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**Financial Statements for the Quarter Ended 30 September 2008**

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The financial information set out in Sections 3 to 9, 10(iv), 11, 13 and 14 of this announcement have been extracted from the interim financial report that has been prepared in accordance with Singapore Financial Reporting Standard 34 *Interim Financial Reporting*.

The following are the contents of the financial statements:

<b>Section</b>	<b>Entity</b>	<b>Content</b>
1	Group	CEO's Statement
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## 1. CEO's Statement

SGX recorded a net profit of \$84.5 million in 1Q FY2009, 35.0% lower compared to a year ago when we recorded our highest quarterly profit since listing (1Q FY2008: \$130.0 million).

The directors are pleased to declare an interim base dividend of 3.5 cents per share (1Q FY2008: 3.0 cents per share) on tax exempt one-tier basis.

### Financials

Operating revenue in the first quarter of FY2009 registered a 28.0% fall to \$158.2 million (1Q FY2008: \$219.7 million). Operating expenses fell 8.3% to \$53.4 million (1Q FY2008: \$58.3 million). The decrease in expenses was mainly due to lower variable bonus provision.

Securities market revenue fell 47.3% to \$74.4 million in 1Q FY2009 (1Q FY2008: \$141.2 million). Stable revenue posted an 8.6% drop to \$37.7 million (1Q FY2008: \$41.2 million), mainly attributable to lower account maintenance and corporate action fees.

The decline in securities market revenue and stable revenue was partly offset by net derivatives clearing revenue which increased 23.6% to \$46.1 million (1Q FY2008: \$37.3 million).

Operating leverage improved as stable revenue and derivatives revenue now cover 156.9% of total operating expenses (1Q FY2008: 134.8%).

### Securities Market Revenue

Behind the decline in securities market revenue is a 51.1% fall in the daily average trading value for this quarter to \$1.3 billion (1Q FY2008: \$2.6 billion). The annualised trading velocity for the quarter was 56.9% (1Q FY2008: 84.8%).

In line with the drop in global capital raising, new listings numbered 11<sup>1</sup> in the first three months of FY2009 (1Q FY2008: 23 listings<sup>2</sup>). These new listings raised \$0.3 billion (1Q FY2008: \$1.9 billion) with a total market capitalization of \$1.6 billion (1Q FY2008: \$5.4 billion).

Since the listing of the first Catalist company on 25 June 2008, we have added another five<sup>1</sup> companies in the first quarter. The list of approved Sponsors has also grown to 11 Full Sponsors and seven Continuing Sponsors.

Exchange Traded Funds (ETFs) remained popular with investors, as the traded value of ETFs surged 255.8% to reach \$804.6 million (1Q FY2008: \$226.1 million).

### Derivatives Market Revenue

Derivatives trading volume increased 40.7% to 17.4 million contracts (1Q FY2008: 12.3 million contracts). The total open interest in our Asian equity derivatives suite grew 32.5% to 722,868 contracts as at 30 September 2008 (28 September 2007: 545,379 contracts).

SGX's derivatives market saw record volumes for 1Q FY2009. Trading volume in the MSCI Taiwan futures contract increased 20.4% year-on-year to 4.5 million contracts (1Q FY2008: 3.7 million contracts). We also saw a 11.0% rise in the trading of our Nikkei futures contract to 7.2 million contracts (1Q FY2008: 6.5 million contracts). In addition, the CNX Nifty Index futures contract

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<sup>1</sup> Includes one Reverse Takeover (RTO).

<sup>2</sup> Includes two RTOs.

trading volume grew to 4.1 million contracts (1Q FY2008: 253,915 contracts<sup>3</sup>) and open interest rose more than nine times to 243,522 contracts as at 30 September 2008 (28 September 2007: 25,365 contracts<sup>3</sup>).

Structured warrants trading value fell 45.2% to \$4.1 billion (1Q FY2008: \$7.5 billion). Trading value for warrants on foreign underlying securities now accounts for 50.3% of the total warrants market (1Q FY2008: 24.2%), indicating our success in providing investors access to Asian markets.

### **Post-Trade Processing Hub**

Since inception in May 2006, SGX AsiaClear® has attracted over 220 counterparty accounts on its trading and clearing network. The value of trades cleared grew 2.4% year-on-year to reach US\$1.40 billion (1Q FY2008: US\$1.37 billion).

### **Technology**

Quest-ST, the new securities trading system, was launched successfully on 7 July 2008. It supports the introduction and faster implementation of a wider range of products and services.

SGX launched a Pre-Settlement Matching Service, SGX Prime on 13 October 2008. This service enhances market participants' operational efficiency and minimises error by automating the confirmation of settlement instructions between Clearing Members and Depository Agents.

### **Regulation and Risk Management**

As part of ongoing efforts to broaden our range of listed products, in August 2008, we consulted the market on new listing rules for life science companies as well as new classes of investment funds, including private equity and "blind pool" funds.

In September 2008, global financial markets experienced turmoil. SGX undertook risk mitigating measures to manage our clearing risk exposure and protect our Clearing Houses. Lehman Brothers Pte Ltd ("LBPL"), a Clearing Member of both SGX-DC and CDP, met its financial obligations. Its house derivatives positions were closed out and its customer positions were transferred to other brokers.

To maintain the orderliness of the market during these turbulent times, measures were taken to enhance market transparency. We now publish the list of securities for buying-in each morning and the execution details the following business day. In addition, penalties were introduced on failed deliveries (in particular from naked short-selling) to safeguard the integrity of the clearing system.

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<sup>3</sup> The number of CNX Nifty Index futures contracts (IN) multiplied by five for comparison purposes as the contract size was reduced fivefold in November 2007.

