



Singapore Exchange Limited

3Q FY2009 Financial Results

SECK Wai Kwong, CFO

15 April 2009

3Q FY2009 Highlights

- NPAT \$55.3 million: 20.6% lower q-o-q (2Q FY2009: \$74.7 million)
- YTD FY09 net profit margin remains above 50%
- YTD FY09 operating leverage at 138%
- Robust risk management and regulation
- Continued focus on cost management and investment in technology
- Quarterly base dividend: 3.5 cents

Financial Review

Financial Performance

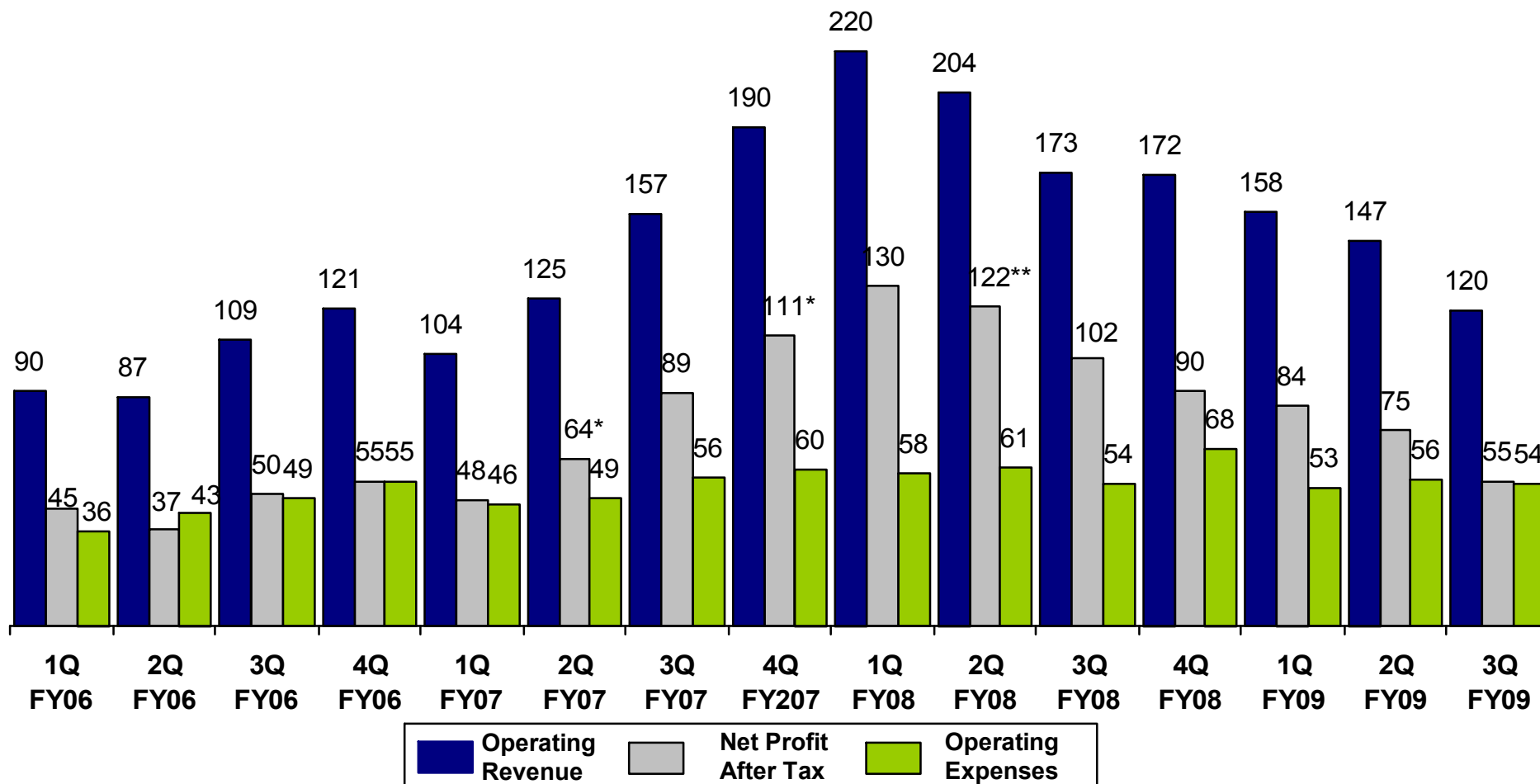


(In S\$ million)	YTD FY09	3Q FY09	2Q FY09	1Q FY09	3Q FY08
Securities Market Revenue	199.3	55.3	69.6	74.4	96.3
Derivatives Clearing Revenue	120.2	31.2	42.8	46.1	39.0
Stable Revenue	105.3	33.3	34.3	37.7	38.0
Operating Revenue	424.8	119.8	146.7	158.2	173.3
Operating Expenses	163.4	54.2	55.8	53.4	53.7
Operating Profit	261.4	65.6	90.9	104.8	119.6
Other gains/ (losses)	(1.7)	(0.6)	0.6	(1.6)	4.8
Net Profit after tax	214.5	55.3	74.7	84.5	101.5

Financial Highlights



(in S\$ million)

