



Financial Statements for the Quarter Ended 31 December 2007

The financial information set out in Sections 3 to 10, 11(iv), 12, 14 and 15 of this announcement have been extracted from the interim financial report that has been prepared in accordance with Singapore Financial Reporting Standard 34 *Interim Financial Reporting*.

Following is the content of the financial statements:

| Section | Entity | Content |
|----------------|-------------------|--------------------------------|
| 1 | Group | CEO's Statement |
| 2 | Group | Financial Highlights |
| 3 | Group | Statement of Profit and Loss |
| 4 | Group | Earnings Per Share |
| 5 | Company | Statement of Profit and Loss |
| 6 | Group and Company | Balance Sheets |
| 7 | Group and Company | Net Asset Value |
| 8 | Group | Borrowings and Debt Securities |
| 9 | Group | Statement of Cash Flow |
| 10 | Group and Company | Statement of Changes in Equity |
| 11 | Group | Review of the Performance |
| 12 | Group | Segment Information |
| 13 | Company | Dividend |
| 14 | Company | Share Capital |
| 15 | Group | Accounting Policies |

1. CEO's statement

SGX Group announced a 61.4% increase in its half-year profit to \$252.4 million (1H FY2007: \$156.4 million), which excludes the non-recurring \$34 million distribution from SGX-DT Compensation Fund upon its expiry on 24 November 2007. In line with consultations with the public and our regulators, the latter was transferred to the Derivatives clearing fund reserve.

The directors are pleased to declare a base dividend of 3.0 cents per share on tax exempt one-tier basis for 2Q FY2008, in line with the dividend policy. The \$34 million that has been transferred to the Derivatives clearing fund reserve will not be available for distribution as dividends.

Financials

Operating revenue in 1H FY2008 jumped 85.0% to \$423.2 million (1H FY2007: \$228.7 million) with all revenue streams registering robust growth. The largest contributor is the securities market revenue, which rose 133.5% to \$263.1 million (1H FY2007: \$112.7 million). Net derivatives revenue increased 39.8% to \$75.9 million (1H FY2007: \$54.2 million), driven by higher futures trading and structured warrants activity. Stable revenue increased 36.3% to \$84.2 million (1H FY2007: \$61.8 million), largely contributed by fees received from more listings and corporate actions.

Operating expenses grew 25.8% to \$119.0 million (1H FY2007: \$94.6 million). The increase was due to variable bonus provision, rental expenses on SGX Centre from June 2007 following its sale and leaseback, and higher staff salaries.

SGX commenced liquidation of its investments in market neutral funds in 1Q FY2008 and the portfolio has been fully liquidated. The estimated loss is approximately \$2.4 million for 1H FY2008. Since the inception of the portfolio in 2004, the cumulative net gain is approximately \$10.7 million, or 3.2% on an annualised basis.

Securities Market

Daily average trading value in 1H FY2008 climbed 127.5% to \$2.5 billion (1H FY2007: \$1.1 billion) while the annualised trading velocity rose to 80% (1H FY2007: 52%).

There were 44 new listings¹ in 1H FY2008 (1H FY2007: 28 listings) with a total market capitalisation of \$14.7 billion (1H FY2007: \$13.0 billion), raising \$4.9 billion (1H FY2007: \$3.9 billion). Of the new listings, 32 were foreign (1H FY2007: 22 foreign new listings) with a total market capitalisation of \$11.7 billion (1H FY2007: \$10.8 billion).

Our REITs sector was bolstered by the listing of SGX's first Japanese REIT, bringing the total market capitalisation of the 19 REITs to \$26.7 billion (1H FY2007: \$22.9 billion). We also expanded our product suite by listing another infrastructure business trust, a water trust, and added five Global Depository Receipts in the last quarter.

The launch of Catalyst, a sponsor-supervised listing platform for fast growing companies, marks an important milestone for SGX. Catalyst's distinctive regulatory regime offers companies a faster and simpler way of raising capital. We plan to announce the list of sponsors in the next few weeks.

¹ Includes 42 Initial Public Offerings (IPOs) and 2 Reverse Takeovers (RTOs).

We reduced the minimum bid sizes last month to improve trading efficiency and market liquidity. The recently revamped STI and new indices should stimulate the development of more index-related products. These, together with the planned introduction of our new trading engine in July 2008, will help set the stage for more algorithmic trading in our market.

Derivatives Market

Futures trading volume rose 39.3% to 24.2 million contracts (1H FY2007: 17.4 million contracts) with strong growth across our main Asian equity futures products. In particular, the CNX Nifty contract increased 182.6% to 1.0 million contracts (1H FY2007: 0.4 million contracts) coinciding with regulatory changes in India. The MSCI Singapore futures contract also performed well, with trading volume increasing 99.1% to 2.3 million contracts (1H FY2007: 1.2 million contracts). On the product front, we added the Mini Nikkei 225 Futures and reduced contract sizes for the CNX Nifty and FTSE Xinhua China A50 Index Futures.

Structured warrants remained popular with trading values increasing 115.1% to \$17.4 billion (1H FY2007: \$8.1 billion). Specifically, the trading value of structured warrants on local indices grew 567.4% to \$2.9 billion (1H FY2007: \$0.4 billion).

To expand our distribution network, we welcomed our first bank Clearing Member, following rule changes made last August to admit banks as Derivatives Clearing Members.

Post-Trade Processing Hub

SGX AsiaClear's OTC commodities clearing continued to gain momentum. In addition to clearing US\$3.4 billion worth of trades (1H FY2007: US\$228.1 million), it expanded its trading and clearing network to over 150 counterparty accounts.

Technology

We made steady progress on various technology initiatives.

Member firms have started to roll out the GL Trade Order Management System and the existing SESOPS trading terminals will be phased out by March 2008. This will pave the way for the planned introduction of a new trading engine by July 2008. We will also be launching an enhanced derivatives data feed in the next few weeks.

SGX has signed an agreement with OMX to put in place a new clearing system by second half of 2009. This will enable us to clear a wider range of products and offer new clearing services.

Mr Bob Caisley joins us from Australian Securities Exchange (ASX) as Executive Vice President and Chief Information Officer. With over 25 years of experience in IT project management and operations, he will further strengthen our technology team.

Regulation and Risk Management

To improve market efficiency and disclosure, we revised our listing rules in December 2007. The main amendments include shortening the duration for trading halt, allowing continued trading of cash companies subject to safeguards and requiring shareholders' approval for change of auditors.

In the area of market transparency, we also introduced a "Watchlist", effective on 1 March 2008, that tracks Mainboard companies with more than three consecutive years of losses and less than \$40 million in market capitalisation.

Other Developments

We have agreed in-principle to acquire a 20% stake in Philippine Dealing System Holdings Corp for approximately \$5 million. This will allow us to expand into a new geographical market, and collaborate on derivatives products and depository linkages, reinforcing our Asian Gateway strategy.

In November 2007, we bought over the other 50% of our Joint Asian Derivatives Exchange (JADE) joint venture from CME Group. This enabled us to migrate the commodity products from an external trading platform to our SGX Quest trading engine, and allow us to further develop the commodities business in-house.

2. Financial Highlights - Group

| 2Q | | | | Half Year | | | Key Variances |
|-----|---------|---------|--|-----------|---------|---------|---|
| *** | FY 2008 | FY 2007 | | *** | FY 2008 | FY 2007 | |
| | | | Key Results (in S\$ million) | | | | |
| ↑ | 122.0 | 64.1 | Securities market revenue | ↑ | 263.1 | 112.7 | <i>Resulting from 85.8% and 127.5% increase in securities trading value in 2Q and 1H FY2008 respectively.</i> |
| ↑ | 38.6 | 27.5 | Net derivatives clearing revenue | ↑ | 75.9 | 54.2 | <i>Reflecting a 40.3% and 39.3% increase in futures trading volume in 2Q and 1H FY2008 respectively and higher income from margin deposits.</i> |
| ↑ | 43.0 | 33.3 | Stable revenue | ↑ | 84.2 | 61.8 | <i>Due to higher listing fees, account maintenance and corporate action, terminal & connection fees and price information income.</i> |
| ↑ | 203.6 | 124.9 | Operating revenue | ↑ | 423.2 | 228.7 | |
| ↑ | 60.8 | 48.5 | Operating expenses | ↑ | 119.0 | 94.6 | <i>Increase is mainly from higher variable bonus provision, rental of premises, staff costs as well as cost of processing and royalties.</i> |
| ↑ | 142.8 | 76.4 | Profit from operating activities | ↑ | 304.2 | 134.1 | |
| ↓ | 40.4 | 49.6 | Other gains/(losses) | ↓ | 39.5 | 52.6 | <i>Decrease mainly due to the \$45 million write back of allowance for impairment on SGX Centre made in 2Q FY2007 offset by the \$34 million distribution from SGX-DT Compensation Fund in 2Q FY2008.</i> |
| ↑ | 149.2 | 81.0 | Profit before tax | ↑ | 309.7 | 141.7 | |
| ↑ | 183.2 | 126.0 | - before distribution from SGX-DT Compensation Fund and write back of allowance for impairment* | ↑ | 343.7 | 186.7 | |
| ↑ | 122.4 | 63.7 | Profit attributable to equity holders | ↑ | 252.4 | 111.4 | |
| ↑ | 156.4 | 108.7 | - before distribution from SGX-DT Compensation Fund and write back of allowance for impairment* | ↑ | 286.4 | 156.4 | |
| ↑ | 725.1 | 572.6 | Interest of equity holders as at 31 December 2007 and 31 December 2006 (in S\$ million) | ↑ | 725.1 | 572.6 | |
| | | | Segment Revenue (in S\$ million) | | | | |
| ↑ | 153.5 | 87.3 | Securities market | ↑ | 324.9 | 155.5 | <i>Driven by increase in securities trading turnover and related income.</i> |
| ↑ | 49.8 | 37.2 | Derivatives market | ↑ | 97.7 | 72.5 | <i>Reflecting higher futures clearing and structured warrants income.</i> |
| ↓ | 0.2 | 0.4 | Other operations | ↓ | 0.6 | 0.7 | |
| | | | Key ratios | | | | |
| ↑ | 63.1% | 42.9% | Revenue growth | ↑ | 85.0% | 28.8% | |
| ↓ | 29.8% | 38.8% | Cost to income ratio | ↓ | 28.1% | 41.4% | <i>Lower cost/income ratio is due to significantly improved revenue.</i> |
| ↑ | 70.1% | 61.2% | Operating profit margin | ↑ | 71.9% | 58.6% | |
| ↑ | 58.3% | 49.2% | Net profit margin ⁽¹⁾ | ↑ | 58.9% | 47.1% | |
| ↑ | 16.9% | 11.1% | Return on shareholders' equity for quarter/ half year ended 31 December 2007 and 31 December 2006 ⁽¹⁾ | ↑ | 34.8% | 19.4% | <i>The return on shareholders' equity is unannualised and based on the reporting period for the quarter/ half year.</i> |

(1) Excludes distribution from SGX-DT Compensation Fund and write back of allowance for impairment on SGX Centre.

* Relates to \$34 million distribution from SGX-DT Compensation Fund and \$45 million write back of allowance for impairment on SGX Centre.

