



**Financial Results  
For the Financial Year Ended  
30 June 2018**

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

## SINGAPORE EXCHANGE

### Financial Results for the Financial Year Ended 30 June 2018

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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 2018. The audit report dated 27 July 2018 on the financial statements of the Company and its subsidiaries for the full year ended 30 June 2018 is attached to this announcement.*

## 1. Performance Summary

### Financial Overview

- Revenue: \$845 million, up 5% from a year earlier
- Operating profit: \$425 million, up 6%
- Net profit: \$363 million, up 7%
- Earnings per share: 33.9 cents, up 7%
- Proposed final dividend: 15 cents per share, and total dividend of 30 cents per share for the year, up by 2 cents

*All figures are for the year except for figures in brackets which are for the year earlier, unless otherwise stated. Some figures may be subject to rounding.*

SGX recorded operating profit of \$424.9 million (\$401.8 million) and a net profit of \$363.2 million (\$339.7 million) in FY2018, with earnings per share of 33.9 cents (31.7 cents). This is the highest net profit in the last 5 years, mainly attributed to the strong performance in our securities and derivatives businesses. The Board of Directors has proposed a final dividend of 15 cents (13 cents) per share, payable on 5 October 2018. This brings total dividend for the year to 30 cents (28 cents) per share, up 2 cents.

Revenue increased \$43.9 million or 5% to \$844.7 million (\$800.8 million). Expenses increased by \$20.8 million or 5% to \$419.8 million (\$399.0 million).

Please refer to the Business Performance and Expenses Overview below for more details.

Cash from operating activities was \$426.8 million (\$377.7 million).

Total equity was \$1,096.2 million (\$1,032.5 million) as of 30 June 2018.

### Dividend

Under the current dividend policy, the Board aims to declare a base dividend of 5 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 cents per share, whichever is higher. The difference between the targeted dividend and the interim base dividend will be declared and paid as final dividend of each financial year.

From FY2019, SGX will pay a dividend 7.5 cents per share per quarter. We aim to pay a sustainable and growing dividend over time, consistent with the company's long-term growth prospects. The new policy will provide flexibility for SGX to balance its dividend payments with the need to retain earnings to support growth. Dividends will be paid on a quarterly basis and will be decided by the Board.

### Business and Expenses Overview

#### Equities & Fixed Income (EFI)

Equities & Fixed Income revenue increased \$2.1 million or 1% to \$406.6 million (\$404.5 million), and accounted for 48% (51%) of total revenue.

#### EFI: Issuer Services

Issuer Services revenue increased \$2.4 million or 3% to \$86.2 million (\$83.8 million), accounting for 10% (10%) of total revenue.

- Listing revenue: \$51.6 million, up 5% from \$49.4 million
- Corporate actions and other revenue: \$34.6 million, unchanged from last year

Listing revenue increased 5% mainly due to higher number of new bond listings. There were 1,154 bond listings raising \$481.9 billion, compared to 819 listings raising \$384.7 billion a year earlier. There were 22 new equity listings which raised \$6.2 billion, compared to 23 new listings raising \$1.3 billion a year earlier. Secondary equity funds raised were \$6.4 billion (\$10.9 billion).

## **EFI: Securities Trading and Clearing**

Securities Trading and Clearing revenue increased \$16.1 million or 8% to \$221.1 million (\$205.0 million) and accounted for 26% (26%) of total revenue.

- Securities Clearing revenue: \$170.9 million, increased 8% from \$158.6 million
- Access revenue: \$40.7 million, up 9% from \$37.2 million
- Collateral management, membership and other revenue: \$9.6 million, up 4% from \$9.2 million

Securities daily average traded value (SDAV) increased 12% to \$1.26 billion (\$1.12 billion) and total traded value increased 12% to \$314.0 billion (\$280.7 billion). This was made up of Equities<sup>1</sup>, where traded value increased by 10% to \$291.3 billion (\$265.0 billion), and Other<sup>2</sup> products where traded value increased 44% to \$22.6 billion (\$15.7 billion). There were 250 (251) trading days in the year.

Average clearing fee for Equities was 2.88 basis points (2.94 basis points), a decrease from a year earlier due to a higher proportion of trading by market makers and liquidity providers. The average clearing fee for Other products was 0.58 basis points (0.72 basis points), a decrease from a year ago due to a higher proportion of lower-yielding structured warrants and daily leveraged certificates traded. Overall turnover velocity for the year was 40% (39%).

**Table 1: Key Metrics for Securities Market**

	<b>FY2018</b>	<b>FY2017</b>	<b>Change</b>
Securities total traded value (\$ billion)	314	281	12%
· <i>Equities</i>	291	265	10%
· <i>Other products</i>	23	16	44%
Period-end total market capitalisation (\$ billion)	991	1,016	-2%
· <i>Primary-listed</i>	648	666	-3%
· <i>Secondary-listed</i>	343	350	-2%
Turnover velocity (primary-listed)	40%	39%	3%
Securities total traded volume (shares in billion)	493	515	-4%

## **EFI: Post Trade Services**

Post Trade Services revenue decreased \$16.4 million or 14% to \$99.3 million (\$115.7 million), accounting for 12% (14%) of total revenue.

- Securities settlement revenue: \$87.6 million, down 8% from \$95.7 million
- Contract processing revenue: \$3.4 million, down 71% from \$11.6 million
- Depository management revenue: \$8.3 million, down 1% from \$8.4 million

Securities settlement revenue decreased 8% due mainly to a change in mix of subsequent settlement instructions.

Contract processing revenue decreased \$8.2 million or 71% to \$3.4 million (\$11.6 million) due to lower number of contracts processed as all brokers migrated to their own back office systems in February 2018.

<sup>1</sup> Equities include ordinary shares, real-estate investment trusts and business trusts

<sup>2</sup> Other products include structured warrants, company warrants, exchange-traded funds, daily leverage certificates, debt securities and American depository receipts

## Derivatives

Derivatives revenue increased \$36.8 million or 12% to \$339.8 million (\$303.1 million), and accounted for 40% (38%) of total revenue.

- Equity and Commodities revenue: \$237.1 million, up 8% from \$220.5 million
- Collateral management, licence, membership and other revenue: \$102.8 million, up 24% from \$82.5 million

Equity and Commodities revenue increased \$16.6 million or 8% as total volumes increased 20% to 198.0 million contracts (165.2 million contracts). The increase in volume was mainly due to higher volumes in our FTSE China A50 Index Futures, Nikkei 225 Index Futures, MSCI Singapore Index Futures, and Nifty 50 Index Futures contracts. Average fee per contract was lower at \$1.06 (\$1.18) mainly due to growth in volumes from trading members.

