



# **Singapore Exchange - Interim Results Briefing**

**8 February 2001**

# Key Investment Drivers

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- Vertically & horizontally integrated institution
- Strong financial position
- Well positioned market alliances
- Innovative industry leader
- Experienced management team



## **Key Initiatives Update**

Open Interface for Securities Trading  
Exchange Traded Funds (ETFs)  
Securities Borrowing & Lending  
Linkage with ASX  
HR – Building the Team

# 1. Open Interface for Securities Trading

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- Provide wider and more direct distribution of products
- Use widely accepted international protocols (FIX 4.2)
- Member firms and ISVs are currently writing interfaces to technical specifications we delivered to the marketplace in November 2000
- Expect to deliver to marketplace in Q2 2001

## 2. Exchange Traded Funds (ETFs)

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- Joint venture agreement with American Stock Exchange signed in December 2000
- Will establish Singapore incorporated company to develop an ETFs market in Singapore, and promote ETFs regionally
- Currently both Exchanges are developing initial product list and working with issuers
- Domestic ETFs
  - Working with SSgA to create STI-based ETFs, also looking at regional & sector-based ETFs
- Expect to begin trading in Q2 2001

### 3. Securities Borrowing & Lending

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- SGX will leverage on CDP's position in custodizing securities in our market
- Working with a global consultant to develop systems and operational structure
- Benefits
  - To improve investment opportunities for our market participants
  - Allows for creation of an equity options market
- Expect to be operational in Q3 2001



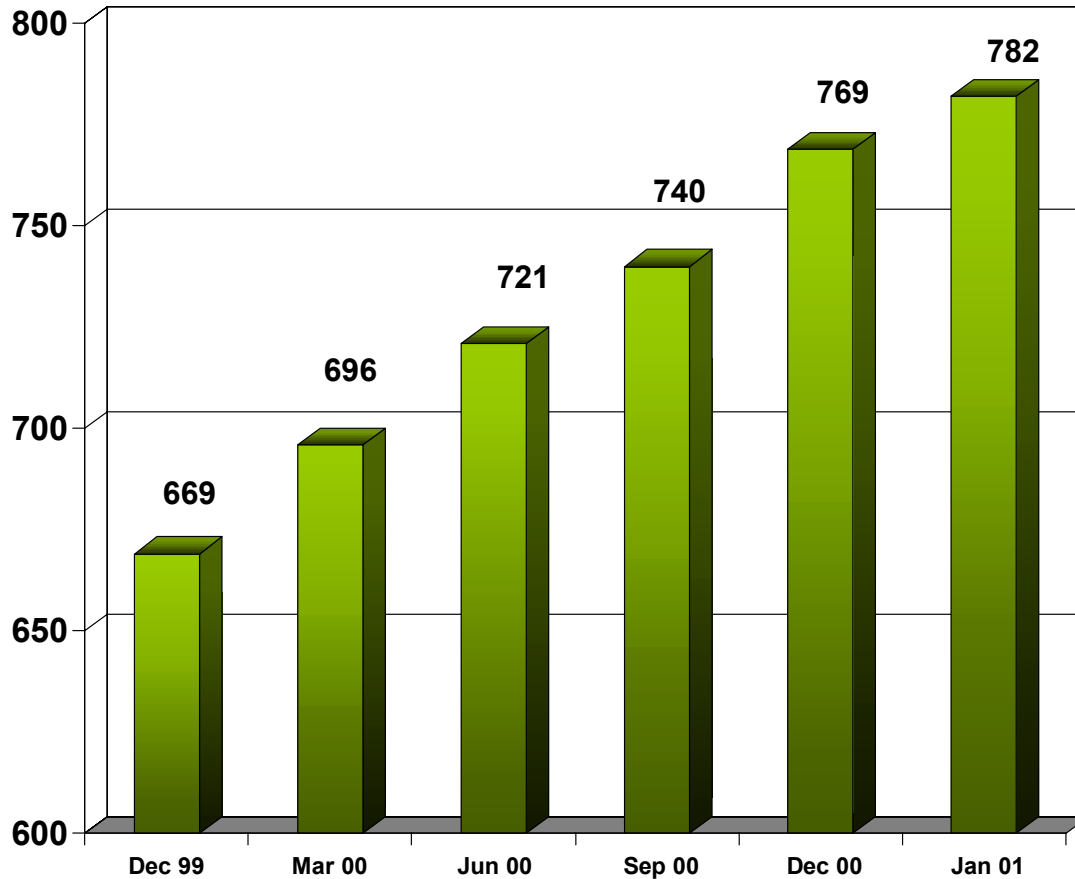
## 4. Linkage With ASX

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- Electronic co-trading system for selected equities
- Provides expanded distribution for SGX products
- Increases liquidity of participating stocks
- Seamless and efficient regulatory structure for cross border trading
- Expect to begin operation in Q3 2001

