



NEWS RELEASE

SGX Posts Record Gains for FY2007 Full Year Earnings

Singapore Exchange Limited (SGX) today announced that it has achieved record net profit, return on equity and operating revenue for the financial year ended 30 June 2007. This is the second consecutive year that SGX has registered new high in its earnings.

For the financial year 2007 (FY2007), SGX registered a record net profit after tax of \$421.8 million which is more than double the FY2006 \$187.6 million earnings. Excluding the one time gains from the disposal of SGX Centre and the write back of its impairment allowance, net profits and return on equity hit all-time highs of \$311.3 million and 37.5% respectively.

As an affirmation of SGX's confidence in the strong underlying growth of our business and commitment to enhancing shareholder value, the annual base dividend will be increased from 8.0 cents per share to 12.0 cents per share from FY2008. The directors proposed a final dividend per share of 30.0 cents, comprising a base and variable dividend of 2.0 cents per share and 28.0 cents per share respectively. This brings the full year dividend payout to a total of 36.0 cents per share representing 90% payout of current year's net profit, and is more than double the payout of 16.2 cents per share in FY2006.

Mr Hsieh Fu Hua, Chief Executive Officer of SGX said, "We are very pleased with the results which reflect both a buoyant stock market and improvements in our business. We continue to focus on attracting quality foreign companies to list on our bourse and expanding our suite of product offerings. We are well-positioned to grow further as an Asian Gateway."

The operating revenue for FY2007 soared 41.4% to \$576.2 million, compared to \$407.6 million in FY2006. The increase was recorded across all revenue categories with the securities market registering the highest growth.

Underpinned by a strong and sustained rally of the securities market, securities market revenue for FY2007 jumped by 56.4% from \$208.5 million in FY2006 to \$326.0 million. Securities trading value grew by 56.9% to \$399.9 billion as compared to \$254.9 billion in FY2006. Correspondingly, average daily trading value increased to \$1.60 billion from \$1.02 billion in FY2006.



Growth in futures trading volume was supported by higher structured warrants activity. This resulted in net derivatives clearing revenue increasing to \$117.0 million, which represents a 22.4% growth over the previous year's \$95.6 million.

Stable revenue grew by 28.7% from \$103.5 million in FY2006 to \$133.2 million, with account maintenance and corporate action fees and listing fees being the main contributors.

Total operating expenses have increased at a slower pace to \$211.1 million, 14.9% over last year's \$183.7 million. The increase was mainly contributed by higher variable costs such as variable bonus provision on the back of better performance and cost of processing and royalties in tandem with market activity.

In FY2007, SGX attracted 46 new listings (70% foreign) which raised a total of \$6.5 billion. In line with SGX's focus on size, average market capitalisation per IPO increased by 23.1% to \$392.3 million. There were also six listings (Initial Public Offers and Reverse Takeovers) each exceeding \$1 billion market capitalisation.

Similarly, our sectoral focus and product suite expansion yielded good results in FY2007. We have added eight Exchange Traded Funds (ETFs) and launched our first Global Depository Receipt (GDR). Six new REITs were also listed, bringing our REITs market capitalisation to \$29.2 billion, making Singapore the largest REITs market in Asia excluding Japan.

Financial Highlights of FY2007 Results – 1 July 2006 to 30 June 2007						
S\$ Million	FY2007	FY2006	Change	4Q FY2007	4Q FY2006	Change
Operating Revenue	576.2	407.6	41.4%	190.1	120.8	57.5%
Operating Expenses	(211.1)	(183.7)	14.9%	(60.1)	(54.9)	9.5%
Operating Profit	365.1	223.9	63.1%	130.0	65.9	97.5%
Other Gains/(Losses)	127.7*	13.2	NM	69.6**	3.7	NM
Profit Before Tax and Share of Results of Joint Ventures	492.8*	237.1	107.9%	199.6**	69.6	186.8%
Share of Results of Joint Ventures	(2.5)	(1.0)	162.8%	(0.6)	(0.7)	(12.1%)
Tax	(68.5)	(48.5)	41.3%	(22.7)	(13.8)	64.7%
Profit Attributable to Equity Holders						
- before write back of allowance for impairment and gain on disposal	311.3	187.6	65.9%	110.8	55.1	101.0%
- after write back of allowance for impairment and gain on disposal	421.8	187.6	124.8%	176.3	55.1	219.8%
Basic earnings per share (cents)						
- before write back of allowance for impairment and gain on disposal	29.48	17.96	11.52	10.44	5.25	5.19
- after write back of allowance for impairment and gain on disposal	39.95	17.96	21.99	16.62	5.25	11.37
Interim base (tax exempt one tier) dividend per share (cents)						
- base	6.00	4.50				
- total	6.00	4.50				
Final (tax exempt one tier) dividend per share (cents)						
- base	2.00	1.50				
- variable	28.00	10.20				
- total	30.00	11.70				
Total dividend for financial year	36.00	16.20				

NM : Not meaningful

* Include \$45 million write back of allowance for impairment on SGX Centre and \$65.5 million gain on disposal of SGX Centre

** Includes \$65.5 million gain on disposal of SGX Centre



The complete audited full year financial statements are available on SGXNET and the Investor Relations page of our website at www.sgx.com. The presentation slides of the results briefing are also available on our website. (SGX SP, SGXL.SI)

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