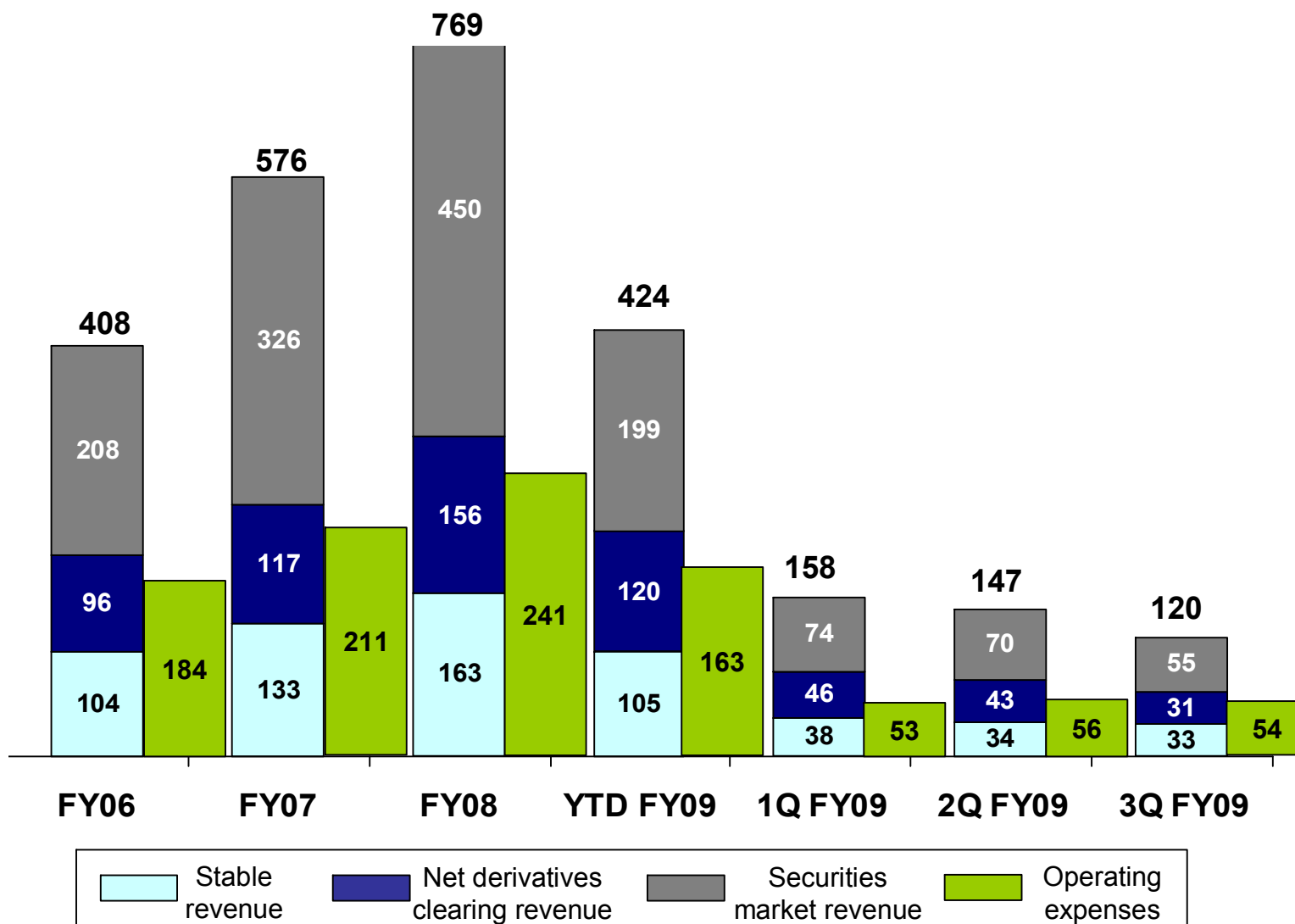


* Exclude S\$45.0 million write-back of allowance for impairment on SGX Centre and S\$65.5 million net gain on disposal of SGX Centre

** Excludes S\$34.0 million distribution from SGX DT Compensation Fund

Operating Leverage

(in S\$ million)