# 5. HR – Building the Team

Total Headcount



## Senior staff appointments

- Alan Shaw
  - EVP and Head of Risk Management & Regulation
- Gan Seow Ann
  - EVP and Head of SGX-ST
- John Duggan
  - SVP and Head of SGX-DC





# Segment Performance

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## Operating Revenue

<b>S\$'000</b>	<b>First Half FY2001</b>	<b>First Half FY2000</b>
Securities Market	70,840	90,789
Derivatives Market	27,364	22,751



**Interim Results**  
**6 Months to 31 December 2000**

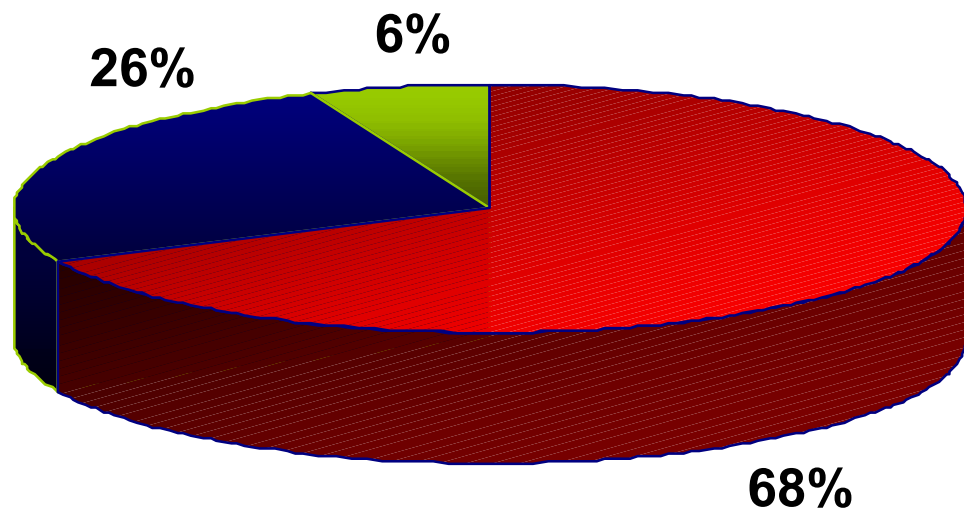
# SGX & Subsidiaries - Consolidated Profit and Loss

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<b>S\$MM</b>	<b>First Half FY2001</b>	<b>First Half FY2000</b>
Operating Revenue	104.3	119.1
Operating Expenses	66.7	56.5
<b>Operating Profit</b>	<b>37.6</b>	<b>62.6</b>
Non-Operating Revenue	11.6	10.3
Exceptional Items	(20.5)	-
<b>Net Profit Before Tax</b>	<b>28.7</b>	<b>72.9</b>
Tax	9.9	20.3
<b>Net Profit After Tax</b>	<b>18.8</b>	<b>52.6</b>

