

MEDIA RELEASE

BURSA MALAYSIA ANNOUNCES RM223.0 MILLION PROFIT AFTER TAX AND MINORITY INTEREST (“PATAMI”) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Key Financial & Market Highlights (FY2017 vs FY2016)
<ul style="list-style-type: none"> PATAMI at RM223.0 million, increased by 15.2%
<ul style="list-style-type: none"> Annualised ROE at 26%
<ul style="list-style-type: none"> Earnings per share at 41.5 sen
<ul style="list-style-type: none"> Operating revenue at 522.1 million, up 10.4%
<ul style="list-style-type: none"> Operating expenses at RM250.4 million, up 6.0%
<ul style="list-style-type: none"> Cost-to-income ratio at 45%, improved by 2 percentage points
<ul style="list-style-type: none"> Average daily trading value for Securities Market’s On-Market Trades at RM2.3 billion, up 27.7%
<ul style="list-style-type: none"> Market capitalisation as at 31 December 2017 at RM1.9 trillion, up 14.4%
<ul style="list-style-type: none"> Velocity at 32%
<ul style="list-style-type: none"> Average daily contracts traded for Derivatives Market at 57,677 contracts, drop 0.3%
<ul style="list-style-type: none"> Average daily trading value for BSAS at RM19.6 billion, up 20.2%

Kuala Lumpur, 5 February 2018 - Bursa Malaysia Berhad (“Bursa Malaysia” or the “Exchange”) today reported a Profit After Tax And Minority Interest (“PATAMI”) of RM223.0 million for the financial year ended 31 December 2017 (“FY2017”), an increase of 15.2% from RM193.6 million reported in the financial year ended 31 December 2016 (“FY2016”). Both cost-to-income ratio and annualised Return On Equity (“ROE”) saw improvements by 2 and 3 percentage points to 45% and 26% respectively. The rise in PATAMI is due to higher operating revenue, which came in at RM522.1 million, a 10.4% increase from a year ago. This is Bursa Malaysia’s highest recorded full year PATAMI since 2007, and highest full year operating revenue since its listing in 2005.

The Board of Directors has approved a second interim dividend of 18.5 sen per share for FY2017, amounting to approximately RM99.4 million which is payable on 5 March 2018. With

that, the total dividend (including special dividend) declared for the year amounts to 53.5 sen per share.

Bursa Malaysia Chief Executive Officer, Datuk Seri Tajuddin Atan said, “2017 was one of the strongest years for the local equity market. The FBMKLCI saw growth of 9.4% and market capitalisation grew by 14.4% year-on-year. There was a significant increase in retail participation, which grew by 41% year-on-year. This was in line with our continued focus to engage and educate by building our retail outreach efforts and financial literacy programmes, further expanding our retail base throughout the year. We also saw a RM10.8 billion net foreign inflow during the year. Against these backdrop, Bursa Malaysia delivered a solid performance in FY2017, achieved on the back of our highest ever operating revenue and the outcome of our strategic initiatives implemented over the years. Last year, some highlights include the launch of the Leading Entrepreneur Accelerator Platform (LEAP) Market and the introduction of the Mid and Small Cap (MidS) Research Scheme to spur the vibrancy of this potential high growth market segment. In addition, we introduced the Green Lane Policy incentive to improve market efficiency by facilitating a more efficient time-to-market of corporate proposals by eligible companies. Moving forward, we will continue to strengthen our proposition as ASEAN’s multinational marketplace with global access.”

For the year under review, Securities Market trading revenue increase by 21.9% to RM259.6 million from higher Average Daily Trading Value (“ADV”) for Securities Market On-Market Trades (“OMT”) which grew by 27.7% to RM2.3 billion. Increase in listing fee from Initial Public Offerings and new structured warrants listed, together with higher processing fees earned from corporate exercises, contributed to the 7.4% increase in non-trading revenue to RM166.1 million in FY2017. In FY2017, Bursa Malaysia attracted 13 new listings, raising a total of RM7.4 billion compared to RM0.6 billion in FY2016.

The Average Daily Contracts (“ADC”) traded in the Derivatives market in FY2017 was 57,677 contracts. A total of 14.0 million contracts were traded in FY2017 compared to 14.2 million contracts in FY2016. Contracts traded for the Crude Palm Oil Futures (FCPO) increased by 4.4% to 11.9 million contracts in FY2017. FTSE Bursa Malaysia KLCI Futures (“FKLI”) saw a decline in the number of contracts traded in FY2017 by 26.2% to 2.0 million contracts from 2.8 million contracts traded in the last financial year. Trading revenue for the Derivatives Market decreased by 9.2% to RM80.6 million in FY2017 as a result of lower number of FKLI contracts traded and lower guarantee fee due to a revision in the guarantee fee rate.

In the Islamic Capital Market, trading revenue for Bursa Suq Al-Sila’ (BSAS) in FY2017 decreased by 3.7% to RM15.8 million despite an improvement in ADV by 20.2% to RM19.6 billion mainly due to the introduction of volume-based pricing scheme. During the year,

Bursa Malaysia was awarded “Most Innovative Global End-to-End Shariah-Compliant Investing Platform Asia 2017”, “Best Commodity Trading Platform Asia 2017” and “Best Islamic Exchange Asia 2017” by Global Banking and Finance Review. The awards were conferred in recognition of Bursa Malaysia’s Shariah-compliant trading platform, Bursa Malaysia-i and Shariah-compliant commodity trading platform, Bursa Suq Al-Sila’.

Datuk Seri Tajuddin added, “Our initiatives put in place over the years have built a strong foundation that has placed us on a firm footing to capitalise on new opportunities. In 2017 alone, the Exchange launched the Islamic Selling and Buying Negotiated Transaction and made a revision in the tick rule to provide market participants with greater price flexibility in performing regulated short selling. We will continue to work closely with our intermediaries to improve liquidity and increase trading activities. Similarly, we will expand our marketing efforts to build a strong IPO pipeline and look forward to rolling out our initiatives aimed at widening our products and services to create a conducive capital market ecosystem for all market participants.”

The financial results for the financial year ended 31 December 2017 are available on Bursa Malaysia’s website at www.bursamalaysia.com

Financial Results	FY2017 (RM'mil)	FY2016 (RM'mil)	Percentage change (%)
Operating revenue	522.1	472.7	10.4
Other income	34.7	34.1	2.0
Total revenue	556.8	506.8	9.9
Staff costs	(137.5)	(128.6)	7.0
Depreciation and amortisation	(23.8)	(24.2)	(1.8)
Other operating expenses	(89.1)	(83.4)	6.8
Profit from operations	306.4	270.6	13.2
Finance costs	(0.5)	-	-
Profit before tax	305.9	270.6	13.0
Income tax expense	(75.7)	(67.9)	11.4
Profit after tax	230.2	202.7	13.6
Minority interest	(7.2)	(9.1)	(20.7)
PATAMI	223.0	193.6	15.2

About Bursa Malaysia Berhad

Bursa Malaysia is an approved exchange holding company under Section 15 of the Capital Markets and Services Act 2007. A public company limited by shares under the Companies Act 2016, Bursa Malaysia operates a fully-integrated exchange, offering equities, derivatives, offshore, bonds as well as Islamic products, and provides a diverse range of investment choices globally.

For more information on Bursa Malaysia, visit www.bursamalaysia.com.

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