Coverage of operating expenses

3Q FY09 – 119%

2Q FY09 – 138%

1Q FY09 – 157%

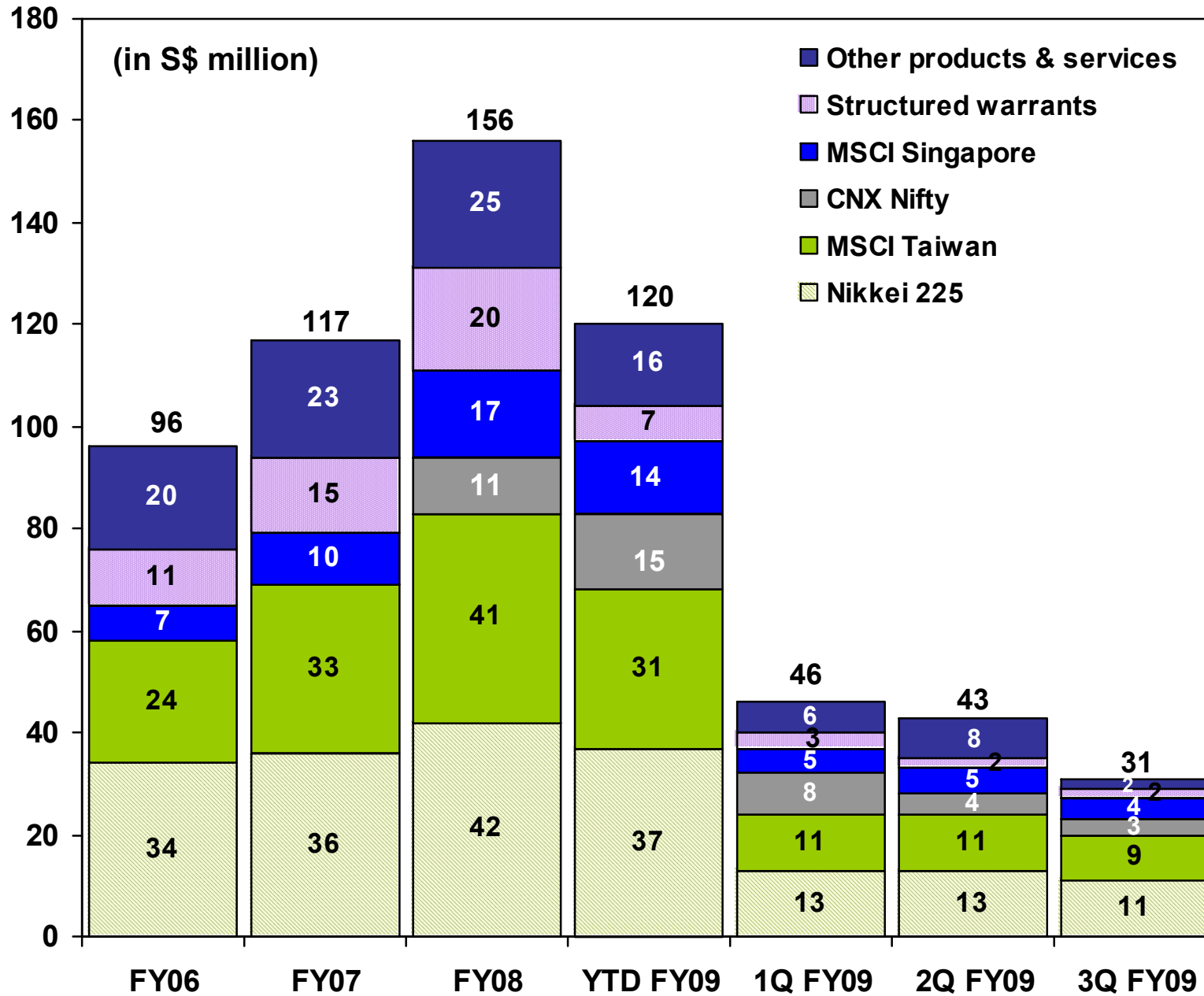
YTD FY09 – 138%

FY08 – 132%

FY07 – 119%

FY06 – 108%

Diversified Derivatives Revenue

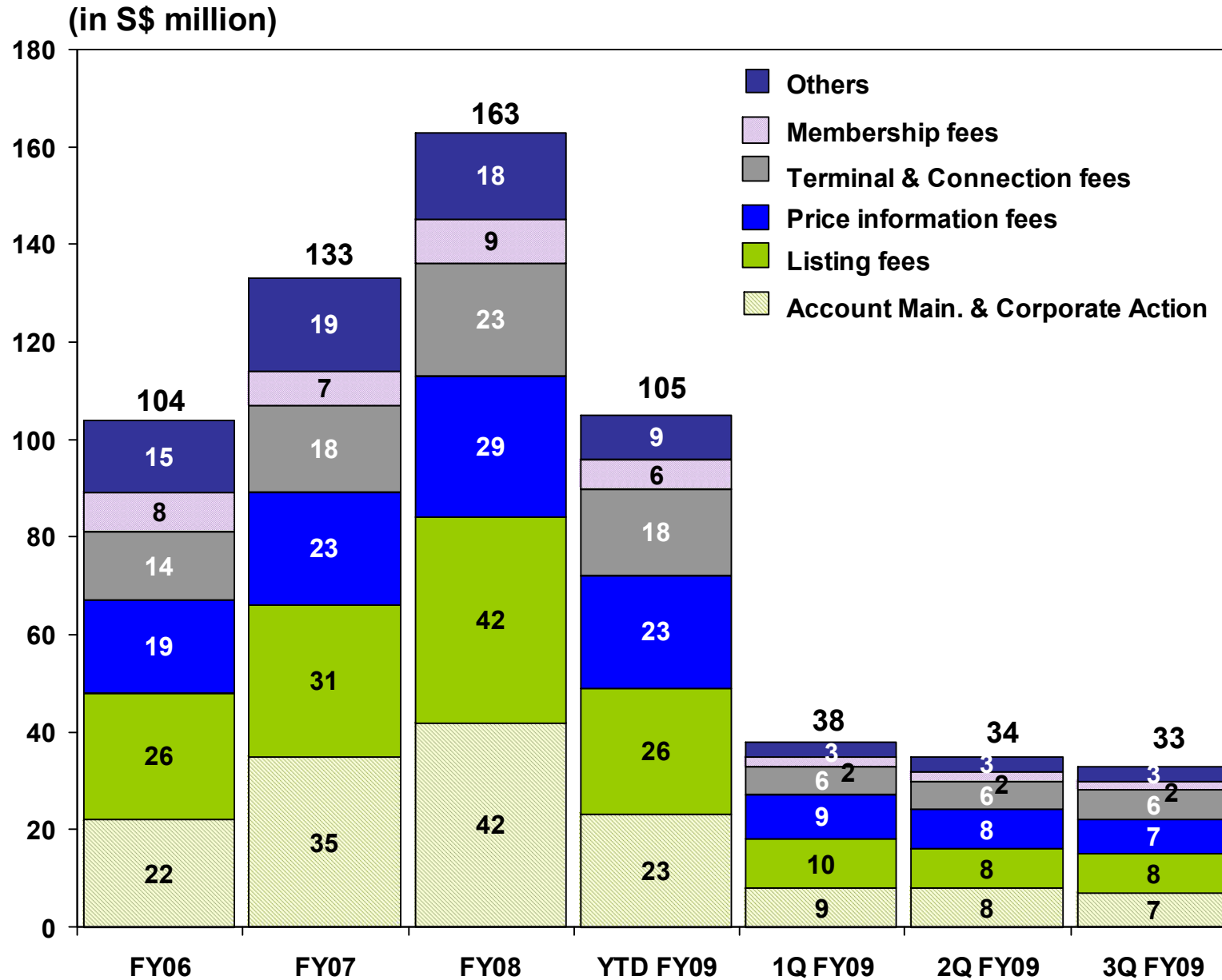


• YTD FY09:
44.4 million contracts

• YTD FY08:
39.4 million contracts

↑ **12.7%**

Stable Revenue

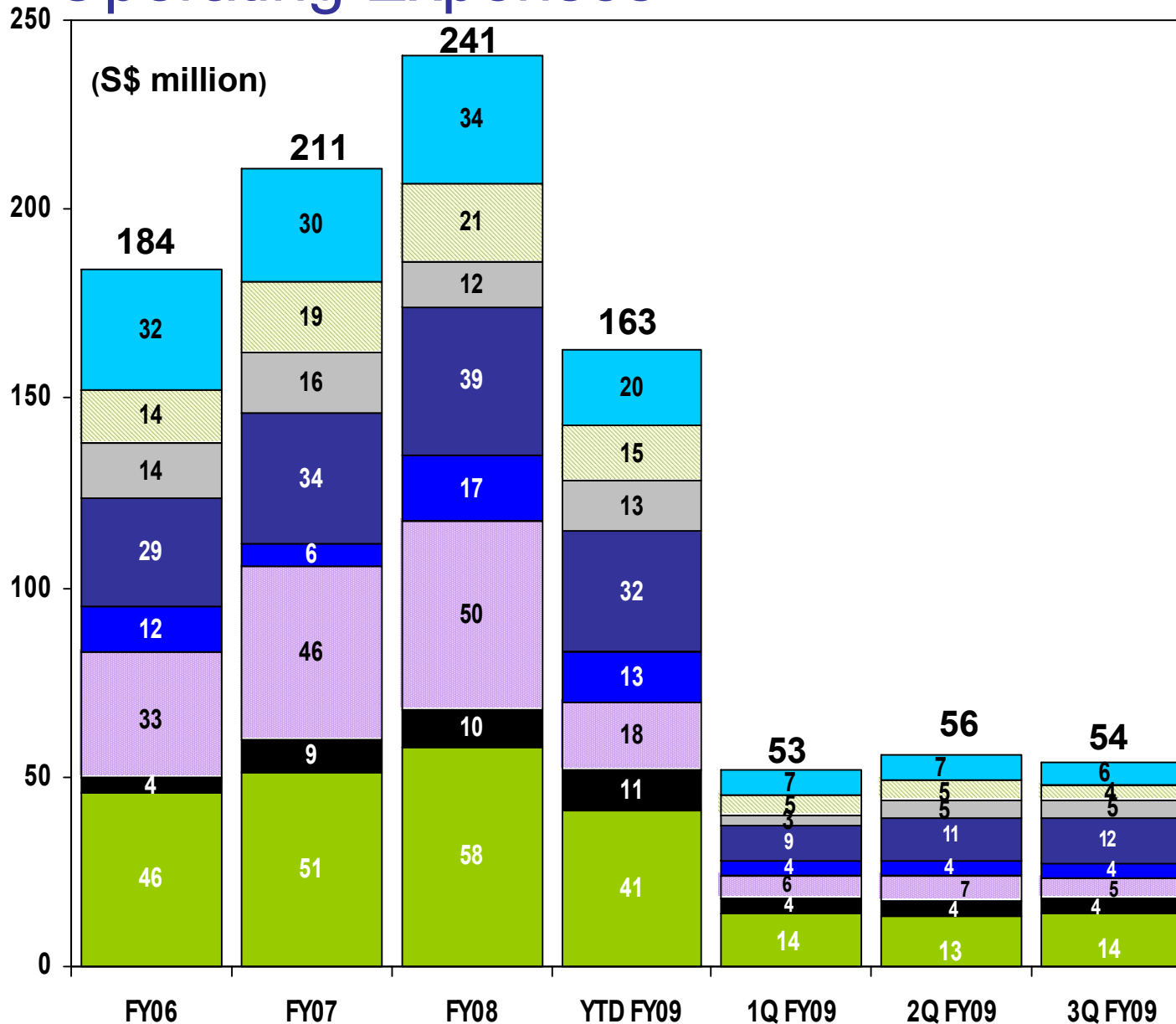


• YTD FY09 vs YTD FY 08

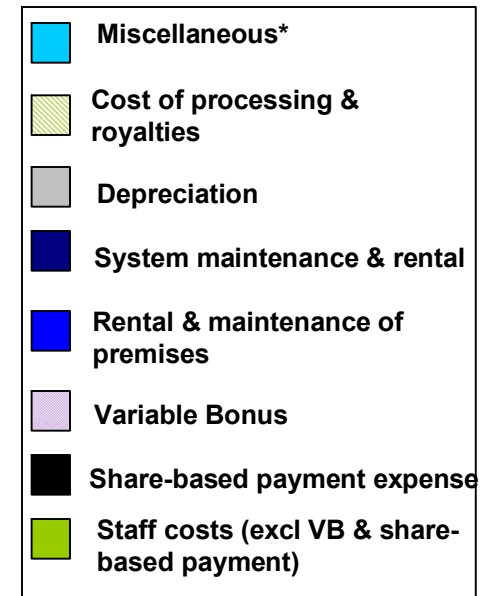
↓ 25.0% in account maintenance & corporate action fees

