

Dialogue Session with SGX Shareholders

 Saturday, 19 August 2017

Welcome Address

Loh Boon Chye

CEO

Agenda

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Welcome Address

Loh Boon Chye, CEO

2

Equities and Fixed Income

Chew Sutat, Head of Equities and Fixed Income

3

Derivatives

Michael Syn, Head of Derivatives

4

Market Data and Connectivity

Ng Kin Yee, Head of Market Data and Connectivity

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FY2018 Priorities

Loh Boon Chye, CEO

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Q&A Session

Who We Are

As Asia's most international and multi-asset exchange, SGX is a trusted market infrastructure operating in the equities, fixed income and derivative markets



SGX	[Market Hours Bar]																							
Singapore time	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	0:00	1:00	2:00	3:00	4:00	5:00	6:00
London time	12:00	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00
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Who We Are

As Asia's most international and multi-asset exchange, SGX is a trusted market infrastructure operating in the equities, fixed income and derivative markets



SGX Leadership Team



Mr Loh Boon Chye
Chief Executive Officer



Mr Muthukrishnan Ramaswami
President



Mr Chng Lay Chew
Chief Financial Officer
CFO Unit



Ms Agnes Koh
Chief Risk Officer
Risk Management



Mr Tan Boon Gin
Chief Executive Officer
SGX RegCo



Mr Chew Sutat
Executive Vice President
Equities & Fixed Income



Mr Arulraj Devadoss
Executive Vice President
Human Resources



Mr Michael Syn
Executive Vice President
Derivatives



Ms Tinku Gupta
Executive Vice President
Technology



Mr Ng Kin Yee
Senior Vice President
Market Data &
Connectivity



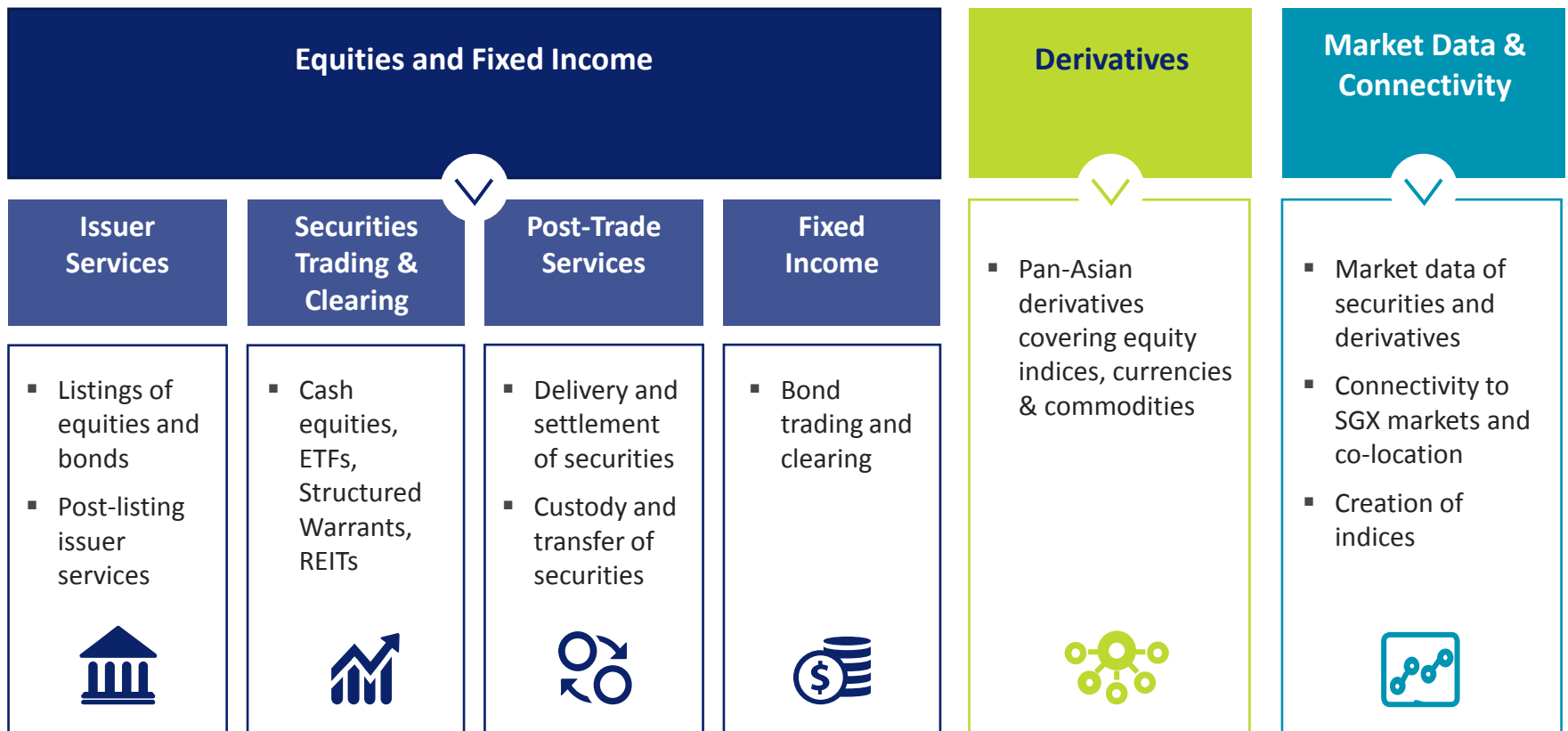
Mr Glenn Seah
Senior Vice President
Legal, Compliance &
Corporate Secretariat



