

Kepler Cheuvreux Paris Non-Deal Roadshow SGX Investor Update

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The Singapore Exchange (SGX)

Diversified exchange group that runs key market infrastructure including the Singapore stock market and a pan-Asian derivatives exchange

- Established in 1999 as a result of the demutualization and merger of the Stock Exchange of Singapore, Singapore International Monetary Exchange and Securities Clearing and Computer Services; listed on the SGX mainboard in 2000
- Vertically and horizontally integrated, with products and services covering the entire exchange value chain, and across all major asset classes
- Strong cash-flow with debt-free balance sheet poised for future growth
- Anchored in Singapore, Asia's only triple AAA-rated economy
- Consistently high dividend payout ratio and dividend yield
- Market capitalization of US\$6 billion, 10th largest listed exchange group globally

Global Footprint

Anchored in Singapore with global reach, serving a diverse set of international clients seeking Asian opportunities



Key Clients

- **Domestic and regional issuers** looking to raise capital in Singapore, the leading Asian financial centre
- **Investors and asset managers** seeking growth opportunities in Asia
- **Global long-only and hedge funds** with Asia mandates, making use of SGX-listed derivatives to manage portfolio risks and/or take directional views across all key Asian markets
- **Professional market makers, liquidity providers and other proprietary trading firms**

Strategic Positioning

1



International Listing Platform

The largest stock market in Southeast Asia, with a market capitalisation exceeding S\$900 billion. More than 40% of our listed companies are based outside Singapore; more than 70% of revenue booked by top 30 index stocks originates from businesses outside of Singapore

2



Pan-Asia Derivatives Exchange

The world's most liquid offshore market for the benchmark equity index derivatives of China, India, Japan, Taiwan and ASEAN; we are also the leading price discovery venue for iron-ore and rubber derivatives; offers a full suite of Asian FX futures