Collateral management, licence, membership and other revenue increased 24% mainly due to higher collateral management income and increase in licence fees from higher derivatives trading volumes.

**Table 2: Derivatives Volumes ('000)**

	<b>FY2018</b>	<b>FY2017</b>	<b>Change</b>
SGX FTSE China A50 Index futures	74,865	64,133	17%
Japan Nikkei 225 Index futures	23,198	20,742	12%
SGX Nifty 50 Index futures	22,342	20,499	9%
MSCI Taiwan Index futures	19,951	19,074	5%
MSCI Singapore Index futures	10,619	8,625	23%
MSCI Indonesia Index futures	291	268	8%
Japan Nikkei 225 Index options	11,662	5,385	117%
SGX Nifty 50 Index options	432	161	169%
FX futures	14,281	7,163	99%
Iron Ore futures	11,312	12,601	-10%
Rubber futures	1,689	1,563	8%
FFA futures	565	377	50%
Iron Ore swaps	59	160	-63%
Iron Ore options	2,717	2,838	-4%
Others	4,009	1,631	146%
<b>Total</b>	<b>197,991</b>	<b>165,221</b>	<b>20%</b>

## Market Data and Connectivity

Market Data and Connectivity revenue increased \$5.0 million or 5% to \$98.3 million (\$93.2 million), accounting for 12% (12%) of total revenue.

- Market data revenue: \$42.4 million, up 6% from \$39.9 million
- Connectivity revenue: \$55.9 million, up 5% from \$53.3 million

Market data revenue increased 6%, attributed to continued growth in data licences for application systems usage.

Connectivity revenue increased 5%, following continued growth of our colocation services business.

## Expenses Overview

Expenses increased \$20.8 million or 5% to \$419.8 million (\$399.0 million). This increase is mainly due to higher staff costs, technology expenses, and professional fees.

Total staff costs increased \$13.4 million or 8% to \$175.7 million (\$162.3 million). Fixed staff costs increased 4% to \$117.5 million (\$112.8 million) mainly due to annual staff salary increments, and provisions for variable staff costs was higher at \$58.3 million (\$49.5 million). Our average headcount for the year was 792 (794).

Technology expenses increased \$3.1 million or 2% to \$126.9 million (\$123.8 million) mainly due to a 4% increase in system maintenance and rental cost to \$72.7 million (\$70.2 million), partially offset by lower negotiated vendor charges.

Depreciation increased 4% to \$50.2 million (\$48.1 million) with the implementation of new systems, whilst communication charges declined 28% to \$4.0 million (\$5.5 million) due to the absence of one-off data line charges incurred last year.

Processing and royalties increased \$1.1 million or 2% to \$46.3 million (\$45.2 million) following higher royalty payments in line with increased Derivatives volumes, partially offset by lower contract processing costs.

Premises costs increased \$1.7 million or 7% to \$28.3 million (\$26.6 million) due mainly to higher rental and maintenance of premises from the consolidation of Baltic Exchange.

Professional fees increased \$2.7 million or 26% to \$12.8 million (\$10.1 million) mainly due to higher legal fees incurred for the injunction against SGX's new India derivatives products.

Miscellaneous expenses decreased \$3.1 million or 27% to \$8.3 million (\$11.4 million) mainly due to the absence of SGX's contribution to co-fund brokerage firms' implementation of measures recommended by the Securities Industry Working Group, and stamp duty paid relating to the acquisition of Baltic Exchange incurred in FY2017.

Tax expense for the year was \$74.3 million (\$69.2 million). The effective tax rate was 17% (17%).

Technology-related capital expenditure was \$65.1 million (\$66.5 million). These investments were mainly for the ongoing development of our new securities post-trade system, and enhancement of our fixed income trading platform.

## **Regulatory Overview**

We focused during the year on supporting the long-term development of the market, working together with market participants to minimise wrongdoing and taking pro-active actions to encourage higher governance standards.

During the year, we introduced rules enabling the listing of dual class shares companies and a midday break in the securities market.

Our 8 public consultations included proposals to:

- Make securities settlement and clearing safer and globally aligned with a settlement cycle of T+2 days from T+3.
- Streamline the quarterly reporting requirement so as to strike a balance between the costs and benefits of reporting.

Collaborative and pro-active efforts included:

- The SGX Fast Track programme where companies with good governance enjoy faster time-to-market for certain corporate actions.
- The guide on the prevention of insider trading launched jointly with industry associations and market professionals.

We exercised our new regulatory powers with the issuance of 12 Notices of Compliance to errant companies. Two public reprimands were also issued.

## **Commitment to Clearing Funds**

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 \$735 million as of 29 June 2018.

## Outlook

We delivered a strong set of results for FY2018 with the highest net profit in 5 years. All three main businesses achieved higher revenues this year. SDAV was at a 5-year high, while fixed income listings and derivatives trading volumes were at record highs. Our efforts in the past year to grow our asset classes and markets, advance our securities market and optimize resources have contributed to the strong performance.

Looking forward, the prospect of escalating trade tensions and moderating global growth may result in higher market volatility, and in turn, greater demand for risk management solutions. We will continue to support our customers in managing their risks across different asset classes through our suite of products, and introduce new derivatives tools such as FlexC FX futures and enhanced Titan OTC Pro platform in the year ahead. Our FX derivatives business continues to grow strongly and now represents 5% of total financials and commodities derivatives gross revenues. We expect this business to contribute positively to net profit in the next few years.

Cementing our position as a multi-asset exchange remains key to our strategy, together with growing our international presence and widening our partnerships and networks. The introduction of new equities products and services, enhancement of SGX Bond Pro, expansion of our steel value chain and development of new data business capabilities, will all play a part towards fulfilling this strategy in FY2019.

We also see an opportunity to develop a digital marketplace in the global freight industry, building on the strengths of Baltic Exchange and our commodity franchise.

FY2019 operating expenses are expected to be between \$445 million and \$455 million, and technology-related capital expenditure to be between \$60 million and \$65 million.

