

WELCOME: Analyst & Media Briefing First Quarter Financial Year 2012 Results

Magnus Böcker, CEO
Muthukrishnan Ramaswami, President

17 October 2011

SGX The Asian Gateway

Agenda

1 First Quarter Financial Year 2012 Highlights

2 Financial Performance

3 Business Update

4 Questions & Answers

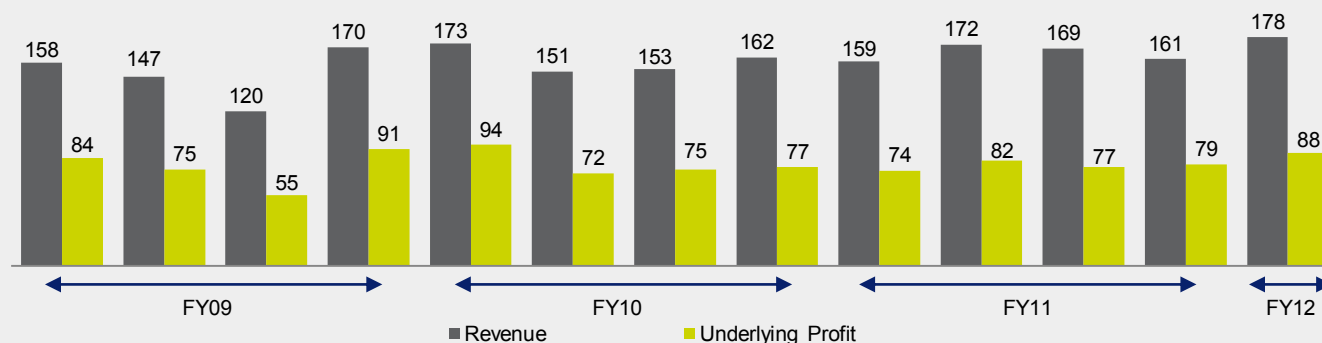
First Quarter Financial Year 2012 Highlights

Strong results in uncertain market conditions

- Increased revenue of \$178M and Profit of \$88M
- Securities market improvements – Reach trading engine, Continuous all-day trading, Reduced minimum bid sizes
- Record derivatives volumes



Revenue and Underlying Profit (\$M)



Note: Some numbers in this presentation may be subject to rounding.

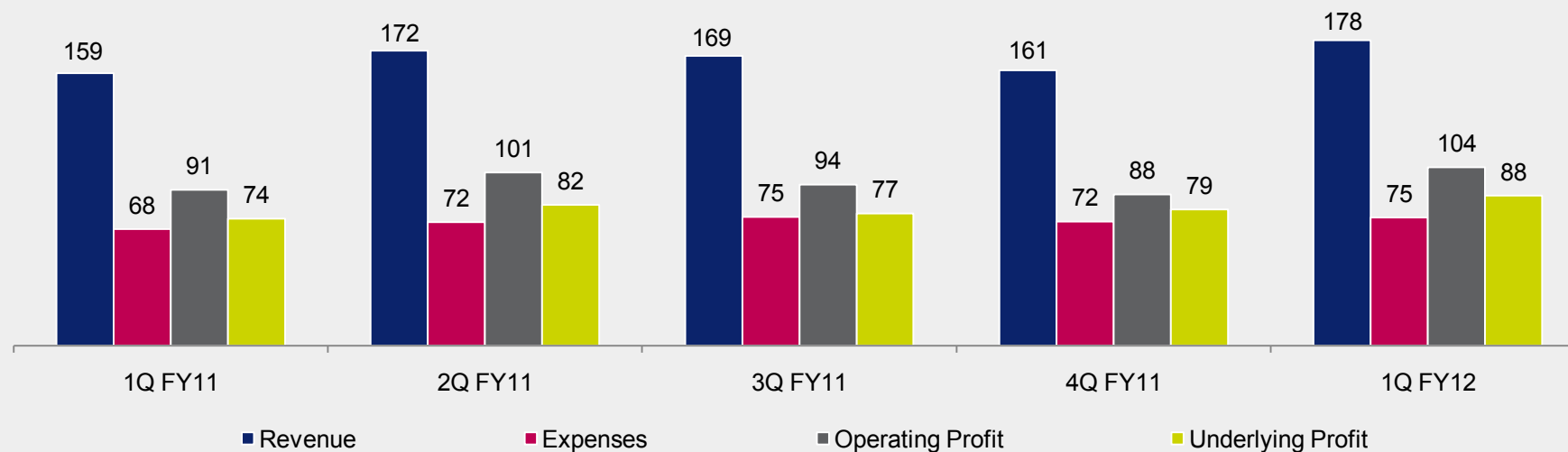
Financial Performance

Muthukrishnan Ramaswami, President and Acting CFO

Financial Performance

Key Financial Highlights

- Revenue of \$178M and Profit of \$88M
- Growth across key business lines
- Disciplined cost management



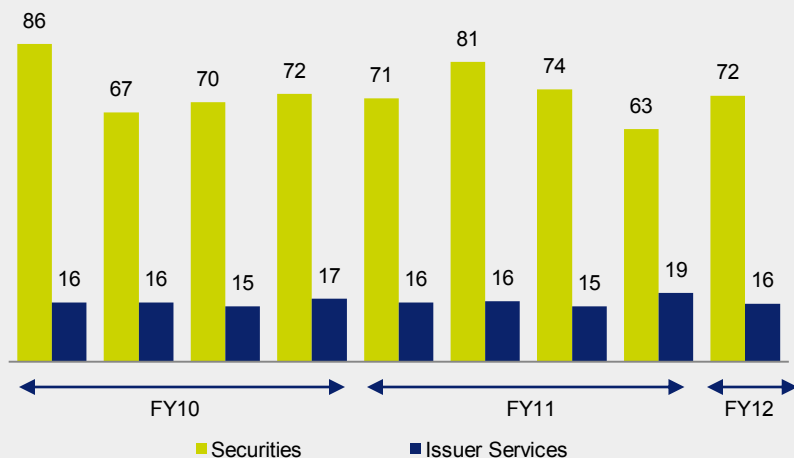
Note: Excludes ASX-SGX transaction related costs and gain from disposal of premises in FY11.