*** ↑ and ↓ represent an increase and decrease respectively, compared to the previous corresponding period.

2. Financial Highlights - Group (cont'd)

| 2Q | | | | Half Year | | | Key Variances |
|-----|---------|---------|---|-----------|---------|---------|---|
| *** | FY 2008 | FY 2007 | | *** | FY 2008 | FY 2007 | |
| | | | Key cash flows (in S\$ million) | | | | |
| ↑ | 149.8 | 56.1 | Cash from operating activities | ↑ | 274.1 | 109.4 | <i>Improved profitability in 2Q and 1H FY2008.</i> |
| ↑ | 8.5 | 2.5 | Payment for capital expenditure | ↑ | 14.6 | 4.4 | <i>Payment for software on technology related projects in 2Q and 1H FY2008.</i> |
| | | | Key per share data (in cents) | | | | |
| ↑ | 11.54 | 6.05 | Basic earnings per ordinary share - before distribution from SGX-DT Compensation Fund and write back of allowance for impairment* | ↑ | 23.81 | 10.58 | |
| ↑ | 14.75 | 10.32 | - after distribution from SGX-DT Compensation Fund and write back of allowance for impairment* | ↑ | 27.02 | 14.86 | |
| ↑ | 11.42 | 5.98 | Diluted earnings per ordinary share - before distribution from SGX-DT Compensation Fund and write back of allowance for impairment* | ↑ | 23.58 | 10.48 | |
| ↑ | 14.59 | 10.21 | - after distribution from SGX-DT Compensation Fund and write back of allowance for impairment* | ↑ | 26.75 | 14.72 | |
| ↑ | 68.11 | 54.25 | Net asset value per ordinary share as at 31 December 2007 and 31 December 2006 | ↑ | 68.11 | 54.25 | |
| | | | Dividend per share (in cents) | | | | |
| ↑ | 3.00 | 2.00 | Interim - base (tax exempt one-tier) | ↑ | 6.00 | 4.00 | <i>Increase in base dividend from FY2008.</i> |

* Relates to \$34 million distribution from SGX-DT Compensation Fund and \$45 million write back of allowance for impairment on SGX Centre.

*** ↑ and ↓ represent an increase and decrease respectively, compared to the previous corresponding period.

3. Statement of Profit and Loss - Group

| 3 months | | | | Half Year | | |
|------------------------------|------------------------------|---------|--|------------------------------|------------------------------|---------|
| 1 Oct 2007 to 31 Dec 2007 | 1 Oct 2006 to 31 Dec 2006 | Change | | 1 Jul 2007 to 31 Dec 2007 | 1 Jul 2006 to 31 Dec 2006 | Change |
| S\$'000 | S\$'000 | % | | S\$'000 | S\$'000 | % |
| | | | Securities market revenue | | | |
| 83,121 | 41,934 | 98.2 | - Securities clearing fees | 178,413 | 73,907 | 141.4 |
| 16,926 | 10,333 | 63.8 | - Securities related processing fees | 37,420 | 18,546 | 101.8 |
| 21,910 | 11,797 | 85.7 | - Access fees | 47,270 | 20,234 | 133.6 |
| 121,957 | 64,064 | 90.4 | | 263,103 | 112,687 | 133.5 |
| 38,578 | 27,483 | 40.4 | Net derivatives clearing revenue | 75,888 | 54,268 | 39.8 |
| | | | Stable revenue * | | | |
| 11,115 | 9,143 | 21.6 | - Account maintenance and corporate action fees | 21,839 | 15,510 | 40.8 |
| 6,424 | 3,790 | 69.5 | - Terminal and connection fees | 11,963 | 7,978 | 49.9 |
| 11,335 | 7,452 | 52.1 | - Listing fees | 20,849 | 13,064 | 59.6 |
| 2,418 | 1,739 | 39.0 | - Membership fees | 4,473 | 3,482 | 28.5 |
| 6,655 | 5,859 | 13.6 | - Price information fees | 14,189 | 11,149 | 27.3 |
| 2,857 | 2,457 | 16.3 | - Sale of software and other computer services | 5,879 | 4,898 | 20.0 |
| 2,205 | 2,873 | (23.3) | - Others | 5,037 | 5,709 | (11.8) |
| 43,009 | 33,313 | 29.1 | | 84,229 | 61,790 | 36.3 |
| 203,544 | 124,860 | 63.0 | Total operating revenue | 423,220 | 228,745 | 85.0 |
| | | | Operating expenses | | | |
| 15,034 | 12,682 | 18.5 | - Staff costs (excluding variable bonus) | 29,718 | 24,850 | 19.6 |
| 2,575 | 2,083 | 23.6 | - Share-based payment expense | 4,035 | 4,000 | 0.9 |
| 14,019 | 10,299 | 36.1 | - Variable bonus (including CPF) | 27,654 | 18,109 | 52.7 |
| 4,144 | 1,286 | 222.2 | - Rental and maintenance of premises | 8,278 | 2,859 | 189.5 |
| 9,594 | 7,438 | 29.0 | - System maintenance and rental | 18,083 | 16,338 | 10.7 |
| 3,074 | 3,574 | (14.0) | - Depreciation and amortisation | 6,744 | 7,467 | (9.7) |
| 2,250 | 2,921 | (23.0) | - Professional charges | 4,997 | 5,503 | (9.2) |
| 1,572 | 1,980 | (20.6) | - Marketing and travelling | 2,825 | 3,033 | (6.9) |
| 948 | 595 | 59.3 | - Communication charges | 1,749 | 1,414 | 23.7 |
| 575 | 575 | - | - Fees to MAS for transfer of participant supervision function | 1,150 | 1,150 | - |
| (47) | (251) | (81.3) | - Allowance/(reversal) for impairment of trade receivables (net) | (46) | (342) | (86.5) |
| 281 | 159 | 76.7 | - Net foreign exchange loss/(gain) | 206 | 167 | 23.4 |
| - | 2 | (100.0) | - Net (gain)/loss on disposal of property, plant and equipment and software | - | 1 | (100.0) |
| 5,134 | 3,909 | 31.3 | - Cost for processing and royalties | 10,827 | 7,820 | 38.5 |
| 1,629 | 1,213 | 34.3 | - Others | 2,828 | 2,289 | 23.5 |
| 60,782 | 48,465 | 25.4 | Total operating expenses | 119,048 | 94,658 | 25.8 |
| 142,762 | 76,395 | 86.9 | Profit/(loss) from operating activities | 304,172 | 134,087 | 126.8 |
| | | | Other gains/(losses) | | | |
| 1,870 | 3,150 | (40.6) | - Gains/(losses) on financial assets at fair value through profit or loss | (2,429) | 4,028 | NM |
| 4,538 | 1,466 | 209.5 | - Other revenue including interest income | 7,887 | 3,565 | 121.2 |
| - | 45,000 | (100.0) | - Write back of allowance for impairment on SGX Centre | - | 45,000 | (100.0) |
| 34,021 | - | NM | - Distribution from SGX-DT Compensation Fund upon its expiry | 34,021 | - | NM |
| 183,191 | 126,011 | 45.4 | Profit/(loss) before tax and share of results of joint ventures and associated company | 343,651 | 186,680 | 84.1 |
| (97) | (713) | (86.4) | Share of results of joint ventures and associated company | (539) | (1,462) | (63.1) |
| (26,656) | (16,591) | 60.7 | Tax ** | (56,693) | (28,855) | 96.5 |
| 156,438 | 108,707 | 43.9 | Net profit after tax *** | 286,419 | 156,363 | 83.2 |
| | | | Attributable to: | | | |
| 156,438 | 108,707 | 43.9 | Equity holders of the Company | 286,419 | 156,363 | 83.2 |

NM: Not meaningful.

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

** Distribution from SGX-DT Compensation Fund is not subject to tax.

*** The net profit after tax excluding the \$34.0 million distribution from SGX-DT Compensation Fund will be as follows:

2Q FY2008: \$122.4 million

1H FY2008: \$252.4 million

4. Earnings Per Share - Group

| 3 Months | | | Half Year | |
|------------------------------|------------------------------|---|------------------------------|------------------------------|
| 1 Oct 2007 to 31 Dec 2007 | 1 Oct 2006 to 31 Dec 2006 | | 1 Jul 2007 to 31 Dec 2007 | 1 Jul 2006 to 31 Dec 2006 |
| Cents | Cents | Earnings per ordinary share for the period based on net profit attributable to equity holders | Cents | Cents |
| 11.54 | 6.05 | (a) Based on weighted average number of ordinary shares in issue - before distribution from SGX-DT Compensation Fund and write back of allowance for impairment* | 23.81 | 10.58 |
| 14.75 | 10.32 | - after distribution from SGX-DT Compensation Fund and write back of allowance for impairment* | 27.02 | 14.86 |
| 11.42 | 5.98 | (b) On a fully diluted basis - before distribution from SGX-DT Compensation Fund and write back of allowance for impairment* | 23.58 | 10.48 |
| 14.59 | 10.21 | - after distribution from SGX-DT Compensation Fund and write back of allowance for impairment* | 26.75 | 14.72 |
| 1,060,665 | 1,053,815 | Weighted average number of ordinary shares in issue for basic earnings per share ('000) | 1,059,988 | 1,052,219 |
| 11,283 | 10,952 | Adjustment for assumed exercise of share options ('000) | 10,596 | 10,301 |
| 1,071,948 | 1,064,767 | Weighted average number of ordinary shares for diluted earnings per share ('000) | 1,070,584 | 1,062,520 |

* Relates to \$34 million distribution from SGX-DT Compensation Fund and \$45 million write back of allowance for impairment on SGX Centre.

5. Statement of Profit and Loss - Company

| 3 months | | | | Half Year | | |
|------------------------------|------------------------------|---------|---|------------------------------|------------------------------|--------|
| 1 Oct 2007 to 31 Dec 2007 | 1 Oct 2006 to 31 Dec 2006 | Change | | 1 Jul 2007 to 31 Dec 2007 | 1 Jul 2006 to 31 Dec 2006 | Change |
| S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % | |
| | | | | | | |
| | | | Operating revenue | | | |
| 29,905 | 22,961 | 30.2 | - Management fees from subsidiaries | 56,091 | 46,953 19.5 | |
| 123,000 | 60,250 | 104.1 | - Dividends from subsidiaries | 229,990 | 109,250 110.5 | |
| | | | Securities market revenue | | | |
| 3,451 | 2,314 | 49.1 | - Securities related processing fees | 7,819 | 4,035 93.8 | |
| | | | Stable revenue * | | | |
| 482 | 295 | 63.4 | - Account maintenance and corporate action fees | 1,017 | 513 98.2 | |
| 657 | 624 | 5.3 | - Sale of software and other computer services | 1,341 | 1,107 21.1 | |
| 180 | 336 | (46.4) | - Others | 553 | 637 (13.2) | |
| 1,319 | 1,255 | 5.1 | | 2,911 | 2,257 29.0 | |
| | | | | | | |
| 157,675 | 86,780 | 81.7 | Total operating revenue | 296,811 | 162,495 82.7 | |
| | | | Operating expenses | | | |
| 10,807 | 8,523 | 26.8 | - Staff costs (excluding variable bonus) | 21,504 | 16,923 27.1 | |
| 2,575 | 2,083 | 23.6 | - Share-based payment expense | 4,035 | 4,000 0.9 | |
| 9,405 | 8,173 | 15.1 | - Variable bonus (including CPF) | 17,567 | 13,879 26.6 | |
| 2,285 | 1,108 | 106.2 | - Rental and maintenance of premises | 5,490 | 2,495 120.0 | |
| 2,607 | 1,091 | 139.0 | - System maintenance and rental | 4,417 | 2,477 78.3 | |
| 645 | 1,312 | (50.8) | - Depreciation and amortisation | 1,803 | 3,050 (40.9) | |
| 1,309 | 1,010 | 29.6 | - Professional charges | 2,502 | 2,330 7.4 | |
| 579 | 657 | (11.9) | - Marketing and travelling | 1,203 | 1,166 3.2 | |
| 690 | 264 | 161.4 | - Communication charges | 1,262 | 820 53.9 | |
| 575 | 575 | - | - Fees to MAS for transfer of participant supervision function | 1,150 | 1,150 - | |
| 72 | (7) | NM | - Allowance/(reversal) for impairment of trade receivables (net) | 80 | (6) NM | |
| (41) | 10 | NM | - Net foreign exchange loss/(gain) | (34) | 17 NM | |
| - | 2 | (100.0) | - Net (gain)/loss on disposal of property, plant and equipment and software | - | 1 (100.0) | |
| 599 | 299 | 100.3 | - Cost for processing and royalties | 1,027 | 657 56.3 | |
| 1,325 | 1,378 | (3.8) | - Others | 2,145 | 2,370 (9.5) | |
| 33,432 | 26,478 | 26.3 | Total operating expenses | 64,151 | 51,329 25.0 | |
| 124,243 | 60,302 | 106.0 | Profit/(loss) from operating activities | 232,660 | 111,166 109.3 | |
| | | | Other gains/(losses) | | | |
| (8,000) | - | NM | - Impairment loss on subsidiary # | (8,000) | - NM | |
| 6,598 | 5,174 | 27.5 | - Other revenue including interest income | 10,381 | 5,696 82.3 | |
| 122,841 | 65,476 | 87.6 | Profit/(loss) before tax | 235,041 | 116,862 101.1 | |
| (737) | (2,693) | (72.6) | Tax ** | (2,449) | (5,394) (54.6) | |
| 122,104 | 62,783 | 94.5 | Profit/(loss) attributable to equity holders of the company | 232,592 | 111,468 108.7 | |

NM: Not meaningful.

