



WELCOME: Analyst & Media Briefing Third Quarter Financial Year 2011

**Magnus Böcker, CEO
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19 April 2011

SGX The Asian Gateway



Agenda

1. Highlights
2. Financial Performance
3. Business Update
4. Questions & Answers

Third Quarter Highlights

- ASX-SGX Combination
 - MIA was terminated after Australian Treasurer's decision on 8 April

- All time high derivatives volume

- Asian Gateway, expanding our reach
 - Issuer Services: world largest IPO this year & SEA's largest to-date; RMB bond listings
 - Derivatives: Nikkei 225; Nifty; FTSE China A50
 - Clearing: OTC Financial Derivatives
 - Commodities: Copper, Zinc, Aluminum futures
 - Membership: New Derivatives & OTC Financial Derivatives
 - Technology: New data centre; new co-location services

- 3Q FY11: A solid quarter despite difficult market environment

Financial Performance

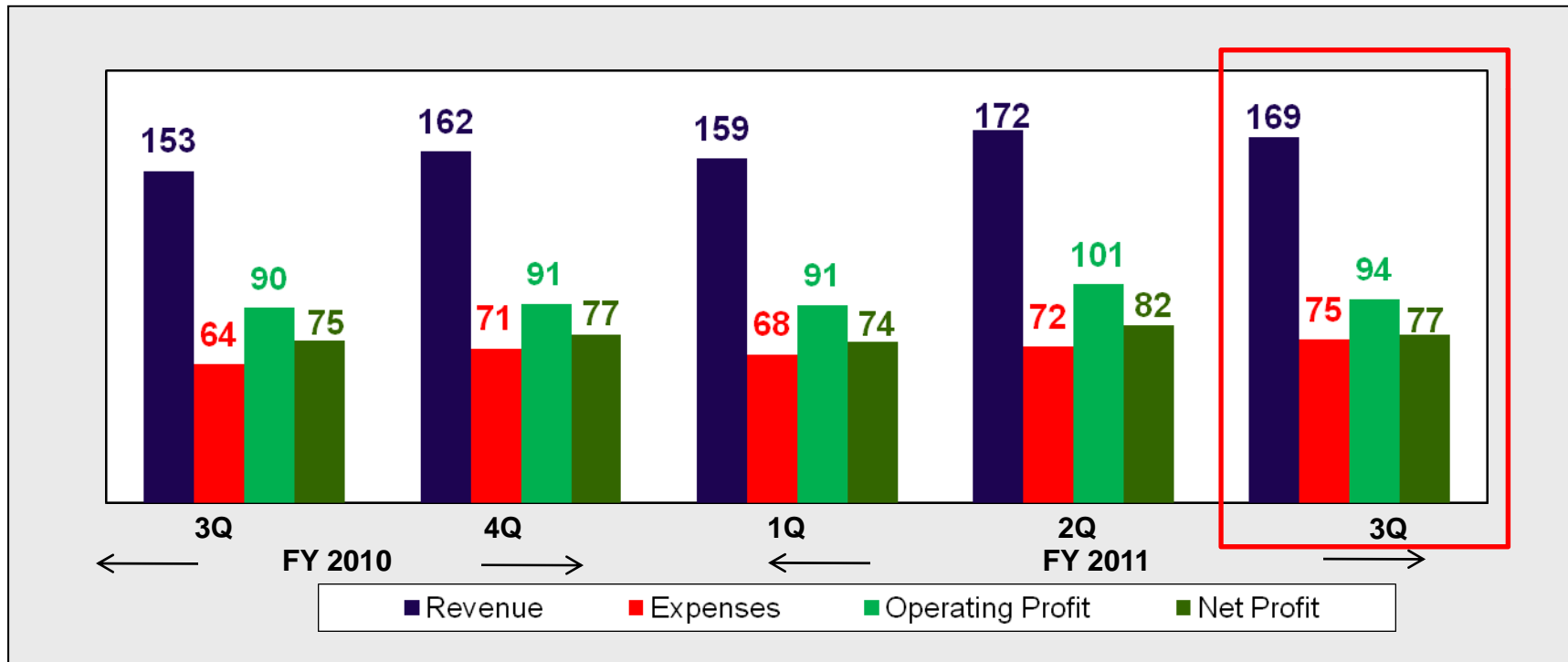
Seck Wai Kwong

Financial Performance

Third Quarter Highlights



- Revenue up 10%
- Operating Profit up 5%; EBITDA up 7%; Net Profit up 4%



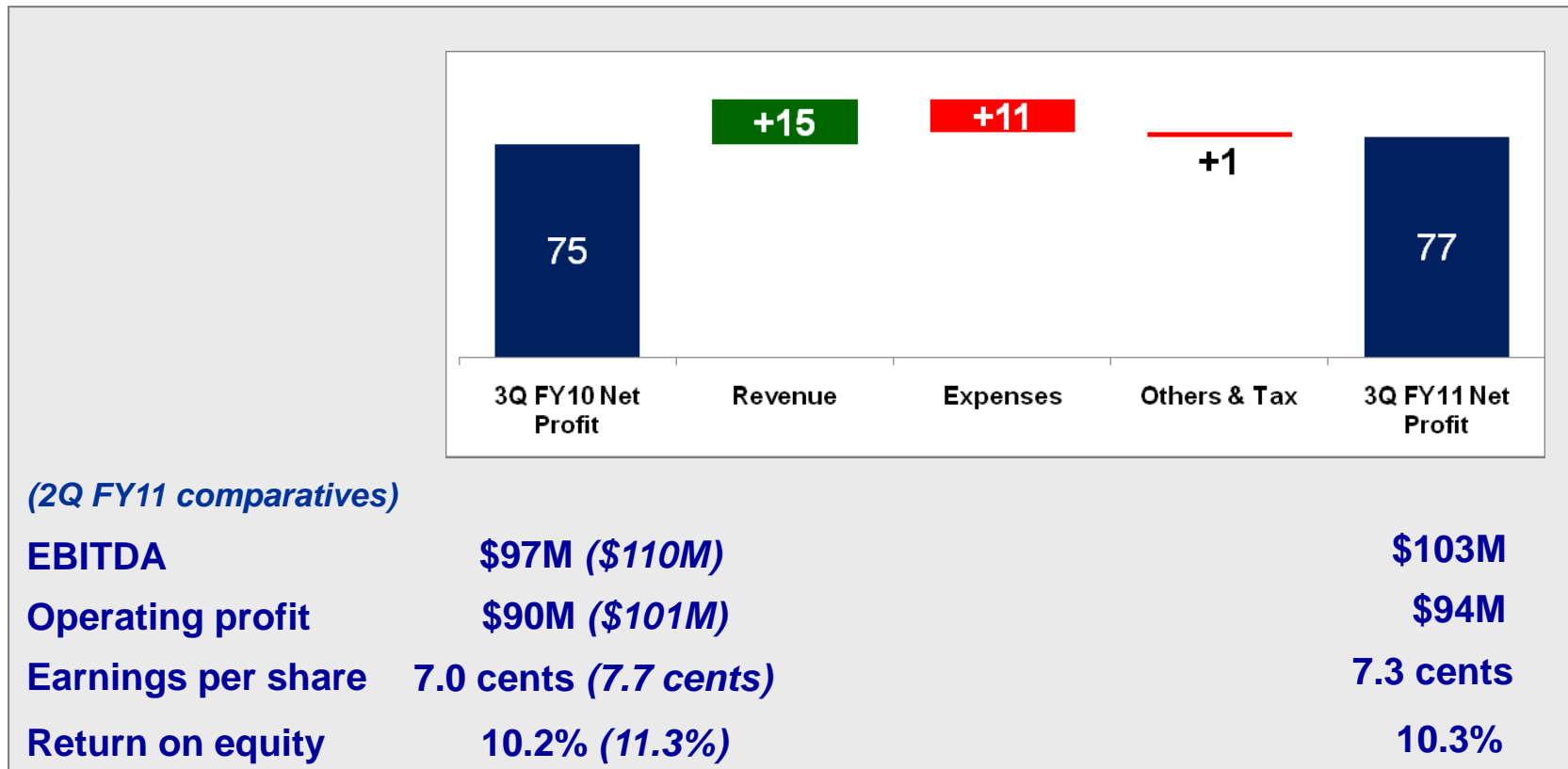
[Note: The above exclude (a) Impairment adjustments \$2.3M in 4Q FY2010; (b) ASX-SGX transaction related costs \$7.5M in 2Q FY2011; (c) ASX-SGX transaction related costs \$12.0M and gain from disposal of premises \$1.7M in 3Q FY2011]

Financial Performance

Net Profit \$77M (\$75M)



- Resilient business: Diversified Revenue Streams

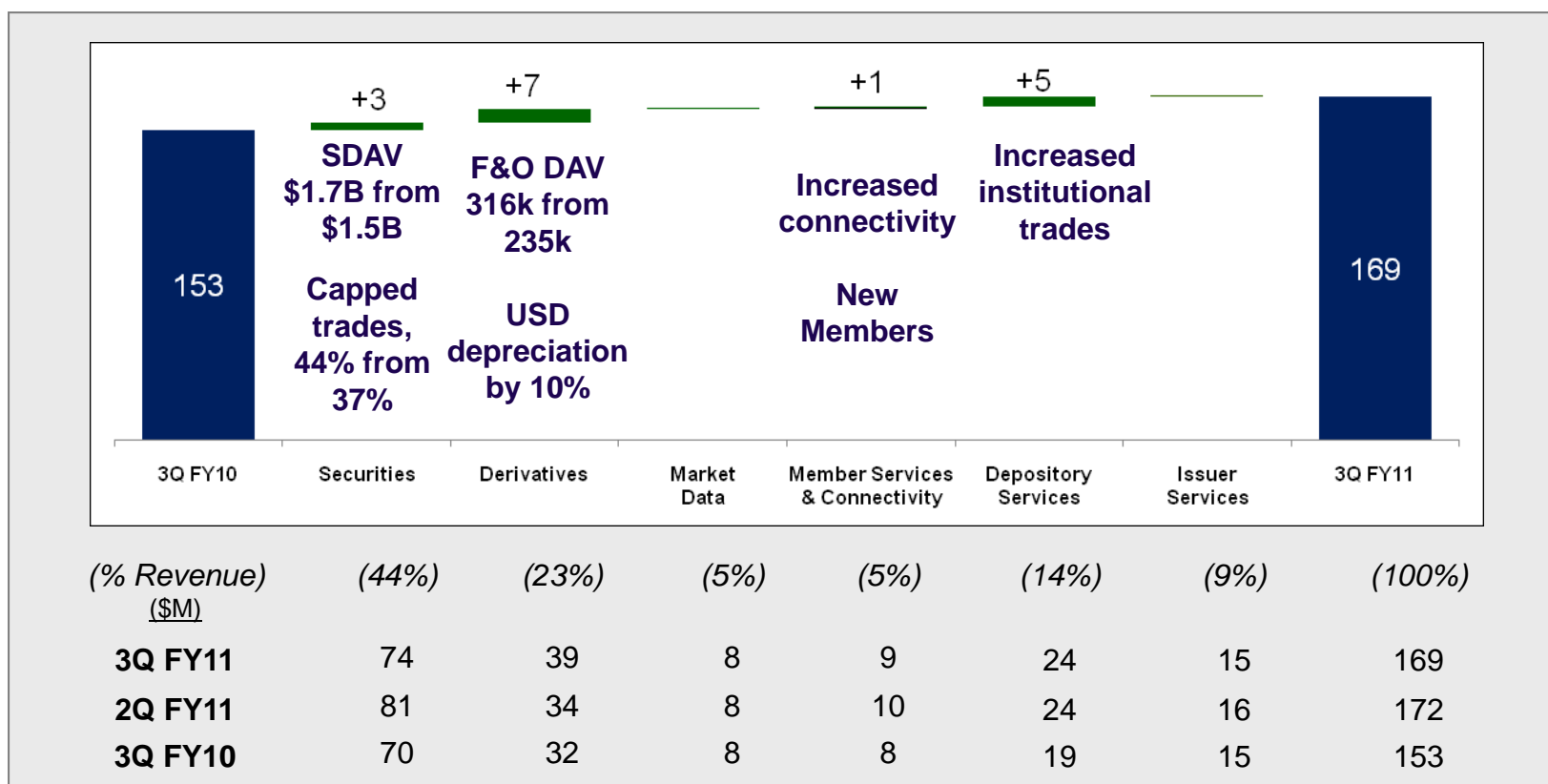


[Note: The above exclude (a) ASX-SGX transaction related costs \$7.5M in 2Q FY2011; and (b) ASX-SGX transaction related costs \$12.0M and gain from disposal of premises \$1.7M in 3Q FY2011]

