



WELCOME

Second Quarter Financial Year 2011

18 January 2011

SGX. The Asian Gateway.





Analyst and Media Briefing

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SGX. The Asian Gateway.



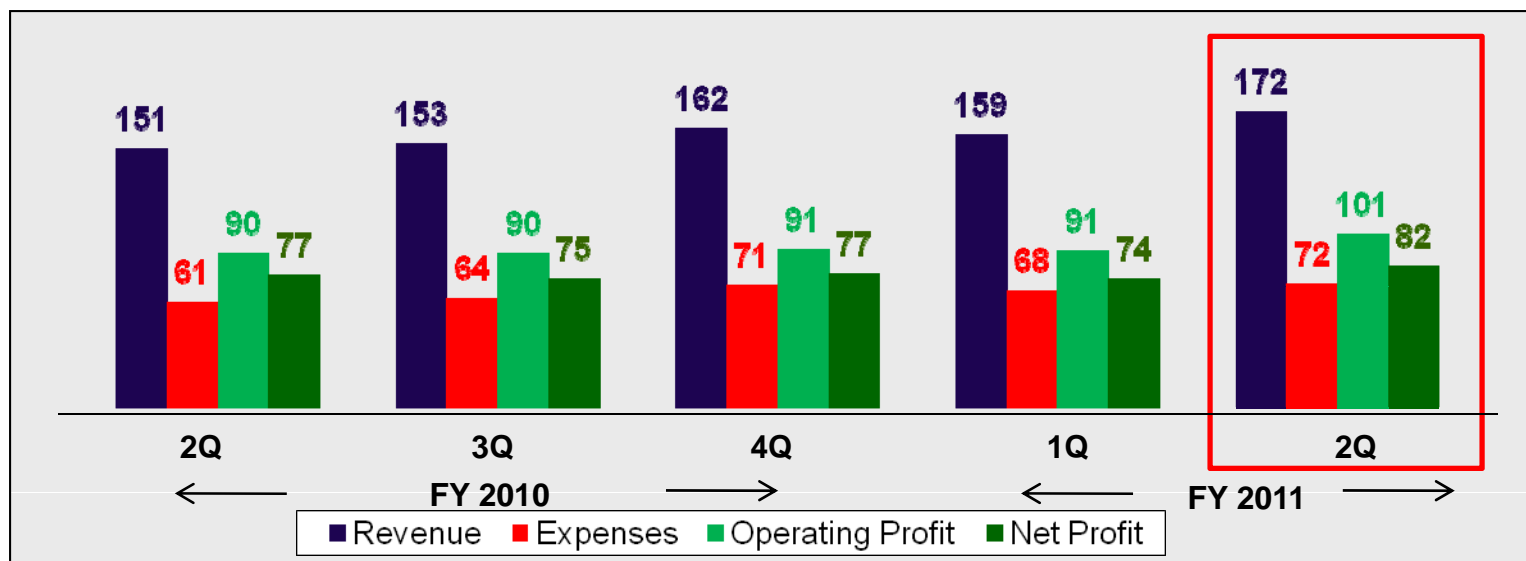
Agenda

1. Highlights
2. Financial Performance
3. Business Update
4. Questions & Answers

Second Quarter Highlights



- Stronger quarter in securities & derivatives markets
- Proposed ASX-SGX Combination creating the premier Asia Pacific exchange
- Expanded reach
 - Issuer Services: Larger IPOs; Bond listings
 - New Securities & Derivatives members
 - Clearing: OTC Financial Derivatives
 - Securities: GlobalQuote & Chi-East
 - Derivatives: Euro STOXX50; FTSE Xinhua China A50; Nikkei options



(Note: The above exclude (a) CEO transition costs \$6.3M in 2Q FY2010; (b) Impairment adjustments \$2.3M in 4Q FY2010; (c) ASX-SGX transaction related costs \$7.5M in 2Q FY2011