Ms Teo Ai June
Senior Vice President
Marketing &
Communications

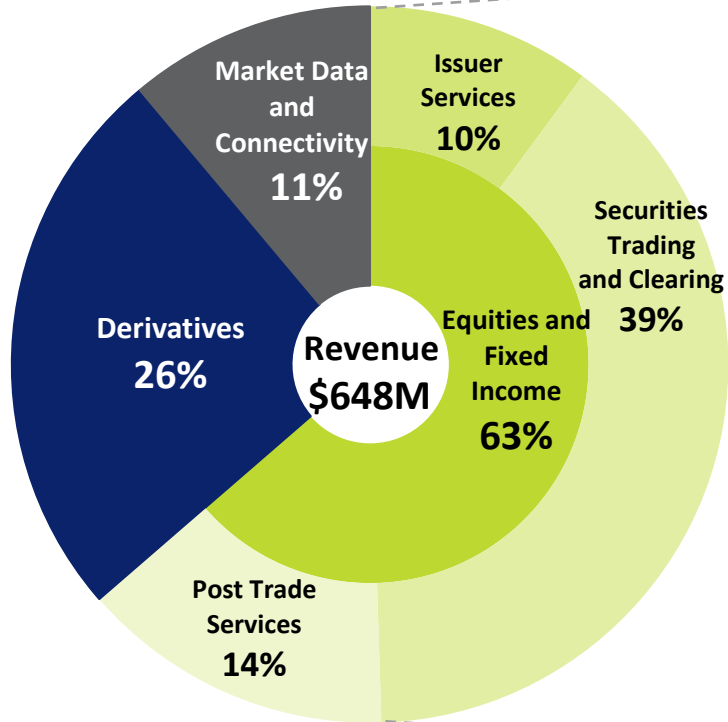
Our Business Lines

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



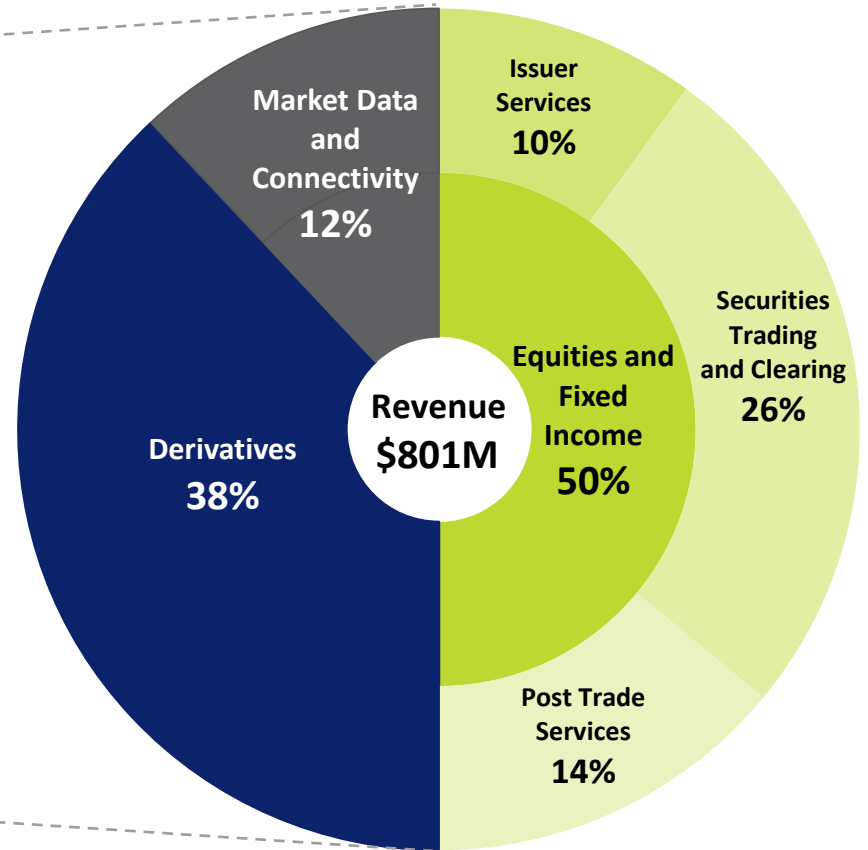
Revenue Breakdown By Business Lines

FY2012 Revenue Breakdown



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

Diversification Strategy Into FX And Fixed Income

	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

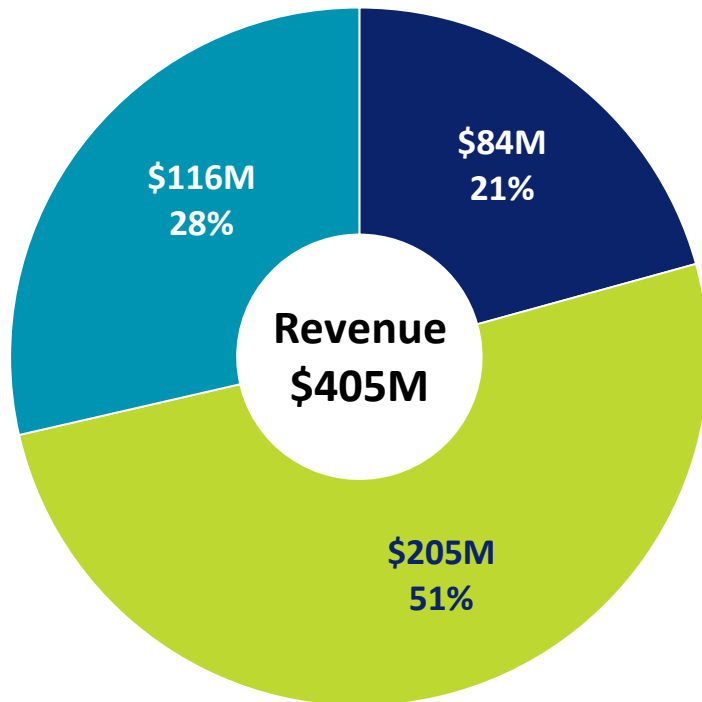
Equities and Fixed Income

Chew Sutat

Head, Equities and Fixed Income

Overview

Equities and Fixed Income



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

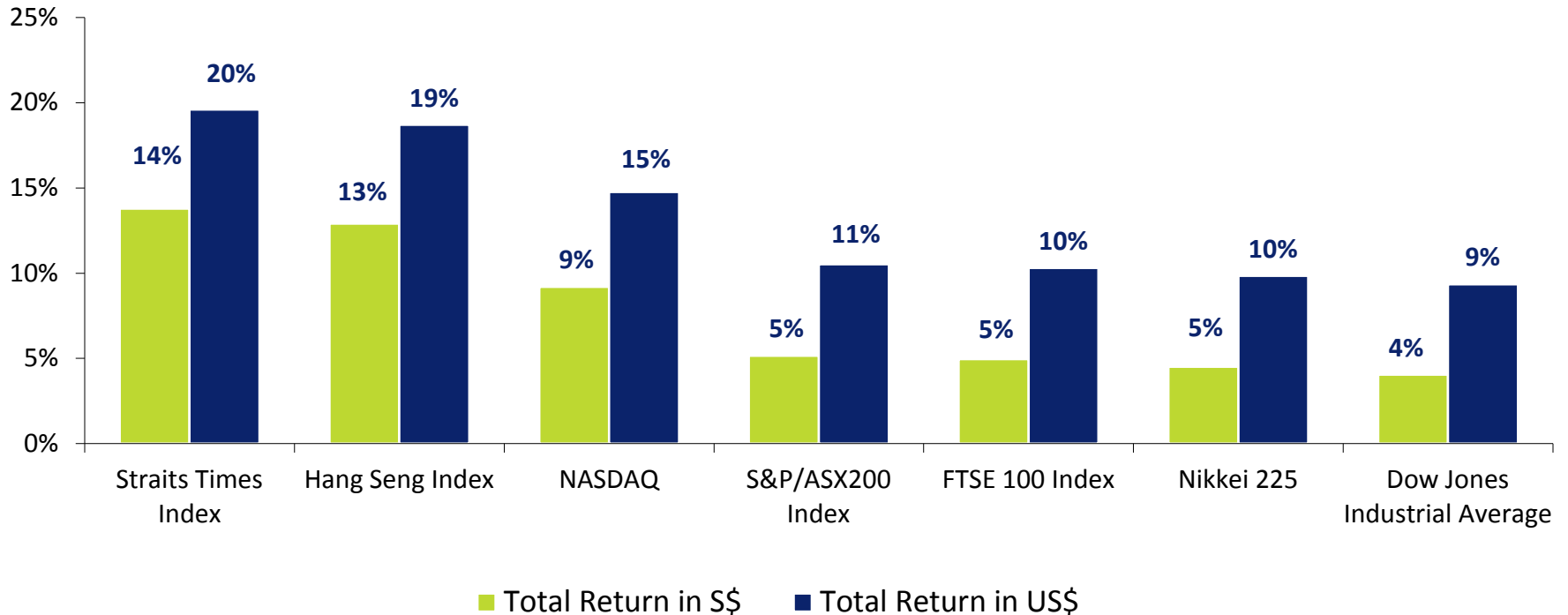
- Issuer services revenue up 2% to \$84M
- Securities Trading & Clearing revenue comparable at \$205M
- Post-trade services revenue declined 2% to \$116M