## 2. Income Statement - Group

4Q			YTD			
FY2018	FY2017	Change		FY2018	FY2017	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
			<b>Operating revenue</b>			
101,485	102,063	(0.6)	<b>Equities and Fixed Income</b>	406,600	404,521	0.5
85,478	82,125	4.1	<b>Derivatives</b>	339,812	303,051	12.1
25,991	23,530	10.5	<b>Market Data and Connectivity</b>	98,266	93,242	5.4
212,954	207,718	2.5	<b>Operating revenue</b>	844,678	800,814	5.5
			<b>Operating expenses</b>			
45,166	41,941	7.7	<b>Staff</b>	175,743	162,340	8.3
33,807	33,517	0.9	<b>Technology</b>	126,922	123,835	2.5
10,985	11,736	(6.4)	<b>Processing and royalties</b>	46,334	45,247	2.4
7,722	7,552	2.3	<b>Premises</b>	28,304	26,571	6.5
7,597	3,511	116.4	<b>Professional fees</b>	12,789	10,131	26.2
9,609	10,093	(4.8)	<b>Others</b>	29,690	30,873	(3.8)
114,886	108,350	6.0	<b>Operating expenses</b>	419,782	398,997	5.2
98,068	99,368	(1.3)	<b>Operating profit</b>	424,896	401,817	5.7
			<b>Other gains/(losses)</b>			
3,327	2,332	42.7	- Other revenue including interest income	10,863	9,789	11.0
179	281	(36.3)	- Net foreign exchange gain/(loss)	443	(173)	NM
-	-	-	- Loss on disposal of available-for-sale financial asset	-	(3,961)	(100.0)
3,506	2,613	34.2	<b>Other gains/(losses)</b>	11,306	5,655	99.9
101,574	101,981	(0.4)	Profit before tax and share of results of associated companies	436,202	407,472	7.1
298	294	1.4	Share of results of associated companies	1,268	1,412	(10.2)
(18,199)	(17,045)	6.8	Tax	(74,270)	(69,192)	7.3
83,673	85,230	(1.8)	<b>Net profit after tax</b>	363,200	339,692	6.9
			<b>Attributable to:</b>			
83,673	85,230	(1.8)	Equity holders of the Company	363,200	339,692	6.9

## 3. Statement of Comprehensive Income - Group

4Q			YTD			
FY2018	FY2017	Change		FY2018	FY2017	Change
S\$'000	S\$'000	%		S\$'000	S\$'000	%
83,673	85,230	(1.8)	Net profit after tax	363,200	339,692	6.9
			<b>Other comprehensive income/(expense):</b>			
			Items that may be reclassified subsequently to profit or loss:			
			<u>Foreign exchange translation</u>			
(3,534)	3,560	NM	- Exchange differences arising during the year	(108)	4,297	NM
			<u>Cash flow hedges</u>			
(1,599)	829	NM	- Fair value (losses)/gains arising during the year	(1,405)	1,069	NM
(443)	100	NM	- Transferred to profit or loss	(1,069)	(2,152)	(50.3)
			<u>Available-for-sale financial assets</u>			
111	-	NM	- Fair value gains/(losses) arising during the year	111	-	NM
(5,465)	4,489	NM	<b>Other comprehensive income/(expense) for the period, net of tax</b>	(2,471)	3,214	NM
78,208	89,719	(12.8)	<b>Total comprehensive income for the period</b>	360,729	342,906	5.2
			<b>Total comprehensive income attributable to:</b>			
78,208	89,719	(12.8)	Equity holders of the Company	360,729	342,906	5.2

NM: Not meaningful



#### 4. Detailed Notes on Revenue - Group

4Q			YTD			
FY2018 S\$'000	FY2017 S\$'000	Change %	FY2018 S\$'000	FY2017 S\$'000	Change %	
<b>Operating revenue</b>						
<b>Equities and Fixed Income</b>						
<b>- Issuer Services</b>						
12,503	12,618	(0.9)	- Listing	51,626	49,385	4.5
10,763	10,799	(0.3)	- Corporate actions and other	34,564	34,413	0.4
23,266	23,417	(0.6)		86,190	83,798	2.9
<b>- Securities Trading and Clearing</b>						
43,560	38,723	12.5	- Securities clearing	170,879	158,626	7.7
10,304	9,331	10.4	- Access	40,657	37,193	9.3
2,540	2,434	4.4	- Collateral management, membership and other	9,589	9,230	3.9
56,404	50,488	11.7		221,125	205,049	7.8
<b>- Post Trade Services</b>						
19,456	23,906	(18.6)	- Securities settlement	87,625	95,684	(8.4)
172	2,246	(92.3)	- Contract processing	3,366	11,570	(70.9)
2,187	2,006	9.0	- Depository management	8,294	8,420	(1.5)
21,815	28,158	(22.5)		99,285	115,674	(14.2)
101,485	102,063	(0.6)		406,600	404,521	0.5
<b>Derivatives</b>						
58,361	58,275	0.1	- Equity and Commodities	237,060	220,510	7.5
27,117	23,850	13.7	- Collateral management, licence, membership and other	102,752	82,541	24.5
85,478	82,125	4.1		339,812	303,051	12.1
<b>Market Data and Connectivity</b>						
11,611	9,828	18.1	- Market data	42,356	39,933	6.1
14,380	13,702	4.9	- Connectivity	55,910	53,309	4.9
25,991	23,530	10.5		98,266	93,242	5.4
212,954	207,718	2.5	<b>Operating revenue</b>	844,678	800,814	5.5

## 5. Detailed Notes on Expenses - Group

4Q			YTD			
FY2018	FY2017	Change	FY2018	FY2017	Change	
S\$'000	S\$'000	%	S\$'000	S\$'000	%	
<b>Operating expenses</b>						
<b>Staff</b>						
30,198	29,068	3.9	- Fixed staff costs	117,461	112,817	4.1
12,347	10,644	16.0	- Variable bonus	47,356	40,870	15.9
2,621	2,229	17.6	- Variable share-based payment	10,926	8,653	26.3
45,166	41,941	7.7		175,743	162,340	8.3
<b>Technology</b>						
19,941	18,927	5.4	- System maintenance and rental	72,737	70,245	3.5
12,758	13,147	(3.0)	- Depreciation and amortisation	50,186	48,051	4.4
1,108	1,443	(23.2)	- Communication charges	3,999	5,539	(27.8)
33,807	33,517	0.9		126,922	123,835	2.5
10,985	11,736	(6.4)	<b>Processing and royalties</b>	46,334	45,247	2.4
<b>Premises</b>						
5,395	5,399	(0.1)	- Rental and maintenance of premises	19,910	18,708	6.4
2,327	2,153	8.1	- Depreciation of furniture and fittings, building and leasehold improvements	8,394	7,863	6.8
7,722	7,552	2.3		28,304	26,571	6.5
7,597	3,511	116.4	<b>Professional fees</b>	12,789	10,131	26.2
<b>Others</b>						
2,506	2,779	(9.8)	- Marketing	5,168	6,405	(19.3)
1,430	1,743	(18.0)	- Travelling	3,592	3,383	6.2
345	350	(1.4)	- Allowance for impairment of trade receivables (net)	1,838	1,591	15.5
366	-	NM	- Net write-off of property, plant and equipment and software	826	51	NM
(103)	-	NM	- Net gain disposal of property, plant and equipment and software	(103)	(122)	(15.6)
850	512	66.0	- Directors' fee	2,744	2,110	30.0
1,302	1,126	15.6	- Regulatory fee	5,065	4,266	18.7
559	557	0.3	- Amortisation of intangible assets	2,244	1,780	26.1
2,354	3,026	(22.2)	- Miscellaneous	8,316	11,409	(27.1)
9,609	10,093	(4.8)		29,690	30,873	(3.8)
114,886	108,350	6.0	<b>Operating expenses</b>	419,782	398,997	5.2