Financial Performance

Revenues: \$169M (\$153M)

- All time high derivatives volumes & higher securities value traded
- Increased institutional volume in securities market

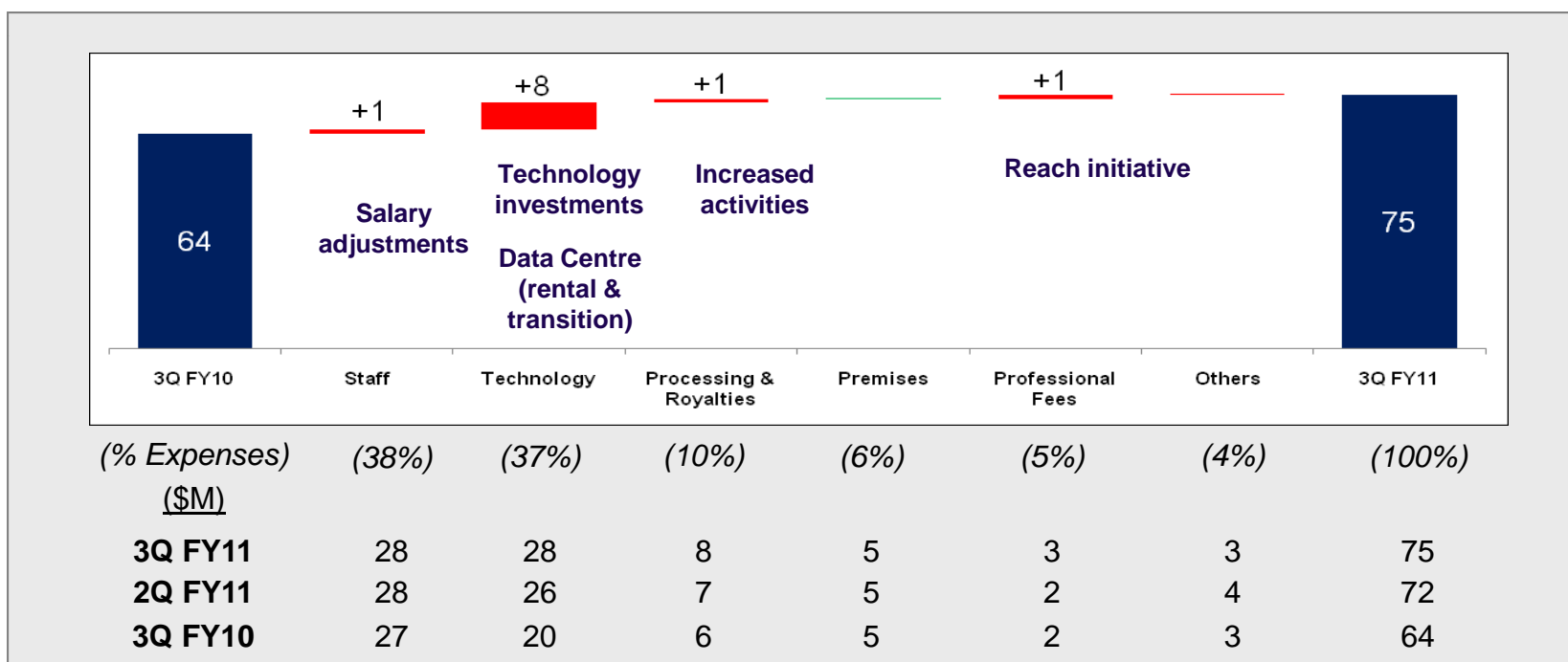


[Note: Some numbers may be subject to rounding]

Financial Performance

Expenses: \$75M (\$64M)

- Technology investments
 - SGXClear; OTC Financial Clearing; the Reach initiative
- ASX-SGX transaction related costs in FY2011
 - Total: \$19.5M (being \$7.5M in 2Q & \$12.0M in 3Q)