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

STI Among Top Performing Indices Across Developed Markets

- +14% dividend-inclusive total returns from Jan- June 2017



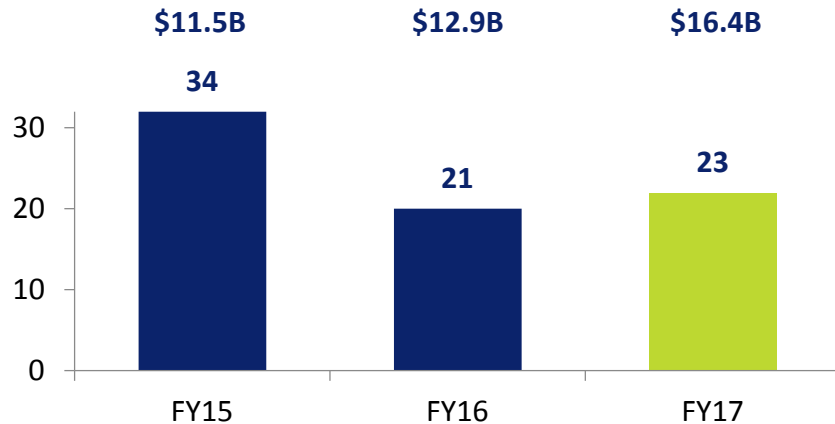
Source: Bloomberg, SGX. Data as of 30 June 2017

Higher Funds Raised And Resilient SDAV Despite Challenging Macro Environment

Listings

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

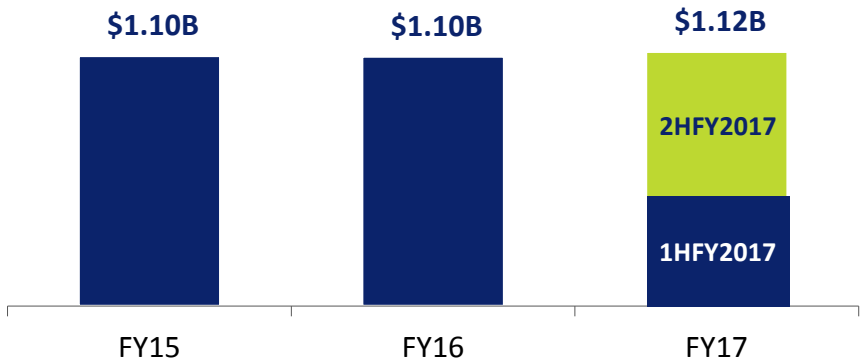
Listings¹ and funds raised²



Trading Activities

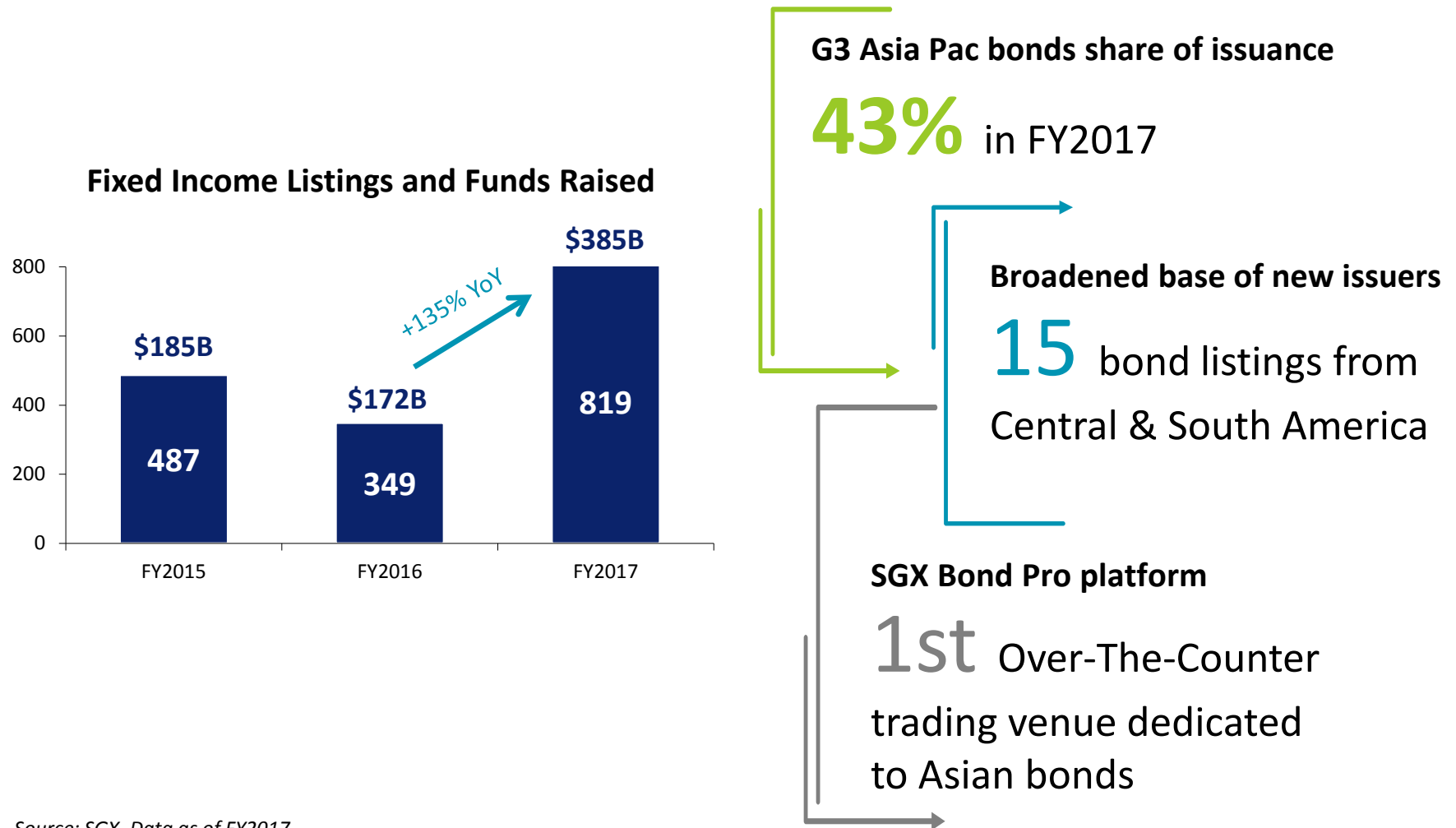
- FY2017 SDAV 2% higher YoY
- 2H FY2017 SDAV 15% higher HoH, exiting the FY with increased momentum

Securities Daily Avg. Traded Value (SDAV)



Source: SGX | ¹Listings include Initial Public Offerings (IPOs), Reverse Takeovers (RTOs), Funds and Global Depository Receipts (GDRs) | ²Includes Placement, Rights and Warrants

Increase In Fixed Income Listings And Market Share

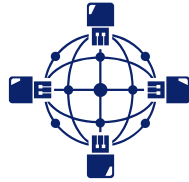


Source: SGX. Data as of FY2017

Advancing Singapore's Securities Market



Grow IPOs



Strengthen The IPO Ecosystem

Promote SGX's sector strengths

Acquire more international
issuers

Early engagement in private and
Pre-IPO space



Increase Partnership

Increase engagement of banks
& sponsors

Engage & collaborate with
government agencies

SGX Six Key Sectors

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

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

Note: PE/PB using weighted market capitalization average

Source: Bloomberg & Singapore Exchange (July 2017)