## 2. Financial Highlights - Group

1Q				Key Variances
+/-	FY 2009	FY 2008		
			<b>Key Results (in S\$ million)</b>	
-	74.4	141.2	Securities market revenue	<i>Mainly due to 49.6% decrease in total securities trading value.</i>
+	46.1	37.3	Net derivatives clearing revenue	<i>Reflecting a 40.7% increase in futures trading volume and higher income from margin deposits.</i>
-	37.7	41.2	Stable revenue	<i>Mainly due to lower account maintenance and corporate actions fees.</i>
-	158.2	219.7	Operating revenue	
+	53.4	58.3	Operating expenses	<i>Mainly due to lower variable bonus provision.</i>
-	104.8	161.4	Profit from operating activities	
-	(1.6)	(1.0)	Other gains/(losses)	
-	103.2	160.4	Profit before tax	
-	84.5	130.0	Profit attributable to equity holders	
+	931.2	611.1	Interest of equity holders as at 30 September 2008 and 30 September 2007 (in S\$ million)	
			<b>Segment Revenue (in S\$ million)</b>	
-	102.0	171.2	Securities market	<i>Due to lower securities trading turnover and related income.</i>
+	55.9	48.1	Derivatives market	<i>Reflecting higher futures clearing income.</i>
-	0.3	0.4	Other operations	
			<b>Key ratios</b>	
-	(28.0%)	111.5%	Revenue growth	<i>Decline due to the drop in revenue from securities market and stable revenue.</i>
-	33.7%	26.5%	Cost to income ratio	<i>Higher cost to income ratio due to drop in operating revenue.</i>
-	66.3%	73.5%	Operating profit margin	
-	53.9%	59.4%	Net profit margin	
-	9.1%	21.3%	Return on shareholders' equity for quarter ended 30 September 2008 and 30 September 2007	<i>The return on shareholders' equity is not annualised and based on the reporting period for the quarter.</i>

Note: These symbols + / - represent better or worse respectively, compared to the previous corresponding period. NM: Not meaningful.

2. Financial Highlights - Group (cont'd)

1Q				Key Variances
+/-	FY 2009	FY 2008		
			<b>Key cash flows (in S\$ million)</b>	
-	65.1	124.4	Cash from operating activities	<i>The decrease is due to the lower profitability.</i>
NM	6.2	6.2	Payment for capital expenditure	
			<b>Key per share data (in cents)</b>	
-	7.95	12.24	Basic earnings per ordinary share	
-	7.89	12.16	Diluted earnings per ordinary share	
+	87.13	57.43	Net asset value per ordinary share as at 30 September 2008 and 30 September 2007	
			<b>Dividend per share (in cents)</b>	
+	3.50	3.00	Interim - base (tax exempt one-tier)	<i>Increase in base dividend from FY2009.</i>

Note: These symbols + / - represent better or worse respectively, compared to the previous corresponding period. NM: Not meaningful.

### 3. Statement of Profit and Loss - Group and Company

Group				Company		
3 Months				3 Months		
1 Jul 2008 to 30 Sep 2008	1 Jul 2007 to 30 Sep 2007	Change		1 Jul 2008 to 30 Sep 2008	1 Jul 2007 to 30 Sep 2007	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
			<b>Operating revenue</b>			
-	-	-	<b>Management fees from subsidiaries</b>	31,008	26,186	18.4
-	-	-	<b>Dividends from subsidiaries</b>	67,500	106,990	(36.9)
			<b>Securities market revenue</b>			
47,841	95,292	(49.8)	- Securities clearing fees	-	-	-
14,250	20,494	(30.5)	- Securities related processing fees	2,191	4,368	(49.8)
12,334	25,360	(51.4)	- Access fees	-	-	-
74,425	141,146	(47.3)		2,191	4,368	(49.8)
46,128	37,310	23.6	<b>Net derivatives clearing revenue</b>	-	-	-
			<b>Stable revenue *</b>			
8,633	10,724	(19.5)	- Account maintenance and corporate action fees	278	536	(48.1)
5,859	5,539	5.8	- Terminal and connection fees	-	-	-
10,303	9,514	8.3	- Listing fees	-	-	-
2,126	2,055	3.5	- Membership fees	-	-	-
7,808	7,534	3.6	- Price information fees	-	-	-
2,209	3,022	(26.9)	- Sale of software and other computer services	702	684	2.6
756	2,832	(73.3)	- Others	271	372	(27.2)
37,694	41,220	(8.6)		1,251	1,592	(21.4)
158,247	219,676	(28.0)	<b>Total operating revenue</b>	101,950	139,136	(26.7)
			<b>Operating expenses</b>			
14,264	14,684	(2.9)	- Staff costs (excluding variable bonus)	10,151	10,698	(5.1)
3,690	1,460	152.7	- Share-based payment expense	3,690	1,460	152.7
5,756	13,635	(57.8)	- Variable bonus (including CPF)	5,998	8,162	(26.5)
4,092	4,134	(1.0)	- Rental and maintenance of premises	3,012	3,205	(6.0)
9,254	8,489	9.0	- System maintenance and rental	2,426	1,810	34.0
3,517	3,670	(4.2)	- Depreciation and amortisation	1,066	1,158	(7.9)
5,599	2,747	103.8	- Professional charges	4,717	1,193	295.4
676	1,253	(46.0)	- Marketing and travelling	367	623	(41.1)
863	801	7.7	- Communication charges	637	572	11.4
-	575	(100.0)	- Fees to MAS for transfer of participant supervision function	-	575	(100.0)
70	1	NM	- Allowance/(reversal) for impairment of trade receivables (net)	-	8	(100.0)
(853)	(75)	NM	- Net foreign exchange loss/(gain)	305	7	NM
4	-	NM	- Net (gain)/loss on disposal of property, plant and equipment and software	-	-	-
4,950	5,693	(13.1)	- Cost for processing and royalties	115	428	(73.1)
1,526	1,199	27.3	- Others	1,124	821	36.9
53,408	58,266	(8.3)	<b>Total operating expenses</b>	33,608	30,720	9.4
104,839	161,410	(35.0)	Profit from operating activities	68,342	108,416	(37.0)
			<b>Other gains/(losses)</b>			
-	(4,299)	(100.0)	- Gains/(losses) on financial assets at fair value through profit or loss	-	-	-
(1,607)	3,349	NM	- Other revenue including interest income	1,515	3,784	(60.0)
103,232	160,460	(35.7)	Profit before tax and share of results of joint ventures and associated company	69,857	112,200	(37.7)
(81)	(442)	(81.7)	Share of results of joint ventures and associated companies	-	-	-
(18,670)	(30,037)	(37.8)	Tax	(584)	(1,712)	(65.9)
84,481	129,981	(35.0)	Net profit after tax	69,273	110,488	(37.3)
84,481	129,981	(35.0)	<b>Attributable to:</b> Equity holders of the Company	69,273	110,488	(37.3)

NM: Not meaningful.

\* Stable revenue includes items which are not driven by securities or derivatives turnover.