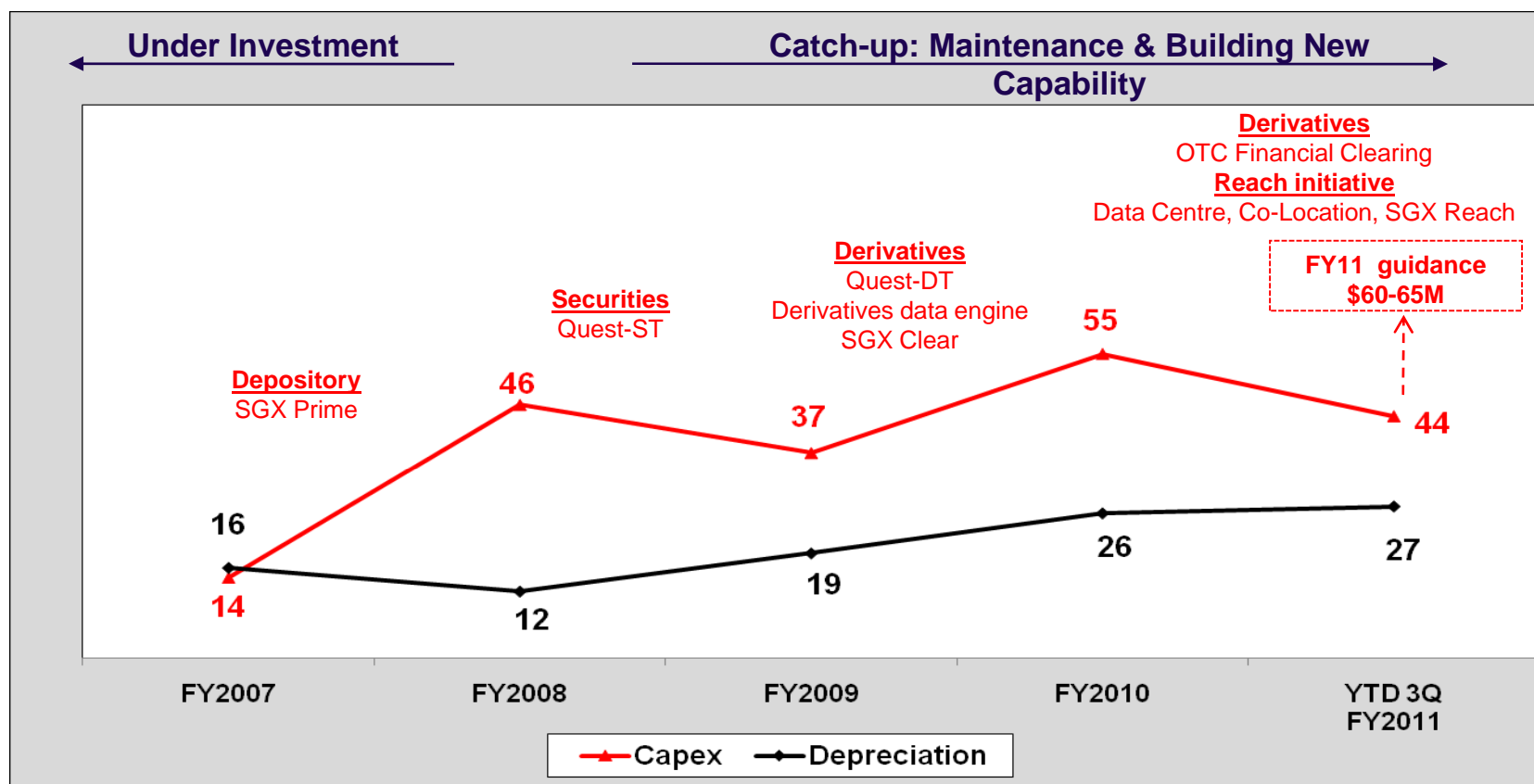


[Excludes (a) ASX-SGX transaction related costs \$7.5M in 2Q FY11; (b) ASX-SGX transaction related costs \$12.0M & gain from disposal of premises in 3Q FY2011. Some numbers may be subject to rounding]

Financial Performance

Capex vs Depreciation

- Building new capability
- FY2011 capex guidance remains unchanged: \$60-65M
- Capex peaked



Financial Indicators

<i>(Underlying)</i>	3Q FY11	2Q FY11	1Q FY11	4Q FY10	3Q FY10
EBITDA (\$M)	103	110	100	100	97
Operating Profit (\$M)	94	101	91	91	90
Net Profit (\$M)	77	82	74	77	75
Return on Equity	41%	44%	36%	41%	48%
<i>Per Share (cents)</i>					
Operating Cash Flow	9.01	7.71	8.32	9.23	7.82
Earnings	6.28	6.95	6.96	7.47	7.01
Dividend	4.00	4.00	4.00	15.75	3.75

Note 1: Except for "Earnings Per Share" data, the above excludes (a) Impairment adjustments \$2.3M in 4Q FY10; (b) ASX-SGX transaction related costs \$7.5M in 2Q FY11; (c) ASX-SGX transaction related costs \$12.0M and gain from disposal of premises \$1.7M in 3Q FY11

Note 2: Return on Equity is on 12-month rolling basis

Note 3: Some numbers may be subject to rounding

Business Update

Magnus Böcker

Securities: Trading and Clearing

Revenue: \$74M, 44% (\$70M, 46%)

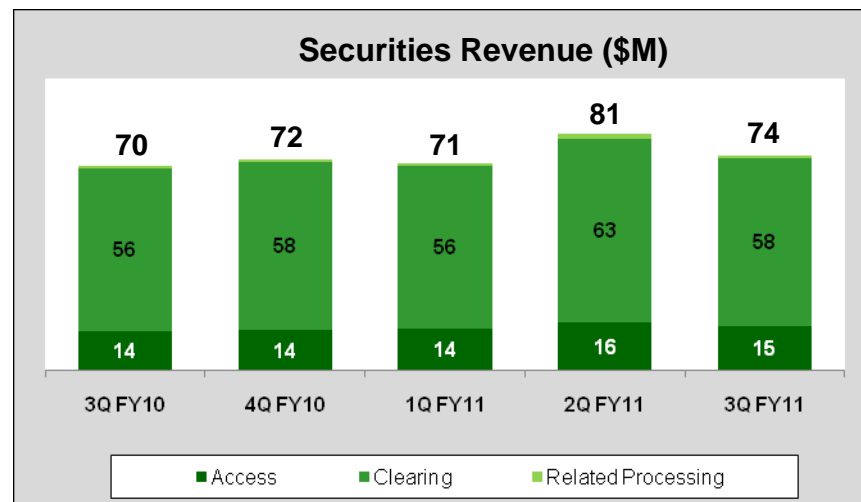
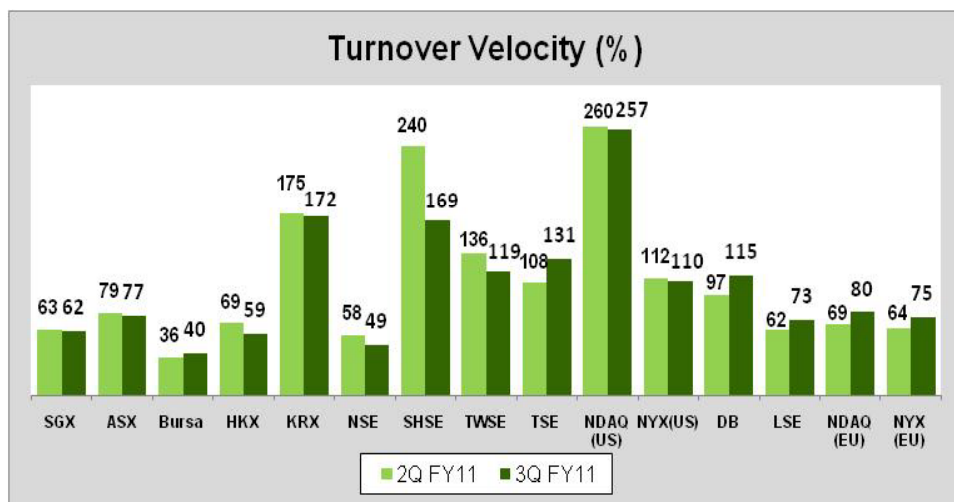
Market Structure

- Rolling out Reach initiative
- Continuous all day trading
- Institutional trades