Build Liquidity



Market Makers &
Liquidity Providers

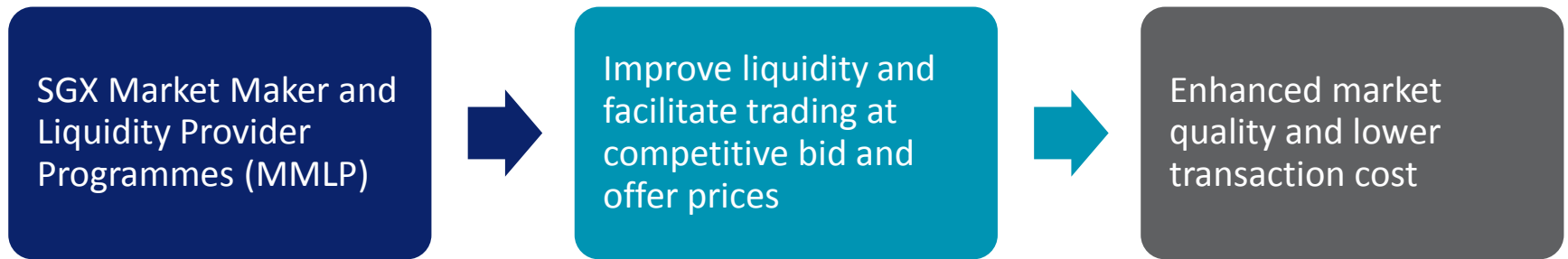


New Investment
Choices



Engage Investment
Community

Market Makers And Liquidity Providers



SDAV Mix By Investor



■ Institutional ■ Retail ■ MMLP

Impact Of MMLP:

- Add to trading activity
- Enable execution of 30% of the market
- Tighten spreads
- Improve market depth

New Investment Choices

Daily Leverage Certificates

Shift your trading performance into higher gear

Trade with fixed leverage and amplify your trading performance with DLCs. Go long or short with leverage up to 5 times on key Asian indices such as MSCI SG, HSI and HSCEI. Start trading DLCs now and discover new opportunities in the market.

Singapore Exchange

sgx.com/dlc



Engage Investment Community

SGX MyGateway

sgx.com/mygateway



- Weekly newsletter to over 260,000 subscribers
- Featuring SGX sectors, themes, companies and investor fund flow data

SGX StockFacts

sgx.com/stockfacts



- 55,000 average monthly users
- 790,000 average monthly views

Retail Investor Events



- 16 Retail investors events and seminars in the past 12 months
- 12 Corporate Connect Series to connect SGX listed companies senior management with investors
- INVEST Fair 2017 attracted close to 12K visitors over two days

Profile Companies

Corporate Profiling

Singapore Myanmar Investco taps frontier

Mr Mark Bedingham is driven by an insatiable curiosity. The British-born former and chief executive officer of Singapore Exchange listed Singapore's first-ever investment (SME) fund exploring the untapped resource potential.

Mr Bedingham, who spent his earlier career in major Asian cities, describes his passion for the region as a subconscious reaction stemming from the first seven years of his childhood.

"My father was in the Malaysian public sector and was eventually promoted to the top of the hierarchy. He was part of the world's first received office operating from its capital."

Mr Bedingham noted, "Yangon Investment is a platform for the region's growth. The fund is a joint venture between Singapore and Myanmar, and my parents had several friends who lived and worked in Singapore."

SGX Market Dialogues

Singapore Q&A Taps Women's Wellness in Expansion Drive

SGX C: The Company Brief

CCT manager's CEO builds on a woman's strengths

Dr Victor Ng, the Chief Executive Officer of specialist medical group Singapore CMM, looks forward to a bright future for the group and its members.

- 50 companies' C-suite profiled in two years

Corporate Day Roadshows



- 22 Corporate Days and Luncheon Seminars in the past 12 months
- >126 Listed companies profiled to >900 institutional investors

SGX Research

sgx.com/research

Semiconductors spark Spore economy's recovery

Healthcare sector looking healthy

Buybacks at eight-month high

Merrier times ahead for sector

SGX CMM HEALTHCARE CORPORATE DAY

SGX Academy

- >250 articles (5.5 articles/week)
- FY2017 media ad value at \$3m (+70% YoY)

Key Takeaways



Growing momentum in Singapore's securities market
SGX's initiatives are gaining traction



SGX will continue to focus efforts on:

- 1) Growing IPOs
- 2) Building Liquidity
- 3) Profiling Companies



Collaboration from the ecosystem and market conditions will play a key role in advancing Singapore's securities market

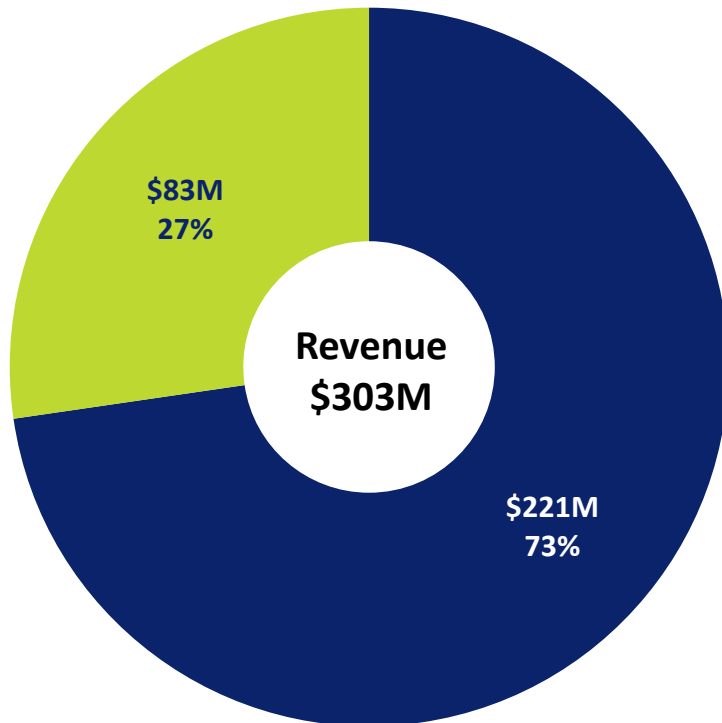
Derivatives

Michael Syn

Head, 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

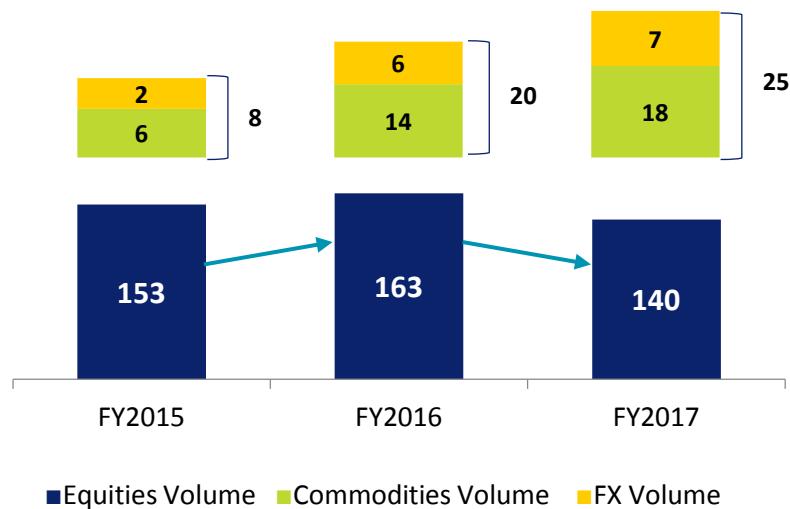
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Source: SGX. Data as of FY2017

Overview

Derivatives

Total Derivatives Volume (M contracts)