3

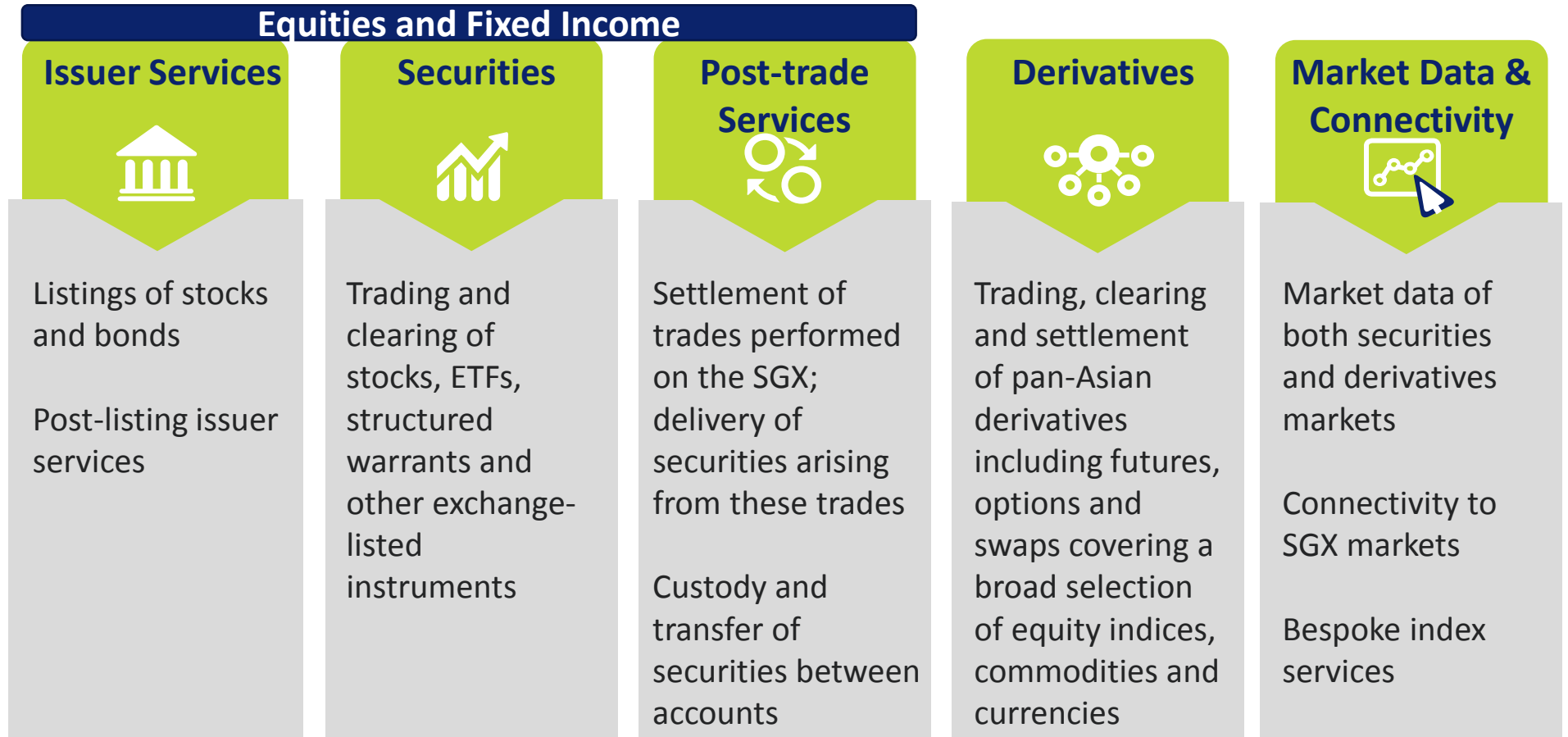


A Premier Risk Management Venue

One of the first exchanges globally to adopt the Principles for Financial Market Infrastructure (PFMI) and is certified as a Qualifying Counterparty under the Basel III framework

Business Model: Overview

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



Recent Key Successes and Milestones

FY2014

- Expanded into new asset class with launch of FX futures
- Launched SGX Stock Facts
- Acquired EMC

FY2015

- Record volumes for China A50 future and iron ore derivatives
- Launched bespoke index services
- Added FX futures including SGD/CNH and CNY/SGD

FY2016

- Launched Singapore Liquefied Natural Gas (SLNG) index
- Launched SGX Index Edge
- Launched SGX Bond Pro*
- Launched MSCI China and Nifty sector futures

FY2017 to-date

- Thematic Indices
- First dividend weighted Asia REIT Index for an upcoming ETF

*Asia's first on-exchange bond trading platform

Looking ahead: Strategic Priorities

Our Vision

- Asia's leading and trusted market infrastructure
- Global multi-asset class exchange both horizontally and vertically integrated, with products and services covering all the major asset classes in the Asian time zone

Equities & Fixed Income

- Build a vibrant ecosystem for capital raising and innovation
- Further our role as Asia's Fixed Income hub
- Engage with investors, market makers and liquidity providers to improve market liquidity

Derivatives

- Enhance our position as a hub to invest, trade and hedge all major Asian markets
- Build on our development of pan-Asian products and services
- Bid for Baltic Exchange

Market Data & Connectivity

- Drive continued growth to become an integrated regional data hub, while growing our colocation services
- Index Edge business to meet the growing demand for bespoke index calculation services in Asia

RegCo

Maintaining Cost Discipline

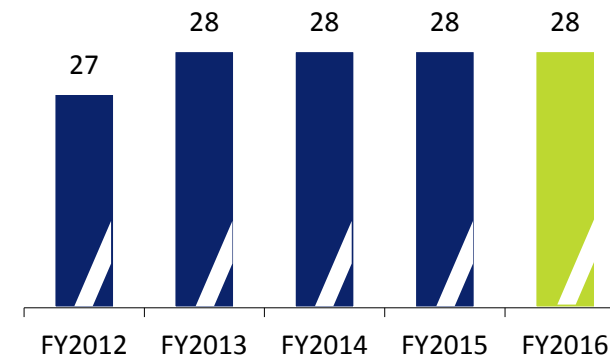
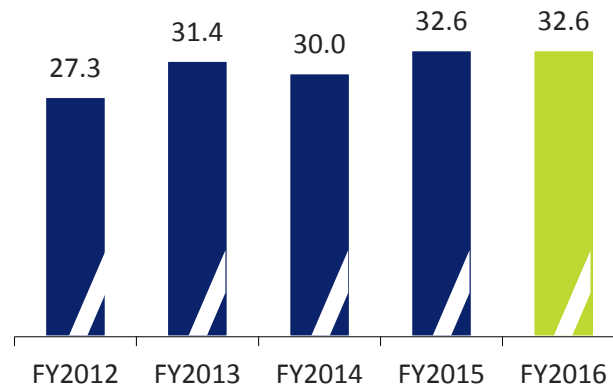
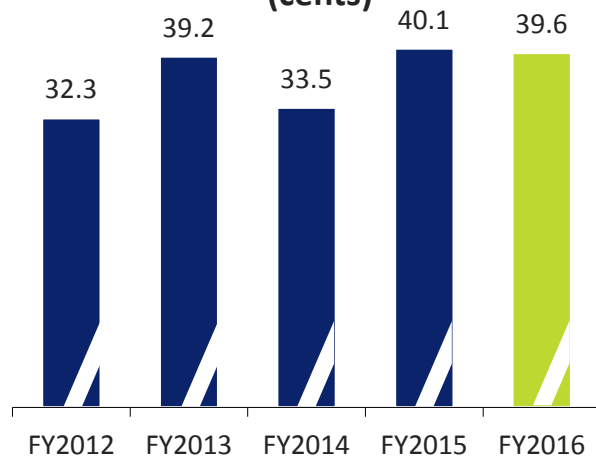
Financial Performance: Key Indicators

