



**Financial Results
For the Financial Year Ended
30 June 2016**

Singapore Exchange Limited
Incorporated in the Republic of Singapore
Company Registration Number: 199904940D

SINGAPORE EXCHANGE

Financial Results for the Financial Year Ended 30 June 2016

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The full year financial results set out in Sections 2 to 6, 8, 10 to 14, 16 to 17, 19 to 21 of this announcement have been extracted from the audited financial statements for the full year ended 30 June 2016. The audit report dated 27 July 2016 on the financial statements of the Company and its subsidiaries for the full year ended 30 June 2016 is attached to this announcement.

1. Performance Summary

Financial Overview

- Revenue: \$818 million, up 5% from a year earlier
- Operating profit: \$409 million, up 2%
- Net profit: \$349 million, unchanged
- Earnings per share: 32.6 cents, unchanged
- Proposed final dividend of 13 cents and total dividend of 28 cents, unchanged

All figures are for the year except for figures in brackets which are for the year earlier, unless otherwise stated

SGX recorded operating profit of \$409.1 million (\$401.8 million) and a net profit of \$349.0 million (\$348.6 million) in FY2016. Net profit included an impairment charge of \$6.0 million on our investment in the Bombay Stock Exchange. Earnings per share were 32.6 cents (32.6 cents). The Board of Directors has proposed a final dividend of 13 cents (16 cents) per share, payable on 7 October 2016. Total dividend of 28 cents (28 cents) per share represents an 86% (86%) pay-out of the FY2016 reported net profit.

Revenue increased \$39.6 million or 5% to \$818.1 million (\$778.5 million). Expenses increased \$32.3 million or 9% to \$409.0 million (\$376.7 million).

Please refer to the Business Performance and Expense Overviews below for more details.

Cash from operating activities was \$423.5 million (\$429.0 million).

Total equity was \$989.6 million (\$976.4 million) as of 30 June 2016.

Business and Expenses Overview

Equities & Fixed Income: Issuer Services

Issuer Services revenue decreased \$5.0 million or 6% to \$82.6 million (\$87.6 million), accounting for 10% (11%) of total revenue.

- Listing revenue: \$46.7 million, down 10% from \$51.6 million
- Corporate actions and other revenue: \$35.9 million, unchanged

Listing revenue decreased 10%, primarily due to a decline in the number of bond listings. There were 349 bond listings raising \$172.0 billion, compared to 487 listings raising \$184.8 billion a year earlier. There were a total of 21 new equity and trust listings which raised \$2.1 billion, compared to 34 new listings raising \$2.7 billion a year earlier. Secondary equity funds raised were \$5.1 billion (\$8.8 billion). Total market capitalisation was \$898.7 billion as of 30 June 2016, down 11% from a year earlier (\$1.0 trillion).

Equities & Fixed Income: Securities Trading and Clearing

Securities Trading and Clearing revenue decreased \$4.3 million or 2% to \$205.0 million (\$209.3 million) and accounted for 25% (27%) of total revenue.

- Clearing revenue: \$158.5 million, down 3% from \$163.5 million
- Access revenue: \$37.6 million, unchanged
- Collateral management, membership and other revenue: \$8.9 million, up 10% from \$8.1 million

Securities daily average traded value (SDAV) and total traded value were both largely unchanged at \$1.10 billion (\$1.09 billion) and \$274.1 billion (\$274.3 billion) respectively. There were 250 (251) trading days this year.

Average clearing fee was 2.9 basis points, down 3% from 3.0 basis points a year earlier, due to increased participation of market makers and liquidity providers. Turnover velocity for the year was 41% (36%).

Table 1: Key Metrics for Securities Market

	FY2016	FY2015	Change
Securities total traded value (\$ billion)	274	274	0%
· Mainboard	260	256	1%
· Catalist	7	11	-39%
· Exchange-traded funds, Structured Warrants and others	7	7	9%
Period-end total market capitalisation (\$ billion)	899	1,010	-11%
· Primary-listed	603	692	-13%
· Secondary-listed	295	318	-7%
Turnover velocity (primary-listed)	41%	36%	14%
Securities total traded volume (shares in billion)	389	415	-6%

Equities & Fixed Income: Post Trade Services

Post Trade Services revenue increased \$13.6 million or 13% to \$118.2 million (\$104.7 million), accounting for 14% (13%) of total revenue.

- Securities settlement revenue: \$93.8 million, up 15% from \$81.3 million
- Contract processing revenue: \$15.9 million, unchanged
- Depository management revenue: \$8.5 million, up 14% from \$7.4 million

Securities settlement revenue increased 15%, following changes in the mix of securities settlement instructions.

Depository management revenue was up 14%, following an increase in the number of new accounts opened by Depository Agents.

Derivatives

Derivatives revenue increased \$29.5 million or 10% to \$325.3 million (\$295.8 million), accounting for 40% (38%) of total revenue.

- Equity and Commodities revenue: \$241.4 million, up 8% from \$224.2 million
- Collateral management, licence, membership and other revenue: \$83.9 million, up 17% from \$71.6 million

Equity and Commodities revenue grew \$17.2 million or 8%, as increased volumes were partially offset by lower average fee per contract. Total volumes increased 14% to 183.1 million contracts (161.2 million contracts), primarily from higher volumes in the SGX FTSE China A50 Index futures and Iron Ore contracts. Average fee per contract was lower at \$1.19 (\$1.28), primarily due to revision in pricing and incentives for Iron Ore contracts as a result of increased competition.

Average month-end open interest for equities and commodities derivatives was 3.7 million contracts, up 12% from 3.3 million contracts a year earlier.

Table 2: Derivatives Volumes

	FY2016 Volume	FY2015 Volume	Change
SGX FTSE China A50 Index futures	83,786,771	78,164,909	7%
Japan Nikkei 225 Index futures	27,142,870	26,695,625	2%
SGX Nifty 50 Index futures	21,034,955	20,583,374	2%
MSCI Taiwan Index futures	17,262,556	17,131,545	1%
MSCI Singapore Index futures	6,217,509	3,383,072	84% ¹
MSCI Indonesia Index futures	300,893	266,831	13%
Japan Nikkei 225 Index options	5,670,091	6,012,463	-6%
SGX Nifty 50 Index options	247,692	179,814	38%
FX futures	5,777,368	2,102,402	Not meaningful ²
Iron Ore futures	9,645,454	3,705,081	160%
Rubber futures	871,989	606,604	44%
Iron Ore swaps	384,043	396,151	-3%
Iron Ore options	2,906,597	739,791	Not meaningful ²
Others	1,807,396	1,267,232	43%
Total	183,056,184	161,234,894	14%

¹ Contract size of the MSCI Singapore Index futures was halved from November 2015; adjusting for notional value, volumes increased 12% year-on-year

² FX futures and Iron Ore options are considered new contracts and therefore their high year-on-year growth rates off low bases are described as "Not meaningful"

Market Data and Connectivity

Market Data and Connectivity revenue increased \$5.9 million or 7% to \$87.0 million (\$81.2 million), accounting for 11% (10%) of total revenue.