Financial Performance

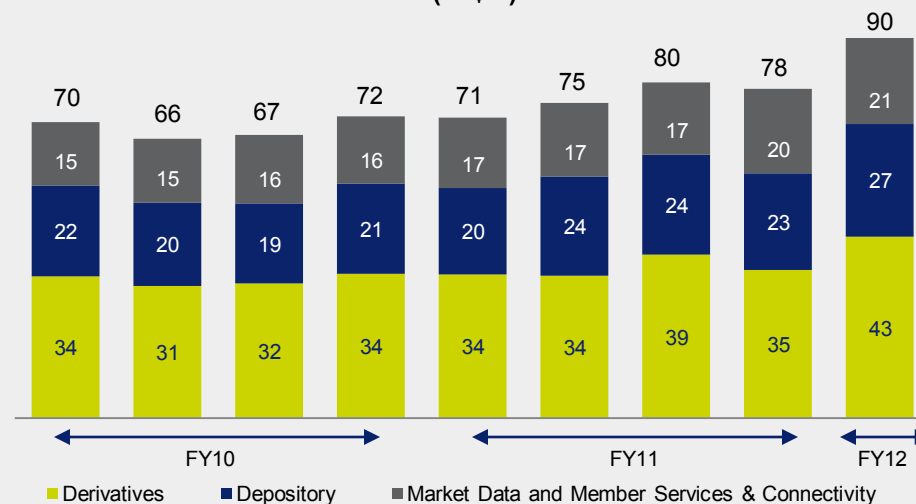
Revenue Base

- Securities in line with the global market trends
- Derivatives, Depository, Market Data and Member Services & Connectivity
 - Revenue growth: 29% to \$90M from \$70M from 1Q FY10

Securities and Issuer Services
(in \$M)



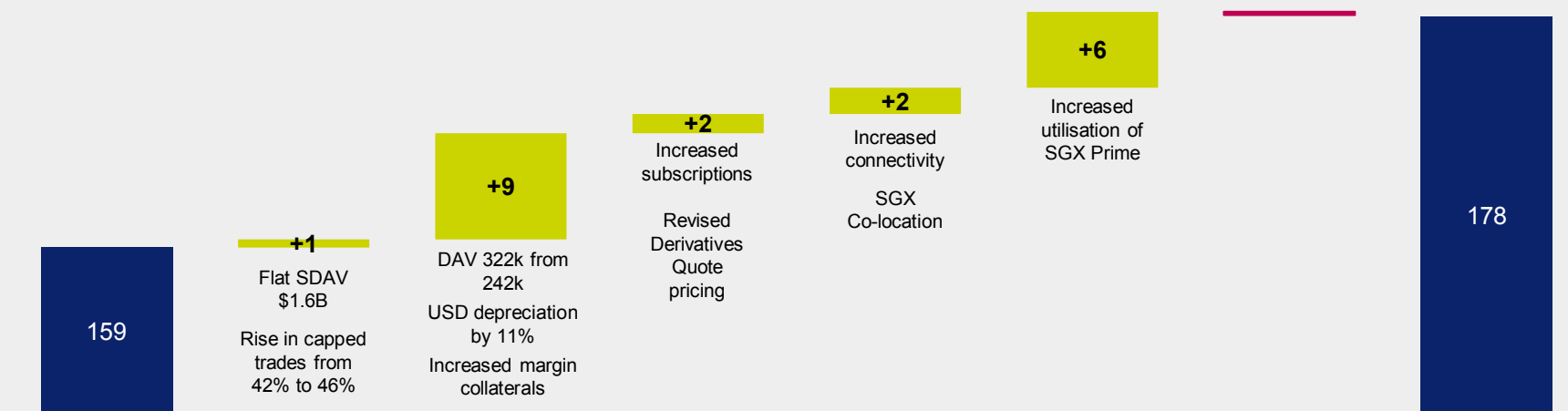
Derivatives, Depository, Market Data and Member Services & Connectivity
(in \$M)



Financial Performance

Revenue: \$178M (\$159M)

- Flat Securities daily average value, Record Derivatives volumes
- Growth across other business lines