Financial Performance

Seck Wai Kwong

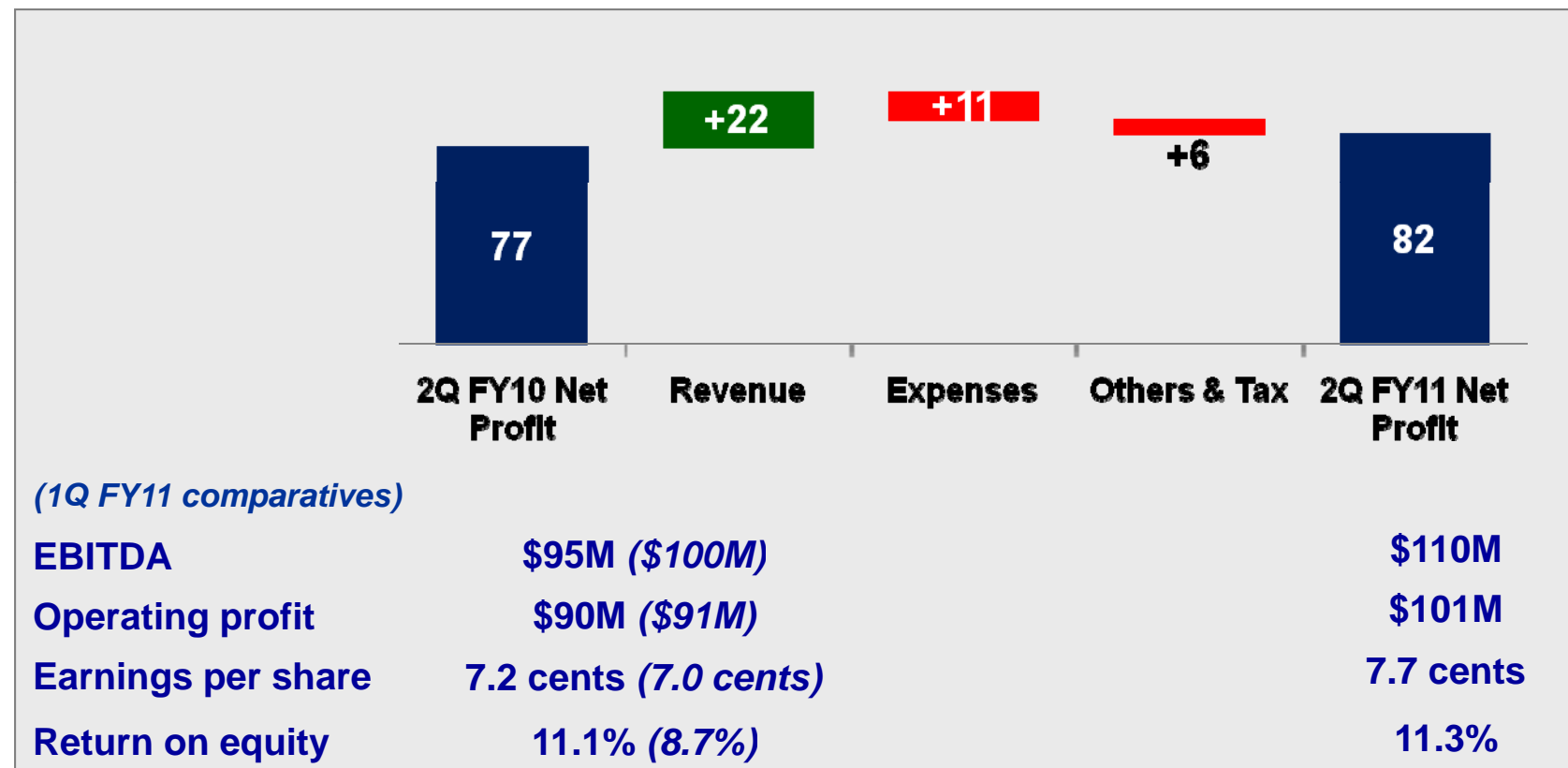


Financial Performance

Net Profit \$82M (\$77M)



- Solid quarter: Revenue up across all businesses
- Net Profit up 6%; EBITDA up 15%; and Operating Profit up 12%



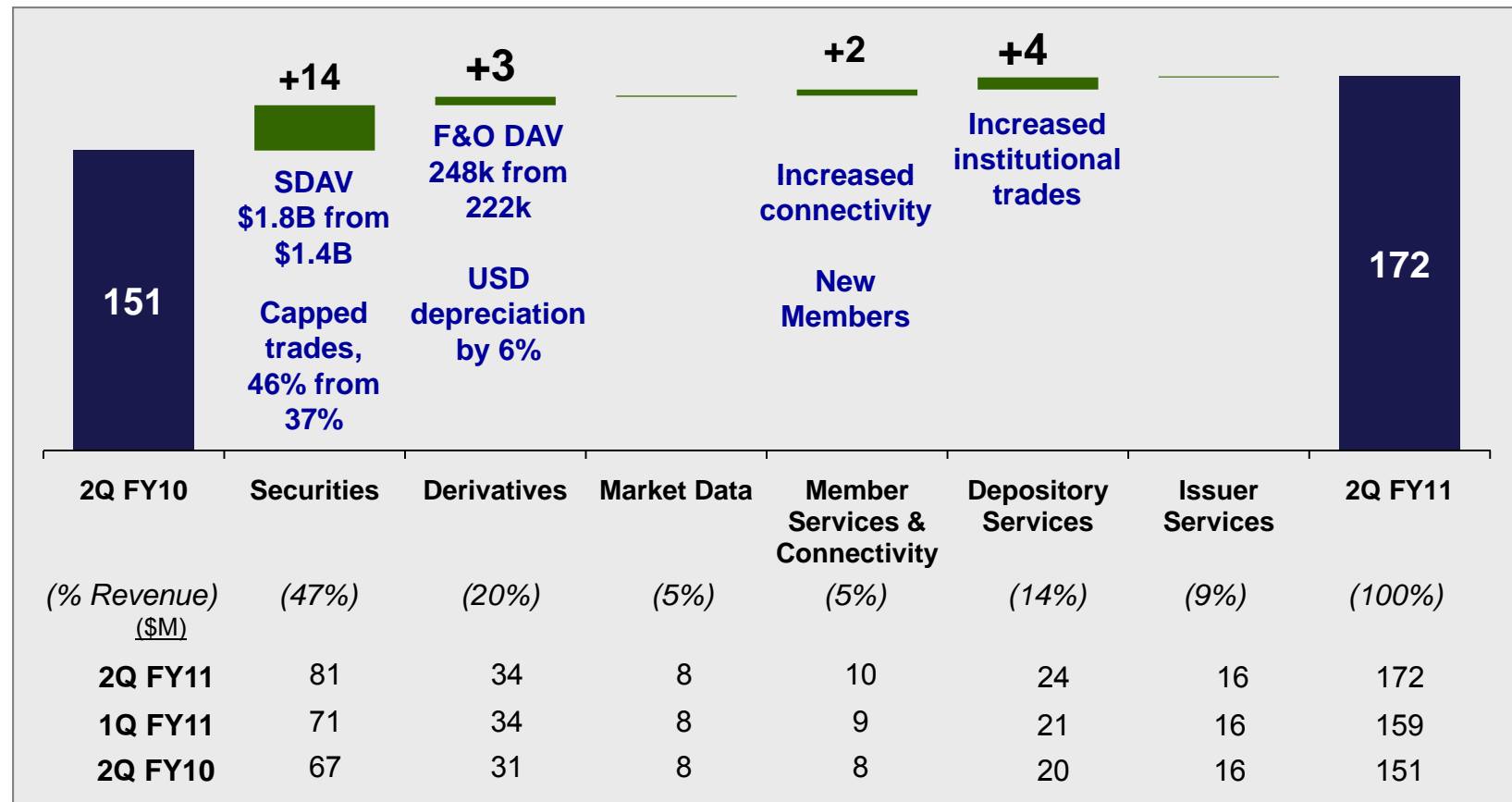
[Excludes (a) CEO transition costs \$6.3M in 2Q FY2010; (b) ASX-SGX transaction related costs \$7.5M in 2Q FY2011. Some numbers may be subject to rounding]