- Market data revenue: \$38.4 million, up 5% from \$36.6 million
- Connectivity revenue: \$48.7 million, up 9% from \$44.6 million

Market data revenue grew 5% due to increased revenue from derivatives market data feed and index services.

Connectivity revenue increased 9%, primarily due to the continued growth of our colocation business.

Expenses

Expenses increased 9% to \$409.0 million (\$376.7 million) primarily due to increased staff, technology, and processing and royalties expenses.

Staff costs increased \$9.3 million or 6% to \$159.3 million (\$150.0 million). Fixed staff costs increased 19% to \$109.7 million (\$92.1 million). Average headcount for the year increased by 44 to 748 (704), to support business growth and strengthen operations. Provisions for variable staff costs decreased 14% to \$49.5 million (\$57.9 million), primarily due to the cost of unvested share grants of previous key management employees recognised in the prior year.

Technology expenses increased \$11.9 million or 10% to \$127.8 million (\$115.9 million), following higher system maintenance costs, and increased depreciation on investments undertaken in recent years.

Processing and royalties increased \$11.4 million or 24% to \$58.3 million (\$46.9 million), following higher royalty payments in line with increased Derivatives volumes and changes in the mix of Derivatives contracts traded.

Professional fees decreased \$2.4 million or 18% to \$10.9 million (\$13.3 million), due to one-off expenses incurred in the prior year.

Tax expense for the year was \$66.9 million (\$62.9 million). The effective tax rate was 16% (15%).

Technology-related capital expenditure was \$72.9 million (\$74.5 million) for this year. These investments are mainly for the on-going development of a new post-trade system, upgrading of our Derivatives trading and clearing platform, and a new Fixed Income trading platform.

Regulatory Overview

Key regulatory initiatives during the year included:

- Established three independent Listings Committees to strengthen the listings and disciplinary process. Disciplinary powers were made more robust and now include composition fines and the “cold-shoulder rule” where companies are prevented from accessing the market for a specified period.
- Improved the “Trade with Caution” alerts to make them more targeted and case-specific.
- Provided retail investors with greater access to bonds through the new bond seasoning framework.
- Launched a half-yearly report to provide more details on companies with shares suspended for 12 months or more.
- Collaborated with industry professionals to provide input to the Association of Banks in Singapore to enhance its Listings Due Diligence Guidelines.
- Introduced sustainability reporting on a ‘comply or explain’ basis which we will follow up with seminars for CEOs to understand the new requirement, and training workshops for listed issuers to build their reporting capability.

We granted extensions to companies unable to comply with the Minimum Trading Price requirement due to market conditions. We also enlarged the scope of the name-list which companies are required to maintain, from persons with access to information on only certain significant transactions, to persons with access to all material information.

We publicly reprimanded three companies and their directors in FY2016 while the Disciplinary Committee imposed sanctions on one Trading Representative.

On 18 July 2016, we announced our intention to establish a subsidiary company, with its own separate Board, which will undertake all of the regulatory functions that SGX currently performs. The move aims to further enhance the governance of SGX as a self-regulatory organisation by making more explicit the segregation of its regulatory functions from its commercial and operating activities. We expect to set up the regulatory subsidiary by the second half of 2017.

Commitment to Clearing Funds

As of 30 June 2016, SGX's commitment to the CDP and SGX-DC clearing funds was \$60 million and \$200 million respectively. The total CDP clearing fund was \$100 million and the total SGX-DC clearing fund was \$755 million.

Market Disruption

Subsequent to the financial year ended 30 June 2016, SGX experienced a technology-related service disruption on 14 July 2016. SGX takes this incident seriously. We have identified the root causes and are taking corrective actions as required. Expenses related to the market disruption will be recorded as and when incurred.

Baltic Exchange

On 28 June 2016, we extended the period of exclusive discussions regarding a cash offer for 100% of the Baltic Exchange from 30 June 2016 to 31 August 2016, and discussions are on-going.

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.

2. Income Statement - Group

4Q			YTD			
FY2016 S\$'000	FY2015 S\$'000	Change %		FY2016 S\$'000	FY2015 S\$'000	Change %
			Operating revenue			
101,317	108,632	(6.7)	Equities and Fixed Income	405,763	401,552	1.0
74,495	85,782	(13.2)	Derivatives	325,304	295,791	10.0
22,239	20,868	6.6	Market Data and Connectivity	87,042	81,174	7.2
198,051	215,282	(8.0)	Operating revenue	818,109	778,517	5.1
			Operating expenses			
39,527	43,386	(8.9)	Staff	159,262	149,953	6.2
34,369	29,901	14.9	Technology	127,846	115,911	10.3
14,650	14,526	0.9	Processing and royalties	58,280	46,891	24.3
6,301	5,914	6.5	Premises	24,734	22,642	9.2
3,321	2,323	43.0	Professional fees	10,882	13,260	(17.9)
8,242	8,877	(7.2)	Others	27,965	28,025	(0.2)
106,410	104,927	1.4	Operating expenses	408,969	376,682	8.6
91,641	110,355	(17.0)	Operating profit	409,140	401,835	1.8
			Other gains/(losses)			
3,583	2,005	78.7	- Other revenue including interest income	11,550	6,090	89.7
348	59	NM	- Net foreign exchange gain	159	1,721	(90.8)
(6,000)	-	NM	- Impairment loss on available-for-sale financial asset ⁽¹⁾	(6,000)	-	NM
(2,069)	2,064	NM	Other gains/(losses)	5,709	7,811	(26.9)
89,572	112,419	(20.3)	Profit before tax and share of results of associated company	414,849	409,646	1.3
320	310	3.2	Share of results of associated company	1,112	1,903	(41.6)
(13,050)	(16,513)	(21.0)	Tax	(66,944)	(62,937)	6.4
76,842	96,216	(20.1)	Net profit after tax	349,017	348,612	0.1
			Attributable to:			
76,842	96,216	(20.1)	Equity holders of the Company	349,017	348,612	0.1

⁽¹⁾ The impairment loss on available-for-sale financial asset reflects the write-down of the carrying amount of the Group's investment in Bombay Stock Exchange, mainly due to a decline in the fair value of the investment and depreciation of the Indian Rupee against the Singapore dollar.