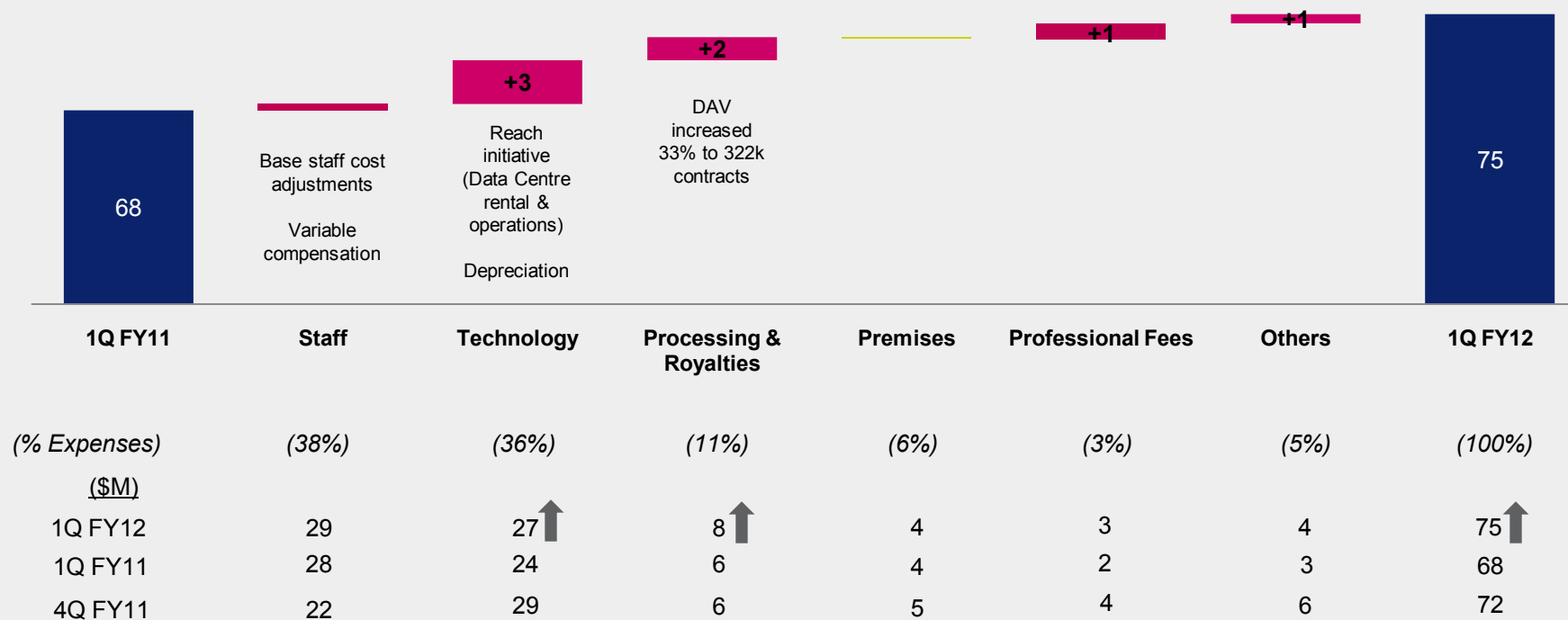


1Q FY11	Securities	Derivatives	Market Data	Member Services & Connectivity	Depository Services	Issuer Services	1Q FY12
(% Revenue)	(40%)	(24%)	(5%)	(6%)	(15%)	(9%)	(100%)
(\$M)							
1Q FY12	72	43↑	9↑	11↑	27↑	16	178↑
1Q FY11	71	34	8	9	20	16	159
4Q FY11	63	35	9	11	23	19	161

Financial Performance

Expenses: \$75M (\$68M)

- Disciplined cost management
- Technology costs reflect impact of new Data Centre and Trading Engine

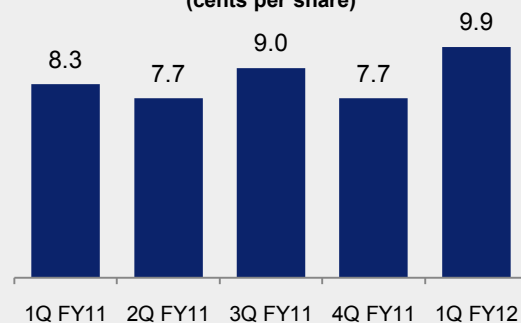


Financial Performance

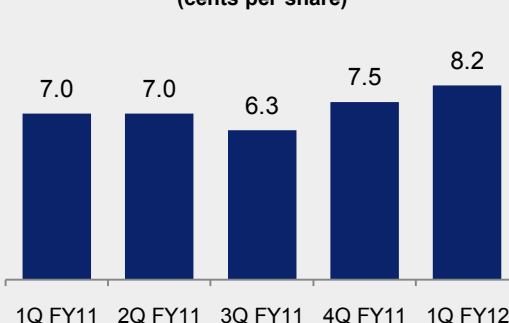
Key Indicators

(Underlying)	1Q FY11	2Q FY11	3Q FY11	4Q FY11	1Q FY12
Revenue (\$M)	159	172	169	161	178
EBITDA (\$M)	100	110	103	98	115
Operating Profit (\$M)	91	101	94	88	104
Net Profit (\$M)	74	82	77	79	88
Return on Equity	36%	44%	42%	38%	38%

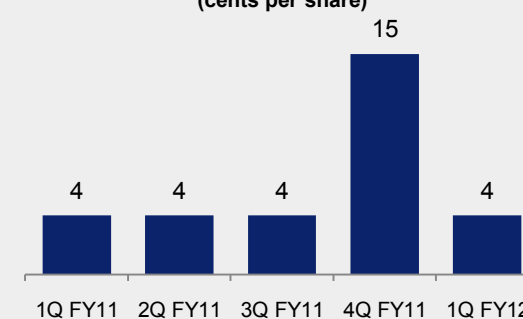
Operating Cash Flow
(cents per share)



Earnings
(cents per share)



Dividend
(cents per share)



Note 1: Except for "Earnings Per Share" data, the above excludes ASX-SGX transaction related costs and gain from disposal of premises in FY 2011.

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

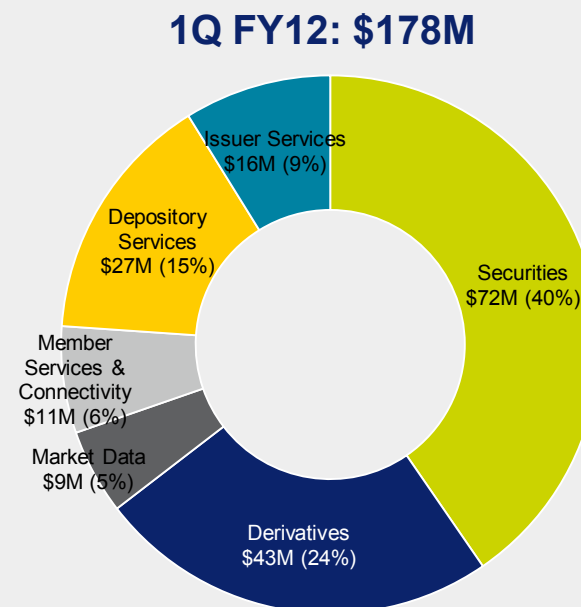
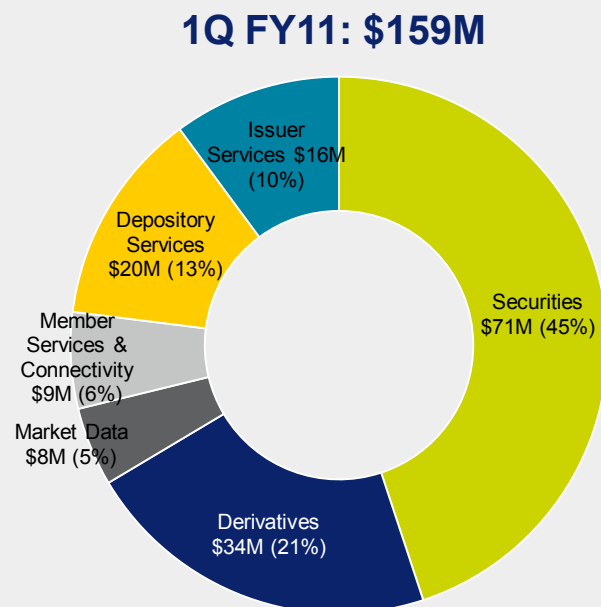
Note 3: Dividend per share in 4Q FY11 includes proposed final dividend.