Financial Performance

Revenues: \$172M (\$151M)



- Increased securities & derivatives trading volumes
- Increased institutional volume



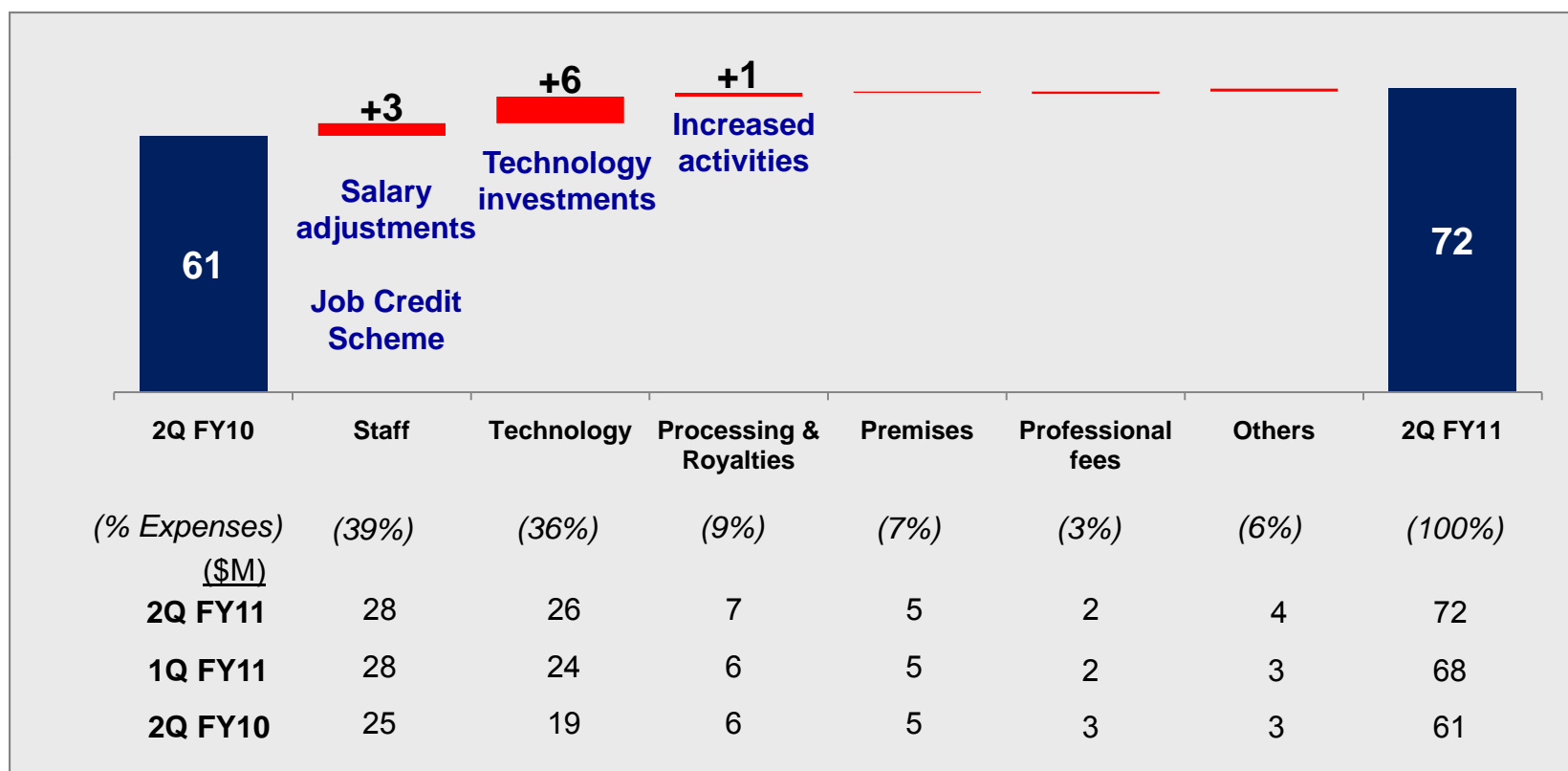
[Note: Some numbers may be subject to rounding]

Financial Performance

Expenses: \$72M (\$61M)



- Technology investments: SGXClear; OTC Clearing; the Reach initiative
- Maintain capex guidance \$60-65M
- Expect ASX-SGX transaction related costs in FY2011: \$20M (\$7.5M in 2Q)



[Excludes (a) CEO transition costs \$6.3M in 2Q FY2010; (b) ASX-SGX transaction related costs \$7.5M in 2Q FY2011. Some numbers may be subject to rounding]

Financial Indicators



<i>(Adjusted)</i>	2Q FY11	1Q FY11	4Q FY10	3Q FY10	2Q FY10
EBITDA (\$M)	110	100	100	97	95
Operating Profit (\$M)	101	91	91	90	90
Net Profit (\$M)	82	74	77	75	77
Total Equity (\$M)	721	854	816	731	693
Return on Equity (%)	44	36	41	48	47
<i>Per Share (cents)</i>					
Operating Cash Flow	7.7	8.3	9.2	9.2	8.5
Earnings	7.0	7.0	7.5	7.0	6.8
Dividend	4.0	4.0	15.75	3.75	3.75
No. of shares issued (M)	1,071	1,071	1,071	1,070	1,070

