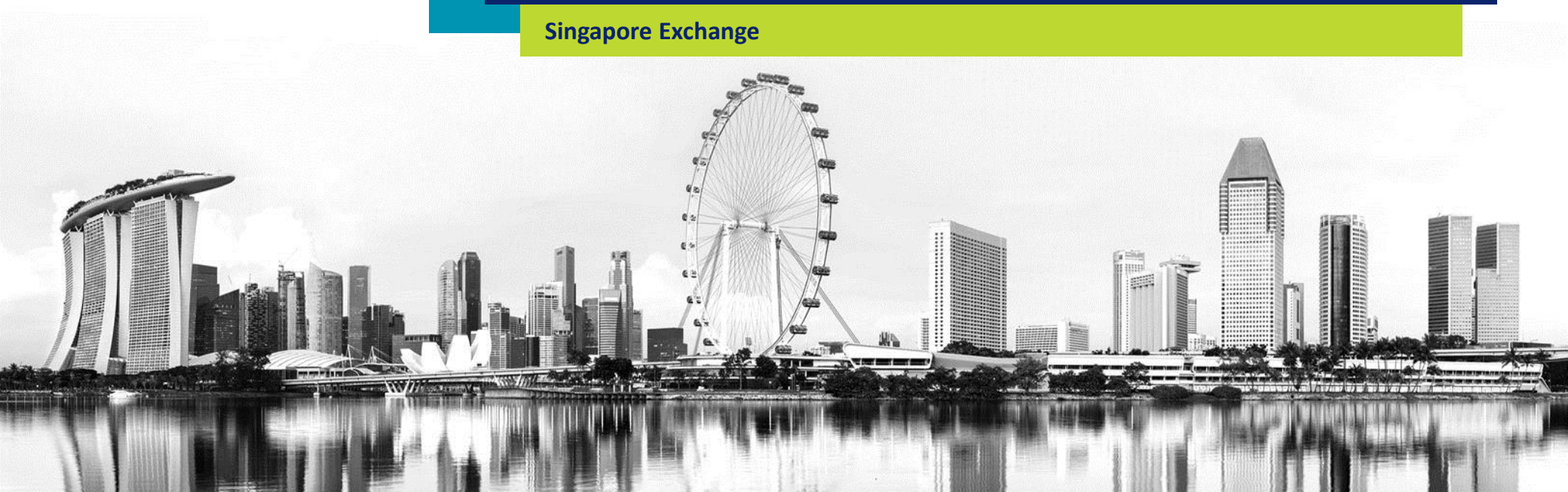


24th CLSA Investors' Forum

Investor Relations

12-13 September 2017

Singapore Exchange



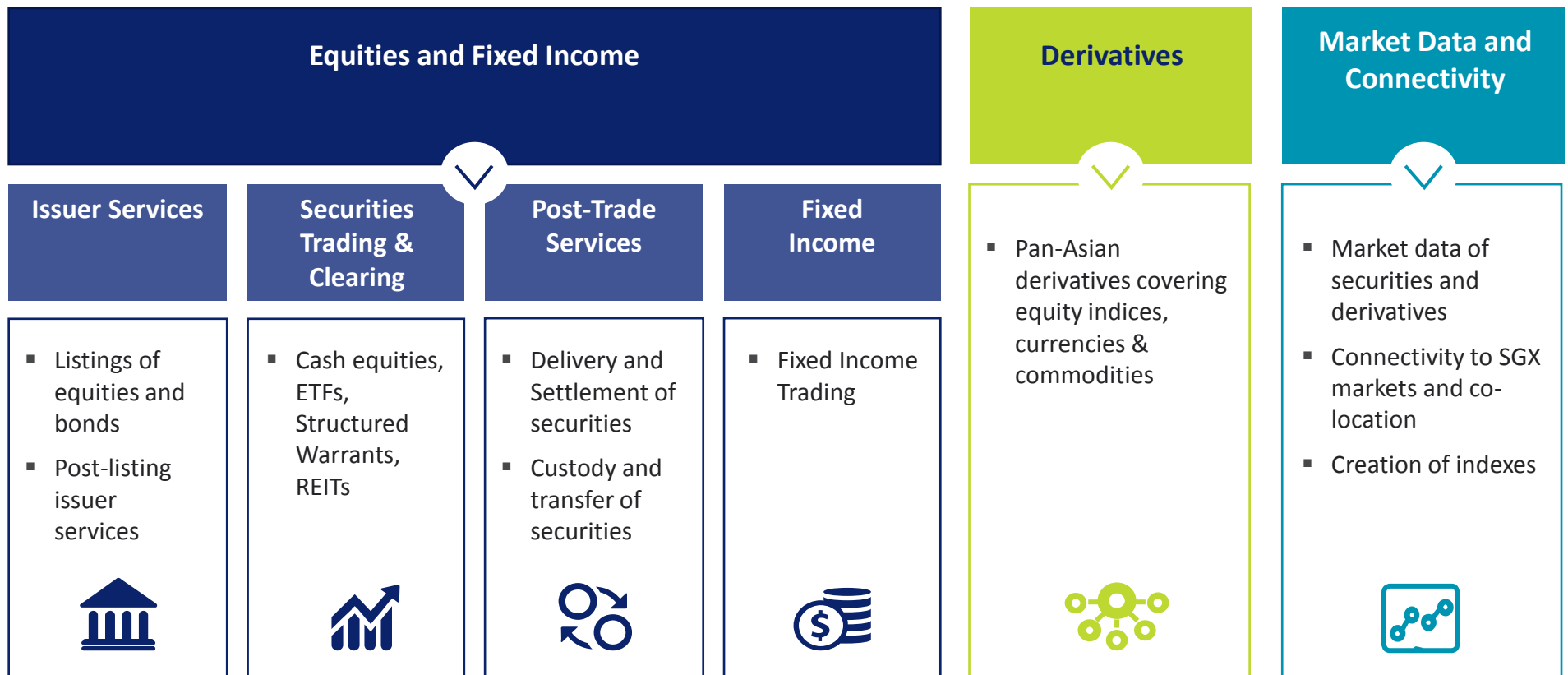
Who We Are

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

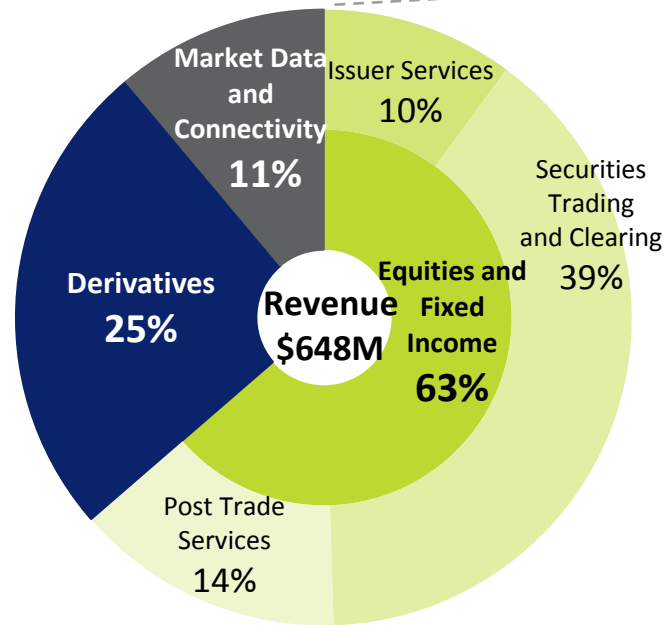
Three business units covering the entire exchange value chain, resulting in diversified and resilient revenue streams