↓ 14.2% in listing fees

Operating Expenses

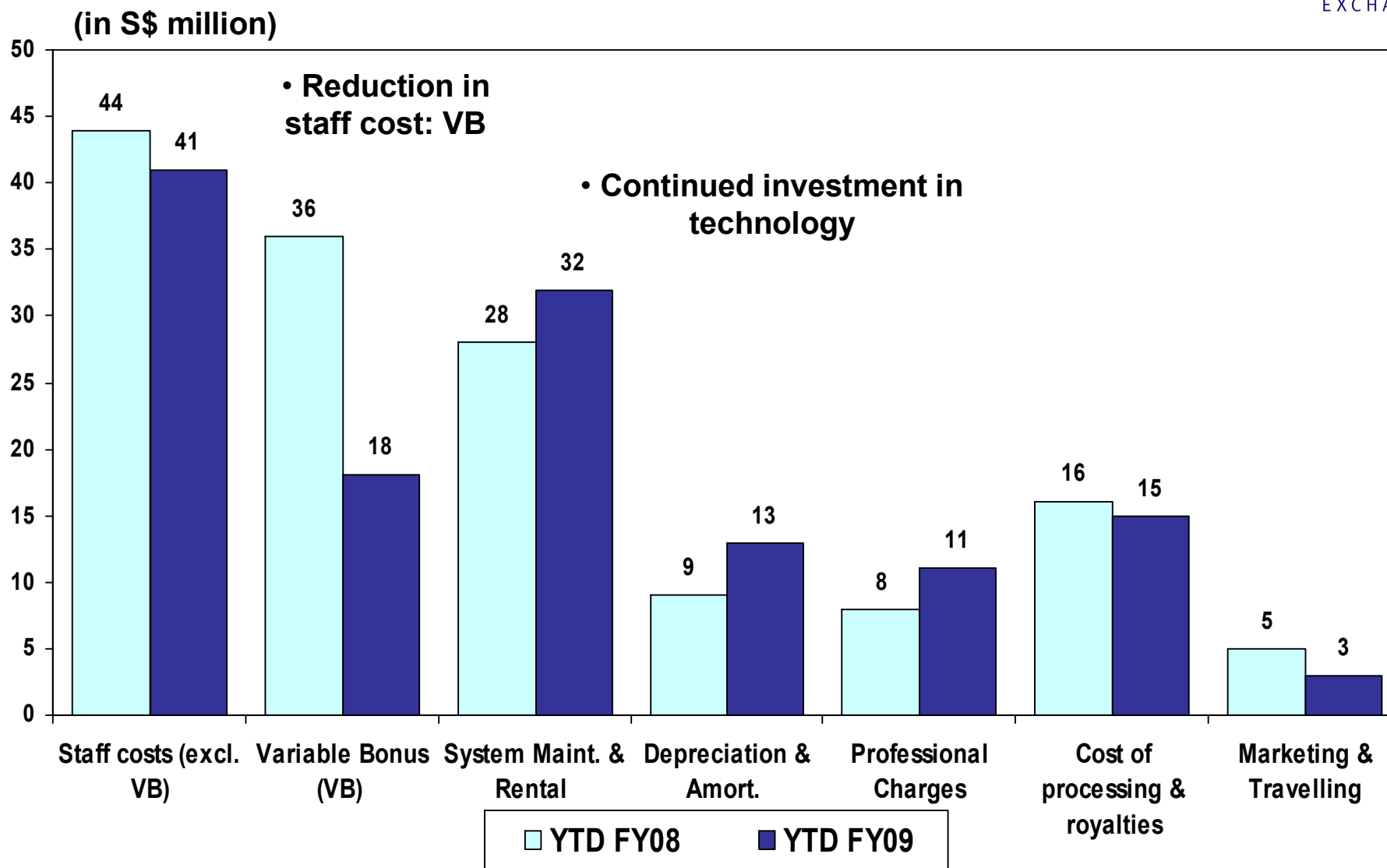


• **Cost management:**
Not to exceed FY08
operating expenses of
S\$241 million



* includes professional fees, marketing & travelling, communication charges, fees to MAS for transfer of participant supervision function, allowance/ (reversal) for impairment of trade receivables, write-off/ impairment of property, plant & equipment and software, net foreign exchange loss (gain) / gain, net (gain) / loss on disposal of property, plant & equipment and software, and other operating expenses. All figures are rounded off to the nearest million.

Operating Expenses - Highlights



Performance at a Glance



	FY2006	FY2007*	FY2008**	YTD FY2009	3Q FY2009
Return on Equity	32.0%	37.5%	49.7%	31.4%#	8.1%#
Cost-to-Income	45.1%	36.6%	31.2%	38.5%	45.2%
Net Profit Margin	44.6%	52.5%	56.8%	50.7%	46.4%
Regular dividend (Net)	16.2	36.0	38.0	10.5	3.5
- Base (cents per share)	6.0	8.0	12.0	10.5	3.5
- Variable (cents per share)	10.2	28.0	26.0		

* FY2007 figures exclude the write-back of allowance for impairment on SGX Centre and gain on disposal of SGX Centre