## 6. Earnings Per Share - Group

4Q			YTD	
FY2018	FY2017		FY2018	FY2017
<b>Earnings per ordinary share for the period (cents)</b>				
7.8	8.0	(a) Based on weighted average number of ordinary shares in issue	33.9	31.7
7.8	7.9	(b) On a fully diluted basis	33.8	31.6
1,070,055	1,070,103	Weighted average number of ordinary shares in issue for basic earnings per share ('000)	1,070,534	1,070,443
3,315	3,418	Adjustment for assumed vesting of shares granted under share plans ('000)	3,041	3,202
1,073,370	1,073,521	Weighted average number of ordinary shares for diluted earnings per share ('000)	1,073,575	1,073,645

## 7. Half Yearly Income Statement - Group

	1H		Change %
	FY2018 S\$'000	FY2017 S\$'000	
<b>Operating revenue</b>			
<b>Equities and Fixed Income</b>			
<b>- Issuer Services</b>			
- Listing	25,369	24,208	4.8
- Corporate actions and other	17,030	17,149	(0.7)
	42,399	41,357	2.5
<b>- Securities Trading and Clearing</b>			
- Securities clearing	79,655	77,274	3.1
- Access	18,593	17,451	6.5
- Collateral management, membership and other	4,732	4,496	5.2
	102,980	99,221	3.8
<b>- Post Trade Services</b>			
- Securities settlement	45,333	48,048	(5.7)
- Contract processing	2,539	6,459	(60.7)
- Depository management	3,979	4,292	(7.3)
	51,851	58,799	(11.8)
	197,230	199,377	(1.1)
<b>Derivatives</b>			
- Equity and Commodities	116,077	108,246	7.2
- Collateral management, licence, membership and other	47,805	37,524	27.4
	163,882	145,770	12.4
<b>Market Data and Connectivity</b>			
- Market data	20,752	19,290	7.6
- Connectivity	27,639	25,994	6.3
	48,391	45,284	6.9
<b>Operating revenue</b>	<b>409,503</b>	<b>390,431</b>	<b>4.9</b>
<b>Net profit after tax reported for the first half year</b>	<b>179,058</b>	<b>171,402</b>	<b>4.5</b>

## 7. Half Yearly Income Statement - Group

	2H		Change %
	FY2018 S\$'000	FY2017 S\$'000	
<b>Operating revenue</b>			
<b>Equities and Fixed Income</b>			
<b>- Issuer Services</b>			
- Listing	26,257	25,177	4.3
- Corporate actions and other	17,534	17,264	1.6
	43,791	42,441	3.2
<b>- Securities Trading and Clearing</b>			
- Securities clearing	91,224	81,352	12.1
- Access	22,064	19,742	11.8
- Collateral management, membership and other	4,857	4,734	2.6
	118,145	105,828	11.6
<b>- Post Trade Services</b>			
- Securities settlement	42,292	47,636	(11.2)
- Contract processing	827	5,111	(83.8)
- Depository management	4,315	4,128	4.5
	47,434	56,875	(16.6)
	209,370	205,144	2.1
<b>Derivatives</b>			
- Equity and Commodities	120,983	112,264	7.8
- Collateral management, licence, membership and other	54,947	45,017	22.1
	175,930	157,281	11.9
<b>Market Data and Connectivity</b>			
- Market data	21,604	20,643	4.7
- Connectivity	28,271	27,315	3.5
	49,875	47,958	4.0
<b>Operating revenue</b>	<b>435,175</b>	<b>410,383</b>	<b>6.0</b>
<b>Net profit after tax reported for the second half year</b>	<b>184,142</b>	<b>168,290</b>	<b>9.4</b>

## 8. Statement of Financial Position - Group

	As at	
	30 Jun 2018 S\$'000	30 Jun 2017 S\$'000
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	831,587	796,392
Trade and other receivables	826,786	814,701
Derivative financial instruments	40	1,450
Available-for-sale financial assets	22,003	-
	1,680,416	1,612,543
<b>Non-current assets</b>		
Available-for-sale financial asset	3,648	-
Investment property	26,234	26,193
Property, plant and equipment	71,824	80,421
Software	173,799	159,477
Intangible assets	61,428	63,544
Goodwill	88,628	88,401
Club memberships	333	325
Investments in associated companies	8,628	10,307
	434,522	428,668
<b>Total assets</b>	2,114,938	2,041,211
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	890,662	891,566
Derivative financial instruments	1,967	79
Taxation	82,440	71,398
Provisions	10,963	10,353
	986,032	973,396
<b>Non-current liabilities</b>		
Trade and other payables	-	18
Deferred tax liabilities	32,674	35,264
	32,674	35,282
<b>Total liabilities</b>	1,018,706	1,008,678
<b>Net assets</b>	<b>1,096,232</b>	<b>1,032,533</b>
<b>Equity</b>		
<b>Capital and reserves attributable to the Company's equity holders</b>		
Share capital	429,236	428,031
Treasury shares	(11,363)	(12,561)
Cash flow hedge reserve	(1,405)	1,069
Currency translation reserve	2,864	2,972
Fair value reserve	111	-
Securities clearing fund reserve	25,000	25,000
Derivatives clearing fund reserve	34,021	34,021
Share-based payment reserve	15,875	15,448
Retained profits	441,377	399,460
Proposed dividends	160,516	139,093
<b>Total equity</b>	<b>1,096,232</b>	<b>1,032,533</b>

**9. Net Asset Value - Group**

	As at	
	30 Jun 2018	30 Jun 2017
	S\$	S\$
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period	1.02	0.96