	FY2012	FY2013	FY2014	FY2015	FY2016
Revenue (\$ million)	647	714	686	779	818
Operating profit (\$ million)	363	413	371	402	409
Operating profit margin	56%	58%	54%	52%	50%
Return on equity	35%	39%	35%	37%	36%
Earnings per share (cents)	27.3	31.4	30.0	32.6	32.6
Dividend per share (cents)	27	28	28	28	28

Operating cash flow per share (cents)

Earnings per share (cents)

Dividend per share (cents)



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

Financial Year 2016 Highlights

Revenue <ul style="list-style-type: none">▪ \$818M▪ Up 5%	Expenses <ul style="list-style-type: none">▪ \$409M▪ Up 9%	Operating Profit <ul style="list-style-type: none">▪ \$409M▪ Up 2%	Net Profit <ul style="list-style-type: none">▪ \$349M▪ Unchanged	Earnings Per Share <ul style="list-style-type: none">▪ 32.6 cents▪ Unchanged
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- Consistent performance despite challenging market conditions
 - Revenue up 5% to \$818M; expenses up 9% to \$409M
 - NPAT, including an impairment charge of \$6M in our investment in the Bombay Stock Exchange, remained unchanged at \$349M
- Equities & Fixed Income revenue up 1%
 - SDAV and total traded value largely unchanged at \$1.1B and \$274B respectively
 - 21 new equity and trust listings compared with 34 listings a year earlier
- Derivatives revenues up 10% on higher volumes
 - Total volumes increased 14% to 183M contracts
 - Strong performance by SGX FTSE China A50 Index futures and Iron Ore contracts

Outlook

We delivered consistent performance under volatile market conditions this past year.

Economic and political uncertainties, including the decision by the United Kingdom to leave the European Union, the upcoming United States presidential election and changes in benchmark interest rates, could result in market participants adopting a cautious approach.

We remain focused on executing our strategy and delivering returns from investments made in recent years.

Whilst being disciplined in expenditure, we will continue to invest to grow our business and be more competitive. We expect full year FY2017 operating expenses to be between \$420 million and \$430 million, and technology-related capital expenditure to be between \$65 million and \$70 million.

The SGX Investment Highlights

Diversified exchange group that runs key market infrastructure including the Singapore stock market and a pan-Asian derivatives exchange

- Multi-asset exchange that is both horizontally and vertically integrated, with products and services covering all the major asset classes in the Asian time zone
- Five main business lines providing diversified revenues and resilient earnings
- Strong cash-flow with debt-free balance sheet poised for future growth
- Anchored in Singapore, Asia's only triple AAA-rated economy, and positioned to capture Asian growth opportunities
- Consistently high dividend payout ratio and dividend yield

Proposed Acquisition of The Baltic Exchange

- In August 2016, SGX reached an agreement with the Baltic Exchange on a recommended offer for its entire share capital
- Based on the terms of offer to its shareholders, the Baltic Exchange is valued at approximately £78 million; including the freehold property valued at £26 million as of January 2016
- Potential synergies include:
 - Creation and adoption of new shipping benchmarks, including new Asian shipping routes
 - Greater FFA adoption with alignment of benchmark provider and clearing platforms
 - Enhanced capital markets access for Baltic Exchange's members and clients

Thank You

Singapore Exchange

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

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