- Equities volumes declined by 14% from 163M to 140M contracts in a year of low volatility albeit our market share in China, India and Taiwan increased
- Commodities volume increased by 29% from 14M to 18M contracts
- FX volume increased from 6M to 7M contracts
- Average fee per contract marginally lower from \$1.19 to \$1.18

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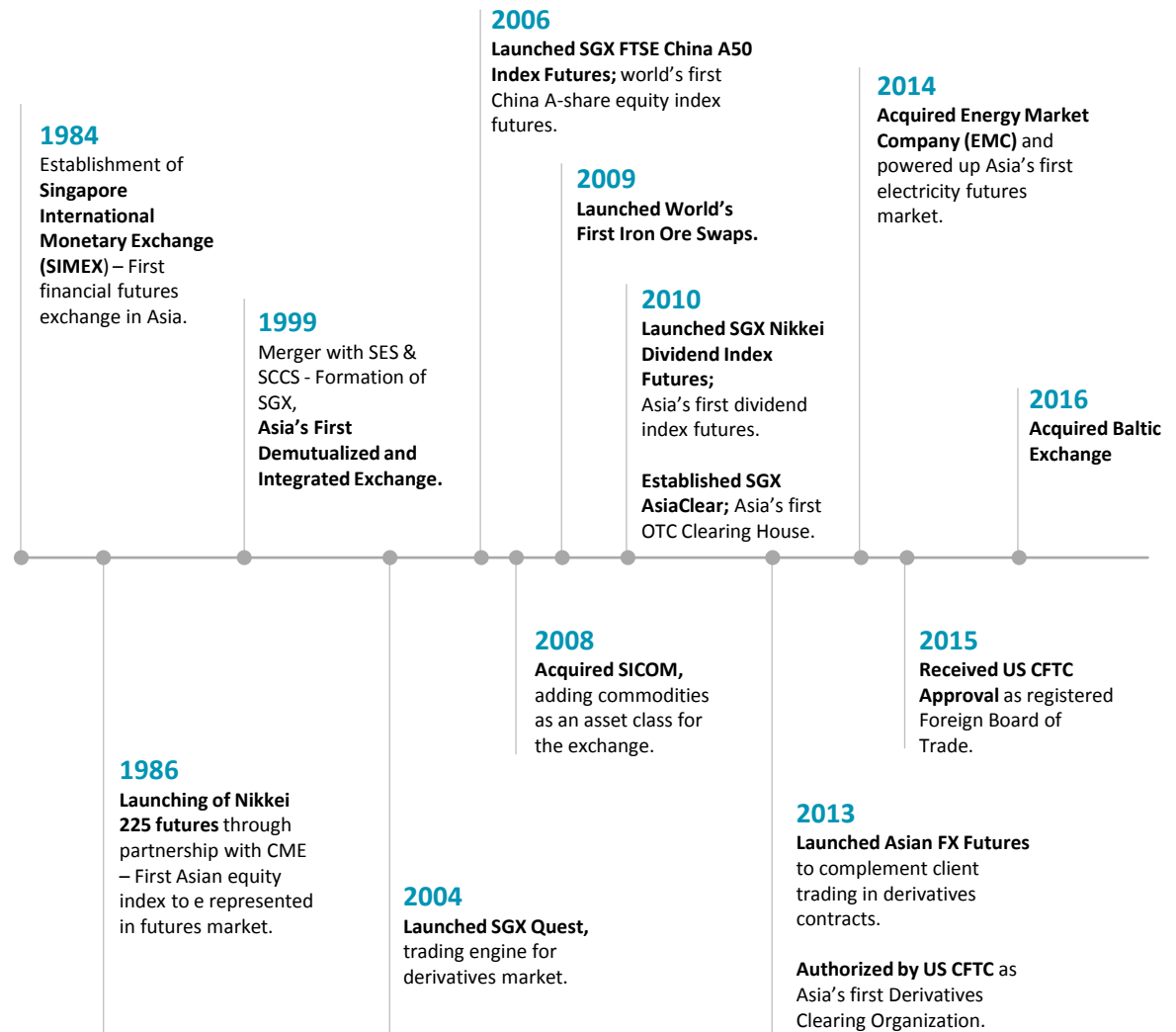
Source: SGX. Data as of FY2017

33 Years Of History

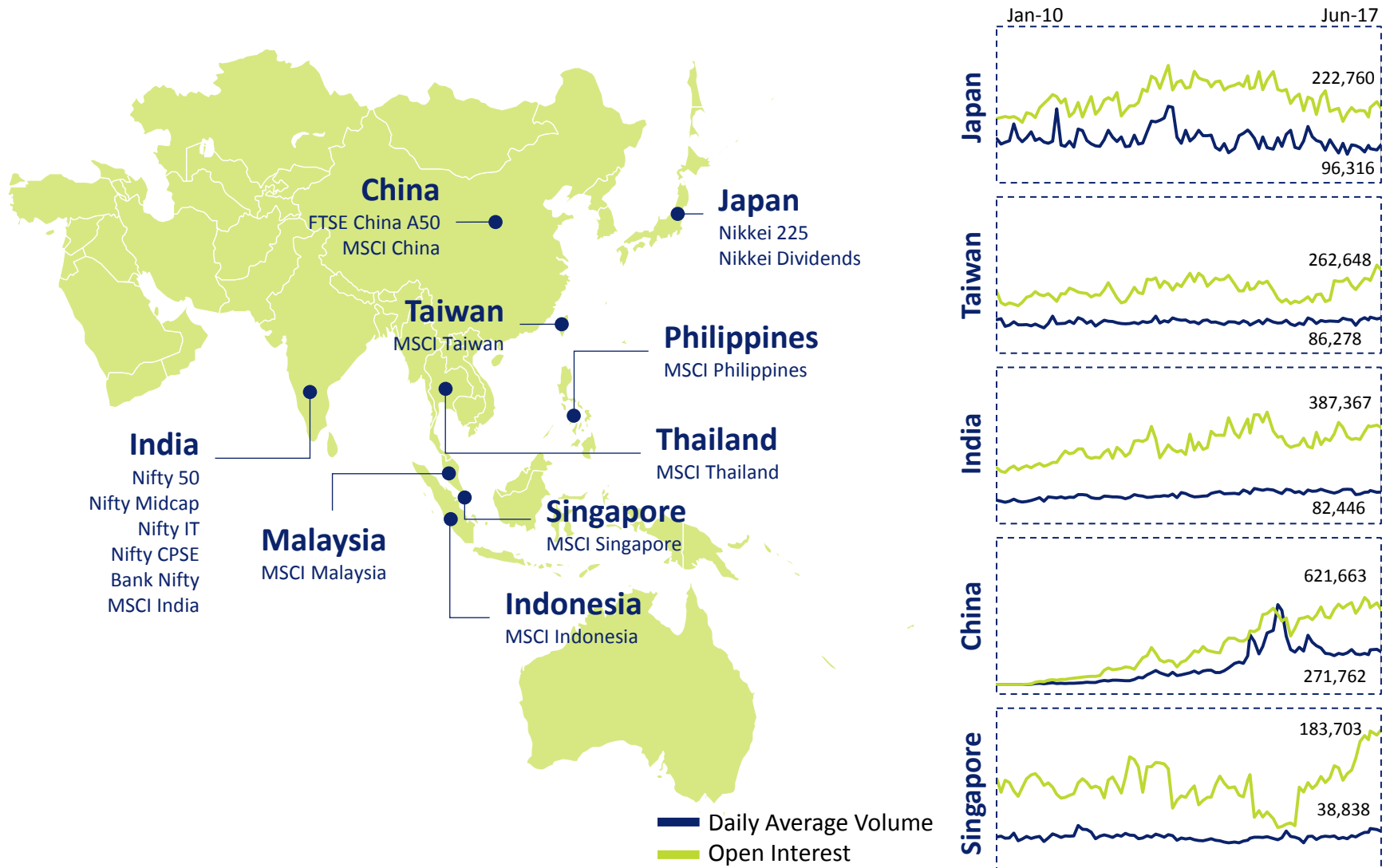
1984,
SIMEX was
established.