Revenue Breakdown by Business Lines

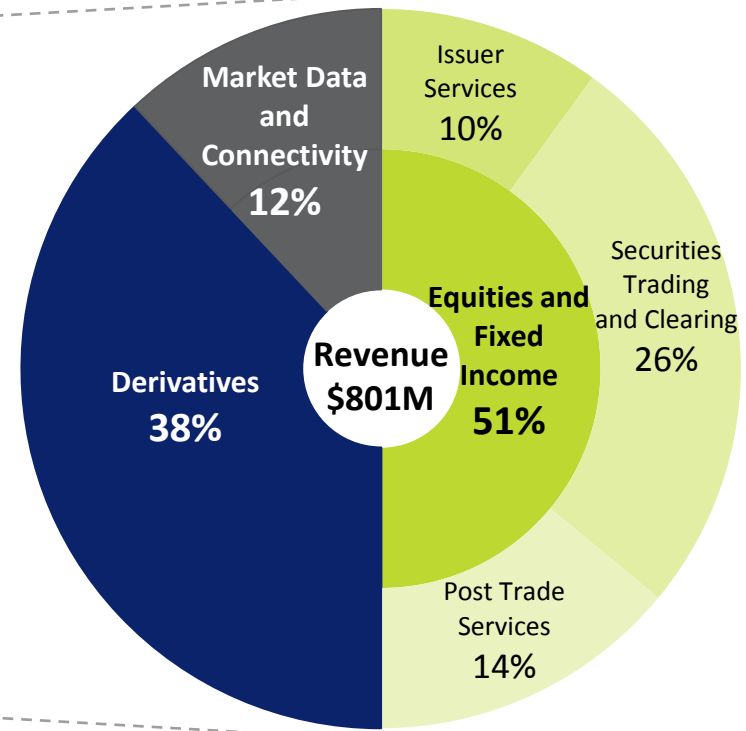
Successfully achieved diversification of revenues

FY2012 Revenue Breakdown



Net Profit: \$292 million

FY2017 Revenue Breakdown



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



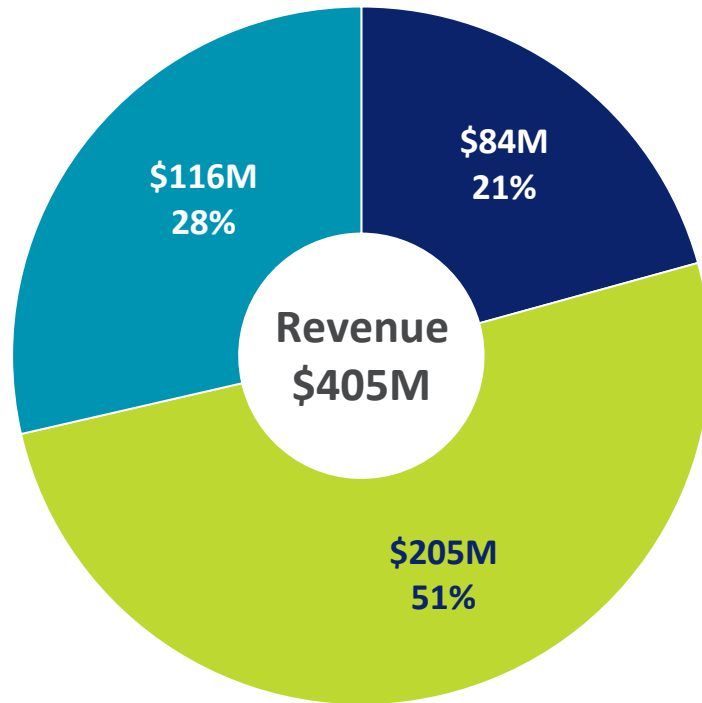
Key Clients

- **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 ...
- **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.

Equities & Fixed Income

Overview

Equities and Fixed Income



- Issuer Services
- Securities Trading and Clearing
- Post Trade Services

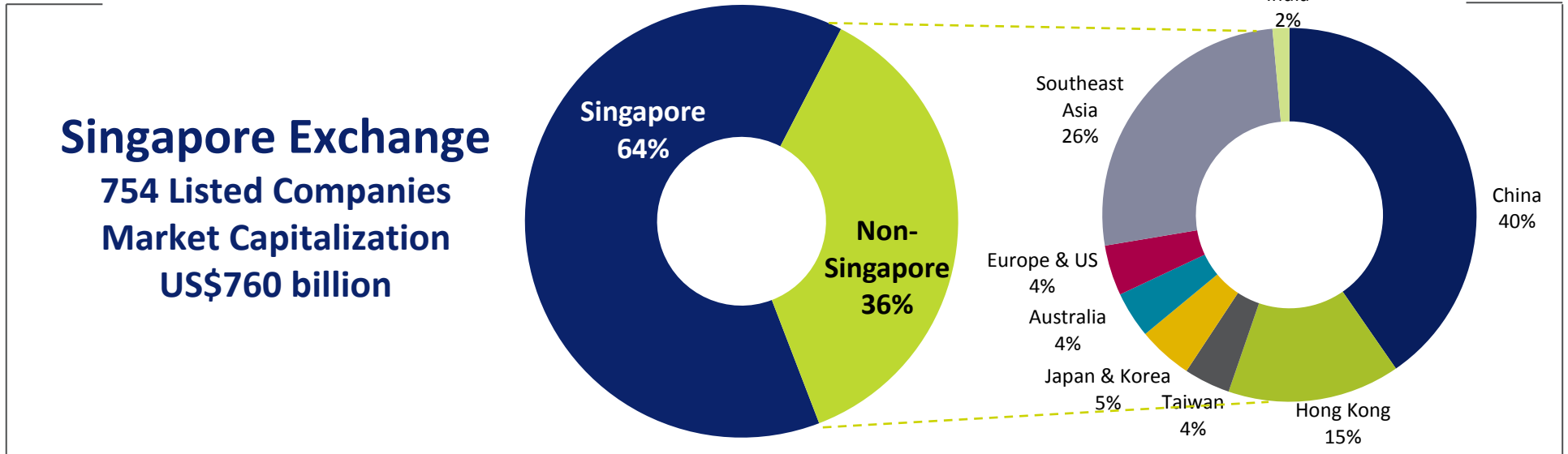
- Issuer services revenue up 2% to \$84M
- Securities Trading & Clearing revenue comparable at \$205M
- Post-trade services revenue declined 2% to \$116M

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

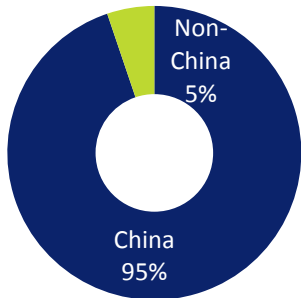
Source: SGX. Data as of FY2017

SGX is the Most International Exchange

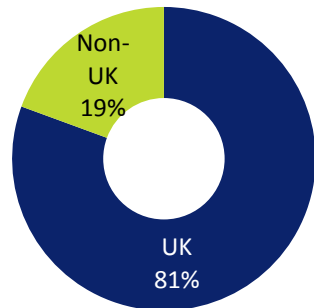
Nearly 40% of all companies listed on SGX are overseas companies