**10. Borrowings and Debt Securities - Group****(a) Aggregate amount of the Group's borrowings and debt securities**

	As at 30 Jun 2018		As at 30 Jun 2017	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured 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	
FY2018	FY2017		FY2018	FY2017
S\$'000	S\$'000		S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
101,574	101,981	Profit before tax and share of results of associated companies	436,202	407,472
Adjustments for:				
15,658	15,857	Depreciation and amortisation	60,838	57,694
2,621	2,229	Variable share-based payment	10,926	8,653
366	-	Net write-off of property, plant and equipment and software	826	51
-	-	Loss on disposal of available-for-sale financial asset	-	3,961
(103)	-	Net gain on disposal of property, plant and equipment and software	(103)	(122)
-	-	Grant income for property, plant and equipment and software	-	(201)
(2,956)	(2,330)	Interest income	(10,021)	(9,387)
(13)	-	Dividend income from available-for-sale financial assets, current	(13)	-
117,147	117,737	<b>Operating cash flow before working capital change</b>	498,655	468,121
Change in working capital				
(3,601)	(1,979)	Cash committed for National Electricity Market of Singapore	(5,921)	(7,846)
340,920	202,734	Trade and other receivables	(13,721)	121,413
(335,823)	(191,224)	Trade and other payables	13,090	(136,849)
118,643	127,268	Cash generated from operations	492,103	444,839
(795)	(332)	Income tax paid	(65,285)	(67,090)
117,848	126,936	<b>Net cash provided by operating activities</b>	426,818	377,749
<b>Cash flows from investing activities</b>				
(15,583)	(18,042)	Purchases of property, plant and equipment and software	(78,559)	(60,126)
(21,869)	-	Purchases of available-for-sale financial assets, current	(21,869)	-
(3,648)	-	Purchases of available-for-sale financial assets, non-current	(3,648)	-
(1,499)	-	Acquisition of interests in associated companies	(1,499)	-
-	-	Acquisition of a subsidiary, net of cash acquired	-	(120,096)
-	-	Dividend payment to the former shareholders of a subsidiary	-	(16,535)
(1)	(38)	Additional contributions to club memberships	(8)	(38)
-	-	Proceeds from disposal of available-for-sale financial assets, non-current	-	40,995
3,094	2,207	Interest received	11,028	7,677
3,072	-	Dividend received from associated company	4,941	-
8	-	Dividend received from available-for-sale assets, current	8	-
-	-	Grant received for property, plant and equipment and software	-	373
103	-	Proceeds from disposal of property, plant and equipment and software	103	172
(36,323)	(15,873)	<b>Net cash used in investing activities</b>	(89,503)	(147,578)
<b>Cash flows from financing activities</b>				
(53,501)	(53,515)	Dividends paid	(299,860)	(299,852)
-	(2,671)	Purchase of treasury shares	(8,192)	(8,638)
(53,501)	(56,186)	<b>Net cash used in financing activities</b>	(308,052)	(308,490)
28,024	54,877	<b>Net increase/(decrease) in cash and cash equivalents held</b>	29,263	(78,319)
521,623	465,356	Cash and cash equivalents at the beginning of the period	520,323	598,083
(50)	90	Effects of currency translation on cash and cash equivalents	11	559
549,597	520,323	<b>Cash and cash equivalents at the end of the period</b>	549,597	520,323
<b>Reconciliation of cash and cash equivalents</b>				
4Q			YTD	
FY2018	FY2017		FY2018	FY2017
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:				
549,597	520,323	Cash and cash equivalents per Statement of Cash Flows	549,597	520,323
Add : Cash committed for				
200,021	200,021	- Singapore Exchange Derivatives Clearing Limited - Derivatives Clearing Fund	200,021	200,021
60,000	60,000	- The Central Depository (Pte) Limited - Securities Clearing Fund	60,000	60,000
21,969	16,048	- National Electricity Market of Singapore	21,969	16,048
831,587	796,392	Cash and cash equivalents per Statement of Financial Position - Group	831,587	796,392

## 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 *	Fair value 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	\$'000	S\$'000
<b>(i) Group - 4Q FY2018</b>											
<b>Balance at 1 April 2018</b>	428,822	(11,959)	637	6,398	-	25,000	34,021	14,251	518,220	-	1,015,390
<b>Changes in equity for the period</b>											
Proposed Dividends											
- FY2018 - Final base and variable dividends	-	-	-	-	-	-	-	-	(160,516)	160,516	-
Employee share plans - Value of employee services	-	-	-	-	-	-	-	2,621	-	-	2,621
Vesting of shares under share-based compensation plans	414	583	-	-	-	-	-	(997)	-	-	-
Tax effect on treasury shares ^^	-	13	-	-	-	-	-	-	-	-	13
	414	596	-	-	-	-	-	1,624	(160,516)	160,516	2,634
Total comprehensive income for the period	-	-	(2,042)	(3,534)	111	-	-	-	83,673	-	78,208
<b>Balance at 30 June 2018</b>	429,236	(11,363)	(1,405)	2,864	111	25,000	34,021	15,875	441,377	160,516	1,096,232
<b>(ii) Group - 4Q FY2017</b>											
<b>Balance at 1 April 2017</b>	428,031	(9,891)	140	(588)	-	25,000	34,021	13,219	453,323	-	943,255
<b>Changes in equity for the period</b>											
Proposed Dividends											
- FY2017 - Final base and variable dividends	-	-	-	-	-	-	-	-	(139,093)	139,093	-
Employee share plans - Value of employee services	-	-	-	-	-	-	-	2,229	-	-	2,229
Purchase of treasury shares	-	(2,671)	-	-	-	-	-	-	-	-	(2,671)
Tax effect on treasury shares ^^	-	1	-	-	-	-	-	-	-	-	1
	-	(2,670)	-	-	-	-	-	2,229	(139,093)	139,093	(441)
Total comprehensive income for the period	-	-	929	3,560	-	-	-	-	85,230	-	89,719
<b>Balance at 30 June 2017</b>	428,031	(12,561)	1,069	2,972	-	25,000	34,021	15,448	399,460	139,093	1,032,533