3. Statement of Comprehensive Income - Group

4Q			YTD			
FY2016 S\$'000	FY2015 S\$'000	Change %		FY2016 S\$'000	FY2015 S\$'000	Change %
76,842	96,216	(20.1)	Net profit after tax	349,017	348,612	0.1
			Other comprehensive income/(expense):			
			Items that may be reclassified subsequently to profit or loss:			
(226)	(311)	(27.3)	Net currency translation differences of financial statements of subsidiary and associated company	(490)	210	NM
(1,137)	639	NM	Fair value gains/(losses) arising from cash flow hedges	2,006	(245)	NM
(1,363)	328	NM	Other comprehensive income/(expense) for the period, net of tax	1,516	(35)	NM
75,479	96,544	(21.8)	Total comprehensive income for the period	350,533	348,577	0.6
			Total comprehensive income attributable to:			
75,479	96,544	(21.8)	Equity holders of the Company	350,533	348,577	0.6

NM: Not meaningful

4. Detailed Notes on Revenue - Group

4Q			YTD			
FY2016	FY2015	Change	FY2016	FY2015	Change	
S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Operating revenue						
Equities and Fixed Income						
- Issuer Services						
12,065	12,937	(6.7)	- Listing	46,668	51,570	(9.5)
11,189	11,292	(0.9)	- Corporate actions and other	35,882	36,011	(0.4)
23,254	24,229	(4.0)		82,550	87,581	(5.7)
- Securities Trading and Clearing						
36,851	43,515	(15.3)	- Securities clearing	158,547	163,540	(3.1)
8,937	9,995	(10.6)	- Access	37,589	37,675	(0.2)
1,763	2,054	(14.2)	- Collateral management, membership and other	8,871	8,101	9.5
47,551	55,564	(14.4)		205,007	209,316	(2.1)
- Post Trade Services						
24,723	22,543	9.7	- Securities settlement	93,803	81,267	15.4
3,656	4,360	(16.1)	- Contract processing	15,943	15,991	(0.3)
2,133	1,936	10.2	- Depository management	8,460	7,397	14.4
30,512	28,839	5.8		118,206	104,655	12.9
101,317	108,632	(6.7)		405,763	401,552	1.0
Derivatives						
56,178	66,013	(14.9)	- Equity and Commodities	241,421	224,228	7.7
18,317	19,769	(7.3)	- Collateral management, licence, membership and other	83,883	71,563	17.2
74,495	85,782	(13.2)		325,304	295,791	10.0
Market Data and Connectivity						
9,852	9,323	5.7	- Market data	38,371	36,600	4.8
12,387	11,545	7.3	- Connectivity	48,671	44,574	9.2
22,239	20,868	6.6		87,042	81,174	7.2
198,051	215,282	(8.0)	Operating revenue	818,109	778,517	5.1

5. Detailed Notes on Expenses - Group

4Q			YTD			
FY2016 S\$'000	FY2015 S\$'000	Change %	FY2016 S\$'000	FY2015 S\$'000	Change %	
Operating expenses						
Staff						
28,027	24,095	16.3	- Fixed staff costs (excluding variable bonus)	109,744	92,093	19.2
9,683	13,711	(29.4)	- Variable bonus (including CPF)	41,615	44,068	(5.6)
1,817	5,580	(67.4)	- Variable share-based payment	7,903	13,792	(42.7)
39,527	43,386	(8.9)		159,262	149,953	6.2
Technology						
20,275	16,468	23.1	- System maintenance and rental	71,782	62,100	15.6
12,878	13,086	(1.6)	- Depreciation and amortisation	51,869	50,593	2.5
1,216	347	NM	- Communication charges	4,195	3,218	30.4
34,369	29,901	14.9		127,846	115,911	10.3
14,650	14,526	0.9	Processing and royalties	58,280	46,891	24.3
Premises						
4,467	4,295	4.0	- Rental and maintenance of premises	17,765	16,791	5.8
1,834	1,619	13.3	- Depreciation of furniture and fittings and leasehold improvements	6,969	5,851	19.1
6,301	5,914	6.5		24,734	22,642	9.2
3,321	2,323	43.0	Professional fees	10,882	13,260	(17.9)
Others						
3,175	2,165	46.7	- Marketing	8,188	8,355	(2.0)
1,141	1,329	(14.1)	- Travelling	2,950	3,063	(3.7)
(43)	192	NM	- Allowance/(reversal) for impairment of trade receivables (net)	486	529	(8.1)
-	-	-	- Net write-off/impairment of property, plant and equipment and software	165	-	NM
-	-	-	- Net gain on disposal of property, plant and equipment and software	(43)	-	NM
538	554	(2.9)	- Directors' fee	2,203	2,108	4.5
1,038	1,038	-	- Regulatory fee	4,159	3,524	18.0
228	226	0.9	- Amortisation of intangible asset	906	678	33.6
2,165	3,373	(35.8)	- Miscellaneous	8,951	9,768	(8.4)
8,242	8,877	(7.2)		27,965	28,025	(0.2)
106,410	104,927	1.4	Operating expenses	408,969	376,682	8.6

6. Earnings Per Share - Group

4Q			YTD	
FY2016	FY2015		FY2016	FY2015
Earnings per ordinary share for the period (cents)				
7.2	9.0	(a) Based on weighted average number of ordinary shares in issue	32.6	32.6
7.2	9.0	(b) On a fully diluted basis	32.5	32.5
1,070,288	1,070,589	Weighted average number of ordinary shares in issue for basic earnings per share ('000)	1,070,925	1,070,745
3,145	3,672	Adjustment for assumed vesting of shares granted under share plans ('000)	2,873	3,465
1,073,433	1,074,261	Weighted average number of ordinary shares for diluted earnings per share ('000)	1,073,798	1,074,210

7. Half Yearly Income Statement - Group

	1H		Change %
	FY2016 S\$'000	FY2015 S\$'000	
Operating revenue			
Equities and Fixed Income			
- Issuer Services			
- Listing	23,203	26,505	(12.5)
- Corporate actions and other	17,424	17,161	1.5
	40,627	43,666	(7.0)
- Securities Trading and Clearing			
- Securities clearing	79,519	79,006	0.6
- Access	18,304	17,811	2.8
- Collateral management, membership and other	4,816	4,088	17.8
	102,639	100,905	17.8
- Post Trade Services			
- Securities settlement	46,962	38,687	21.4
- Contract processing	8,261	7,679	7.6
- Depository management	4,005	3,492	14.7
	59,228	49,858	14.7
	202,494	194,429	4.1
Derivatives			
- Equity and Commodities	123,389	98,084	25.8
- Collateral management, licence, membership and other	45,171	32,191	40.3
	168,560	130,275	29.4
Market Data and Connectivity			
- Market data	19,158	17,468	9.7
- Connectivity	24,032	21,769	10.4
	43,190	39,237	10.1
Operating revenue	414,244	363,941	13.8
Net profit after tax reported for the first half year	183,009	164,160	11.5

7. Half Yearly Income Statement - Group

	2H		Change %
	FY2016 S\$'000	FY2015 S\$'000	
Operating revenue			
Equities and Fixed Income			
- Issuer Services			
- Listing	23,465	25,065	(6.4)
- Corporate actions and other	18,458	18,850	(2.1)
	41,923	43,915	(4.5)
- Securities Trading and Clearing			
- Securities clearing	79,028	84,534	(6.5)
- Access	19,285	19,864	(2.9)
- Collateral management, membership and other	4,055	4,013	1.0
	102,368	108,411	1.0
- Post Trade Services			
- Securities settlement	46,841	42,580	10.0
- Contract processing	7,682	8,312	(7.6)
- Depository management	4,455	3,905	14.1
	58,978	54,797	14.1
	203,269	207,123	(1.9)
Derivatives			
- Equity and Commodities	118,032	126,144	(6.4)
- Collateral management, licence, membership and other	38,712	39,372	(1.7)
	156,744	165,516	(5.3)
Market Data and Connectivity			
- Market data	19,213	19,132	0.4
- Connectivity	24,639	22,805	8.0
	43,852	41,937	4.6
Operating revenue	403,865	414,576	(2.6)
Net profit after tax reported for the second half year	166,008	184,452	(10.0)

