



INCLUSIVE SUSTAINABLE

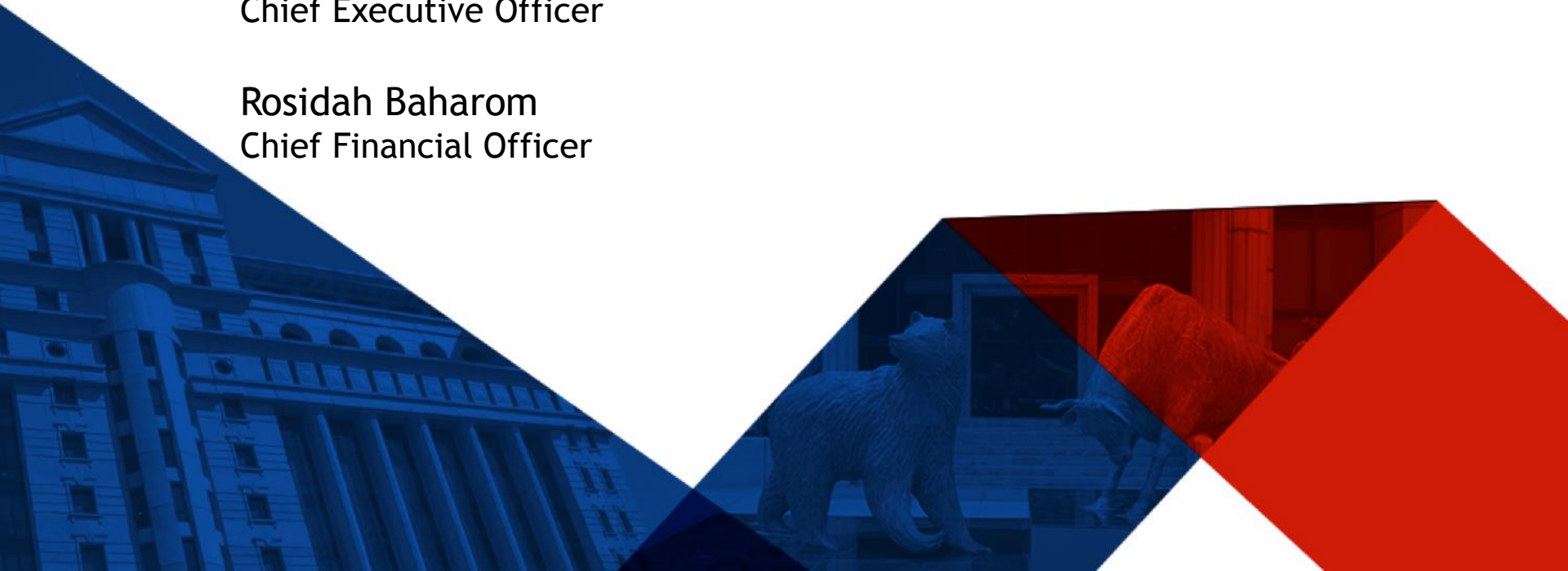
ASEAN'S
MARKETPLACE

5 February 2018

FY2017 Financial Results Analyst & Media Briefing

Datuk Seri Tajuddin Atan
Chief Executive Officer

Rosidah Baharom
Chief Financial Officer



Agenda

- Key Financial Highlights & Market Performance
- Financial Review
- Highlights & Conclusion
- Appendices

Key Financial Highlights & Market Performance

- Financial Highlights
- Financial Trends
- Securities Market Overview
- Derivatives Market Overview
- Islamic Capital Market Overview
- Dividends

Financial Highlights

Good financial results driven by better performance in Securities Market

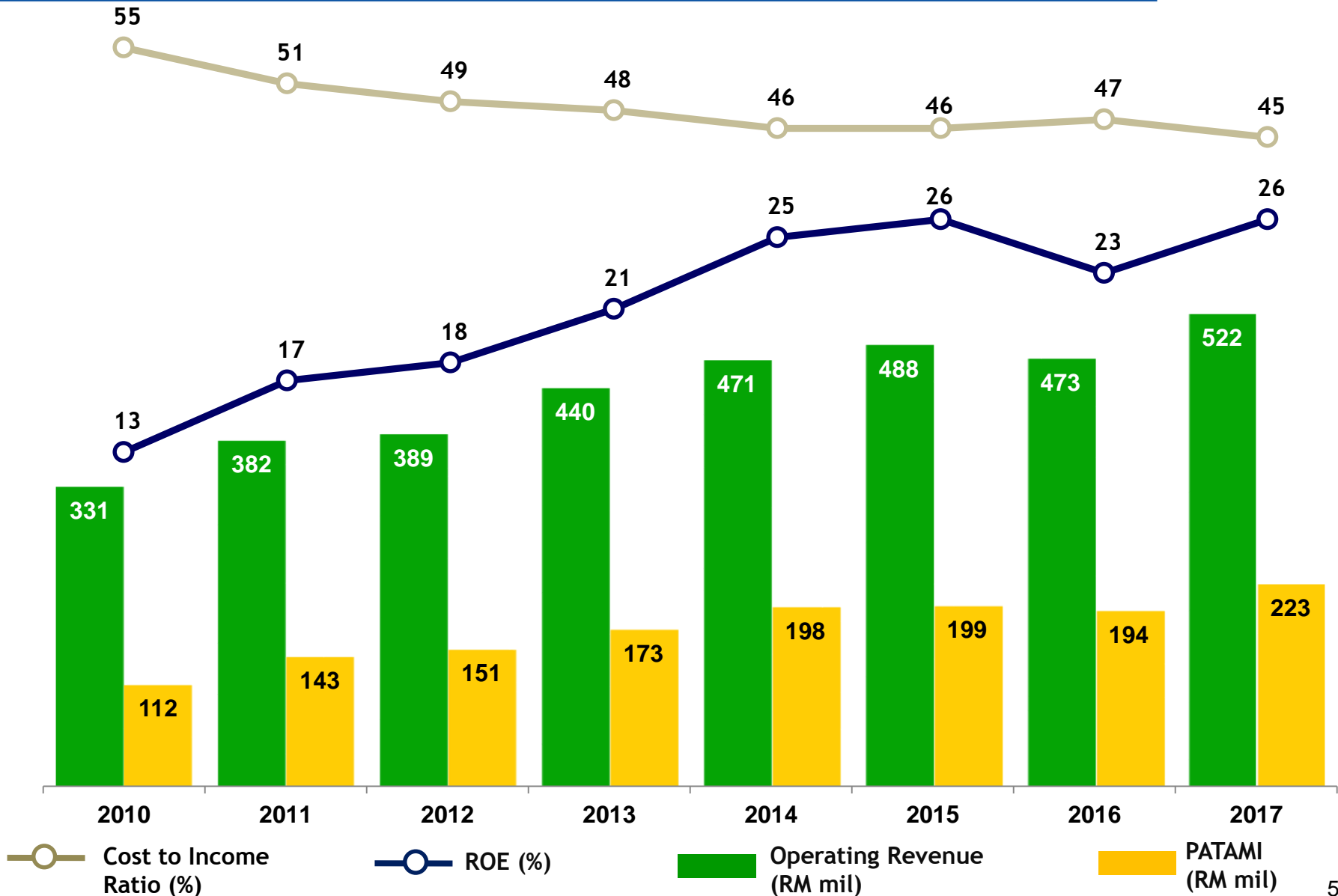
Financial Items	2017	2017 vs. 2016	4Q2017	4Q2017 vs. 4Q2016
Operating Revenue (RM million)	522.1	▲ 10.4%	130.0	▲ 15.5%
Operating Expenses (RM million)	250.4	▲ 6.0%	66.4	▲ 21.3%
PATAMI (RM million)	223.0	▲ 15.2%	55.3	▲ 10.2%
EPS (sen)	41.5	▲ 14.6%	10.3	▲ 9.6%
Cost to Income Ratio	45%	▼ 2 percentage points	47%	▲ 3 percentage points
Annualised ROE	26%	▲ 3 percentage points	27%	▲ 3 percentage points

2017 vs. 2016:

- Operating revenue increased due to higher Securities Trading, Listing and Issuer Services and Depository Services revenue. The increase was partially offset by lower revenue from Derivatives and Islamic Capital Markets.
- Cost to income ratio and ROE both improved by 2 and 3 percentage points to 45% and 26% respectively.
- Second interim dividend of 18.5 sen, equivalent to 93% payout to be paid on 5th March 2018.