\* 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 *	Fair value 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	S\$'000
<b>(iii) Group - FY2018</b>											
<b>Balance at 1 July 2017</b>	428,031	(12,561)	1,069	2,972	-	25,000	34,021	15,448	399,460	139,093	1,032,533
<b>Changes in equity for the year</b>											
Dividends paid											
- FY2017 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	(139,093)	(139,093)
- FY2017 - Under provision of final base and variable dividends	-	-	-	-	-	-	-	-	(153)	-	(153)
- FY2018 - Interim base dividends	-	-	-	-	-	-	-	-	(160,614)	-	(160,614)
Proposed dividends											
- FY2018 - Final base and variable dividends	-	-	-	-	-	-	-	-	(160,516)	160,516	-
Employee share plans - Value of employee services	-	-	-	-	-	-	-	10,926	-	-	10,926
Vesting of shares under share-based remuneration plans	1,205	9,294	-	-	-	-	-	(10,499)	-	-	-
Purchase of treasury shares	-	(8,192)	-	-	-	-	-	-	-	-	(8,192)
Tax effect on treasury shares ^^	-	96	-	-	-	-	-	-	-	-	96
	1,205	1,198	-	-	-	-	-	427	(321,283)	21,423	(297,030)
Total comprehensive income for the year	-	-	(2,474)	(108)	111	-	-	-	363,200	-	360,729
<b>Balance at 30 June 2018</b>	429,236	(11,363)	(1,405)	2,864	111	25,000	34,021	15,875	441,377	160,516	1,096,232
<b>(iv) Group - FY2017</b>											
<b>Balance at 1 July 2016</b>	426,445	(12,855)	2,152	(1,325)	-	25,000	34,021	17,430	359,631	139,082	989,581
<b>Changes in equity for the year</b>											
Dividends paid											
- FY2016 - Final base and variable dividends	-	-	-	-	-	-	-	-	-	(139,082)	(139,082)
- FY2016 - Under provision of final base and variable dividends	-	-	-	-	-	-	-	-	(164)	-	(164)
- FY2017 - Interim base dividends	-	-	-	-	-	-	-	-	(160,606)	-	(160,606)
Proposed dividends											
- FY2017 - Final base and variable dividends	-	-	-	-	-	-	-	-	(139,093)	139,093	-
Employee share plans - Value of employee services	-	-	-	-	-	-	-	8,653	-	-	8,653
Vesting of shares under share-based remuneration plans	1,586	9,049	-	-	-	-	-	(10,635)	-	-	-
Purchase of treasury shares	-	(8,638)	-	-	-	-	-	-	-	-	(8,638)
Tax effect on treasury shares ^^	-	(117)	-	-	-	-	-	-	-	-	(117)
	1,586	294	-	-	-	-	-	(1,982)	(299,863)	11	(299,954)
Total comprehensive income for the year	-	-	(1,083)	4,297	-	-	-	-	339,692	-	342,906
<b>Balance at 30 June 2017</b>	428,031	(12,561)	1,069	2,972	-	25,000	34,021	15,448	399,460	139,093	1,032,533

\* 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 FY2018 and 4Q FY2017

4Q FY2018					4Q FY2017					
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
101,485	85,478	25,991	-	212,954	<b>Operating revenue</b>	102,063	82,125	23,530	-	207,718
51,188	33,788	13,092	-	98,068	Operating profit	54,945	31,748	12,675	-	99,368
-	-	-	3,506	3,506	Other gains/(losses)	-	-	-	2,613	2,613
-	-	-	298	298	Share of results of associated companies	-	-	-	294	294
-	-	-	(18,199)	(18,199)	Tax	-	-	-	(17,045)	(17,045)
				83,673	<b>Net profit after tax</b>					85,230
725,711	481,384	41,645	866,198	2,114,938	<b>Segment assets</b>	737,147	457,323	39,717	807,024	2,041,211
-	-	-	8,628	8,628	<b>Segment assets include:</b>	-	-	-	10,307	10,307
					Investments in associated companies					
					Additions to:					
12,789	7,854	2,611	-	23,254	- Property, plant and equipment and software	18,841	7,796	3,146	-	29,783
-	150	-	-	150	- Investment property	-	-	-	-	-
-	-	-	1,499	1,499	- Investments in associated companies	-	-	-	-	-
630,892	253,879	11,003	122,932	1,018,706	<b>Segment liabilities</b>	662,044	222,353	10,426	113,855	1,008,678
					<b>Other information</b>					
7,156	7,268	1,234	-	15,658	Depreciation and amortisation	7,162	7,481	1,214	-	15,857

(ii) Group - FY2018 and FY2017

FY2018					FY2017					
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
406,600	339,812	98,266	-	844,678	<b>Operating revenue</b>	404,521	303,051	93,242	-	800,814
224,166	148,402	52,328	-	424,896	Operating profit	226,575	120,324	54,918	-	401,817
-	-	-	11,306	11,306	Other gains/(losses)	-	-	-	5,655	5,655
-	-	-	1,268	1,268	Share of results of associated companies	-	-	-	1,412	1,412
-	-	-	(74,270)	(74,270)	Tax	-	-	-	(69,192)	(69,192)
				363,200	<b>Net profit after tax</b>					339,692
725,711	481,384	41,645	866,198	2,114,938	<b>Segment assets</b>	737,147	457,323	39,717	807,024	2,041,211
-	-	-	8,628	8,628	<b>Segment assets include:</b>	-	-	-	10,307	10,307
					Investments in associated companies					
					Additions to:					
40,684	18,655	5,572	-	64,911	- Property, plant and equipment and software	39,736	32,195	6,783	-	78,714
-	150	-	-	150	- Investment property	-	25,450	-	-	25,450
-	-	-	-	-	- Intangible asset	-	38,399	-	-	38,399
-	-	-	-	-	- Goodwill	-	76,224	-	-	76,224
-	-	-	2,517	2,517	- Investments in associated companies	-	-	-	-	-
630,892	253,879	11,003	122,932	1,018,706	<b>Segment liabilities</b>	662,044	222,353	10,426	113,855	1,008,678
					<b>Other information</b>					
27,483	28,634	4,721	-	60,838	Depreciation and amortisation	27,512	25,675	4,507	-	57,694

\* The corporate segment is a non-operating segment

## 14 Statement of Financial Position - Company

	As at	
	30 Jun 2018	30 Jun 2017
	S\$'000	S\$'000
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	413,012	393,754
Trade and other receivables	19,313	20,997
Available-for-sale financial assets	22,003	-
	454,328	414,751
<b>Non-current assets</b>		
Property, plant and equipment	42,941	52,962
Software	35,718	37,482
Club memberships	333	325
Investments in subsidiaries	738,840	723,690
Investment in associated company	4,389	4,389
Other receivables	6,104	6,215
	828,325	825,063
<b>Total assets</b>	1,282,653	1,239,814
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	294,021	321,724
Derivative financial instruments	39	-
Taxation	3,896	3,733
Provisions	7,108	7,193
	305,064	332,650
<b>Non-current liabilities</b>		
Deferred tax liabilities	6,712	6,355
	6,712	6,355
<b>Total liabilities</b>	311,776	339,005
<b>Net assets</b>	<b>970,877</b>	<b>900,809</b>
<b>Equity</b>		
<b>Capital and reserves attributable to the Company's equity holders</b>		
Share capital	429,236	428,031
Treasury shares	(11,363)	(12,561)
Cash flow hedge reserve	(32)	-
Fair value reserve	111	-
Share-based payment reserve	15,875	15,448
Retained profits	376,534	330,798
Proposed dividends	160,516	139,093
<b>Total equity</b>	<b>970,877</b>	<b>900,809</b>

## 15. Net Asset Value - Company

	As at	
	30 Jun 2018	30 Jun 2017
	S\$	S\$
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period	0.91	0.84

