



Financial Statements for the Quarter Ended 31 December 2008

The financial information set out in Sections 3 to 10, 11(vii), 12, 14 and 15 of this announcement have been extracted from the interim financial report that has been prepared in accordance with Singapore Financial Reporting Standard 34 *Interim Financial Reporting*.

The following are the contents of the financial statements:

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1. CEO's Statement

SGX announced a net profit of \$159.2 million in 1H FY2009, 36.9% lower compared to a year ago when the highest half-yearly profit since listing was achieved (1H FY2008: \$252.4 million¹).

In line with our dividend policy, the directors are pleased to declare an interim base dividend of 3.5 cents per share on tax exempt one-tier basis.

Financials

Operating revenue in the first half of FY2009 registered a 27.9% decrease to \$304.9 million (1H FY2008: \$423.2 million). Operating expenses dropped 8.2% to \$109.2 million (1H FY2008: \$118.9 million). The decrease in expenses was the result of a lower provision for variable bonus.

Securities market revenue declined 45.3% to \$144.0 million in 1H FY2009 (1H FY2008: \$263.1 million).

Net derivatives clearing revenue, which increased 17.2% to \$88.9 million (1H FY2008: \$75.9 million), now accounts for 29.2% of total operating revenue (1H FY2008: 17.9%). Operating leverage improved as stable revenue and derivatives revenue now covers 147.4% of total operating expenses (1H FY2008: 134.6%).

Securities Market Revenue

In 1H FY2009, the securities daily average trading value dropped 53.6% to \$1.2 billion (1H FY2008: \$2.5 billion). From 1Q FY2009 to 2Q FY2009, trading volume showed an increase of 14.8% (2Q FY2009: 61.9 billion shares; 1Q FY2009: 53.9 billion shares), while trading value fell 23.5% (2Q FY2009: \$63.9 billion; 1Q FY2009: \$83.5 billion). The annualised trading velocity for the first six months of the financial year was 61%, with increased trading velocity in the second quarter (2Q FY2009: 67%; 1Q FY2009: 57%).

With a slowdown in global capital raising, new listings numbered 14² in 1H FY2009 (1H FY2008: 45 listings³). These new listings raised \$0.4 billion (1H FY2008: \$5.0 billion) with a total market capitalization of \$2.8 billion (1H FY2008: \$15.1 billion). Secondary market fund raising⁴ was \$1.95 billion (1H FY2008: \$9.52 billion).

Derivatives Market Revenue

Derivatives trading volume increased 32.6% to 32.6 million contracts (1H FY2008: 24.5 million contracts) mainly on the back of strong Asian equity derivative trading: Nikkei 225 14.8 million contracts (1H FY2008: 12.0 million contracts), MSCI Taiwan 8.6 million contracts (1H FY2008: 7.6 million contracts), and CNX Nifty 6.3 million contracts (1H FY2008: 1.0 million contracts⁵).

Compared to 1Q FY2009, there was a 12.4% decline in futures trading volume in 2Q FY2009, in line with a global reduction in derivatives trading activity. In particular, the Nifty futures contract registered a 47.4% drop due to declining foreign institutional investor interest in India. Our year-end open interest (31 December 2008: 107,294 Nifty contracts), however, remained at a creditable 25% market share.

¹ Excludes the \$34 million distribution from SGX-DT Compensation Fund.

² Includes two RTOs.

³ Includes three RTOs.

⁴ Includes funds raised from placements and rights issues.

⁵ The number of CNX Nifty Index futures contracts (IN) has been adjusted for comparison purposes as the contract size was reduced fivefold in November 2007.

Recent initiatives include extending the trading hours for the Nikkei and MSCI Singapore futures, and standardizing the minimum price fluctuation for strategy trades in the Nikkei 225 futures contract.

Structured warrants trading value decreased 53.6% to \$8.1 billion (1H FY2008: \$17.4 billion) in line with the decline in securities market activity. However, the trading value for structured warrants on foreign underlying securities has grown to 61.5% of the total warrants market from 36.7% in 1H FY2008.

We plan to launch Extended Settlement contracts, a margin-based equity product targeted at retail investors, in 3Q FY2009. These single stock contracts, initially covering 50 individual SGX-listed stocks, allow investors to buy or sell a stock for future settlement in the securities market. In addition, we plan to launch options on the MSCI Singapore futures in 3Q FY2009 to bolster trading activity in the related derivatives and cash markets.

Stable Revenue

Stable revenue declined 14.5% to \$ 72.0 million (1H FY2008: \$84.2 million), mainly due to reduced corporate action activities as well as lower initial listing fees.

Strategic Alliances

SGX International, a wholly-owned subsidiary of SGX, is a global exchange consultancy set up to provide services to other exchanges and financial institutions. The first consultancy agreement, inked with Bahrain Stock Exchange (BSE) on 24 November 2008, aims to provide overall guidance on the management and operations of BSE. This is SGX's first foray into the Middle East and provides entry into a potential new market for our Asian Gateway.

On 3 November 2008, SGX signed a Memorandum of Understanding (MOU) with the Fujian Provincial Government in China. The MOUs inked with various provincial governments not only promote the listing of Chinese enterprises on SGX, but also facilitate regulatory review processes and the supervision of SGX-listed Chinese companies.

Post-Trade Processing Hub

Since inception in May 2006, SGX AsiaClear[®] has attracted 260 counterparty accounts to its trading and clearing network. The value of trades cleared in 1H FY2009 was US\$2.54 billion (1H FY2008: US\$3.40 billion) as freight rates and oil prices dropped, although the number of contracts cleared increased 33.8% to 25,893 contracts (1H FY2008: 19,353 contracts).

Technology

We successfully upgraded our trading engine for the derivatives market, Quest-DT, on 9 December 2008, enhancing capacity and capabilities. This upgrade follows the successful launch of our new securities trading engine, Quest-ST, in July 2008. These implementations, together with the launch of proximity hosting services, enable us to attract new algorithmic and high-velocity traders.

Regulation and Risk Management

SGX maintained vigilance amidst market volatility and took pre-emptive measures to manage clearing risks. Various market consultations on short selling and other market issues have been undertaken. We also leveraged on the Regulator's Column to raise public awareness on various trading practices and corporate disclosure issues.

In October 2008, we commenced the publication of listing rule waivers and the basis for granting waivers to enhance transparency. The application and registration processes for securities trading representatives were simplified in December 2008.

Acting on industry feedback on the global credit squeeze, SGX in consultation with the Monetary Authority of Singapore, announced measures to facilitate secondary fund raising by listed companies.

The revised error trade policy for the securities market took effect on 2 January 2009. The new policy seeks to enhance trade certainty, as well as timeliness and transparency in the resolution of error trades.

2. Financial Highlights - Group

2Q				Half Year			Key Variances
***	FY 2009	FY 2008		***	FY 2009	FY 2008	
Key Results (in S\$ million)							
-	69.6	122.0	Securities market revenue	-	144.0	263.1	Resulting from 57.2% and 53.2% decrease in securities trading value in 2Q and 1H FY2009 respectively.
+	42.8	38.6	Net derivatives clearing revenue	+	88.9	75.9	Reflecting a 28.1% and 34.5% increase in futures trading volume in 2Q and 1H FY2009 respectively.
-	34.3	43.0	Stable revenue	-	72.0	84.2	Mainly due to lower account maintenance and corporate action as well as listing fees.
-	146.7	203.6	Operating revenue	-	304.9	423.2	
+	55.8	60.6	Operating expenses	+	109.2	118.9	Mainly due to lower variable bonus provision.
-	90.9	143.0	Profit from operating activities	-	195.7	304.3	
-	0.6	40.2	Other gains/(losses)	-	-1.0	39.3	Mainly due to the \$34 million distribution from SGX-DT Compensation Fund in 2Q FY2008.
			Profit before tax				
-	91.5	149.2	- before distribution from SGX-DT Compensation Fund*	-	194.7	309.6	
-	91.5	183.2	- after distribution from SGX-DT Compensation Fund*	-	194.7	343.6	
			Profit attributable to equity holders				
-	74.7	122.4	- before distribution from SGX-DT Compensation Fund*	-	159.2	252.4	
-	74.7	156.4	- after distribution from SGX-DT Compensation Fund*	-	159.2	286.4	
-	660.9	725.1	Interest of equity holders as at 31 December 2008 and 31 December 2007 (in S\$ million)	-	660.9	725.1	
Segment Revenue (in S\$ million)							
-	93.4	153.5	Securities market	-	195.5	324.9	Reflecting decrease in securities trading turnover and related income.
+	52.6	49.8	Derivatives market	+	108.5	97.7	Reflecting higher futures clearing income.
+	0.7	0.2	Other operations	+	1.0	0.6	
Key ratios							
-	-27.9%	63.1%	Revenue growth	-	-27.9%	85.0%	Decline due to drop in securities market and stable revenue.
-	38.0%	29.8%	Cost to income ratio	-	35.8%	28.1%	Higher cost/income ratio is due to decline in operating revenue.
-	62.0%	70.2%	Operating profit margin	-	64.2%	71.9%	
-	50.7%	58.3%	Net profit margin ⁽¹⁾	-	52.4%	58.9%	
-	11.3%	16.9%	Return on shareholders' equity for quarter/ half year ended 31 December 2008 and 31 December 2007 ⁽¹⁾	-	24.1%	34.8%	The return on shareholders' equity is not annualised and based on the reporting period for the quarter/ half year.

(1) Excludes distribution from SGX-DT Compensation Fund.

