

SINGAPORE EXCHANGE LIMITED

Unaudited Nine Months Financial Statement

Financial statement on consolidated results for the nine months ended 31 March 2001. These figures have not been audited.

	Group			Company		
	S\$'000		%	S\$'000		%
	1 July 2000 to 31 Mar 2001	1 July 1999 to 31 Mar 2000*	Change	1 July 2000 to 31 Mar 2001	1 July 1999 to 31 Mar 2000**	Change
1.(a) <u>Turnover</u>						
<b>Operating revenue</b>						
- Management fees from subsidiaries	-	-	-	56,174	-	-
- Gross dividend income from subsidiaries #	-	-	-	106,490	-	-
- Clearing fees	80,529	110,372	(27.0)	-	-	-
- Rental of computer terminals	20,666	19,270	7.2	-	-	-
- Account maintenance & processing fees	22,921	30,834	(25.7)	-	-	-
- Listing & membership fees	13,337	9,388	42.1	-	-	-
- Price information fees	8,599	4,443	93.5	-	-	-
- Other operating revenue	9,794	8,489	15.4	334	-	-
Total operating revenue	155,846	182,796	(14.7)	162,998	-	-
1.(b) Investment income	8,242	940	776.8	7,242	-	-
1.(c) Other income including interest income	7,561	13,320	(43.2)	2,742	-	-
2.(a) Profit before income tax, minority interests, extraordinary items, interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss) and exceptional items and after charging:-	85,542	128,197	(33.3)	124,617	-	-
- Staff costs	(49,448)	(37,043)	33.5	(31,350)	-	-
- Occupancy costs	(10,526)	(8,745)	20.4	(5,769)	-	-
- Equipment maintenance & rental	(13,566)	(11,051)	22.8	(7,362)	-	-
- Other operating expenses	(12,567)	(12,020)	4.6	(3,884)	-	-
2.(b)(i) Interest on borrowings	-	-	-	-	-	-
2.(b)(ii) Depreciation and amortisation	(14,643)	(13,871)	5.6	(5,139)	-	-
2.(b)(iii) Foreign exchange gain/(loss)	288	(162)	NM	-	-	-
2.(c) Exceptional items ##	(20,545)	-	NM	(20,545)	-	-
2.(d) Profit before income tax, minority interests and extraordinary items but after interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss) and exceptional items	50,642	114,164	(55.6)	98,933	-	-
2.(e) Income derived from associated companies	-	-	-	-	-	-
2.(f) Less income tax #	(14,158)	(32,336)	(56.2)	(24,825)	-	-
2.(g)(i) Profit after tax before deducting minority interests	36,484	81,828	(55.4)	74,108	-	-

\* The SGX group was constituted on 1 December 1999 upon the merger of the SES and SIMEX. The financial information for the previous nine months is stated on a pro-forma basis to give effect to the merger as if it had occurred on 1 July 1999.

\*\* SGX was incorporated on 21 August 1999 in order to effect the demutualisation and merger of the SES and SIMEX. As the merger took place on 1 December 1999 and SGX had no operations prior to the merger, there are no meaningful comparatives for the previous nine months.

# Gross dividend income received by the company was adjusted to reflect the change in tax rate from 25.5% to 24.5%.

## See 4 (d)

NM: Not meaningful

	Group			Company		
	S\$'000		%	S\$'000		%
	1 July 2000 to 31 Mar 2001	1 July 1999 to 31 Mar 2000*	Change	1 July 2000 to 31 Mar 2001	1 July 1999 to 31 Mar 2000**	Change
2.(g)(ii)	-	-	-	-	-	-
2.(h)	36,484	81,828	(55.4)	74,108	-	-
2.(i)(i)	-	-	-	-	-	-
2.(i)(ii)	-	-	-	-	-	-
2.(i)(iii)	-	-	-	-	-	-
2.(i)(iv)	-	-	-	-	-	-
2.(i)(v)	-	-	-	-	-	-
2.(i)(vi)	-	-	-	-	-	-
2.(j)	36,484	81,828	(55.4)	74,108	-	-
	(No provision was made for contribution to the securities and derivatives fidelity funds, and the SIMEX Compensation Fund for the nine months ended 31 March 2001).					

	Group Figures	
	1 July 2000 to 31 Mar 2001	1 July 1999 to 31 Mar 2000*
	Cts	Cts
3.(a)	Earnings per share based on 2(h) above after deducting provision for preference dividends:-	
	(i) Based on existing issued share capital @	3.65      8.18
	(ii) On a fully diluted basis @@	3.58      8.04
3.(b)	Earnings per share based on 2(j) above:-	
	(i) Based on existing issued share capital @	3.65      8.18
	(ii) On a fully diluted basis @@	3.58      8.04
3.(c)	Net tangible asset backing per ordinary share @	81.78      78.41

@ Earnings per share and net tangible asset backing per ordinary share are computed based on the existing share capital of 1 billion shares as at 31 March 2001. For the purpose of computing net tangible asset per share as at 31 March 2000, we have included as net tangible assets, proceeds of the 719,682,094 shares at 1 cent each issued to SEL Holdings Pte Ltd at par for cash.