Financial Trends

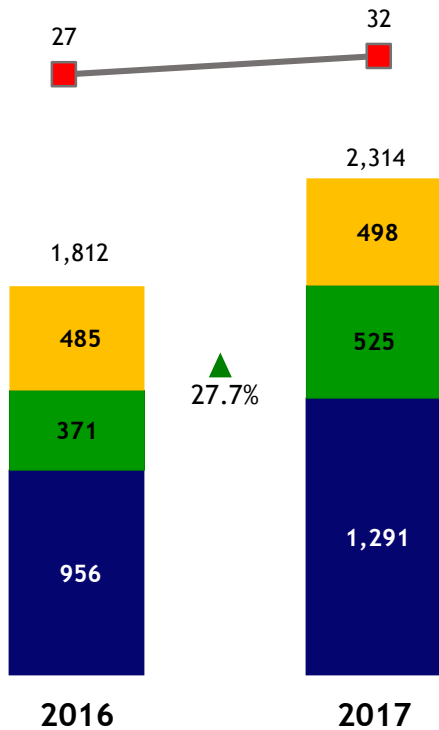
Recorded highest operating revenue since listing



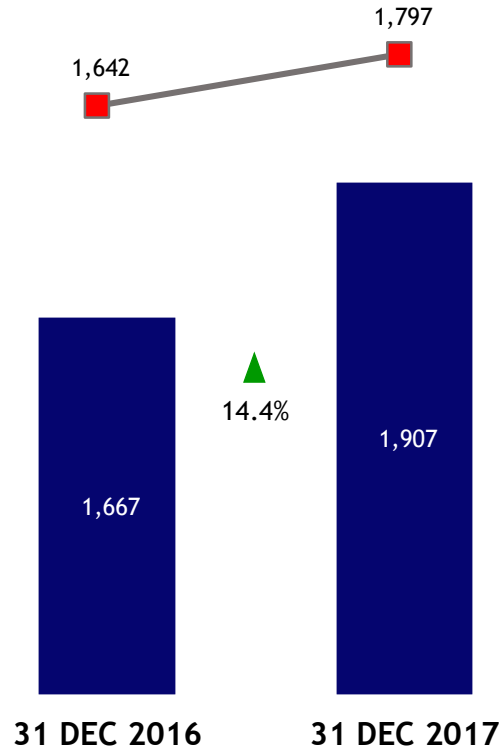
Securities Market Overview

Higher trades as market sentiments improved

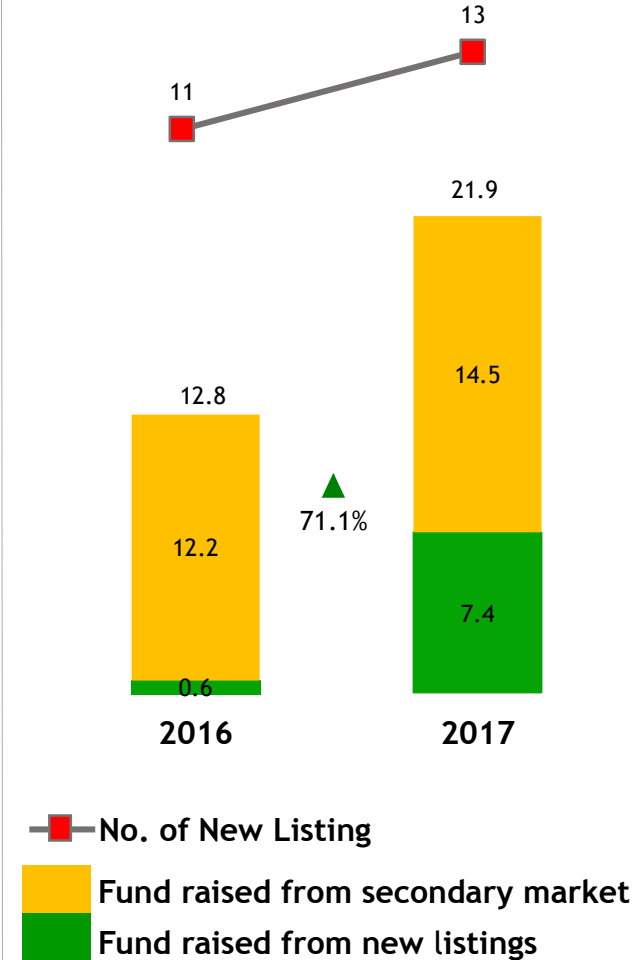
Average Daily Value (“ADV”) (OMT)(RM mil)



Market Capitalisation (RM bil)



Fund Raised from New Listings & Secondary Market (RM bil)



- Velocity (%)
- ADV of Foreign Institutions
- ADV of Retail
- ADV of Domestic Institutions

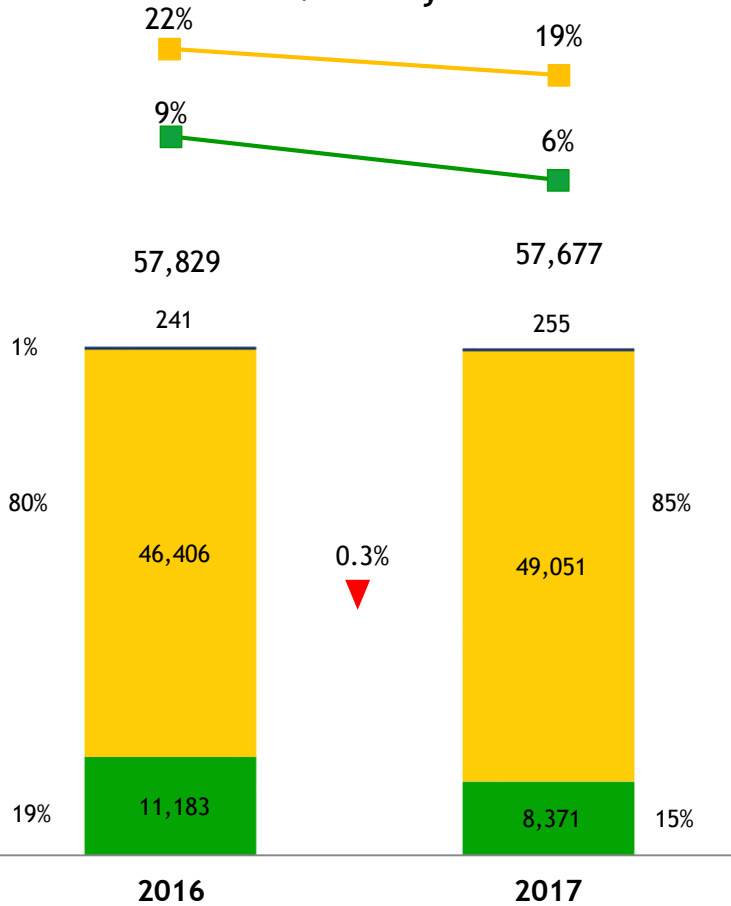
- FBMKLCI
- Market Capitalisation

- No. of New Listing
- Fund raised from secondary market
- Fund raised from new listings

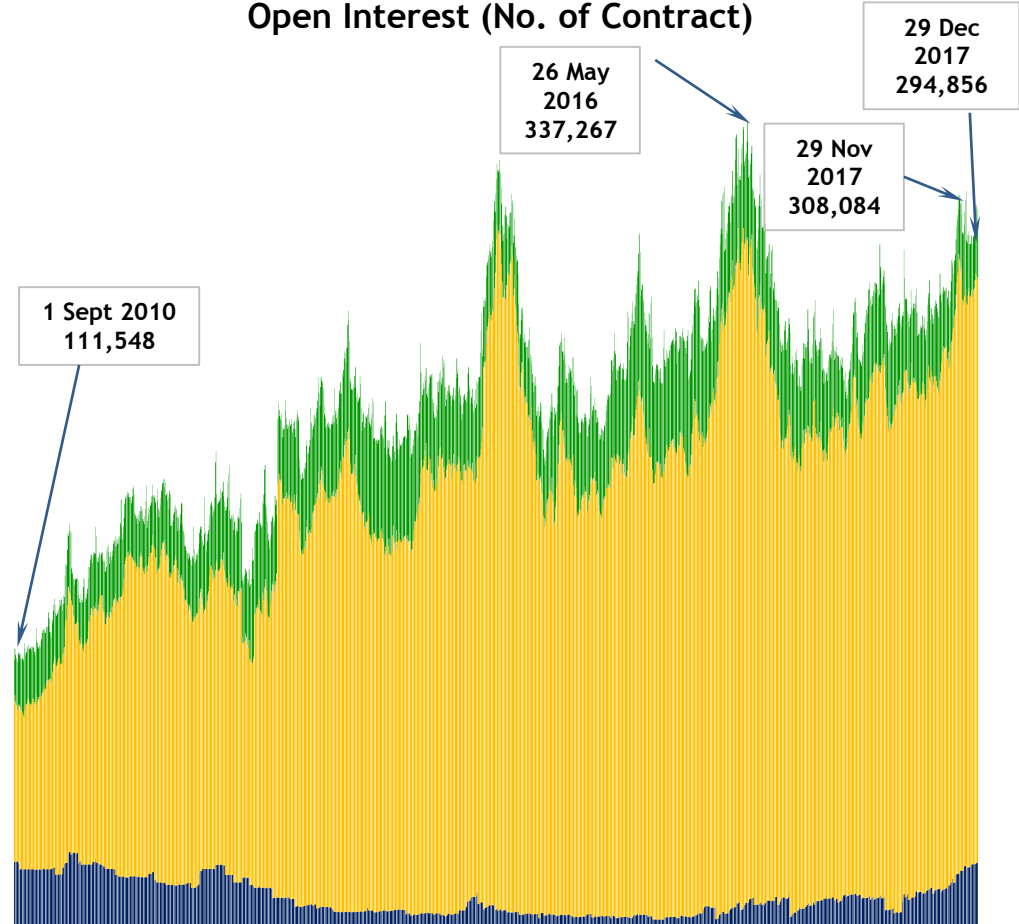
Derivatives Market Overview

6% growth in FCPO contracts Y-o-Y

Average Daily Contracts ("ADC") & Volatility



Open Interest (No. of Contract)