* Relates to \$34 million distribution from SGX-DT Compensation Fund.

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

2. Financial Highlights - Group (cont'd)

2Q				Half Year			Key Variances
***	FY 2009	FY 2008		***	FY 2009	FY 2008	
			Key cash flows (in S\$ million)				
-	66.5	149.8	Cash from operating activities	-	131.6	274.1	<i>The decrease is due to the lower profitability.</i>
N/M	7.7	8.5	Payment for capital expenditure	N/M	13.9	14.6	
			Key per share data (in cents)				
			Basic earnings per ordinary share				
-	7.02	11.54	- before distribution from SGX-DT Compensation Fund*	-	14.97	23.81	
-	7.02	14.75	- after distribution from SGX-DT Compensation Fund*	-	14.97	27.02	
			Diluted earnings per ordinary share				
-	6.97	11.42	- before distribution from SGX-DT Compensation Fund*	-	14.86	23.58	
-	6.97	14.59	- after distribution from SGX-DT Compensation Fund*	-	14.86	26.75	
-	61.83	68.11	Net asset value per ordinary share as at 31 December 2008 and 31 December 2007	-	61.83	68.11	
			Dividend per share (in cents)				
+	3.50	3.00	Interim - base (tax exempt one-tier)	+	7.00	6.00	<i>Increase in base dividend from FY2009.</i>

* Relates to \$34 million distribution from SGX-DT Compensation Fund.

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

3. Statement of Profit and Loss - Group

3 Months				Half Year		
1 Oct 2008 to 31 Dec 2008	1 Oct 2007 to 31 Dec 2007	Change		1 Jul 2008 to 31 Dec 2008	1 Jul 2007 to 31 Dec 2007	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
			Securities market revenue			
41,784	83,121	(49.7)	- Securities clearing fees	89,625	178,413	(49.8)
18,028	16,926	6.5	- Securities related processing fees	32,278	37,420	(13.7)
9,790	21,910	(55.3)	- Access fees	22,124	47,270	(53.2)
69,602	121,957	(42.9)		144,027	263,103	(45.3)
42,812	38,578	11.0	Net derivatives clearing revenue	88,940	75,888	17.2
			Stable revenue *			
7,726	11,115	(30.5)	- Account maintenance and corporate action fees	16,359	21,839	(25.1)
5,637	6,424	(12.3)	- Terminal and connection fees	11,496	11,963	(3.9)
8,085	11,335	(28.7)	- Listing fees	18,388	20,849	(11.8)
1,770	2,418	(26.8)	- Membership fees	3,896	4,473	(12.9)
7,653	6,655	15.0	- Price information fees	15,461	14,189	9.0
2,177	2,857	(23.8)	- Sale of software and other computer services	4,386	5,879	(25.4)
1,255	2,205	(43.1)	- Others	2,011	5,037	(60.1)
34,303	43,009	(20.2)		71,997	84,229	(14.5)
146,717	203,544	(27.9)	Total operating revenue	304,964	423,220	(27.9)
			Operating expenses			
13,266	15,034	(11.8)	- Staff costs (excluding variable bonus)	27,530	29,718	(7.4)
3,815	2,575	48.2	- Share-based payment expense	7,505	4,035	86.0
7,389	14,019	(47.3)	- Variable bonus (including CPF)	13,145	27,654	(52.5)
4,270	4,144	3.0	- Rental and maintenance of premises	8,362	8,278	1.0
11,305	9,594	17.8	- System maintenance and rental	20,559	18,083	13.7
4,678	3,074	52.2	- Depreciation and amortisation	8,195	6,744	21.5
2,988	2,250	32.8	- Professional charges	8,587	4,997	71.8
1,103	1,572	(29.8)	- Marketing and travelling	1,779	2,825	(37.0)
879	948	(7.3)	- Communication charges	1,742	1,749	(0.4)
-	575	(100.0)	- Fees to MAS for transfer of participant supervision function	-	1,150	(100.0)
86	(47)	NM	- Allowance/(reversal) for impairment of trade receivables (net)	156	(46)	NM
201	-	NM	- Net write-off/impairment of property, plant and equipment and software	201	-	NM
(1,236)	147	NM	- Net foreign exchange loss/(gain)	(2,089)	72	NM
5	-	NM	- Net (gain)/loss on disposal of property, plant and equipment and software	9	-	NM
5,129	5,134	(0.1)	- Cost for processing and royalties	10,079	10,827	(6.9)
1,934	1,629	18.7	- Others	3,460	2,828	22.3
55,812	60,648	(8.0)	Total operating expenses	109,220	118,914	(8.2)
90,905	142,896	(36.4)	Profit from operating activities	195,744	304,306	(35.7)
			Other gains/(losses)			
-	1,870	(100.0)	- Gains/(losses) on financial assets at fair value through profit or loss	-	(2,429)	(100.0)
559	4,404	(87.3)	- Other revenue including interest income	(1,048)	7,753	NM
-	34,021	(100.0)	- Distribution from SGX-DT Compensation Fund upon its expiry	-	34,021	(100.0)
91,464	183,191	(50.1)	Profit before tax and share of results of joint ventures and associated companies	194,696	343,651	(43.3)
(66)	(97)	(32.0)	Share of results of joint ventures and associated companies	(147)	(539)	(72.7)
(16,713)	(26,656)	(37.3)	Tax **	(35,383)	(56,693)	(37.6)
74,685	156,438	(52.3)	Net profit after tax ***	159,166	286,419	(44.4)
74,685	156,438	(52.3)	Attributable to: Equity holders of the Company	159,166	286,419	(44.4)

NM: Not meaningful.

* Stable revenue includes items which are not driven by securities or derivatives turnover.

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

*** The net profit after tax excluding the \$34.0 million distribution from SGX-DT Compensation Fund is as follows:

2Q FY2008: \$122.4 million

1H FY2008: \$252.4 million

4. Earnings Per Share - Group

3 Months			Half Year	
1 Oct 2008 to 31 Dec 2008	1 Oct 2007 to 31 Dec 2007		1 Jul 2008 to 31 Dec 2008	1 Jul 2007 to 31 Dec 2007
Cents	Cents	Earnings per ordinary share for the period based on net profit attributable to equity holders	Cents	Cents
		(a) Based on weighted average number of ordinary shares in issue		
7.02	11.54	- before distribution from SGX-DT Compensation Fund*	14.97	23.81
7.02	14.75	- after distribution from SGX-DT Compensation Fund*	14.97	27.02
		(b) On a fully diluted basis		
6.97	11.42	- before distribution from SGX-DT Compensation Fund*	14.86	23.58
6.97	14.59	- after distribution from SGX-DT Compensation Fund*	14.86	26.75
1,063,329	1,060,665	Weighted average number of ordinary shares in issue for basic earnings per share ('000)	1,063,307	1,059,988
8,083	11,283	Adjustment for assumed exercise of share options ('000)	7,930	10,596
1,071,412	1,071,948	Weighted average number of ordinary shares for diluted earnings per share ('000)	1,071,237	1,070,584

* Relates to \$34 million distribution from SGX-DT Compensation Fund.

5. Statement of Profit and Loss - Company

3 Months				Half Year		
1 Oct 2008 to 31 Dec 2008	1 Oct 2007 to 31 Dec 2007	Change		1 Jul 2008 to 31 Dec 2008	1 Jul 2007 to 31 Dec 2007	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
			Operating revenue			
25,086	29,905	(16.1)	- Management fees from subsidiaries	56,095	56,091	0.0
87,000	123,000	(29.3)	- Dividends from subsidiaries	154,500	229,990	(32.8)
			Securities market revenue			
2,613	3,451	(24.3)	- Securities related processing fees	4,804	7,819	(38.6)
			Stable revenue *			
339	482	(29.7)	- Account maintenance and corporate action fees	616	1,017	(39.4)
678	657	3.2	- Sale of software and other computer services	1,380	1,341	2.9
246	180	36.7	- Others	519	553	(6.1)
1,263	1,319	(4.2)		2,515	2,911	(13.6)
115,962	157,675	(26.5)	Total operating revenue	217,914	296,811	(26.6)
			Operating expenses			
9,124	10,807	(15.6)	- Staff costs (excluding variable bonus)	19,275	21,504	(10.4)
3,815	2,575	48.2	- Share-based payment expense	7,505	4,035	86.0
5,411	9,405	(42.5)	- Variable bonus (including CPF)	11,409	17,567	(35.1)
3,197	2,285	39.9	- Rental and maintenance of premises	6,209	5,490	13.1
2,886	2,607	10.7	- System maintenance and rental	5,313	4,417	20.3
1,095	645	69.8	- Depreciation and amortisation	2,161	1,803	19.9
1,103	1,309	(15.7)	- Professional charges	5,820	2,502	132.6
493	579	(14.9)	- Marketing and travelling	860	1,203	(28.5)
582	690	(15.7)	- Communication charges	1,219	1,262	(3.4)
-	575	(100.0)	- Fees to MAS for transfer of participant supervision function	-	1,150	(100.0)
-	72	(100.0)	- Allowance/(reversal) for impairment of trade receivables (net)	-	80	(100.0)
20	-	NM	- Net write-off / impairment of property, plant and equipment	20	-	NM
(44)	(41)	7.3	- Net foreign exchange loss/(gain)	(421)	(34)	NM
161	599	(73.1)	- Cost for processing and royalties	276	1,027	(73.1)
1,413	1,325	6.6	- Others	2,536	2,145	18.2
29,256	33,432	(12.5)	Total operating expenses	62,182	64,151	(3.1)
86,706	124,243	(30.2)	Profit from operating activities	155,732	232,660	(33.1)
			Other gains/(losses)			
-	(8,000)	(100.0)	- Impairment loss on subsidiary [#]	-	(8,000)	(100.0)
1,047	6,598	(84.1)	- Other revenue including interest income	1,879	10,381	(81.9)
87,753	122,841	(28.6)	Profit before tax	157,611	235,041	(32.9)
(409)	(737)	(44.5)	Tax **	(994)	(2,449)	(59.4)
87,344	122,104	(28.5)	Net profit after tax attributable to equity holders of the company	156,617	232,592	(32.7)

NM: Not meaningful.

