



Singapore Exchange Financial Year 2010 Full Year Results

Magnus Bocker, CEO
Seck Wai Kwong, CFO

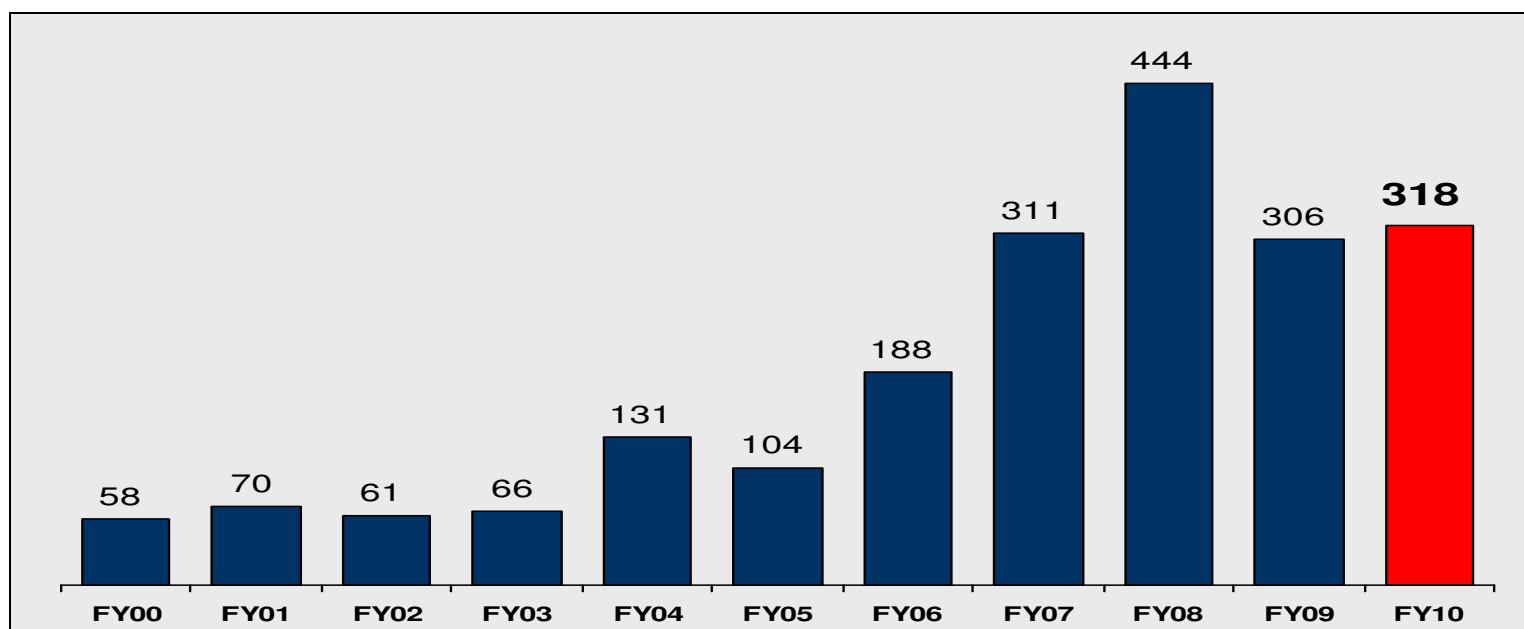
2 August 2010

Agenda

1. Highlights
2. Financial Performance
3. Business Update
4. Conclusion

FY 2010: Second Best Results

- Global market uncertainties, strong Singapore economic data
- Expanding customer base & product suite
- Reach initiative: Fastest trading engine, state-of-the-art data centre & point of presence in global liquidity hubs
- New organisation: Focus on key growth drivers



(Note: Net profit after non-recurring items: \$49M in FY2001; \$16M in FY2003; \$422M in FY2007 and \$478M in FY2008)