■ ADC - FBMKLCI Futures
—■— Volatility of FBMKLCI

■ ADC - Crude Palm Oil Futures
—■— Volatility of Crude Palm Oil Prices

■ ADC - Others

Islamic Capital Market Overview

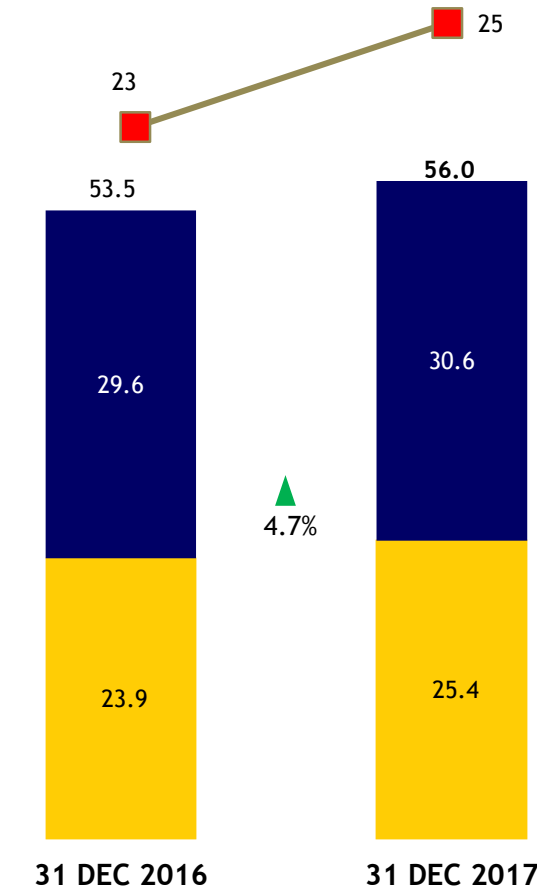
BSAS ADV improved with introduction of volume-based pricing scheme

**Bursa Suq Al-Sila' ("BSAS")
ADV (RM bil)**



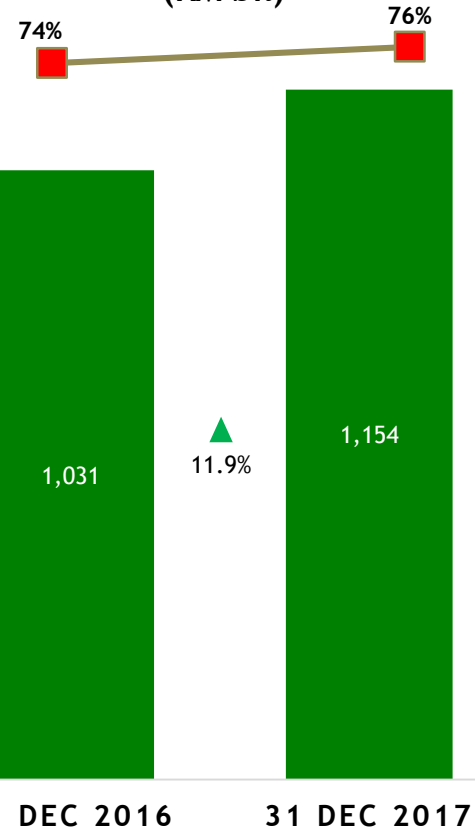
■ No. of Trading Participants
 ■ Domestic ■ Foreign

Value of Listed Sukuk (USD bil)



■ No. of Sukuk
 ■ Domestic ■ Foreign

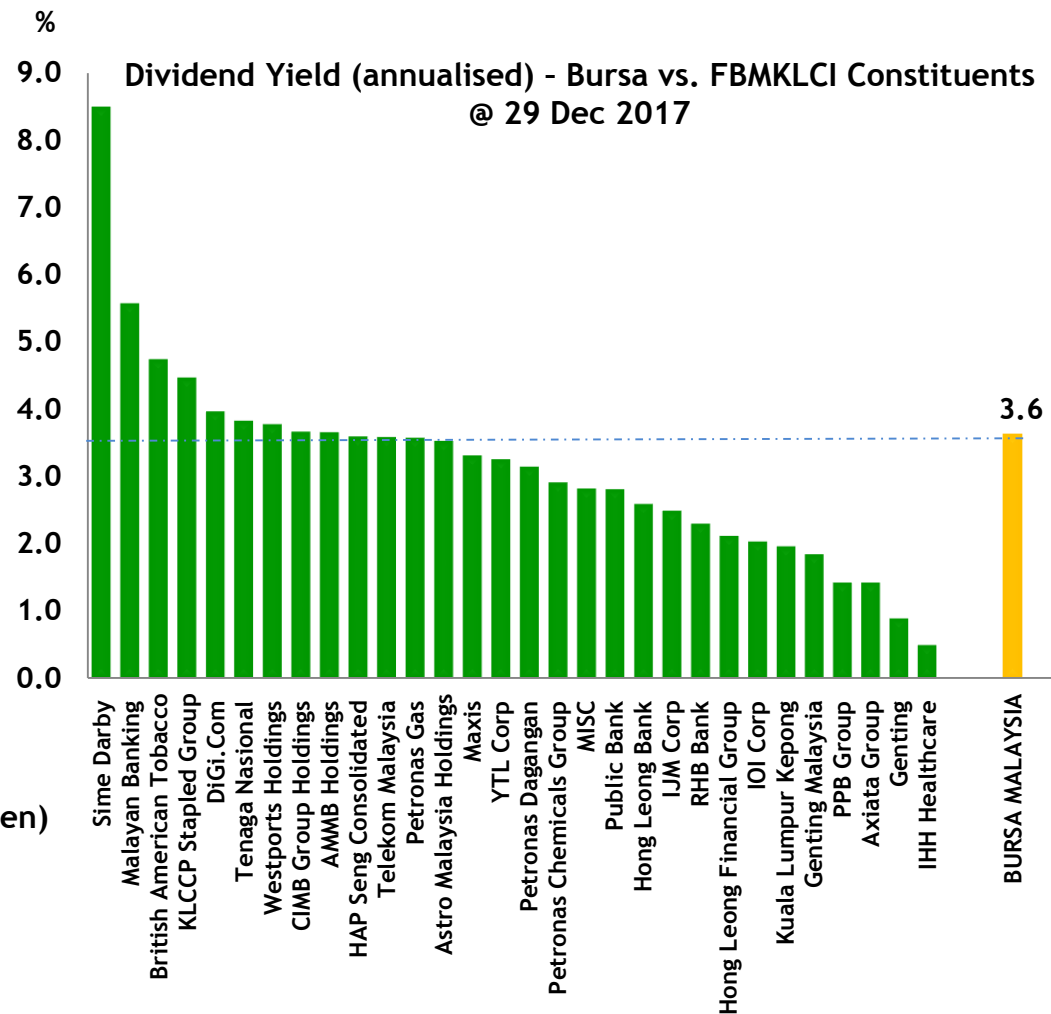
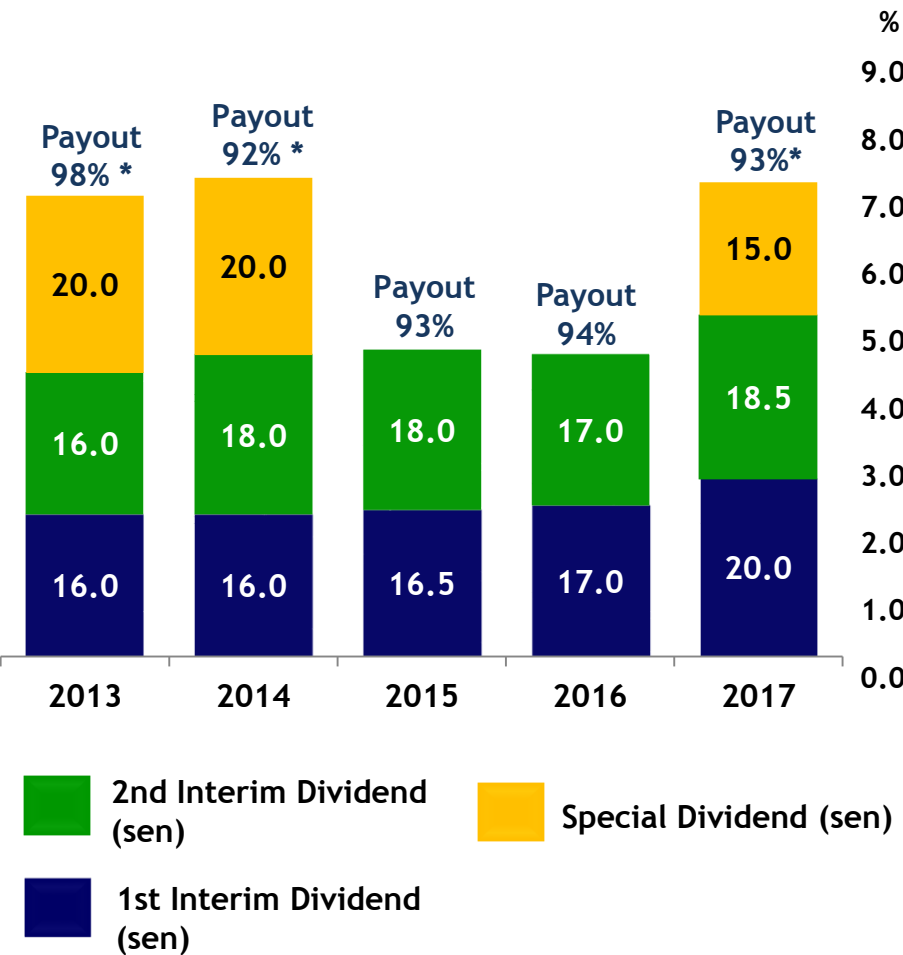
**Market Capitalisation of
Shariah Compliant Stocks
(RM bil)**



■ No. of Shariah Compliant Stocks (%)
 ■ Market Capitalisation of Shariah Compliant Stocks

Dividends

Total dividend of 53.5 sen was declared



Source: Bloomberg and Bursa Malaysia

Declared second interim dividend of 18.5 sen. The entitlement and payment dates are on 21st February and 5th March 2018 respectively.