* Stable revenue includes items which are not driven by securities or derivatives turnover.

[#] The impairment loss is due to the Company's investment in SGX Investment (Mauritius) Limited, which is denominated in USD and fully hedged since inception. As the USD has declined since the original investment date, the Company has recognised an impairment loss. This has no impact on the Group's results.

** Lower effective tax rate is mainly due to the net impact of one-tier dividend income from subsidiaries that is not subject to tax and impairment loss on subsidiary that is not tax deductible.

6. Balance Sheets - Group and Company

Group			Company	
As at 31 Dec 2008	As at 30 Jun 2008		As at 31 Dec 2008	As at 30 Jun 2008
S\$'000	S\$'000		S\$'000	S\$'000
		Assets		
		Current assets		
586,593	822,082	Cash and cash equivalents	335,278	415,285
1,041,881	877,901	Trade and other receivables	5,895	6,024
-	3,081	Derivative financial instruments	-	245
38,721	38,011	Securities clearing funds	-	-
1,667,195	1,741,075		341,173	421,554
		Non-current assets		
73,256	76,956	Financial assets, available-for-sale	73,256	76,956
28,308	32,980	Property, plant and equipment	22,606	22,279
80,731	70,574	Software	7,819	6,967
423	423	Club memberships	423	423
2,721	2,721	Goodwill	-	-
-	-	Investments in subsidiaries	422,418	422,418
108	121	Investments in joint ventures	-	-
3,626	3,767	Investments in associated companies	4,389	4,389
2,608	1,446	Deferred tax assets	2,608	1,446
191,781	188,988		533,519	534,878
1,858,976	1,930,063	Total assets	874,692	956,432
		Liabilities		
		Current liabilities		
1,042,054	910,910	Trade and other payables	257,674	142,652
4,374	-	Derivative financial instruments	1,108	-
37,222	-	Dividends payable	37,222	-
87,702	102,328	Taxation	8,000	7,493
7,306	7,235	Provisions	4,345	4,342
13,721	13,011	Securities clearing funds - members' contributions	-	-
1,192,379	1,033,484		308,349	154,487
		Non-current liabilities		
5,728	2,647	Deferred tax liabilities	-	-
5,728	2,647		-	-
1,198,107	1,036,131	Total liabilities	308,349	154,487
660,869	893,932	Net assets	566,343	801,945
		Equity		
		Capital and reserves attributable to the Company's equity holders		
414,316	409,880	Share capital	414,316	409,880
34,021	34,021	Derivatives clearing fund reserve	-	-
25,000	25,000	Securities clearing fund reserve	-	-
(3,700)	-	Fair value reserve	(3,700)	-
17,054	11,656	Share-based payment reserve	17,054	11,656
(42,826)	(27,271)	Treasury shares	(42,826)	(27,271)
(589)	(579)	Currency translation reserve	-	-
217,593	132,679	Retained profits	181,499	99,134
-	308,546	Proposed dividends	-	308,546
660,869	893,932	Total equity	566,343	801,945

7. Net Asset Value - Group and Company

Group			Company	
As at 31 Dec 2008	As at 30 Jun 2008		As at 31 Dec 2008	As at 30 Jun 2008
Cents	Cents		Cents	Cents
61.83	83.78	Net asset value per ordinary share based on issued share capital as at the end of the reporting period	52.98	75.16

8. Borrowings and Debt Securities - Group

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

As at 31 Dec 2008			As at 30 Jun 2008	
Secured	Unsecured		Secured	Unsecured
S\$'000	S\$'000		S\$'000	S\$'000
Nil	Nil	Amount repayable in one year or less, or on demand	Nil	Nil
Nil	Nil	Amount repayable after one year	Nil	Nil

(b) Details of any collaterals

None.

9. Statement of Cash Flow - Group

3 Months Ended			Half Year Ended	
31 Dec 2008	31 Dec 2007		31 Dec 2008	31 Dec 2007
S\$'000	S\$'000		S\$'000	S\$'000
Cash flows from operating activities				
91,464	183,191	Profit before tax and share of results of joint ventures and associated companies	194,696	343,651
Adjustments for:				
4,678	3,074	Depreciation and amortisation	8,195	6,744
5	-	Net (gain)/loss on disposal of property, plant and equipment and software	9	-
-	(1,870)	Net (gain)/loss on disposal of financial assets at fair value through profit or loss	-	2,429
201	-	Net write-off/impairment of property, plant and equipment	201	-
-	(34,021)	Distribution from SGX-DT Compensation Fund upon its expiry	-	(34,021)
3,815	2,575	Share-based payment expense	7,505	4,035
-	-	Dividend income	(359)	(181)
(2,046)	(4,027)	Interest income	(4,928)	(8,585)
98,117	148,922	Operating cash flow before working capital change	205,319	314,072
Change in operating assets and liabilities, net of effects from acquisition of subsidiary				
(302,027)	202,170	Trade and other receivables	(161,300)	177,608
318,398	(166,264)	Trade and other payables	135,588	(182,464)
114,488	184,828	Cash generated from operations	179,607	309,216
(47,964)	(35,065)	Income tax paid	(47,968)	(35,075)
66,524	149,763	Net cash provided by operating activities	131,639	274,141
Cash flows from investing activities				
(7,689)	(8,450)	Purchases of property, plant and equipment and software	(13,890)	(14,631)
-	1,797	Acquisition of a subsidiary, net of cash acquired	-	1,797
-	-	Dividend received	359	181
3,247	4,152	Interest received	5,321	8,029
-	-	Investment in associated company	-	(750)
-	70,000	Proceeds from sale/redemption of financial assets at fair value through profit or loss	-	108,990
(4,442)	67,499	Net cash (used in)/provided by investing activities	(8,210)	103,616
Cash flows from financing activities				
377	908	Net proceeds from issue of ordinary shares	3,146	5,306
-	(14,056)	Purchase of treasury shares	(16,488)	(19,057)
(345,576)	(350,125)	Dividends paid	(345,576)	(350,125)
-	34,021	Distribution from SGX-DT Compensation Fund upon its expiry	-	34,021
(345,199)	(329,252)	Net cash (used in)/provided by financing activities	(358,918)	(329,855)
(283,117)	(111,990)	Net (decrease)/increase in cash and cash equivalents held	(235,489)	47,902
695,189	683,583	Cash and cash equivalents at the beginning of the period	647,561	523,691
-	(50,500)	Cash set aside for Singapore Exchange Derivatives Clearing Limited's Clearing Fund	-	(50,500)
412,072	521,093	Cash and cash equivalents at the end of the period	412,072	521,093

3 Months Ended			Half Year Ended	
31 Dec 2008	31 Dec 2007		31 Dec 2008	31 Dec 2007
S\$'000	S\$'000		S\$'000	S\$'000
For the purposes of the Statement of Cash Flow, the cash and cash equivalents comprised the following:				
586,593	661,593	Cash and cash equivalents (as in Balance Sheet - Group)	586,593	661,593
(174,521)	(140,500)	Less : Cash set aside for Singapore Exchange Derivatives Clearing Limited's Clearing Fund	(174,521)	(140,500)
412,072	521,093	Cash and cash equivalents per Statement of Cash Flow	412,072	521,093