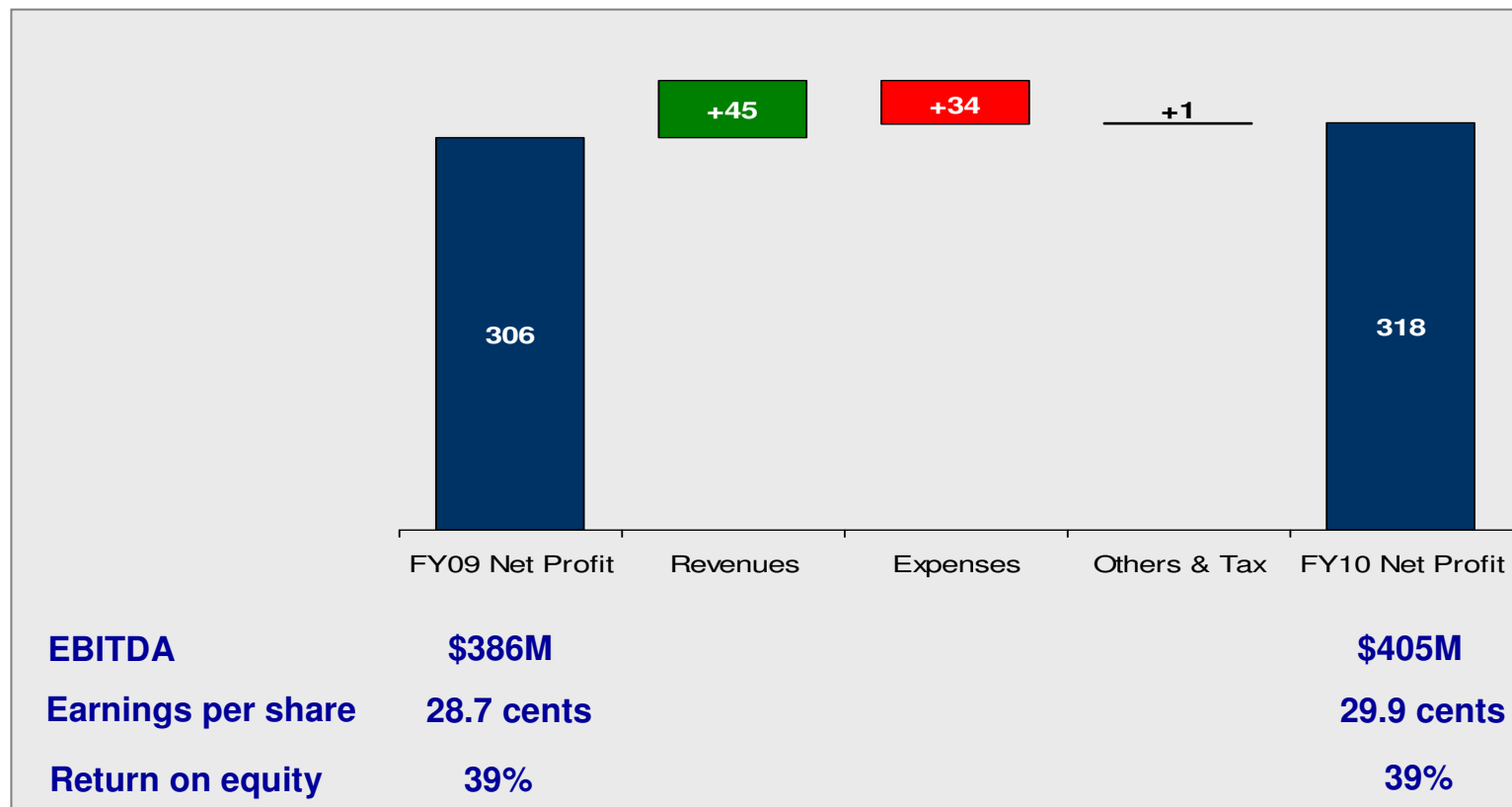
Financial Performance
Seck Wai Kwong

Financial Performance

Income Statement: Profit up 4% to \$318M



- Strong results despite challenging environment
- Business focus: Reclassification of revenues and expenses



Note 1: The above excludes (a) \$2.7M in goodwill impairment; and (b) \$5.0M in writeback of property impairment

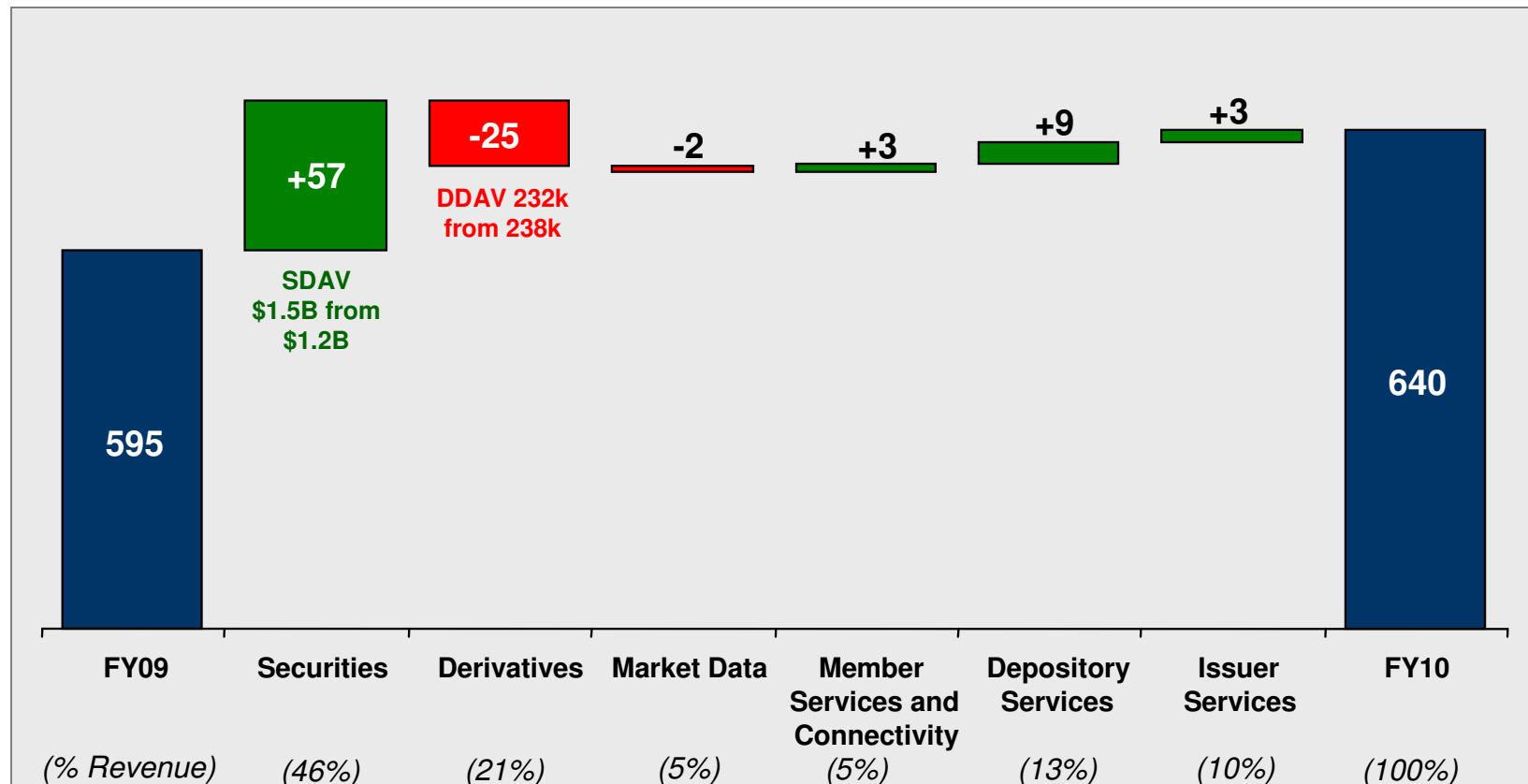
Note 2: Some numbers may be subject to rounding

Financial Performance

Revenues: Up 8% to \$640M



- Increased securities trading and revival of primary market
- Derivatives picked up in 4Q FY10