@@ Earnings per share on a fully diluted basis is computed based on the existing 1 billion shares outstanding, adjusted for the number of outstanding options to subscribe for ordinary shares as of 31 March 2001 (see paragraph 8).

- 4.(a) Amount of Adjustment for Under-provision of Tax in respect of Previous Years  
The Group's tax charge for the nine months ended 31 March 2001 included an amount of \$180,058 in respect of prior years.
- 4.(b) Amount of Pre-Acquisition Profits  
Nil.
- 4.(c) Amount of Profit on Sale of Investment  
Net loss arising from investment activities: \$20,868,968

4.(d) Other Comments Relating to Paragraph 4

We have traditionally invested our cash reserves in bank deposits and Singapore government securities. In the year 2000, we decided to place a portion of these reserves with independent fund managers for investment in equities, unit trusts and fixed-income instruments. However, in connection with our decision to become a listed company, we decided to invest in conservative fixed-income instruments such as bank deposits, securities of Singapore and G-7 governments, statutory boards and government agencies, international investment-grade fixed-income securities and similar high-quality instruments. Consequently, we liquidated all our equity portfolio in October 2000 and have realised losses of S\$20.5 million.

5.(a) Review of the performance of the company and its subsidiaries

Please see Words file.

5.(b) Unusual items after the financial period

Please see Words file.

6. Current year prospects and initiatives

Please see Words file.

7. Dividend

*(a) 9 months ended 31 March 2001*

In February 2001, we declared gross interim dividend of S\$0.03 per share for the half year ended 31 December 2000. In March 2001, the dividend was paid at S\$0.02265 per share net of 24.5% tax.

*(b) No dividend was declared for the previous corresponding period.*

*(c) Date payable*

N/A

*(d) Books Closing date*

N/A

*(e) Any other comments relating to Paragraph 7*

For the fiscal year ending 30 June 2001, the Directors expect to declare and pay a gross cash dividend of approximately S\$0.073 per share. This would be equivalent to S\$0.055 per share net of Singapore income tax of 24.5%. Thereafter, the Directors expect to declare and pay annual dividends of not less than 50% of annual net profit after tax and after contribution (if any) to the fidelity funds. However, the declaration and payment of any dividend, and the timing and amount of any dividend, is subject to the discretion of the Directors. Any future determination by the Directors to pay dividends will be based upon the Group's earnings, cash flow, financial condition and capital requirements and other conditions the Directors deem relevant.

8. Details of Changes in the Company's Issued Share Capital

In connection with SGX's share offering on 23 November 2000, SGX's share capital was restructured as follows:-

- (i) 61,670 issued ordinary shares of par value of S\$1.00 each were sub-divided into 6,167,000 ordinary shares of par value S\$0.01 each;
- (ii) A total of 274,150,906 bonus shares of par value S\$0.01 each were distributed to the existing shareholders;
- (iii) In accordance with the Exchanges (Demutualisation and Merger) Act 1999, a total of 719,682,094 shares were subscribed for by SEL Holdings Pte Ltd at par value of S\$0.01 per share. Out of these 719,682,094 shares, 319,700,000 shares were offered to the public and 150,000,000 shares were sold to other investors.

Following from the above, the issued share capital of the Company increased from S\$61,670 as at 30 June 2000 to S\$10,000,000 with effect from 23 November 2000.

As at 31 March 2001, there were 17,878,000 outstanding options to subscribe for ordinary shares of S\$0.01 each.

As at 30 June 2000, there were 616 outstanding options to subscribe for ordinary shares of S\$1.00 each.

9. Comparative Figures of the Group's Borrowings and Debt Securities

	As at 31/03/2001		As at 30/6/2000	
	Secured	Unsecured	Secured	Unsecured
(a) Amount repayable in one year or less, or on demand	Nil	Nil	Nil	Nil
(b) Amount repayable after one year	Nil	Nil	Nil	Nil

(c) Any other comments relating to Paragraph 9  
Nil.