## 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 *	Fair value reserve *	Share-based payment reserve *	Retained profits	Proposed dividends	
	S\$'000	S\$'000	S\$'000	\$'000	S\$'000	S\$'000	\$'000	
<b>(i) Company - 4Q FY2018</b>								
<b>Balance at 1 April 2018</b>	428,822	(11,959)	-	-	14,251	474,332	-	905,446
<b>Changes in equity for the period</b>								
Proposed dividends								
- FY2018 - Final base and variable dividends	-	-	-	-	-	(160,516)	160,516	-
Employee share plans - Value of employee services	-	-	-	-	2,621	-	-	2,621
Vesting of shares under share-based compensation plans	414	583	-	-	(997)	-	-	-
Tax effect on treasury shares ^^	-	13	-	-	-	-	-	13
	414	596	-	-	1,624	(160,516)	160,516	2,634
Total comprehensive income for the period	-	-	(32)	111	-	62,718	-	62,797
<b>Balance at 30 June 2018</b>	429,236	(11,363)	(32)	111	15,875	376,534	160,516	970,877
<b>(ii) Company - 4Q FY2017</b>								
<b>Balance at 1 April 2017</b>	428,031	(9,891)	-	-	13,219	428,453	-	859,812
<b>Changes in equity for the period</b>								
Proposed dividends								
- FY2017 - Final base and variable dividends	-	-	-	-	-	(139,093)	139,093	-
Employee share plans - Value of employee services	-	-	-	-	2,229	-	-	2,229
Purchase of treasury shares	-	(2,671)	-	-	-	-	-	(2,671)
Tax effect on treasury shares ^^	-	1	-	-	-	-	-	1
	-	(2,670)	-	-	2,229	(139,093)	139,093	(441)
Total comprehensive income for the period	-	-	-	-	-	41,438	-	41,438
<b>Balance at 30 June 2017</b>	428,031	(12,561)	-	-	15,448	330,798	139,093	900,809

\* 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 *	Fair value reserve *	Share-based payment reserve *	Retained profits	Proposed dividends	
	S\$'000	S\$'000	S\$'000	\$'000	S\$'000	S\$'000	S\$'000	
<b>(iii) Company - FY2018</b>								
<b>Balance at 1 July 2017</b>	428,031	(12,561)	-	-	15,448	330,798	139,093	900,809
<b>Changes in equity for the year</b>								
Dividends paid								
- FY2017 - Final base and variable dividends	-	-	-	-	-	-	(139,093)	(139,093)
- FY2017 - Under provision of final base and variable dividends	-	-	-	-	-	(153)	-	(153)
- FY2018 - Interim base dividends	-	-	-	-	-	(160,614)	-	(160,614)
Proposed dividends								
- FY2018- Final base and variable dividends	-	-	-	-	-	(160,516)	160,516	-
Employee share plans - Value of employee services	-	-	-	-	10,926	-	-	10,926
Vesting of shares under share-based remuneration plans	1,205	9,294	-	-	(10,499)	-	-	-
Purchase of treasury shares	-	(8,192)	-	-	-	-	-	(8,192)
Tax effect on treasury shares <sup>^</sup>	-	96	-	-	-	-	-	96
	1,205	1,198	-	-	427	(321,283)	21,423	(297,030)
Total comprehensive income for the year	-	-	(32)	111	-	367,019	-	367,098
<b>Balance at 30 June 2018</b>	429,236	(11,363)	(32)	111	15,875	376,534	160,516	970,877
<b>(iv) Company - FY2017</b>								
<b>Balance at 1 July 2016</b>	426,445	(12,855)	-	-	17,430	243,475	139,082	813,577
<b>Changes in equity for the year</b>								
Dividends paid								
- FY2016 - Final base and variable dividends	-	-	-	-	-	-	(139,082)	(139,082)
- FY2016 - Under provision of final base and variable dividends	-	-	-	-	-	(164)	-	(164)
- FY2017 - Interim base dividends	-	-	-	-	-	(160,606)	-	(160,606)
Proposed dividends								
- FY2017 - Final base and variable dividends	-	-	-	-	-	(139,093)	139,093	-
Employee share plan - Value of employee services	-	-	-	-	8,653	-	-	8,653
Vesting of shares under share-based remuneration plans	1,586	9,049	-	-	(10,635)	-	-	-
Purchase of treasury shares	-	(8,638)	-	-	-	-	-	(8,638)
Tax effect on treasury shares <sup>^</sup>	-	(117)	-	-	-	-	-	(117)
	1,586	294	-	-	(1,982)	(299,863)	11	(299,954)
Total comprehensive income for the year	-	-	-	-	-	387,186	-	387,186
<b>Balance at 30 June 2017</b>	428,031	(12,561)	-	-	15,448	330,798	139,093	900,809

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

<sup>^</sup> 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 2018, the Group had \$406 million (30 June 2017: \$367 million) of bank credit facilities comprising committed unsecured credit lines for prudent risk management and to maintain adequate liquid resources.

### Contingent Liabilities and Other Commitments

- As at 30 June 2018, the Group had contingent liabilities to banks for US\$151 million (30 June 2017: US\$174 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 \$276 million (30 June 2017: \$276 million) for the following:
  - Singapore Exchange Derivatives Clearing Limited - Derivatives Clearing Fund \$200 million (30 June 2017: \$200 million);
  - The Central Depository (Pte) Limited - Securities Clearing Fund \$60 million (30 June 2017: \$60 million); and
  - National Electricity Market of Singapore \$22 million (30 June 2017: \$16 million)

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

## 18. Dividend - Company

### Interim Base Dividends

Name of Dividend	FY2018			FY2017		
	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	5.0 cents per ordinary share	5.0 cents per ordinary share	5.0 cents per ordinary share
Books Closure Date	30 April 2018, 5pm	29 January 2018, 5pm	2 November 2017, 5pm	28 April 2017, 5pm	27 January 2017, 5pm	27 October 2016, 5pm
Date Paid	8 May 2018	5 February 2018	9 November 2017	8 May 2017	6 February 2017	3 November 2016

### Proposed Final Dividends

Name of Dividend	FY2018		FY2017	
	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	5.0 cents per ordinary share	5.0 cents per ordinary share
- Variable	10.0 cents per ordinary share	10.0 cents per ordinary share	8.0 cents per ordinary share	8.0 cents per ordinary share
Books Closure Date	28 September 2018, 5pm	28 September 2018, 5pm	29 September 2017, 5pm	29 September 2017, 5pm
Date Payable/Paid	5 October 2018	5 October 2018	6 October 2017	6 October 2017

### Total Dividends

Total dividends on ordinary shares for the year ended 30 June 2018 and 30 June 2017 were \$321,130,000 and \$299,699,000 respectively.

### Dividend policy with effect from FY2019

SGX aims to pay a sustainable and growing dividend over time, consistent with long term growth prospects. Dividends will be paid on a quarterly basis and will be at the discretion of the Board.

## 19. Share Capital - Company

The total number of issued ordinary shares as at 30 June 2018 was 1,071,642,400 (30 June 2017: 1,071,642,400), of which 1,535,769 (30 June 2017: 1,693,757) were held by the Company as treasury shares.

