



NEWS RELEASE

SGX Registers Strong Performance for 1H FY2008

Singapore Exchange Limited (SGX) today reported an increase of 61.4% in net profit for the first half of the financial year 2008 (1H FY2008) which ended on 31 December 2007. The net profit recorded in 1H FY2008 was \$252.4 million as compared to \$156.4 million in the same period last year. This excludes the non-recurring \$34 million distribution from SGX-DT Compensation Fund upon its expiry on 24 November 2007. In line with consultations with the public and SGX regulators, the latter was transferred to the Derivatives clearing fund reserve.

The directors are pleased to declare a base dividend of 3.0 cents per share on tax exempt one-tier basis for 2Q FY2008, in line with the SGX dividend policy. The \$34 million that has been transferred to the Derivatives clearing fund reserve will not be available for distribution as dividends.

The main contributor to the robust growth in half-year profits is securities market revenue, which rose 133.5% from \$112.7 million in 1H FY2007 to \$263.1 million. Similarly, net derivatives revenue, driven by more futures trading and structured warrants activity, increased 39.8% from \$54.2 million in 1H FY2007 to \$75.9 million. On the back of listing and corporate action activities, stable revenue rose 36.3% from \$61.8 million in 1H FY2007 to \$84.2 million.

Operating revenue in 1H FY2008 jumped 85.0% from \$228.7 million in 1H FY2007 to \$423.2 million while operating expenses grew 25.8% from \$94.6 million in 1H FY2007 to \$119.0 million. The increase in operating expenses was due to variable bonus provision, rental expenses on SGX Centre from June 2007 following its sale and leaseback, and higher staff salaries.

Mr Hsieh Fu Hua, CEO of SGX said, "Our efforts to grow foreign listings continue to yield results. With the launch of Catalist, we expect to attract more fast growing companies from the region. Along with other key initiatives that we have put in place, SGX is focused on our growth as an Asian Gateway."

In 1H FY2008, the securities market's daily average trading value climbed 127.5% to \$2.5 billion while the annualised trading velocity rose to 80%. On the listing front, there were 44 new listings in 1H FY2008 including two reverse takeovers, compared to 28 in 1H FY2007. These listings raised \$4.9 billion and have a total market capitalisation of \$14.7 billion. There were 32 new foreign listings in 1H FY2008 as compared to 22 in the same period last year.

The REITs sector was bolstered by the listing of SGX's first Japanese REIT, bringing the total market capitalisation of the 19 REITs to \$26.7 billion as compared to \$22.9 billion in 1H FY2007.



The derivatives market also performed well with futures trading volume growing by 39.3% from 17.4 million contracts in 1H FY2007 to 24.2 million contracts. Structured warrants remained popular with total trading values up 115.1% from \$8.1 billion in 1H FY2007 to \$17.4 billion.

SGX AsiaClear's OTC commodities clearing continues to gain momentum. It cleared US\$3.4 billion worth of trades as compared to US\$228.1 million in 1H FY2007. In addition, SGX AsiaClear expanded its trading and clearing network to over 150 counterparty accounts.



Financial Highlights of FY2008 Results – 1 July 2007 to 31 December 2007

S\$ Million	1H FY2008	1H FY2007	Change	2Q FY2008	2Q FY2007	Change
Operating Revenue	423.2	228.7	85.0%	203.6	124.9	63.0%
Operating Expenses	(119.0)	(94.6)	25.8%	(60.8)	(48.5)	25.4%
Operating Profit	304.2	134.1	126.8%	142.8	76.4	86.9%
Other Gains/(Losses)	39.5*	52.6**	(24.9%)	40.4*	49.6**	(18.5%)
Profit Before Tax and Share of Results of Joint Ventures and Associated Company	343.7	186.7	84.1%	183.2	126.0	45.4%
Share of Results of Joint Ventures and Associated Company	(0.5)	(1.5)	(63.1%)	(0.1)	(0.7)	(86.4%)
Tax	(56.8)***	(28.8)	96.5%	(26.7)***	(16.6)	60.7%
Profit Attributable to Equity Holders						
- before distribution from SGX-DT Compensation Fund and write back of allowance for impairment	252.4	111.4	126.6%	122.4	63.7	92.2%
- after distribution from SGX-DT Compensation Fund and write back of allowance for impairment	286.4	156.4	83.2%	156.4	108.7	43.9%
Basic earnings per ordinary share (cents)						
- before distribution from SGX-DT Compensation Fund and write back of allowance for impairment	23.81	10.58	13.23	11.54	6.05	5.49
- after distribution from SGX-DT Compensation Fund and write back of allowance for impairment	27.02	14.86	12.16	14.75	10.32	4.43
Interim base (tax exempt one tier) dividend per share (cents)	6.00	4.00	2.00	3.00	2.00	1.00

* Includes \$34 million distribution from SGX-DT Compensation Fund

** Includes \$45 million write back of allowance for impairment on SGX Centre

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



The complete 1H FY2008 financial statements are available on SGXNET and the Investor Relations page of our website at www.sgx.com. (SGX SP, SGXL.SI)

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