Note 1: Except for "Earnings Per Share" data, the above excludes (a) CEO transition costs \$6.3M in 2Q FY10; (b) Impairment adjustments \$2.3M in 4Q FY10; (c) ASX-SGX transaction related costs \$7.5M in 2Q FY11

Note 2: Return on Equity is on 12-month rolling basis

Note 3: The above number of shares issued includes treasury shares of 4.3M for 2Q FY11 and 5.2M for other quarters

Note 4: Some numbers may be subject to rounding



Business Update
Magnus Böcker

Securities: Trading and Clearing

Revenue: \$81M, 47% (\$67M, 45%)



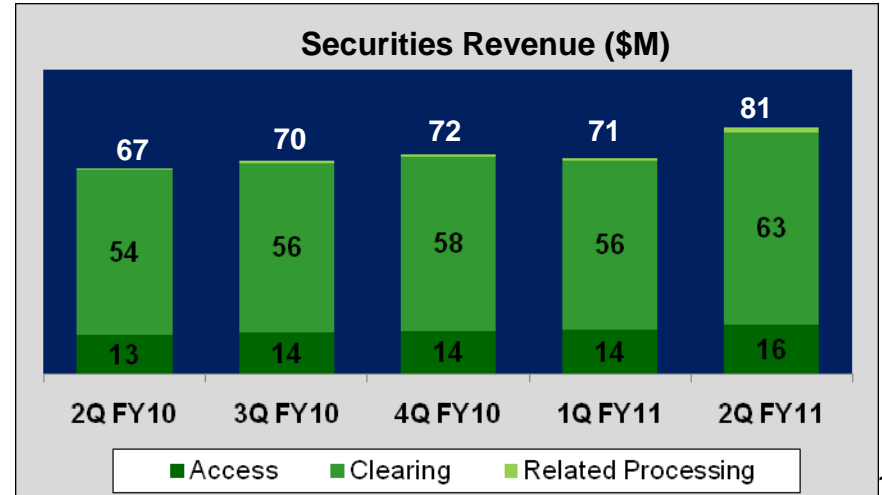
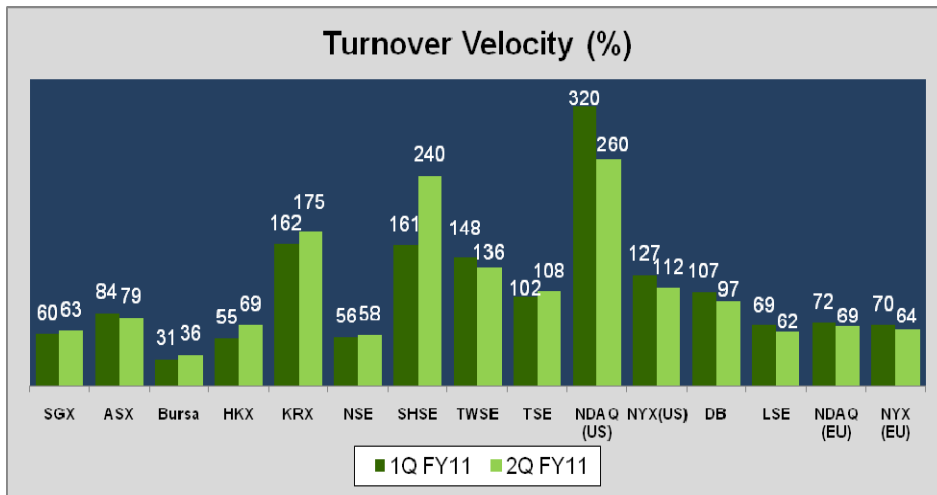
- Market Structure**

- Continuous all day trading
- Remote trading membership
- Turnover velocity

- Products & Services**

- GlobalQuote
- Chi-East

Key drivers	Metrics				
	2Q FY11	1Q FY11	4Q FY10	3Q FY10	2Q FY10
MSCI Singapore Index	377	365	337	342	349
No. of Trading Days	64	64	63	61	64
Equity Turnover Velocity (%)	63	60	63	64	59
<i>Singapore issuers</i>	48	48	54	52	52
<i>Overseas issuers, excluding Chinese issuers</i>	95	89	70	86	62
<i>Chinese issuers</i>	118	115	148	139	132
Daily Average Trading Volume (billion shares)	1.60	1.66	1.48	1.61	1.43
Daily Average Trading Value (\$ billion)	1.77	1.56	1.53	1.51	1.36
<i>ETFs/ETNs (\$ million)</i>	45	25	30	14	20
<i>Company warrants</i>	2	2	2	2	1
Contracts value					
<i>More than \$1.5M</i>	46	42	39	37	37
<i>Less than \$1.5M</i>	54	58	61	63	63



(Source: WFE, 1Q FY11 = Jul to Sep 10; 2Q = Oct to Dec 10)

[Note: Some numbers may be subject to rounding]

Derivatives: Trading & Clearing

Revenue: \$34M, 20% (\$31M, 21%)