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

	Attributable to equity holders of the Company										Total Equity \$'000
	Share capital	Derivatives clearing fund reserve *	Securities clearing fund reserve *	Fair value reserve *	Share-based payment reserve *	Treasury shares	Currency translation reserve *	Retained profits	Proposed dividends	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
(i) Consolidated - 2Q FY2009											
Balance at 1 October 2008	413,289	34,021	25,000	-	14,706	(43,613)	(536)	179,756	308,546	931,169	931,169
Fair value losses on financial assets, available-for-sale	-	-	-	(3,700)	-	-	-	-	-	(3,700)	(3,700)
Net currency translation differences of financial statements of associated company	-	-	-	-	-	-	(53)	-	-	(53)	(53)
Net loss recognised directly in equity	-	-	-	(3,700)	-	-	(53)	-	-	(3,753)	(3,753)
Net profit after tax	-	-	-	-	-	-	-	74,685	-	74,685	74,685
Total recognised gains for the financial period	-	-	-	(3,700)	-	-	(53)	74,685	-	70,932	70,932
Dividends paid	-	-	-	-	-	-	-	-	(308,546)	(308,546)	(308,546)
- FY2008 - Final base and variable dividends	-	-	-	-	-	-	-	-	(308,546)	(308,546)	(308,546)
- FY2008 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	191	-	191	191
- 1Q FY2009 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	183	-	183	183
Dividends payable	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(37,222)
- 2Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(37,222)
Issue of ordinary shares	463	-	-	-	(86)	-	-	-	-	377	377
Employee share plan - value of employee services	-	-	-	-	3,815	-	-	-	-	3,815	3,815
Vesting of shares under performance share plan	564	-	-	-	(1,381)	817	-	-	-	-	-
Tax effect on treasury shares ^^	-	-	-	-	-	(30)	-	-	-	(30)	(30)
Balance at 31 December 2008	414,316	34,021	25,000	(3,700)	17,054	(42,826)	(589)	217,593	-	660,869	660,869
(ii) Consolidated - 2Q FY2008											
Balance at 1 October 2007	404,130	-	25,000	-	8,718	(17,202)	-	190,412	-	611,058	611,058
Total recognised gains for the financial period - net profit	-	-	-	-	-	-	-	156,438	-	156,438	156,438
Dividends paid	-	-	-	-	-	-	-	-	-	-	-
- FY2007 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	118	-	118	118
- 1Q FY2008 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	97	-	97	97
Dividend payable	-	-	-	-	-	-	-	(31,940)	-	(31,940)	(31,940)
- 2Q FY2008 - Interim base dividend	-	-	-	-	-	-	-	(31,940)	-	(31,940)	(31,940)
Issue of ordinary shares	1,138	-	-	-	(230)	-	-	-	-	908	908
Transfer to Derivatives clearing fund reserve	-	34,021	-	-	-	-	-	(34,021)	-	-	-
Employee share plan - value of employee services	-	-	-	-	2,575	-	-	-	-	2,575	2,575
Tax effect on treasury shares ^^	-	-	-	-	-	(80)	-	-	-	(80)	(80)
Purchase of treasury shares	-	-	-	-	-	(14,056)	-	-	-	(14,056)	(14,056)
Balance at 31 December 2007	405,268	34,021	25,000	-	11,063	(31,338)	-	281,104	-	725,118	725,118
(iii) Company - 2Q FY2009											
Balance at 1 October 2008	413,289	-	-	-	14,706	(43,613)	-	131,003	308,546	823,931	823,931
Fair value losses on financial assets, available-for-sale	-	-	-	(3,700)	-	-	-	-	-	(3,700)	(3,700)
Net loss recognised directly in equity	-	-	-	(3,700)	-	-	-	-	-	(3,700)	(3,700)
Net profit after tax	-	-	-	-	-	-	-	87,344	-	87,344	87,344
Total recognised gains for the financial period	-	-	-	(3,700)	-	-	-	87,344	-	83,644	83,644
Dividends paid	-	-	-	-	-	-	-	-	(308,546)	(308,546)	(308,546)
- FY2008 - Final base and variable dividends	-	-	-	-	-	-	-	-	(308,546)	(308,546)	(308,546)
- FY2008 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	191	-	191	191
- 1Q FY2009 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	183	-	183	183
Dividends payable	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(37,222)
- 2Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(37,222)
Issue of ordinary shares	463	-	-	-	(86)	-	-	-	-	377	377
Employee share plan - value of employee services	-	-	-	-	3,815	-	-	-	-	3,815	3,815
Vesting of shares under performance share plan	564	-	-	-	(1,381)	817	-	-	-	-	-
Tax effect on treasury shares ^^	-	-	-	-	-	(30)	-	-	-	(30)	(30)
Balance at 31 December 2008	414,316	-	-	(3,700)	17,054	(42,826)	-	181,499	-	566,343	566,343
(iv) Company - 2Q FY2008											
Balance at 1 October 2007	404,130	-	-	-	8,718	(17,202)	-	146,127	-	541,773	541,773
Total recognised gains for the financial period - net profit	-	-	-	-	-	-	-	122,104	-	122,104	122,104
Dividends paid	-	-	-	-	-	-	-	-	-	-	-
- FY2007 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	118	-	118	118
- 1Q FY2008 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	97	-	97	97
Dividend payable	-	-	-	-	-	-	-	(31,940)	-	(31,940)	(31,940)
- 2Q FY2008 - Interim base dividend	-	-	-	-	-	-	-	(31,940)	-	(31,940)	(31,940)
Issue of ordinary shares	1,138	-	-	-	(230)	-	-	-	-	908	908
Employee share plan - value of employee services	-	-	-	-	2,575	-	-	-	-	2,575	2,575
Tax effect on treasury shares ^^	-	-	-	-	-	(80)	-	-	-	(80)	(80)
Purchase of treasury shares	-	-	-	-	-	(14,056)	-	-	-	(14,056)	(14,056)
Balance at 31 December 2007	405,268	-	-	-	11,063	(31,338)	-	236,506	-	621,499	621,499

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

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

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

	Attributable to equity holders of the Company										Total Equity \$'000
	Share capital	Derivatives clearing fund reserve *	Securities clearing fund reserve *	Fair value reserve *	Share-based payment reserve*	Treasury shares	Currency translation reserve *	Retained profits	Proposed dividends	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
(v) Consolidated - Half Year FY2009											
Balance at 1 July 2008	409,880	34,021	25,000	-	11,656	(27,271)	(579)	132,679	308,546	893,932	893,932
Fair value losses on financial assets, available-for-sale	-	-	-	(3,700)	-	-	-	-	-	(3,700)	(3,700)
Net currency translation differences of financial statements of associated company	-	-	-	-	-	-	(10)	-	-	(10)	(10)
Net loss recognised directly in equity	-	-	-	(3,700)	-	-	(10)	-	-	(3,710)	(3,710)
Net profit after tax	-	-	-	-	-	-	-	159,166	-	159,166	159,166
Total recognised gains for the financial period	-	-	-	(3,700)	-	-	(10)	159,166	-	155,456	155,456
Dividends paid											
- FY2008 - Final base and variable dividends	-	-	-	-	-	-	-	-	(308,546)	(308,546)	(308,546)
- FY2008 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	191	-	191	191
- 1Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	(37,404)	-	(37,404)	(37,404)
- 1Q FY2009 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	183	-	183	183
Dividend payable											
- 2Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(37,222)
Issue of ordinary shares	3,872	-	-	-	(726)	-	-	-	-	3,146	3,146
Employee share plan - value of employee services	-	-	-	-	7,505	-	-	-	-	7,505	7,505
Tax effect on treasury shares ^^	-	-	-	-	-	116	-	-	-	116	116
Vesting of shares under performance share plan	564	-	-	-	(1,381)	817	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	(16,488)	-	-	-	(16,488)	(16,488)
Balance at 31 December 2008	414,316	34,021	25,000	(3,700)	17,054	(42,826)	(589)	217,593	-	660,869	660,869
(vi) Consolidated - Half Year FY2008											
Balance at 1 July 2007	398,533	-	25,000	-	8,457	(12,393)	-	92,360	318,411	830,368	830,368
Total recognised gains for the financial period - net profit	-	-	-	-	-	-	-	286,419	-	286,419	286,419
Dividends paid											
- FY2007 - Final base and variable dividends	-	-	-	-	-	-	-	-	(318,411)	(318,411)	(318,411)
- FY2007 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	118	-	118	118
- 1Q FY2008 - Interim base dividend	-	-	-	-	-	-	-	(31,929)	-	(31,929)	(31,929)
- 1Q FY2008 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	97	-	97	97
Dividend payable											
- 2Q FY2008 - Interim base dividend	-	-	-	-	-	-	-	(31,940)	-	(31,940)	(31,940)
Issue of ordinary shares	6,735	-	-	-	(1,429)	-	-	-	-	5,306	5,306
Transfer to Derivatives clearing fund reserve	-	34,021	-	-	-	-	-	(34,021)	-	-	-
Employee share plan - value of employee services	-	-	-	-	4,035	-	-	-	-	4,035	4,035
Tax effect on treasury shares ^^	-	-	-	-	-	112	-	-	-	112	112
Purchase of treasury shares	-	-	-	-	-	(19,057)	-	-	-	(19,057)	(19,057)
Balance at 31 December 2007	405,268	34,021	25,000	-	11,063	(31,338)	-	281,104	-	725,118	725,118
(vii) Company - Half Year FY2009											
Balance at 1 July 2008	409,880	-	-	-	11,656	(27,271)	-	99,134	308,546	801,945	801,945
Fair value losses on financial assets, available-for-sale	-	-	-	(3,700)	-	-	-	-	-	(3,700)	(3,700)
Net loss recognised directly in equity	-	-	-	(3,700)	-	-	-	-	-	(3,700)	(3,700)
Net profit after tax	-	-	-	-	-	-	-	156,617	-	156,617	156,617
Total recognised gains for the financial period	-	-	-	(3,700)	-	-	-	156,617	-	152,917	152,917
Dividends paid											
- FY2008 - Final base and variable dividends	-	-	-	-	-	-	-	-	(308,546)	(308,546)	(308,546)
- FY2008 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	191	-	191	191
- 1Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	(37,404)	-	(37,404)	(37,404)
- 1Q FY2009 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	183	-	183	183
Dividend payable											
- 2Q FY2009 - Interim base dividend	-	-	-	-	-	-	-	(37,222)	-	(37,222)	(37,222)
Issue of ordinary shares	3,872	-	-	-	(726)	-	-	-	-	3,146	3,146
Employee share plan - value of employee services	-	-	-	-	7,505	-	-	-	-	7,505	7,505
Tax effect on treasury shares ^^	-	-	-	-	-	116	-	-	-	116	116
Vesting of shares under performance share plan	564	-	-	-	(1,381)	817	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	(16,488)	-	-	-	(16,488)	(16,488)
Balance at 31 December 2008	414,316	-	-	(3,700)	17,054	(42,826)	-	181,499	-	566,343	566,343
(viii) Company - Half Year FY2008											
Balance at 1 July 2007	398,533	-	-	-	8,457	(12,393)	-	67,568	318,411	780,576	780,576
Total recognised gains for the financial period - net profit	-	-	-	-	-	-	-	232,592	-	232,592	232,592
Dividends paid											
- FY2007 - Final base and variable dividends	-	-	-	-	-	-	-	-	(318,411)	(318,411)	(318,411)
- FY2007 - Over/(under)-provision of final base and variable dividends	-	-	-	-	-	-	-	118	-	118	118
- 1Q FY2008 - Interim base dividend	-	-	-	-	-	-	-	(31,929)	-	(31,929)	(31,929)
- 1Q FY2008 - Over/(under)-provision of interim base dividend	-	-	-	-	-	-	-	97	-	97	97
Dividend payable											
- 2Q FY2008 - Interim base dividend	-	-	-	-	-	-	-	(31,940)	-	(31,940)	(31,940)
Issue of ordinary shares	6,735	-	-	-	(1,429)	-	-	-	-	5,306	5,306
Employee share plan - value of employee services	-	-	-	-	4,035	-	-	-	-	4,035	4,035
Tax effect on treasury shares ^^	-	-	-	-	-	112	-	-	-	112	112
Purchase of treasury shares	-	-	-	-	-	(19,057)	-	-	-	(19,057)	(19,057)
Balance at 31 December 2007	405,268	-	-	-	11,063	(31,338)	-	236,506	-	621,499	621,499