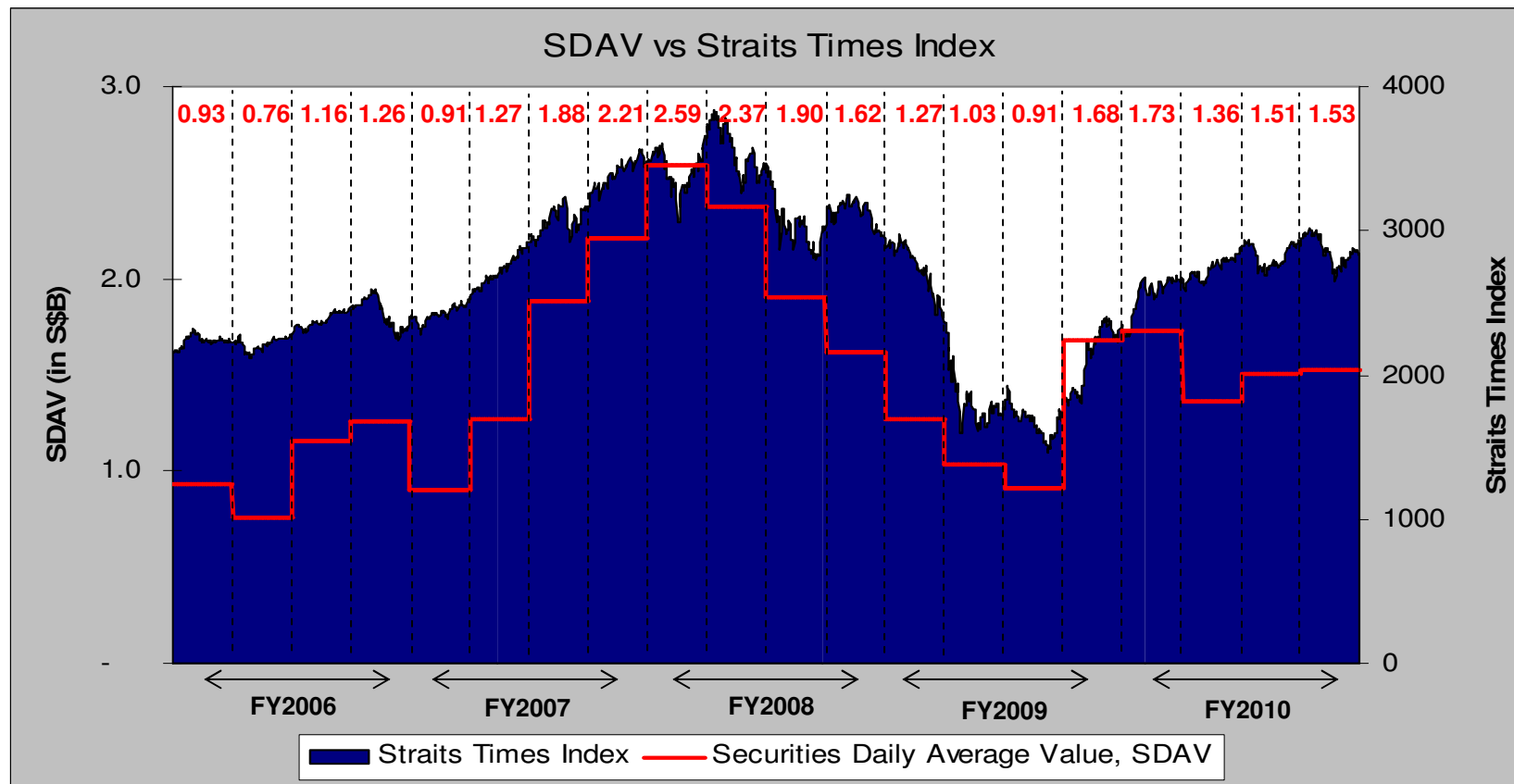


Financial Performance

Securities: \$296M, 46% (\$239M, 40%)



- SDAV up 25% to \$1.5B (\$1.2B)
- Turnover velocity 59% (67%)



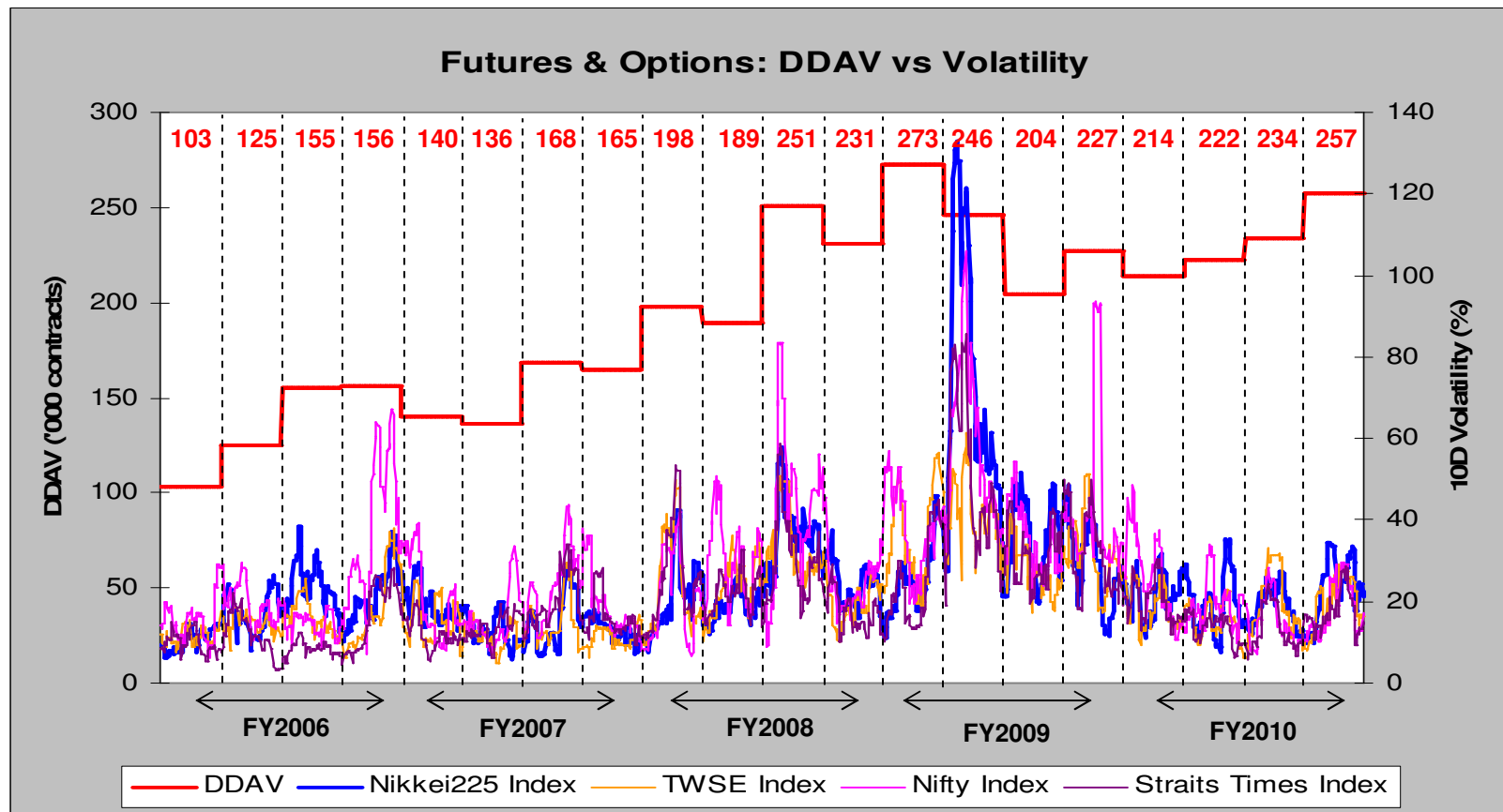
(Source: Bloomberg)

Financial Performance

Derivatives: \$131M, 21% (\$156M, 26%)



- DDAV down 3% at 231,938 contracts (238,446)
- High frequency trading 27% (15%)