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

The impairment loss is due to the Company's investment in SGX Investment (Mauritius) Limited, which is denominated in USD and fully hedged since inception. As the USD has declined since the original investment date and the cost of investment in subsidiary is recognised at cost in the Company's financials, the Company has recognised an impairment loss. This has no impact on the Group's results.

** Lower effective tax rate is mainly due to one-tier dividend income from subsidiaries and impairment loss on subsidiary that is not subject to tax.

6. Balance Sheets - Group and Company

| Group | | | Company | |
|-------------------|-------------------|--|-------------------|-------------------|
| As at 31 Dec 2007 | As at 30 Jun 2007 | | As at 31 Dec 2007 | As at 30 Jun 2007 |
| S\$'000 | S\$'000 | | S\$'000 | S\$'000 |
| | | Assets | | |
| | | Current assets | | |
| 661,593 | 613,691 | Cash and cash equivalents | 209,521 | 219,153 |
| 762,115 | 913,003 | Trade and other receivables | 4,306 | 6,540 |
| 1,177 | - | Derivative financial instruments | 462 | - |
| - | 138,666 | Financial assets at fair value through profit or loss | - | - |
| 38,230 | 36,959 | Securities clearing funds | - | - |
| 1,463,115 | 1,702,319 | | 214,289 | 225,693 |
| | | Non-current assets | | |
| 75,812 | 75,812 | Financial assets, available-for-sale | 75,812 | 75,812 |
| 34,887 | 38,312 | Property, plant and equipment | 22,438 | 23,212 |
| 43,446 | 32,109 | Software | 4,188 | 2,879 |
| 423 | 423 | Club memberships | 423 | 423 |
| - | - | Investments in subsidiaries | 486,381 | 581,381 |
| 127 | 1,734 | Investments in joint ventures | - | - |
| 715 | - | Investment in associated company | - | - |
| 1,392 | 649 | Deferred tax assets | 1,392 | 649 |
| 156,802 | 149,039 | | 590,634 | 684,356 |
| 1,619,917 | 1,851,358 | Total assets | 804,923 | 910,049 |
| | | Liabilities | | |
| | | Current liabilities | | |
| 741,207 | 921,801 | Trade and other payables | 139,380 | 115,970 |
| - | 1,108 | Derivative financial instruments | - | 1,108 |
| 31,940 | - | Dividends payable | 31,940 | - |
| 99,351 | 76,305 | Taxation | 7,733 | 8,157 |
| 7,413 | 7,357 | Provisions | 4,371 | 4,238 |
| 13,230 | 11,959 | Securities clearing funds - members' contributions | - | - |
| 893,141 | 1,018,530 | | 183,424 | 129,473 |
| | | Non-current liabilities | | |
| 1,658 | 2,460 | Deferred tax liabilities | - | - |
| 1,658 | 2,460 | | - | - |
| 894,799 | 1,020,990 | Total liabilities | 183,424 | 129,473 |
| 725,118 | 830,368 | Net assets | 621,499 | 780,576 |
| | | Equity | | |
| | | Capital and reserves attributable to the Company's equity holders | | |
| 405,268 | 398,533 | Share capital | 405,268 | 398,533 |
| 34,021 | - | Derivatives clearing fund reserve | - | - |
| 25,000 | 25,000 | Securities clearing fund reserve | - | - |
| 11,063 | 8,457 | Share-based payment reserve | 11,063 | 8,457 |
| (31,338) | (12,393) | Treasury shares | (31,338) | (12,393) |
| 281,104 | 92,360 | Retained profits | 236,506 | 67,568 |
| - | 318,411 | Proposed dividends | - | 318,411 |
| 725,118 | 830,368 | Total equity | 621,499 | 780,576 |

7. Net Asset Value - Group and Company

| Group | | | Company | |
|-------------------|-------------------|--|-------------------|-------------------|
| As at 31 Dec 2007 | As at 30 Jun 2007 | | As at 31 Dec 2007 | As at 30 Jun 2007 |
| Cents | Cents | | Cents | Cents |
| 68.11 | 78.23 | Net asset value per ordinary share based on issued share capital as at the end of the reporting period | 58.38 | 73.54 |

8. Borrowings and Debt Securities - Group

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

| As at 31 Dec 2007 | | | As at 30 Jun 2007 | |
|-------------------|-----------|--|-------------------|-----------|
| Secured | Unsecured | | Secured | Unsecured |
| S\$'000 | S\$'000 | | S\$'000 | S\$'000 |
| Nil | Nil | Amount repayable in one year or less, or on demand | Nil | Nil |
| Nil | Nil | Amount repayable after one year | Nil | Nil |

(b) Details of any collaterals

None.

9. Statement of Cash Flow - Group

| 3 Months Ended | | | Half Year Ended | |
|----------------|-------------|---|-----------------|-------------|
| 31 Dec 2007 | 31 Dec 2006 | | 31 Dec 2007 | 31 Dec 2006 |
| S\$'000 | S\$'000 | | S\$'000 | S\$'000 |
| | | Cash flows from operating activities | | |
| 183,191 | 126,011 | Profit before tax and share of results of joint ventures and associated company | 343,651 | 186,680 |
| | | Adjustments for: | | |
| 3,074 | 3,574 | Depreciation and amortisation | 6,744 | 7,467 |
| - | (1,928) | Net (gain)/loss on financial assets at fair value through profit or loss | - | (2,806) |
| - | 2 | Net (gain)/loss on disposal of property, plant and equipment and software | - | 1 |
| (1,870) | (1,222) | Net (gain)/loss on disposal of financial assets at fair value through profit or loss | 2,429 | (1,222) |
| (34,021) | - | Distribution from SGX-DT Compensation Fund upon its expiry | (34,021) | - |
| - | (45,000) | Write back of allowance for impairment on SGX Centre | - | (45,000) |
| (32) | - | Goodwill written off | (32) | - |
| 2,575 | 2,083 | Share-based payment expense | 4,035 | 4,000 |
| - | - | Dividend income | (181) | - |
| (4,027) | (1,723) | Interest income | (8,585) | (4,491) |
| 148,890 | 81,797 | Operating cash flow before working capital change | 314,040 | 144,629 |
| | | Change in operating assets and liabilities, net of effects from acquisition of subsidiary | | |
| 202,170 | (44,483) | Trade and other receivables | 177,608 | (65,254) |
| (166,232) | 41,004 | Trade and other payables | (182,432) | 52,103 |
| 184,828 | 78,318 | Cash generated from operations | 309,216 | 131,478 |
| (35,065) | (22,207) | Income tax paid | (35,075) | (22,041) |
| 149,763 | 56,111 | Net cash provided by operating activities | 274,141 | 109,437 |
| | | Cash flows from investing activities | | |
| (8,450) | (2,461) | Purchases of property, plant and equipment and software | (14,631) | (4,426) |
| - | 1 | Proceeds from disposal of property, plant and equipment and software | - | 1 |
| - | - | Purchases of financial assets at fair value through profit or loss | - | (1,110) |
| 1,797 | - | Acquisition of a subsidiary, net of cash acquired | 1,797 | - |
| - | - | Dividend received | 181 | - |
| 4,152 | 1,687 | Interest received | 8,029 | 4,287 |
| - | - | Investment in associated company | (750) | - |
| 70,000 | 19,902 | Proceeds from sale/redemption of financial assets at fair value through profit or loss | 108,990 | 19,902 |
| 67,499 | 19,129 | Net cash (used in)/provided by investing activities | 103,616 | 18,654 |
| | | Cash flows from financing activities | | |
| 908 | 3,956 | Net proceeds from issue of ordinary shares | 5,306 | 8,373 |
| (14,056) | (8,748) | Purchase of treasury shares | (19,057) | (18,649) |
| (350,125) | (143,945) | Dividends paid | (350,125) | (143,945) |
| - | - | Repayment of lease liabilities | - | (3,709) |
| 34,021 | - | Distribution from SGX-DT Compensation Fund upon its expiry | 34,021 | - |
| (329,252) | (148,737) | Net cash (used in)/provided by financing activities | (329,855) | (157,930) |
| (111,990) | (73,497) | Net (decrease)/increase in cash and cash equivalents held | 47,902 | (29,839) |
| 683,583 | 199,636 | Cash and cash equivalents at the beginning of the period * | 523,691 | 155,978 |
| (50,500) | - | Cash set aside for Singapore Exchange Derivatives Clearing Limited's Clearing Fund | (50,500) | - |
| 521,093 | 126,139 | Cash and cash equivalents at the end of the period | 521,093 | 126,139 |

| 3 Months Ended | | | Half Year Ended | |
|----------------|-------------|--|-----------------|-------------|
| 31 Dec 2007 | 31 Dec 2006 | | 31 Dec 2007 | 31 Dec 2006 |
| S\$'000 | S\$'000 | | S\$'000 | S\$'000 |
| | | For the purposes of the Statement of Cash Flow, the cash and cash equivalents comprised the following: | | |
| 661,593 | 216,139 | Cash and cash equivalents (as in Balance Sheet - Group) | 661,593 | 216,139 |
| (140,500) | (90,000) | Less : Cash set aside for Singapore Exchange Derivatives Clearing Limited's Clearing Fund | (140,500) | (90,000) |
| 521,093 | 126,139 | Cash and cash equivalents per Statement of Cash Flow | 521,093 | 126,139 |

* Excluding \$90 million set aside for Singapore Exchange Derivatives Clearing Limited's Clearing Fund.