8. Statement of Financial Position - Group

	As at	
	30 Jun 2016 S\$'000	30 Jun 2015 S\$'000
Assets		
Current assets		
Cash and cash equivalents	866,306	849,902
Trade and other receivables	929,981	653,508
Derivative financial instruments	2,665	311
	1,798,952	1,503,721
Non-current assets		
Available-for-sale financial asset	44,956	50,956
Property, plant and equipment	62,030	61,169
Software	154,702	139,977
Intangible asset	25,556	26,462
Goodwill	9,614	9,614
Club memberships	287	287
Investment in associated company	9,387	9,426
	306,532	297,891
Total assets	2,105,484	1,801,612
Liabilities		
Current liabilities		
Trade and other payables	1,012,652	718,326
Derivative financial instruments	66	84
Taxation	75,262	76,802
Provisions	9,775	9,433
	1,097,755	804,645
Non-current liabilities		
Trade and other payables	312	1,807
Deferred tax liabilities	17,836	18,764
	18,148	20,571
Total liabilities	1,115,903	825,216
Net assets	989,581	976,396
Equity		
Capital and reserves attributable to the Company's equity holders		
Share capital	426,445	428,568
Treasury shares	(12,855)	(12,049)
Cash flow hedge reserve	2,152	146
Currency translation reserve	(1,325)	(835)
Securities clearing fund reserve	25,000	25,000
Derivatives clearing fund reserve	34,021	34,021
Share-based payment reserve	17,430	19,695
Retained profits	359,631	310,625
Proposed dividends	139,082	171,225
Total equity	989,581	976,396

9. Net Asset Value - Group

	As at	
	30 Jun 2016	30 Jun 2015
	Cents	Cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period	92.5	91.2

10. Borrowings and Debt Securities - Group

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

	As at 30 Jun 2016		As at 30 Jun 2015	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	Nil	Nil	Nil	Nil
Amount repayable after one year	Nil	Nil	Nil	Nil

(b) Details of any collaterals

None.

11. Statement of Cash Flows - Group

4Q			YTD	
FY2016	FY2015		FY2016	FY2015
S\$'000	S\$'000		S\$'000	S\$'000
Cash flows from operating activities				
89,572	112,419	Profit before tax and share of results of associated company	414,849	409,646
Adjustments for:				
14,938	14,969	Depreciation and amortisation	59,855	57,273
1,817	5,580	Variable share-based payment	7,903	13,792
6,000	-	Impairment loss on available-for-sale financial asset	6,000	-
-	-	Net write-off/impairment of property, plant and equipment and software	165	-
(2,389)	(1,680)	Interest income	(9,445)	(5,317)
(406)	-	Dividend income from other investments	(1,327)	(415)
-	-	Net gain on disposal of property, plant and equipment and software	(43)	-
109,532	131,288	Operating cash flow before working capital change	477,957	474,979
Change in working capital				
(1,631)	3,245	Cash committed for NEMS	(922)	3,245
(179,909)	104,964	Trade and other receivables	(275,586)	115,153
191,362	(91,559)	Trade and other payables	293,586	(106,746)
(7,219)	(4,960)	Reversal/(accrual) of property, plant and equipment and software	(1,284)	6,073
112,135	142,978	Cash generated from operations	493,751	492,704
2,446	242	Income tax refunded /(paid)	(70,281)	(63,656)
114,581	143,220	Net cash provided by operating activities	423,470	429,048
Cash flows from investing activities				
(17,678)	(25,537)	Purchases of property, plant and equipment and software	(73,847)	(82,431)
2,318	1,852	Interest received	8,651	5,190
406	-	Dividend received from other investments	1,327	415
672	-	Dividend received from associated company	672	-
-	-	Acquisition of a subsidiary, net of cash acquired	-	(18,550)
(14,282)	(23,685)	Net cash used in investing activities	(63,197)	(95,376)
Cash flows from financing activities				
(53,537)	(42,843)	Dividends paid	(332,154)	(299,889)
(6,604)	(8,025)	Purchase of treasury shares	(12,637)	(8,025)
(60,141)	(50,868)	Net cash used in financing activities	(344,791)	(307,914)
40,158	68,667	Net increase in cash and cash equivalents held	15,482	25,758
557,925	563,934	Cash and cash equivalents at the beginning of the period	632,601	606,843
-	-	Increase in cash committed for SGX-DC Clearing Fund	(50,000)	-
598,083	632,601	Cash and cash equivalents at the end of the period	598,083	632,601

4Q			YTD	
FY2016	FY2015		FY2016	FY2015
S\$'000	S\$'000		S\$'000	S\$'000
For the purposes of the Statement of Cash Flows, the cash and cash equivalents comprised the following:				
598,083	632,601	Cash and cash equivalents per Statement of Cash Flows	598,083	632,601
Add : Cash committed for				
200,021	150,021	- Singapore Exchange Derivatives Clearing Limited ("SGX-DC") Clearing Fund	200,021	150,021
60,000	60,000	- Securities Clearing Fund	60,000	60,000
8,202	7,280	- NEMS	8,202	7,280
866,306	849,902	Cash and cash equivalents per Statement of Financial Position - Group	866,306	849,902

NEMS: National Electricity Market of Singapore

12. Statement of Changes in Equity - Group

	Attributable to equity holders of the Company									
	Share capital	Treasury shares	Cash flow hedge reserve *	Currency translation reserve *	Securities clearing fund reserve *	Derivatives clearing fund reserve *	Share-based payment reserve *	Retained profits	Proposed dividends	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	\$'000	S\$'000
(i) Group - 4Q FY2016										
Balance at 1 April 2016	426,445	(6,280)	3,289	(1,099)	25,000	34,021	15,613	421,871	-	918,860
Changes in equity for period										
Proposed dividends										
- FY2016 - Final base and variable dividends	-	-	-	-	-	-	-	(139,082)	139,082	-
Employee share plan - Value of employee services	-	-	-	-	-	-	1,817	-	-	1,817
Purchase of treasury shares	-	(6,604)	-	-	-	-	-	-	-	(6,604)
Tax effect on treasury shares ^^	-	29	-	-	-	-	-	-	-	29
	-	(6,575)	-	-	-	-	1,817	(139,082)	139,082	(4,758)
Total comprehensive income for the period	-	-	(1,137)	(226)	-	-	-	76,842	-	75,479
Balance at 30 June 2016	426,445	(12,855)	2,152	(1,325)	25,000	34,021	17,430	359,631	139,082	989,581
(ii) Group - 4Q FY2015										
Balance at 1 April 2015	428,568	(4,396)	(493)	(524)	25,000	34,021	14,115	385,634	-	881,925
Changes in equity for period										
Proposed dividends										
- FY2015 - Final base and variable dividends	-	-	-	-	-	-	-	(171,225)	171,225	-
Employee share plan - Value of employee services	-	-	-	-	-	-	5,580	-	-	5,580
Purchase of treasury shares	-	(8,025)	-	-	-	-	-	-	-	(8,025)
Tax effect on treasury shares ^^	-	372	-	-	-	-	-	-	-	372
	-	(7,653)	-	-	-	-	5,580	(171,225)	171,225	(2,073)
Total comprehensive income for the period	-	-	639	(311)	-	-	-	96,216	-	96,544
Balance at 30 June 2015	428,568	(12,049)	146	(835)	25,000	34,021	19,695	310,625	171,225	976,396

* 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 variable share-based payment expense.