10a **Balance Sheet**

	Group		Company	
	As at 31 Mar 01	As At 31 Mar 00	As at 31 Mar 01	As At 31 Mar 00
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Current assets</b>				
Total members' funds	1,521,978	1,824,465	-	-
Securities clearing funds	34,129	33,361	-	-
Cash and cash equivalents	217,306	570,176	60,454	345,005
Trade and other debtors	407,300	452,544	44,525	20,773
Investment	332,609	41,827	302,680	36,571
	<b>2,513,322</b>	<b>2,922,373</b>	<b>407,659</b>	<b>402,349</b>
<b>Non-current assets</b>				
Fixed Assets	251,764	146,281	36,775	44,227
Subsidiaries	-	-	391,340	323,340
	<b>251,764</b>	<b>146,281</b>	<b>428,115</b>	<b>367,567</b>
Net assets of securities and derivatives fidelity funds	50,986	44,326	-	-
<b>Total assets</b>	<b>2,816,072</b>	<b>3,112,980</b>	<b>835,774</b>	<b>769,916</b>
<b>Current liabilities</b>				
Total members' funds	1,521,978	1,824,465	-	-
Securities clearing members' contributions to clearing funds	9,129	8,361	-	-
Trade and other creditors	396,953	422,769	12,872	474,638
Taxation	15,638	33,673	378	-
Total current liabilities	<b>1,943,698</b>	<b>2,289,268</b>	<b>13,250</b>	<b>474,638</b>
<b>Non-current liabilities</b>				
Deferred taxation	3,552	2,459	-	-
<b>Total liabilities</b>	<b>1,947,250</b>	<b>2,291,727</b>	<b>13,250</b>	<b>474,638</b>
<b>Net assets</b>	<b>868,822</b>	<b>821,253</b>	<b>822,524</b>	<b>295,278</b>
<b>Equity</b>				
Share capital	10,000	62	10,000	62
Share premium	305,537	308,278	305,537	308,278
Retained profit and general reserves	477,274	443,570	506,987	(13,062)
Clearing fund reserve	25,000	25,000	-	-
Translation reserve	25	17	-	-
	<b>817,836</b>	<b>776,927</b>	<b>822,524</b>	<b>295,278</b>
Accumulated funds of securities and derivatives fidelity funds	50,986	44,326	-	-
	<b>868,822</b>	<b>821,253</b>	<b>822,524</b>	<b>295,278</b>

## Consolidated Cash Flow Statements

	<b>Nine Months Ended</b>	
	<b>31 Mar 01</b>	<b>31 Mar 00</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash Flows from operating activities</b>		
Profit before tax	50,642	114,164
Adjustments for:		
Depreciation	14,643	13,871
Amortisation of premium on investments	-	141
Net loss on investments	13,264	-
Write-back of provision on diminution of investments	-	(454)
Interest income	(7,855)	(13,151)
Disposal and write-off of fixed assets	-	6
Operating cash flow before working capital change	70,694	114,577
Change in operating assets and liabilities		
Trade and other receivables	(38,406)	619,290
Trade and other payables	44,195	(610,111)
Cash generated from operations	76,483	123,756
Income tax paid	(36,058)	(36,923)
Dividends paid	(22,650)	-
<b>Net cash from operating activities</b>	<b>17,775</b>	<b>86,833</b>
<b>Cash flows from investing activities</b>		
Payments for properties under development	(100,864)	(21,289)
Payments for fixed assets	(12,708)	(32,030)
Purchase of investments	(330,000)	(2,923)
Proceeds from sale of club memberships	-	174
Interest received	12,410	12,331
Redemption of matured bonds/SGS/investments	22,000	3,000
Proceeds from sale of fixed assets	-	126
Fixed assets claimed under FSDF	113	-
<b>Net cash used in investing activities</b>	<b>(409,049)</b>	<b>(40,611)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	7,197	-
<b>Net cash from financing activities</b>	<b>7,197</b>	<b>-</b>
<b>Net (decrease)/increase in cash held</b>	<b>(384,077)</b>	<b>46,222</b>
Cash as at 1 July	601,375	523,932
Effects of exchange rate changes on cash	8	22
<b>Cash &amp; cash equivalents as at 31 March</b>	<b>217,306</b>	<b>570,176</b>

	Securities Market	Derivatives Market	Other Operations	The Group
	S\$'000	S\$'000	S\$'000	S\$'000
<b>SEGMENT REVENUE</b>	104,351	42,304	9,191	155,846
<b>RESULTS</b>				
Segment results	61,699	9,168	3,745	74,612
Unallocated costs				(19,228)
Operating profit before tax				55,384
Interest income and other non- operating income/(loss)				(4,742)
Income taxes				(14,158)
Net profit				36,484
<b>OTHER INFORMATION</b>				
Segment assets	711,234	1,737,094	8,556	2,456,884
Unallocated assets				359,188
Consolidated total assets				2,816,072
Segment liabilities	379,055	1,533,613	2,523	1,915,191
Unallocated liabilities				32,059
Consolidated total liabilities				1,947,250
Capital expenditure - allocated	65,887	41,592	5,980	113,459
Depreciation	5,390	4,041	5,212	14,643

The Group operates mainly in Singapore, with one marketing office in the United States of America.

\*\*\* Certain items reported for the half year ended 31 December 2000 have been reclassified to conform to this report for 9 months ended 31 March 2001. Net profit is not affected by this reclassification.

**BY ORDER OF THE BOARD**

Joyce Fong  
Company Secretary  
11 May 2001