#### 4. Earnings Per Share - Group

	3 Months	
	1 Jul 2008 to 30 Sep 2008	1 Jul 2007 to 30 Sep 2007
<b>Earnings per ordinary share for the period based on net profit attributable to equity holders</b>	<b>Cents</b>	<b>Cents</b>
(a) Based on weighted average number of ordinary shares in issue	7.95	12.24
(b) On a fully diluted basis	7.89	12.16
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	1,063,285	1,062,272
Adjustment for assumed exercise of share options ('000)	8,124	6,394
Weighted average number of ordinary shares for diluted earnings per share ('000)	1,071,409	1,068,666

5. Balance Sheets - Group and Company

Group			Company	
As at 30 Sep 2008	As at 30 Jun 2008		As at 30 Sep 2008	As at 30 Jun 2008
S\$'000	S\$'000		S\$'000	S\$'000
		<b>Assets</b>		
		<b>Current assets</b>		
869,710	822,082	Cash and cash equivalents	351,575	415,285
741,063	877,901	Trade and other receivables	10,639	6,024
-	3,081	Derivative financial instruments	-	245
38,226	38,011	Securities clearing funds	-	-
1,648,999	1,741,075		362,214	421,554
		<b>Non-current assets</b>		
76,956	76,956	Financial assets, available-for-sale	76,956	76,956
32,239	32,980	Property, plant and equipment	22,008	22,279
73,995	70,574	Software	7,403	6,967
423	423	Club memberships	423	423
2,721	2,721	Goodwill	-	-
-	-	Investments in subsidiaries	422,418	422,418
118	121	Investments in joint ventures	-	-
3,732	3,767	Investments in associated companies	4,389	4,389
2,239	1,446	Deferred tax assets	2,239	1,446
192,423	188,988		535,836	534,878
1,841,422	1,930,063	<b>Total assets</b>	898,050	956,432
		<b>Liabilities</b>		
		<b>Current liabilities</b>		
725,274	910,910	Trade and other payables	23,058	142,652
2,526	-	Derivative financial instruments	417	-
37,404	-	Dividends payable	37,404	-
121,236	102,328	Taxation	8,721	7,493
7,535	7,235	Provisions	4,519	4,342
13,226	13,011	Securities clearing funds - members' contributions	-	-
907,201	1,033,484		74,119	154,487
		<b>Non-current liability</b>		
3,052	2,647	Deferred tax liabilities	-	-
3,052	2,647		-	-
910,253	1,036,131	<b>Total liabilities</b>	74,119	154,487
931,169	893,932	<b>Net assets</b>	823,931	801,945
		<b>Equity</b>		
		<b>Capital and reserves attributable to the Company's equity holders</b>		
413,289	409,880	Share capital	413,289	409,880
34,021	34,021	Derivatives clearing fund reserve	-	-
25,000	25,000	Securities clearing fund reserve	-	-
14,706	11,656	Share-based payment reserve	14,706	11,656
(43,613)	(27,271)	Treasury shares	(43,613)	(27,271)
(536)	(579)	Currency translation reserve	-	-
179,756	132,679	Retained profits	131,003	99,134
308,546	308,546	Proposed dividends *	308,546	308,546
931,169	893,932	<b>Total equity</b>	823,931	801,945

\* On 3 October 2008, shareholders approved the proposed dividends at the Annual General Meeting.

6. Net Asset Value - Group and Company

Group			Company	
As at 30 Sep 2008	As at 30 Jun 2008		As at 30 Sep 2008	As at 30 Jun 2008
Cents	Cents		Cents	Cents
87.13	83.78	Net asset value per ordinary share based on issued share capital as at the end of the reporting period	77.10	75.16

7. Borrowings and Debt Securities - Group

(a) Aggregate amount of Group's borrowings and debt securities

As at 30 Sep 2008			As at 30 Jun 2008	
Secured	Unsecured		Secured	Unsecured
S\$'000	S\$'000		S\$'000	S\$'000
Nil	Nil	Amount repayable in one year or less, or on demand	Nil	Nil
Nil	Nil	Amount repayable after one year	Nil	Nil

(b) Details of any collaterals

None.



## 8. Statement of Cash Flow - Group

	3 Months Ended	
	30 Sep 2008	30 Sep 2007
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
Profit before tax and share of results of joint ventures and associated companies	103,232	160,460
Adjustments for:		
Depreciation and amortisation	3,517	3,670
Net (gain)/loss on disposal of property, plant and equipment and software	4	-
Net (gain)/loss on disposal of financial assets at fair value through profit or loss	-	4,299
Share-based payment expense	3,690	1,460
Dividend income	(359)	(181)
Interest income	(2,882)	(4,558)
Operating cash flow before working capital change	107,202	165,150
Change in operating assets and liabilities		
Trade and other receivables	140,727	(24,562)
Trade and other payables	(182,810)	(16,200)
Cash generated from operations	65,119	124,388
Income tax paid	(4)	(10)
<b>Net cash provided by operating activities</b>	<b>65,115</b>	<b>124,378</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment and software	(6,201)	(6,181)
Dividend received	359	181
Interest received	2,074	3,877
Investments in associated companies	-	(750)
Proceeds from sale/redemption of financial assets at fair value through profit or loss	-	38,990
<b>Net cash (used in)/provided by investing activities</b>	<b>(3,768)</b>	<b>36,117</b>
<b>Cash flows from financing activities</b>		
Net proceeds from issue of ordinary shares	2,769	4,398
Purchase of treasury shares	(16,488)	(5,001)
<b>Net cash used in financing activities</b>	<b>(13,719)</b>	<b>(603)</b>
<b>Net increase in cash and cash equivalents held</b>	<b>47,628</b>	<b>159,892</b>
Cash and cash equivalents at the beginning of the period	647,561	523,691
<b>Cash and cash equivalents at the end of the period</b>	<b>695,189</b>	<b>683,583</b>

	3 Months Ended	
	30 Sep 2008	30 Sep 2007
	S\$'000	S\$'000
For the purposes of the Statement of Cash Flow, the cash and cash equivalents comprised the following:		
Cash and cash equivalents (as in Balance Sheet - Group)	869,710	773,583
Less : Cash set aside for Singapore Exchange Derivatives Clearing Limited's Clearing Fund	(174,521)	(90,000)
Cash and cash equivalents per Statement of Cash Flow	695,189	683,583