10(a). Statement of Changes in Equity - Group and Company

| | Attributable to equity holders of the Company | | | | | | | | Total Equity \$'000 |
|--|---|-------------------------------------|------------------------------------|-------------------------------|-----------------|------------------|--------------------|----------------|------------------------|
| | Share capital | Derivatives clearing fund reserve * | Securities clearing fund reserve * | Share-based payment reserve * | Treasury shares | Retained profits | Proposed dividends | Total | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | |
| (i) Consolidated - 2Q FY2008 | | | | | | | | | |
| Balance at 1 October 2007 | 404,130 | - | 25,000 | 8,718 | (17,202) | 190,412 | - | 611,058 | 611,058 |
| Total recognised gains for the financial period - net profit | - | - | - | - | - | 156,438 | - | 156,438 | 156,438 |
| Dividends paid | | | | | | | | | |
| Over/(under)-provision of final base and variable dividends - FY2007 | - | - | - | - | - | 118 | - | 118 | 118 |
| Over/(under)-provision of interim base dividends - 1Q FY2008 | - | - | - | - | - | 97 | - | 97 | 97 |
| Dividend payable | | | | | | | | | |
| Interim base dividends - 2Q FY2008 | - | - | - | - | - | (31,940) | - | (31,940) | (31,940) |
| Issue of ordinary shares | 1,138 | - | - | (230) | - | - | - | 908 | 908 |
| Transfer to Derivatives clearing fund reserve | - | 34,021 | - | - | - | (34,021) | - | - | - |
| Employee share plan - value of employee services | - | - | - | 2,575 | - | - | - | 2,575 | 2,575 |
| Tax effect on treasury shares ^^ | - | - | - | - | (80) | - | - | (80) | (80) |
| Purchase of treasury shares | - | - | - | - | (14,056) | - | - | (14,056) | (14,056) |
| Balance at 31 December 2007 | 405,268 | 34,021 | 25,000 | 11,063 | (31,338) | 281,104 | - | 725,118 | 725,118 |
| (ii) Consolidated - 2Q FY2007 | | | | | | | | | |
| Balance at 1 October 2006 | 383,927 | - | 25,000 | 9,102 | (9,901) | 78,904 | - | 487,032 | 487,032 |
| Total recognised gains for the financial period - net profit | - | - | - | - | - | 108,707 | - | 108,707 | 108,707 |
| Dividends paid | | | | | | | | | |
| Over/(under)-provision of final base and variable dividends - FY2006 | - | - | - | - | - | (346) | - | (346) | (346) |
| Over/(under)-provision of interim base dividends - 1Q FY2007 | - | - | - | - | - | 317 | - | 317 | 317 |
| Dividend payable | | | | | | | | | |
| Interim base dividends - 2Q FY2007 | - | - | - | - | - | (21,110) | - | (21,110) | (21,110) |
| Issue of ordinary shares | 4,964 | - | - | (1,008) | - | - | - | 3,956 | 3,956 |
| Employee share plan - value of employee services | - | - | - | 2,083 | - | - | - | 2,083 | 2,083 |
| Tax effect on treasury shares ^^ | - | - | - | - | 705 | - | - | 705 | 705 |
| Purchase of treasury shares | - | - | - | - | (8,748) | - | - | (8,748) | (8,748) |
| Balance at 31 December 2006 | 388,891 | - | 25,000 | 10,177 | (17,944) | 166,472 | - | 572,596 | 572,596 |
| (iii) Company - 2Q FY2008 | | | | | | | | | |
| Balance at 1 October 2007 | 404,130 | - | - | 8,718 | (17,202) | 146,127 | - | 541,773 | 541,773 |
| Total recognised gains for the financial period - net profit | - | - | - | - | - | 122,104 | - | 122,104 | 122,104 |
| Dividends paid | | | | | | | | | |
| Over/(under)-provision of final base and variable dividends - FY2007 | - | - | - | - | - | 118 | - | 118 | 118 |
| Over/(under)-provision of interim base dividends - 1Q FY2008 | - | - | - | - | - | 97 | - | 97 | 97 |
| Dividend payable | | | | | | | | | |
| Interim base dividends - 2Q FY2008 | - | - | - | - | - | (31,940) | - | (31,940) | (31,940) |
| Issue of ordinary shares | 1,138 | - | - | (230) | - | - | - | 908 | 908 |
| Employee share plan - value of employee services | - | - | - | 2,575 | - | - | - | 2,575 | 2,575 |
| Tax effect on treasury shares ^^ | - | - | - | - | (80) | - | - | (80) | (80) |
| Purchase of treasury shares | - | - | - | - | (14,056) | - | - | (14,056) | (14,056) |
| Balance at 31 December 2007 | 405,268 | - | - | 11,063 | (31,338) | 236,506 | - | 621,499 | 621,499 |
| (iv) Company - 2Q FY2007 | | | | | | | | | |
| Balance at 1 October 2006 | 383,927 | - | - | 9,102 | (9,901) | 55,275 | - | 438,403 | 438,403 |
| Total recognised gains for the financial period - net profit | - | - | - | - | - | 62,783 | - | 62,783 | 62,783 |
| Dividends paid | | | | | | | | | |
| Over/(under)-provision of final base and variable dividends - FY2006 | - | - | - | - | - | (346) | - | (346) | (346) |
| Over/(under)-provision of interim base dividends - 1Q FY2007 | - | - | - | - | - | 317 | - | 317 | 317 |
| Dividend payable | | | | | | | | | |
| Interim base dividends - 2Q FY2007 | - | - | - | - | - | (21,110) | - | (21,110) | (21,110) |
| Issue of ordinary shares | 4,964 | - | - | (1,008) | - | - | - | 3,956 | 3,956 |
| Employee share plan - value of employee services | - | - | - | 2,083 | - | - | - | 2,083 | 2,083 |
| Tax effect on treasury shares ^^ | - | - | - | - | 705 | - | - | 705 | 705 |
| Purchase of treasury shares | - | - | - | - | (8,748) | - | - | (8,748) | (8,748) |
| Balance at 31 December 2006 | 388,891 | - | - | 10,177 | (17,944) | 96,919 | - | 478,043 | 478,043 |

* These non-distributable reserves are not available for distribution as cash dividends to the equity holders of the Company.

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

10(b). Statement of Changes in Equity - Group and Company

| | Attributable to equity holders of the Company | | | | | | | | Total Equity \$'000 |
|--|---|---|--|------------------------------------|--------------------|---------------------|-----------------------|----------------|------------------------|
| | Share capital | Derivatives clearing fund reserve * | Securities clearing fund reserve * | Share-based payment reserve* | Treasury shares | Retained profits | Proposed dividends | Total | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | |
| (v) Consolidated - Half Year FY2008 | | | | | | | | | |
| Balance at 1 July 2007 | 398,533 | - | 25,000 | 8,457 | (12,393) | 92,360 | 318,411 | 830,368 | 830,368 |
| Total recognised gains for the financial period - net profit | - | - | - | - | - | 286,419 | - | 286,419 | 286,419 |
| Dividends paid | | | | | | | | | |
| Final base and variable dividends - FY2007 | - | - | - | - | - | - | (318,411) | (318,411) | (318,411) |
| Over/(under)-provision of final base and variable dividends - FY2007 | - | - | - | - | - | 118 | - | 118 | 118 |
| Interim base dividends - 1Q FY2008 | - | - | - | - | - | (31,929) | - | (31,929) | (31,929) |
| Over/(under)-provision of interim base dividends - 1Q FY2008 | - | - | - | - | - | 97 | - | 97 | 97 |
| Dividend payable | | | | | | | | | |
| Interim base dividends - 2Q FY2008 | - | - | - | - | - | (31,940) | - | (31,940) | (31,940) |
| Issue of ordinary shares | 6,735 | - | - | (1,429) | - | - | - | 5,306 | 5,306 |
| Transfer to Derivatives clearing fund reserve | - | 34,021 | - | - | - | (34,021) | - | - | - |
| Employee share plan - value of employee services | - | - | - | 4,035 | - | - | - | 4,035 | 4,035 |
| Tax effect on treasury shares ^^ | - | - | - | - | 112 | - | - | 112 | 112 |
| Purchase of treasury shares | - | - | - | - | (19,057) | - | - | (19,057) | (19,057) |
| Balance at 31 December 2007 | 405,268 | 34,021 | 25,000 | 11,063 | (31,338) | 281,104 | - | 725,118 | 725,118 |
| (vi) Consolidated - Half Year FY2007 | | | | | | | | | |
| Balance at 1 July 2006 | 378,452 | - | 25,000 | 8,243 | - | 52,308 | 122,856 | 586,859 | 586,859 |
| Total recognised gains for the financial period - net profit | - | - | - | - | - | 156,363 | - | 156,363 | 156,363 |
| Dividends paid | | | | | | | | | |
| Final base and variable dividends - FY2006 | - | - | - | - | - | - | (122,856) | (122,856) | (122,856) |
| Over/(under)-provision of final base and variable dividends - FY2006 | - | - | - | - | - | (346) | - | (346) | (346) |
| Interim base dividends - 1Q FY2007 | - | - | - | - | - | (21,060) | - | (21,060) | (21,060) |
| Over/(under)-provision of interim base dividends - 1Q FY2007 | - | - | - | - | - | 317 | - | 317 | 317 |
| Dividend payable | | | | | | | | | |
| Interim base dividends - 2Q FY2007 | - | - | - | - | - | (21,110) | - | (21,110) | (21,110) |
| Issue of ordinary shares | 10,439 | - | - | (2,066) | - | - | - | 8,373 | 8,373 |
| Employee share plan - value of employee services | - | - | - | 4,000 | - | - | - | 4,000 | 4,000 |
| Tax effect on treasury shares ^^ | - | - | - | - | 705 | - | - | 705 | 705 |
| Purchase of treasury shares | - | - | - | - | (18,649) | - | - | (18,649) | (18,649) |
| Balance at 31 December 2006 | 388,891 | - | 25,000 | 10,177 | (17,944) | 166,472 | - | 572,596 | 572,596 |
| (vii) Company - Half Year FY2008 | | | | | | | | | |
| Balance at 1 July 2007 | 398,533 | - | - | 8,457 | (12,393) | 67,568 | 318,411 | 780,576 | 780,576 |
| Total recognised gains for the financial period - net profit | - | - | - | - | - | 232,592 | - | 232,592 | 232,592 |
| Dividends paid | | | | | | | | | |
| Final base and variable dividends - FY2007 | - | - | - | - | - | - | (318,411) | (318,411) | (318,411) |
| Over/(under)-provision of final base and variable dividends - FY2007 | - | - | - | - | - | 118 | - | 118 | 118 |
| Interim base dividends - 1Q FY2008 | - | - | - | - | - | (31,929) | - | (31,929) | (31,929) |
| Over/(under)-provision of interim base dividends - 1Q FY2008 | - | - | - | - | - | 97 | - | 97 | 97 |
| Dividend payable | | | | | | | | | |
| Interim base dividends - 2Q FY2008 | - | - | - | - | - | (31,940) | - | (31,940) | (31,940) |
| Issue of ordinary shares | 6,735 | - | - | (1,429) | - | - | - | 5,306 | 5,306 |
| Employee share plan - value of employee services | - | - | - | 4,035 | - | - | - | 4,035 | 4,035 |
| Tax effect on treasury shares ^^ | - | - | - | - | 112 | - | - | 112 | 112 |
| Purchase of treasury shares | - | - | - | - | (19,057) | - | - | (19,057) | (19,057) |
| Balance at 31 December 2007 | 405,268 | - | - | 11,063 | (31,338) | 236,506 | - | 621,499 | 621,499 |
| (viii) Company - Half Year FY2007 | | | | | | | | | |
| Balance at 1 July 2006 | 378,452 | - | - | 8,243 | - | 27,650 | 122,856 | 537,201 | 537,201 |
| Total recognised gains for the financial period - net profit | - | - | - | - | - | 111,468 | - | 111,468 | 111,468 |
| Dividends paid | | | | | | | | | |
| Final base and variable dividends - FY2006 | - | - | - | - | - | - | (122,856) | (122,856) | (122,856) |
| Over/(under)-provision of final base and variable dividends - FY2006 | - | - | - | - | - | (346) | - | (346) | (346) |
| Interim base dividends - 1Q FY2007 | - | - | - | - | - | (21,060) | - | (21,060) | (21,060) |
| Over/(under)-provision of interim base dividends - 1Q FY2007 | - | - | - | - | - | 317 | - | 317 | 317 |
| Dividend payable | | | | | | | | | |
| Interim base dividends - 2Q FY2007 | - | - | - | - | - | (21,110) | - | (21,110) | (21,110) |
| Issue of ordinary shares | 10,439 | - | - | (2,066) | - | - | - | 8,373 | 8,373 |
| Employee share plan - value of employee services | - | - | - | 4,000 | - | - | - | 4,000 | 4,000 |
| Tax effect on treasury shares ^^ | - | - | - | - | 705 | - | - | 705 | 705 |
| Purchase of treasury shares | - | - | - | - | (18,649) | - | - | (18,649) | (18,649) |
| Balance at 31 December 2006 | 388,891 | - | - | 10,177 | (17,944) | 96,919 | - | 478,043 | 478,043 |

* These non-distributable reserves are not available for distribution as cash dividends to the equity holders of the Company.