** FY2008 figures exclude distribution from SGX-DT Compensation Fund

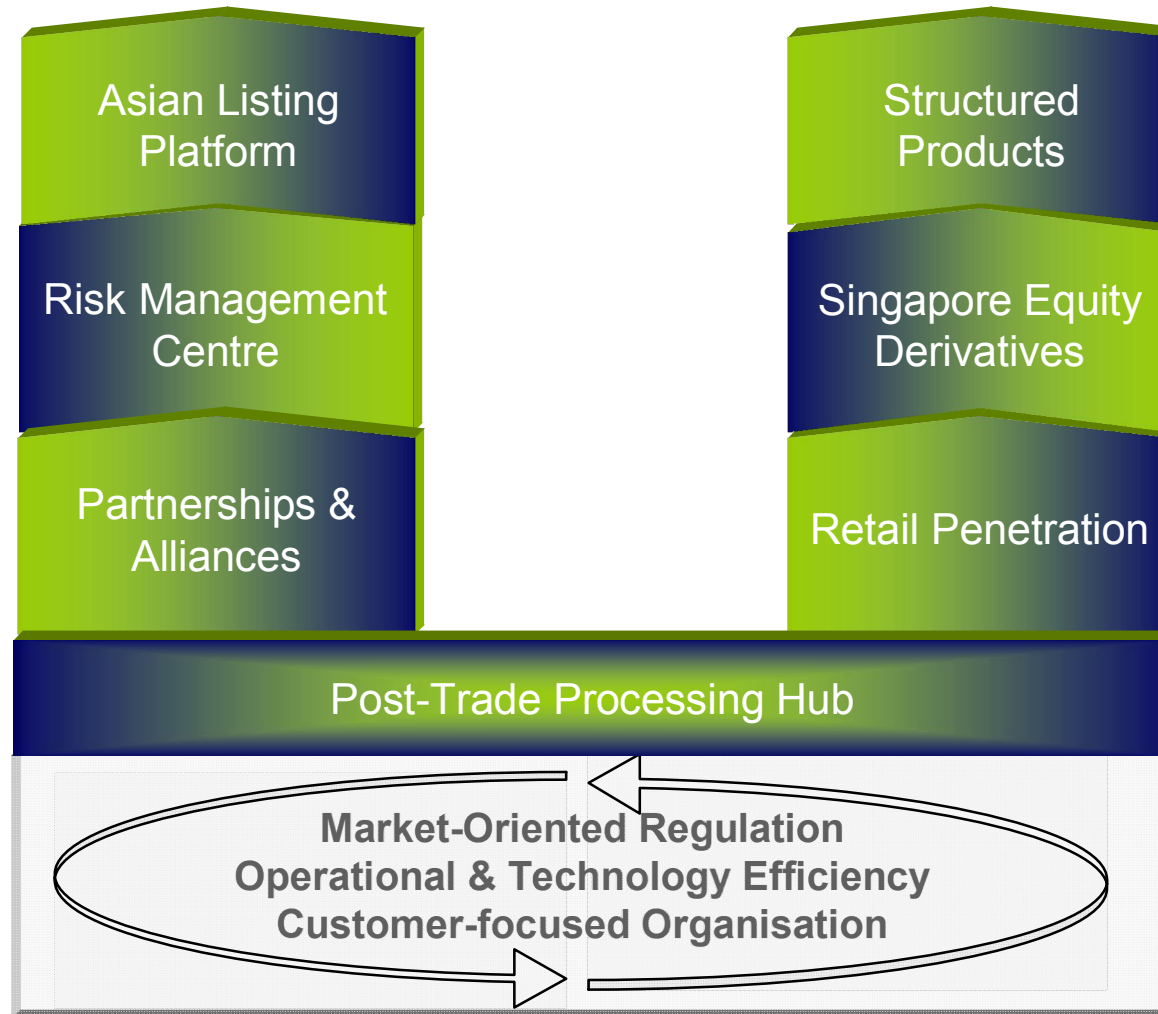
Not annualised

Business Update

Building An Enduring Marketplace

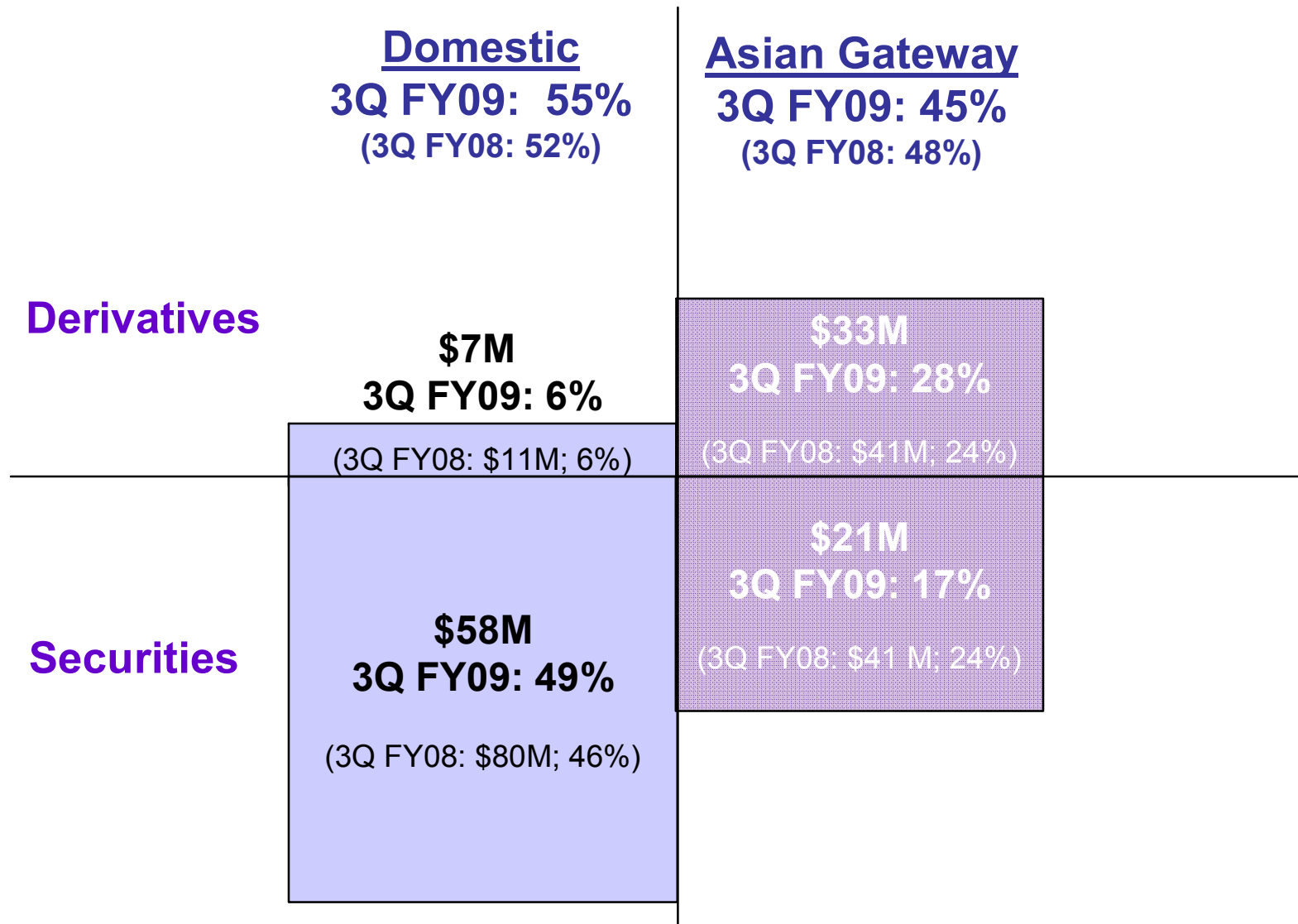
Asian Gateway

Domestic Growth



Delivery Excellence

Asian Gateway



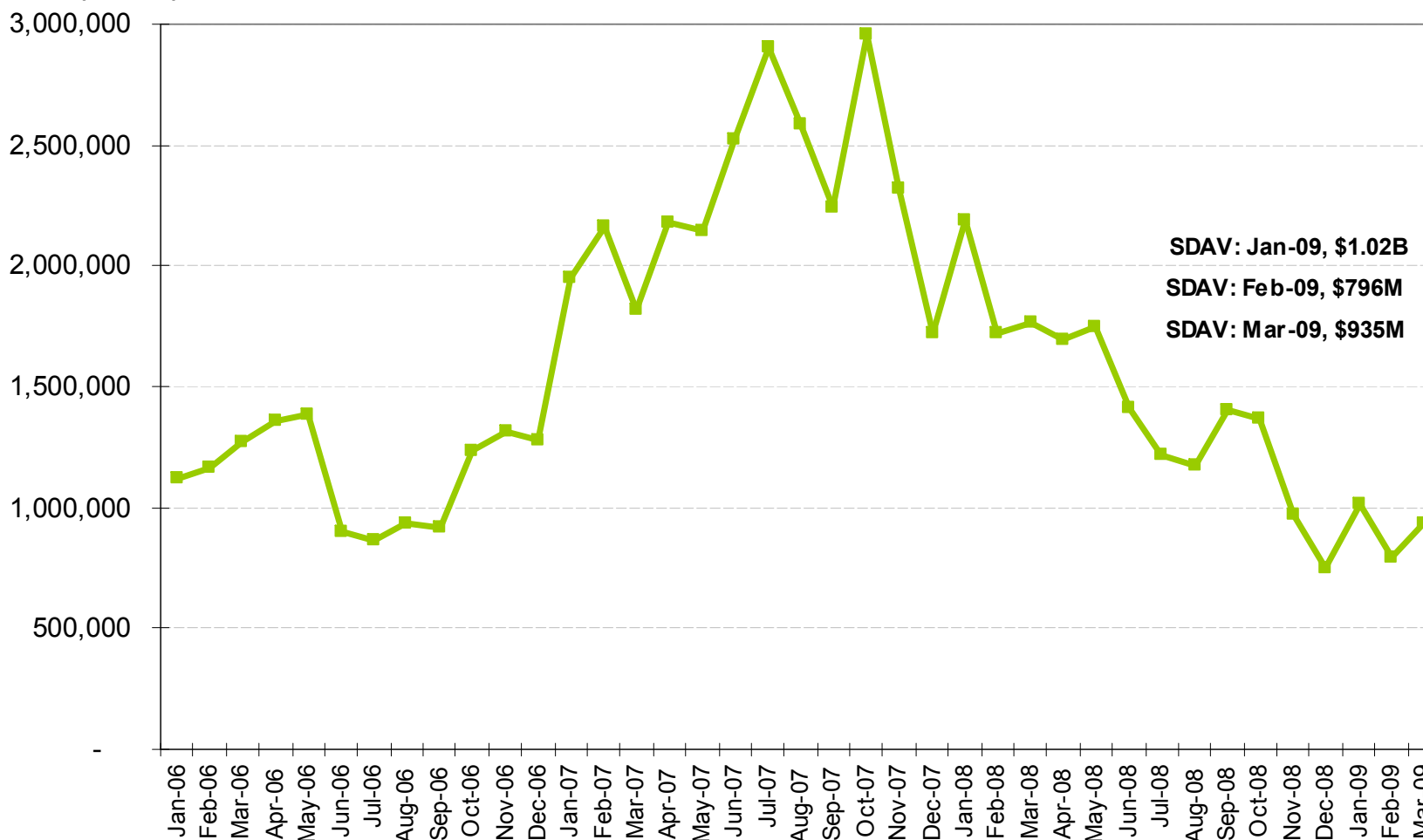
Based on internal estimates

Securities Market Trading Activity



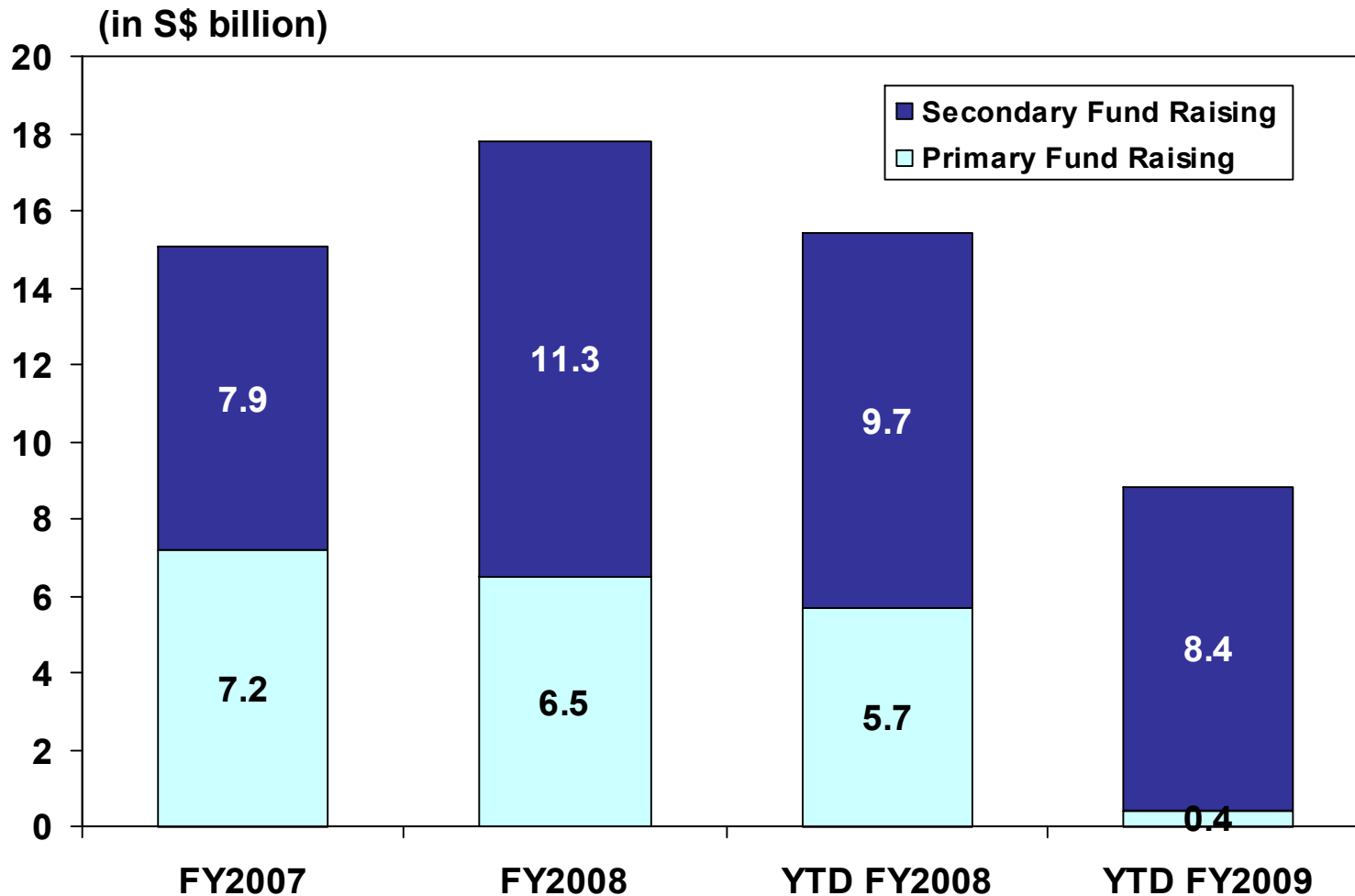
	3Q FY09	3Q FY08	Change	YTD FY09
SDAV (S\$)	0.91B	1.90B	-51.9%	1.08B

SDAV (S\$'000)