12. Statement of Changes in Equity - Group

	Attributable to equity holders of the Company									
	Share capital	Treasury shares	Cash flow hedge reserve *	Currency translation reserve *	Securities clearing fund reserve *	Derivatives clearing fund reserve *	Share-based payment reserve *	Retained profits	Proposed dividends	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
(iii) Group - FY2016										
Balance at 1 July 2015	428,568	(12,049)	146	(835)	25,000	34,021	19,695	310,625	171,225	976,396
Changes in equity for period										
Dividends paid										
- FY2015 - Final base and variable dividends	-	-	-	-	-	-	-	-	(171,225)	(171,225)
- FY2015 - Under provision of final base and variable dividends	-	-	-	-	-	-	-	(232)	-	(232)
- FY2016 - Interim base dividends	-	-	-	-	-	-	-	(160,697)	-	(160,697)
Proposed dividends										
- FY2016 - Final base and variable dividends	-	-	-	-	-	-	-	(139,082)	139,082	-
Employee share plan - Value of employee services	-	-	-	-	-	-	7,903	-	-	7,903
Vesting of shares under share-based compensation plans	(2,123)	12,291	-	-	-	-	(10,168)	-	-	-
Purchase of treasury shares	-	(12,637)	-	-	-	-	-	-	-	(12,637)
Tax effect on treasury shares [^]	-	(460)	-	-	-	-	-	-	-	(460)
	(2,123)	(806)	-	-	-	-	(2,265)	(300,011)	(32,143)	(337,348)
Total comprehensive income for the year	-	-	2,006	(490)	-	-	-	349,017	-	350,533
Balance at 30 June 2016	426,445	(12,855)	2,152	(1,325)	25,000	34,021	17,430	359,631	139,082	989,581
(iv) Group - FY2015										
Balance at 1 July 2014	428,332	(13,865)	391	(1,045)	25,000	34,021	16,116	261,943	171,184	922,077
Changes in equity for period										
Dividends paid										
- FY2014 - Final base and variable dividends	-	-	-	-	-	-	-	-	(171,184)	(171,184)
- FY2014 - Under provision of final base and variable dividends	-	-	-	-	-	-	-	(178)	-	(178)
- FY2015 - Interim base dividends	-	-	-	-	-	-	-	(128,527)	-	(128,527)
Proposed dividends										
- FY2015 - Final base and variable dividends	-	-	-	-	-	-	-	(171,225)	171,225	-
Employee share plan - Value of employee services	-	-	-	-	-	-	13,792	-	-	13,792
Vesting of shares under share-based compensation plans	236	9,977	-	-	-	-	(10,213)	-	-	-
Purchase of treasury shares	-	(8,025)	-	-	-	-	-	-	-	(8,025)
Tax effect on treasury shares [^]	-	(136)	-	-	-	-	-	-	-	(136)
	236	1,816	-	-	-	-	3,579	(299,930)	41	(294,258)
Total comprehensive income for the year	-	-	(245)	210	-	-	-	348,612	-	348,577
Balance at 30 June 2015	428,568	(12,049)	146	(835)	25,000	34,021	19,695	310,625	171,225	976,396

* 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 variable share-based payment expense.

13. Segment Information - Group

(i) Group - 4Q FY2016 and 4Q FY2015

4Q FY2016					4Q FY2015					
Equities & Fixed Income S\$'000	Derivatives S\$'000	Market Data & Connectivity S\$'000	Corporate * S\$'000	Group S\$'000		Equities & Fixed Income S\$'000	Derivatives S\$'000	Market Data & Connectivity S\$'000	Corporate * S\$'000	Group S\$'000
101,317	74,495	22,239	-	198,051	Operating revenue	108,632	85,782	20,868	-	215,282
52,118	27,994	11,529	-	91,641	Operating profit	62,807	38,431	9,117	-	110,355
-	-	-	(2,069)	(2,069)	Other gains/(losses)	-	-	-	2,064	2,064
-	-	-	320	320	Share of results of associated company	-	-	-	310	310
-	-	-	(13,050)	(13,050)	Tax	-	-	-	(16,513)	(16,513)
				76,842	Net profit after tax					96,216
911,405	235,164	37,979	920,936	2,105,484	Segment assets	584,948	263,288	42,719	910,657	1,801,612
					Segment assets include:					
-	-	-	9,387	9,387	Investment in associated company	-	-	-	9,246	9,246
8,108	13,726	3,063	-	24,897	Additions to:					
-	-	-	-	-	- Property, plant and equipment and software	12,271	15,586	2,640	-	30,497
-	-	-	-	-	- Intangible asset	-	-	-	-	-
-	-	-	-	-	- Goodwill	-	-	-	-	-
842,465	163,675	9,988	99,775	1,115,903	Segment liabilities	497,641	215,145	10,692	101,738	825,216
					Other information					
9,175	4,401	1,362	-	14,938	Depreciation and amortisation	6,869	6,778	1,322	-	14,969

(ii) Group - FY2016 and FY2015

FY2016					FY2015					
Equities & Fixed Income S\$'000	Derivatives S\$'000	Market Data & Connectivity S\$'000	Corporate * S\$'000	Group S\$'000		Equities & Fixed Income S\$'000	Derivatives S\$'000	Market Data & Connectivity S\$'000	Corporate * S\$'000	Group S\$'000
405,763	325,304	87,042	-	818,109	Operating revenue	401,552	295,791	81,174	-	778,517
225,633	138,224	45,283	-	409,140	Operating profit	232,614	131,673	37,548	-	401,835
-	-	-	5,709	5,709	Other gains/(losses)	-	-	-	7,811	7,811
-	-	-	1,112	1,112	Share of results of associated company	-	-	-	1,903	1,903
-	-	-	(66,944)	(66,944)	Tax	-	-	-	(62,937)	(62,937)
				349,017	Net profit after tax					348,612
911,405	235,164	37,979	920,936	2,105,484	Segment assets	584,948	263,288	42,719	910,657	1,801,612
					Segment assets include:					
-	-	-	9,387	9,387	Investment in associated company	-	-	-	9,426	9,426
23,269	46,574	5,288	-	75,131	Additions to:					
-	-	-	-	-	- Property, plant and equipment and software	35,607	31,733	9,018	-	76,358
-	-	-	-	-	- Intangible asset	-	27,140	-	-	27,140
-	-	-	-	-	- Goodwill	-	9,614	-	-	9,614
842,465	163,675	9,988	99,775	1,115,903	Segment liabilities	497,641	215,145	10,692	101,738	825,216
					Other information					
32,124	21,864	5,867	-	59,855	Depreciation and amortisation	27,198	25,123	4,952	-	57,273