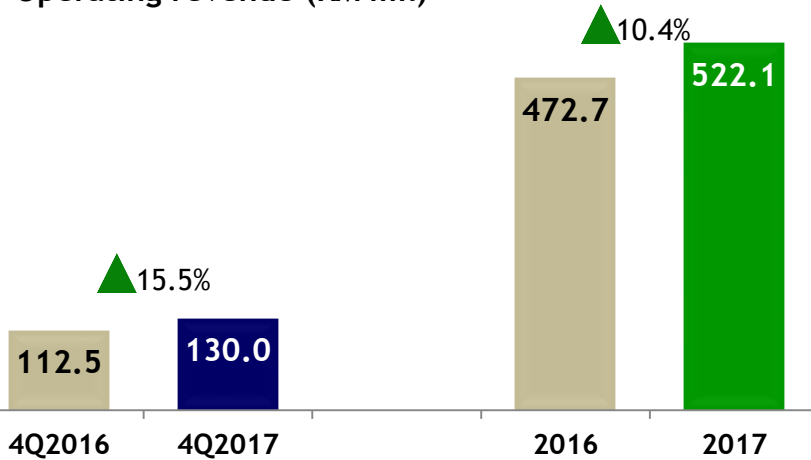
Financial Review

- Financial Snapshot
- Operating Revenue
- Operating Expenses

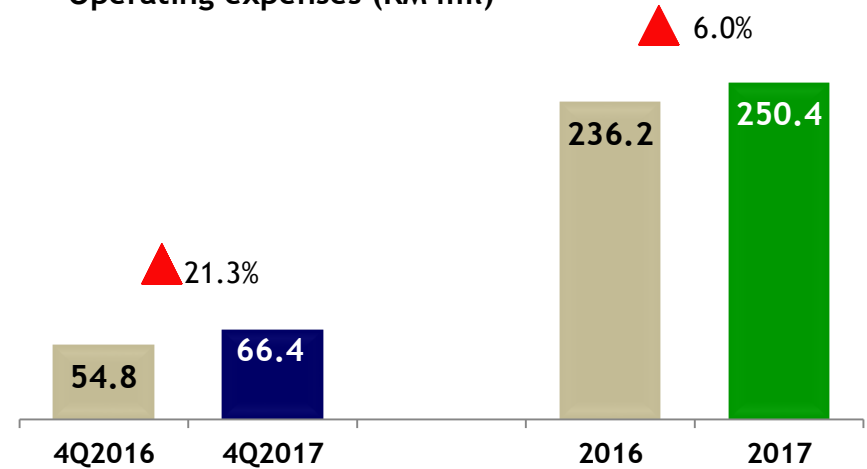
Financial Snapshot

Improved performance in 2017 results

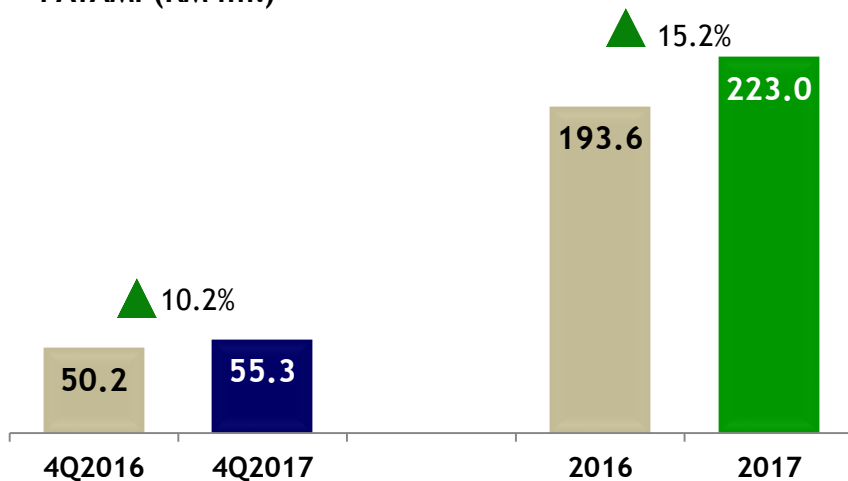
Operating revenue (RM mil)



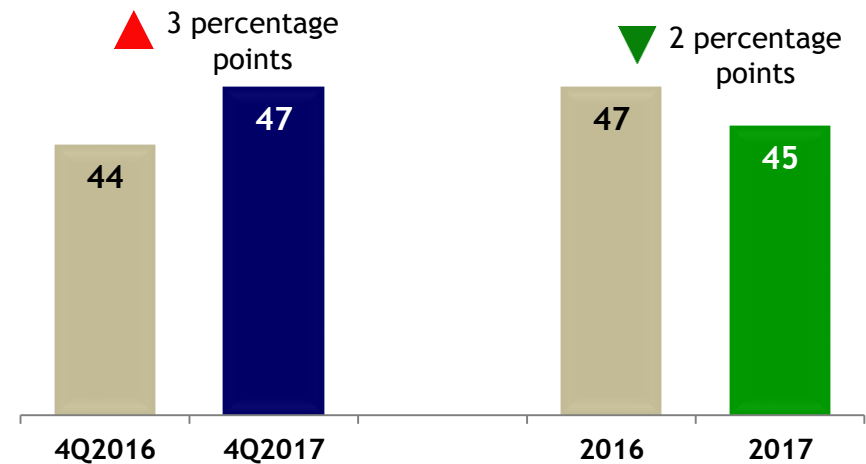
Operating expenses (RM mil)



PATAMI (RM mil)



Cost to income ratio (%)



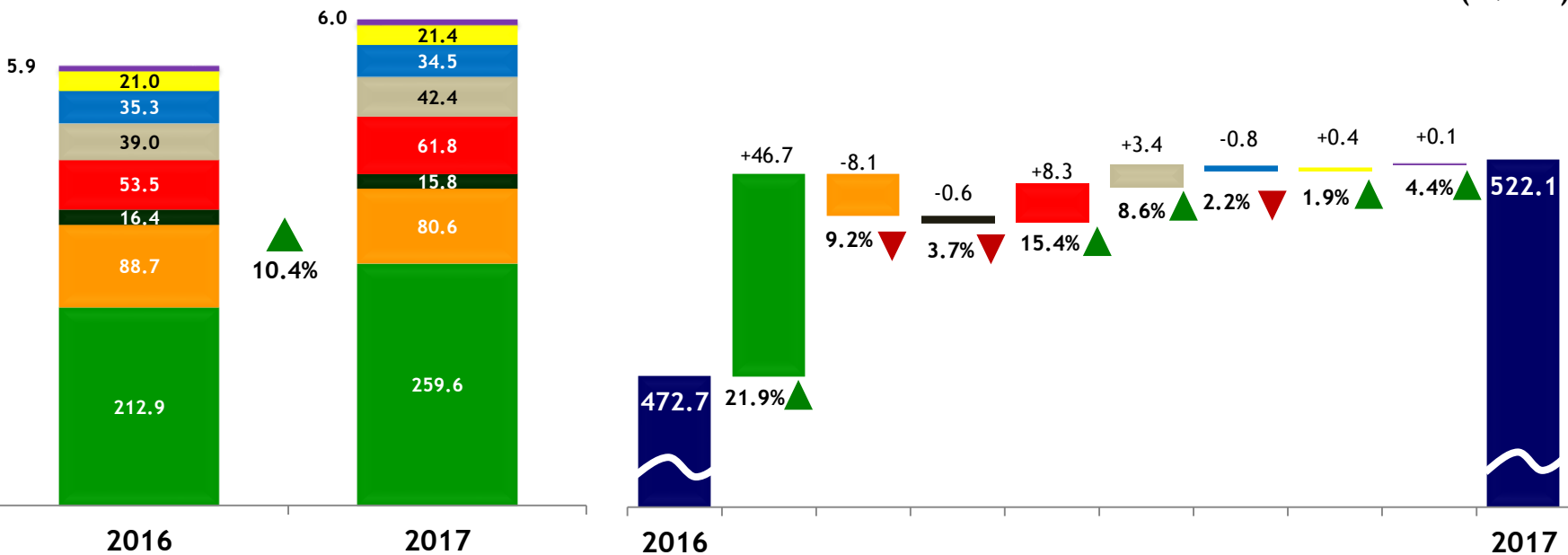
Operating Revenue

Growth from both trading & non-trading revenue

Growth contribution by revenue streams:

(RM mil)

Total RM472.7 mil Total RM522.1 mil



- Securities Trading Revenue
- Derivatives Trading Revenue
- BSAS Trading Revenue
- Listing & Issuer Services
- Depository Services
- Market Data
- Member Services & Connectivity
- Conference Fee & Exhibition Related Income

- Increase in Securities Trading Revenue from higher ADV-OMT.
- Higher Listing & Issuer Services due to larger IPOs and higher number of structured warrants and corporate exercises.
- Lower Derivatives Trading Revenue due to revision in guarantee fee and lower number of FKLI contracts traded.
- Lower BSAS Trading Revenue despite growth in its ADV due to volume discount incentives given.