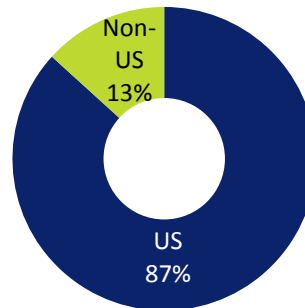
Hong Kong Stock Exchange



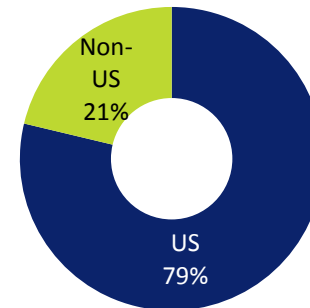
London Stock Exchange



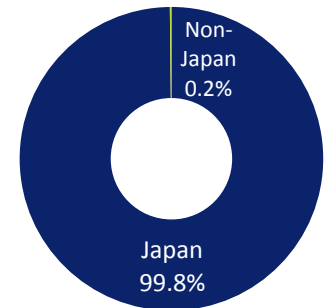
NASDAQ



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

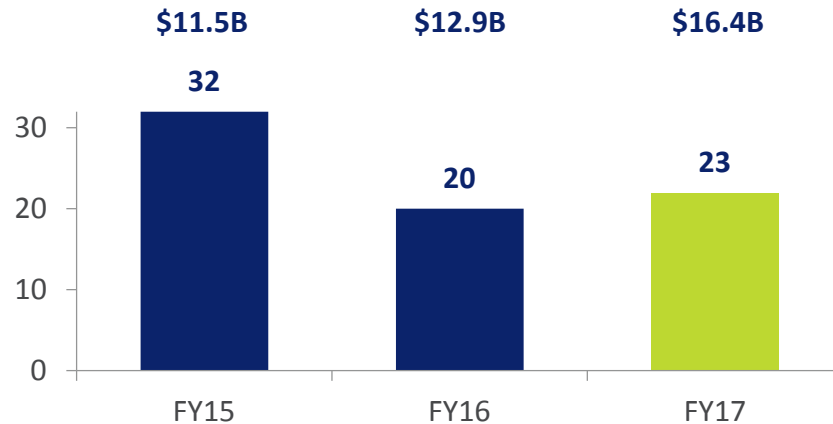
Listings

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

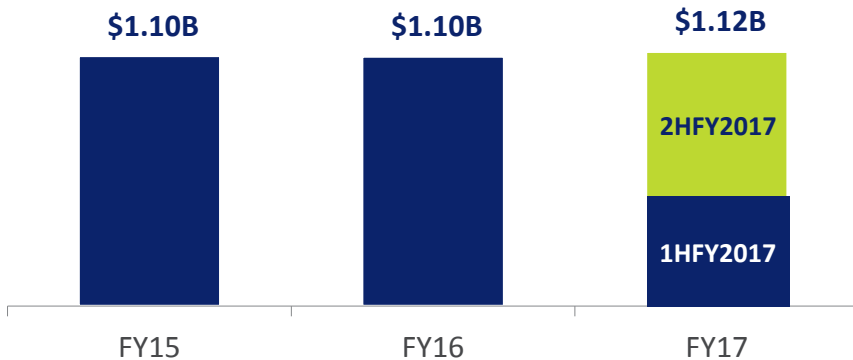
Trading Activities

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

Listings¹ and funds raised²



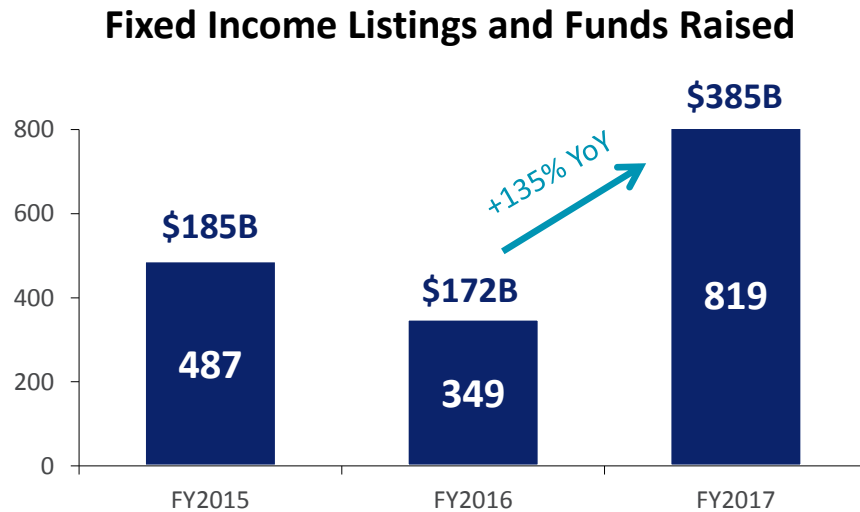
Securities Daily Avg. Traded Value (SDAV)



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



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

Source: SGX. Data as of FY2017

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



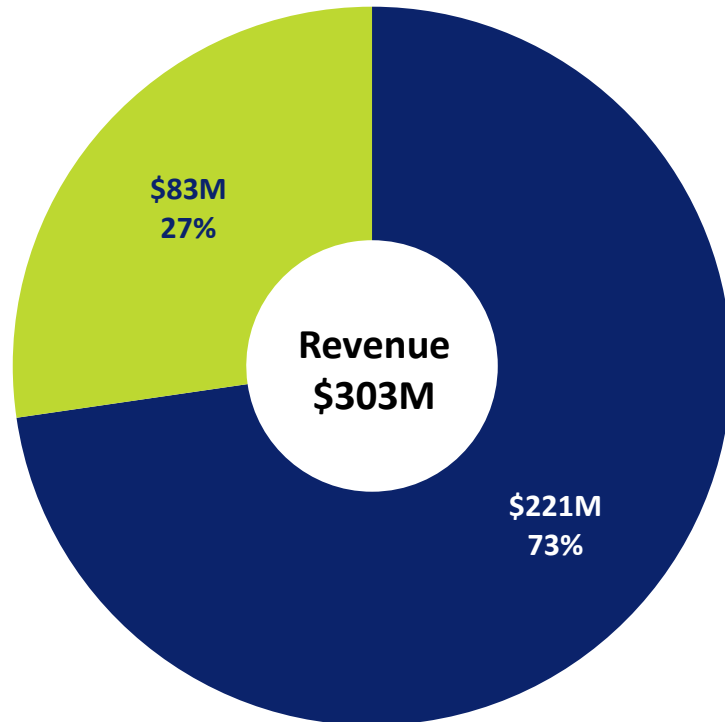
Engage Investment Community

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

Derivatives

Overview

Derivatives



- Equity, FX and Commodities
- Collateral management, license, membership and others