Products & Services

- GlobalQuote

Key drivers	Metrics				
	3Q FY11	2Q FY11	1Q FY11	4Q FY10	3Q FY10
MSCI Singapore Index	368	377	365	337	342
No. of Trading Days	62	64	64	63	61
Equity Turnover Velocity (%)	62	63	60	63	64
<i>Singapore issuers</i>	48	48	48	54	52
<i>Overseas issuers, excluding Chinese issuers</i>	88	95	89	70	86
<i>Chinese issuers</i>	109	118	115	148	139
Daily Average Trading Volume (billion shares)	1.472	1.595	1.666	1.481	1.613
Daily Average Trading Value (\$ billion)	1.707	1.774	1.558	1.529	1.514
<i>ETFs/ETNs (\$ million)</i>	40	45	25	30	15
<i>Company warrants (\$ million)</i>	1	2	2	2	2
Contracts value					
<i>More than \$1.5M</i>	44	46	42	39	37
<i>Less than \$1.5M</i>	56	54	58	61	63



(Source: WFE, 2Q FY11 = Oct to Dec 10; 3Q = Jan to Mar 11)

[Note: Some numbers may be subject to rounding]

Derivatives: Trading & Clearing

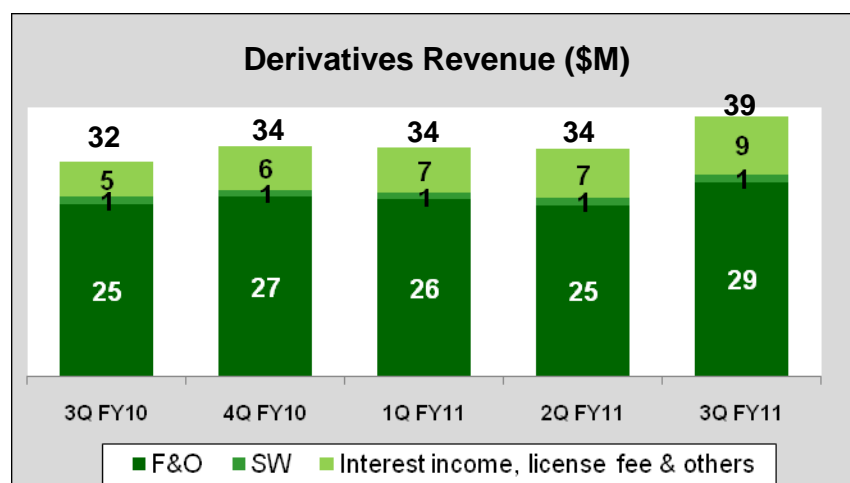
Revenue: \$39M, 23% (\$32M, 21%)

Market Structure

- Reach initiative
- On-demand listing of options strike

Product Development

- Asian Gateway: Nikkei 225, Nifty, FTSE China A50
- OTC Financial Derivatives
- Pipeline
 - Nifty options & metal contracts



[Note: Some numbers may be subject to rounding]

Key drivers	Metrics				
	3Q FY11	2Q FY11	1Q FY11	4Q FY 10	3Q FY10
Daily Average Volume ('000 contracts)	316	248	242	257	235
<i>Nikkei 225 futures (days)</i>	147 (60)	111 (61)	122 (63)	131 (61)	106 (60)
<i>MSCI Taiwan futures (days)</i>	72 (57)	56 (66)	60 (65)	64 (63)	70 (56)
<i>Nifty futures (days)</i>	57 (62)	48 (63)	39 (65)	42 (63)	39 (59)
<i>MSCI SG futures (days)</i>	16 (62)	14 (64)	15 (64)	15 (63)	15 (61)
<i>FTSE China A50, in contracts (days)</i>	11,034 (58)	7,851 (61)	841 (63)	0 (60)	0 (58)
<i>Nikkei options, in contracts (days)</i>	6,265 (60)	7,318 (61)	1,155 (63)	598 (61)	916 (60)
<i>Interest rate futures</i>	3	3	3	3	3
<i>Extended settlement (shares)</i>	24,177	122,953	41,000	47,222	80,705
<i>Structured warrants (\$M)</i>	25	24	19	22	25
Market Share (%)					
<i>Nikkei 225 futures</i>	28	28	27	27	26
<i>MSCI Taiwan futures</i>	24	24	24	22	25
<i>Nifty futures</i>	14	14	13	12	11
HFT (%)	31	29	30	25	26
Commodities (Daily average trading volume, contracts)					
<i>Rubber futures</i>	709	898	827	882	1,009
<i>Gold futures</i>	26	1,935	2,590	5,158	8,530
<i>Fuel Oil futures</i>	34	37	30	24	24
<i>LME-SGX futures (from 15 Feb 11)</i>	1,659	NA	NA	NA	NA
AsiaClear®					
<i>Volume (lots) cleared</i>	42,207	40,873	48,175	31,764	35,782
<i>FFAs</i>	24,813	21,259	27,004	13,420	20,920
<i>Energy swaps</i>	6,118	11,676	11,610	10,615	7,288
<i>Iron Ore swaps</i>	11,121	7,893	9,561	7,729	7,574
Interest rate swaps (in US\$M equivalent)					
<i>Notional value cleared</i>	33,252	3,691	NA	NA	NA

Market Data: Information sales & distribution

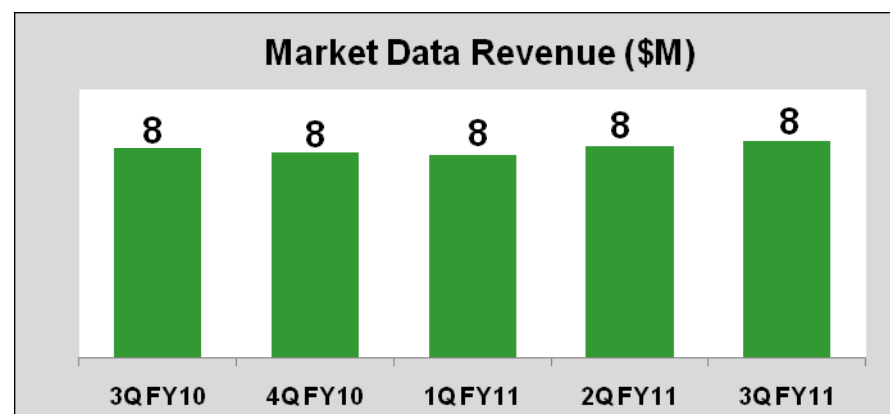
Revenue: \$8M, 5% (\$8M, 5%)