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

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

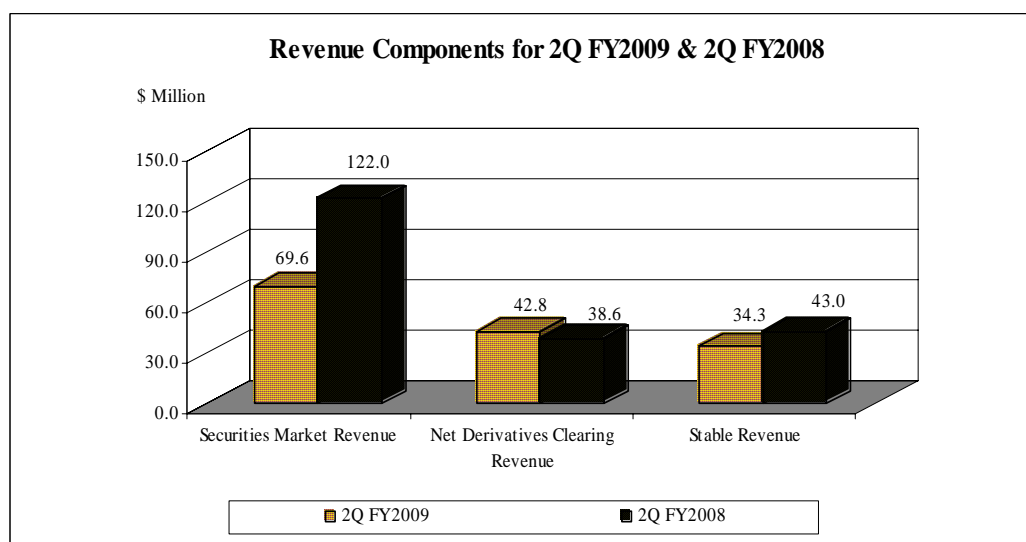
11. Review of the Performance of SGX Group

(i) *2Q FY2009 Financial Highlights*

SGX Group achieved \$74.7 million net profit after tax, for the current quarter ended 31 December 2008, compared to \$122.4 million (excluding the \$34.0 million distribution from SGX-DT Compensation Fund) for the previous corresponding quarter ended 31 December 2007. Operating profit for the current quarter amounted to \$90.9 million, compared to \$143.0 million for the previous corresponding quarter.

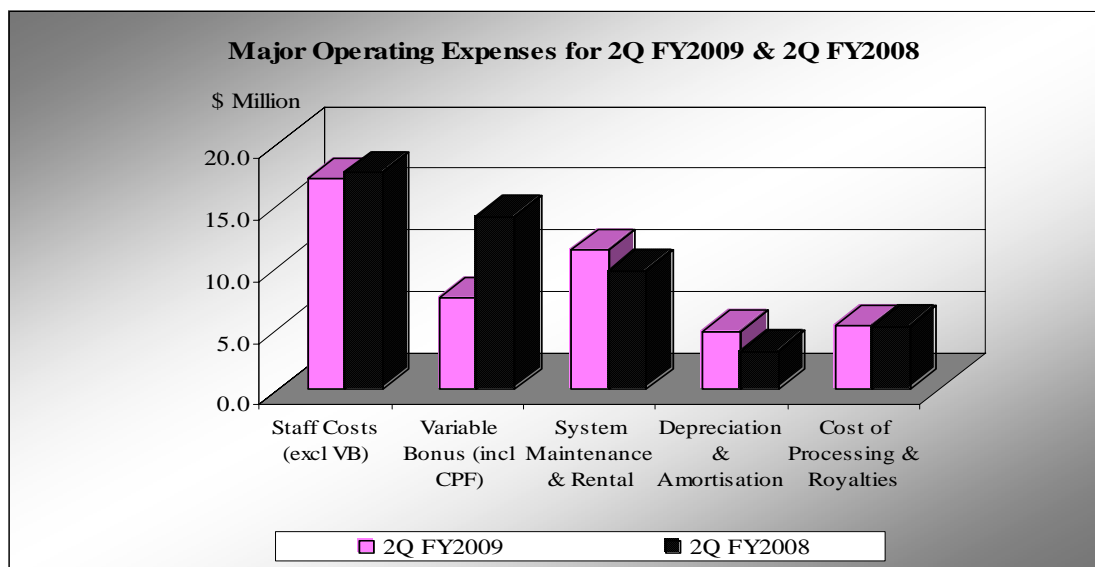
Revenue

The Group's revenue decreased 27.9% to \$146.7 million from \$203.6 million, on decrease in Securities Market Revenue and Stable Revenue, partially offset by the increase in Net Derivatives Clearing Revenue, as follows:



Expenses

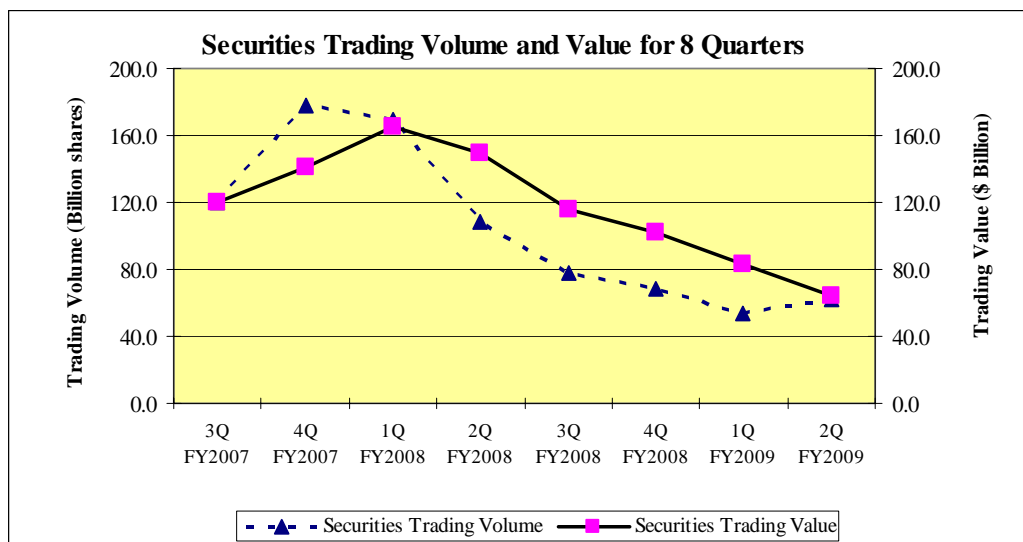
Operating expenses for 2Q FY2009 decreased 8.0% to \$55.8 million from \$60.6 million. This decrease was mainly due to lower variable bonus provision in line with lower profitability. The following chart highlights the major expenses for these two periods:



Securities Market

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

Securities Market Data	2Q FY2009	2Q FY2008	Change
Clearing fees (\$ million)	41.8	83.1	(49.7%)
Trading value:			
• Full quarter (\$ billion)	63.9	149.3	(57.2%)
• Daily average (\$ billion)	1.03	2.37	(56.5%)
Trading volume:			
• Full quarter (billion shares)	61.9	108.6	(43.0%)
• Daily average (billion shares)	1.00	1.72	(42.1%)
Number of IPOs, including Foreign Company IPOs	2	21	(19)
	2	14	(12)
Funds raised via IPOs:			
• Total (\$ billion)	0.1	2.9	(95.2%)
• Average per IPO (\$ million)	70.2	140.3	(49.9%)
Market capitalisation of IPOs:			
• Total (\$ billion)	0.7	9.3	(92.8%)
• Average per IPO (\$ million)	335.6	444.1	(24.4%)
Number of Securities Market members as at quarter end	26	27	(1)



Clearing fees were levied at 0.04% of the contract value for approximately 63% of the contracts traded in 2Q FY2009 (2Q FY2008: 51%). Fees on the remaining contracts were levied at \$600 per contract.