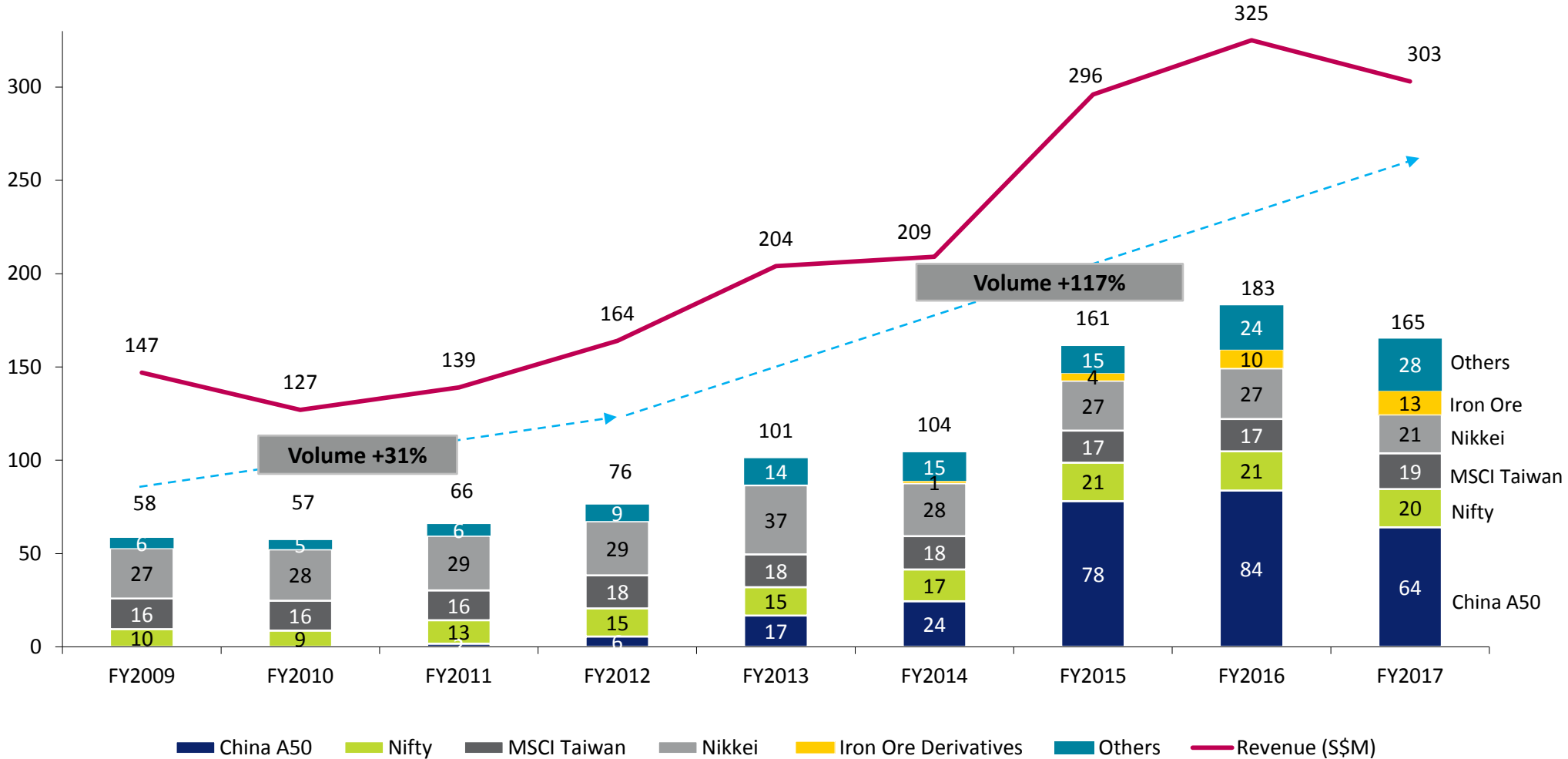
- Derivatives revenues decreased by 7% from \$325M to \$303M, which accounted for 38% of total revenues
- 73% derived from the trading and clearing of equities, FX and commodities derivatives
- 27% derived from collateral management, and membership fees

Note: Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. All figures in \$ millions unless otherwise stated

Source: SGX. Data as of FY2017

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

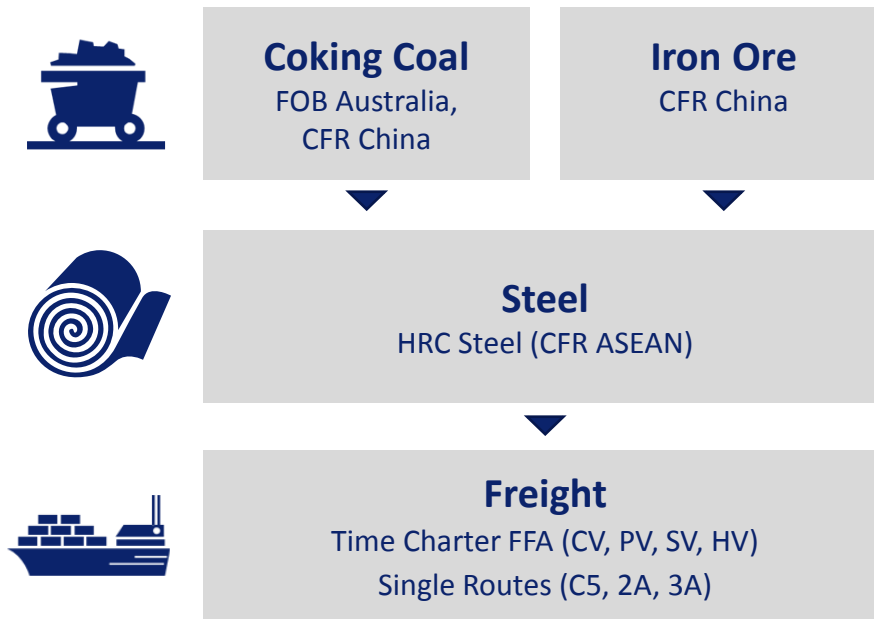
India	
Equity Index Futures & Options	SGX Nifty 50 SGX Nifty IT SGX Nifty CPSE SGX Nifty Bank SGX Nifty Midcap 50
Equity Index Futures	SGX MSCI India
FX futures, options, forwards	INR/USD

Our Platform

- An 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



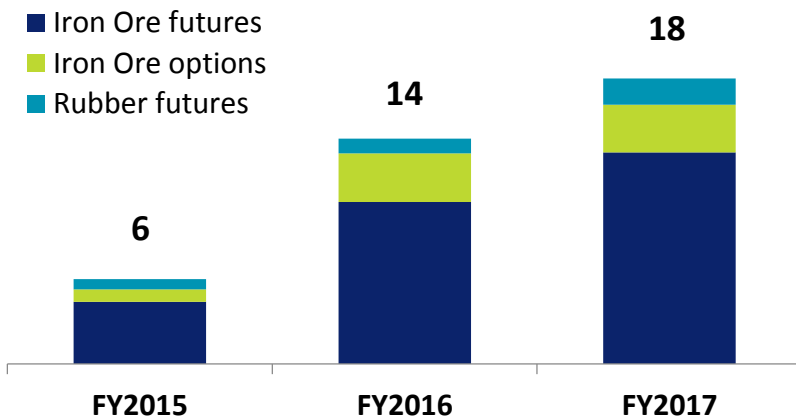
The Baltic Exchange
Maritime Indices

Other Products In Commodity Franchise



Electricity Energy Gold Rubber

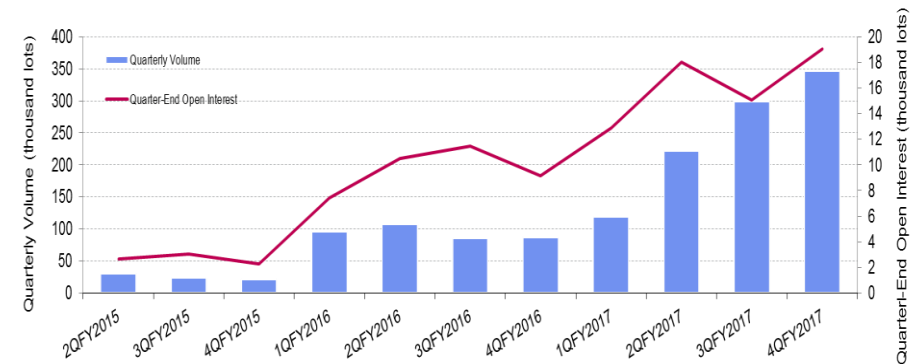
Total Volume of Contracts Traded (M)