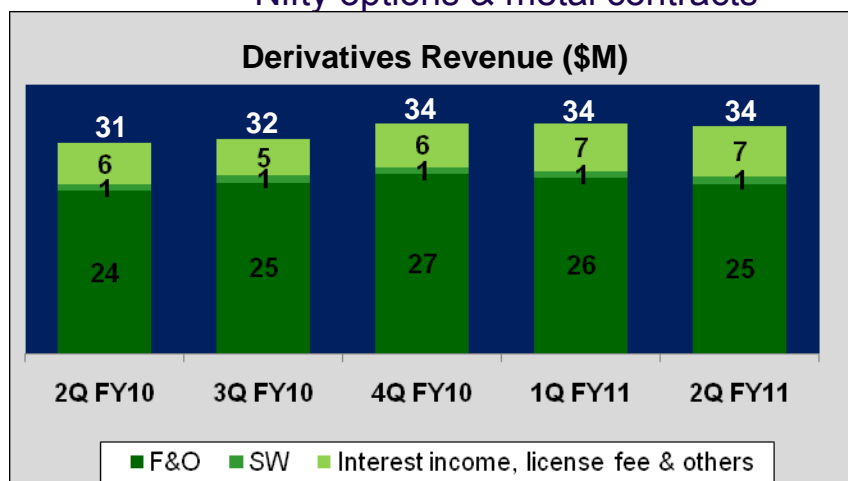


Market Structure

- Open connectivity for registration of off-market large trades

Product Development

- OTC financial derivatives
- FTSE Xinhua China A50; Nikkei options; Nikkei Dividend futures
- Pipeline
 - Nifty options & metal contracts



[Note: Some numbers may be subject to rounding]

Key drivers	Metrics				
	2Q FY11	1Q FY11	4Q FY 10	3Q FY10	2Q FY10
Daily Average Volume ('000 contracts)	249	242	257	234	222
Nikkei 225 futures (days)	111 (61)	122 (63)	131 (61)	106 (60)	108 (61)
MSCI Taiwan futures (days)	56 (66)	60 (65)	64 (63)	70 (56)	61 (66)
Nifty futures (days)	48 (63)	39 (65)	42 (63)	39 (59)	34 (60)
MSCI SG futures (days)	14 (64)	15 (64)	15 (63)	15 (61)	14 (64)
FTSE Xinhua A50, in contracts (days)	7,851 (61)	841 (63)	0 (60)	0 (58)	0 (60)
Nikkei options, in contracts (days)	7,318 (61)	1,155 (63)	598 (61)	916 (60)	516 (61)
Interest rate futures	3	3	3	3	3
Extended settlement (shares)	122,953	41,000	47,222	80,705	66,547
Structured warrants (\$M)	24	19	22	25	27
Market Share (%)					
Nikkei 225 futures	28	27	27	26	26
MSCI Taiwan futures	24	24	22	25	27
Nifty futures	14	13	12	11	9
HFT (%)	29	30	25	26	26
Commodities (Daily average trading volume, contracts)					
Rubber futures	898	827	882	1,009	1,106
Gold futures	1,935	2,590	5,158	8,530	NA
Fuel Oil futures	37	30	24	24	24
AsiaClear®					
Volume (lots) cleared	40,873	48,175	31,764	35,782	37,347
FFAs	21,259	27,004	13,420	20,920	26,448
Energy swaps	11,676	11,610	10,615	7,288	6,431
Iron Ore swaps	7,938	9,561	7,729	7,574	4,468

Market Data: Information sales & distribution

Revenue: \$8M, 5% (\$8M, 5%)



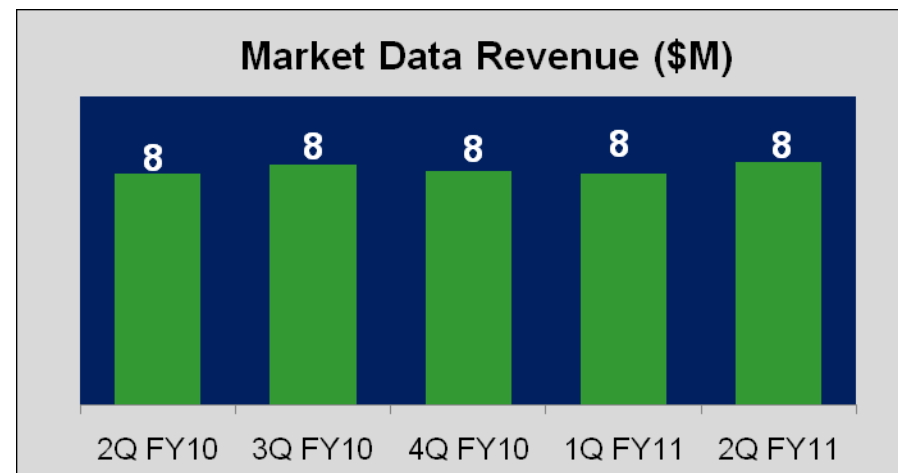
- **Market Structure**

- Evolving trading strategies: demand for low latency offering

- **Products and Services**

- Derivatives pricefeed
 - Low latency feed (Nov 10)
 - DerivativesQuote Level 1 fee revision (Apr 11)
 - Pipeline
 - Non-price market data
 - Commodities quote

Key drivers	Metrics				
	2Q FY11	1Q FY11	4Q FY10	3Q FY10	2Q FY10
Securities Data					
No. of vendors	126	122	122	122	121
No. of terminals (Average)	40,032	37,816	38,703	40,607	36,717
Derivatives Data					
No. of vendors	62	58	57	57	55
No. of terminals (Average)	23,614	23,810	24,168	24,842	25,158



Member Services and Connectivity

Revenue: \$10M, 5% (\$8M, 5%)