Operating Expenses

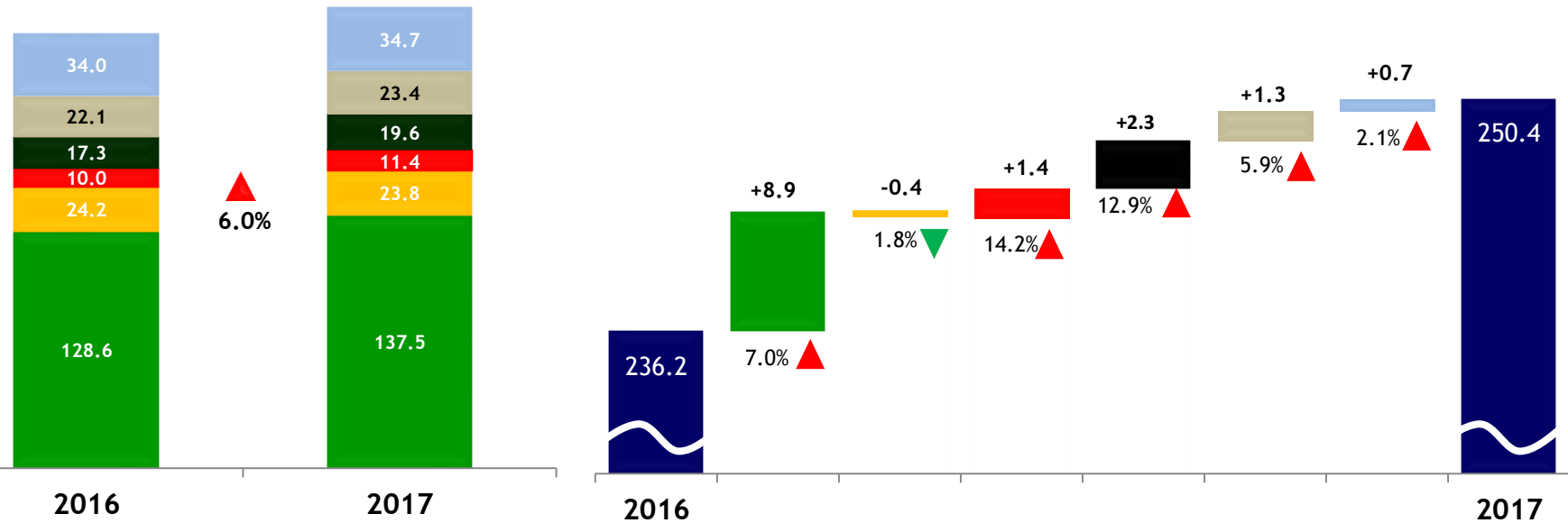
Higher cost in line with growth in Operating Revenue

Total
RM236.2 mil

Total
RM250.4 mil

Movement of expenses:

(RM mil)



Staff costs

Depreciation & amortisation

Marketing & development

IT maintenance

Service fees

Other operating expenses^

- Higher staff cost due to salary increment and higher provision for variable staff costs.
- Higher marketing and development expenses incurred as more marketing and engagement activities were carried out this year.
- Increase in IT maintenance from new and renewal of maintenance contracts.
- Increase in service fees due to higher exchange rate.

Note^ - Other operating expenses include building maintenance, administrative expenses and CDS expenses.

Highlights & Conclusion

- Highlights of 2017 Initiatives
- Moving Forward

Highlights of 2017 Initiatives

SI 1

Create a More Facilitative TRADING ENVIRONMENT

- Revised Tick Rule on Regulated Short Selling and Securities Borrowing and Lending - Negotiated Transactions Failed Trade Proposal Frameworks
- Organised inaugural Shariah Investing Forum 2017
- Launched Green Lane Policy incentive to the top 30 listed companies for good corporate governance and disclosure practices
- Bursa Malaysia Derivatives implements settlement via RENTAS
- Hosted inaugural Shariah Investing Fair 2017

SI 2

Facilitate More TRADABLE ALTERNATIVES

- New Listing Requirements and various amended rules for the Leading Entrepreneur Accelerator Platform Market
- Launched the Leading Entrepreneur Accelerator Platform (LEAP) Market for SMEs and sophisticated investors
- Launched Real Estate Investment Trust Index
- Launched Islamic Securities Selling and Buying Negotiated Transaction (ISSBNT) framework
- Launched Tradeplus Shariah Gold Tracker ETF
- Introduced new trading features to enhance flexibility in trading strategies

SI 3

Reshape MARKET STRUCTURE & FRAMEWORK

- Launched The Mid and Small Cap Research Scheme with an inaugural batch of 100 mid and small-cap public listed companies
- Revamped the participation structure for Bursa Malaysia Derivatives Clearing Berhad

SI 4

REGIONAL MARKETPLACE with Global Access (Centre of ASEAN)

- Signed MoU with the Shanghai Stock Exchange to explore potential ways to improve visibility and accessibility to market participants in Malaysia and China

Moving Forward

SECURITIES MARKET

- The Securities Market segment is expected to remain resilient, given the recent economic data and equity market performance, strengthening of the Ringgit and expected positive corporate earnings.
- Trading volatilities however, may be influenced by local and external factors, such as geopolitical developments and the tightening of monetary policies in major economies in 2018.

DERIVATIVES MARKET

- Volatility in commodity prices and the underlying equity market will continue to affect hedging and trading activities of the FCPO and FKLI contracts.

ISLAMIC CAPITAL MARKET

- The introduction of Islamic Securities Selling and Buying - Negotiated Transaction, the world's first Shariah-compliant alternative to Securities, Borrowing and Lending, will complement the efforts to promote Shariah-compliant investing on Bursa Malaysia-*i* platform as well as to add vibrancy to the market.
- Bursa Suq Al-Sila', on the other hand, will continue its reach into new regions in 2018.

Bursa Malaysia will continue with its initiatives to enhance the breadth and depth of the ecosystem, amongst others, through the digitalisation of services, liberalisation of rules framework and greater diversification of the investor base to ensure that the Malaysian equity and derivatives markets are attractive and vibrant.

2017 Financial Results Analyst & Media Briefing

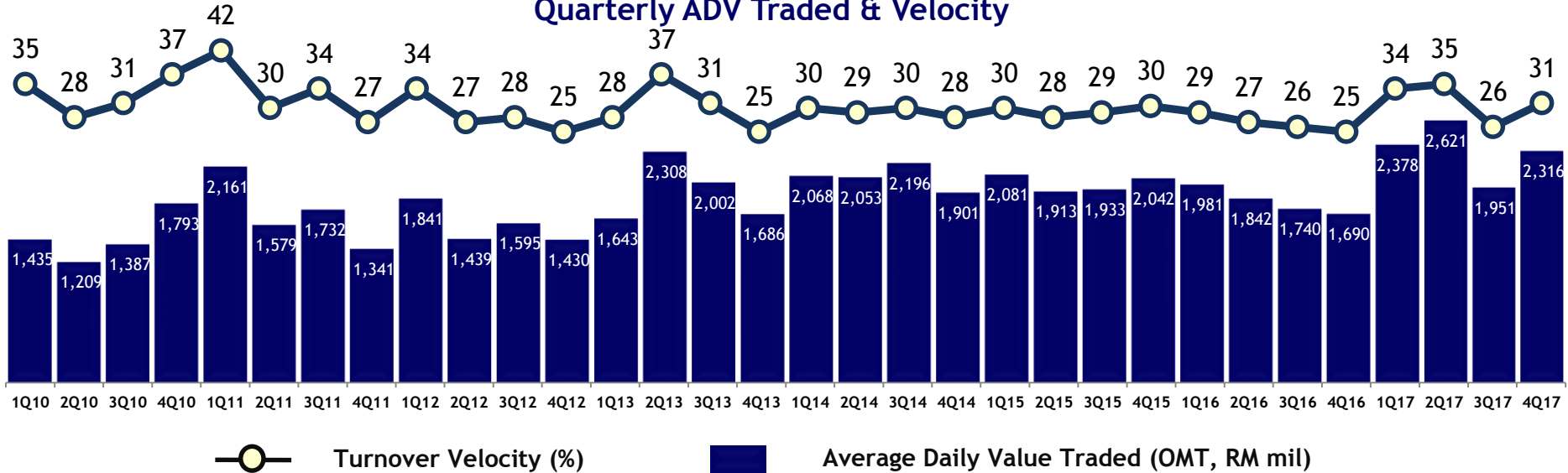
Q&A

Appendices

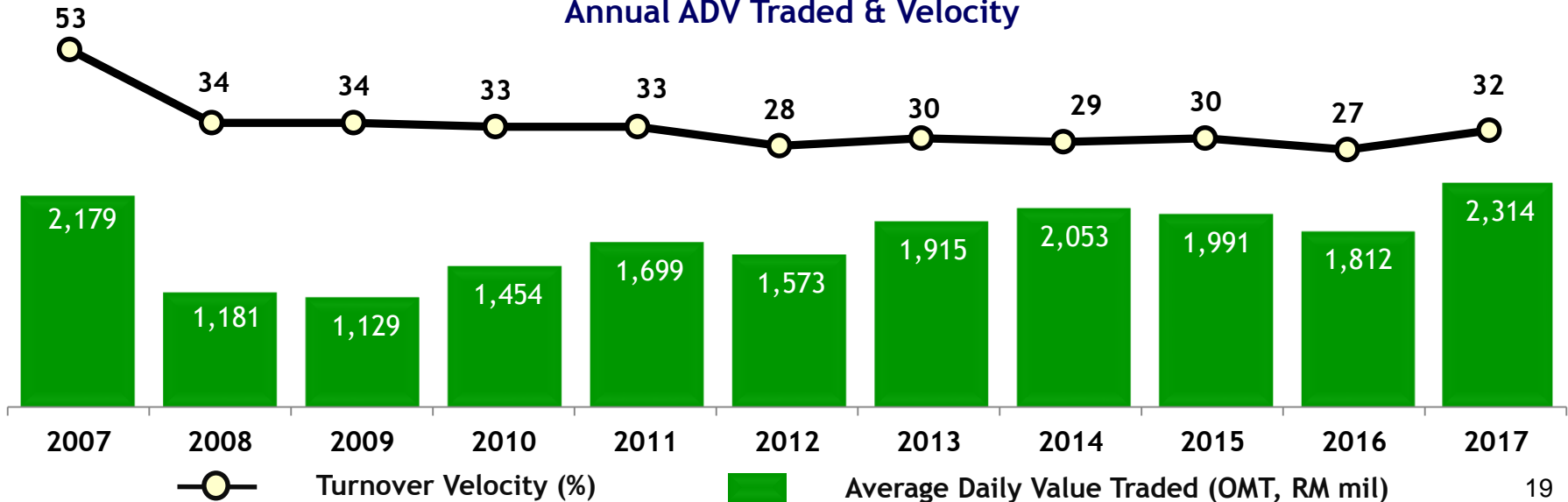
- Securities Market Trading Activity
- Securities Market Trading Participation
- Securities Market Foreign Ownership
- Foreign Inflow/Outflow
- Derivatives Market Activity
- Derivatives Market Demography
- Islamic Capital Market Activity