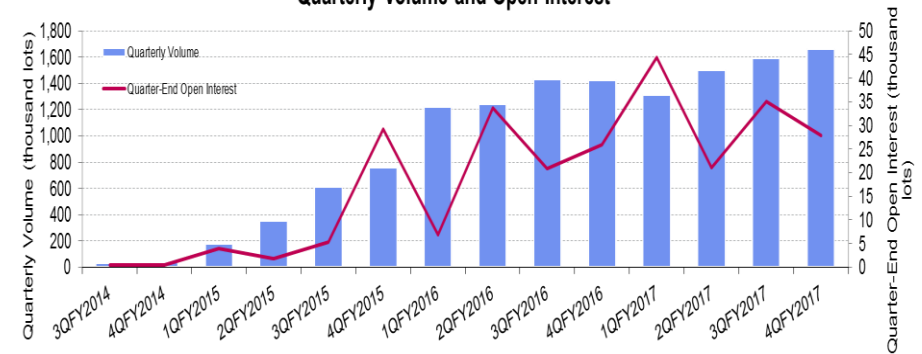
Liquid Currency Futures



SGX USD/CNH Futures
Quarterly Volume and Open Interest



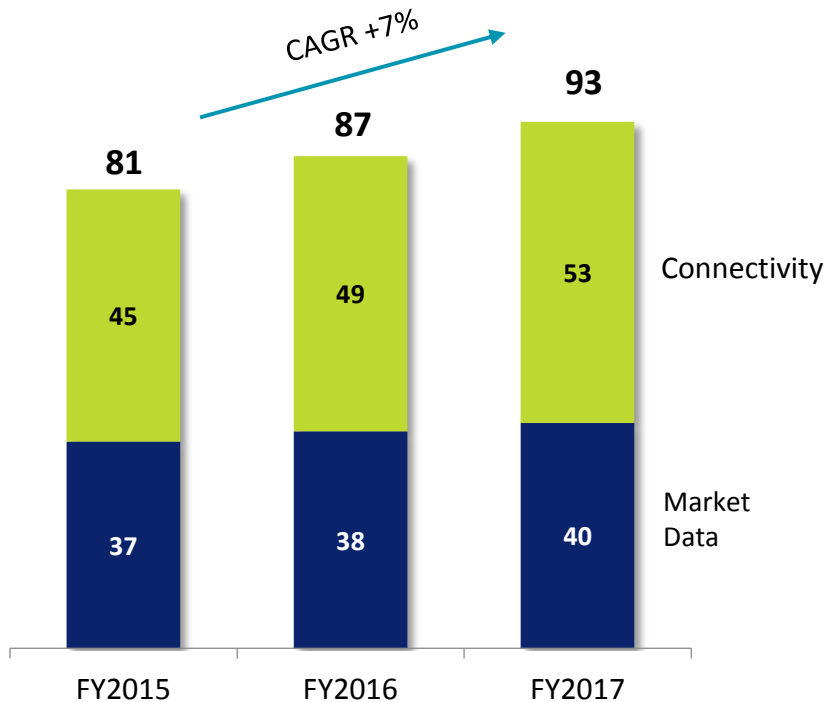
SGX INR/USD Futures
Quarterly Volume and Open Interest



Market Data & Connectivity

Overview

Market Data And Connectivity



- Market infrastructure business driven by increased use of technology in trading
- Supports Securities and Derivatives Trading:

Data: Price data, Company Announcements, Financial Indices

Connectivity: Trading system connections, Network linkages and Data center co-location