## 9. Statement of Changes in Equity - Group and Company

	Attributable to equity holders of the Company								
	Share capital	Derivatives clearing fund reserve *	Securities clearing fund reserve *	Share-based payment reserve *	Treasury shares	Currency translation reserve *	Retained profits	Proposed dividends	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>(i) Consolidated - 1Q FY2009</b>									
<b>Balance at 1 July 2008</b>	409,880	34,021	25,000	11,656	(27,271)	(579)	132,679	308,546	893,932
Total recognised gains for the financial period - net profit	-	-	-	-	-	-	84,481	-	84,481
Dividends payable									
- FY 2009 - Interim base dividend	-	-	-	-	-	-	(37,404)	-	(37,404)
Issue of ordinary shares	3,409	-	-	(640)	-	-	-	-	2,769
Net currency translation differences of financial statements of associated company	-	-	-	-	-	43	-	-	43
Employee share plan - value of employee services	-	-	-	3,690	-	-	-	-	3,690
Tax effect on treasury shares ^^	-	-	-	-	146	-	-	-	146
Purchase of treasury shares	-	-	-	-	(16,488)	-	-	-	(16,488)
<b>Balance at 30 September 2008</b>	<b>413,289</b>	<b>34,021</b>	<b>25,000</b>	<b>14,706</b>	<b>(43,613)</b>	<b>(536)</b>	<b>179,756</b>	<b>308,546</b>	<b>931,169</b>
<b>(ii) Consolidated - 1Q FY2008</b>									
<b>Balance at 1 July 2007</b>	398,533	-	25,000	8,457	(12,393)	-	92,360	318,411	830,368
Total recognised gains for the financial period - net profit	-	-	-	-	-	-	129,981	-	129,981
Dividends payable									
- FY 2007 - Final base and variable dividends	-	-	-	-	-	-	-	(318,411)	(318,411)
- FY 2008 - Interim base dividend	-	-	-	-	-	-	(31,929)	-	(31,929)
Issue of ordinary shares	5,597	-	-	(1,199)	-	-	-	-	4,398
Employee share plan - value of employee services	-	-	-	1,460	-	-	-	-	1,460
Tax effect on treasury shares ^^	-	-	-	-	192	-	-	-	192
Purchase of treasury shares	-	-	-	-	(5,001)	-	-	-	(5,001)
<b>Balance at 30 September 2007</b>	<b>404,130</b>	<b>-</b>	<b>25,000</b>	<b>8,718</b>	<b>(17,202)</b>	<b>-</b>	<b>190,412</b>	<b>-</b>	<b>611,058</b>
<b>(iii) Company - 1Q FY2009</b>									
<b>Balance at 1 July 2008</b>	409,880	-	-	11,656	(27,271)	-	99,134	308,546	801,945
Total recognised gains for the financial period - net profit	-	-	-	-	-	-	69,273	-	69,273
Dividends payable									
- FY 2009 - Interim base dividend	-	-	-	-	-	-	(37,404)	-	(37,404)
Issue of ordinary shares	3,409	-	-	(640)	-	-	-	-	2,769
Employee share plan - value of employee services	-	-	-	3,690	-	-	-	-	3,690
Tax effect on treasury shares ^^	-	-	-	-	146	-	-	-	146
Purchase of treasury shares	-	-	-	-	(16,488)	-	-	-	(16,488)
<b>Balance at 30 September 2008</b>	<b>413,289</b>	<b>-</b>	<b>-</b>	<b>14,706</b>	<b>(43,613)</b>	<b>-</b>	<b>131,003</b>	<b>308,546</b>	<b>823,931</b>
<b>(iv) Company - 1Q FY2008</b>									
<b>Balance at 1 July 2007</b>	398,533	-	-	8,457	(12,393)	-	67,568	318,411	780,576
Total recognised gains for the financial period - net profit	-	-	-	-	-	-	110,488	-	110,488
Dividends payable									
- FY 2007 - Final base and variable dividends	-	-	-	-	-	-	-	(318,411)	(318,411)
- FY 2008 - Interim base dividend	-	-	-	-	-	-	(31,929)	-	(31,929)
Issue of ordinary shares	5,597	-	-	(1,199)	-	-	-	-	4,398
Employee share plan - value of employee services	-	-	-	1,460	-	-	-	-	1,460
Tax effect on treasury shares ^^	-	-	-	-	192	-	-	-	192
Purchase of treasury shares	-	-	-	-	(5,001)	-	-	-	(5,001)
<b>Balance at 30 September 2007</b>	<b>404,130</b>	<b>-</b>	<b>-</b>	<b>8,718</b>	<b>(17,202)</b>	<b>-</b>	<b>146,127</b>	<b>-</b>	<b>541,773</b>

\* These reserves are not available for distribution as dividends to the equity holders of the Company.

^^ The tax effect relates to the deferred tax benefit/ (liability) on the difference between consideration paid for treasury shares and share-based payment expense.

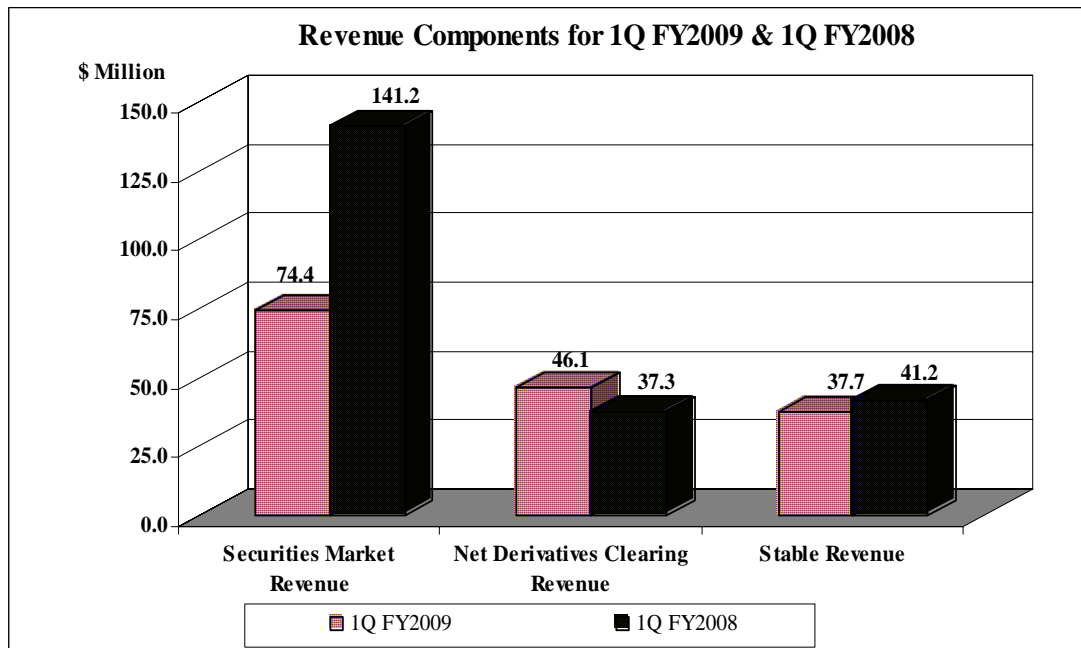
## 10. Review of the Performance of SGX Group

