
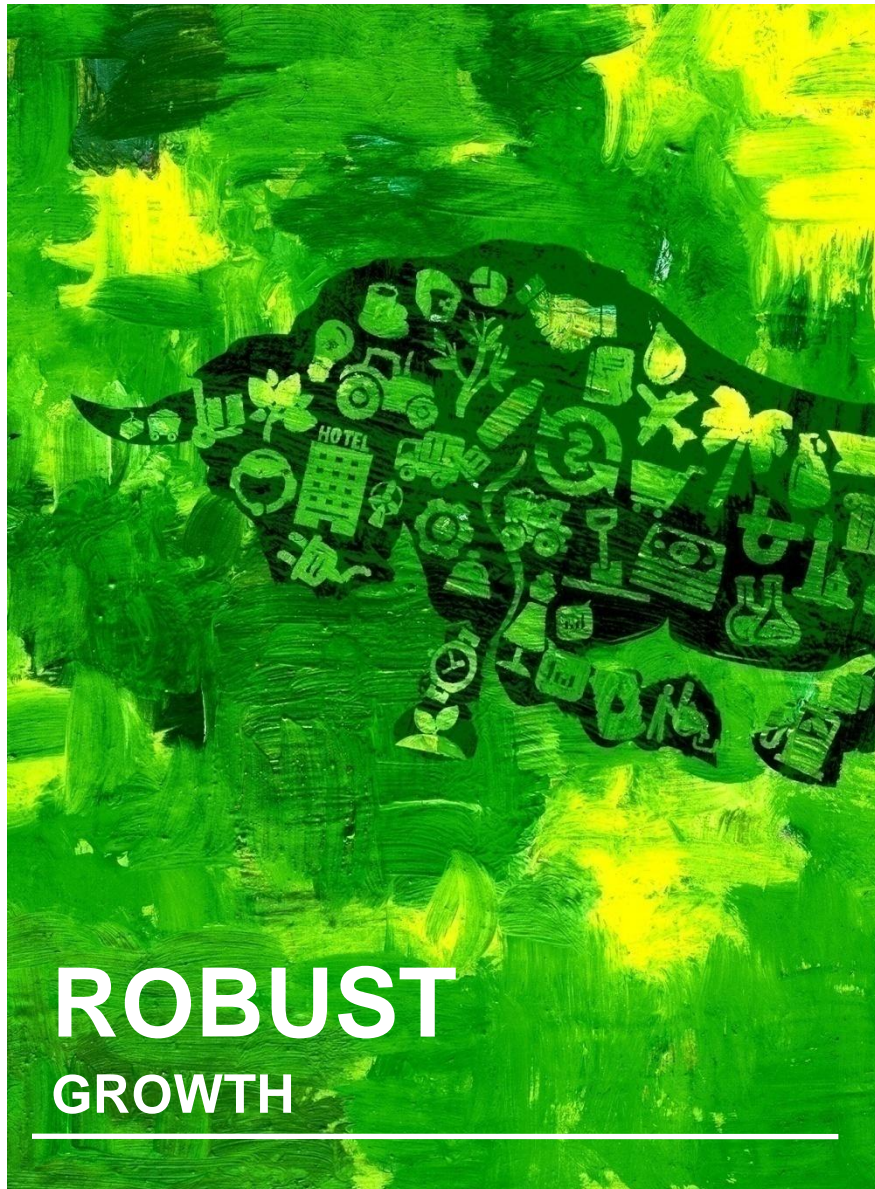


## 3Q2014 Financial Results

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20 October 2014

- 
- FINANCIAL HIGHLIGHTS & MARKET PERFORMANCE
  - FINANCIAL REVIEW
  - FOCUS AREA & STRATEGY
  - APPENDICES



- Financial Highlights
- Profit & ROE Trend
- Securities Market Overview
- Derivatives Market Overview
- Islamic Market Overview