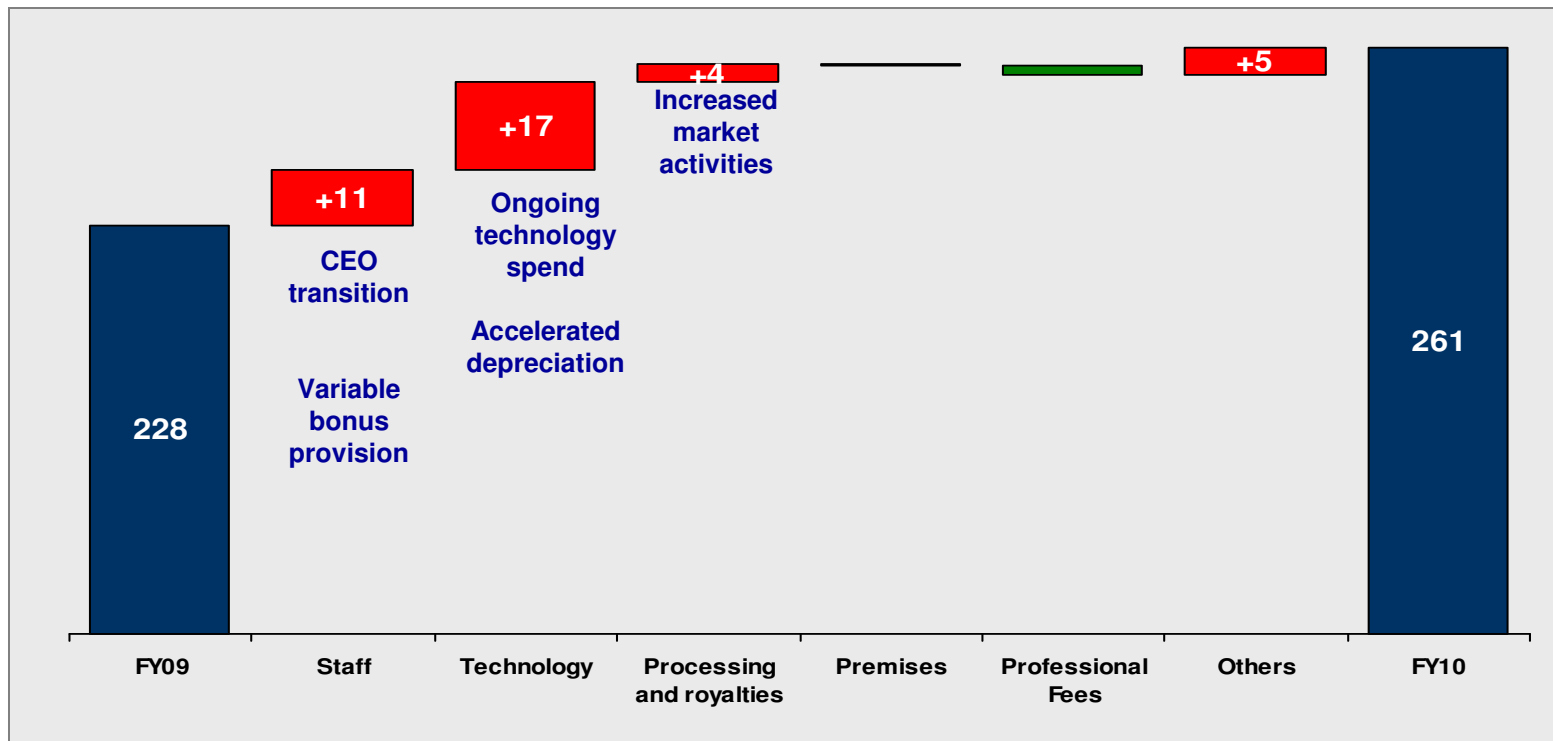
(Source: Bloomberg)

Financial Performance

Expenses: Up 15% to \$261M



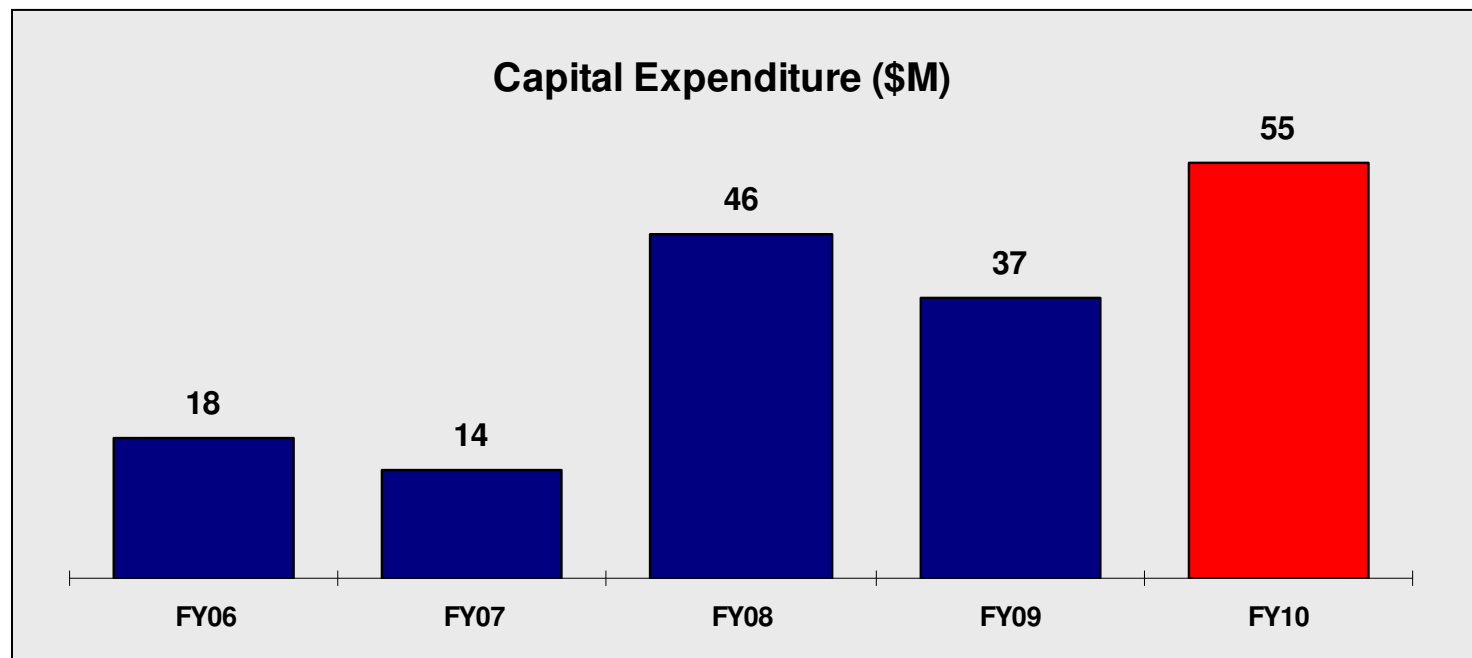
- Reclassification
- New investments
 - Securities pre-settlement matching system, derivatives data engine and SGXClear