Business Update

Magnus Böcker, CEO

SGX Asian Gateway

- Continued growth of non-Securities business
- Building blocks to further enhance the SGX Asian Gateway
- International revenue: 54%

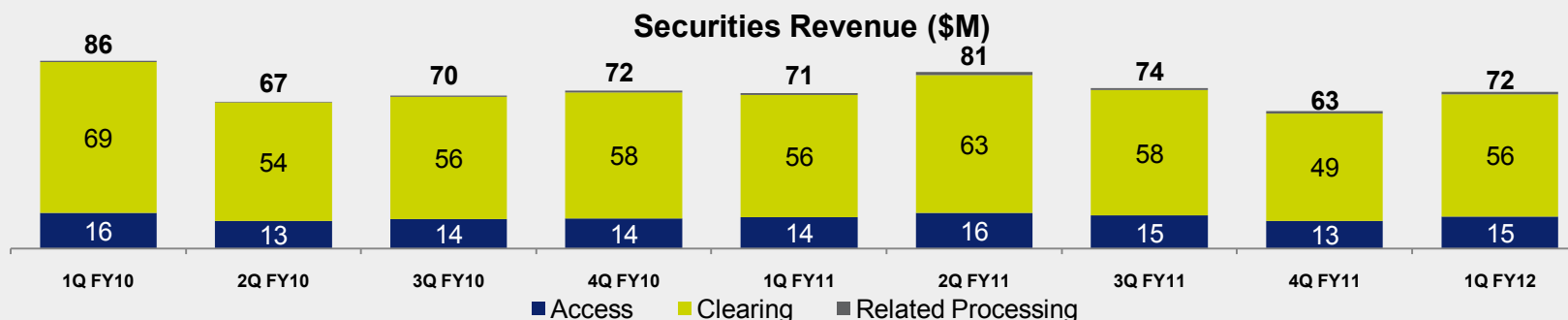


Securities: Trading and Clearing

Revenue: \$72M, 40% (\$71M, 45%)

- Driven by global macroeconomic events
- Increased institutional participation
- Continued market structure improvements

1Q FY12	FY12: Key Initiatives	
<p>Global trend</p> <ul style="list-style-type: none"> ▪ Increased volatility and elevated trading activities in August 11 <p>SGX</p> <ul style="list-style-type: none"> ▪ SDAV flat y-o-y at \$1.6B ▪ Market structure improvements <ul style="list-style-type: none"> – Jul 11: Reduced minimum bid sizes – Aug 11: All-day trading & Reach engine – Sep 11: Opening & closing routines, new order types ▪ Continued development on ETFs 	Market Structure and Access	Products & Services and Customers
	Minimum bid-ask spread (4 Jul) All-day trading (1 Aug) Reach trading engine (15 Aug) New functionalities, order types & speed (26 Sep) SGX Co-Location & Liquidity Hubs Circuit breakers	Exchange traded funds; GlobalQuote ADRs; SGS bonds Increase push for retail participation Improvements to facilitate programmed traders participation



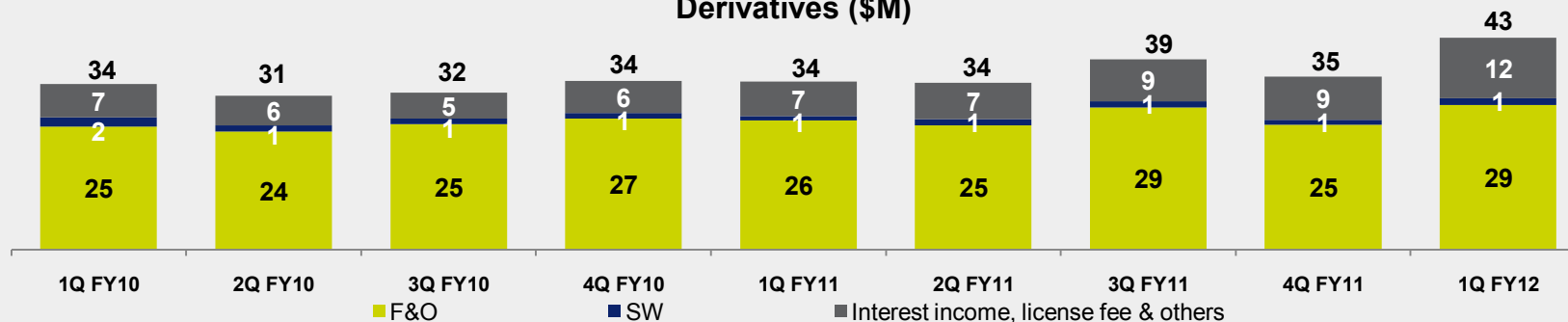
Derivatives: Trading and Clearing

Revenue: \$43M, 24% (\$34M, 21%)

- Record volumes: Indian Nifty futures; Chinese A50 futures
- Pipeline: Foreign Exchange Forwards (Oct 11)