Note: Securities Daily Average Value (SDAV)

Active Secondary Market Fund Raising



Note: Primary fund raising includes funds raised from IPOs & RTOs. Secondary fund raising includes funds raised from placements and rights issues.

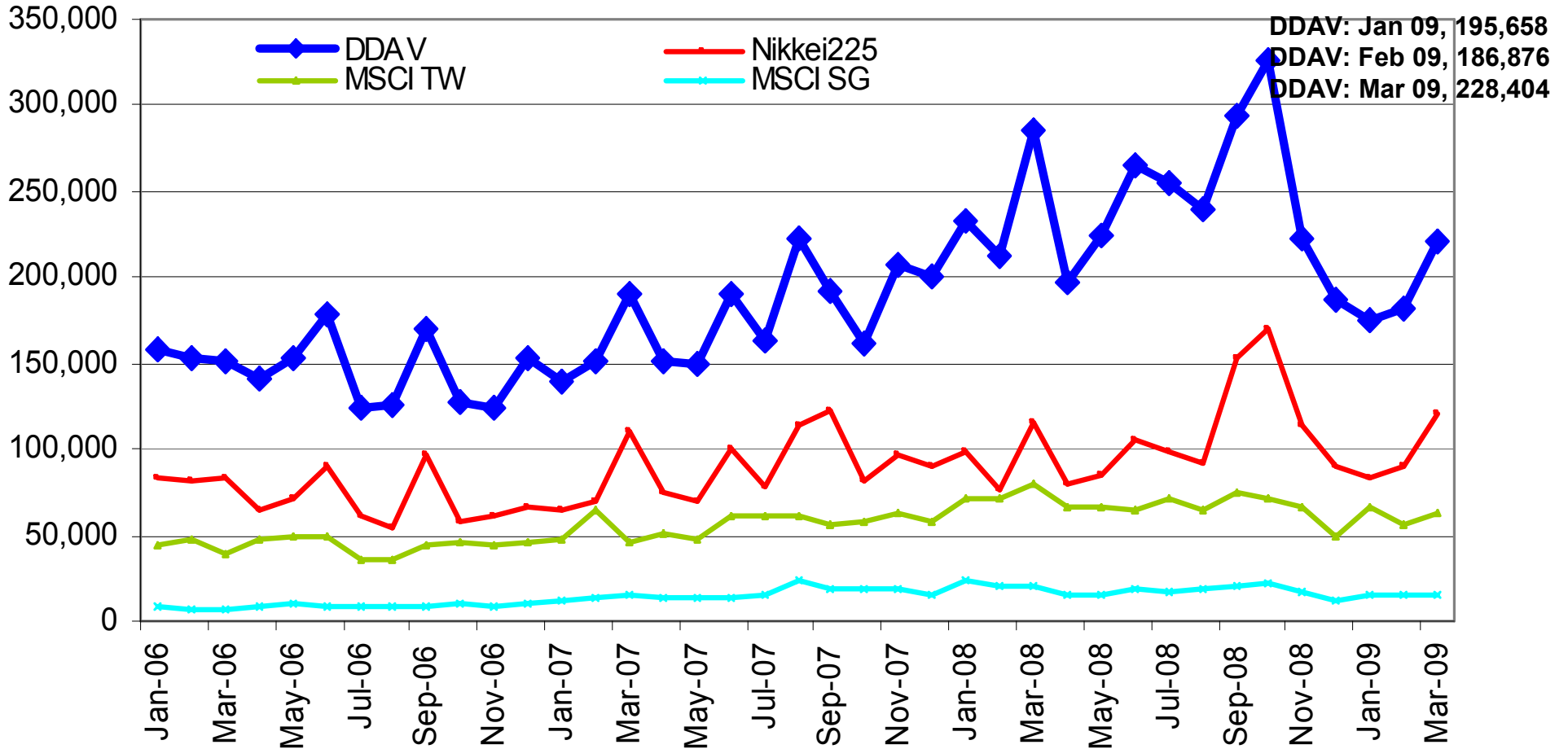
New Facilitation Measures:

- 100% Pro-Rata Share Issuance/Rights Issue
- Reduced Underwriting Period/Accelerated Fund Raising
- 20% Price Discount Limit for Placements
- Allow Placements to Substantial Shareholders
- New Sub-Underwriting Arrangements