Securities Market Trading Activity

Quarterly ADV Traded & Velocity

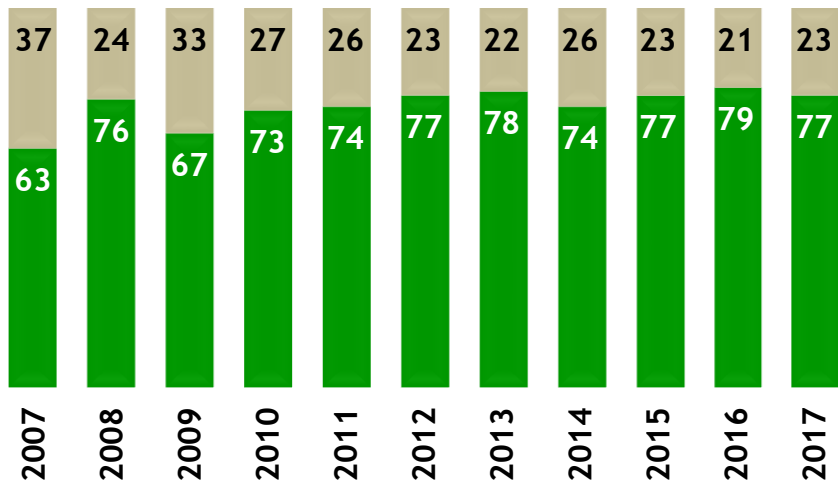
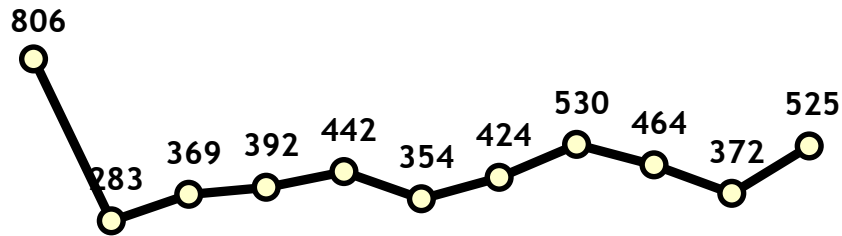


Annual ADV Traded & Velocity



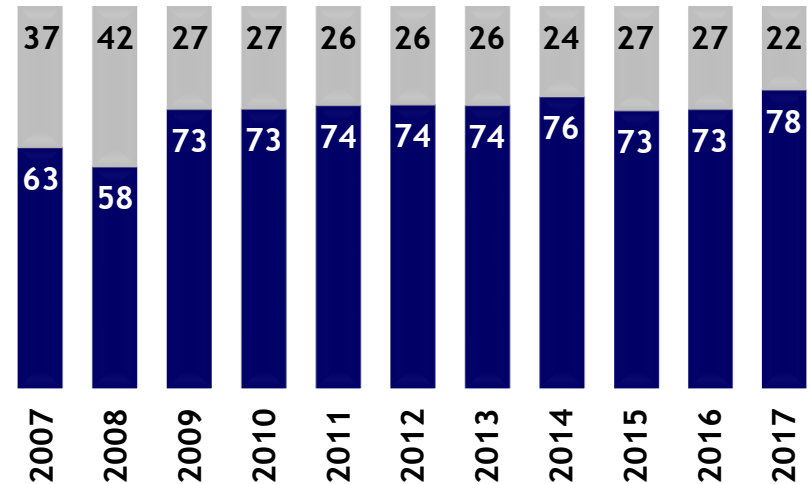
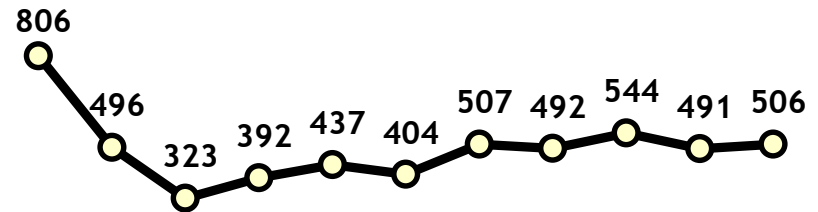
Securities Market Trading Participation

Retail vs. Institution



Retail ADV Traded (RM mil)
 Retail (%)
 Institutions (%)

Foreign vs. Local

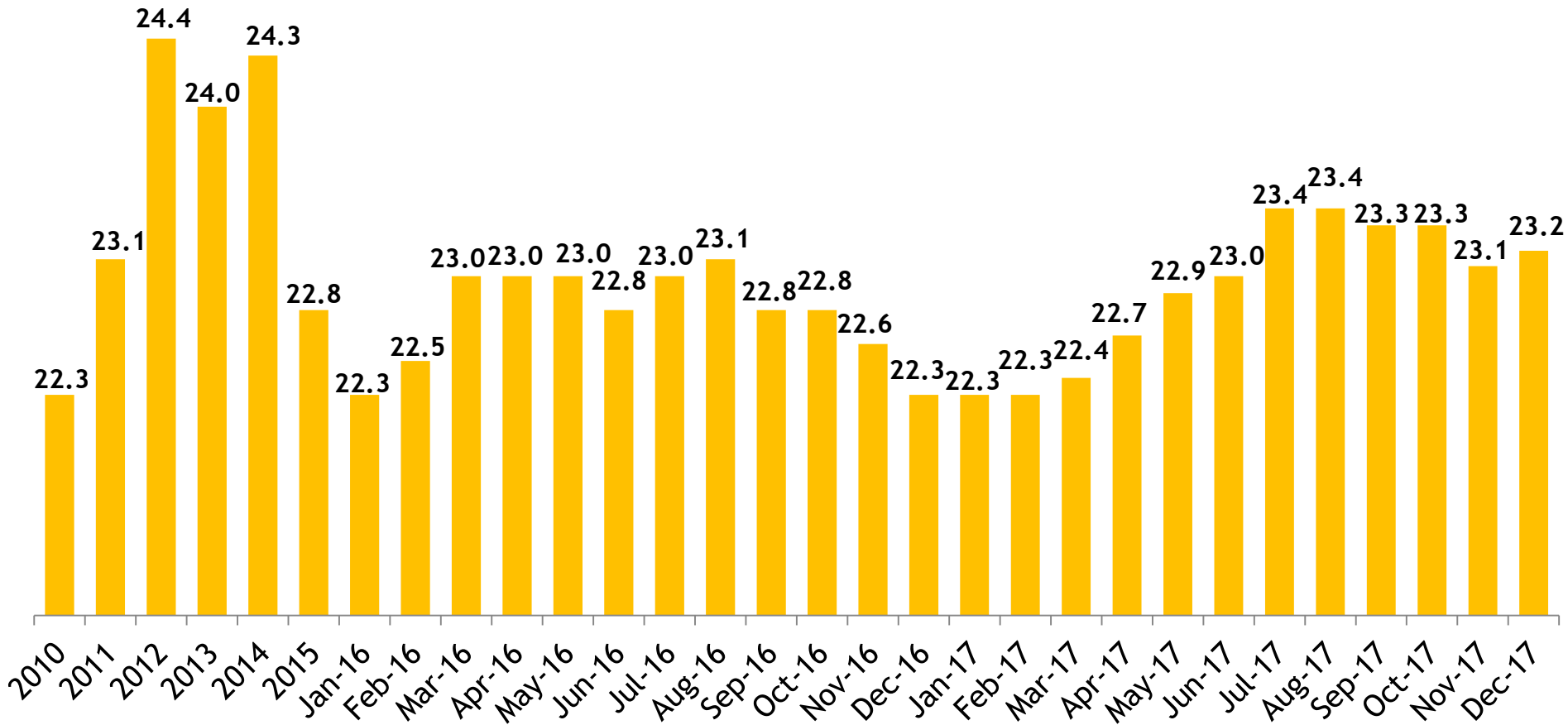


Foreign ADV Traded (RM mil)
 Foreign (%)
 Local (%)

From 2007 to 2009, the statistics were based on Brokers' submission. From 2010 onwards statistics were based on Bursa's internal system.