1999,
SIMEX merged with
SES & SCCS to form
SGX.

2008,
SICOM was acquired.

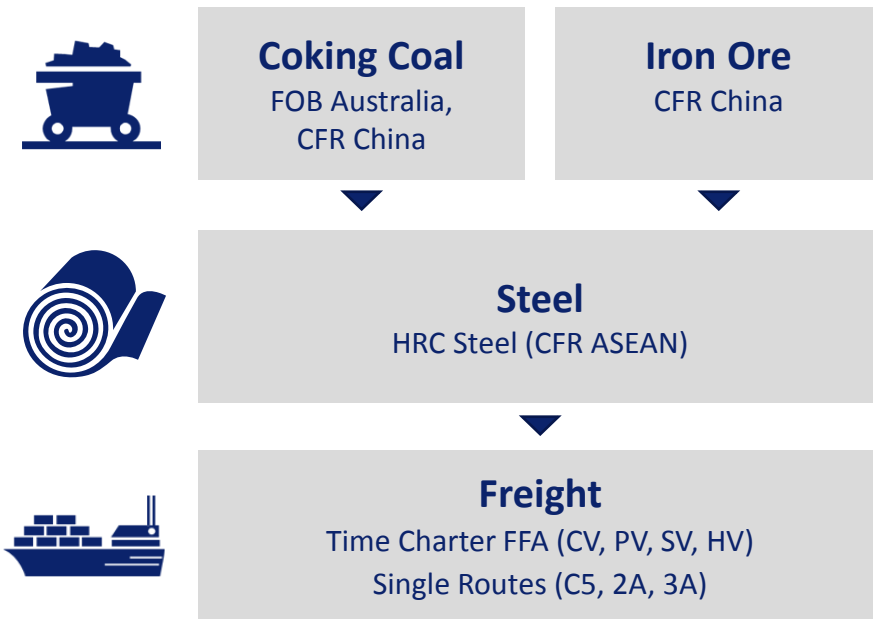


Equities Mapped To Asia's Capital Structure



Extensive Suite Of Commodities Products

Price-Discovery Centre For The Steel Value Chain

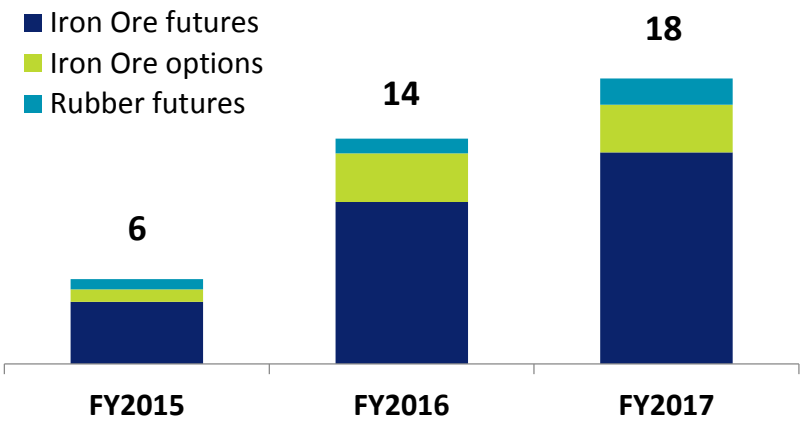


The Baltic Exchange
Maritime Indices

Other Products In Commodity Franchise



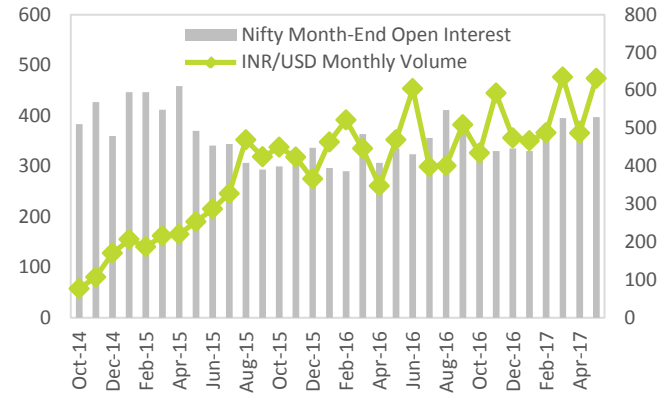
Total Volume of Contracts Traded (M)



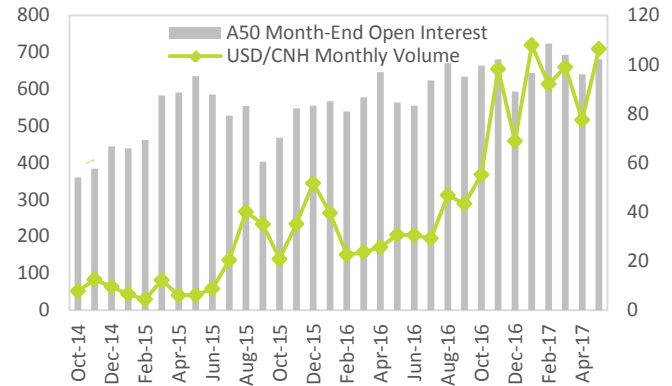
Growth In FX driven By Equities Users



India Nifty Growth Driving INR/USD Volumes



China A50 Growth Driving USD/CNH Volumes



Key Takeaways



We are the world's most liquid offshore market for Asian Derivatives



Derivatives is a key growth driver covering assets classes such as Equities, FX and Commodities