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

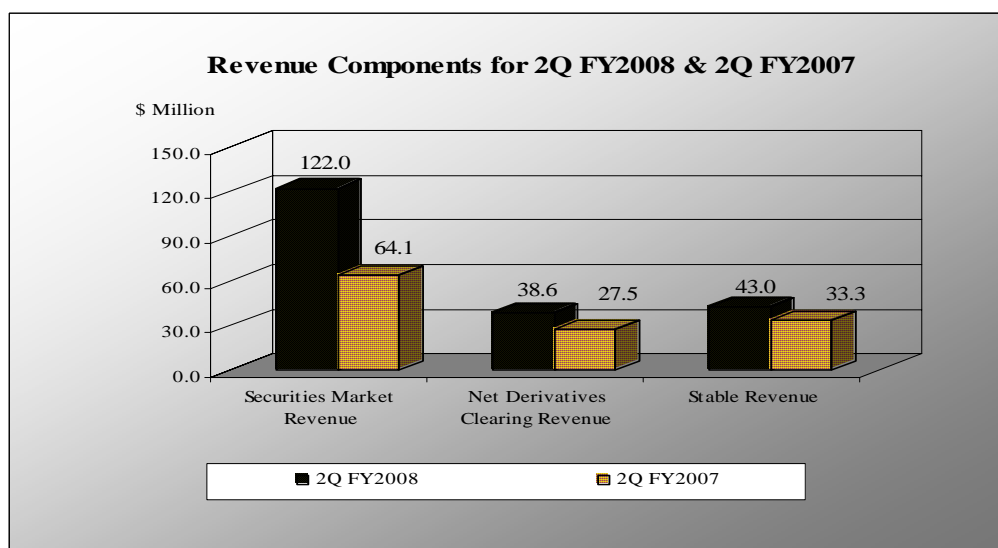
10. Review of the Performance of SGX Group

(i) *2Q FY2008 Financial Highlights*

SGX Group achieved \$122.4 million net profit after tax, excluding the \$34.0 million distribution from SGX-DT Compensation Fund, for the current quarter ended 31 December 2007, compared to \$108.7 million for the previous corresponding quarter ended 31 December 2006. Operating profit for the current quarter amounted to \$142.8 million, compared to \$76.4 million for the previous corresponding quarter.

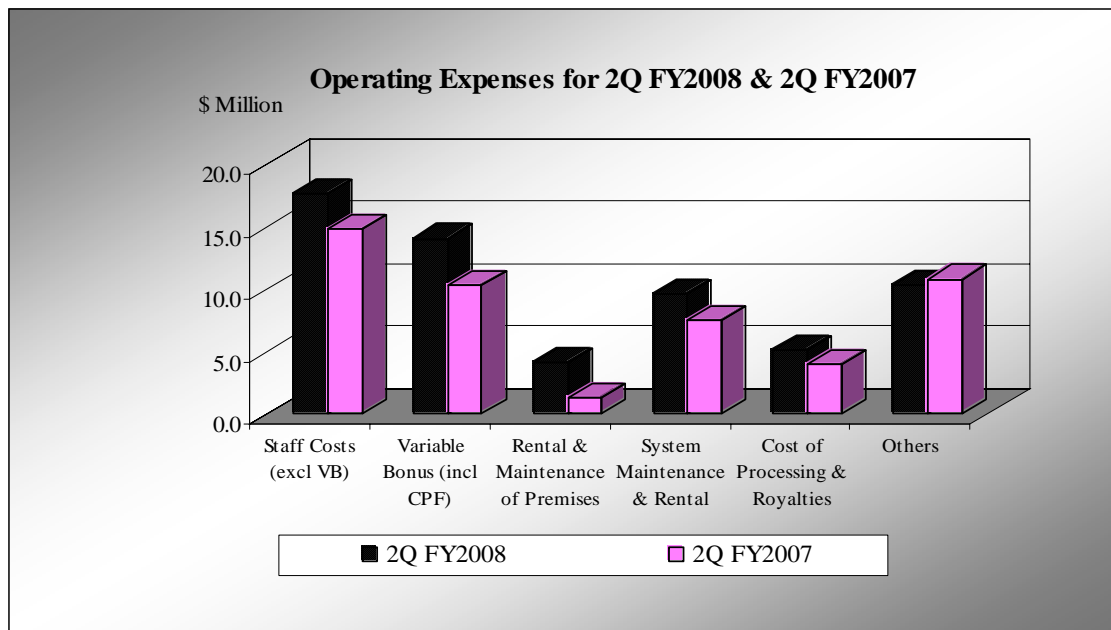
Revenue

The Group's revenue increased 63% to \$203.6 million from \$124.9 million, with improvement in all three revenue categories, i.e. Securities Market Revenue, Net Derivatives Clearing Revenue and Stable Revenue, as follows:



Expenses

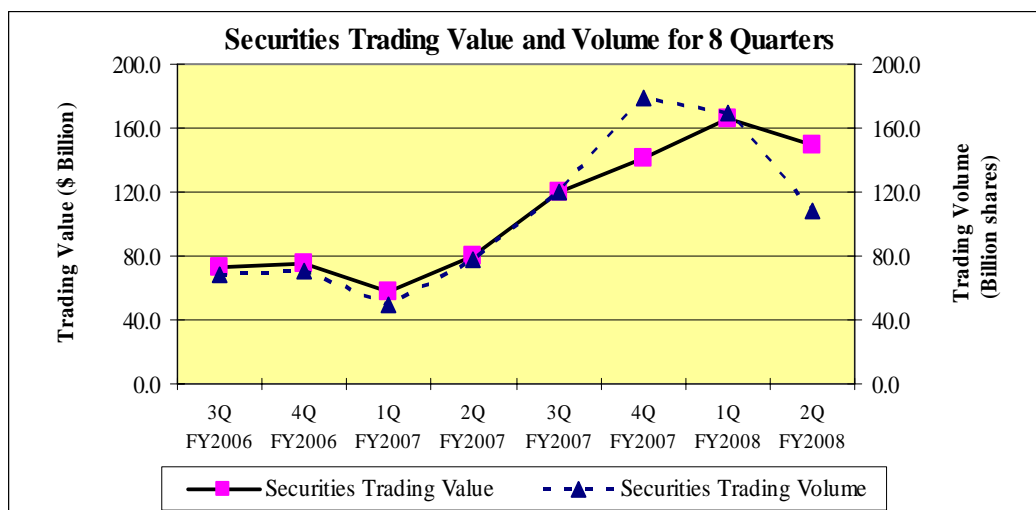
Operating expenses for 2Q FY2008 increased 25.4% to \$60.8 million from \$48.5 million. This increase was mainly due to the increase in variable bonus provision, rental of premises and staff costs. The following chart highlights the major expenses for these two periods:



Securities Market

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

| Securities Market Data | 2Q FY2008 | 2Q FY2007 | Change |
|--|-----------|-----------|--------|
| Clearing fees (\$ million) | 83.1 | 41.9 | 98.2% |
| Trading value: | | | |
| • Full quarter (\$ billion) | 149.3 | 80.4 | 85.8% |
| • Daily average (\$ billion) | 2.37 | 1.28 | 85.8% |
| Trading volume: | | | |
| • Full quarter (billion shares) | 108.6 | 77.6 | 39.9% |
| • Daily average (billion shares) | 1.72 | 1.23 | 39.9% |
| Number of IPOs, including Foreign Company IPOs | 21 | 20 | 1 |
| | 14 | 17 | (3) |
| Funds raised via IPOs: | | | |
| • Total (\$ billion) | 2.9 | 2.5 | 19.3% |
| • Average per IPO (\$ million) | 140.3 | 123.5 | 13.6% |
| Market capitalisation of IPOs: | | | |
| • Total (\$ billion) | 9.3 | 8.4 | 11.3% |
| • Average per IPO (\$ million) | 444.1 | 419.0 | 6.0% |
| Number of Securities Market members as at quarter end | 27 | 25 | 2 |



Following the revision of the securities fee structure on 1 March 2007, approximately 51% of the contracts traded in 2QFY2008 were levied at 0.04% of the contract value. Fees on the remaining (larger) contracts were capped at \$600 per contract.

Derivatives Market

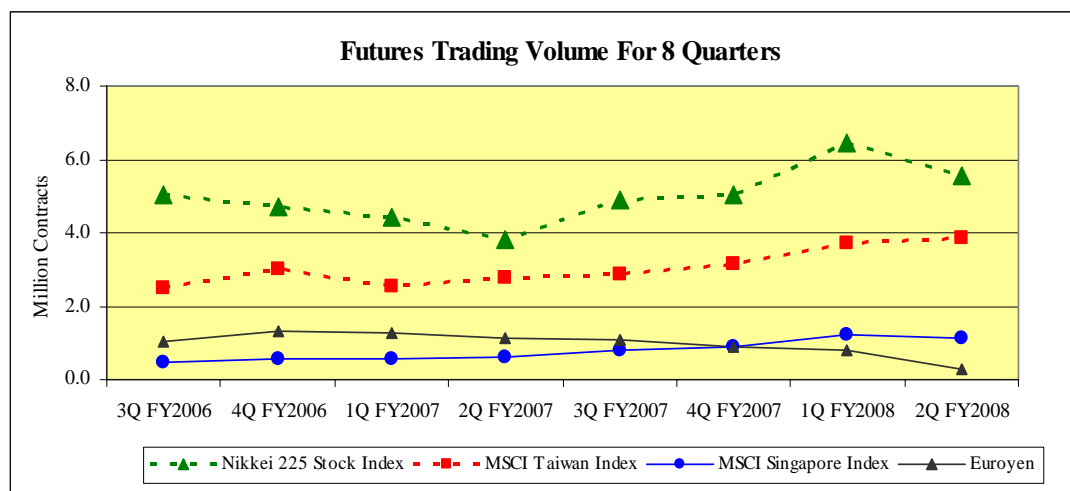
Net Derivatives Clearing Revenue comprises clearing revenue from futures and structured warrants, as follows:

| Net Derivatives Clearing Revenue | 2Q FY2008 (\$ million) | 2Q FY2007 (\$ million) | Change (%) |
|--------------------------------------|---------------------------|---------------------------|---------------|
| Futures Clearing Revenue | 32.3 | 23.9 | 35.4 |
| Structured Warrants Clearing Revenue | 6.3 | 3.6 | 73.5 |
| Total | 38.6 | 27.5 | 40.4 |