Membership

- New securities members

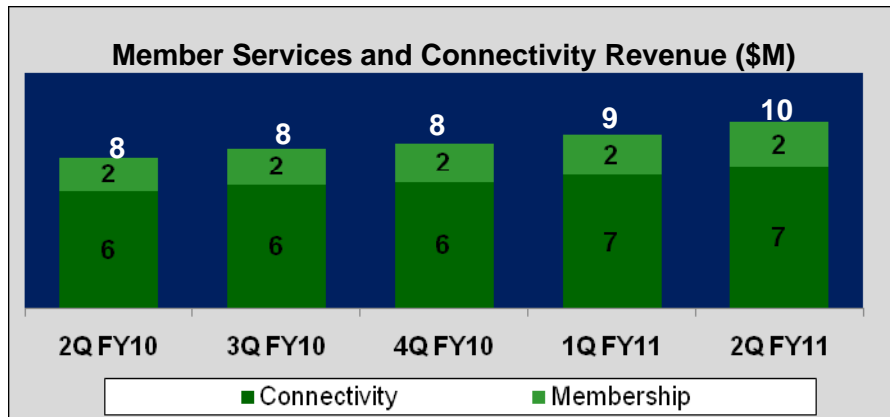


- New derivatives clearing members



Reach Initiative

- Co-location: On track for 4Q launch
- SGX Reach: FY 2012



Key drivers	Metrics				
	2Q FY11	1Q FY11	4Q FY10	3Q FY10	2Q FY10
Membership					
<i>Securities members</i>					
Trading Representatives	4243	4147	4095	4008	3908
Trading Members	30	27	26	26	24
Clearing Members	29	27	26	26	25
<i>Derivatives members</i>					
Trading Member (Individual)	216	234	228	214	201
Trading Member (Proprietary)	246	248	242	240	235
Trading Members	30	30	30	30	30
Clearing Members	34	26	26	25	25
<i>SICOM members</i>					
Trade / Associate Members	72	71	67	66	64
Clearing / Non-Clearing Members: Brokers / Dealers	21	21	20	20	18
<i>AsiaClear®</i>					
No. of counterparties	617	561	512	467	412
Connectivity					
<i>Securities Market</i>					
Connectivity (no.)	89	92	88	74	78
Order Management System (no.)	32	32	28	28	26
Independent software vendor (no.)	10	11	11	11	9
<i>Derivatives Market</i>					
Connectivity (no.)	604	579	578	559	530
Order Management System (no.)	60	57	55	53	46
Independent software vendor (no.)	12	11	11	11	9
Proximity Hosting	18	17	17	17	15

[Note: Some numbers may be subject to rounding]

Depository Services: Settlement & Depository

Revenue: \$23M, 14% (\$20M, 13%)



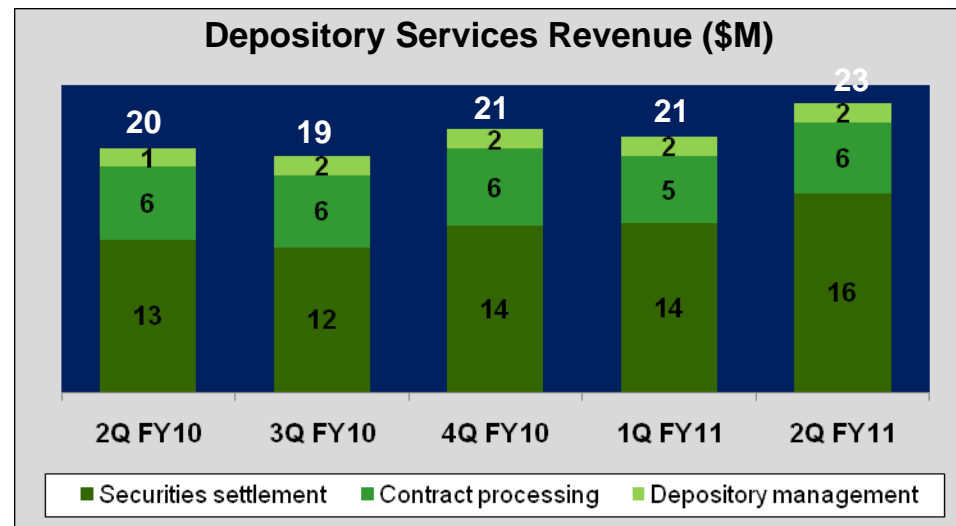
- **Market Structure**

- Settlement of institutional trades

- **Services & Asset Classes**

- Growing securities borrowing and lending
- Expanding asset classes and services

Key drivers	Metrics				
	2Q FY11	1Q FY11	4Q FY10	3Q FY10	2Q FY10
Securities settlement					
No. of settlement instructions ('000)	1,365	1,169	1,124	1,049	1,048
Contracts processing					
Contracts processed ('000)	2,991	2,848	2,966	3,050	3,032
Depository management					
Depository accounts	1.53M	1.50M	1.49M	1.48M	1.47M



[Note: Some numbers may be subject to rounding]

Issuer Services: Listing and related services

Revenue: \$16M, 9% (\$16M, 11%)



Capital Raising

Equity: New Listings

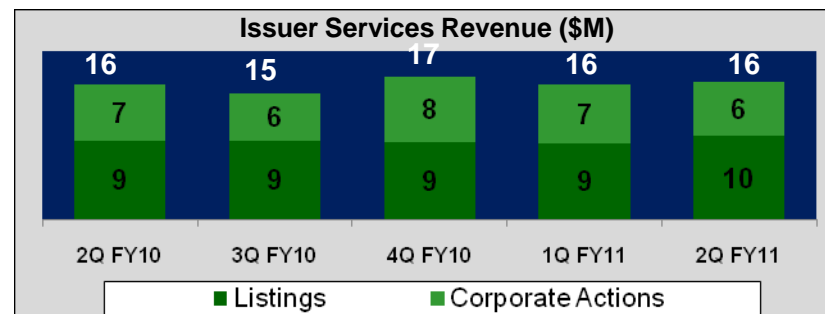
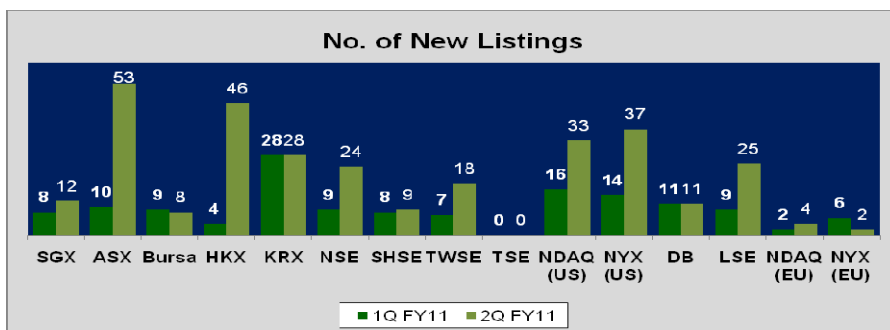