- **Market Structure**
 - Evolving trading strategies: demand for low latency offering

- **Products and Services**
 - Derivatives price feed
 - Commodities quote (Jan 11)
 - SGXNews Lite (Feb 11)
 - Derivatives Quote Level 1 fee revision (Apr 11)
 - Pipeline
 - Non-price market data

Key drivers	Metrics				
	3Q FY11	2Q FY11	1Q FY11	4Q FY10	3Q FY10
Securities Data					
No. of vendors	131	126	122	122	122
No. of terminals (Average)	41,871	39,987	38,449	38,703	40,607

Derivatives Data					
No. of vendors	65	62	58	57	57
No. of terminals (Average)	24,000	23,576	23,810	24,168	24,842



Member Services and Connectivity

Revenue: \$9M, 5% (\$8M, 5%)

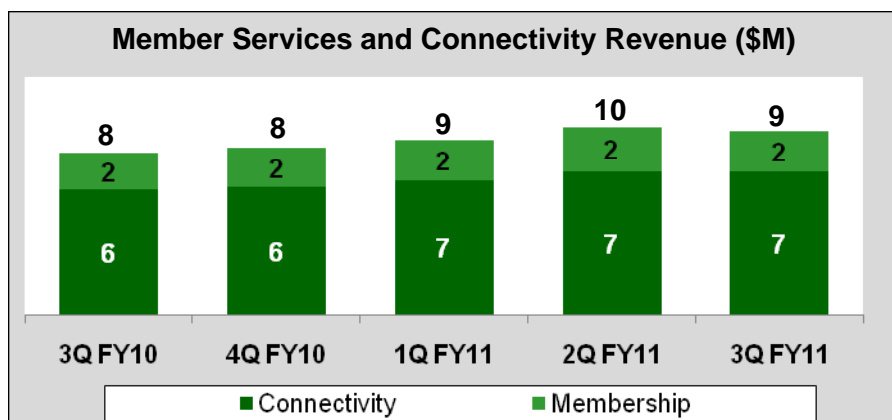
Membership

- New Members



Reach Initiative

- SGX Data Centre: 11 April
- Co-location: 18 April
- SGX Reach: 15 August



Key drivers	Metrics				
	3Q FY11	2Q FY11	1Q FY11	4Q FY10	3Q FY10
Membership					
<i>Securities members</i>					
Trading Representatives	4,277	4,243	4,147	4,095	4,008
Trading Members	30	30	27	26	26
Clearing Members	29	29	27	26	26
<i>Derivatives members</i>					
Trading Member (Individual)	216	216	234	228	214
Trading Member (Proprietary)	250	246	248	242	240
Trading Members	32	30	30	30	30
Clearing Members	36	34	26	26	25
<i>SICOM members</i>					
Trade / Associate Members	72	72	71	67	66
Clearing / Non-Clearing Members: Brokers / Dealers	20	21	21	20	20
<i>AsiaClear®</i>					
No. of counterparties	654	617	561	512	467

Connectivity					
<i>Securities Market</i>					
Connectivity (no.)	93	89	92	88	74
Order Management System (no.)	31	32	32	28	28
Independent software vendor (no.)	10	10	11	11	11
<i>Derivatives Market</i>					
Connectivity (no.)	614	604	579	578	559
Order Management System (no.)	66	60	57	55	53
Independent software vendor (no.)	13	12	11	11	11
Proximity Hosting	18	18	17	17	17

[Note: Some numbers may be subject to rounding]

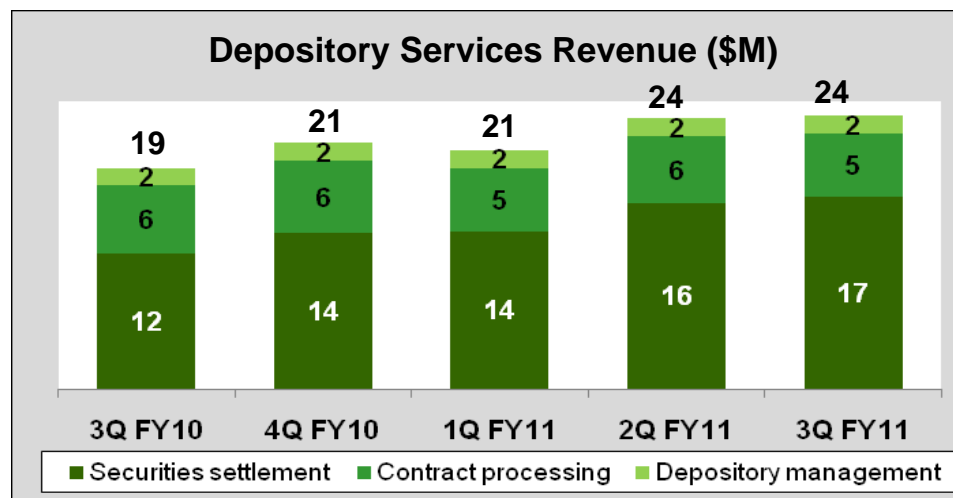
Depository Services: Settlement & Depository

Revenue: \$24M, 14% (\$19M, 12%)

- **Market Structure**
 - Steady increase in institutional volumes

- **Services & Asset Classes**
 - Introduced new interactive voice response system for depository customers
 - Plans in place for enhancing online services, including e-statement

Key drivers	Metrics				
	3Q FY11	2Q FY11	1Q FY11	4Q FY10	3Q FY10
Securities settlement					
No. of settlement instructions ('000)	1,335	1,365	1,169	1,124	1,049
Contracts processing					
Contracts processed ('000)	2,735	3,055	2,848	2,966	3,050
Depository management					
Depository accounts	1.54M	1.53M	1.50M	1.49M	1.48M



[Note: Some numbers may be subject to rounding]

Issuer Services: Listing and related services

Revenue: \$15M, 9% (\$15M, 10%)

Capital Raising

Equity:

- World's 3rd largest capital raising venue
- World's largest IPO: Hutchison



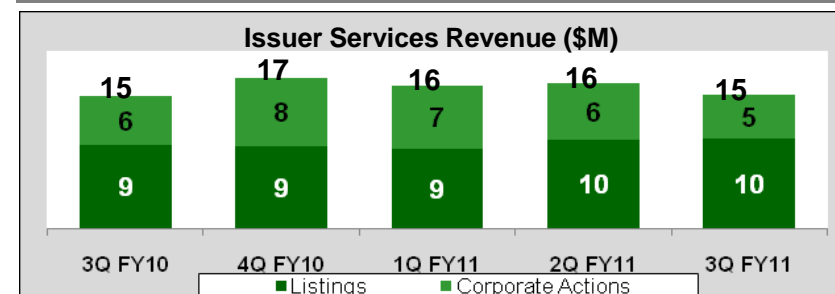
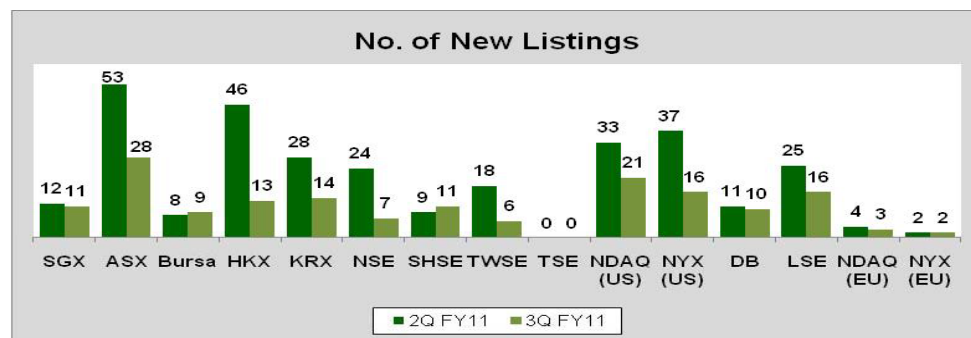
Fixed income: Bonds/Notes



Issuer-related services

NOMX-SGX Collaboration

Key drivers	Metrics				
	3Q FY11	2Q FY11	1Q FY11	4Q FY10	3Q FY10
Listings					
<i>No. of listed issues</i>					
Equity securities	785	782	779	783	782
Debt securities	1,359	1,313	1,258	1,229	1,198
ETFs/ETNs	81	76	75	73	58
Company warrants	79	74	82	80	82
Structured warrants	322	312	234	233	301
<i>Equity Market Capitalisation, S\$B (No. of issuers)</i>	<i>889 (785)</i>	<i>902 (782)</i>	<i>856 (779)</i>	<i>781 (783)</i>	<i>758 (782)</i>
Singapore issuers	463 (463)	474 (461)	461 (457)	428 (460)	435 (461)
Overseas issuers, excluding Chinese issuers	376 (166)	372 (165)	353 (167)	316 (169)	286 (166)
Chinese issuers	50 (156)	55 (156)	41 (155)	36 (154)	38 (155)
<i>New equity listings</i>					
Primary listings: IPOs & RTOs (Market capitalisation, \$M)	9 (11,908)	12 (15,718)	8 (670)	11 (3,758)	6 (1,616)
Secondary listings (Market capitalisation, \$M)	2 (1,711)	0 (-)	0 (-)	1 (27,647)	1 (1,238)
<i>Total Equity Funds Raised (\$M)</i>					
Primary funds raised	7,101	4,937	82	844	522
Secondary funds raised	2,267	2,321	1,386	288	532
<i>New Debt/Fixed Income listings</i>					
Total funds raised (\$M)	31,085	41,623	49,602	17,036	25,958
Corporate actions					
No. of transactions	417	479	553	689	414



(Source: WFE, 2Q FY11 = Oct to Dec 10; 3Q = Jan to Mar 11)

In summary ...

- Beyond ASX-SGX Combination ...
- Multiple growth options
 - Continue to tap opportunities within Asia's growing economies
- Continue building SGX's Asian Gateway
 - Reach initiative: fastest connectivity to Asia
 - 11 April : SGX Data Centre, a world-class facility
 - 18 April : SGX Co-Location Service
 - 15 August : SGX Reach, fastest trading engine (<90 microseconds)
 - Next : Point of presence in 4 global liquidity hubs
 - Developing SGX markets
 - Circuit breakers & pre-trade risk controls
 - A new scalable securities clearing fund structure
 - Extending SGX global reach
 - Expanding membership & distribution network in key centres
 - New products & services
 - Securities, Derivatives & Commodities
 - Clearing services for OTC Commodities & Financial Derivatives