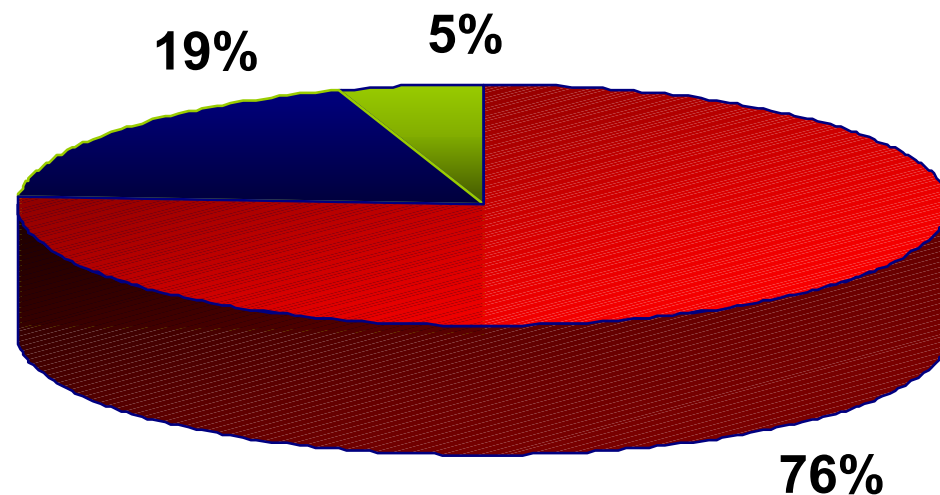
# Revenue by Segment

First Half – FY2001



Total Operating Revenue = S\$104.3MM

First Half – FY2000

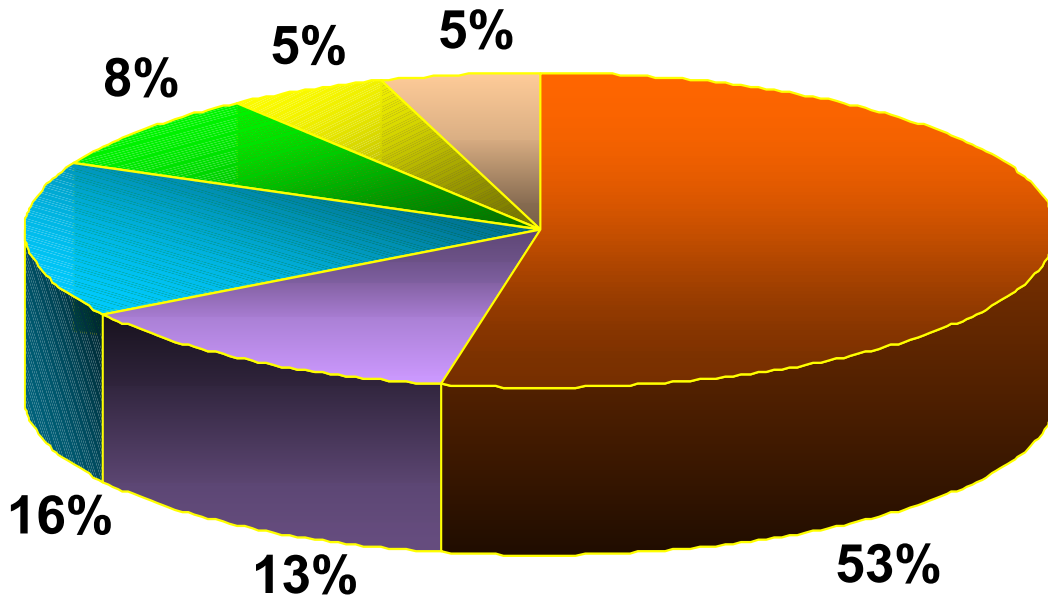


Total Operating Revenue = S\$119.1MM

 Securities Market  Derivatives Market  Other Operations

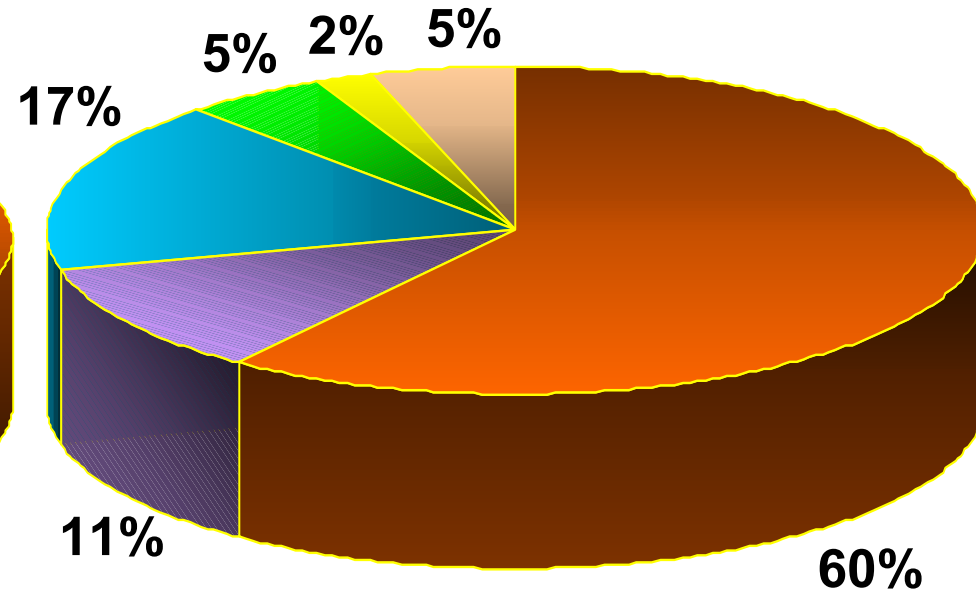
# Revenue Mix

First Half – FY2001

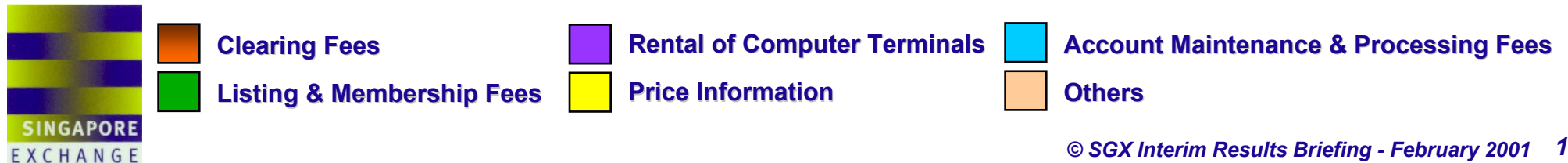


Total Operating Revenue = S\$104.3MM

First Half – FY2000

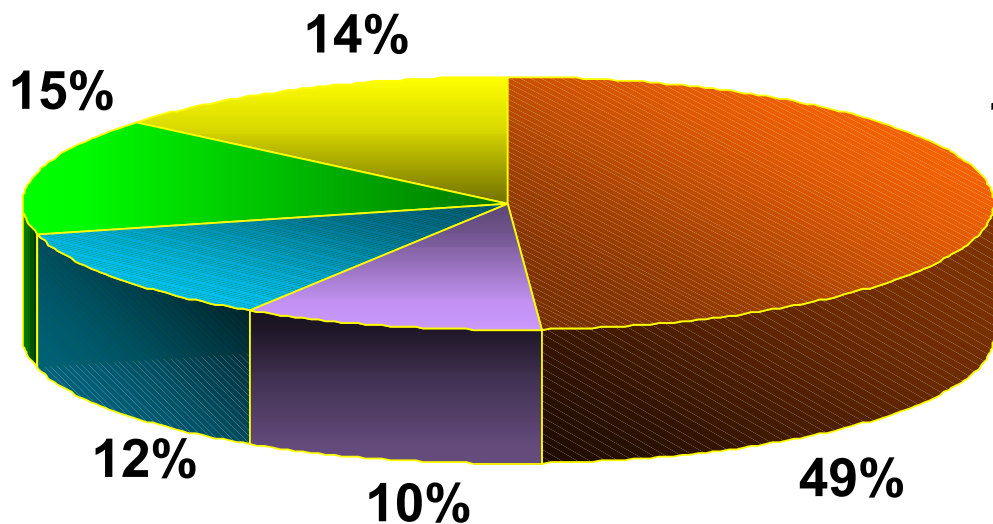


Total Operating Revenue = S\$119.1MM



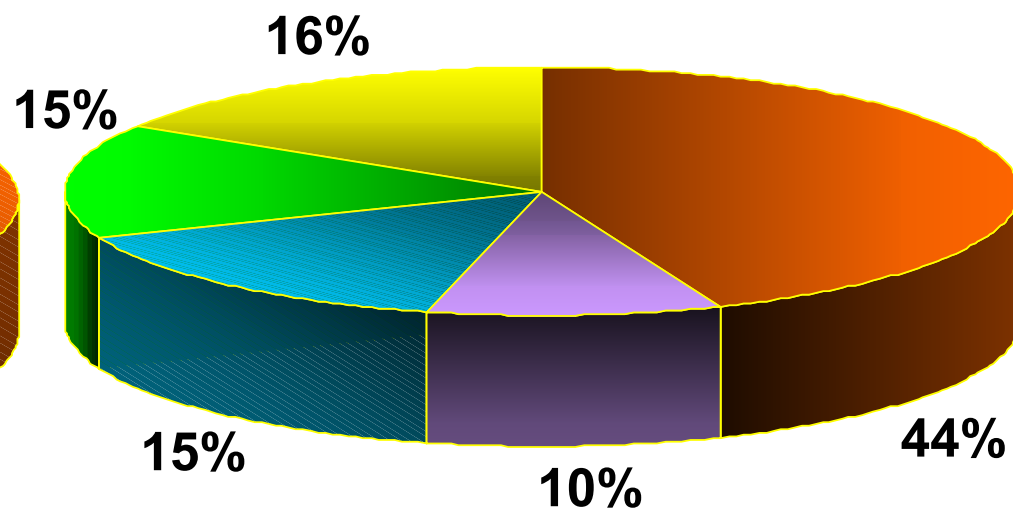
# Operating Expense Components

First Half – FY2001



Total Operating Expenses = S\$66.7MM

First Half – FY2000



Total Operating Expenses = S\$56.5MM



# SGX & Subsidiaries - Consolidated Balance Sheet

S\$MM	As At 31 Dec 2000	As At 31 Dec 1999
Current Assets - Member Funds	1,504	2,471
- Others	954	931
Non-Current Assets	236	181
	2,694	3,583
Current Liabilities - Member Funds	1,504	2,471
- Others	312	318
Non-Current Liabilities	4	2
	1,820	2,791
<b>Net Assets</b>	<b>874</b>	<b>792</b>
Shareholders' Equity	823	748
Fidelity Funds	51	44
<b>Total Equity &amp; Fidelity Funds</b>	<b>874</b>	<b>792</b>

**Net Tangible Assets Per Share (cents)**

**82.33**

**74.77**



## **Question & Answer Session**