Our focus on FX and Commodities is aligned with our diversification strategy

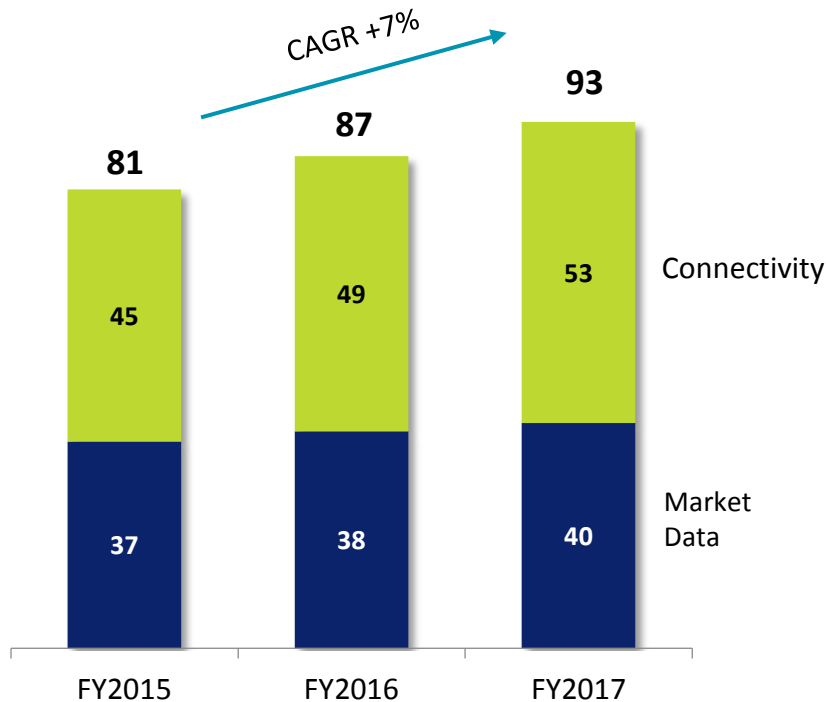
Market Data & Connectivity

Ng Kin Yee

Head, Market Data And 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

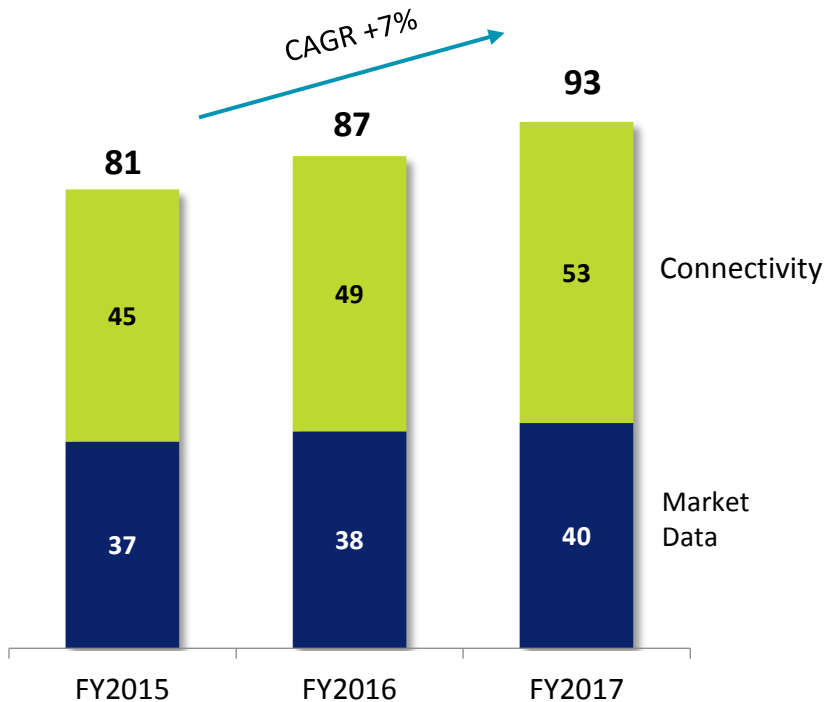
Connectivity: Trading system connections, Network linkages and Data center co-location

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

Overview

Market Data And Connectivity



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

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

Source: SGX. Data as of FY2017

SGX Index Edge

Serving The Growing Needs Of Index Investing

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



Index Calculation Service

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

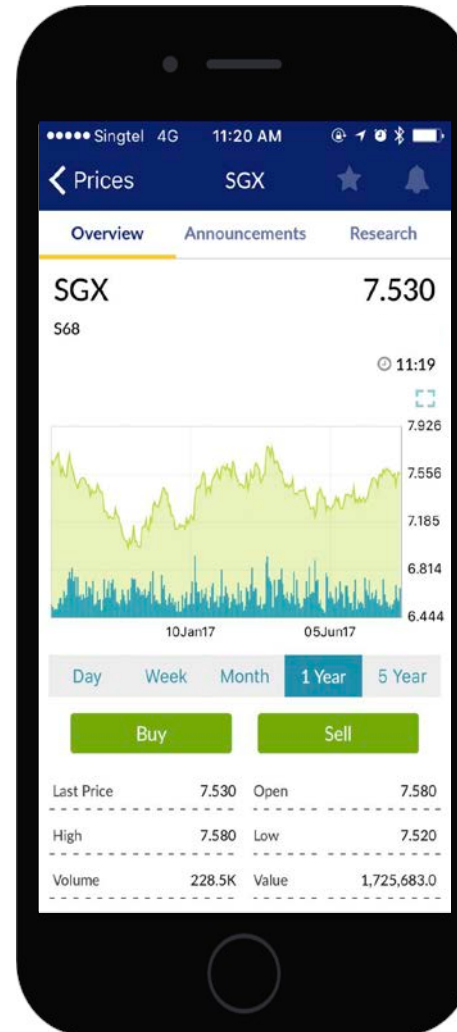


SGX Proprietary Indices

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

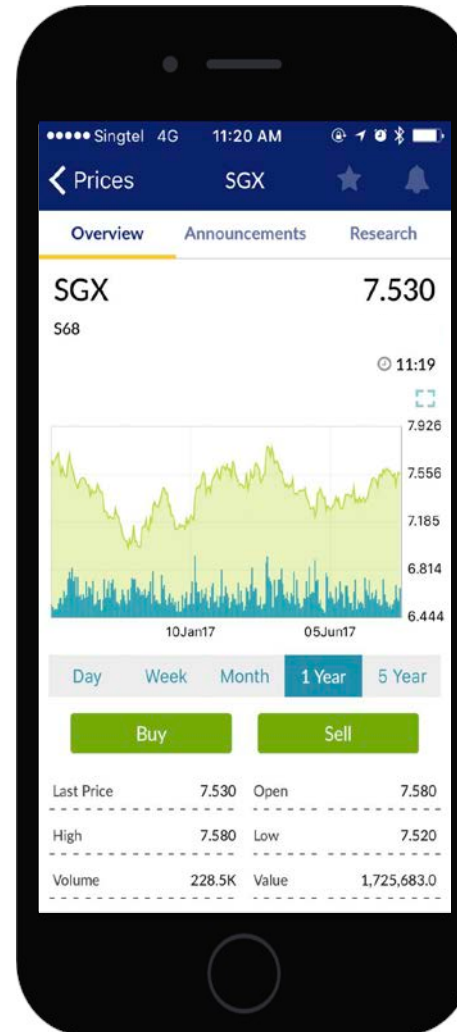
Digitalizing Market Data Services

- Recent new features include
 - Live and Historical prices
 - Company Announcements
 - Market Research Updates
 - Favourites
 - Buy/Sell linkage to retail brokers
- Partnering with more local and regional brokers to fulfill trading



Digitalizing Market Data Services

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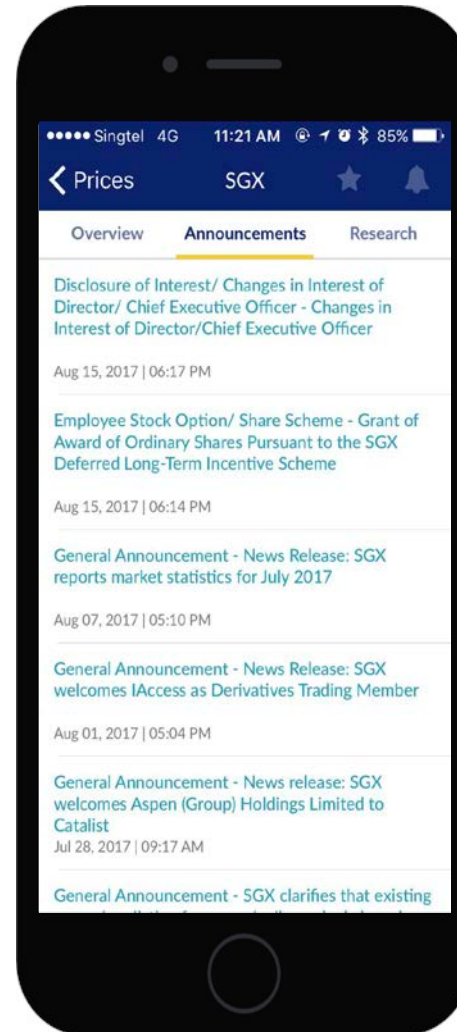