Questions & Answers





Thank You

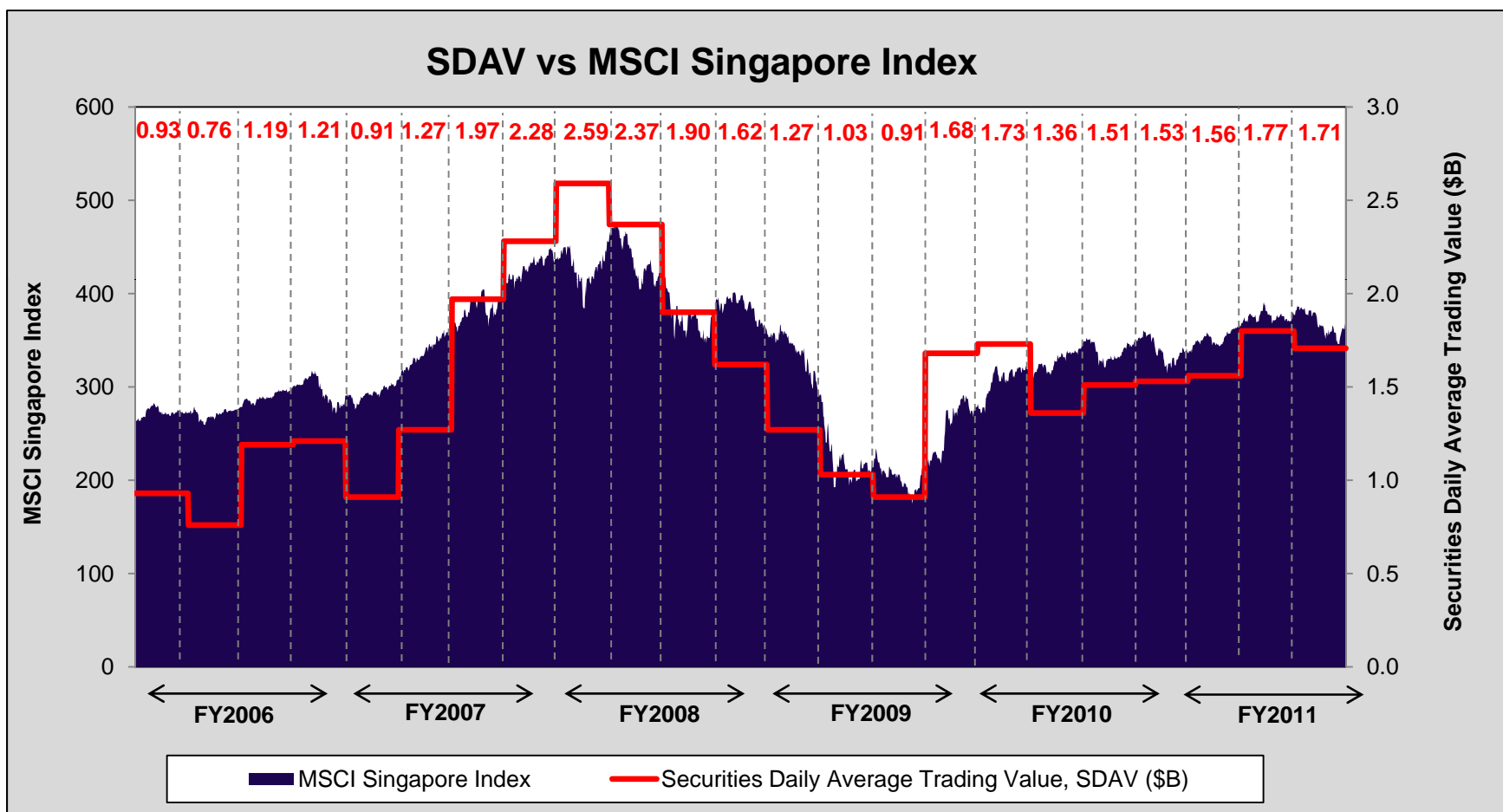




Appendices

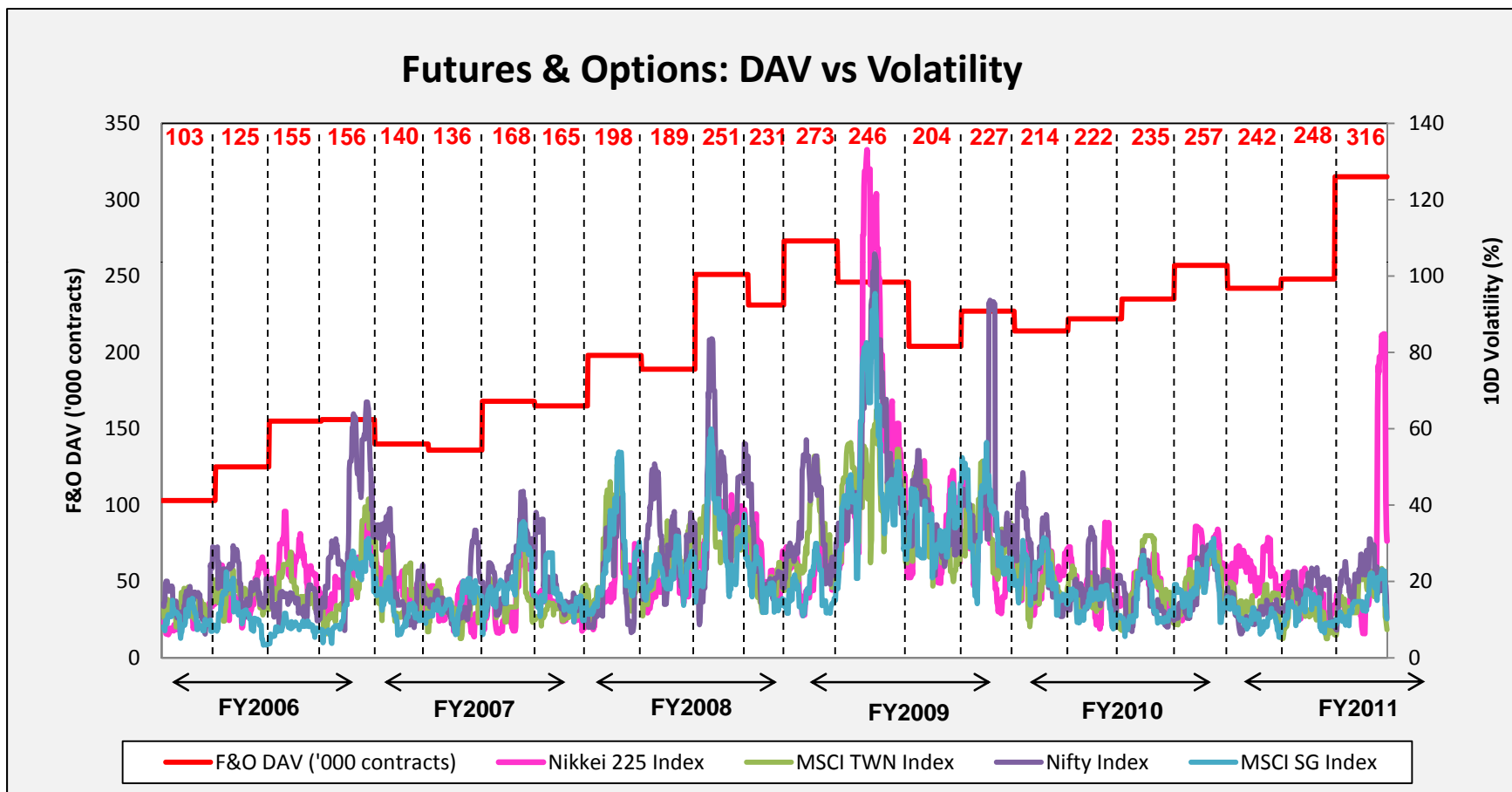


Securities: Trading Value vs MSCI Singapore Index



(Source: Bloomberg)

Futures & Options: Volume & Volatility



(Source: Bloomberg)

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