Financial Performance

Capital Expenditure

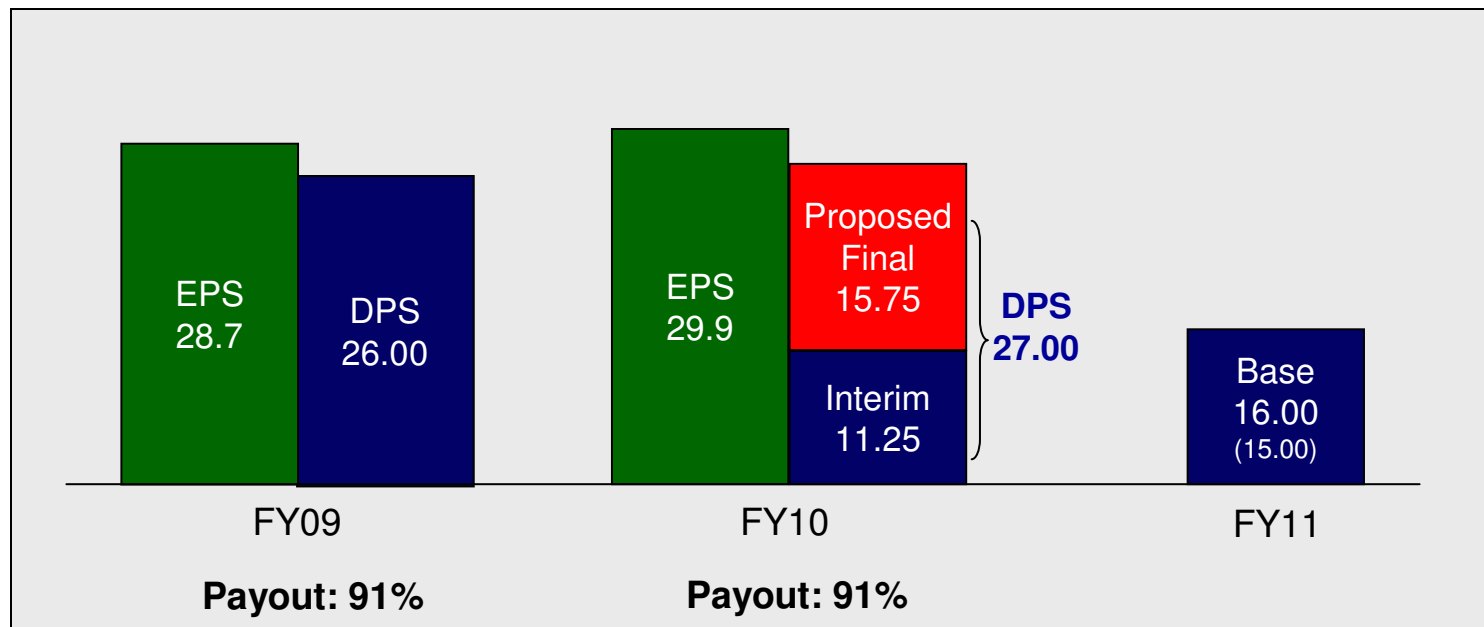
- FY10 : SGXClear, OTC Financials, Reach initiative
- FY11 Guidance : \$60-\$65M (OTC Financials, Reach etc)



Financial Performance

Dividend

- FY10 : 27.0 cents per share
- FY11 : Base dividend 16.0 cents per share (15.0 cents)