Derivatives Market

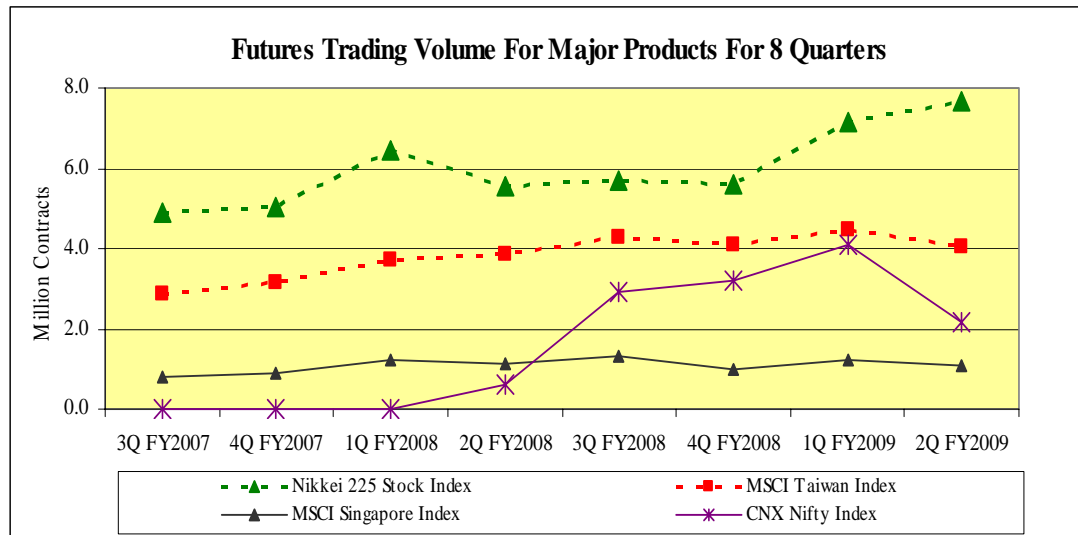
Net Derivatives Clearing Revenue comprises clearing revenue from futures and structured warrants, as follows:

Net Derivatives Clearing Revenue	2Q FY2009 (\$ million)	2Q FY2008 (\$ million)	Change (%)
Futures Clearing Revenue	40.5	32.3	25.2
Structured Warrants Clearing Revenue	2.3	6.3	(62.5)
Total	42.8	38.6	11.0

Futures

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

Futures Data	2Q FY2009	2Q FY2008	Change (%)	% of Total Volume	
				2Q FY2009	2Q FY2008
Clearing Revenue (\$ million)	40.5	32.3	25.2		
Trading volume (million contracts)					
• Asian Equity Derivatives	15.1	11.3	32.4	98.3	94.0
- Nikkei 225 Stock Index	7.7	5.6	37.8	50.4	46.3
- MSCI Taiwan Index	4.1	3.9	5.3	26.7	32.1
- MSCI Singapore Index	1.1	1.1	(5.9)	7.0	9.4
- CNX Nifty Index	2.2	0.7*	NM	14.2	6.2
• Others	0.1	0.7	(62.6)	1.7	6.0
Total	15.2	12.0	26.6	100.0	100.0
* The number of CNX Nifty Index futures contracts (IN) has been adjusted for comparison purposes as the contract size was reduced fivefold in November 2007.					

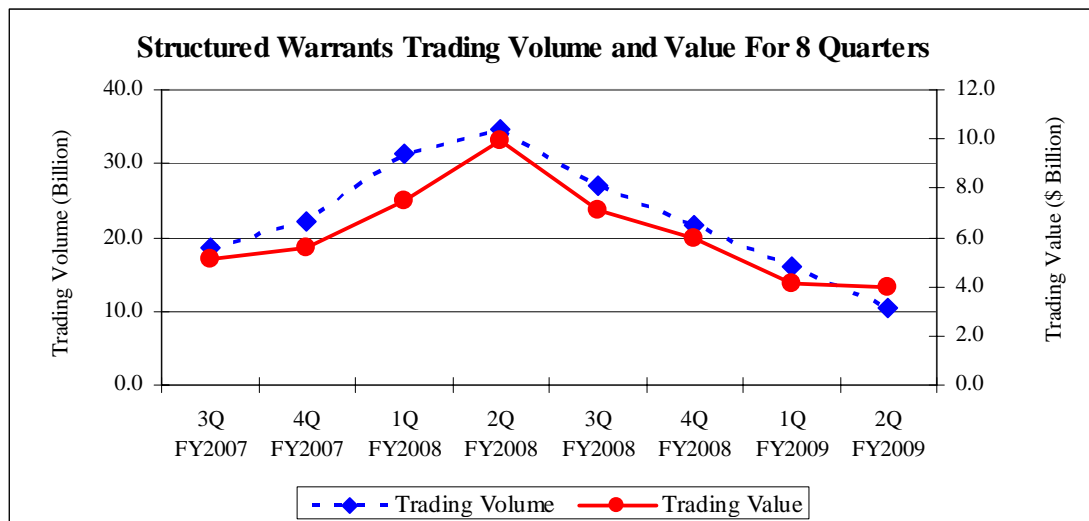


Number of Futures members	As at 31 December 2008	As at 31 December 2007	Change
Locals	196	226	(30)
Corporate	256	237	19
Total	452	463	(11)

Structured Warrants

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

Structured Warrants Data	2Q FY2009	2Q FY2008	Change
Clearing Revenue (\$ million)	2.3	6.3	(62.5%)
Trading value (\$ billion)	4.0	9.9	(59.9%)
Trading volume (billion units)	10.5	34.5	(69.7%)
Number of new issues	227	526	(299)



(ii) **Financial Summary - 3 months ended 31 December 2008 vs 3 months ended 31 December 2007**

Securities Market Revenue

<i>Securities Clearing Fees</i>	-49.7%	• Due to 57.2% decrease in securities trading value.
<i>Securities Related Processing Fees</i>	+6.5%	• Higher securities transfer fees on increase in pricing and volume of off-market transfers.
<i>Access Fees</i>	-55.3%	• Lower value traded via SGXAccess.
Net Derivatives Clearing Revenue	+11.0%	• Due to 28.1% increase in futures trading volume, partially offset by a decrease in structured warrants trading value.

Stable Revenue

<i>Account Maintenance & Corporate Action Fees</i>	-30.5%	• Lower dividend processing, rights issue processing and other corporate action related income.
<i>Listing Fees</i>	-28.7%	• Lower listing fees on decrease in number of IPOs and new structured warrants issued.
<i>Price Information Fees</i>	+15.0%	• Mainly due to higher income from derivatives datafeed on increase in pricing.
<i>Others (Operating Revenue)</i>	-43.1%	• Decrease in income from corporate action related trust accounts

Operating Expenses

<i>Staff Costs (excluding variable bonus)</i>	-11.8%	• Mainly due to decrease in sign-on fees for new joiners.
<i>Share-based Payment Expense</i>	+48.2%	• Mainly due to the higher charge from share-based compensation plans granted in FY2008 and FY2009.
<i>Variable Bonus (including CPF)</i>	-47.3%	• Due to the lower variable bonus provision in line with lower profitability.
<i>System Maintenance and Rental</i>	+17.8%	• Mainly due to higher data centre outsourcing fees and incorporation of maintenance fees for SICOM's trading systems.
<i>Depreciation and Amortisation</i>	+52.2%	• Mainly due to the launch of several technology related projects in 1H FY2009.

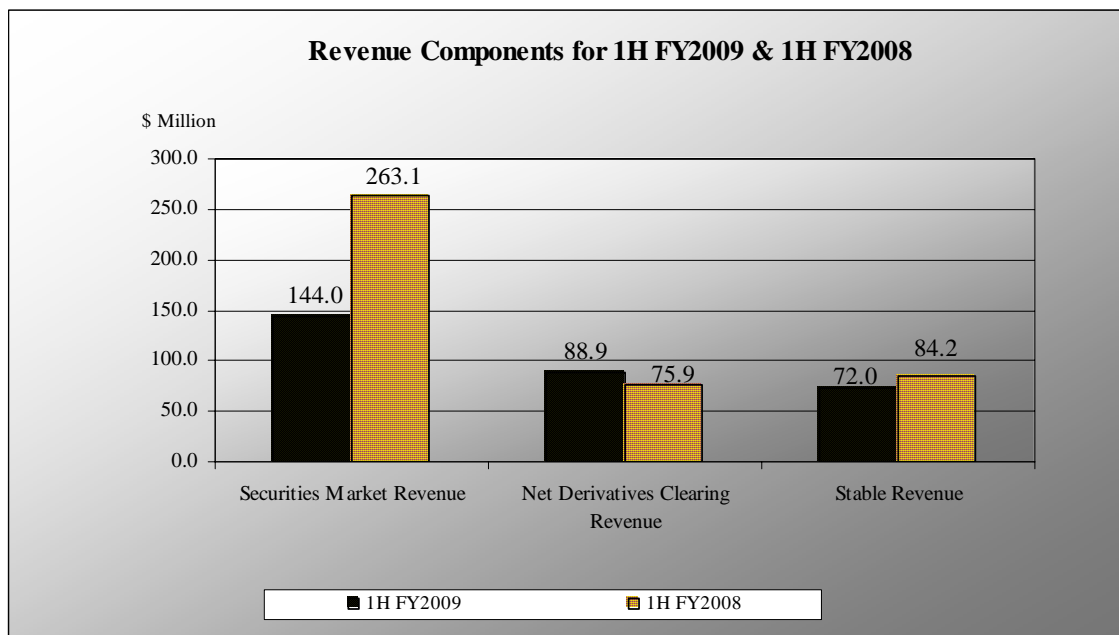
<i>Net Foreign Exchange Loss/(Gain)</i>	-\$1.4MM	<ul style="list-style-type: none"> • Mainly due to realized foreign exchange gain from foreign currency denominated receipts and payments.
<i>Other Gains/ (Losses)</i>		
<i>Gains/(Losses) on Financial Assets at Fair Value Through Profit or Loss</i>	-\$1.9MM	<ul style="list-style-type: none"> • This is mainly due to the gain in the managed fund portfolio in 2Q FY2008. The portfolio was fully redeemed in 2Q FY2008.
<i>Other Revenue including Interest Income</i>	-\$3.8MM	<ul style="list-style-type: none"> • Mainly due to decline in interest income on lower interest rates and mark-to-market loss on forward foreign exchange contracts to hedge the USD derivatives clearing fees.
<i>Contribution from SGX-DT Compensation Fund upon its expiry</i>	-\$34.0MM	<ul style="list-style-type: none"> • \$34 million distribution from SGX-DT Compensation Fund upon its expiry on 24 November 2007. This amount was transferred to the Derivatives clearing fund reserve and will not be available for distribution as dividends.