# Financial Highlights

Strong trading activities contribute to higher revenue growth

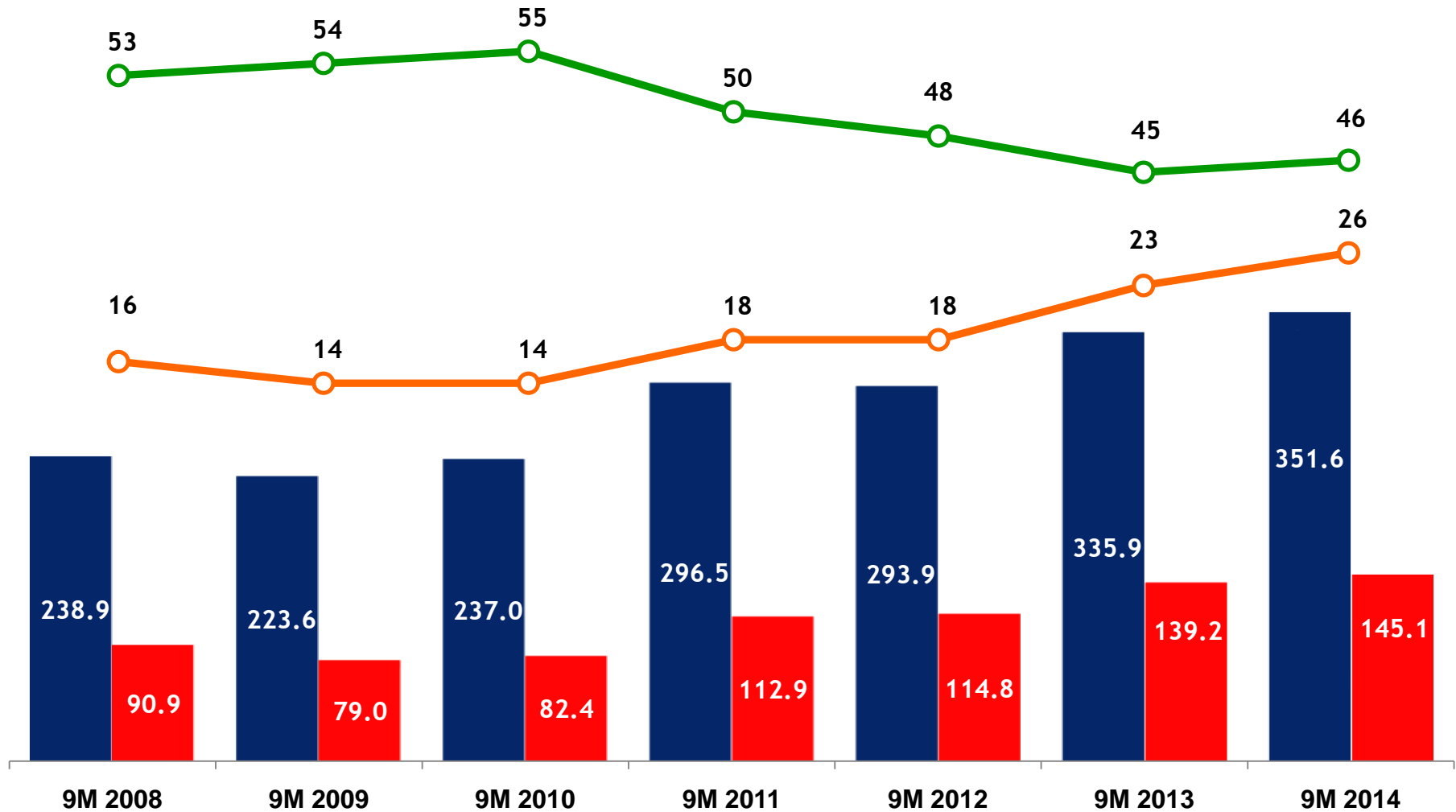


Financial Items	9M 2014	9M 2014 vs. 9M 2013	3Q 2014	3Q 2014 vs. 3Q 2013
Operating Revenue (RM million)	351.6	+5%	121.0	+8%
Operating Expenses (RM million)	172.9	+6%	55.3	-1%
PATAMI (RM million)	145.1	+4%	53.1	+15%
EPS (sen)	27.2	+4%	10.0	+15%
Cost-to-Income Ratio (%)	46	+1 percentage pt	43	-3 percentage pts
Annualised ROE (%)	26	+3 percentage pts	29	+7 percentage pts

- 9M2014 performance improvement attributed to higher trading activities in all 3 markets.
- Improvement in ROE attributed to growth in trading activities and continuous capital management.