### (i) *1Q FY2009 Financial Highlights*

SGX Group achieved \$84.5 million net profit after tax for the current quarter ended 30 September 2008, compared to \$130.0 million for the previous corresponding quarter ended 30 September 2007. Operating profit for the current quarter amounted to \$104.8 million, compared to \$161.4 million for the previous corresponding quarter.

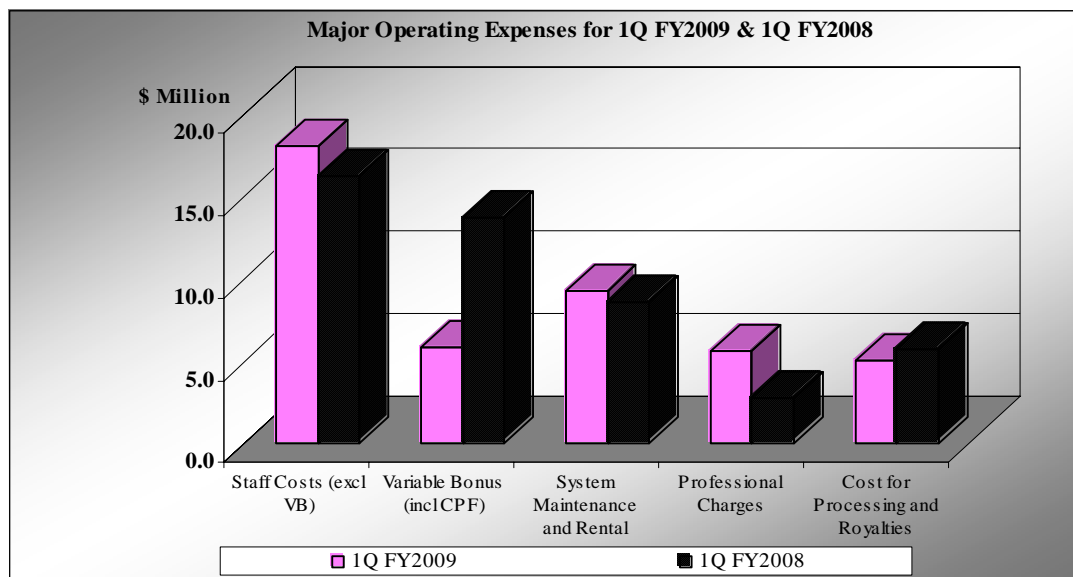
#### Revenue

The Group's revenue decreased 28.0% to \$158.2 million from \$219.7 million, on decrease in Securities Market Revenue and Stable Revenue, partially offset by the increase in Net Derivatives Clearing Revenue, as follows:



#### Expenses

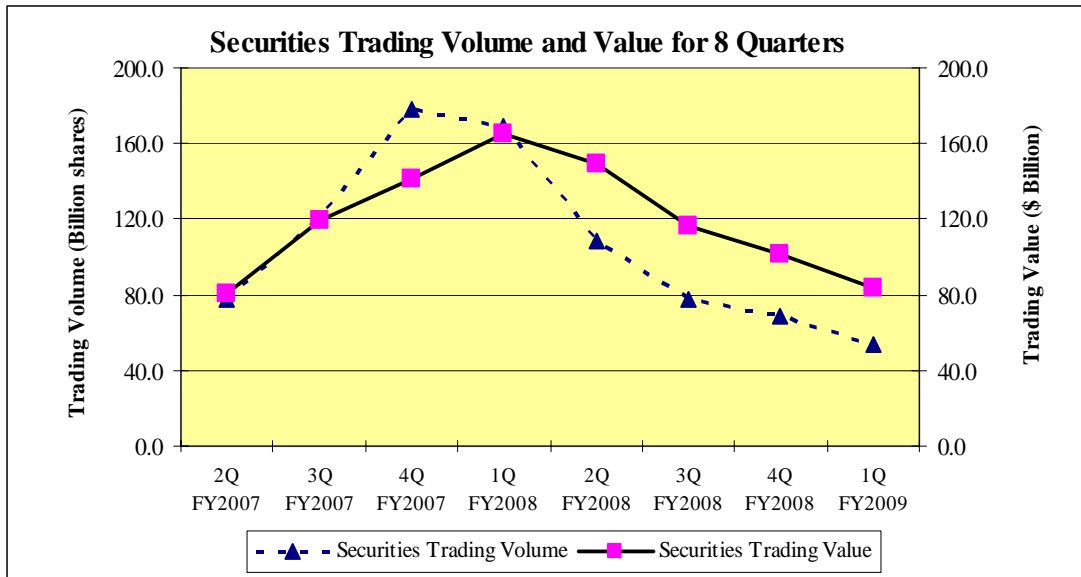
Operating expenses for 1Q FY2009 decreased 8.3% to \$53.4 million from \$58.3 million. This decrease was mainly due to lower variable bonus provision. The following chart highlights the major expenses for these two periods:



### Securities Market

The table below shows the key figures for the securities market, followed by a chart with its turnover statistics for the past eight quarters:

Securities Market Data	1Q FY2009	1Q FY2008	Change
Clearing fees (\$ million)	47.8	95.3	(49.8%)
Trading value:			
• Full quarter (\$ billion)	83.5	165.7	(49.6%)
• Daily average (\$ billion)	1.27	2.59	(51.1%)
Trading volume:			
• Full quarter (billion shares)	53.9	169.3	(68.2%)
• Daily average (billion shares)	0.82	2.65	(69.1%)
Total number of IPOs	10	21	(11)
Foreign Company IPOs	5	16	(11)
Funds raised via IPOs:			
• Total (\$ billion)	0.3	1.9	(85.2%)
• Average per IPO (\$ million)	27.6	88.8	(68.9%)
Market capitalisation of IPOs:			
• Total (\$ billion)	1.5	5.0	(70.0%)
• Average per IPO (\$ million)	150.9	239.7	(37.1%)
Number of Securities Market members as at quarter end	26	25	1
Note: Daily average computed based on 66 and 64 trading days in 1Q FY2009 and 1QFY2008 respectively.			



