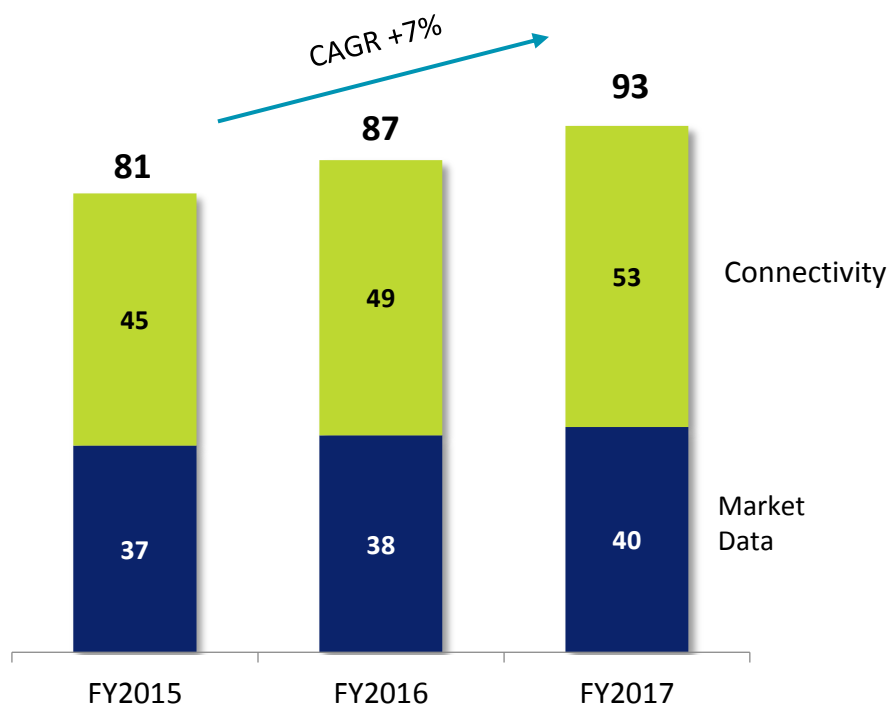


Note: * Real Estate accounts for 14% of the 754 companies

** Real Estate accounts for 19% of the total market capitalisation of US\$759B

Source: Singapore Exchange & Bloomberg (July 2017)

Market Data and Connectivity



- Revenue up 7% from \$87M to \$93M due to strong demand for co-location services
- High single-digit business growth
- Continued focus to improve infrastructure
- Simplify non-display data licensing
- Expand data center space to meet demand
- Grow index offering

Note: Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Source: SGX. Data as of FY2017

SGX Index Edge

Serving The Growing Needs Of Index Investing

- Index business established to take advantage of global shift to index-based investing
- Global Exchange Traded Products (index-based) have AUM of > US\$4tn
- Index funds (unlisted) has grown >230% to > US\$ 6tn since 2007



Index Calculation Service

- Calculating for leading investment banks and asset managers
- Flexible index engine for calculating and disseminating wide variety of indices
- Strong governance framework to meet regulatory requirements



SGX Proprietary Indices

- **Domestic Indices**
 - SGX Thematic indices e.g. S-REIT 20
 - SGX Sustainability index
- **Regional Indices**
 - SGX Developed Asia Quality Dividend Index
 - SGX APAC Dividend REIT

Thank You

Singapore Exchange

Beijing ▪ Hong Kong ▪ London ▪ Mumbai ▪ Shanghai ▪ Singapore ▪ Tokyo

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