# Profit & ROE Trend

Best overall 9 months performance since 2008



—○— Cost-to-Income Ratio (%)

—○— ROE (%)

■ Operating Revenue (RM mil)

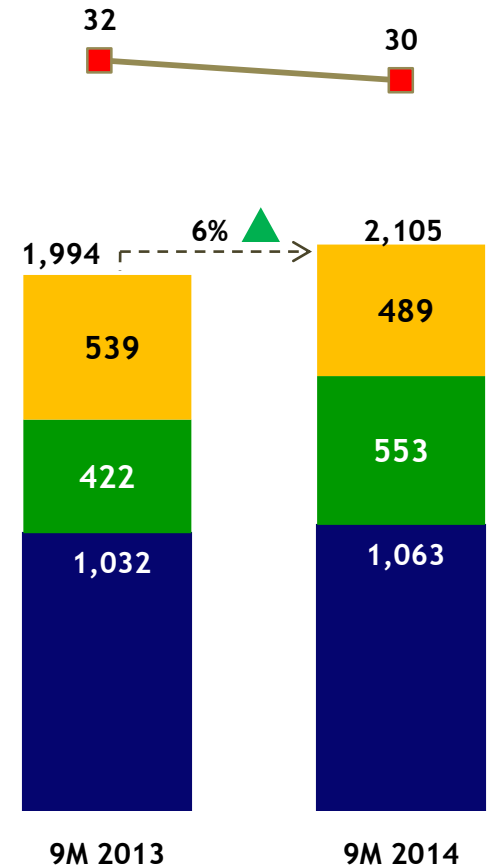
■ PATAMI (RM mil)

# Securities Market Overview

Higher retail trades; robust secondary market fund raising activities

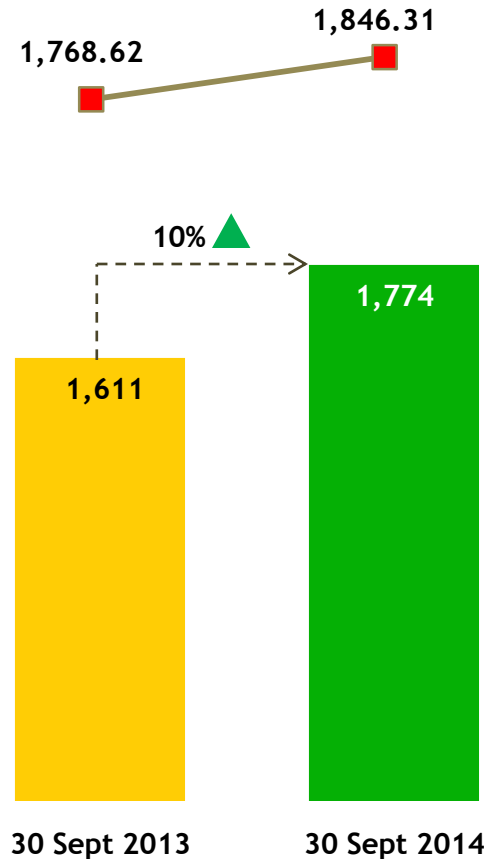


Average Daily Value (OMT) (RM mil)