(iii) ***1H FY2008 Financial Highlights***

SGX Group achieved \$159.2 million net profit after tax for the current half year ended 31 December 2008, compared to \$252.4 million, excluding the \$34.0 million distribution from SGX-DT Compensation Fund, for the previous corresponding half year ended 31 December 2007. Operating profit for the current half year amounted to \$195.7 million, compared to \$304.3 million for the previous corresponding half year.

Revenue

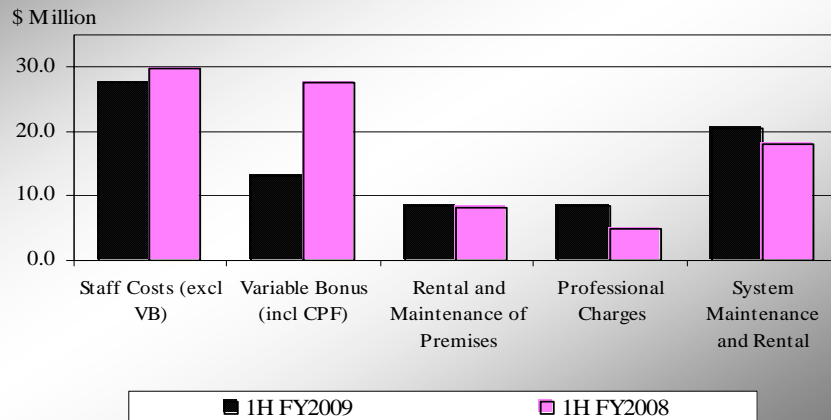
The Group's revenue decreased 27.9% to \$304.9 million from \$423.2 million, on decrease in Securities Market Revenue and Stable Revenue, partially offset by the increase in Net Derivatives Clearing Revenue, as follows:



Expenses

Operating expenses for 1H FY2009 decreased 8.2% to \$109.2 million from \$118.9 million, mainly due to the decrease in variable bonus provision. The following chart highlights the major expenses for these two periods:

Major Operating Expenses for 1H FY2009 & 1H FY2008



Securities Market

The table below shows the key figures for securities market:

Securities Market Data	1H FY2009	1H FY2008	Change
Clearing fees (\$ million)	89.6	178.4	(49.8%)
Trading value:			
• Half year (\$ billion)	147.5	315.0	(53.2%)
• Daily average (\$ billion)	1.15	2.48	(53.6%)
Trading volume:			
• Half year (billion shares)	115.8	277.9	(58.3%)
• Daily average (billion shares)	0.90	2.19	(58.7%)
Number of IPOs,	12	42	(30)
of which Foreign Company IPOs	7	30	(23)
Funds raised via IPOs:			
• Total (\$ billion)	0.4	4.8	(91.3%)
• Average per IPO (\$ million)	34.7	114.6	(69.7%)
Market capitalisation of IPOs:			
• Total (\$ billion)	2.0	14.4	(84.8%)
• Average per IPO (\$ million)	181.7	341.9	(46.9%)

Clearing fees were levied at 0.04% of the contract value for approximately 58% of the contracts traded in 1H FY2009 (1H FY2008: 53%). Fees on the remaining contracts were levied at \$600 per contact.

Derivatives Market

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

Net Derivatives Clearing Revenue	1H FY2009 (\$ million)	1H FY2008 (\$ million)	Change (%)
Futures Clearing Revenue	83.8	64.2	30.5
Structured Warrants Clearing Revenue	5.1	11.7	(56.0)
Total	88.9	75.9	17.2

Futures

The table below summarises the performance of the futures business:

Futures Data	1H FY2009	1H FY2008	Change (%)	% of Total Volume	
				1H FY2009	1H FY2008
Clearing Revenue (\$ million)	83.8	64.2	30.5		
Trading volume (million contracts)					
• Asian Equity Derivatives	32.0	22.9	39.3	98.0	93.4
- Nikkei 225 Stock Index	14.8	12.0	23.4	45.5	48.9
- MSCI Taiwan Index	8.6	7.6	12.7	26.2	30.9
- MSCI Singapore Index	2.3	2.3	(1.3)	7.1	9.5
- CNX Nifty Index	6.3	1.0*	NM	19.2	4.1
• Others	0.6	1.6	(60.2)	2.0	6.6
Total	32.6	24.5	32.6	100.0	100.0
* The number of CNX Nifty Index futures contracts (IN) has been adjusted for comparison purposes as the contract size was reduced fivefold in November 2007.					

Structured Warrants

The following are key figures for structured warrants:

Structured Warrants Data	1H FY2009	1H FY2008	Change
Clearing Revenue (\$ million)	5.1	11.7	(56.0%)
Trading value (\$ billion)	8.1	17.4	(53.6%)
Trading volume (billion units)	26.4	65.9	(59.9%)
Number of new issues	468	985	(517)

(iv) **Financial Summary - 6 months ended 31 December 2008 vs 6 months ended 31 December 2007**

Securities Market Revenue

<i>Securities Clearing Fees</i>	-49.8%	• Securities trading value decreased by 53.2%.
<i>Securities Related Processing Fees</i>	-13.7%	• Mainly due to lower contract processing and contract charges income on lower market turnover.
<i>Access Fees</i>	-53.2%	• Lower value traded via SGXAccess.
<i>Net Derivatives Clearing Revenue</i>	+17.2%	• Due to 34.5% increase in futures trading volume partially offset by a decrease in structured warrants trading value.

Stable Revenue

<i>Account Maintenance & Corporate Action Fees</i>	-25.1%	• Lower rights issue processing and other corporate action related activities.
<i>Listing Fees</i>	-11.8%	• Lower listing fees on decrease in number of IPOs and new structured warrants issued.
<i>Price Information Fees</i>	+9.0 %	• Higher income from derivatives datafeed on increase in pricing and from SGX SecuritiesBook on increase in number of subscribers.

<i>Sale of Software and Other Computer Services</i>	-25.4%	<ul style="list-style-type: none"> Mainly due to termination of SESOPS fees.
<i>Others (Operating Revenue)</i>	-60.1%	<ul style="list-style-type: none"> Mainly due to lower income from corporate action related trust accounts.

Operating Expenses

<i>Staff Costs (excluding variable bonus)</i>	-7.4%	<ul style="list-style-type: none"> Mainly due to decrease in sign-on fees for new joiners.
<i>Share-based Payment Expense</i>	+86.0%	<ul style="list-style-type: none"> Mainly due to the higher charge from share-based compensation plans granted in FY2008 and FY2009.
<i>Variable Bonus (including CPF)</i>	-52.5%	<ul style="list-style-type: none"> Lower variable bonus provision in line with lower profitability and higher reversal of prior year over-provision.
<i>System Maintenance and Rental</i>	+13.7%	<ul style="list-style-type: none"> Mainly due to higher data centre outsourcing fees and incorporation of maintenance fees for SICOM's trading systems.
<i>Depreciation and Amortisation</i>	+21.5%	<ul style="list-style-type: none"> Mainly due to the launch of several technology related projects in 1H FY2009.
<i>Professional Charges</i>	+71.8%	<ul style="list-style-type: none"> Higher professional fees paid in 1H FY2009.
<i>Marketing and Travelling</i>	-37.0%	<ul style="list-style-type: none"> Due to decrease in marketing activities and overseas business trips.
<i>Fees to MAS for Transfer of Participant Supervision Function</i>	-100.0%	<ul style="list-style-type: none"> Fees paid to MAS for the transfer of Participant Supervision Function for five years ended on 30 June 2008.
<i>Net Foreign Exchange Loss/(Gain)</i>	-\$2.2MM	<ul style="list-style-type: none"> Mainly due to realized foreign exchange gain from foreign currency denominated receipts and payments.

Other Gains/ (Losses)

<i>Gains/(Losses) on Financial Assets at Fair Value Through Profit or Loss</i>	+\$2.4MM	<ul style="list-style-type: none">• This is due to the realized losses in 1H FY2008 in the managed fund portfolio. The portfolio was fully redeemed in 2Q FY2008.
<i>Other Revenue including Interest Income</i>	-\$8.8MM	<ul style="list-style-type: none">• Mainly due to mark-to-market loss on forward foreign exchange contracts to hedge the USD derivatives clearing fees and lower interest income on lower interest rates.
<i>Contribution from SGX-DT Compensation Fund upon its expiry</i>	-\$34.0MM	<ul style="list-style-type: none">• \$34 million distribution from SGX-DT Compensation Fund upon its expiry on 24 November 2007. This amount was transferred to the Derivatives clearing fund reserve and will not be available for distribution as dividends.