1Q FY12	FY12: Key Initiatives	
<p>Global trend</p> <ul style="list-style-type: none"> Increased market volatility Continued regulatory development on OTC markets <p>SGX</p> <ul style="list-style-type: none"> Record volumes: DAV: 322k Improved market share: <ul style="list-style-type: none"> Volume: Nikkei 225 futures (29%); Indian Nifty (19%); Nikkei225 options (4%) Open interest: Indian Nifty (50%), Chinese A50 (10%), Nikkei options (10)% After hours trading volume up 44%, 17% of the overall Continued momentum in OTC Clearing business 	<p>Market Structure and Access</p>	<p>Product & Services and Customers</p>
	<p>Pre-trade credit check</p> <p>Clearing house: Default management framework</p> <p>SGX Co-Location & Liquidity Hubs</p>	<p>Equity (Chinese A50; Indian Nifty)</p> <p>Commodities (rubber & metals)</p> <p>OTC Financials: IRS; FX forwards</p> <p>OTC Commodities: FFA/Iron Ore Swaps</p> <p>Customers: Increase push for cross selling & new players</p>

Derivatives (\$M)



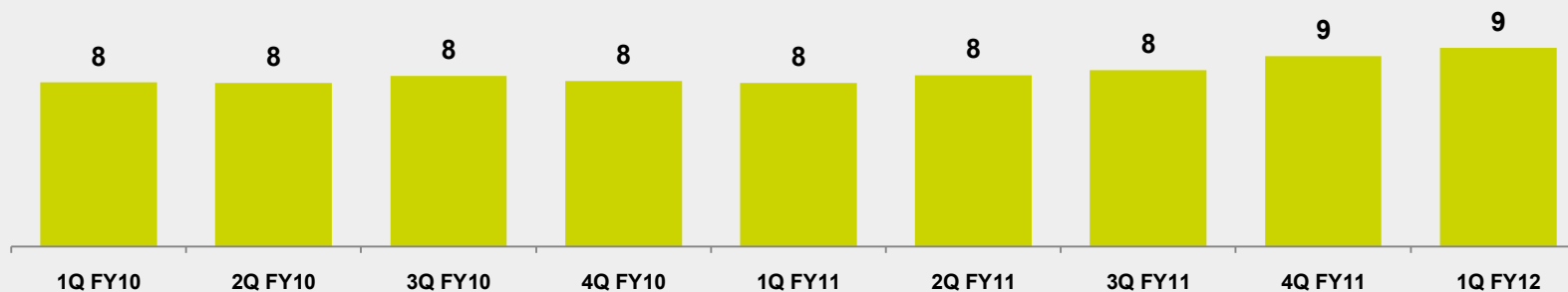
Market Data: Information Sales and Distribution

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

- Introduced low latency Securities market datafeed
- Growth in subscriber base

1Q FY12	FY12: Key Initiatives	
<p>SGX</p> <ul style="list-style-type: none"> ▪ Market data subscriptions <ul style="list-style-type: none"> – Securities: 46,180 vs 38,658 in 1Q FY11 – Derivatives: 24,496 vs 23,810 in 1Q FY11 ▪ Introduced low latency Securities data (26 Sep) ▪ Extended distribution through online sales 	<p>Infrastructure & Access</p> <ul style="list-style-type: none"> Complete Reach initiative Grow SGX Co-Location 	<p>Distribution and Product & Services</p> <ul style="list-style-type: none"> Distribution: New media; online sales Low latency Securities data Non-pricefeed offerings: Corporate action feed

Market Data Revenue



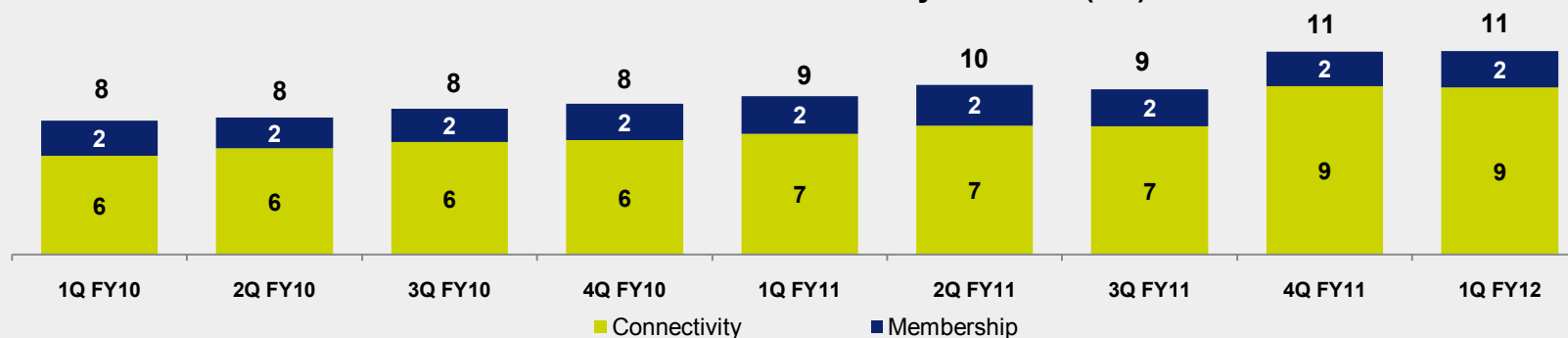
Member Services and Connectivity

Revenue: \$11M, 6% (\$9M, 6%)

- Added new memberships in Derivatives market
- Planned pre-trade risk control launch in Dec, to support DMA trading

1Q FY12	FY12: Key Initiatives	
SGX <ul style="list-style-type: none"> ▪ Continued interest in SGX Co-Location service ▪ New memberships <ul style="list-style-type: none"> – 3 Derivatives trading members compared no joiners in 1Q FY11 – BNP Paribus (France); GF Futures (China); GH Financials Group (UK) 	Market Infrastructure & Access <ul style="list-style-type: none"> Third party Clearers for DMAs Pre-trade risk controls High speed access Liquidity Hubs: Chicago & London (3Q FY12) 	Product & Services <ul style="list-style-type: none"> Data & Order Routing SGX Co-Location

Member Services & Connectivity Revenue (\$M)