* The corporate segment is a non-operating segment

14. Statement of Financial Position - Company

	As at	
	30 Jun 2016	30 Jun 2015
	S\$'000	S\$'000
Assets		
Current assets		
Cash and cash equivalents	440,725	436,437
Trade and other receivables	16,587	14,996
Derivative financial instruments	-	86
	457,312	451,519
Non-current assets		
Available-for-sale financial asset	44,956	50,956
Property, plant and equipment	46,765	52,395
Software	32,049	29,735
Club memberships	287	287
Investments in subsidiaries	614,490	534,990
Investment in associated company	4,389	4,389
	742,936	672,752
Total assets	1,200,248	1,124,271
Liabilities		
Current liabilities		
Trade and other payables	370,892	419,115
Taxation	5,174	2,714
Provisions	6,677	6,172
	382,743	428,001
Non-current liabilities		
Deferred tax liabilities	3,928	5,687
	3,928	5,687
Total liabilities	386,671	433,688
Net assets	813,577	690,583
Equity		
Capital and reserves attributable to the Company's equity holders		
Share capital	426,445	428,568
Treasury shares	(12,855)	(12,049)
Cash flow hedge reserve	-	71
Share-based payment reserve	17,430	19,695
Retained profits	243,475	83,073
Proposed dividends	139,082	171,225
Total equity	813,577	690,583

15. Net Asset Value - Company

	As at	
	30 Jun 2016	30 Jun 2015
	Cents	Cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period	76.0	64.5

16. Statement of Changes in Equity - Company

	Attributable to equity holders of the Company						Total S\$'000
	Share capital	Treasury shares	Cash flow hedge reserve *	Share-based payment reserve *	Retained profits	Proposed dividends	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	\$'000	
(i) Company - 4Q FY2016							
Balance at 1 April 2016	426,445	(6,280)	-	15,613	326,980	-	762,758
Changes in equity for period							
Proposed dividends							
- FY2016 - Final base and variable dividends	-	-	-	-	(139,082)	139,082	-
Employee share plan - Value of employee services	-	-	-	1,817	-	-	1,817
Purchase of treasury shares	-	(6,604)	-	-	-	-	(6,604)
Tax effect on treasury shares ^^	-	29	-	-	-	-	29
	-	(6,575)	-	1,817	(139,082)	139,082	(4,758)
Total comprehensive income for the period	-	-	-	-	55,577	-	55,577
Balance at 30 June 2016	426,445	(12,855)	-	17,430	243,475	139,082	813,577
(ii) Company - 4Q FY2015							
Balance at 1 April 2015	428,568	(4,396)	413	14,115	249,571	-	688,271
Changes in equity for period							
Proposed dividends							
- FY2015 - Final base and variable dividends	-	-	-	-	(171,225)	171,225	-
Employee share plan - Value of employee services	-	-	-	5,580	-	-	5,580
Purchase of treasury shares	-	(8,025)	-	-	-	-	(8,025)
Tax effect on treasury shares ^^	-	372	-	-	-	-	372
	-	(7,653)	-	5,580	(171,225)	171,225	(2,073)
Total comprehensive income for the period	-	-	(342)	-	4,727	-	4,385
Balance at 30 June 2015	428,568	(12,049)	71	19,695	83,073	171,225	690,583

* 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 variable share-based payment expense.

16. Statement of Changes in Equity - Company

	Attributable to equity holders of the Company						Total S\$'000
	Share capital	Treasury shares	Cash flow hedge reserve *	Share-based payment reserve *	Retained profits	Proposed dividends	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
(iii) Company - FY2016							
Balance at 1 July 2015	428,568	(12,049)	71	19,695	83,073	171,225	690,583
Changes in equity for period							
Dividends paid							
- FY2015 - Final base and variable dividends	-	-	-	-	-	(171,225)	(171,225)
- FY2015 - Under provision of final base and variable dividends	-	-	-	-	(232)	-	(232)
- FY2016 - Interim base dividends	-	-	-	-	(160,697)	-	(160,697)
Proposed dividends							
- FY2016 - Final base and variable dividends	-	-	-	-	(139,082)	139,082	-
Employee share plan - Value of employee services	-	-	-	7,903	-	-	7,903
Vesting of shares under share-based compensation plans	(2,123)	12,291	-	(10,168)	-	-	-
Purchase of treasury shares	-	(12,637)	-	-	-	-	(12,637)
Tax effect on treasury shares ^{^^}	-	(460)	-	-	-	-	(460)
	(2,123)	(806)	-	(2,265)	(300,011)	(32,143)	(337,348)
Total comprehensive income for the year	-	-	(71)	-	460,413	-	460,342
Balance at 30 June 2016	426,445	(12,855)	-	17,430	243,475	139,082	813,577
(iv) Company - FY2015							
Balance at 1 July 2014	428,332	(13,865)	-	16,116	124,233	171,184	726,000
Changes in equity for period							
Dividends paid							
- FY2014 - Final base and variable dividends	-	-	-	-	-	(171,184)	(171,184)
- FY2014 - Under provision of final base and variable dividends	-	-	-	-	(178)	-	(178)
- FY2015 - Interim base dividend	-	-	-	-	(128,527)	-	(128,527)
Proposed dividends							
- FY2015 - Final base and variable dividends	-	-	-	-	(171,225)	171,225	-
Employee share plan - Value of employee services	-	-	-	13,792	-	-	13,792
Vesting of shares under share-based compensation plans	236	9,977	-	(10,213)	-	-	-
Purchase of treasury shares	-	(8,025)	-	-	-	-	(8,025)
Tax effect on treasury shares ^{^^}	-	(136)	-	-	-	-	(136)
	236	1,816	-	3,579	(299,930)	41	(294,258)
Total comprehensive income for the year	-	-	71	-	258,770	-	258,841
Balance at 30 June 2015	428,568	(12,049)	71	19,695	83,073	171,225	690,583

* 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 variable share-based payment expense.

17. Bank Facilities, Contingent Liabilities and Commitments - Group

Bank Facilities

- As at 30 June 2016, the Group had \$567 million (30 June 2015: \$974 million) of bank credit facilities, comprising \$567 million (30 June 2015: \$774 million) of committed unsecured credit lines and nil (30 June 2015: \$200 million) committed share financing, for prudent risk management and to maintain adequate liquid resources.

Contingent Liabilities and Other Commitments

- As at 30 June 2016, the Group had contingent liabilities to banks for US\$314 million (30 June 2015: US\$354 million) of unsecured standby letters of credit issued to Chicago Mercantile Exchange as margin and performance bond for futures trading.
- The Group has committed cash of \$268 million (30 June 2015: \$217 million) for the following:
 - Singapore Exchange Derivatives Clearing Limited ("SGX-DC") Clearing Fund \$200 million (30 June 2015: \$150 million);
 - Securities Clearing Fund \$60 million (30 June 2015: \$60 million); and
 - NEMS \$8 million (30 June 2015: \$7 million)

The manner in which the cash can be used is defined under SGX-DC clearing rules, The Central Depository (Pte) Limited clearing rules and Singapore electricity market rules respectively.