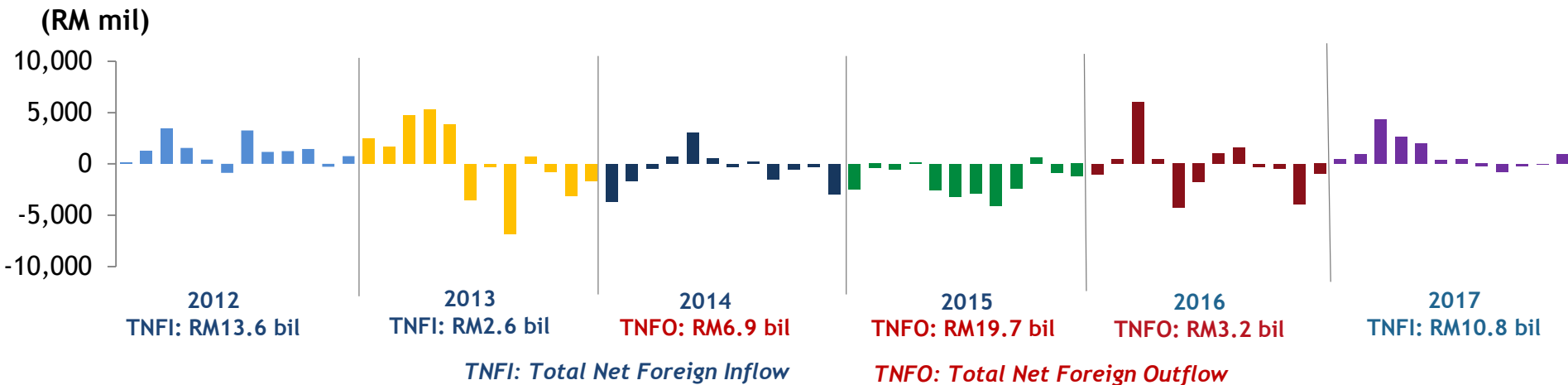
Securities Market Foreign Ownership

Based on Market Capitalisation (%)

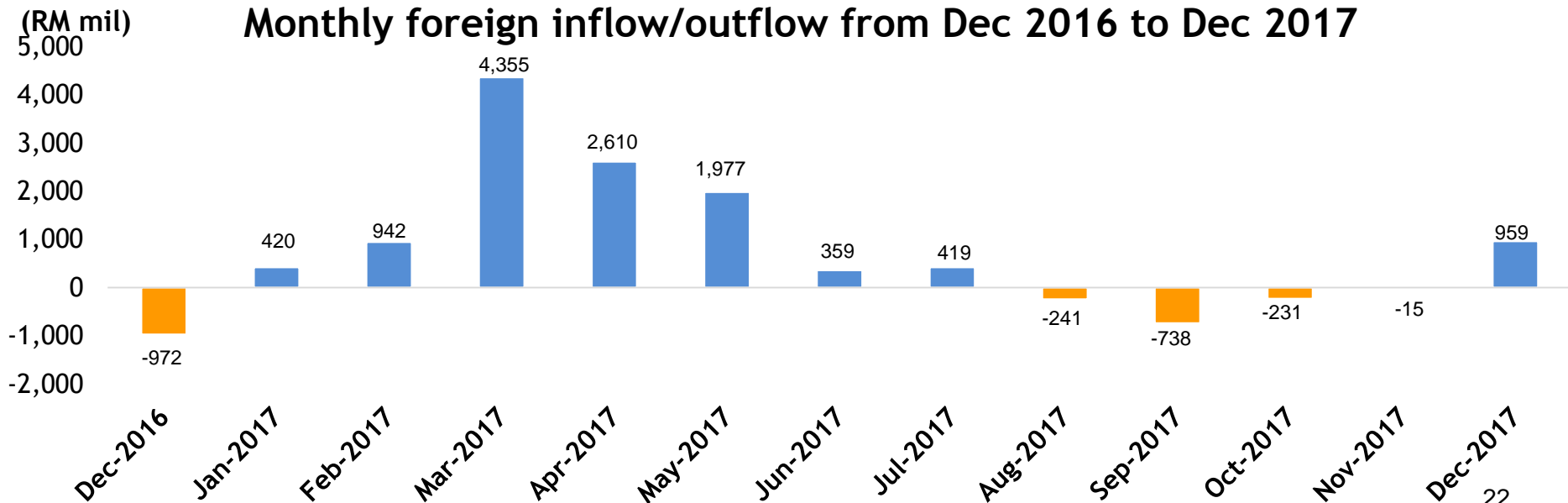


Foreign Inflow/Outflow

Monthly foreign inflow/outflow from 2012 to 2017

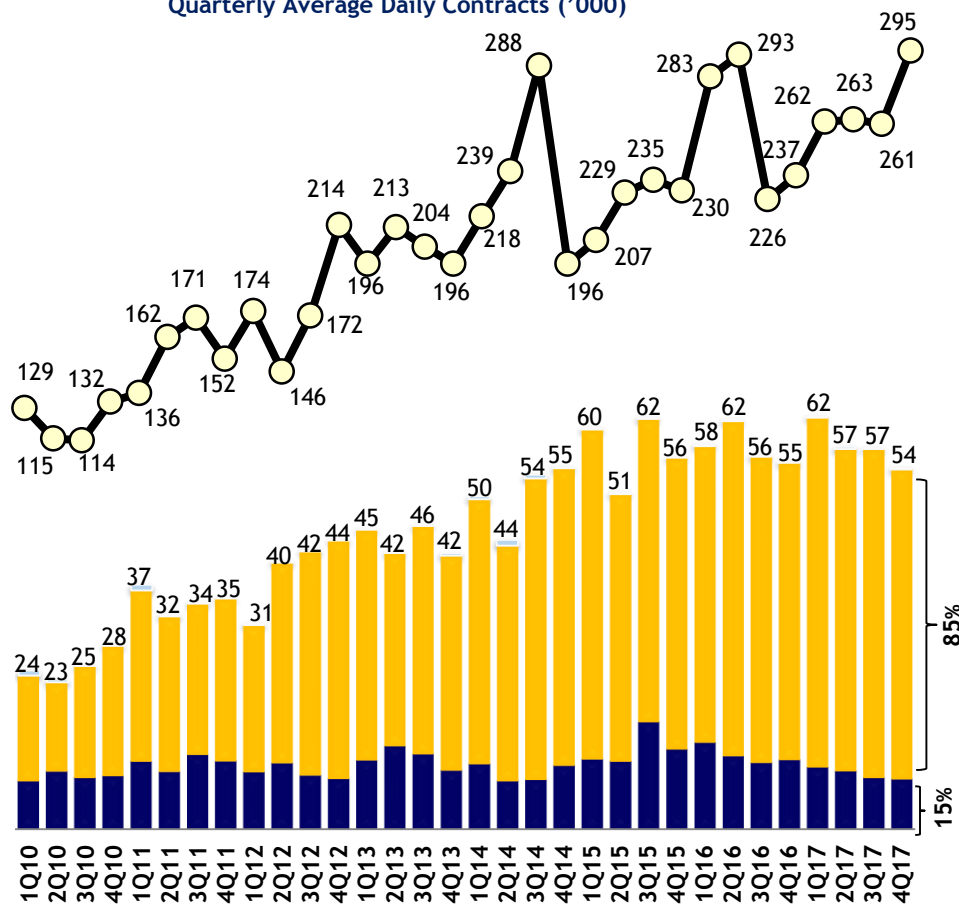


Monthly foreign inflow/outflow from Dec 2016 to Dec 2017

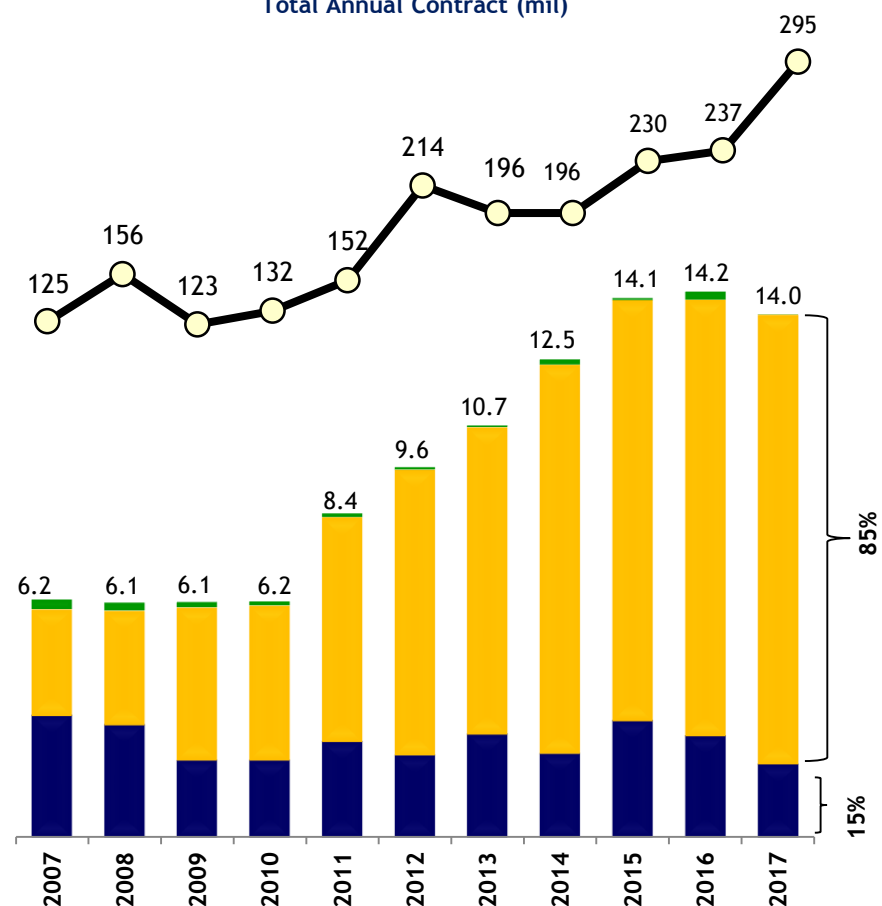


Derivatives Market Activity

Quarterly Average Daily Contracts ('000)



Total Annual Contract (mil)



○ Open Interest ('000)