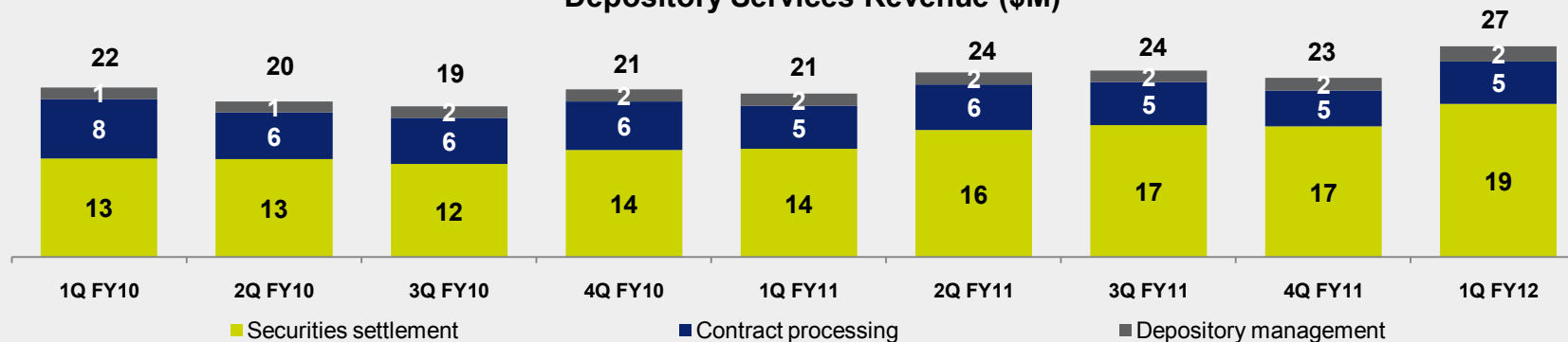
Depository Services: Settlement and Depository

Revenue: \$27M, 15% (\$20M, 13%)

- Increased institutional volumes
- Continued focus on settlement efficiency for institutional investors

1Q FY12	FY12: Key Initiatives	
<p>SGX</p> <ul style="list-style-type: none"> ▪ Settlement instructions <ul style="list-style-type: none"> – 1.46M vs 1.17M in 1Q FY11 ▪ Increased utilisation of SGX Prime, pre-settlement matching system, by institutional investors for efficient settlement ▪ Back office infrastructure replacements in progress 	<p>Infrastructure & Process Efficiency</p> <p>Continuous infrastructure and process efficiency for SGX members and depository agents</p>	<p>Products & Services</p> <p>Custody : Expand beyond stocks to SGS & other asset classes</p> <p>Asset optimisation: Improve yield on custodised assets for investors</p>

Depository Services Revenue (\$M)

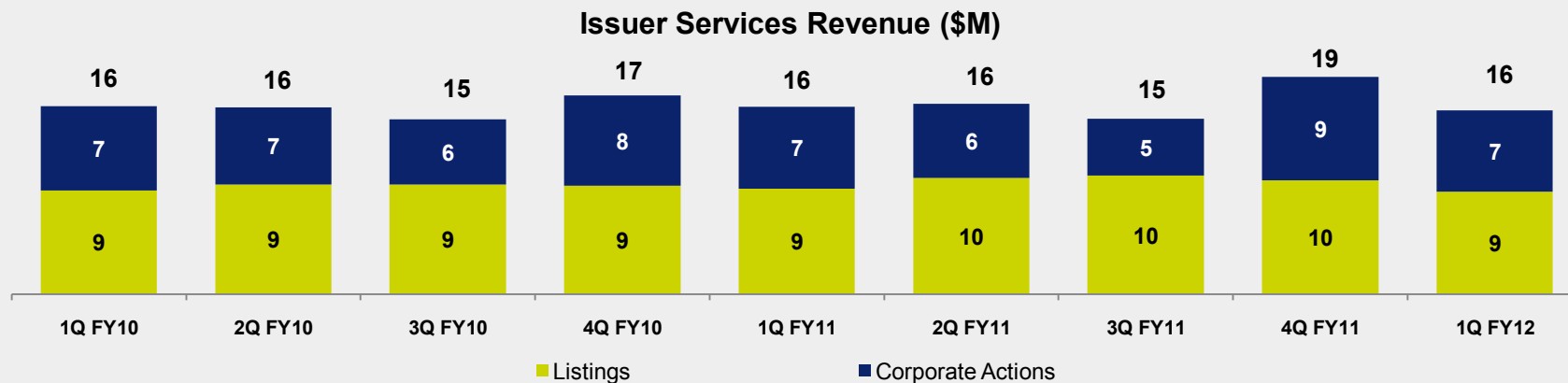


Issuer Services: Listing and Related Services

Revenue: \$16M, 9% (\$16M, 10%)

- Continued interest for equity and debt capital listing on SGX

1Q FY12	FY12: Key Initiatives	
<p>Global trend</p> <ul style="list-style-type: none"> Slow down in equity and debt capital market activities on heightened volatility and macroeconomic concerns <p>SGX</p> <ul style="list-style-type: none"> Six new listings raised \$150M Secondary funds raised \$1.1B 54 listings of \$25B debt capital raising programme Asia ex-Japan G3 listed bonds: 9 (64%) of 14 new listings 	Equity Capital	Debt Capital
	<p>Strong pipeline: China, SEA, India, US and Europe</p> <p>Sector/Structure: Trust structure, Marine & Offshore, Commodities & Resources, Mining, Oil & Gas</p> <p>SGX-NOMX Investor Relations Solutions</p>	<p>Expand market share of Asian bond issues</p> <p>Early development of bond trading market</p>



Strengthening SGX Asian Gateway



- Solid fundamentals
 - Well diversified revenue base
 - Strong cash generation
 - Continued dividend commitment
- Continued improvements to increase attractiveness of our markets
- Continue to pursue higher regulatory standards and governance