Fixed income: Bonds/Notes



Issuer-related services

Key drivers	Metrics				
	2Q FY11	1Q FY11	4Q FY10	3Q FY10	2Q FY10
Listings					
<i>No. of listed issues</i>					
Equity securities	782	779	783	782	781
Debt securities	1,313	1,258	1,229	1,198	1,164
ETFs/ETNs	75	75	73	58	44
Company warrants	74	82	80	82	74
Structured warrants	312	234	233	301	315
<i>No. of Delistings: Equity securities</i>					
	9	10	11	6	7
<i>Equity Market Capitalisation, \$B (No. of issuers)</i>					
	902 (782)	856 (779)	781 (783)	758 (782)	745 (781)
Singapore issuers	474 (461)	461 (457)	428 (460)	435 (461)	429 (459)
Overseas issuers, excluding Chinese issuers	372 (165)	353 (167)	316 (169)	285 (166)	277 (166)
Chinese issuers	55 (156)	41 (155)	36 (154)	37 (155)	39 (156)
<i>New equity listings</i>					
	12	8	12	7	12
Primary listings: IPOs & RTOs (Market capitalisation, \$M)	12 (15,718)	8 (670)	11 (3,758)	6 (1,616)	12 (8,791)
Secondary listings (Market capitalisation, \$M)	0 (-)	0 (-)	1 (27,647)	1 (1,238)	0 (-)
<i>Total Equity Funds Raised (\$M)</i>					
	7,258	1,467	1,132	1,054	8,075
Primary funds raised	4,937	82	844	522	3,004
Secondary funds raised	2,321	1,386	288	532	5,071
Corporate actions					
No. of transactions	479	553	689	414	442



(Source: WFE, 1Q FY11 = Jul to Sep 10; 2Q = Oct to Dec 10)

In summary ...

- **Proposed ASX-SGX combination creating the premier Asia Pacific exchange**
- **Market structure**
 - Continuous all day trading
 - Remote trading members for securities market
 - SICOM contracts on SGX platform
- **Products & Services**
 - OTC financial derivatives
 - GlobalQuote
 - Nifty options
 - Metal contracts in collaboration with London Metal Exchange
- **Technology**
 - Co-location services & SGX Reach

Creating the Premier Asia Pacific Exchange



▪ Landmark combination at heart of global growth

- *International exchange group with improved strategic positioning to capitalise on Asia Pacific growth*
- *Greater global relevance with enhanced growth opportunities*
- *Highly cash generative business model with increased resources to deliver new product & services*

▪ Compelling transaction creating more value for shareholders

- *EPS accretion delivering more value for shareholders*
- *Projected increase in absolute DPS in medium term with minimum 70% payout of NPAT*
- *Potential re-rating on improved growth prospects from complementary & diversified revenue streams*

▪ Proactive engagement with all key stakeholders

- *Systematic engagement to identify and address legitimate concerns*
- *Constructive discussions ongoing with regulators and other key constituents*
- *Regulatory due process proceeding as planned, with ACCC confirmation obtained in December 2010*



QUESTIONS & ANSWERS

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THANK YOU

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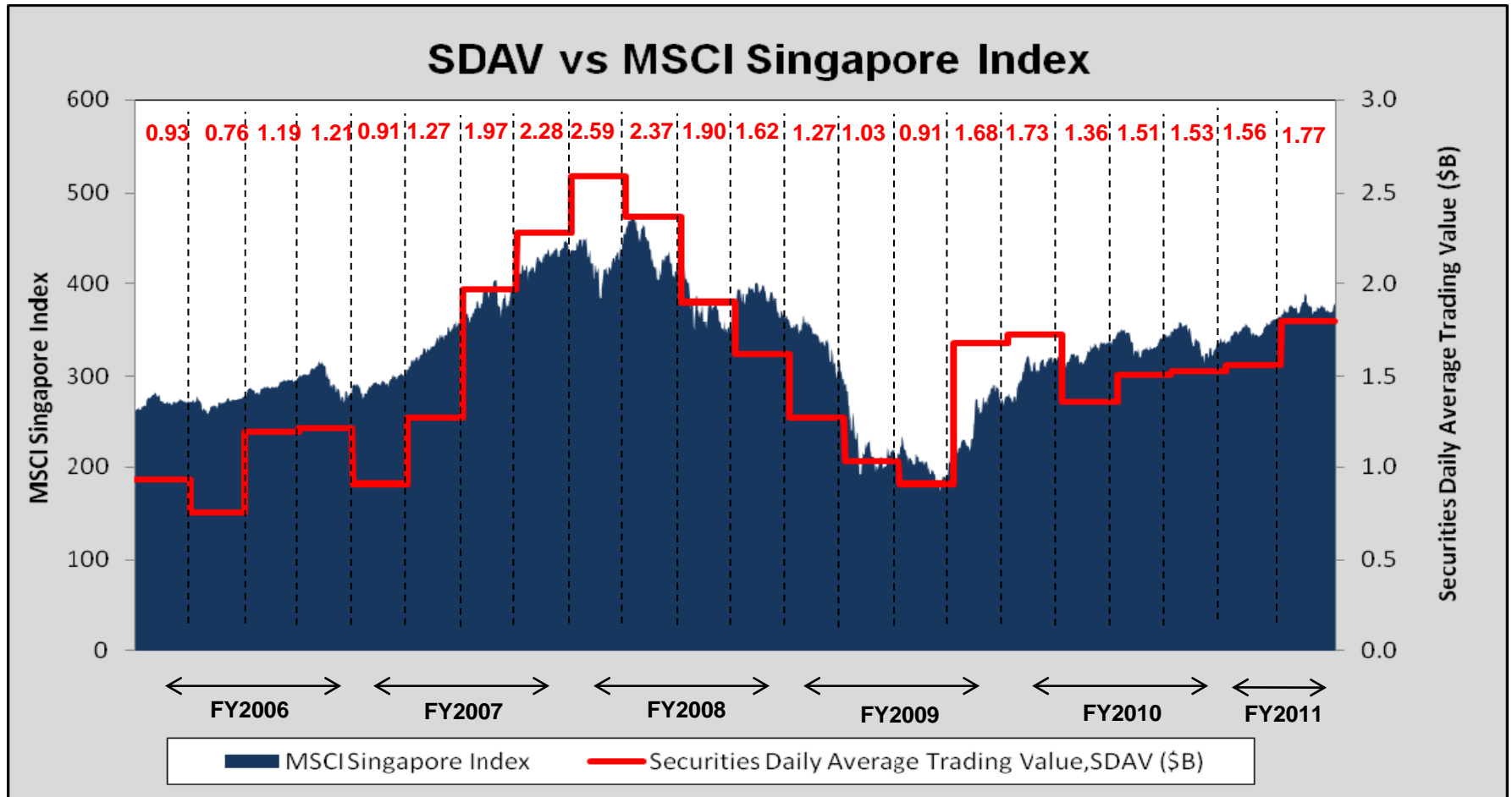