(v) **Performance of 3 months ended 31 December 2008 vs 3 months ended 30 September 2008**

The following table is an overview of the 2Q FY2009 against 1Q FY2009 comparison:

	2Q FY2009	1Q FY2009	Change (%)
A. Financial Performance (\$ million)			
Operating revenue			
- Securities market revenue	69.6	74.4	(6.5)
- Net derivatives clearing revenue	42.8	46.1	(7.2)
- Stable revenue	34.3	37.7	(9.0)
Total	146.7	158.2	(7.3)
Operating expenses	55.8	53.4	4.5
Operating profit	90.9	104.8	(13.3)
Other gains/(losses)	0.6	(1.6)	NM
Share of results of joint ventures and associated companies	(0.1)	(0.1)	(18.5)
Tax	(16.7)	(18.6)	(10.5)
Net profit after tax	74.7	84.5	(11.6)
B. Market Turnover Statistics			
Securities trading value:			
- Full quarter (\$ billion)	63.9	83.5	(23.5%)
- Daily average (\$ billion)	1.03	1.27	(18.5%)
Securities trading volume:			
- Full quarter (billion shares)	61.9	53.9	14.8%
- Daily average (billion shares)	1.00	0.82	22.2%
Futures trading volume:			
- Full quarter (million contracts)	15.2	17.4	(12.4%)
- Daily average (million contracts)	0.25	0.26	(6.7%)
Structured warrants trading value:			
- Full quarter (\$ billion)	4.0	4.1	(2.5%)
- Daily average (\$ billion)	0.06	0.06	3.8%
Structured warrants trading volume:			
- Full quarter (billion units)	10.5	16.0	(34.4%)
- Daily average (billion units)	0.17	0.24	(30.2%)
Note: Daily average computed based on 62 and 66 trading days in 2Q FY2009 and 1Q FY2009 respectively.			

(vi) **Balance Sheet**

Other Gains/ (Losses) Taken Directly to Equity

Financial Assets, Available-for-Sale and Fair Value Reserve

- The Group made a \$3.7 million adjustment for a decline in the fair value of the investment in Bombay Stock Exchange Limited.

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

Bank Facilities

- As at 31 December 2008, the Group had \$470 million of bank credit facilities in place, comprising \$200 million committed share financing and \$270 million committed unsecured credit lines, for prudent risk management and emergency funding needs.

Contingent Liabilities

- As at 31 December 2008, the Group had contingent liabilities to banks for US\$283 million of unsecured standby letters of credit issued to CME as margin and performance bond for futures trading.

Standby Credit to Group Companies

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

Other Commitments

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

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

12 (a). Segment Information - Group

3 Months ended 31 December 2008				Reporting by Market	3 Months ended 31 December 2007			
Securities Market	Derivatives Market	Other Operations	Group		Securities Market	Derivatives Market	Other Operations	Group
S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	S\$'000	S\$'000	S\$'000
				SEGMENT REVENUE				
93,443	52,574	700	146,717	External revenue	153,547	49,787	210	203,544
91	-	-	91	Inter-segment revenue	51	-	(1)	50
93,534	52,574	700	146,808		153,598	49,787	209	203,594
(91)	-	-	(91)	Less: Consolidation elimination	(51)	-	1	(50)
93,443	52,574	700	146,717		153,547	49,787	210	203,544
				RESULTS				
70,296	24,913	705	95,914	Segment results	123,799	26,664	46	150,509
			(5,009)	Unallocated expenses				(7,613)
			90,905	Profit from operating activities				142,896
				Other gains/(losses)				
			-	- Distribution from SGX-DT Compensation Fund upon its expiry	-	34,021	-	34,021
			559	- Unallocated				6,274
			(66)	Share of results of joint ventures and associated companies				(97)
			(16,713)	Tax				(26,656)
			74,685	Profit after tax				156,438
				SEGMENT ASSETS				
1,217,426	195,013	5,926	1,418,365	Segment assets	993,881	239,737	7,392	1,241,010
			440,611	Unallocated assets				378,907
			1,858,976	Consolidated total assets				1,619,917
				SEGMENT LIABILITIES				
1,020,198	42,603	290	1,063,091	Segment liabilities	715,715	41,331	413	757,459
			135,016	Unallocated liabilities				137,340
			1,198,107	Consolidated total liabilities				894,799
				OTHER INFORMATION				
2,131	5,556	2	7,689	Capital expenditure	5,530	2,920	-	8,450
2,978	1,668	32	4,678	Depreciation and amortisation	2,293	749	32	3,074

12 (b). Segment Information - Group

Half Year ended 31 December 2008				Reporting by Market	Half Year ended 31 December 2007			
Securities Market	Derivatives Market	Other Operations	Group		Securities Market	Derivatives Market	Other Operations	Group
S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	S\$'000	S\$'000	S\$'000
				SEGMENT REVENUE				
195,452	108,508	1,004	304,964	External revenue	324,949	97,683	588	423,220
105	-	-	105	Inter-segment revenue	71	-	-	71
195,557	108,508	1,004	305,069		325,020	97,683	588	423,291
(105)	-	-	(105)	Less: Consolidation elimination	(71)	-	-	(71)
195,452	108,508	1,004	304,964		324,949	97,683	588	423,220
				RESULTS				
143,381	61,855	1,053	206,289	Segment results	260,547	58,519	368	319,434
			(10,545)	Unallocated expenses				(15,128)
			195,744	Profit from operating activities				304,306
				Other gains/(losses)				
			-	- Distribution from SGX-DT Compensation Fund upon its expiry	-	34,021	-	34,021
			(1,048)	- Unallocated				5,324
			(147)	Share of results of joint ventures and associated companies				(539)
			(35,383)	Tax				(56,693)
			159,166	Profit after tax				286,419
				SEGMENT ASSETS				
1,217,426	195,013	5,926	1,418,365	Segment assets	993,881	239,737	7,392	1,241,010
			440,611	Unallocated assets				378,907
			1,858,976	Consolidated total assets				1,619,917
				SEGMENT LIABILITIES				
1,020,198	42,603	290	1,063,091	Segment liabilities	715,715	41,331	413	757,459
			135,016	Unallocated liabilities				137,340
			1,198,107	Consolidated total liabilities				894,799
				OTHER INFORMATION				
3,686	10,202	2	13,890	Capital expenditure	8,869	5,762	-	14,631
5,137	2,994	64	8,195	Depreciation and amortisation	5,050	1,630	64	6,744

13. Dividend - Company

Interim Base Dividend

	3 Months Ended	
	31 December 2008	31 December 2007
Name of Dividend	Interim Base	Interim Base
Dividend Type	Cash	Cash
Dividend Rate - Base	3.5 cents per ordinary share	3.0 cents per ordinary share
Tax Rate	Tax Exempt One-Tier	Tax Exempt One-Tier
Books Closure Date	6 February 2009, 5pm	1 February 2008, 5pm
Date Paid/Payable	18 February 2009	18 February 2008

14. Share Capital - Company

During the 3 months ended 31 December 2008, the Company issued 238,000 ordinary shares at prices ranging from \$0.94 to \$1.70 upon the exercise of options granted under the SGX Share Option Plan (ESOS).

As at 31 December 2008, there were outstanding options for 2,722,700 (31 December 2007: 7,055,800) unissued ordinary shares under the ESOS.

The Company did not purchase any of its ordinary shares during the 3 months ended 31 December 2008.

15. Accounting Policies - Group

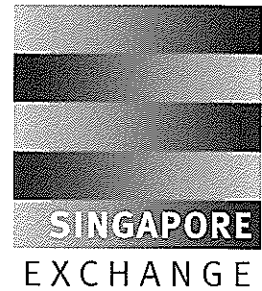
The same accounting policies and methods of computation as in the FY2008 audited annual financial statements have been applied for the current reporting period. There are no new or amended FRS and Interpretations to FRS (INT FRS) that are mandatory for application for the Group for the financial year from 1 July 2008.

Statement of Profit and Loss - Group

The Group's realised hedging loss from forward foreign exchange contracts on derivatives clearing fees in the quarter and half year ended 31 December 2007 amounting to \$134,000 has been reclassified from net foreign exchange loss under operating expenses to other revenue including interest income under other gains/ losses.

The revised presentation is to better reflect the nature of the expense as a non-operating expense to be in conformance with current year's presentation and does not result in a change in the net profit before and after tax of the Group.

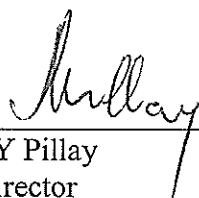
Joyce Fong
Company Secretary
15 January 2009




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

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the second quarter ended 31 December 2008 to be false or misleading.

On behalf of the Board of Directors



J Y Pillay
Director



Hsieh Fu Hua
Director

15 January 2009

The extract of the review report dated 15 January 2009, on the interim financial report of the Company and its subsidiaries for the period ended 31 December 2008 which has been prepared in accordance with Singapore Financial Reporting Standards 34 Interim Financial Reporting, is as follows:



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

**Report on Review of Interim Financial Information
For the second quarter ended 31 December 2008**

Introduction

We have reviewed the accompanying condensed balance sheet of the Company as of 31 December 2008 and the related condensed statements of income and changes in equity of the Company for the three-month period and six-month period then ended, the consolidated condensed balance sheet of the Group as of 31 December 2008 and the related consolidated condensed statements of income, changes in equity and cash flows of the Group for the three-month period and six-month period then ended, and other explanatory notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Financial Reporting Standard ("FRS") 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

A handwritten signature in cursive script that reads "PricewaterhouseCoopers".

PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants

Singapore, 15 January 2009