Derivatives Market Trading Activity

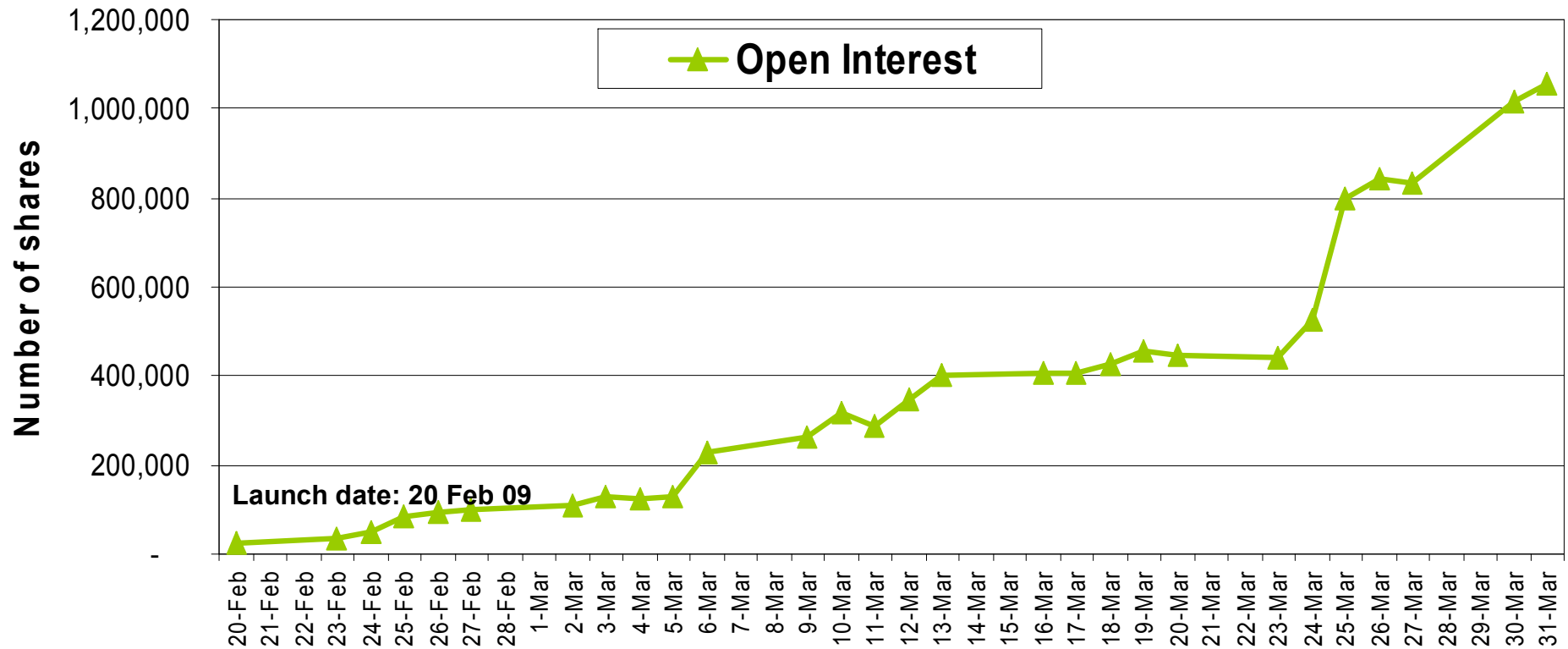


Number of Contracts



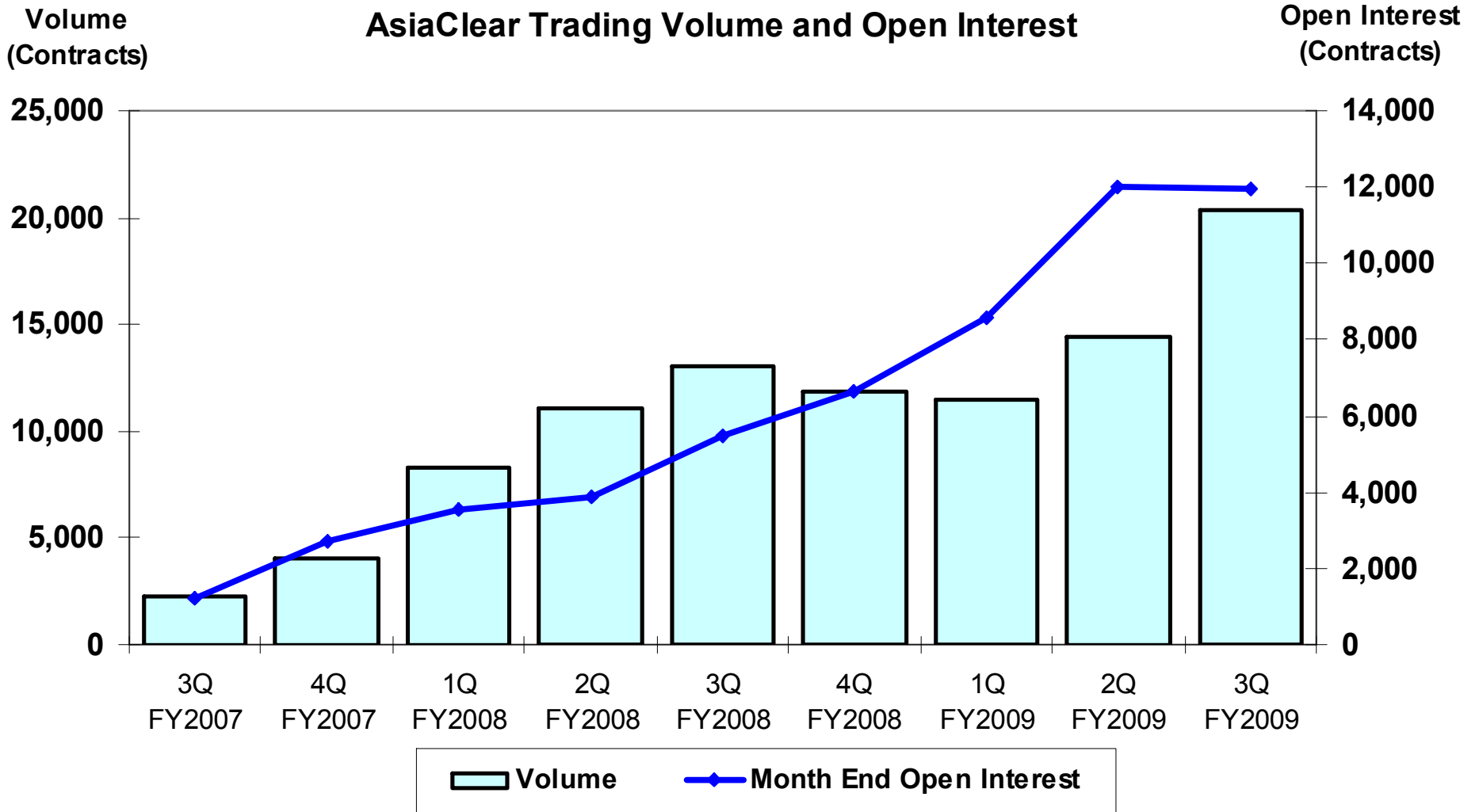
Note: Derivatives Daily Average Volume (DDAV)