**Derivatives Market**

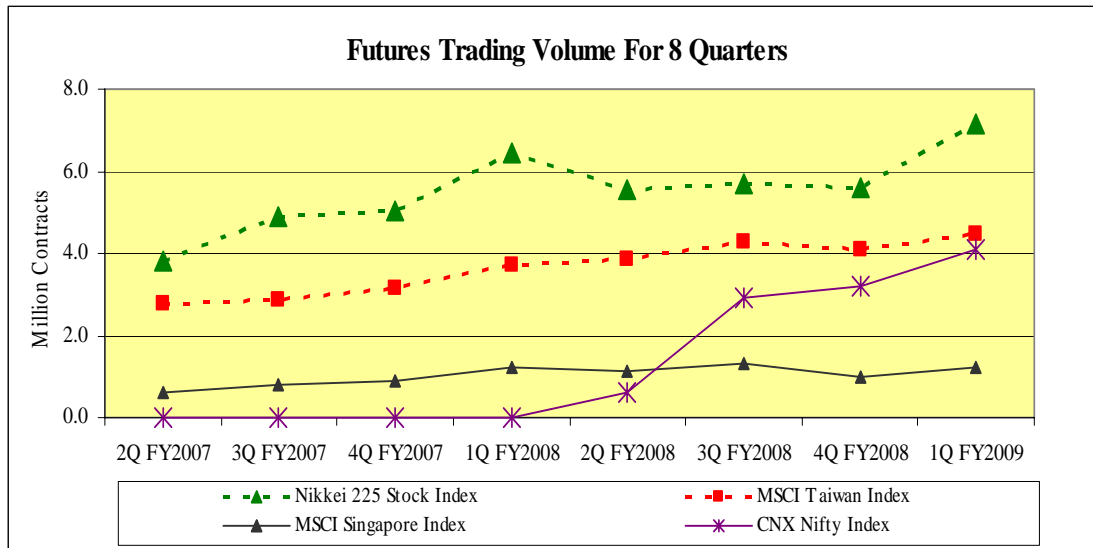
Net Derivatives Clearing Revenue comprises clearing revenue from futures and structured warrants, as follows:

Net Derivatives Clearing Revenue	1Q FY2009 (\$ million)	1Q FY2008 (\$ million)	Change (%)
Futures Clearing Revenue	43.3	31.8	36.0
Structured Warrants Clearing Revenue	2.8	5.5	(48.5)
<b>Total</b>	<b>46.1</b>	<b>37.3</b>	<b>23.6</b>

## Futures

The table below summarises the key figures for futures business performance, followed by a chart on the turnover statistics for the past eight quarters:

Futures Data	1Q FY2009	1Q FY2008	Change (%)	% of Total Volume	
				1Q FY2009	1Q FY2008
<b>Clearing Revenue (\$ million)</b>	43.3	31.8	36.0		
<b>Trading volume (million contracts)</b>					
• <b>Asian Equity Derivatives</b>	<b>17.0</b>	<b>11.7</b>	<b>46.0</b>	<b>97.8</b>	<b>92.6</b>
- Nikkei 225 Stock Index	7.2	6.5	11.0	41.2	51.4
- MSCI Taiwan Index	4.5	3.7	20.4	25.9	29.7
- MSCI Singapore Index	1.2	1.2	3.0	7.1	9.6
- CNX Nifty Index	4.1	0.3*	NM	23.6	2.0
• <b>Others</b>	<b>0.4</b>	<b>0.8</b>	<b>(58.3)</b>	<b>2.2</b>	<b>7.3</b>
<b>Total</b>	<b>17.4</b>	<b>12.5</b>	<b>38.4</b>	<b>100.0</b>	<b>100.0</b>
* The number of CNX Nifty Index futures contracts (IN) multiplied by five for comparison purposes as the contract size was reduced fivefold in November 2007.					

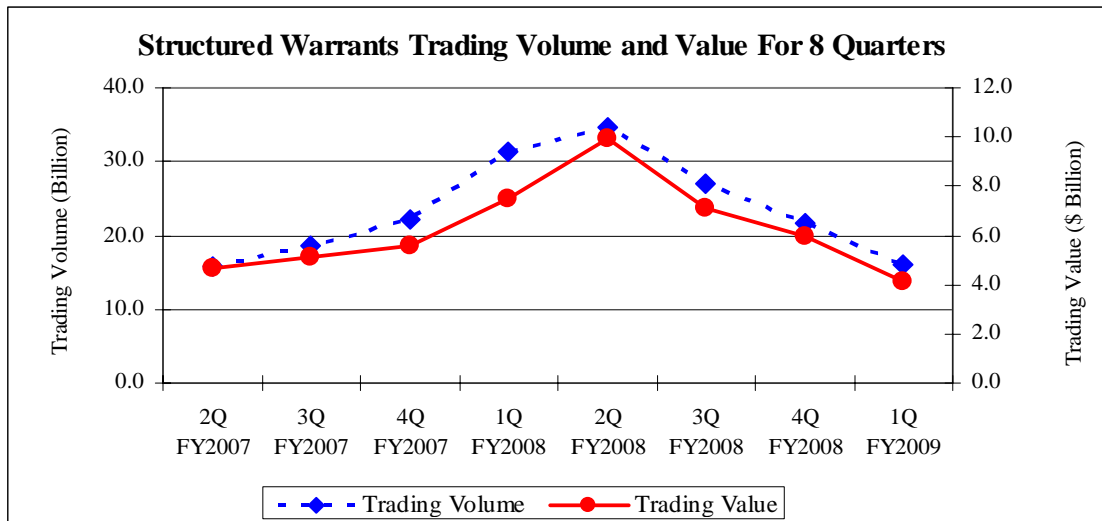


Number of Futures members	As at 30 September 2008	As at 30 September 2007	Change
Locals	198	230	(32)
Corporate	254	234	20
<b>Total</b>	<b>452</b>	<b>464</b>	<b>(12)</b>

### Structured Warrants

Following are the key figures for structured warrants, together with a chart on the turnover statistics for the past eight quarters:

Structured Warrants Data	1Q FY2009	1Q FY2008	Change
Clearing Revenue (\$ million)	2.8	5.5	(48.5%)
Trading value (\$ billion)	4.1	7.5	(45.2%)
Trading volume (billion units)	16.0	31.4	(49.2%)
Number of new issues	241	459	(218)



(ii) **Financial Summary - 3 months ended 30 September 2008 vs 3 months ended 30 September 2007**

**Securities Market Revenue**

<i>Securities Clearing Fees</i>	-49.8%	<ul style="list-style-type: none"><li>• Due to 49.6% decrease in securities trading value.</li></ul>
<i>Securities Related Processing Fees</i>	-30.5%	<ul style="list-style-type: none"><li>• Lower contract processing income, contract charges income and securities transfer fees on lower market turnover.</li></ul>
<i>Access Fees</i>	-51.4%	<ul style="list-style-type: none"><li>• Lower value traded via SGXAccess.</li></ul>
<b><i>Net Derivatives Clearing Revenue</i></b>	+23.6%	<ul style="list-style-type: none"><li>• Due to 40.7% increase in futures trading volume.</li></ul>

**Stable Revenue**

<i>Account Maintenance &amp; Corporate Action Fees</i>	-19.5%	<ul style="list-style-type: none"><li>• Lower corporate action related income mainly due to decline in rights issues.</li></ul>
<i>Others (Operating Revenue)</i>	-73.3%	<ul style="list-style-type: none"><li>• Decrease in interest income from corporate action related trust accounts.</li></ul>

**Operating Expenses**

<i>Share-based Payment Expense</i>	+152.7%	<ul style="list-style-type: none"><li>• Mainly due to the higher charge from share-based compensation plans granted in FY2008 and FY2009.</li></ul>
<i>Variable Bonus (including CPF)</i>	-57.8%	<ul style="list-style-type: none"><li>• Due to the lower variable bonus provision in line with lower profitability and a one-time \$6.3 million reversal of FY2008 variable bonus over-provision in 1Q FY2009.</li></ul>
<i>Professional Charges</i>	+103.8%	<ul style="list-style-type: none"><li>• Higher professional fees paid in 1Q FY2009.</li></ul>

**Other Gains/ (Losses)**

<i>Gains/(Losses) on Financial Assets at Fair Value Through Profit and Loss</i>	+\$4.3MM	<ul style="list-style-type: none"><li>• This is mainly due to the loss in the managed fund portfolio in 1Q FY2008. The portfolio was fully redeemed in 2Q FY2008.</li></ul>
<i>Other Revenue including Interest Income</i>	-\$5.0MM	<ul style="list-style-type: none"><li>• Mainly due to mark-to-market loss on forward foreign exchange contracts to hedge the USD derivatives clearing fees and lower interest income on lower interest rates.</li></ul>



(iii) *Performance of 3 months ended 30 September 2008 vs 3 months ended 30 June 2008*

Overall, operating revenue fell by 8.0% on decrease in securities market revenue and stable revenue. Operating expenses decreased by 21.9%, mainly due to lower variable bonus provision, marketing and travelling expenses as well as system maintenance costs.

The following table is an overview of the 1Q FY2009 against 4Q FY2008 comparison:

	1Q FY2009	4Q FY2008	Change (%)
<b>A. Financial Performance (\$ million)</b>			
Operating revenue			
- Securities market revenue	74.4	90.2	(17.5)
- Net derivatives clearing revenue	46.1	41.4	11.4
- Stable revenue	37.7	40.4	(6.8)
Total	158.2	172.0	(8.0)
Operating expenses	53.4	68.3	(21.9)
Operating profit	104.8	103.7	1.1
Other gains/(losses)	(1.6)	4.3	NM
Share of results of joint ventures and associated companies	(0.1)	(0.0)	NM
Tax	(18.6)	(17.6)	6.1
Net profit after tax	84.5	90.4	(6.5)
<b>B. Market Turnover Statistics</b>			
Securities trading value:			
- Full quarter (\$ billion)	83.5	101.9	(18.0%)
- Daily average (\$ billion)	1.27	1.62	(21.7%)
Securities trading volume:			
- Full quarter (billion shares)	53.9	68.4	(21.2%)
- Daily average (billion shares)	0.82	1.09	(24.8%)
Futures trading volume:			
- Full quarter (million contracts)	17.4	14.4	20.5%
- Daily average (million contracts)	0.26	0.23	15.0%
Structured warrants trading value:			
- Full quarter (\$ billion)	4.1	6.0	(31.8%)
- Daily average (\$ billion)	0.06	0.10	(34.9%)
Structured warrants trading volume:			
- Full quarter (billion units)	16.0	21.6	(26.2%)
- Daily average (billion units)	0.24	0.34	(29.6%)
Note: Daily average computed based on 66 and 63 trading days in 1Q FY2009 and 4QFY2008 respectively.			

**(iv) Bank Facilities, Contingent Liabilities and Commitments**

- |  |  |
|--|--|
| <i>Bank Facilities</i>                   | <ul style="list-style-type: none"><li>• The Group has \$470 million of bank credit facilities in place, comprising \$200 million committed share financing and \$270 million committed unsecured credit lines, for prudent risk management and emergency funding needs.</li></ul>  |
| <i>Contingent Liabilities</i>            | <ul style="list-style-type: none"><li>• As at 30 September 2008, the Group had contingent liabilities to banks for US\$150 million of unsecured standby letters of credit issued to CME as margin and performance bond for futures trading.</li></ul>  |
| <i>Standby Credit to Group Companies</i> | <ul style="list-style-type: none"><li>• The Group has provided an unsecured standby credit line of \$75 million to The CDP Clearing Fund in accordance with the Central Depository (Pte) Limited's Clearing Rules.</li></ul>   |
| <i>Other Commitments</i>                 | <ul style="list-style-type: none"><li>• The Company has extended a financial guarantee of \$72.5 million to Singapore Exchange Derivatives Clearing Limited to be utilized for the Singapore Exchange Derivatives Clearing Fund. This amount has been earmarked in cash.</li><li>• Singapore Exchange Derivatives Clearing Limited has set aside \$68 million in cash, equivalent to its capital, and the \$34 million distribution on the expiry of the SGX-DT Compensation Fund for the Singapore Exchange Derivatives Clearing Fund. These amounts have been earmarked in cash.</li></ul> |

The total cash earmarked by the Group for these purposes is \$174.5 million.