Appendices

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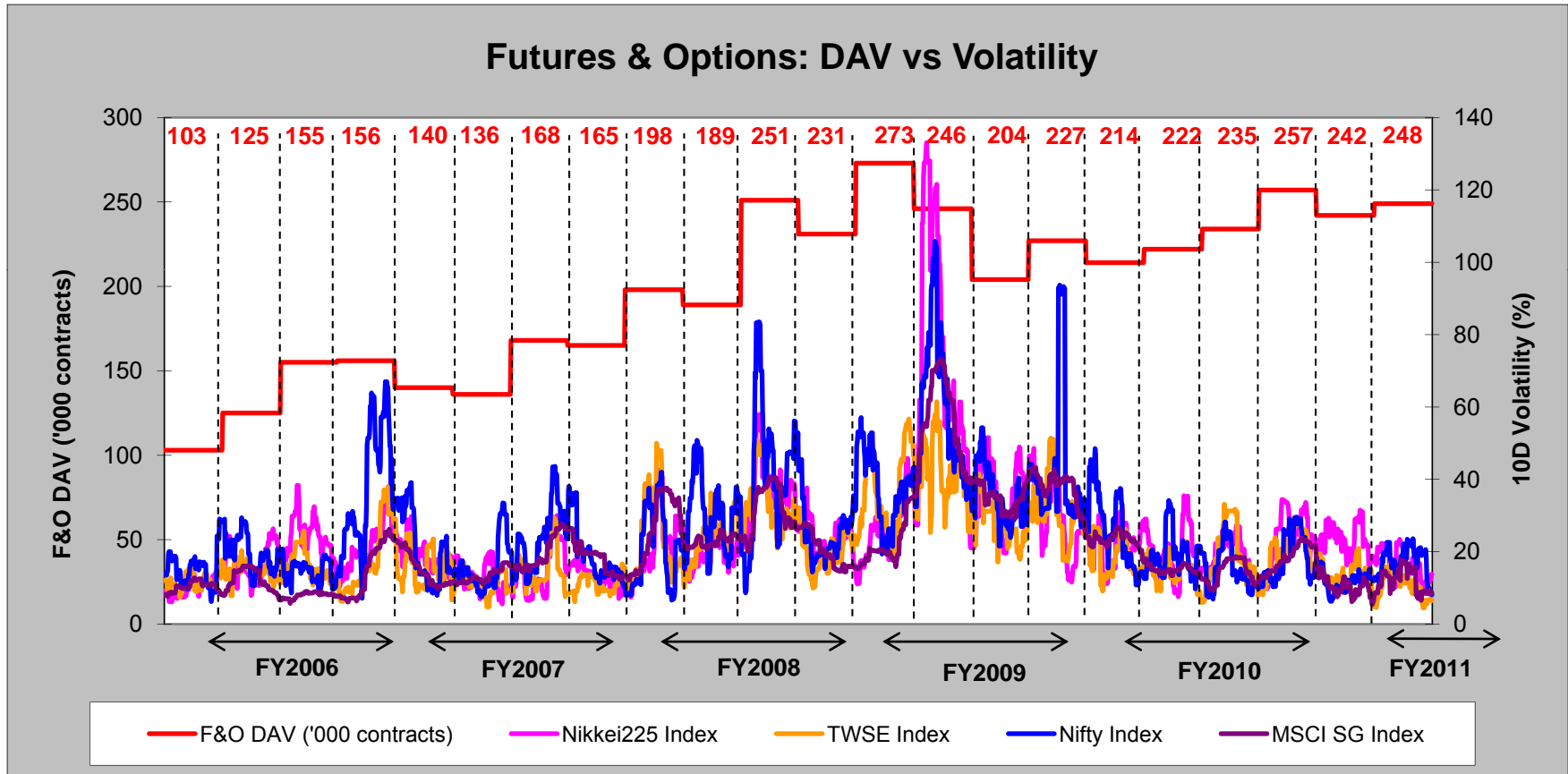


Securities Trading Value vs MSCI Singapore Index



(Source: Bloomberg)

Futures & Options Volume vs Volatility



(Source: Bloomberg)

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