EPS: Earnings per Share / DPS: Dividend per Share

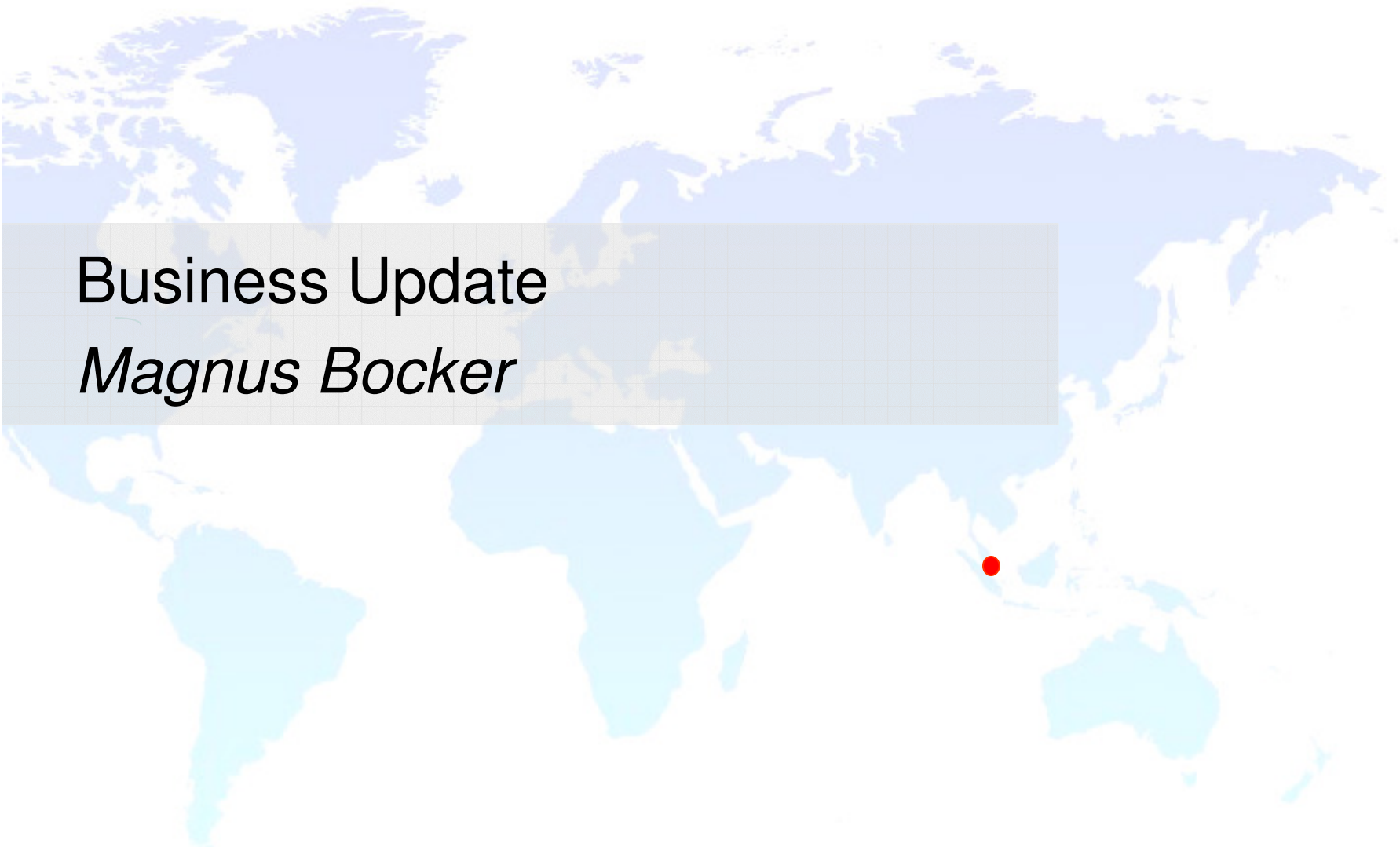
Financial Indicators



	FY10	FY09	FY08	FY07	FY06
EBITDA (\$M)	404	386	588	509	251
Net Profit (\$M)	318	306	444	311	188
Net Profit Margin (%)	49	51	57	53	45
Total Equity (\$M)	816	778	894	830	587
Return on Equity (%)	39	39	50	38	32
<i>Per Share (cents)</i>					
Operating cash flow per share	35.1	26.2	47.4	33.4	21.6
Earnings per share	29.9	28.7	41.9	29.5	18.0
Dividend per share	27.0	26.0	38.0	36.0	16.2
No. of shares issued (M)	1,071	1,069	1,067	1,061	1,050

Note 1: The above exclude non-recurring items

Note 2: The above number of shares issued excludes treasury shares of 5.2M (FY10), 5.5M (FY09), 3.1M (FY08) and 2.8M (FY07)



Business Update
Magnus Bocker

Securities: Trading and Clearing

Revenue: \$296M, 46% (\$239M, 40%)



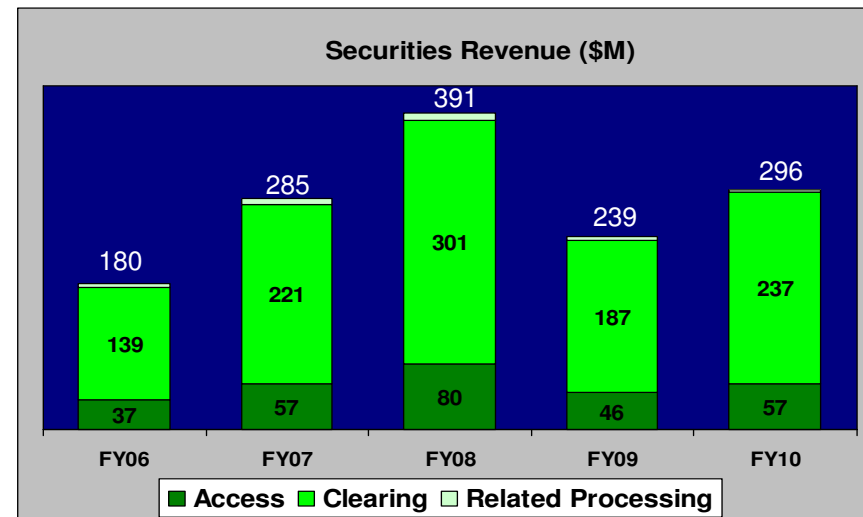
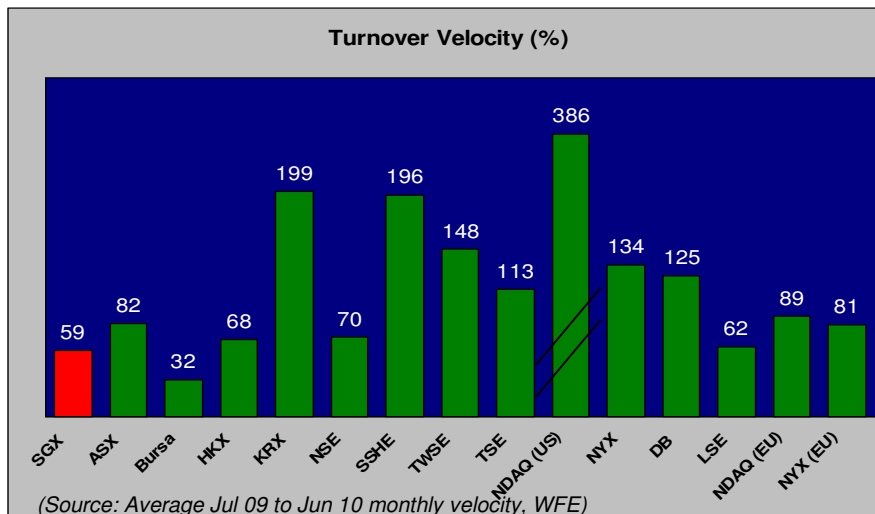
➤ Market Structure

- An evolutionary process
- Reach initiative
- Membership structure

➤ Product & Services

- Exchange Traded Funds
- Depository Receipts quotation
- Alternative venue: Chi-East

Key drivers	Metrics				
	FY10	FY09	4Q FY10	3Q FY10	4Q FY09
Straits Times Index	2835	2333	2835	2887	2333
No. of Trading Days	252	252	63	61	63
Equity Turnover Velocity (%)	59	67	54	57	85
<i>Singapore issuers</i>	57	73	54	52	88
<i>Overseas issuers, excluding Chinese issues</i>	48	44	40	56	62
<i>Chinese issuers</i>	146	125	148	139	191
Daily Average Trading Volume (billion shares)	1.69	1.23	1.48	1.61	2.23
Daily Average Trading Value (\$ billion)	1.54	1.23	1.53	1.51	1.68
<i>ETFs/ETNs (\$ million)</i>	20	14	30	14	27
<i>Company warrants</i>	2	0	2	2	1
Contracts value					
<i>More than \$1.5M</i>	37	39	39	37	36
<i>Less than \$1.5M</i>	63	61	61	63	64



Derivatives: Trading & Clearing

Revenue: \$131M, 21% (\$156M, 26%)