18. Dividend - Company

Interim Base Dividends

Name of Dividend	FY2016			FY2015		
	Interim Base - tax-exempt	Interim Base - tax-exempt	Interim Base - tax-exempt	Interim Base - tax-exempt	Interim Base - tax-exempt	Interim Base - tax-exempt
Dividend Type	Cash	Cash	Cash	Cash	Cash	Cash
Dividend Rate -Base	5.0 cents per ordinary share	5.0 cents per ordinary share	5.0 cents per ordinary share	4.0 cents per ordinary share	4.0 cents per ordinary share	4.0 cents per ordinary share
Books Closure Date	28 April 2016, 5pm	28 January 2016, 5pm	29 October 2015, 5pm	30 April 2015, 5pm	29 January 2015, 5pm	30 October 2014, 5pm
Date Paid	6 May 2016	4 February 2016	5 November 2015	8 May 2015	5 February 2015	6 November 2014

Proposed Final Dividends

Name of Dividend	FY2016		FY2015	
	Final - tax-exempt	Final - tax-exempt	Final - tax-exempt	Final - tax-exempt
Dividend Type	Cash	Cash	Cash	Cash
Dividend Rate				
- Base	5.0 cents per ordinary share	5.0 cents per ordinary share	4.0 cents per ordinary share	4.0 cents per ordinary share
- Variable	8.0 cents per ordinary share	8.0 cents per ordinary share	12.0 cents per ordinary share	12.0 cents per ordinary share
Books Closure Date	30 September 2016, 5pm	30 September 2016, 5pm	2 October 2015, 5pm	2 October 2015, 5pm
Date Payable/Paid	7 October 2016	7 October 2016	9 October 2015	9 October 2015

Total Dividends

Total dividends on ordinary shares for the year ended 30 June 2016 and 30 June 2015 were \$299,779,000 and \$299,752,000 respectively.

Directors' Comments

The Board aims to declare a base dividend of 5.0 cents per share every quarter. For each financial year, the Board aims to pay, as dividend, an amount which is no less than (a) 80% of the annual net profit after tax; or (b) 20.0 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.

19. Share Capital - Company

The total number of issued ordinary shares as at 30 June 2016 was 1,071,642,400 (30 June 2015: 1,071,642,400), of which 1,784,140 (30 June 2015: 1,484,077) were held by the Company as treasury shares.

During the three months ended 30 June 2016, the Company purchased 882,300 (4Q FY2015: 920,000) of its ordinary shares by way of on-market purchases at share prices ranging from \$7.35 to \$7.68 (4Q FY2015: \$8.61 to \$8.79). The total amount paid to purchase the shares was \$6.6 million (4Q FY2015: \$8.0 million). No shares under the Company's share-based compensation plans have vested (4Q FY2015: Nil).

For FY2016, the Company purchased 1,746,100 (FY2015: 920,000) of its ordinary shares by way of on-market purchases at share prices ranging from \$6.77 to \$7.68 (FY2015: \$8.61 to \$8.79). The total amount paid to purchase the shares was \$12.6 million (FY2015: \$8.0 million). During FY2016, 1,449,037 shares under the Company's share-based compensation plans have vested (FY2015: 1,174,361).

The movement of treasury shares for the period is as follows:

4Q			YTD	
FY2016	FY2015		FY2016	FY2015
901,840	567,077	Balance at beginning of period	1,487,077	1,741,438
882,300	920,000	Purchase of treasury shares	1,746,100	920,000
-	-	Shares transferred to employees pursuant to SGX share-based compensation plans	(1,449,037)	(1,174,361)
1,784,140	1,487,077	Balance at end of period	1,784,140	1,487,077

The Company holds the shares bought back as treasury shares and plans to use the shares to fulfill its obligations under the Company's share-based compensation plans.

20. Accounting Policies - Group

(a) Accounting policies applicable to SGX

The same accounting policies and methods of computation as in the FY2015 audited annual financial statements have been applied for the current reporting period.

There are no new or amended Financial Reporting Standards (FRS) and interpretations to FRS that are mandatory for application for the financial year ended 30 June 2016.

(b) Revision to presentation of income statement and segment information

Effective from 1 January 2016, we implemented changes to our organisational structure to better serve customers and improve operational efficiency. The sales and product teams were combined to form three vertical businesses of Equities & Fixed Income (EQFI), Derivatives and Market Data & Connectivity (MDC).

Following the changes, the presentation of income statement and segment information has been revised as follows:

Income Statement – Group

1. The revenue line previously known as Securities has been renamed to Securities Trading and Clearing.
2. The revenue line previously known as Depository Services has been renamed to Post Trade Services.
3. The revenue lines Issuer Services, Securities Trading and Clearing and Post Trade Services have been consolidated under EQFI.
4. The revenue line Other, under Operating revenue, has been reclassified to EQFI, Derivatives and Other revenue including interest income. The comparatives have been restated.

This is to better reflect the nature of these revenue lines. Refer to Section 2 Income Statement - Group and Section 4 Detailed Notes on Revenue - Group for the revised presentation.

Segment Information - Group

1. The segment previously known as Securities Market has been renamed to EQFI. This segment continues to consolidate the results and balance sheet of Issuer Services, Securities Trading and Clearing and Post Trade Services but excludes the results and balance sheet of MDC related to the securities market.
2. The segment previously known as Derivatives Market has been renamed to Derivatives. This segment continues to consolidate the results and balance sheet of Derivatives but excludes the results and balance sheet of MDC related to the derivatives market.
3. MDC is disclosed as a separate segment.
4. The Corporate segment is a non-operating segment, and comprises results and balance sheet of the corporate activities which are not allocated to the other operating segments described above.
5. The segment information has been reclassified and accordingly, the comparatives for the segment information of the Group have been restated.

Refer to Section 13 Segment Information - Group for the revised presentation.

21. Taxation

4Q			YTD			
FY2016	FY2015	Change	FY2016	FY2015	Change	
S\$'000	S\$'000	%	S\$'000	S\$'000	%	
13,050	16,513	(21.0)	Tax	66,944	62,937	6.4

Tax expense for 4Q FY2016 included a \$2.0 million (4Q FY2015: \$3.0 million) write back of prior years' tax provisions. Tax expense for FY2016 included a \$2.4 million write back of prior years' tax provisions (FY2015: \$6.8 million).

22. Other Appendix 7.2 Listing Manual Requirements

Interested Person Transactions - Group

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

Confirmation of Directors and Executive Officers' undertakings pursuant to Listing Rule 720(1)

The Company has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, SGX confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

Ding Hui Yun
Company Secretary
27 July 2016

23. Listing Manual Compliance Checklist

The following table sets out the requirements in Appendix 7.2 of the Listing Manual and the sections in the SGX quarter announcement in compliance with the Listing Manual requirements.