Questions & Answers

Appendices

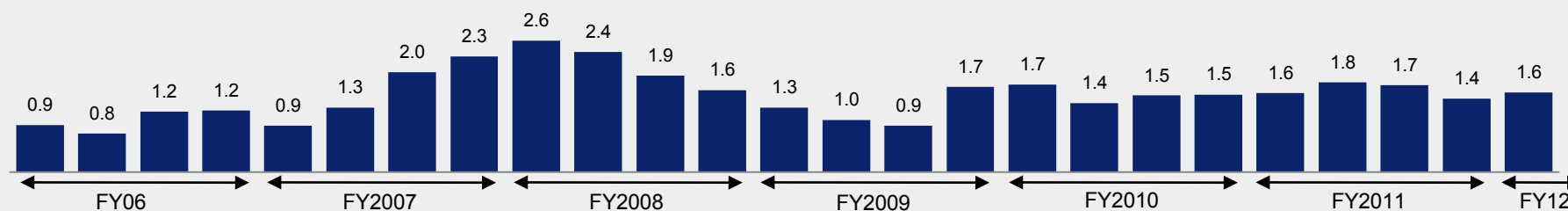
Key Metrics by Business Line

Securities: Trading and Clearing

Revenue: \$72M, 40% (\$71M, 45%)

Key drivers	FY10				FY11				FY12
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
MSCI Singapore Index	321	349	342	337	365	377	368	361	308
No. of trading days	64	64	61	63	64	64	62	62	64
Equity Turnover Velocity (%)	80	59	64	63	60	63	62	51	61
<i>Singapore issuers</i>	69	52	52	54	48	48	48	42	53
<i>Overseas issuers, excluding Chinese issuers</i>	94	62	86	70	89	95	88	73	80
<i>Chinese issuers</i>	164	132	139	148	115	118	109	78	92
Daily Average Trading Volume (billion shares)	2.22	1.43	1.61	1.48	1.67	1.60	1.47	1.11	1.29
Daily Average Trading Value (\$ billion)	1.73	1.36	1.51	1.53	1.56	1.77	1.71	1.45	1.57
ETFs/ETN (\$ million)	17	20	15	30	25	45	40	42	49
Company warrants (\$ million)	2	1	2	2	2	2	1	1	0.5
Contracts value									
<i>More than \$1.5 million (%)</i>	34	37	37	39	42	46	44	47	46
<i>Less than \$1.5 million (%)</i>	66	63	63	61	58	54	56	53	54

Securities Daily Average Value
(Quarterly, \$ billion)

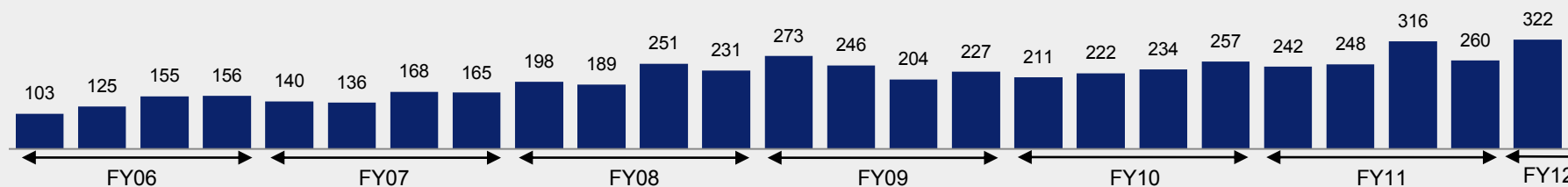


Derivatives: Futures & Options Trading and Clearing

Revenue: \$43M, 24% (\$34M, 21%)

Key drivers	FY10				FY11				FY12
	1Q	2Q	3Q	4Q 10	1Q	2Q	3Q	4Q	1Q
Daily Average Volume ('000 contracts)	211	222	234	257	242	248	316	260	322
<i>Nikkei225 futures (days)</i>	107 (62)	108 (61)	106 (60)	131 (61)	122 (63)	111 (61)	147 (60)	98 (61)	129 (63)
<i>MSCI Taiwan futures (days)</i>	60 (65)	61 (66)	70 (56)	64 (63)	60 (65)	56 (66)	72 (57)	69 (61)	78 (65)
<i>Nifty futures (days)</i>	27 (64)	34 (60)	39 (59)	42 (63)	39 (65)	48 (63)	57 (62)	57 (62)	66 (63)
<i>MSCI SG futures (days)</i>	16 (64)	14 (64)	15 (61)	15 (63)	15 (64)	14 (64)	16 (62)	16 (62)	20 (64)
<i>FTSE China A50 futures (in contracts, days)</i>	0 (66)	0 (60)	0 (58)	0 (60)	841 (63)	7,851 (61)	11,034 (58)	9,859 (61)	12,500 (65)
<i>Nikkei options (in contracts, days)</i>	307(64)	491(64)	916 (60)	598 (61)	1,155 (63)	7,318 (61)	6,265 (60)	5,332 (61)	11,865 (63)
<i>Interest futures</i>	4	3	3	3	3	3	3	3	3
<i>Structured warrants (\$M)</i>	43	27	25	22	19	24	25	21	34
Market Share (%)									
<i>Nikkei225 futures</i>	25	26	26	27	27	28	28	29	29
<i>MSCI Taiwan futures</i>	24	27	25	22	24	24	24	23	22
<i>Nifty futures</i>	7	9	11	12	13	14	14	19	19
Algorithmic trading (%)	26	26	26	25	30	29	31	28	33
Commodities (Daily average trading volume, contracts)									
<i>Rubber futures</i>	1,004	1,106	1,009	882	827	898	709	853	1,102
<i>Gold futures</i>	NA	NA	8,530	5,158	2,590	1,935	26	0	0
<i>Fuel Oil futures</i>	NA	24	24	24	30	37	28	0	0
<i>LME-SGX metal futures (from 15 Feb 11)</i>	NA	NA	NA	NA	NA	NA	1,659	434	56

Futures & Options Daily Average Volume
(Quarterly, '000 contracts)