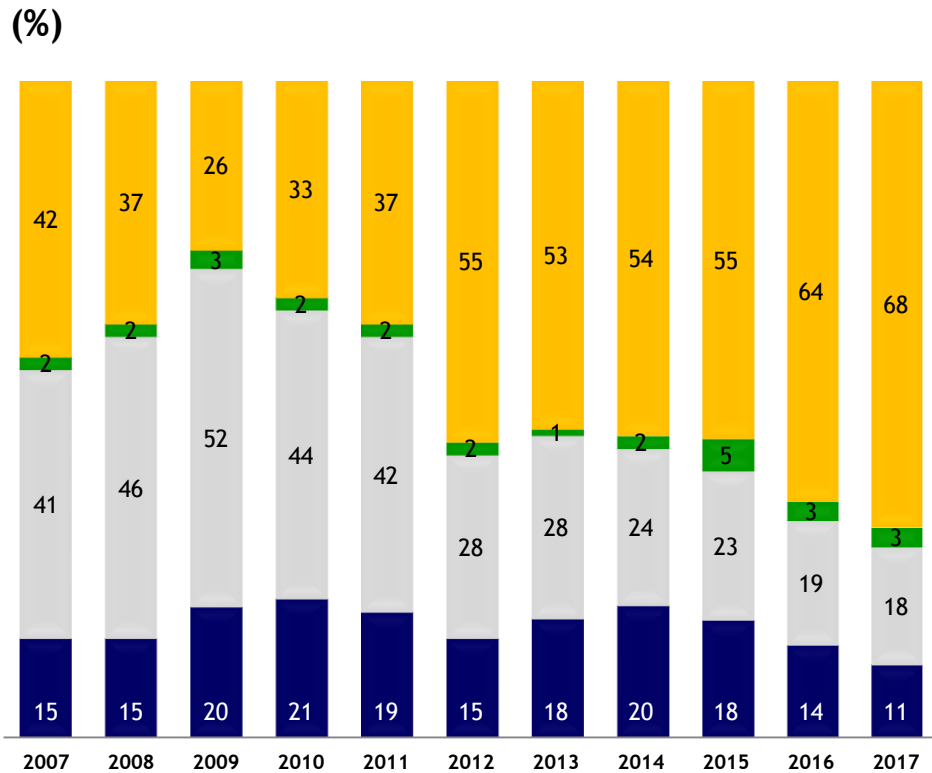
■ Others

■ Crude Palm Oil Futures

■ FBMKLCI Futures

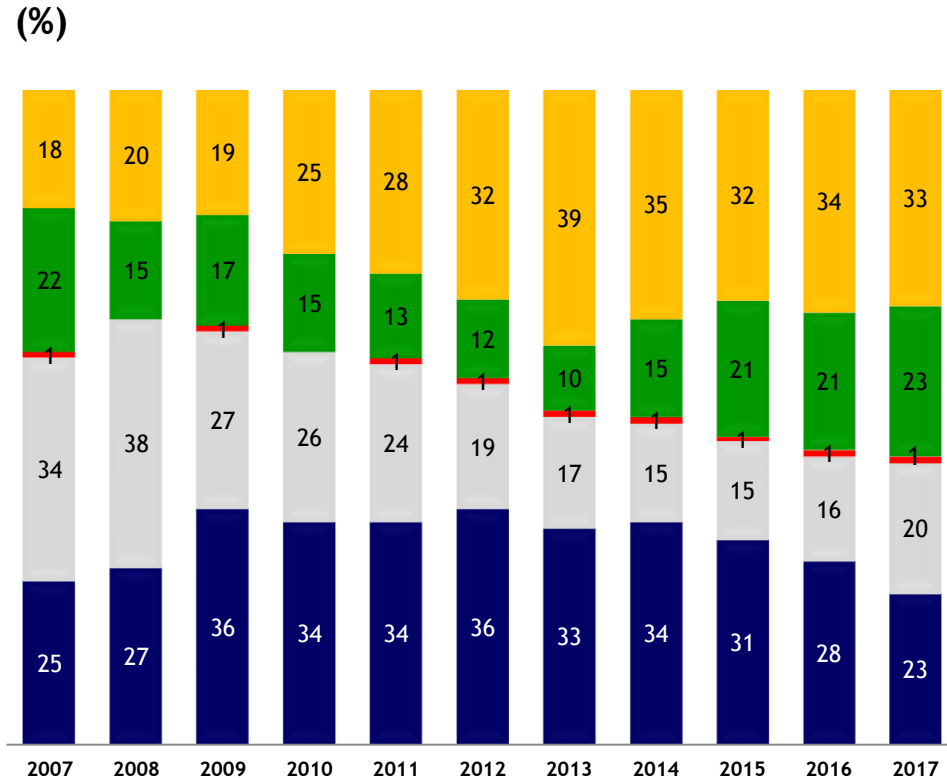
Derivatives Market Demography

FKLI



■ Foreign Institutions
■ Domestic Institutions
■ Domestic Retail
■ Local

FCPO

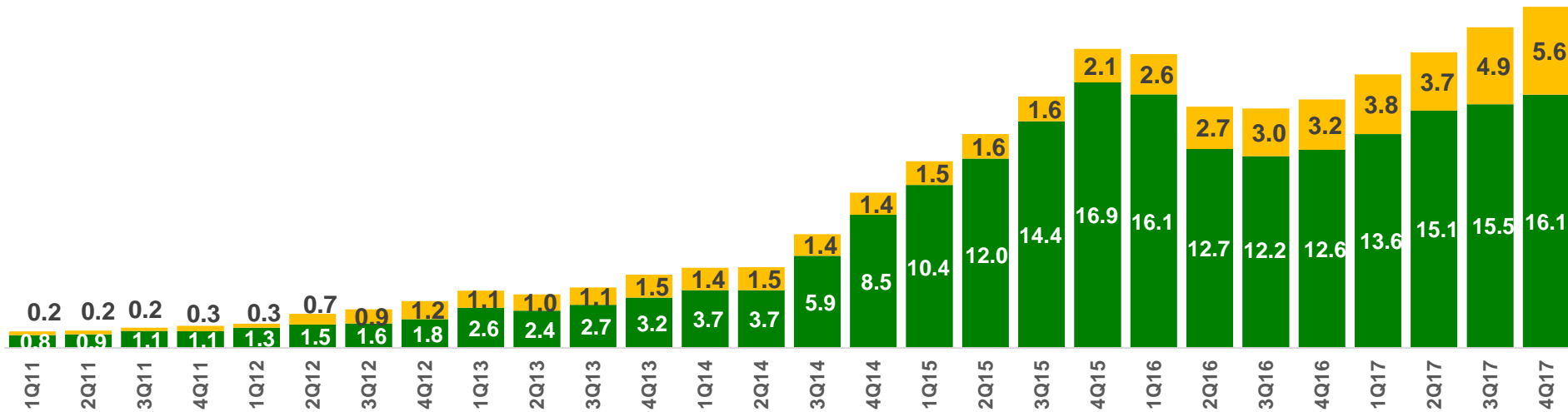


■ Foreign Institutions
■ Domestic Institutions
■ Foreign Retail
■ Domestic Retail
■ Local

Islamic Capital Market Activity

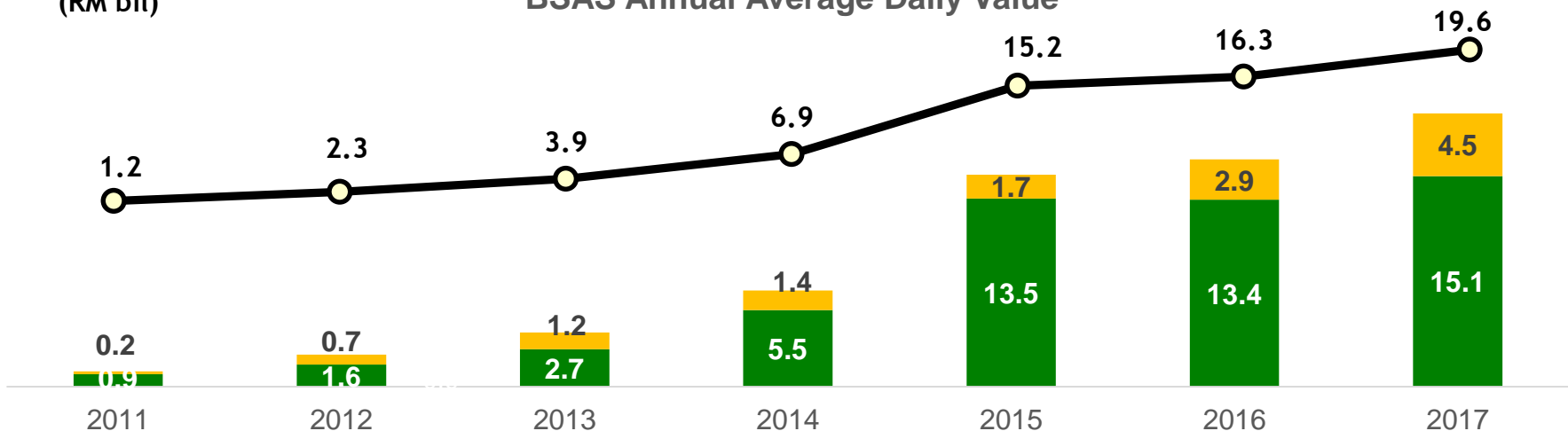
BSAS Quarterly Average Daily Value

(RM bil)



BSAS Annual Average Daily Value

(RM bil)



■ Local ADV
 ■ Foreign ADV
 BSAS ADV (RM bil)

INVESTOR RELATIONS CONTACT INFORMATION

RASMONA ABDUL RAHMAN
rasmona@bursamalaysia.com
603-2034 7175

ADAM ISKANDAR AHMAD ZAHAR
adamiskandar@bursamalaysia.com
603-2034 7351

RAFIDAH AZIZ
rafidahaziz@bursamalaysia.com
603-2034 7262

E-mail : ir@bursamalaysia.com



DISCLAIMER:

Bursa Malaysia and its Group of Companies (the Company) reserve all proprietary rights to the contents of this presentation. Whilst the company endeavors to ensure that the contents in this presentation are accurate, complete or have been obtained from sources believed by the Company to be accurate and reliable, neither the Company nor the presenter make any warranty, express or implied, nor assume any legal liability or responsibility for the accuracy, completeness or currency of the contents of this presentation. In no event shall the Company be liable for any claim, howsoever arising, out of or in relation to this presentation.

Copyright Bursa Malaysia Berhad 2017 (30632-P)