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

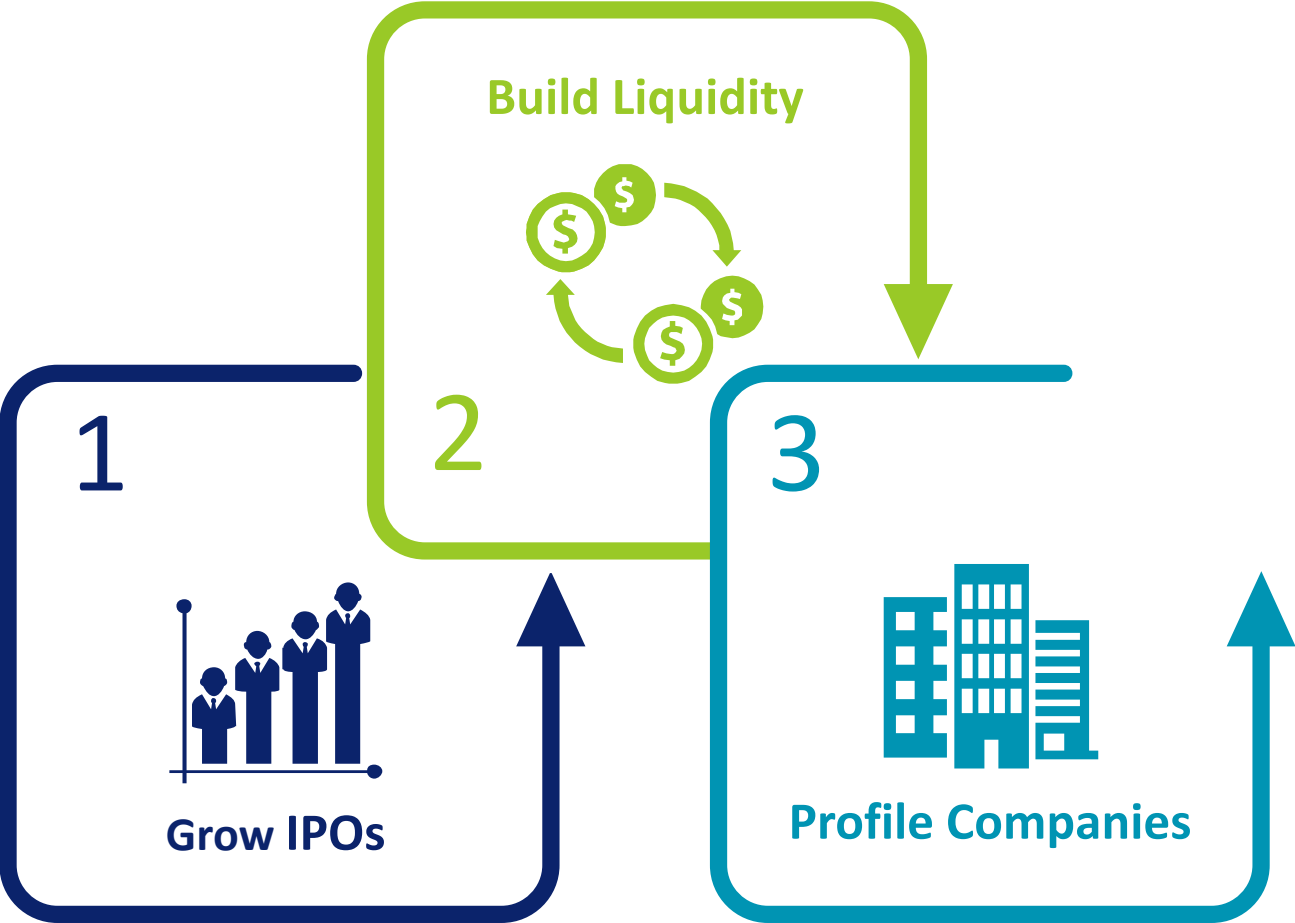
FY18 Strategic Priorities



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

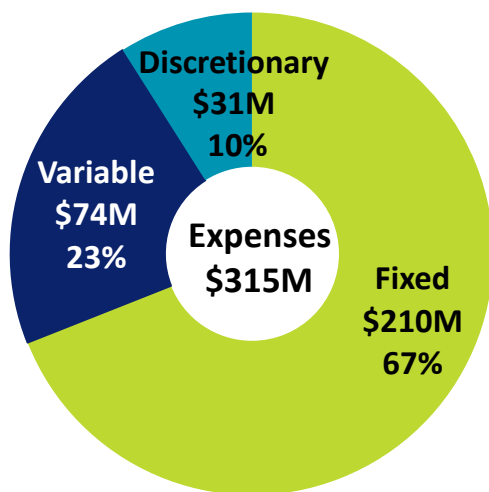
Advance our Securities Market



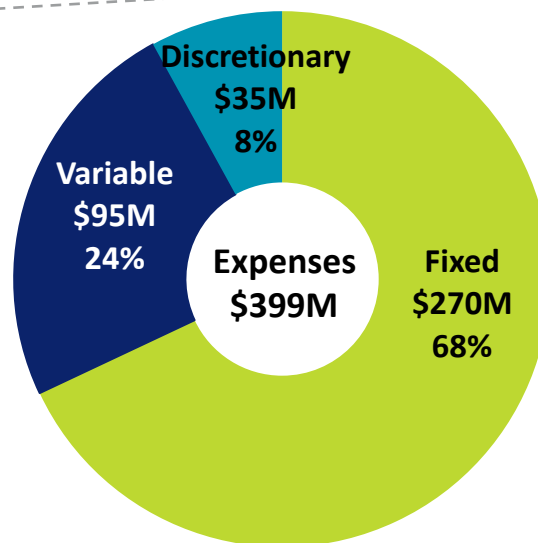
Expense breakdown by nature

- Investments in building capabilities, acquisitions and business growth have increased expenses
- Cost discipline exercised – Excluding Baltic-related expenses, FY2017 expenses lower by 5% from a year ago
- Achieved flat JAW in FY2017 compared to negative JAW of -4% in FY2016

FY2014 Expense breakdown



FY2017 Expense breakdown



Nature of expenses:

- Fixed costs – Mainly Staff, Technology and Premises costs. Growing and diversifying businesses; new and improved technology platforms.
- Variable costs – Processing & Royalties and Variable staff costs. In line with growth of Derivative business and profitability.
- Discretionary costs – Expanding distribution capabilities and client focused activities.

Looking ahead...

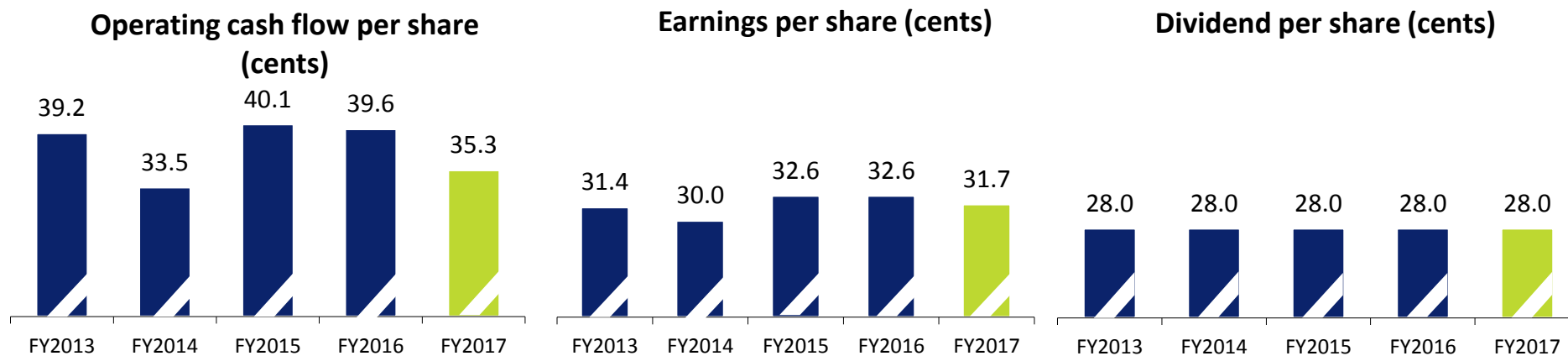
- Market sentiments improving
- Growing interest from companies seeking to raise capital
- Well-placed to meet market needs arising from periods of volatility
- Continue to calibrate expenses with business growth
- Guidance for FY2018
 - Operating expenses expected to be between \$425 and \$435M
 - Technology-related capital expenditure between \$60 and \$65M



Financials

Financial Performance: Key Indicators (Recent years)

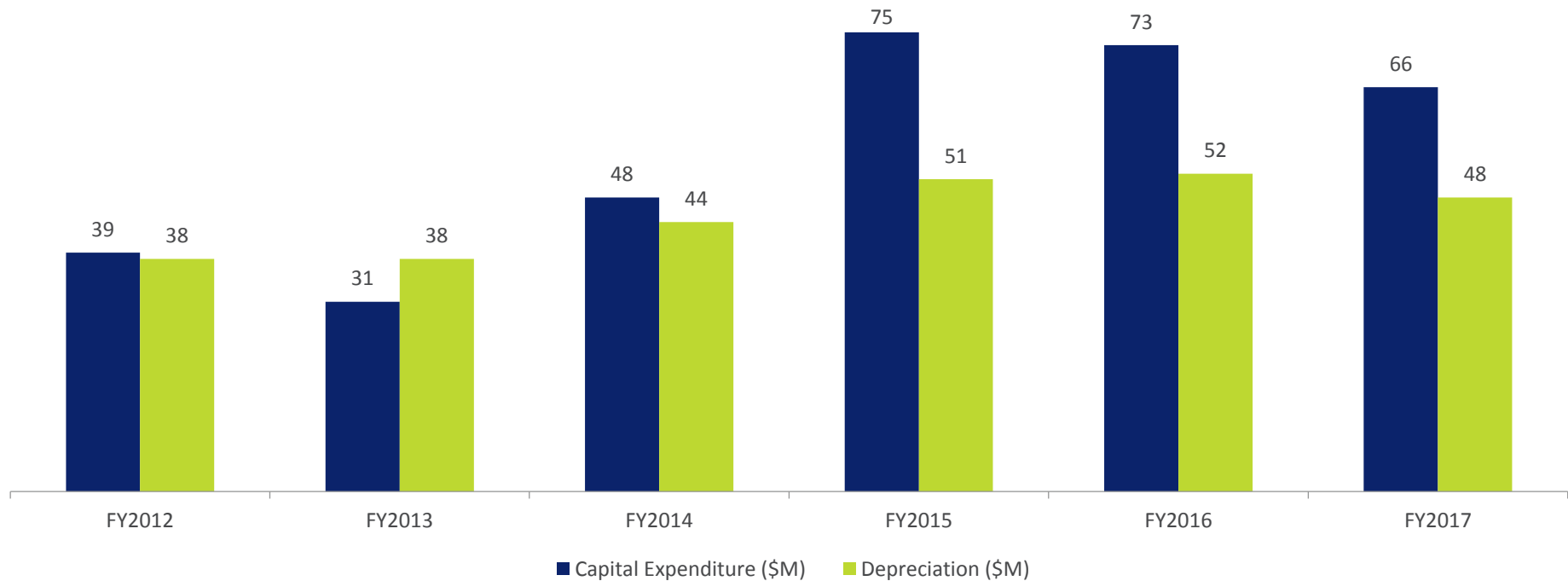
	FY2013	FY2014	FY2015	FY2016	FY2017
Revenue (\$ million)	714	686	779	818	801
Operating profit (\$ million)	413	371	402	409	402
Operating profit margin	58%	54%	52%	50%	50%
Net profit (\$ million)	336	320	349	349	340
Return on equity	39%	35%	37%	36%	34%
Earnings per share (cents)	31.4	30.0	32.6	32.6	31.7
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.
- FY2018 CAPEX guidance of \$60-65M.