Listing Manual Paragraph	Summary of Listing Manual Requirements	Compliance in SGXNet Section
1	Income Statement - Group	2
	Statement of Comprehensive Income - Group	3
	Statement of Financial Position - Group and Company	8 and 14
	Borrowings and Debt Securities - Group	10
	Statement of Cash Flows - Group	11
	Statement of Changes in Equity - Group and Company	12 and 16
	Changes in Share Capital - Company	19
	Number of shares that may be issued on conversion of all outstanding convertibles, as well as the number of treasury shares	19
	Total number of issued shares excluding treasury shares as at the end of the current financial period and immediately preceding year	19
	Statement of sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on	19
2	Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice	Cover page and attached auditors' report.
3	Where the figures have been audited/reviewed, the auditors' report	Attached auditors' report.
4 and 5	Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied. To state reasons and effect of change, if any	20
6	Earnings per ordinary share - Group: (a) Weighted average number of ordinary shares on issue; and (b) On a fully diluted basis	6
7	Net asset value per ordinary share based on the total number of issued shares excluding treasury shares - Group and Company	9 and 15
8	A review of the performance of the Group	1 - Performance Summary
9	Variance between a previously disclosed forecast or prospect statement and actual results	Update of FY2016 operating expenses is provided in the performance summary
10	A commentary of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months	1 - Performance Summary, paragraph on "Outlook".
11 and 12	Information on dividend	18
13	Interested person transactions	22
14	Negative confirmation pursuant to Rule 705(5) of the Listing Manual	Not required for full year announcement
15	Confirmation pursuant to Rule 720(1) of the Listing Manual	22
16	Segment information	13
17	In the review of performance, factors leading to any material changes in contributions to turnover and earnings.	1 - Performance Summary
18	Breakdown of first and second half year results for sales and operating profit	7
19	Breakdown in total annual dividend in dollar value by ordinary and preference shares	18
20	Confirmation pursuant to Rule 704(13) of the Listing Manual	22
NA	Not required (Additional information provided by SGX)	17 - Bank Facilities, Contingent Liabilities and Commitments - Group

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINGAPORE EXCHANGE LIMITED

Report on the Audit of the Financial Statements

Opinion

In our opinion, the accompanying financial statements of Singapore Exchange Limited ("the Company") and its subsidiaries (the "Group") are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2016, and of the financial performance and changes in equity of the Group and the Company, and the cash flows of the Group, for the financial year ended on that date.

What we have audited

The financial statements of the Group and of the Company, as set out on page 23 to 111, comprise:

- the statements of comprehensive income of the Group and of the Company for the year ended 30 June 2016;
- the statements of financial position of the Group and of the Company as at 30 June 2016;
- the statements of changes in equity of the Group and of the Company for the year then ended;
- the statement of cash flows of the Group for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

Overview

Materiality	The overall group materiality that we used amounted to \$20 million (rounded down to the nearest million), which represents 5% of profit before tax for the financial year ended 30 June 2016. In determining materiality, both quantitative and qualitative factors were considered.
Audit Scope	Audit procedures were performed over the complete financial information of the Company and the subsidiaries that are significant to the Group ("significant components").
Key audit matters	<ul style="list-style-type: none">• Valuation of available-for-sale financial asset• Impairment assessment of goodwill and intangible asset

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINGAPORE EXCHANGE LIMITED

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement due to fraud or error. Misstatements are considered material if individually, or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole. We determined overall group materiality for the Group financial statements as a whole to be \$20 million (rounded down to the nearest million), being 5% of profit before tax. We chose profit before tax as the benchmark because, in our view, it reflects the underlying performance of the Group and it is one of the benchmarks that is commonly used by the users of financial statements in evaluating the performance of the Group. In performing our audit, we allocated materiality levels, which are less than the overall group materiality, to the significant components.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above \$1 million as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Audit Scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the industry in which the Group operates, and the accounting processes and controls. The Group's financial reporting process is dependent on its IT systems. Our audit scope included testing the operating effectiveness of the controls over the integrity of key financial data processed through the IT systems that are relevant to financial reporting.

We audited the complete financial information of the Company and each of the significant components. This, together with the audit procedures performed at the Group level over group consolidation, goodwill, intangible asset, taxation and disclosures in the financial statements, gave us the evidence we needed for our opinion on the financial statements as a whole.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 30 June 2016 due to the judgement and subjectivity involved. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not express or provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINGAPORE EXCHANGE LIMITED

Key Audit Matter	How our audit addressed the key audit matter
<p><u>Valuation of available-for-sale financial asset</u> As at 30 June 2016, the available-for-sale financial asset was stated at \$44,956,000. This relates to an investment in unlisted equity securities of BSE Limited ("BSE"). The fair value of the available-for-sale financial asset as at 30 June 2016 was determined using the discounted cash flow ("DCF") model.</p> <p>We focused on this area due to the size of the carrying amount of the available-for-sale-financial asset, and the degree of judgement required in determining the fair value. The use of DCF model involves significant judgements on the expected future cash flows, long term growth rate, and discount rate.</p> <p>Refer to Note 3 – Critical accounting estimates and judgments, Note 16 – Available-for-sale financial asset and Note 39 – Financial risk management for the disclosures relating to the valuation of the available-for-sale financial asset.</p>	<p>We evaluated the reasonableness of management's estimate of expected future cash flows by taking into consideration the historical trends, and expected growth of the Indian equity market and BSE's projected financial performance. With the assistance of our valuation specialists, we assessed the reasonableness of the long term growth rate and the discount rate used by management. We found the estimate of expected futures cash flows and the rates used to be reasonable.</p> <p>We evaluated management's sensitivity analysis to assess the impact on the estimated fair value of available-for-sale financial asset by reasonable possible changes to the long term growth rate and discount rate. We found the sensitivity analysis to be appropriate.</p>
<p><u>Impairment assessment of goodwill and intangible asset</u> As at 30 June 2016, the goodwill and intangible asset arising from the acquisition of Energy Market Company Pte Ltd ("EMC") amounted to \$9,614,000 and \$25,556,000 respectively.</p> <p>The Group's goodwill and intangible asset relate to the EMC cash-generating unit ("CGU"). Management is required to perform an impairment assessment of goodwill annually and assess whether there is any indication that the intangible asset may be impaired. The recoverable amount of the CGU is compared with the carrying amount of the CGU to determine whether there is any impairment loss.</p> <p>We focused on this area because of the significant judgements required in estimating the expected future cash flows, long term growth rate and discount rate.</p> <p>Refer to Note 3 – Critical accounting estimates and judgments, Note 19 – Intangible asset and Note 20 – Goodwill for disclosures relating to the impairment assessment.</p>	<p>We evaluated the reasonableness of management's estimate of expected future cash flows by taking into consideration the past performance, and projections of electricity demand growth in Singapore and market developments.</p> <p>With the assistance of our valuation specialists, we assessed the reasonableness of the long term growth rate and the discount rate used by management. We found the estimate of expected future cash flows and the rates used to be reasonable.</p> <p>We performed sensitivity analysis to assess the impact on the recoverable amount of the CGU by reasonable possible changes to the long term growth rate and discount rate. We found that changes in these rates did not result in impairment loss.</p>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINGAPORE EXCHANGE LIMITED

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use of disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINGAPORE EXCHANGE LIMITED

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


We also provide directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mrs Deborah Ong (Ms Deborah Tan Yang Sock).



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 27 July 2016