## 11. Segment Information - Group

3 Months ended 30 September 2008				Reporting by Market	3 Months ended 30 September 2007			
Securities Market	Derivatives Market	Other Operations	Group		Securities Market	Derivatives Market	Other Operations	Group
S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	S\$'000	S\$'000	S\$'000
				<b>SEGMENT REVENUE</b>				
102,010	55,934	303	158,247	External revenue	171,218	48,079	379	219,676
14	-	-	14	Inter-segment revenue	20	-	-	20
102,024	55,934	303	158,261		171,238	48,079	379	219,696
(14)	-	-	(14)	Less: Consolidation elimination	(20)	-	-	(20)
102,010	55,934	303	158,247		171,218	48,079	379	219,676
				<b>RESULTS</b>				
73,090	36,943	345	110,378	Segment results	139,075	29,531	319	168,925
			(5,539)	Unallocated expenses				(7,515)
			104,839	Profit from operating activities				161,410
			(1,607)	Other gains/(losses)				(950)
			(81)	- Unallocated				(442)
			(81)	Share of results of joint ventures and associated companies				(442)
			(18,670)	Tax				(30,037)
			84,481	Net profit after tax				129,981
				<b>SEGMENT ASSETS</b>				
1,088,018	287,520	6,690	1,382,228	Segment assets	1,178,708	214,135	3,062	1,395,905
			459,194	Unallocated assets				600,769
			1,841,422	Consolidated total assets				1,996,674
				<b>SEGMENT LIABILITIES</b>				
736,969	44,152	296	781,417	Segment liabilities	1,047,029	224,547	452	1,272,028
			128,836	Unallocated liabilities				113,588
			910,253	Consolidated total liabilities				1,385,616
				<b>OTHER INFORMATION</b>				
1,555	4,646	-	6,201	Capital expenditure	3,224	2,957	-	6,181
2,159	1,326	32	3,517	Depreciation and amortisation	2,301	1,337	32	3,670

The Group operates in Singapore and holds an investment portfolio of \$nil (30 September 2007 : \$55,783,000) through a subsidiary in Mauritius.

## 12. Dividend - Company

### Interim Base Dividend

	3 Months Ended	
	30 September 2008	30 September 2007
Name of Dividend	Interim Base	Interim Base
Dividend Type	Cash	Cash
Dividend Rate - Base	3.5 cents per ordinary share	3.0 cents per ordinary share
Tax Rate	Tax Exempt One-Tier	Tax Exempt One-Tier
Books Closure Date	3 November 2008, 5pm	26 October 2007, 5pm
Date Paid/Payable	13 November 2008	7 November 2007

#### (b) Directors' Comments

Barring material adverse circumstances, the Directors aim to declare a base dividend of at least 3.5 cents per share every quarter. For each financial year, the Directors aim to pay, as dividend, an amount which is no less than (a) 80% of the annual net profit after tax; or (b) 14.0 cents per share, whichever is higher. The difference between the targeted dividend and the interim base dividends will be declared and paid as final dividend of each financial year.

## 13. Share Capital - Company

During the 3 months ended 30 September 2008, the Company issued 1,673,500 ordinary shares at prices ranging from \$1.60 to \$1.70 upon the exercise of options granted under the SGX Share Option Plan (ESOS).

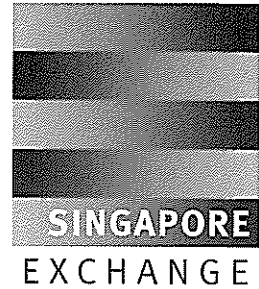
As at 30 September 2008, there were outstanding options for 2,972,700 (30 September 2007: 7,654,300) unissued ordinary shares under the ESOS.

Pursuant to the Share Purchase Mandate approved by shareholders, the Company purchased 2,550,200 of its ordinary shares by way of on-market purchases in 1Q FY2009, at a share price ranging from \$5.97 to \$6.83. The Company holds the shares bought back as treasury shares and plans to use the shares to fulfil its obligations under the Company's share-based compensation plans. The treasury shares are accounted for in accordance with Singapore Financial Reporting Standard (FRS) 32 (revised 2007) - Financial Instruments: Presentation.

## 14. Accounting Policies - Group

The same accounting policies and methods of computation as in the FY2008 audited annual financial statements have been applied for the current reporting period. There are no new or amended FRS and Interpretations to FRS (INT FRS) that are mandatory for application for the Group for the financial year from 1 July 2008.

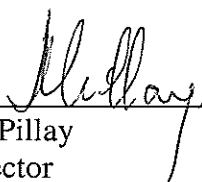
Joyce Fong  
Company Secretary  
15 October 2008

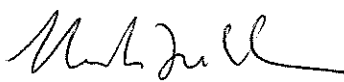


**CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the first quarter ended 30 September 2008 to be false or misleading.

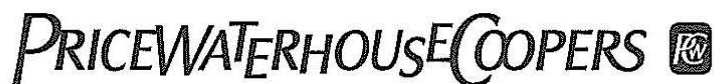
On behalf of the Board of Directors

  
\_\_\_\_\_  
J Y Pillay  
Director

  
\_\_\_\_\_  
Hsieh Fu Hua  
Director

15 October 2008

The extract of the review report dated 15 October 2008, on the interim financial report of the Company and its subsidiaries for the period ended 30 September 2008 which has been prepared in accordance with Singapore Financial Reporting Standards 34 Interim Financial Reporting, is as follows:



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GST No: 52-871777-D  
Co. Reg. No.: 52871777D

**To the Shareholders and Board of Directors of  
Singapore Exchange Limited ("Company") and its subsidiaries ("Group")**

**Report on Review of Interim Financial Information  
For the first quarter ended 30 September 2008**

#### *Introduction*

We have reviewed the accompanying condensed balance sheet of the Company as of 30 September 2008 and the related condensed statements of income and changes in equity of the Company for the three-month period then ended, the consolidated condensed balance sheet of the Group as of 30 September 2008 and the related consolidated condensed statements of income, changes in equity and cash flows of the Group for the three-month period then ended, and other explanatory notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Financial Reporting Standards ("FRS") 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

#### *Scope of Review*

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with FRS 34.

A handwritten signature in cursive script, likely representing a representative of PricewaterhouseCoopers.

PricewaterhouseCoopers  
Public Accountants and