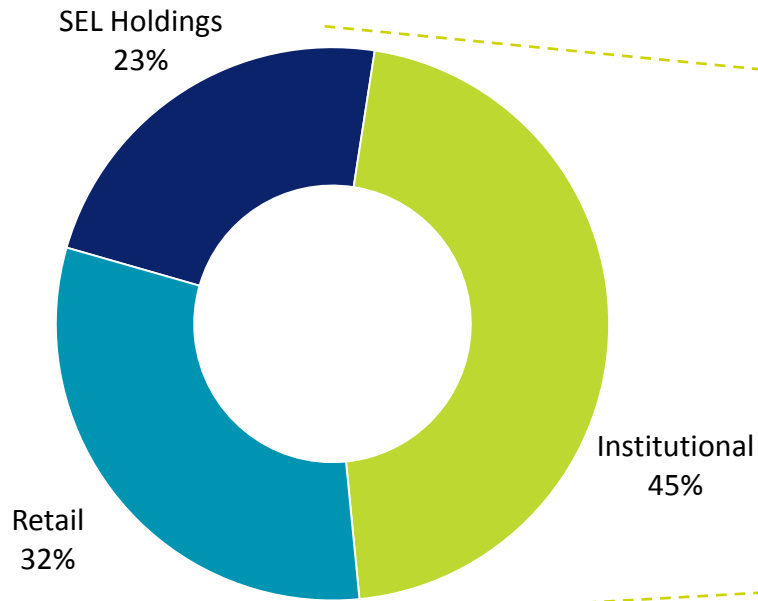
Note: All figures in \$ millions unless otherwise stated and may be subject to rounding

Appendix

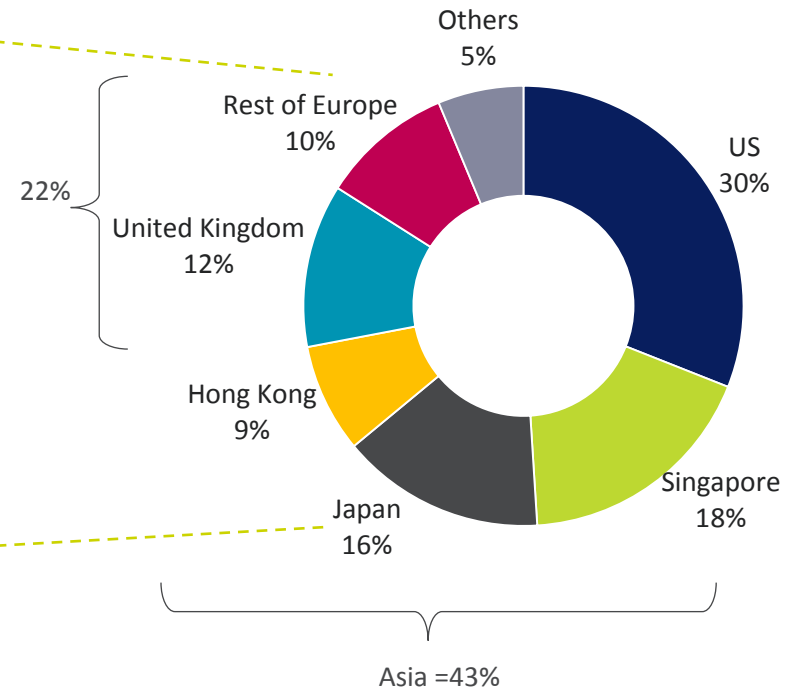
SGX Shareholders' Profile

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

SGX Shareholder Composition¹



Institutional Shareholding by Geography

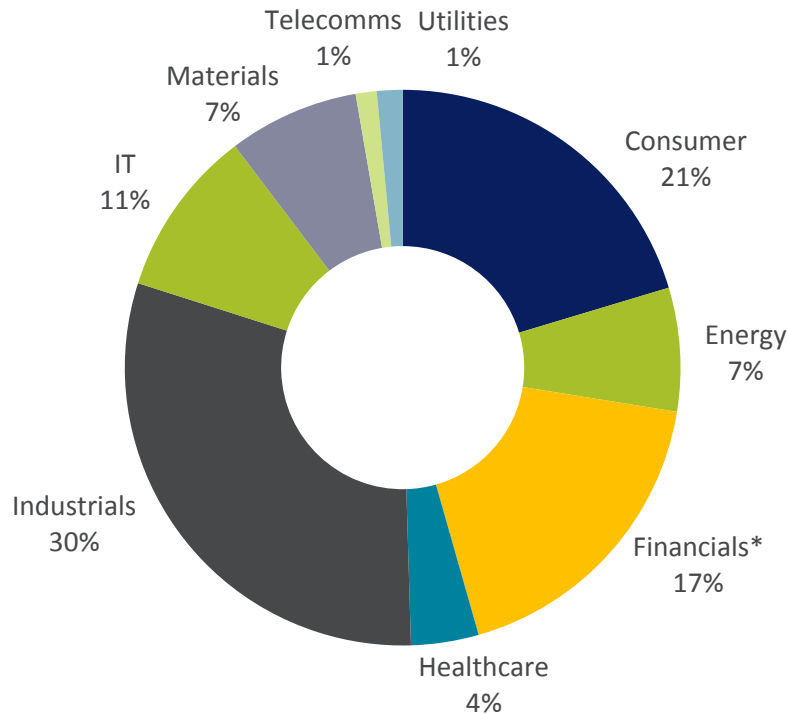


¹ As of June 2017

Equities & Fixed Income - Diversity of Listed Companies

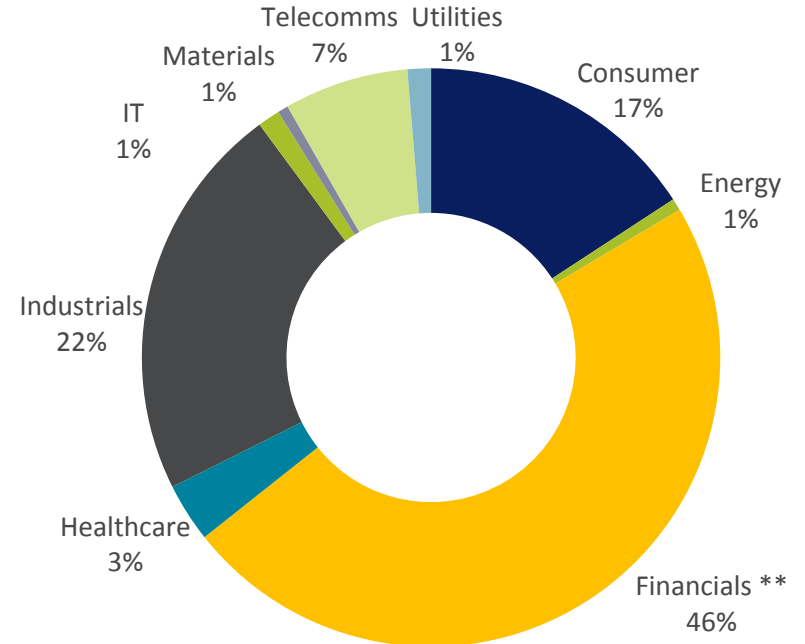
Breakdown by Number of Companies

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)

