

## **MEDIA RELEASE**

**4 February 2009**

**BURSA MALAYSIA REGISTERS LOWER NET PROFIT OF RM104.4 MILLION IN 2008  
Committed to deliver shareholder value via dividend payout of 91% net profit**

Bursa Malaysia Berhad (Bursa Malaysia) today reported a net profit of RM104.4 million for the financial year ended 31 December 2008, a 57% decline compared to the net profit of RM240.6 million. Bursa Malaysia's operating revenue dropped by 35% to RM290.3 million from RM443.4 million registered in the corresponding period last year. This decline was primarily due to the sharp decrease in trading activity due to the challenging economic and market conditions which significantly affected the exchange's business. Despite the declining profit, Bursa Malaysia declared a final gross dividend of 7.8 sen per share for the period under review, which would represent a payout of 91% of its net profit.

Bursa Malaysia's Chief Executive Officer, Dato' Yusli Mohamed Yusoff said, "While the exchange has been significantly impacted by the continuing global economic crisis, Bursa Malaysia has always managed to maintain a fairly strong balance sheet. Given the extenuating circumstances of the global credit crunch and its effect on nearly all markets, we are exercising prudent financial and operational management measures across the organisation to mitigate the impact of the current economic challenges as well as to manage shareholder's' value."

Commenting on the market's performance, Dato' Yusli said, "Currently, investors are choosing to remain on the sidelines, not only in our market but also elsewhere, due to the continued volatility. The uncertainties in the market will continue until there are clear signs of economic stability from the US and other developed markets."

Citing prolonging weak sentiments as contributive towards lower trading activity, Bursa Malaysia could not achieve its headline Key Performance Indicators (KPIs) of velocity and growth of derivatives contracts for 2008. Velocity for the period under review dropped to 34% against the target of 56% set earlier. The daily average trading value for the equities market was lower at RM1.3 billion in 2008 compared to RM2.4 billion achieved in 2007. Trading revenue for the equities market slipped by 54% to RM136.8 million in 2008 as compared to RM296.5 million for the corresponding period in 2007.

The derivatives market recorded (negative) -1% growth for the total number of derivatives contracts in 2008 against the earlier set target of 50% growth. The total number of derivatives contracts traded dropped by 1%, at 6.1 million contracts in 2008 versus 6.2 million contracts in the same period in 2007. This contributed to the marginal decline of 3% of the derivatives trading revenue at RM43.6 million in 2008 from RM44.7 million in 2007. There is sustained interest in the Malaysian crude palm oil futures (FCPO) market as demonstrated by the higher volume of contracts year-on-year. Last year showed a marginal improvement in the growth of the FCPO contracts in which a total of 3.0 million contracts were traded in 2008 compared to 2.8 million in 2007.

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For the financial year ended 31 December 2008, the Board of Directors of Bursa Malaysia Berhad will recommend a final gross dividend of 7.8 sen per share which will be tabled at the company's Annual General Meeting in April 2009. The quantum is subject to shareholders' approval.

During the period under review, Bursa Malaysia attracted 23 new Initial Public Offerings (IPOs) as compared to 26 in 2007. Dato' Yusli said, "While companies may choose to list at a later date when market conditions are more favourable, the steady stream of ongoing listings in our market, as compared to others, is testament to our market's comparable valuation and attractiveness. This indicates a continued interest by prospective listed companies to seek funding in our market despite the current financial crisis."

The financial results for 2008 are available on Bursa Malaysia's website ([www.bursamalaysia.com](http://www.bursamalaysia.com)).

FINANCIAL RESULTS	2008	2007
	RM'mil	RM'mil
Operating revenue	290.3	443.4
Other income	41.4	48.6
Total revenue	331.7	492.0
Staff costs	(85.8)	(85.4)
Depreciation and amortisation	(20.5)	(14.0)
Other operating expenses	(79.2)	(72.9)
Profit from operations	146.2	319.6
Finance costs	(0.6)	(0.6)
Profit before tax	145.6	319.0
Income tax expense	(41.2)	(78.4)
<b>Net profit for the period</b>	<b>104.4</b>	<b>240.6</b>

-End-

Bursa Malaysia Berhad is a public company limited by shares under the Companies Act 1965. Bursa Malaysia is an approved exchange holding company under Section 15 of the Capital Markets and Services Act 2007. Other companies in the Bursa Malaysia Berhad Group of companies include a stock exchange, a derivatives exchange, an off-shore international financial exchange, equity and derivatives clearing houses, a central depository, an information services provider and an Information Technology services provider.

Bursa Malaysia Securities Berhad, a wholly-owned subsidiary of Bursa Malaysia Berhad, is an approved stock exchange under Section 8 of the Capital Markets and Services Act 2007.

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*Issued by Bursa Malaysia.*

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