Domestic Derivatives: Extended Settlement (ES) contracts/ Single Stock Futures



Top 5 ES contracts: Capitaland, City Developments, NOL, DBS & SGX

AsiaClear: Growing the OTC Clearing Business



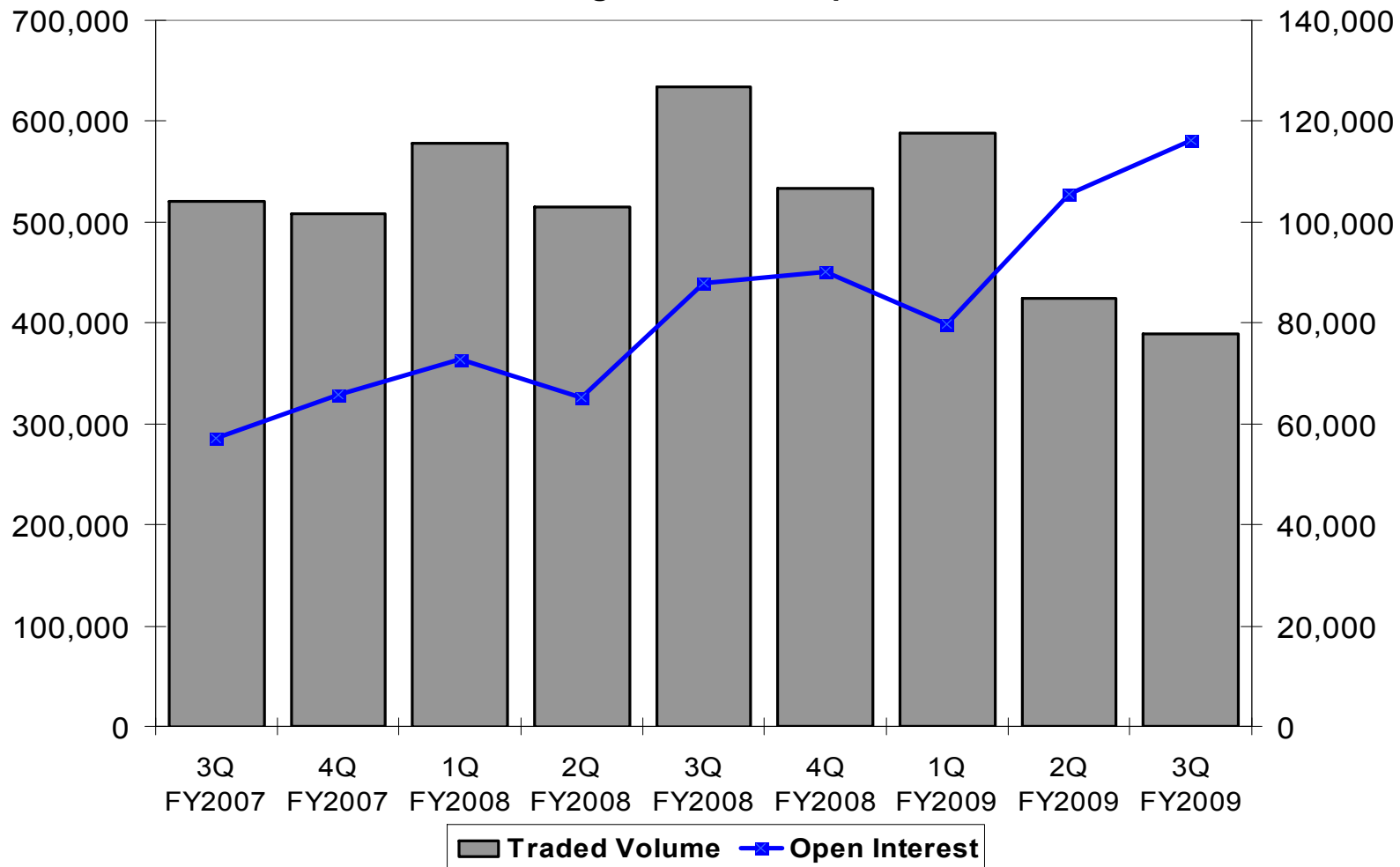
SICOM: Our Commodities Business



Trading Volume
(Tonnes)

SICOM Trading Volume and Open Interest

Open Interest
(Tonnes)



Market share of open interest = **45%** (March 09)

Robust Risk Management: Lehman Crisis

All positions closed. No loss to SGX.

Pre-crisis: 11 Sep

- Introduced cash collateral and imposed additional margin requirements

Day 2

- Suspended new trading activities
- Directed Lehman Brothers to settle all outstanding positions

Before 15 Sep 08

On 15 Sep 08

On 16 Sep 08

On 17 Sep 08

Day 1

- Advised Lehman Brothers prior to filing for Chapter 11 not to initiate new positions and to transfer its existing derivatives positions

Day 3

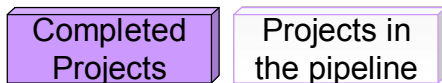
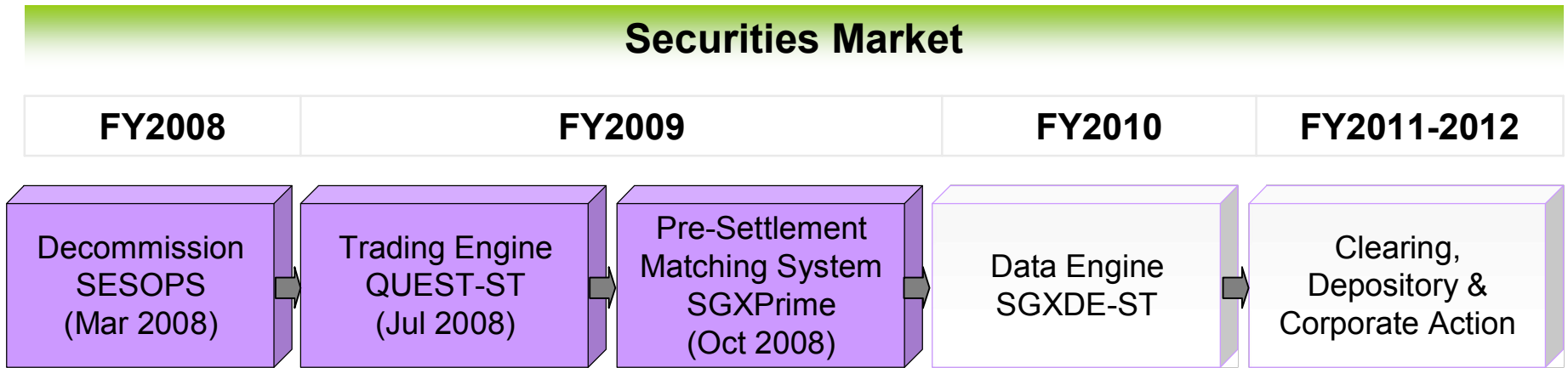
- Terminated trading access
- Executed buying-in and forced selling of securities
- Closed out all derivatives positions

Robust Risk Management: Tightening regulatory standards



Jan 2008	Establishment of Audit Committee Guidance Committee to strengthen corporate governance practices of listed issuers
Feb 2008	Launch of Regulator's Column to communicate SGX's perspectives on topical regulatory matters
Jun 2008	Enhancements to SGXNET announcement templates
Sep 2008	Publishing the list of buying-in securities & increased penalty for failed trades
Nov 2008	Public consultation – Greater transparency in short-selling activities
Dec 2008	Revised error trade policy
Mar 2009	New and revised listing rules to strengthen corporate governance and enhance transparency
	Regulator's Column: Reminder to issuers to avoid leakage of price sensitive information and standards relating to clarification or confirmation of market rumours
	Engagement with Audit Committees and audit firms of listed companies to heighten vigilance in volatile market conditions

Technology Renewal



Summary



- **Derivatives**

- Diversified product suite and revenues
- Continues to be an important driver for growth
- Domestic Derivatives: Extended Settlement contracts & MSCI Singapore options
- Initiatives to grow the options market

- **Securities**

- FY09 run-rate SDAV: Above S\$1 billion/day
- Secondary fund raising activity

- **Crisis Response**

- Cost Discipline
- Risk Management
- Opportunities: Domestic Derivatives, OTC Clearing & SICOM

Thank you

For enquiries, please contact the SGX IR team:

John Gollifer

johngollifer@sgx.com / +65-6236-8540

Judy Tan

judytan@sgx.com / +65-6236-8229