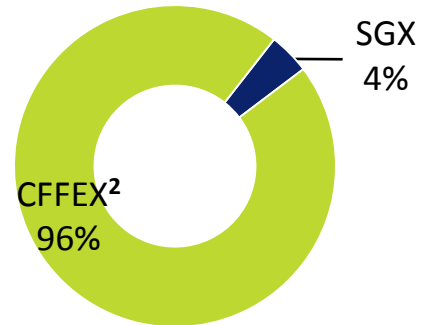
Derivatives – Equities Market Share

Volume Market Share of Key Contracts¹

**SGX FTSE China A50
Index futures**

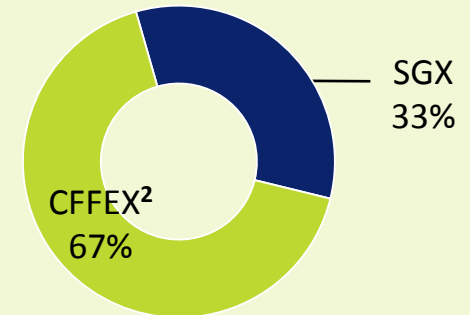
FY2016

FY16 Total DAV (Contracts): 8,252K



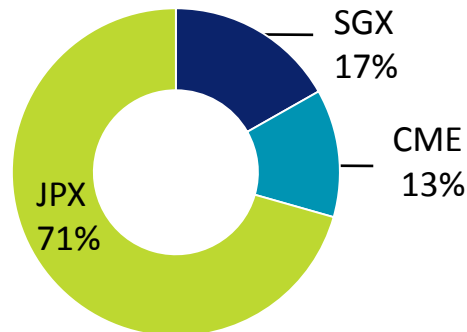
FY2017

FY17 Total DAV (Contracts): 793K

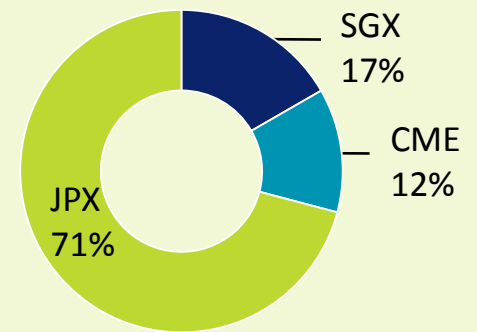


**Japan Nikkei 225
Index futures**

FY16 Total DAV (Contracts): 660K



FY17 Total DAV (Contracts): 506K



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

¹ Contracts of other exchanges have been adjusted to reflect the contract size of SGX contracts.

² CFFEX contracts include CSI300, CSI500 and SSE50.

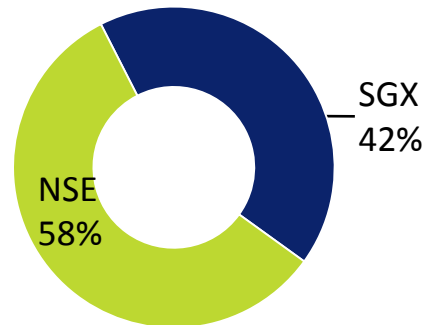
Derivatives - Equities Market Share

Volume Market Share of Key Contracts¹

SGX Nifty 50 Index futures

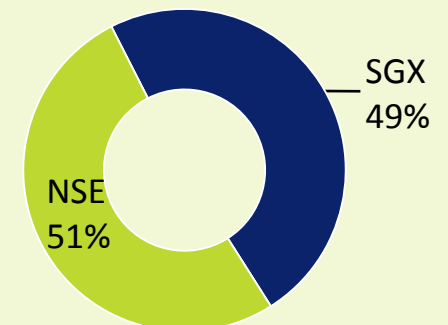
FY2016

FY16 Total DAV (Contracts): 201K



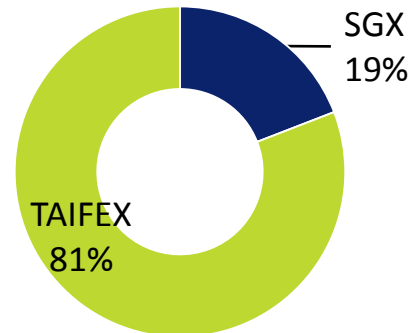
FY2017

FY17 Total DAV (Contracts): 173K

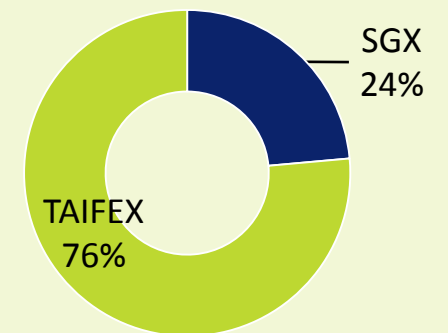


MSCI Taiwan Index futures

FY16 Total DAV (Contracts): 370K



FY17 Total DAV (Contracts): 336K



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

¹ Contracts of other exchanges have been adjusted to reflect the contract size of SGX contracts.

Thank You

Singapore Exchange

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

sgx.com

Forward Looking Statements

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Statements in this presentation that are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives. These forward-looking statements are based on SGX's current intentions, plans, expectations, assumptions and views about future events and are subject to risks, uncertainties and other factors, many of which are outside SGX's control. Because actual results, performance or events could differ materially from SGX's current intentions, plans, expectations, views and assumptions about the future, such forward-looking statements are not, and should not be construed as a representation as to future performance of SGX. It should be noted that the actual performance of SGX may vary significantly from such statements.

This presentation is being made available to certain authorised recipients for their general information only.

While SGX and its affiliates have taken reasonable care to ensure the accuracy and completeness of the information provided in this presentation, they will not be liable for any loss or damage of any kind (whether direct, indirect or consequential losses or other economic loss of any kind) suffered due to any omission, error, inaccuracy, incompleteness, or otherwise, any reliance on such information. Neither SGX nor any of its affiliates shall be liable for the content of information provided by or quoted from third parties. Examples provided are for illustrative purposes only. The information in this presentation is subject to change without notice.

Any recirculation, transmission or distribution of this presentation or any part thereof by any third party requires the prior written permission of SGX. SGX and its affiliates disclaim all responsibility and liability arising in connection with any unauthorised recirculation, transmission or distribution of this presentation or any part thereof.

© Singapore Exchange Limited