Futures

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

| Futures Data | 2Q FY2008 | 2Q FY2007 | Change (%) | % of Total Volume | |
|--|--------------|--------------|---------------|-------------------|--------------|
| | | | | 2Q FY2008 | 2Q FY2007 |
| Clearing Revenue (\$ million) | 32.3 | 23.9 | 35.4 | | |
| Trading volume (million contracts) | | | | | |
| • Asian Equity Derivatives | 10.6 | 7.3 | 46.1 | 88.8 | 85.3 |
| - Nikkei 225 Stock Index | 5.6 | 3.9 | 45.4 | 46.8 | 45.3 |
| - MSCI Taiwan Index | 3.9 | 2.8 | 38.7 | 32.5 | 32.8 |
| - MSCI Singapore Index | 1.1 | 0.6 | 84.8 | 9.5 | 7.2 |
| • Euroyen | 0.3 | 0.7 | (62.3) | 2.3 | 8.5 |
| • Others * | 1.0 | 0.5 | 101.2 | 8.9 | 6.2 |
| Total | 11.9 | 8.5 | 40.3 | 100.0 | 100.0 |
| * The notional value of CNX Nifty (India) Index futures was downsized by fivefold on 19 November 2007. | | | | | |

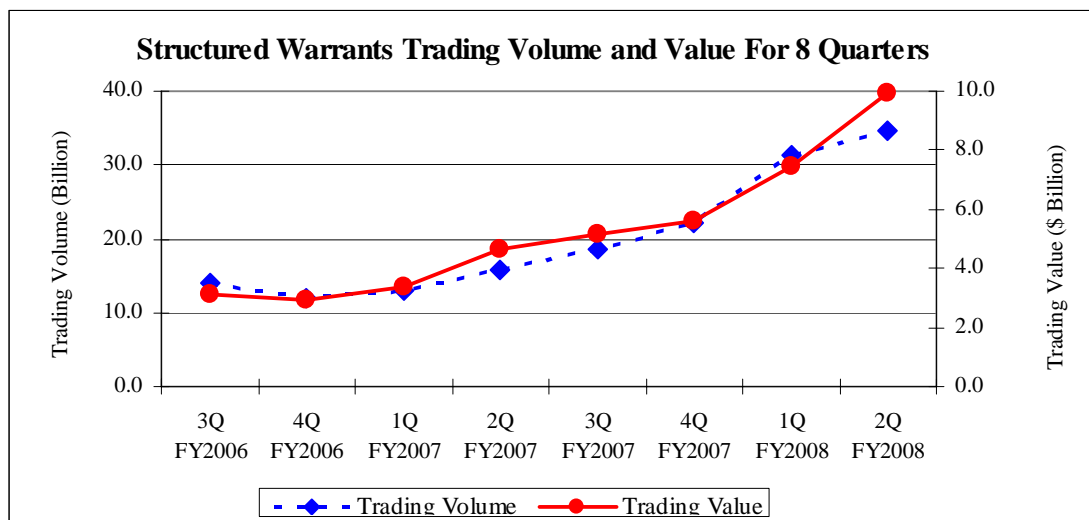


| Number of Futures members | As at 31 December 2007 | As at 31 December 2006 | Change |
|---------------------------|---------------------------|---------------------------|------------|
| Locals | 226 | 224 | 2 |
| Corporate | 237 | 243 | (6) |
| Total | 463 | 467 | (4) |

Structured Warrants

Following are the key statistics for structured warrants and a chart on turnover for the past eight quarters:

| Structured Warrants Data | 2Q FY2008 | 2Q FY2007 | Change |
|--------------------------------|-----------|-----------|--------|
| Clearing Revenue (\$ million) | 6.3 | 3.6 | 73.5% |
| Trading value (\$ billion) | 9.9 | 4.7 | 112.3% |
| Trading volume (billion units) | 34.5 | 15.8 | 118.8% |
| Number of new issues | 526 | 309 | 217 |



(ii) **Financial Summary - 3 months ended 31 December 2007 vs 3 months ended 31 December 2006**

Securities Market Revenue

| | | |
|--|--------|---|
| <i>Securities Clearing Fees</i> | +98.2% | <ul style="list-style-type: none">• Mainly due to 85.8% growth in securities trading value and fee structure change in March 2007. |
| <i>Securities Related Processing Fees</i> | +63.8% | <ul style="list-style-type: none">• Higher securities transfer and contract processing fees on higher market turnover. |
| <i>Access Fees</i> | +85.7% | <ul style="list-style-type: none">• Corresponds to 85.8% increase in trading value. |
| <i>Net Derivatives Clearing Revenue</i> | +40.4% | <ul style="list-style-type: none">• Due to 40.3% increase in futures trading volume and 112.3% increase in structured warrants trading value. |

Stable Revenue

| | | |
|--|--------|---|
| <i>Account Maintenance & Corporate Action Fees</i> | +21.6% | <ul style="list-style-type: none">• Higher dividend processing, rights issue processing and other corporate action related income. |
| <i>Terminal & Connection Fees</i> | +69.5% | <ul style="list-style-type: none">• Higher forced order charges and SGXAccess connection fees. |
| <i>Listing Fees</i> | +52.1% | <ul style="list-style-type: none">• Higher annual and initial listing fees on increased number of listed companies and structured warrants. |

Operating Expenses

| | | |
|---|---------|---|
| <i>Staff Costs (excluding variable bonus)</i> | +18.5% | <ul style="list-style-type: none">• Mainly due to annual increment, market adjustment on salaries and increase in headcount. |
| <i>Variable Bonus (including CPF)</i> | +36.1% | <ul style="list-style-type: none">• Higher variable bonus provision in line with improvement in 2Q FY2008 business performance. |
| <i>Rental and Maintenance of Premises</i> | +222.2% | <ul style="list-style-type: none">• Rental expense on SGX Centre following sale and leaseback in June 2007. |
| <i>System Maintenance and Rental</i> | +29.0% | <ul style="list-style-type: none">• Mainly due to higher data centre outsourcing fees and maintenance fees for software licenses. |

| | | |
|---|--------|---|
| <i>Cost of Processing and Royalties</i> | +31.3% | <ul style="list-style-type: none"> • Mainly due to increase in cost of processing from higher corporate action activities. |
|---|--------|---|

Investment Performance

| | | |
|--|----------|--|
| <i>Gains/(Losses) on Financial Assets at Fair Value Through Profit or Loss</i> | -\$1.3MM | <ul style="list-style-type: none"> • Mainly due to higher unrealized gains in the managed fund portfolio in 2Q FY2007. The portfolio was fully redeemed in 2Q FY2008. |
|--|----------|--|

| | | |
|--|----------|--|
| <i>Other Revenue including Interest Income</i> | +\$3.1MM | <ul style="list-style-type: none"> • Mainly due to interest income on higher cash balances. |
|--|----------|--|

| | | |
|---|-----------|---|
| <i>Write back of Allowance for Impairment on SGX Centre</i> | -\$45.0MM | <ul style="list-style-type: none"> • \$45 million write back of allowance for impairment on SGX Centre in 2Q FY2007 which was no longer required due to improved property market conditions. The building was sold in June 2007. |
|---|-----------|---|

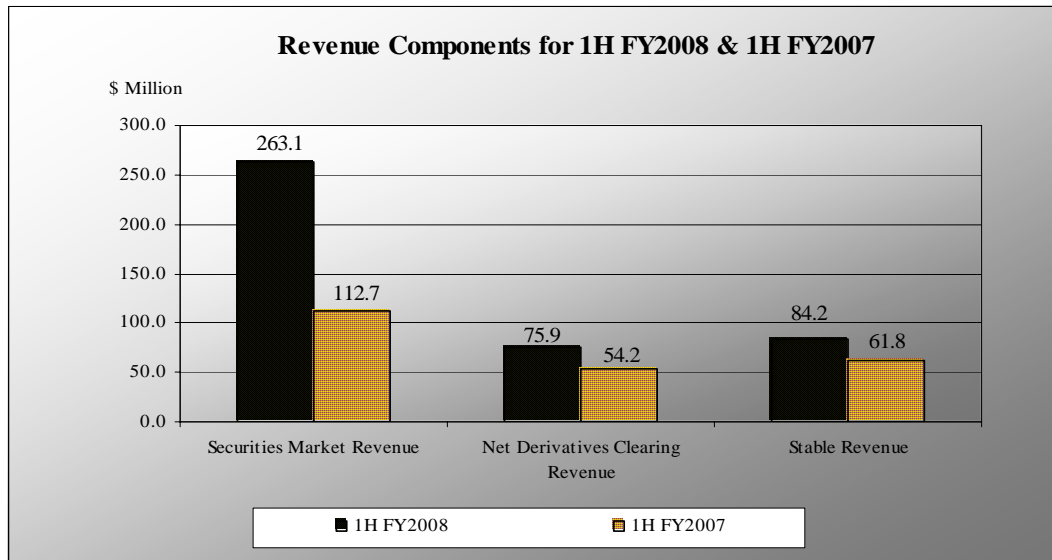
| | | |
|---|-----------|---|
| <i>Contribution from SGX-DT Compensation Fund upon its expiry</i> | +\$34.0MM | <ul style="list-style-type: none"> • \$34 million distribution from SGX-DT Compensation Fund upon its expiry on 24 November 2007. This amount has been transferred to the Derivatives clearing fund reserve and will not be available for distribution as dividends. |
|---|-----------|---|

(iii) ***1H FY2008 Financial Highlights***

SGX Group achieved \$252.4 million net profit after tax excluding the \$34.0 million distribution from SGX-DT Compensation Fund, for the current half year ended 31 December 2007, compared to \$156.4 million for the previous corresponding half year ended 31 December 2006. Operating profit for the current half year amounted to \$304.2 million, compared to \$134.1 million for the previous corresponding half year.

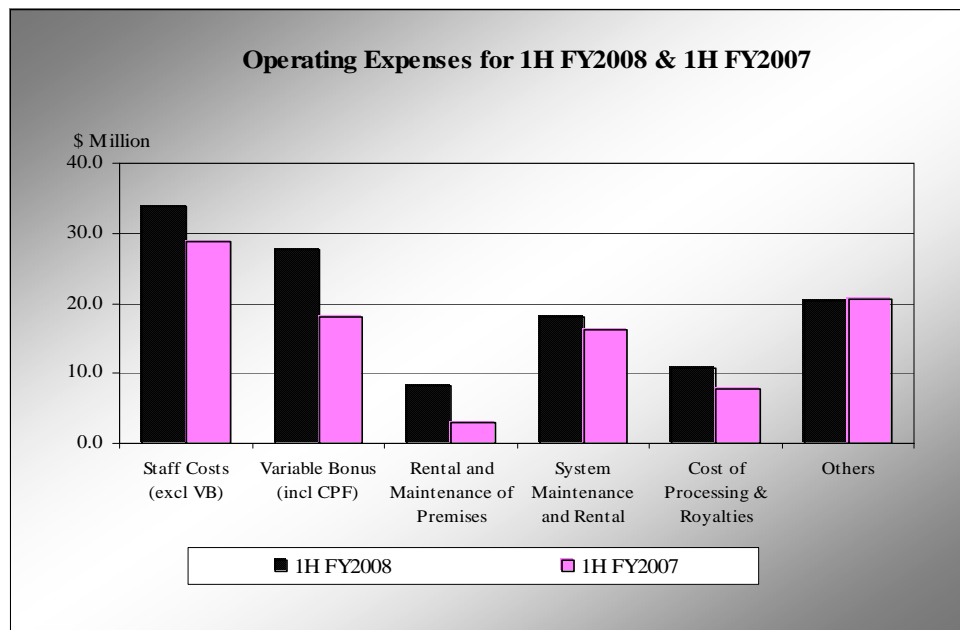
Revenue

The Group's revenue increased 85.0% to \$423.2 million from \$228.7 million, with improvement in all three revenue categories, i.e. Securities Market Revenue, Net Derivatives Clearing Revenue and Stable Revenue, as follows:



Expenses

Operating expenses for 1H FY2008 increased 25.8% to \$119.0 million from \$94.6 million, mainly due to increases in variable bonus provision, rental of premises and staff costs. The following chart highlights the major expenses for these two periods:



Securities Market

The table below shows the key figures for securities market:

| Securities Market Data | 1H FY2008 | 1H FY2007 | Change |
|--|-----------|-----------|----------|
| Clearing fees (\$ million) | 178.4 | 73.9 | 141.4% |
| Trading value: | | | |
| • Half year (\$ billion) | 315.0 | 138.4 | 127.5% |
| • Daily average (\$ billion) | 2.48 | 1.09 | 127.5% |
| Trading volume: | | | |
| • Half year (billion shares) | 277.9 | 127.3 | 118.2% |
| • Daily average (billion shares) | 2.19 | 1.00 | 118.2% |
| Number of IPOs, of which Foreign Company IPOs | 42 30 | 26 20 | 16 10 |
| Funds raised via IPOs: | | | |
| • Total (\$ billion) | 4.8 | 3.6 | 34.8% |
| • Average per IPO (\$ million) | 114.6 | 137.3 | (16.5%) |
| Market capitalisation of IPOs: | | | |
| • Total (\$ billion) | 14.4 | 10.9 | 32.1% |
| • Average per IPO (\$ million) | 341.9 | 418.2 | (18.2%) |

Derivatives Market

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

| Net Derivatives Clearing Revenue | 1H FY2008 (\$ million) | 1H FY2007 (\$ million) | Change (%) |
|---|-----------------------------------|-----------------------------------|-----------------------|
| Futures Clearing Revenue | 64.2 | 47.8 | 34.2 |
| Structured Warrants Clearing Revenue | 11.7 | 6.4 | 81.4 |
| Total | 75.9 | 54.2 | 39.8 |

Futures

The table below summarises the key figures for futures business performance:

| Futures Data | 1H FY2008 | 1H FY2007 | Change (%) | % of Total Volume | |
|--|----------------------|----------------------|-----------------------|------------------------------|----------------------|
| | | | | 1H FY2008 | 1H FY2007 |
| Clearing Revenue (\$ million) | 64.2 | 47.8 | 34.2 | | |
| Trading volume (million contracts) | | | | | |
| • Asian Equity Derivatives | 21.9 | 14.7 | 49.0 | 90.5 | 84.7 |
| - Nikkei 225 Stock Index | 12.0 | 8.2 | 45.7 | 49.6 | 47.5 |
| - MSCI Taiwan Index | 7.6 | 5.3 | 43.0 | 31.3 | 30.5 |
| - MSCI Singapore Index | 2.3 | 1.2 | 99.1 | 9.6 | 6.7 |
| • Euroyen | 0.7 | 1.6 | (56.0) | 2.9 | 9.3 |
| • Others * | 1.6 | 1.1 | 51.3 | 6.6 | 6.0 |
| Total | 24.2 | 17.4 | 39.3 | 100.0 | 100.0 |
| * The notional value of CNX Nifty (India) Index futures was downsized by fivefold on 19 November 2007. | | | | | |

Structured Warrants

Following are the key figures for structured warrants:

| Structured Warrants Data | 1H FY2008 | 1H FY2007 | Change |
|---------------------------------|----------------------|----------------------|---------------|
| Clearing Revenue (\$ million) | 11.7 | 6.4 | 81.4% |
| Trading value (\$ billion) | 17.4 | 8.1 | 115.1% |
| Trading volume (billion units) | 65.9 | 28.7 | 129.5% |
| Number of new issues | 985 | 569 | 416 |

(iv) ***Financial Summary - 6 months ended 31 December 2007 vs 6 months ended 31 December 2006***

Securities Market Revenue

| | | |
|--|---------|---|
| <i>Securities Clearing Fees</i> | +141.4% | <ul style="list-style-type: none"> Securities trading value increased by 127.5% and fee structure change in March 2007. |
| <i>Securities Related Processing Fees</i> | +101.8% | <ul style="list-style-type: none"> Higher securities transfer fees and contract processing income on higher market turnover. |
| <i>Access Fees</i> | +133.6% | <ul style="list-style-type: none"> Higher turnover traded via SGXAccess. |
| <i>Net Derivatives Clearing Revenue</i> | +39.8% | <ul style="list-style-type: none"> Due to 39.3% increase in futures trading volume and 115.1% increase in structured warrants trading value. |

Stable Revenue

| | | |
|--|--------|--|
| <i>Account Maintenance & Corporate Action Fees</i> | +40.8% | <ul style="list-style-type: none"> Higher dividend processing, rights issue processing and other corporate action related activities. |
| <i>Terminal & Connection Fees</i> | +49.9% | <ul style="list-style-type: none"> Higher forced order charges and higher SGXAccess connection income. |

| | | |
|-------------------------------|---------|---|
| <i>Listing Fees</i> | +59.6% | <ul style="list-style-type: none"> Higher annual and initial listing fees on increased number of listed companies and structured warrants. |
| <i>Price Information Fees</i> | +27.3 % | <ul style="list-style-type: none"> Higher income from SGX SecuritiesBook and derivatives datafeed due to higher number of subscribers. |

Operating Expenses

| | | |
|---|---------|--|
| <i>Staff Costs (excluding variable bonus)</i> | +19.6% | <ul style="list-style-type: none"> Mainly due to annual increment ,market adjustment on salaries and increase in headcount. |
| <i>Variable Bonus (including CPF)</i> | +52.7% | <ul style="list-style-type: none"> Higher variable bonus provision in line with improvement in 1H FY2008 business performance. |
| <i>Rental and Maintenance of Premises</i> | +189.5% | <ul style="list-style-type: none"> Mainly due to rental expenses on SGX Centre following sale and leaseback in June 2007. |
| <i>System Maintenance and Rental</i> | +10.7% | <ul style="list-style-type: none"> Mainly due to higher data centre outsourcing fees and maintenance fees for software licenses. |
| <i>Cost for Processing and Royalties</i> | +38.5% | <ul style="list-style-type: none"> Mainly due to increase in cost of processing from higher corporate action activities and increase in royalty payments on higher market turnover. |

Other Gains/ (Losses)

| | | |
|--|----------|--|
| <i>Gains/(Losses) on Financial Assets at Fair Value Through Profit or Loss</i> | -\$6.5MM | <ul style="list-style-type: none"> This is due to the realized losses in 1H FY2008 against realized gains in 1H FY2007 in the managed fund portfolio. <p>The portfolio was fully redeemed in 2Q FY2008.</p> |
| <i>Other Revenue including Interest Income</i> | +\$4.3MM | <ul style="list-style-type: none"> Mainly due to interest income on higher cash balances. |

| | | |
|---|-----------|---|
| <i>Write back of Allowance for Impairment on SGX Centre</i> | -\$45.0MM | <ul style="list-style-type: none"> • Write back of allowance for impairment on SGX Centre in 1H FY2007. The building was sold in June 2007. |
| <i>Contribution from SGX-DT Compensation Fund upon its expiry</i> | +\$34.0MM | <ul style="list-style-type: none"> • \$34 million distribution from SGX-DT Compensation Fund upon its expiry on 24 November 2007. This amount has been transferred to the Derivatives clearing fund reserve and will not be available for distribution as dividends. |

(v) **Performance of 3 months ended 31 December 2007 vs 3 months ended 30 September 2007**

Following is an overview of the FY2008 quarter-on-quarter comparison:

| | 2Q FY2008 | 1Q FY2008 | Change (%) |
|---|-----------|-----------|------------|
| A. Financial Performance (\$ million) | | | |
| Operating revenue | | | |
| - Securities market revenue | 122.0 | 141.2 | (13.6) |
| - Net derivatives clearing revenue | 38.6 | 37.3 | 3.4 |
| - Stable revenue | 43.0 | 41.2 | 4.3 |
| Total | 203.6 | 219.7 | (7.3) |
| Operating expenses | 60.8 | 58.3 | 4.3 |
| Operating profit | 142.8 | 161.4 | (11.6) |
| Other gains/(losses)* | 40.4 | (1.0) | NM |
| Share of results of joint ventures and associated company | (0.1) | (0.4) | (78.1) |
| Tax | (26.7) | (30.0) | (11.3) |
| Net profit after tax | 156.4 | 130.0 | 20.4 |
| * Includes \$34.0 million distribution from SGX-DT Compensation Fund in 2Q FY2008. | | | |
| B. Market Turnover Statistics | | | |
| Securities trading value: | | | |
| - Full quarter (\$ billion) | 149.3 | 165.7 | (9.9%) |
| - Daily average (\$ billion) | 2.37 | 2.59 | (8.4%) |
| Securities trading volume: | | | |
| - Full quarter (billion shares) | 108.6 | 169.3 | (35.9%) |
| - Daily average (billion shares) | 1.72 | 2.65 | (34.9%) |
| Futures trading volume: | | | |
| - Full quarter (million contracts) | 11.9 | 12.3 | (3.7%) |
| - Daily average (million contracts) | 0.19 | 0.19 | (2.2%) |
| Structured warrants trading value: | | | |
| - Full quarter (\$ billion) | 9.9 | 7.5 | 33.1% |
| - Daily average (\$ billion) | 0.16 | 0.12 | 35.2% |
| Structured warrants trading volume: | | | |
| - Full quarter (billion units) | 34.5 | 31.4 | 10.1% |
| - Daily average (billion units) | 0.55 | 0.49 | 11.8% |
| Note: Daily average computed based on 63 and 64 trading days in 2Q FY2008 and 1Q FY2008 respectively. | | | |

Overall, operating revenue fell slightly by 7.3% mainly from Securities Market Revenue, partially offset by increase in Net Derivatives Clearing Revenue and Stable Revenue. Operating expenses registered a small increase of 4.3%.

(iv) ***Bank Facilities & Contingent Liabilities***

Bank Facilities

- The Group has \$570 million of bank credit facilities in place, comprising \$200 million committed share financing and \$370 million committed unsecured credit lines, for prudent risk management and emergency funding needs.

Contingent Liabilities

- As at 31 December 2007, the Group had contingent liabilities to banks for US\$220 million of unsecured standby letters of credit issued to CME as margin and performance bond for futures trading.

Standby Credit to Group Companies

- The Group has provided an unsecured standby credit of \$75 million to the CDP Clearing Fund in accordance with the Central Depository (Pte) Limited's Clearing Rules.

Other Commitments

- The Company extended a financial guarantee of \$50.5 million in 2Q FY2008 to Singapore Exchange Derivatives Clearing Limited, in addition to the existing guarantee of \$22 million, to be utilized for the Singapore Exchange Derivatives Clearing Fund. A total of \$72.5 million has accordingly been earmarked in cash to support the guarantees.
- Singapore Exchange Derivatives Clearing Limited has set aside \$68 million in cash, equivalent to its capital, for the Singapore Exchange Derivatives Clearing Fund.

Therefore, the total cash earmarked by the Group for these purposes is \$140.5 million.