No shares were purchased by the Company during the three months ended 30 June 2018 (4Q 2017: 360,000 shares by way of on-market purchases at share prices ranging from \$7.37 to \$7.43 totalling \$2.7 million). During the three months ended 30 June 2018, 76,834 shares under the Company's share-based remuneration plans have vested (4Q FY2017: Nil).

For FY2018, the Company purchased 1,097,000 (FY2017: 1,173,700) of its ordinary shares by way of on-market purchases at share prices ranging from \$7.32 to \$7.58 (FY2017: \$7.02 to \$7.61). The total amount paid to purchase the shares was \$11.6 million (FY2017: \$8.6 million). During FY2018, 1,254,988 shares under the Company's share-based remuneration plans have vested (FY2017: 1,264,083).

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

4Q			YTD		
FY2018	FY2017		FY2018	FY2017	
1,612,603	1,333,757	Balance at beginning of period	1,693,757	1,784,140	
-	360,000	Purchase of treasury shares	1,097,000	1,173,700	
(76,834)	-	Shares transferred to employees pursuant to SGX share-based remuneration plans	(1,254,988)	(1,264,083)	
1,535,769	1,693,757	Balance at end of period	1,535,769	1,693,757	

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 remuneration plans.

## 20. Accounting Policies - Group

The same accounting policies and methods of computation as in the FY2017 audited financial statements have been applied for the current reporting period, with the exception of the following amendments to accounting standards that are issued by the Accounting Standards Council and relevant for the Group and are adopted with effect from 1 July 2017.

- Amendments to FRS 7 Statement of Cash Flows: Disclosure initiative
- Amendments to FRS 12 Income Taxes: Recognition of deferred tax assets for unrealised losses
- Amendments to FRS 112 Disclosure of Interests in Other Entities: Clarification of the scope of the Standard

There is no significant impact on the Group's financial statements from the adoption of the above amendments of FRSs.

## 21. Taxation

4Q			YTD		
FY2018	FY2017	Change	FY2018	FY2017	Change
S\$'000	S\$'000	%	S\$'000	S\$'000	%
18,199	17,045	6.8	74,270	69,192	7.3
			Tax		

Tax expense for 4QFY2018 included a \$0.3 million write back of prior years' tax provisions (4Q FY2017: Nil). Tax expense for FY2018 included a \$2.5 million write back of prior years' tax provisions (FY2017: \$0.9 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 2018

## 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 Statement of Comprehensive Income - Group Statement of Financial Position - Group and Company Borrowings and Debt Securities - Group Statement of Cash Flows - Group Statement of Changes in Equity - Group and Company Changes in Share Capital - Company Number of shares that may be issued on conversion of all outstanding convertibles, against total number of issued shares excluding treasury shares and subsidiary holdings at the end of current financial period and at the end of the corresponding period of immediately preceding year Total number of issued shares excluding treasury shares as at the end of the current financial period and immediately preceding year Statement of sales, transfers, disposals, cancellation and/or use of treasury shares and/or use of subsidiary holdings as at the end of the current financial period reported on	2 3 8 and 14 10 11 12 and 16 19 19 19 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 FY2018 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

### Our 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 2018, and of the financial performance and changes in equity of the Group and of 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 the Company comprise:

- the statements of comprehensive income of the Group and of the Company for the year ended 30 June 2018;
- the statements of financial position of the Group and of the Company as at 30 June 2018;
- 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 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*

<b>Materiality</b>	The overall group materiality that we used amounted to \$20 million, being approximately 5% of profit before tax for the financial year ended 30 June 2018. In determining materiality, both quantitative and qualitative factors were considered.
<b>Audit Scope</b>	Audit procedures were performed over the complete financial information of the Company and the subsidiaries that are significant to the Group ("significant components").
<b>Key audit matters</b>	Impairment assessment of goodwill relating to Energy Market Company Pte Ltd ("EMC") and intangible assets relating to EMC and Baltic Exchange Limited ("BEL")

## **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 accompanying 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 of the Group are free from material misstatement. Misstatements may arise due to fraud or error. They 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 of the Group.

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 materiality for the financial statements of the Group as a whole to be \$20 million, being approximately 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 of the Group as a whole, taking into account the structure of the Group, the accounting processes and controls and the industry in which the Group operates. 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 assets, 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 2018. 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 provide a separate opinion on these matters.

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**INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF SINGAPORE EXCHANGE LIMITED**

Key Audit Matter	How our audit addressed the key audit matter
<p data-bbox="236 304 799 416"><u>Impairment assessment of goodwill relating to Energy Market Company Pte Ltd (“EMC”) and intangible assets relating to EMC and Baltic Exchange Limited (“BEL”)</u></p> <p data-bbox="236 450 799 707">As at 30 June 2018, the goodwill and intangible asset (right to operate the Singapore electricity spot market) arising from the acquisition of EMC amounted to \$9,614,000 and \$23,748,000 respectively and they were allocated to EMC Cash Generating Unit (“CGU”). Baltic trade name (“trade name”) arising from the acquisition of BEL amounted to \$37,680,000 at 30 June 2018 and was part of BEL CGU.</p> <p data-bbox="236 741 799 943">Management is required to perform an impairment assessment of goodwill annually and assess whether there is any indication that the intangible assets may be impaired. The recoverable amounts of the CGUs are compared with the carrying amounts of the CGUs to determine whether there is any impairment loss.</p> <p data-bbox="236 976 799 1111">We focused on these areas because of the significant management judgements required in the impairment assessment, including estimating the future cash flows, long term growth rates and discount rate.</p> <p data-bbox="236 1144 799 1256">Refer to Note 3 – Critical accounting estimates and judgements, Note [19] – Intangible assets and Note [20] – Goodwill for disclosures relating to the impairment assessment.</p>	<p data-bbox="823 450 1386 562">We evaluated the reasonableness of management’s estimate of future cash flows by taking into consideration the past performance and market developments.</p> <p data-bbox="823 595 1386 707">With the assistance of our valuation specialists, we assessed the reasonableness of the rates used by management, i.e. long term growth rate and discount rate.</p> <p data-bbox="823 741 1386 797">We found the estimate of future cash flows and the rates used to be reasonable.</p> <p data-bbox="823 831 1386 999">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 reasonable changes in these rates did not result in impairment loss.</p>

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

### **Other Information**

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

### **Responsibilities of Management and Directors for the Financial Statements**

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 FRSSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or 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.

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

### Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 the 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 of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 the 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.

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

**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).

A handwritten signature in black ink, appearing to read "PricewaterhouseCoopers", written in a cursive style.

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants

Singapore, 27 July 2018

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