View live price movements

View historical prices

Digitalizing Market Data Services

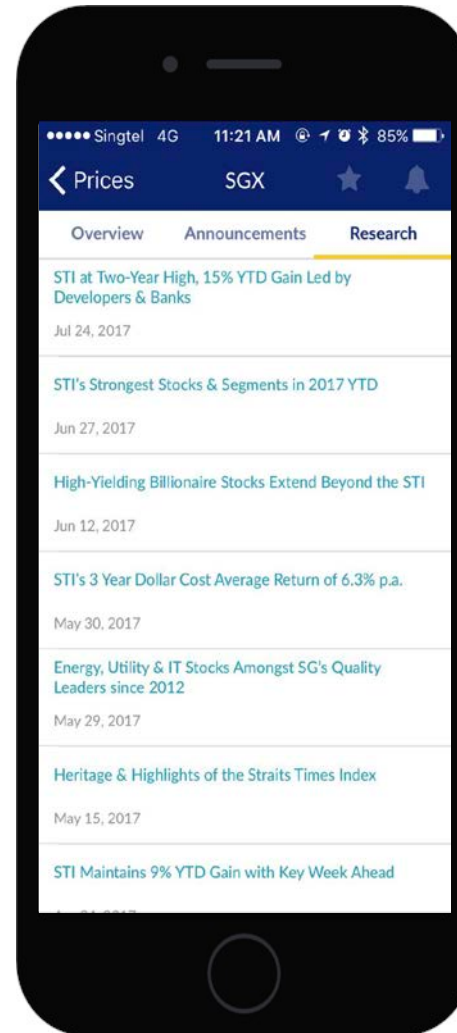
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Receive latest
Company
Announcements
on the go

Digitalizing Market Data Services

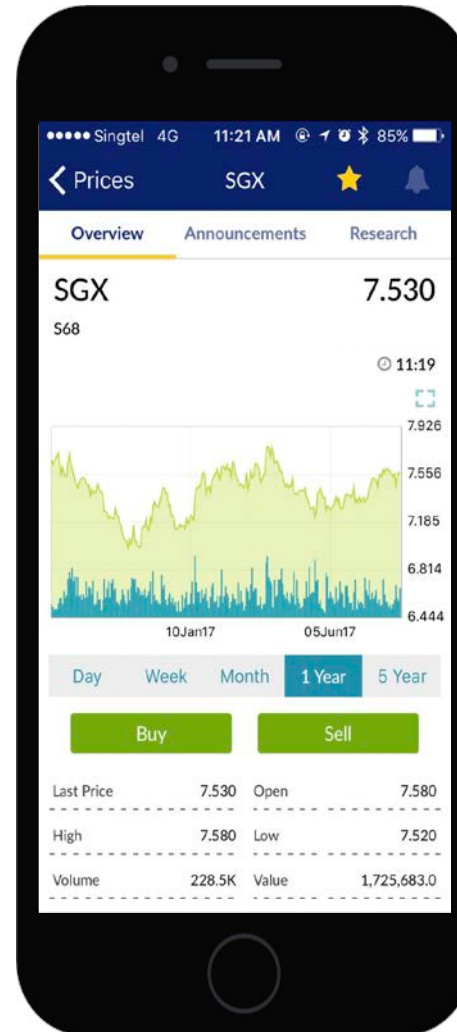
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→ Get Market Research Insights

Digitalizing Market Data Services

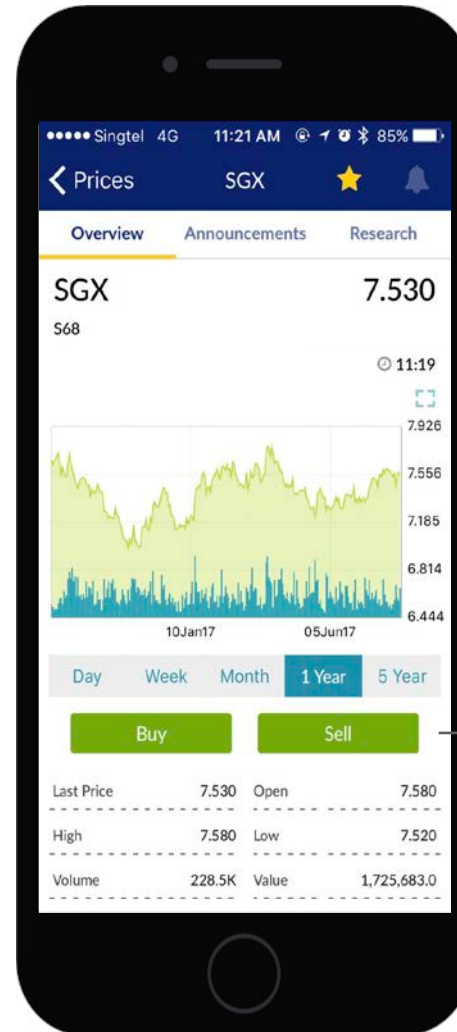
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→ Add this stock to your Favourite List

Digitalizing Market Data Services

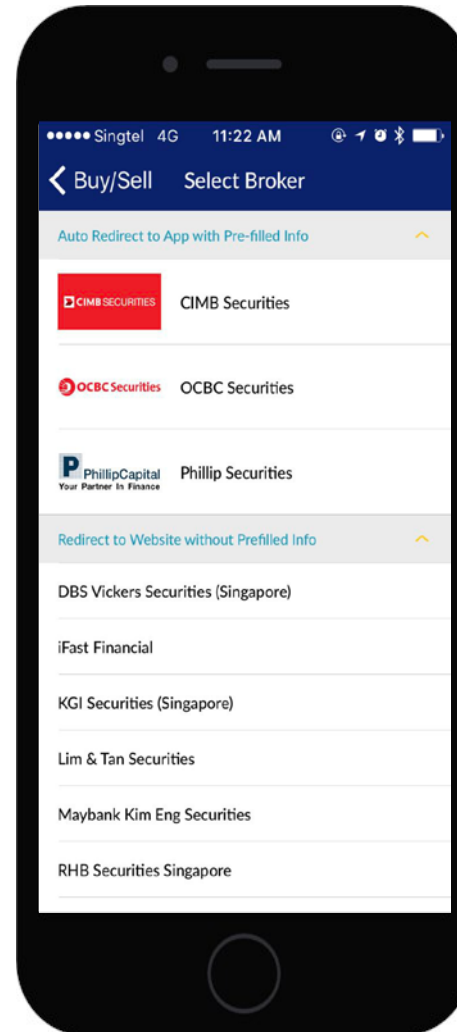
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Buy/Sell with your favourite broker

Digitalizing Market Data Services

- Recent new features include
 - Live and Historical prices
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 - Buy/Sell linkage to retail brokers
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FY2018 Priorities

Loh Boon Chye

CEO

FY18 Strategic Priorities



Q&A



Moderator:

- **Loh Boon Chye**, CEO of SGX

Panelists:

- **Muthukrishnan Ramaswami**, President of SGX
- **Chew Sutat**, Head of Equities & Fixed Income of SGX
- **Michael Syn**, Head of Derivatives of SGX
- **Ng Kin Yee**, Head of Market Data & Connectivity of SGX
- **Tan Boon Gin**, CEO of SGX RegCo

Thank you

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