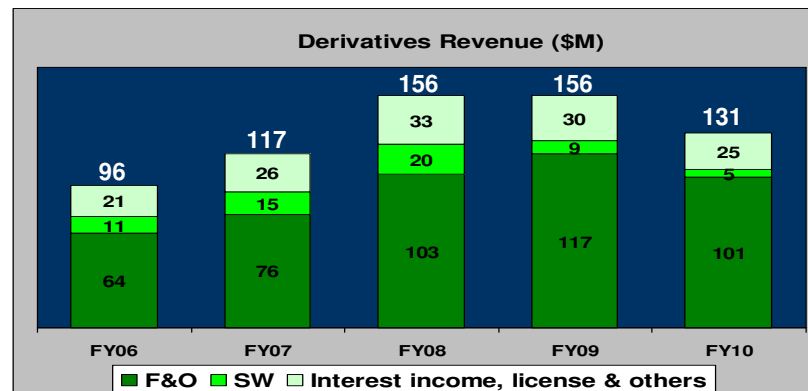


➤ Market Structure

- Dodd-Frank Act
- Competition
- High frequency trading

➤ Product Development

- 4 futures & 2 swaps
- Pipeline



Key drivers	Metrics				
	FY10	FY09	4Q FY 10	3Q FY10	4Q FY09
Daily Average Volume ('000 contracts)	232	238	257	234	227
Nikkei 225 futures (days)	133 (244)	110 (244)	131 (61)	106 (60)	103 (61)
MSCI Taiwan futures (days)	64 (250)	66 (246)	64 (63)	70 (56)	71 (62)
Nifty futures (days)	36 (246)	40 (240)	42 (63)	39 (59)	32 (59)
MSCI SG futures (days)	15 (252)	17 (252)	15 (63)	15 (61)	17 (63)
Interest rate futures	3	4	3	3	3
Extended settlement (shares)	77,424	194,143	47,222	80,705	221,365
Structured warrants (\$M)	29	58	22	25	59
Market Share (%)					
Nikkei 225 futures	26	22	27	26	25
MSCI Taiwan futures	24	28	22	25	25
Nifty futures	10	9	12	11	7
HFT (%)	27	15	25	26	18
Commodities (Daily average trading volume, contracts)					
Rubber futures	1,000	1,373	882	1,009	999
Gold futures	5,256	NA	5,158	8,530	NA
Fuel Oil futures	24	NA	24	24	NA
AsiaClear®					
Volume (lots) cleared	124,829	66,934	31,864	35,782	20,729
FFAs	72,072	40,084	13,420	20,920	12,943
Energy swaps	24,133	24,907	7,729	7,574	5,843
Iron Ore swaps	28,624	1,943	10,615	7,288	1,943

Market Data: Information sales & distribution

Revenue: \$33M, 5% (\$35M, 6%)

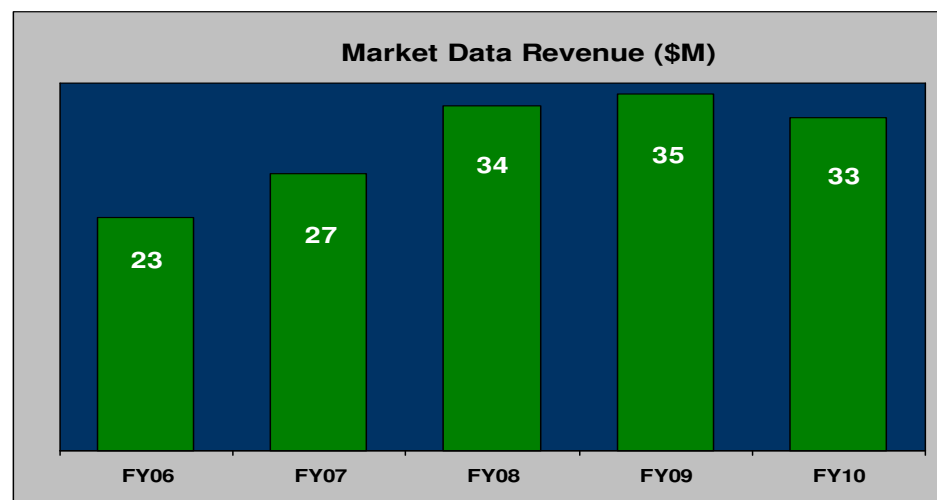
➤ Market Structure

- Evolving trading strategies
- Reach initiative
- Infrastructure

➤ Products and Services

- High frequency trading
- Non pricefeed products

Key drivers	Metrics				
	FY10	FY09	4Q FY10	3Q FY10	4Q FY09
Securities Data					
No. of vendors	126	117	126	128	117
No. of terminals	38,567	36,509	36,509	43,070	36,509
Derivatives Data					
No. of vendors	61	51	61	60	51
No. of terminals	23,957	26,780	23,957	25,469	26,780



Member Services and Connectivity

Revenue: \$30M, 5% (\$27M, 4%)



➤ Membership

- New members

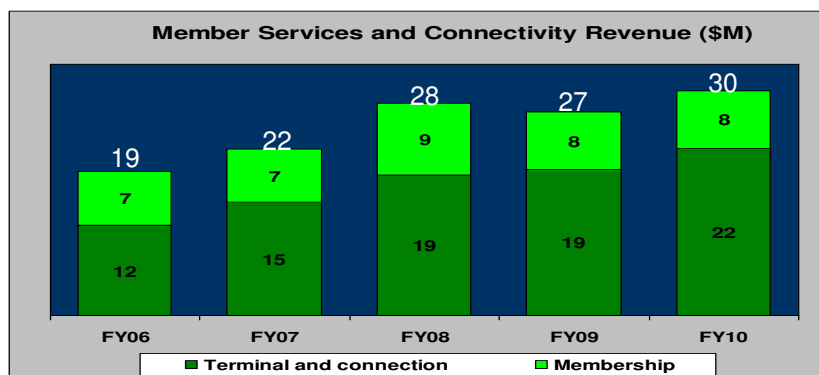


- Approved In-Principle Members



➤ Reach Initiative

- Co-location & hubs



Key drivers	Metrics				
	FY10	FY09	4Q FY10	3Q FY10	4Q FY09
Membership					
<i>Securities members</i>					
Clearing Members	26	24	26	26	24
Trading Members	26	24	26	26	24
Trading Representatives	4095	3729	4095	4008	3729
<i>Derivatives members</i>					
Clearing Members	26	25	26	25	26
Trading Members	30	30	30	30	30
Trading Member (Proprietary)	242	224	242	240	224
Trading Member (Individual)	228	195	228	214	195
<i>SICOM members</i>					
Clearing / Non-Clearing Members: Brokers / Dealers	20	17	20	20	17
Trade / Associate Members	67	64	67	66	64
<i>AsiaClear®</i>					
No. of counterparty	512	336	512	467	336
Connectivity					
<i>Securities Market</i>					
Connectivity (no.)	88	86	88	84	86
Order Management System (no.)	28	28	28	28	28
Independent software vendor (no.)	11		11	11	
<i>Derivatives Market</i>					
Connectivity (no.)	578	467	578	559	467
Order Management System (no.)	55	35	55	53	35
Independent software vendor (no.)	11	10	11	11	10
Proximity Hosting	17	15	17	17	15

Depository Services: Settlement & Depository

Revenue: \$82M, 13% (\$74M, 12%)