12 (a). Segment Information - Group

| 3 Months ended 31 December 2007 | | | | Reporting by Market | 3 Months ended 31 December 2006 | | | |
|---------------------------------|--------------------|------------------|-----------|--|---------------------------------|--------------------|------------------|-----------|
| Securities Market | Derivatives Market | Other Operations | Group | | Securities Market | Derivatives Market | Other Operations | Group |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 | | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| | | | | SEGMENT REVENUE | | | | |
| 153,547 | 49,787 | 210 | 203,544 | External revenue | 87,244 | 37,223 | 393 | 124,860 |
| 51 | - | (1) | 50 | Inter-segment revenue | 72 | - | - | 72 |
| 153,598 | 49,787 | 209 | 203,594 | | 87,316 | 37,223 | 393 | 124,932 |
| (51) | - | 1 | (50) | Less: Consolidation elimination | (72) | - | - | (72) |
| 153,547 | 49,787 | 210 | 203,544 | | 87,244 | 37,223 | 393 | 124,860 |
| | | | | RESULTS | | | | |
| 123,799 | 26,530 | 46 | 150,375 | Segment results | 62,184 | 24,401 | 81 | 86,666 |
| | | | (7,613) | Unallocated expenses | | | | (10,271) |
| | | | 142,762 | Profit/(Loss) from operating activities | | | | 76,395 |
| | | | | Other gains/(losses)* | | | | |
| | | | - | - Write back of allowance for impairment on SGX Centre | 23,068 | 21,932 | - | 45,000 |
| - | 34,021 | 0 | 34,021 | - Distribution from SGX-DT Compensation Fund upon its expiry | | | | - |
| | | | 6,408 | - Unallocated | | | | 4,616 |
| | | | (97) | Share of results of joint ventures and associated company | | | | (713) |
| | | | (26,656) | Tax | | | | (16,591) |
| | | | 156,438 | Profit after tax | | | | 108,707 |
| | | | | SEGMENT ASSETS | | | | |
| 993,881 | 239,737 | 7,392 | 1,241,010 | Segment assets | 605,951 | 171,423 | 6,938 | 784,312 |
| | | | 378,907 | Unallocated assets | | | | 234,998 |
| | | | 1,619,917 | Consolidated total assets | | | | 1,019,310 |
| | | | | SEGMENT LIABILITIES | | | | |
| 715,715 | 41,331 | 413 | 757,459 | Segment liabilities | 357,504 | 26,474 | 603 | 384,581 |
| | | | 137,340 | Unallocated liabilities | | | | 62,133 |
| | | | 894,799 | Consolidated total liabilities | | | | 446,714 |
| | | | | OTHER INFORMATION | | | | |
| 5,530 | 2,920 | - | 8,450 | Capital expenditure | 1,876 | 580 | 5 | 2,461 |
| 2,293 | 749 | 32 | 3,074 | Depreciation and amortisation | 924 | 2,615 | 35 | 3,574 |

The Group operates in Singapore and holds an investment portfolio of \$- (31 December 2006 : \$131,830,000) through a subsidiary in Mauritius.

* The table below summarizes the reclassification of prior year's comparative figures to conform with the current year's segment presentation.

| 3 Months ended 31 December 2006 | Securities Market | Derivatives Market | Others | Group |
|---|-------------------|--------------------|---------|---------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| External revenue/Segment results | 321 | (656) | 335 | 0 |

The reclassification of external revenue between segments is principally due to the reclassification of access fees on structured warrants (\$633,000), previously classified in Securities Market, to Derivatives Market.

The reclassification does not result in a change in the Group's total segment revenue and results.

12 (b). Segment Information - Group

| Half Year ended 31 December 2007 | | | | Reporting by Market | Half Year ended 31 December 2006 | | | |
|----------------------------------|--------------------|------------------|-----------|--|----------------------------------|--------------------|------------------|-----------|
| Securities Market | Derivatives Market | Other Operations | Group | | Securities Market | Derivatives Market | Other Operations | Group |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 | | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| | | | | SEGMENT REVENUE | | | | |
| 324,949 | 97,683 | 588 | 423,220 | External revenue | 155,500 | 72,521 | 724 | 228,745 |
| 71 | - | - | 71 | Inter-segment revenue | 90 | - | - | 90 |
| 325,020 | 97,683 | 588 | 423,291 | | 155,590 | 72,521 | 724 | 228,835 |
| (71) | - | - | (71) | Less: Consolidation elimination | (90) | - | - | (90) |
| 324,949 | 97,683 | 588 | 423,220 | | 155,500 | 72,521 | 724 | 228,745 |
| | | | | RESULTS | | | | |
| 260,547 | 58,385 | 368 | 319,300 | Segment results | 107,872 | 44,167 | (14) | 152,025 |
| | | | (15,128) | Unallocated expenses | | | | (17,938) |
| | | | 304,172 | Profit/(Loss) from operating activities | | | | 134,087 |
| | | | | Other gains/(losses)* | | | | |
| | | | - | - Write back of allowance for impairment on SGX Centre | 23,068 | 21,932 | - | 45,000 |
| - | 34,021 | - | 34,021 | - Distribution from SGX-DT Compensation Fund upon its expiry | | | | - |
| | | | 5,458 | - Unallocated | | | | 7,593 |
| | | | (539) | Share of results of joint ventures and associated company | | | | (1,462) |
| | | | (56,693) | Tax | | | | (28,855) |
| | | | 286,419 | Profit after tax | | | | 156,363 |
| | | | | SEGMENT ASSETS | | | | |
| 993,881 | 239,737 | 7,392 | 1,241,010 | Segment assets | 605,951 | 171,423 | 6,938 | 784,312 |
| | | | 378,907 | Unallocated assets | | | | 234,998 |
| | | | 1,619,917 | Consolidated total assets | | | | 1,019,310 |
| | | | | SEGMENT LIABILITIES | | | | |
| 715,715 | 41,331 | 413 | 757,459 | Segment liabilities | 357,504 | 26,474 | 603 | 384,581 |
| | | | 137,340 | Unallocated liabilities | | | | 62,133 |
| | | | 894,799 | Consolidated total liabilities | | | | 446,714 |
| | | | | OTHER INFORMATION | | | | |
| 8,869 | 5,762 | - | 14,631 | Capital expenditure | 3,495 | 926 | 5 | 4,426 |
| 5,050 | 1,630 | 64 | 6,744 | Depreciation and amortisation | 3,534 | 3,865 | 68 | 7,467 |

The Group operates in Singapore and holds an investment portfolio of \$- (31 December 2006 : \$131,830,000) through a subsidiary in Mauritius.

* The table below summarizes the reclassification of prior year's comparative figures to conform with the current year's segment presentation.

| Half Year ended 31 December 2006 | Securities Market | Derivatives Market | Others | Group |
|---|-------------------|--------------------|---------|---------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| External revenue/Segment results | 472 | (1,132) | 660 | 0 |

The reclassification of external revenue between segments is principally due to the reclassification of access fees on structured warrants (\$1,103,000), previously classified in Securities Market, to Derivatives Market.

The reclassification does not result in a change in the Group's total segment revenue and results.

13. Dividend - Company

Interim Base Dividend

| | 3 Months Ended | |
|----------------------|------------------------------|------------------------------|
| | 31 December 2007 | 31 December 2006 |
| Name of Dividend | Interim Base | Interim Base |
| Dividend Type | Cash | Cash |
| Dividend Rate - Base | 3.0 cents per ordinary share | 2.0 cents per ordinary share |
| Tax Rate | Tax Exempt One-Tier | Tax Exempt One-Tier |
| Books Closure Date | 1 February 2008, 5pm | 31 January 2007, 5pm |
| Date Paid/Payable | 18 February 2008 | 12 February 2007 |

14. Share Capital - Company

During the 3 months ended 31 December 2007, the Company issued 592,500 ordinary shares at prices ranging from \$0.85 to \$1.70 upon the exercise of options granted under the SGX Share Option Plan (ESOS).

As at 31 December 2007, there were outstanding options for 7,055,800 (31 December 2006: 16,203,100) unissued ordinary shares under the ESOS.

Pursuant to the Share Purchase Mandate approved by shareholders, the Company purchased 917,700 of its ordinary shares by way of on-market purchases in 2Q FY2008, at a share price ranging from \$14.90 to \$15.60. The Company holds the shares bought back as treasury shares and plans to use the shares to fulfil its obligations under the Company's share-based compensation plans. The treasury shares are accounted for in accordance with Singapore Financial Reporting Standard ("FRS") 32 (revised 2004) - Financial Instruments: Disclosure and Presentation.

15. Accounting Policies - Group

The same accounting policies and methods of computation as in the FY2007 audited annual financial statements have been applied for the current reporting period except for the following Financial Reporting Standards ("FRS") and Interpretations to FRS (INT FRS) that are effective for the Group's financial year beginning 1 July 2007:

- (i) Amendments to FRS 1 - Presentation of Financial Statements - Capital Disclosures
- (ii) FRS 107 - Financial Instruments : Disclosures
- (iii) INT FRS 110 - Interim Financial Reporting and Impairment

The adoption of the above FRS and INT FRS did not result in substantial changes to the Group's and the Company's accounting policies. Additional disclosures will be required in the financial statements of the Company and its subsidiaries for the full year ended 30 June 2008.

Statement of Cash Flow - Group

Restatement of comparatives for 3 months and half year ended 31 December 2006

In order to reflect the Group's cash commitment of \$90,000,000 to support the Singapore Exchange Derivatives Clearing Limited's Clearing Fund, the following cash and cash equivalents in the Statement of Cash Flow have been restated:

| | 3 Months Ended 31 Dec 2006 | Half Year Ended 31 Dec 2006 |
|--|---------------------------------------|--|
| | S\$'000 | S\$'000 |
| For the purposes of the Statement of Cash Flow, the cash and cash equivalents comprised the following: | | |
| Cash and cash equivalents at the beginning of the period | 289,636 | 245,978 |
| Less : Cash set aside for Singapore Exchange Derivatives Clearing Limited's Clearing Fund | (90,000) | (90,000) |
| Cash and cash equivalents per Statement of Cash Flow - restated | 199,636 | 155,978 |

As this amount is not available for use by the Group other than its intended purposes, the amount has been excluded from the cash and cash equivalents for the purposes of the Statement of Cash Flow. This is to make it consistent with the current presentation in the Statement of Cash Flow, which better reflects the cash and cash equivalents available for use by the Group.

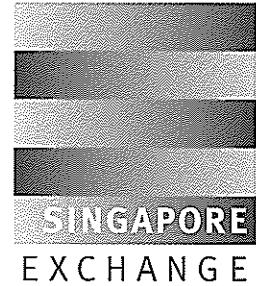
The revised presentation does not result in a change in the net cash movements of the Group and the Company.

Segment Information - Group

Certain comparative figures have been reclassified between the Securities Market, Derivatives Market and Other Operations under segment reporting to conform with the current period's presentation. Details are provided in Section 12 - Segment Information.

The revised presentation does not result in a change in the Group's total segment revenue and results.

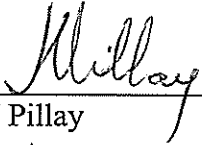
Joyce Fong
Company Secretary
15 January 2008



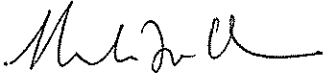
CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the second quarter ended 31 December 2007 to be false or misleading.

On behalf of the Board of Directors



J Y Pillay
Director



Hsieh Fu Hua
Director

15 January 2008

The extract of the review report dated 15 January 2008, on the interim financial report of the Company and its subsidiaries for the period ended 31 December 2007 which has been prepared in accordance with Singapore Financial Reporting Standards 34 Interim Financial Reporting, is as follows:



PricewaterhouseCoopers
8 Cross Street #17-00
PWC Building
Singapore 048424
Telephone (65) 6236 3388
Facsimile (65) 6236 3300
www.pwc.com/sg

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

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

**Report on Review of Interim Financial Information
For the second quarter ended 31 December 2007**

Introduction

We have reviewed the accompanying condensed balance sheet of the Company as of 31 December 2007 and the related condensed statements of income and changes in equity of the Company for the three-month period and six-month period then ended, the consolidated condensed balance sheet of the Group as of 31 December 2007 and the related consolidated condensed statements of income, changes in equity and cash flows of the Group for the three-month period and six-month period then ended, and other explanatory notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Financial Reporting Standard ("FRS") 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

A handwritten signature in cursive script, appearing to read 'PricewaterhouseCoopers', written in dark ink.

PricewaterhouseCoopers
Certified Public Accountants

Singapore

15 January 2008