Derivatives: OTC Commodities & Financial Derivatives

Revenue: \$43M, 24% (\$34M, 21%)

Key drivers	FY10				FY11				FY12
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
AsiaClear®									
Volume cleared (lots)	19,936	37,347	35,782	31,764	48,175	41,268	42,942	32,437	60,017
<i>Forward Freight Agreements</i>	11,284	26,448	20,920	13,420	27,004	21,259	24,813	13,400	33,064
<i>Energy swaps</i>	4,290	6,431	7,288	10,615	11,610	11,676	6,118	1,286	1,457
<i>Iron Ore swaps</i>	4,362	4,468	7,574	7,729	9,561	7,893	11,121	16,206	24,146
<i>Rubber futures</i>	NA	NA	NA	NA	NA	395	735	615	405
Interest rate swaps (in S\$M)									
<i>Notional value cleared</i>	NA	NA	NA	NA	NA	4,760	42,225	62,708	58,936

Market Data: Information Sales and Distribution

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

Key drivers	FY10				FY11				FY12
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Securities Data									
No. of vendors	120	121	122	122	122	126	131	134	142
No. of terminals (average)	36,487	36,717	40,607	38,703	38,658	40,169	45,727	45,827	46,180
Derivatives Data									
No. of vendors	52	55	57	57	58	62	65	66	69
No. of terminals (average)	26,183	25,158	24,842	24,168	23,810	23,576	24,000	23,774	24,496

Member Services and Connectivity

Revenue: \$11M, 6% (\$9M, 6%)

Key drivers	FY10				FY11				FY12
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Membership									
Securities members									
<i>Trading Representative</i>	3784	3908	4,008	4,095	4,147	4,243	4,277	4,314	4,326
<i>Trading Member</i>	24	24	26	26	27	30	30	30	30
<i>Clearing Member</i>	25	25	26	26	27	29	29	29	29
Derivatives members									
<i>Trading Member (Individual)</i>	203	201	214	228	234	216	216	213	256
<i>Trading Member (Proprietary)</i>	227	235	240	242	248	246	250	264	264
<i>Trading Member</i>	30	30	30	30	30	30	32	34	37
<i>Clearing Member – F&O</i>	26	25	25	26	26	26	27	28	28
<i>Clearing Member – OTC Clearing</i>	NA	NA	NA	NA	NA	9	11	11	11
AsiaClear®									
No. of counterparty	377	412	467	512	561	617	654	735	779
Connectivity									
Securities Market									
<i>Connectivity (no.)</i>	86	89	92	88	114	122	139	158	171
<i>Order Management System (no.)</i>	26	26	28	28	32	32	31	34	33
<i>Independent software vendor (no.)</i>	9	9	11	11	11	10	10	12	12
Derivatives Market									
<i>Connectivity (no.)</i>	503	530	559	578	579	604	614	654	647
<i>Order Management System (no.)</i>	43	46	53	55	57	60	67	68	67
<i>Independent software vendor (no.)</i>	9	9	11	11	11	12	13	13	14
Co-Location racks, (average no.)	NA	NA	NA	NA	NA	NA	NA	NA	53

New members



Depository Services: Settlement and Depository

Revenue: \$27M, 15% (\$20M, 13%)

Key drivers	FY10				FY11				FY12
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Securities settlement									
No. of settlement instructions ('000)	1,096	1,048	1,049	1,124	1,169	1,365	1,335	1,211	1,458
Contract processing									
Contracts processed ('000)	4,207	3,032	3,050	2,966	2,848	3,055	2,735	2,151	2,694
Depository management									
Depository accounts	1.46M	1.47M	1.48M	1.49M	1.50M	1.53M	1.54M	1.55M	1.56M

Issuer Services: Listing and Related Services

Revenue: \$16M, 9% (\$16M, 10%)

Key drivers	FY10				FY11				FY12
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Listings: No. of listed issues									
Equity securities	777	781	782	783	779	782	785	776	772
Debt securities	1,127	1,164	1,198	1,229	1,258	1,313	1,359	1,401	1,439
ETFs/ETN	40	44	58	73	75	76	81	85	85
Company warrants	73	74	82	80	82	74	79	72	66
Structured warrants	296	315	301	233	234	312	322	318	286
Equity Market Capitalisation, \$B (No of issuers)	704 (777)	746 (781)	758 (782)	781 (783)	856 (779)	902 (782)	888 (785)	893 (776)	775 (772)
Singapore issuers	394 (455)	429 (459)	435 (461)	428 (460)	461 (457)	474 (461)	471 (472)	472 (461)	403 (459)
Overseas issuers, excluding Chinese issuers	271 (168)	277 (166)	285 (166)	316 (169)	353 (167)	372 (165)	377 (167)	383 (164)	343 (165)
Chinese issuers	39 (154)	39 (156)	37 (155)	36 (154)	41 (155)	55 (156)	42 (155)	38 (151)	29 (148)
New Equity Listings	11	12	7	12	8	12	11	3	6
Primary listings: IPOs & RTOs (IPO Market cap, \$M)	11 (941)	12 (8,791)	6 (1,616)	11 (3,746)	8 (387)	12 (15,718)	9 (11,914)	3 (2,423)	6 (608)
Secondary listings (Market cap, \$M)	0 (-)	0 (-)	1 (1,238)	1 (27,647)	0 (-)	0 (-)	2 (1,711)	0 (-)	0 (-)
New Funds Raised (\$M)	5,588	8,075	1,054	1,132	1,467	7,258	9,483	2,664	1,288
Primary funds raised: IPO	213	2,980	522	844	82	4,937	7,595	1,404	150
Secondary funds raised	5,325	5,071	532	288	1,386	2,321	1,888	1,221	1,138
New Debts/Fixed Income listings	26	54	39	45	80	69	64	74	54
Total funds raised (\$M)	12,367	29,079	14,401	17,036	49,602	41,623	31,085	47,599	25,195
Corporate Action									
No. of transactions	478	442	414	689	553	479	417	562	491

Equity New Listings



Fixed Income New Listings



Thank You

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