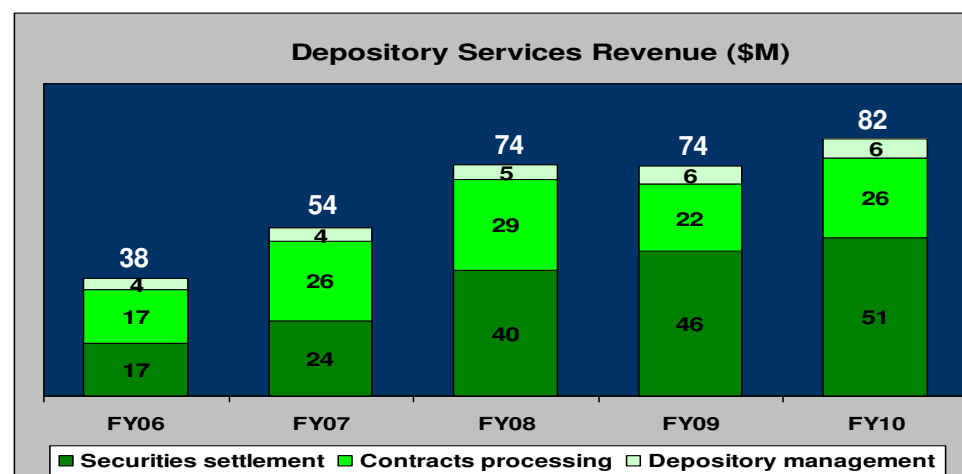
➤ Market Structure

- Linkages
- Infrastructure

➤ Services & Asset Classes

- Singapore Government Bonds
- Securities borrowing & lending

Key drivers	Metrics				
	FY10	FY09	4Q FY10	3Q FY10	4Q FY09
Securities settlement					
No. of settlement instructions ('000)	3,967	3,346	1,071	954	962
Securities transfers ('000)	396	439	87	95	105
Contracts processing					
Contracts processed ('000)	13,255	10,788	2,966	3,050	4,162
Depository management					
Depository accounts	1.49M	1.44M	1.49M	1.48M	1.44M



Issuer Services: Listing and related services

Revenue: \$64M, 10% (\$61M, 10%)



➤ Capital Raising

- Equity: IPOs



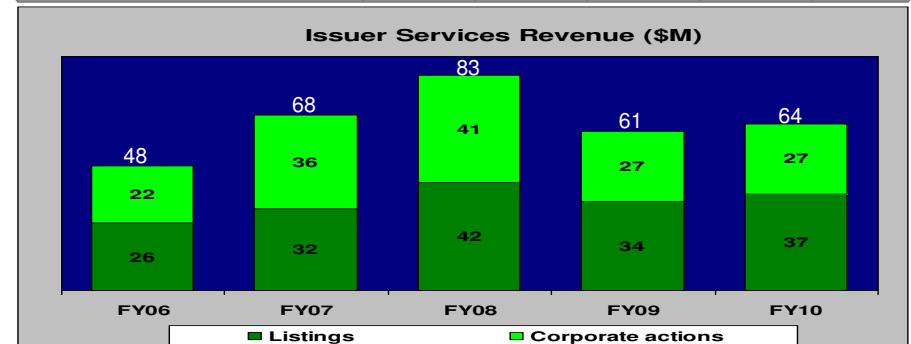
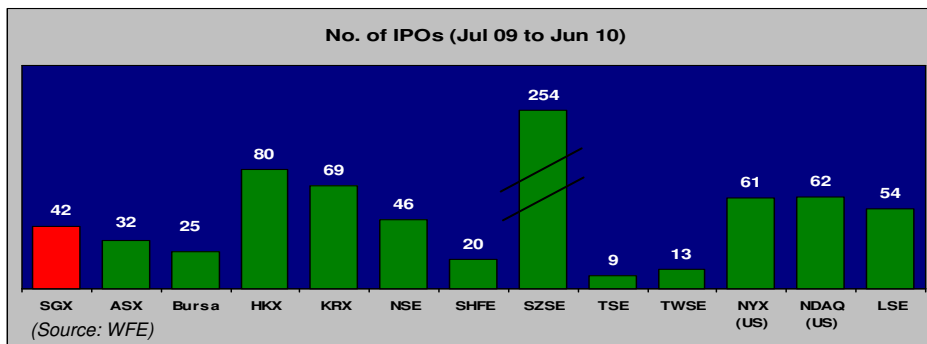
- Debt: Bonds/Notes



➤ Issuer-related services

- Corporate governance & IR

Key drivers	Metrics				
	FY10	FY09	4Q FY10	3Q FY10	4Q FY09
Listings					
<i>No. of listed issues</i>					
Equity securities	763	752	763	763	752
Debt securities	1,229	1,099	1,229	1,198	1,099
ETFs/ETNs	73	35	73	58	35
Company warrants	80	75	80	82	75
Structured warrants	233	312	233	301	312
<i>No. of Delistings: Equity securities</i>					
	29	24	12	6	3
<i>Equity Market Capitalisation, \$B</i>					
<i>(No. of issuers)</i>					
	702	527	702	682	527
	(763)	(752)	(763)	(763)	(752)
Singapore issuers	428	341	428	435	341
	(459)	(453)	(459)	(461)	(453)
Overseas issuers, excluding Chinese issuers	240	160	240	214	160
	(152)	(150)	(152)	(149)	(150)
Chinese issuers	33	26	33	33	26
	(152)	(149)	(152)	(153)	(149)
<i>New equity listings</i>					
	42	19	12	7	1
Primary listings: IPOs & RTOs	40	19	11	6	1
(Market capitalisation, \$M)	(15,211)	(3,324)	(3,758)	(1,616)	(27)
Secondary listings	2	0	1	1	0
(Market capitalisation, \$M)	(28,885)	(-)	(27,647)	(1,238)	(-)
<i>Total Equity Funds Raised (\$M)</i>					
	15,844	12,802	1,132	1,054	4,366
Primary fund raised	4,628	442	844	522	4
Secondary fund raised	11,216	12,360	288	532	4,362
Corporate actions					
No. of transactions	2023	2183	689	414	595



Conclusion

➤ *Second best results*

- Growing memberships and customers
- Broader product portfolio
- Revival of primary market activity

➤ *Building for the future*

- Reach initiative
- New organisation
- Focus on key business drivers



Q & A

Please state your name and the company you represent

While care has been taken to ensure the accuracy of the information in this document, SGX and its affiliates make no warranty as to the accuracy, completeness, merchantability or fitness for any purpose, of the information contained in this document or as to the results obtained by any person from the use of any information or investment product mentioned in this document. SGX reserves the right to make changes to such information from time to time. Any change, omission or error in such information, shall not form the basis for any claim, demand or cause of action against SGX or any of its affiliates and SGX and its affiliates expressly disclaim liability for the same.