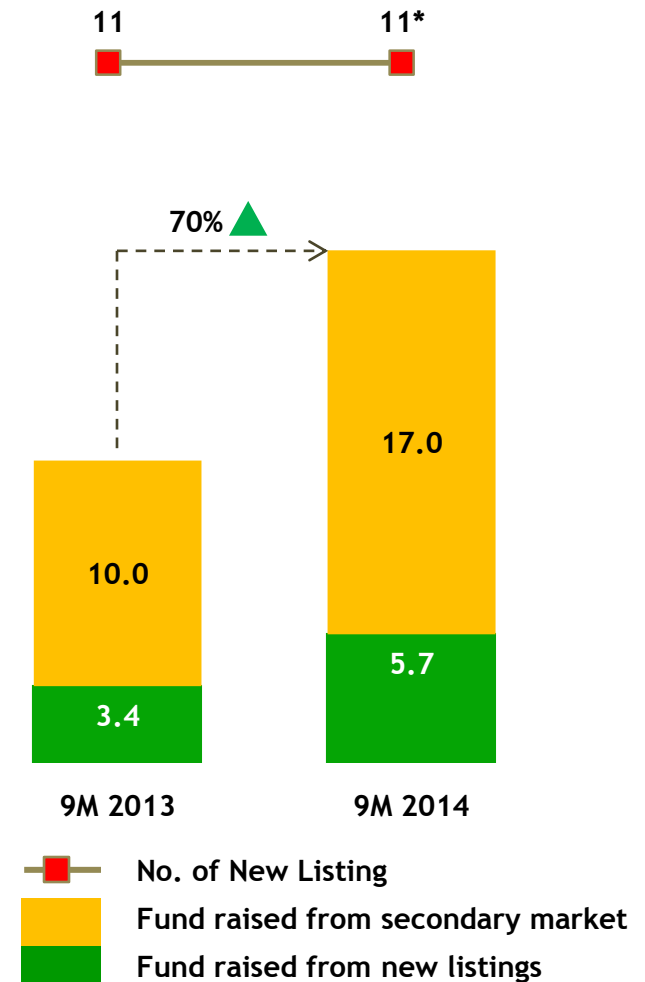
Velocity (%)  
 ADV of Foreign Institutions  
 ADV of Retail  
 ADV of Domestic Institutions

Market Capitalisation (RM bil)



FBMKLCI

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



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

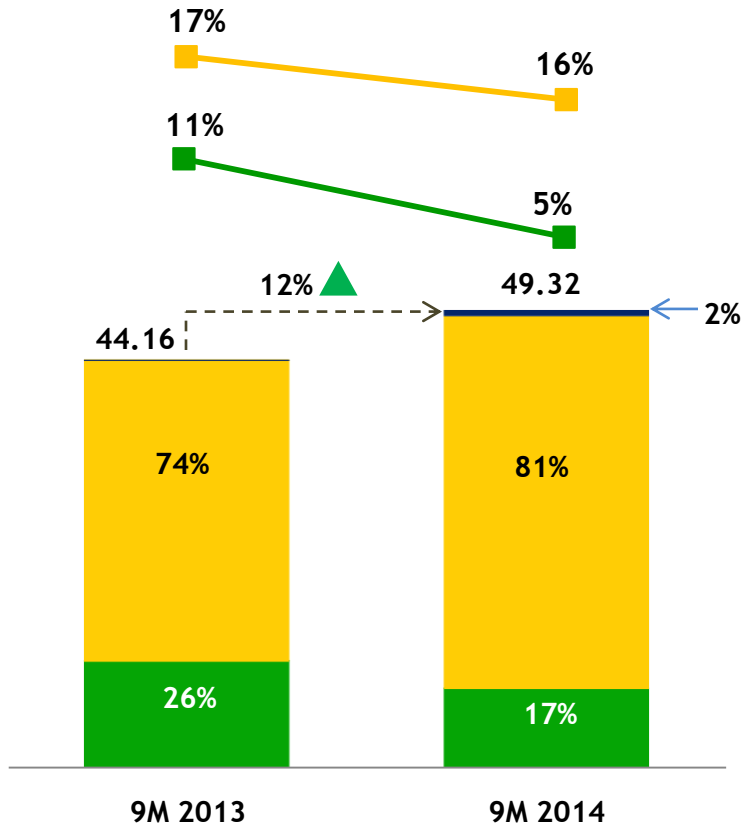
\*- number includes 1 RTO

# Derivatives Market Overview

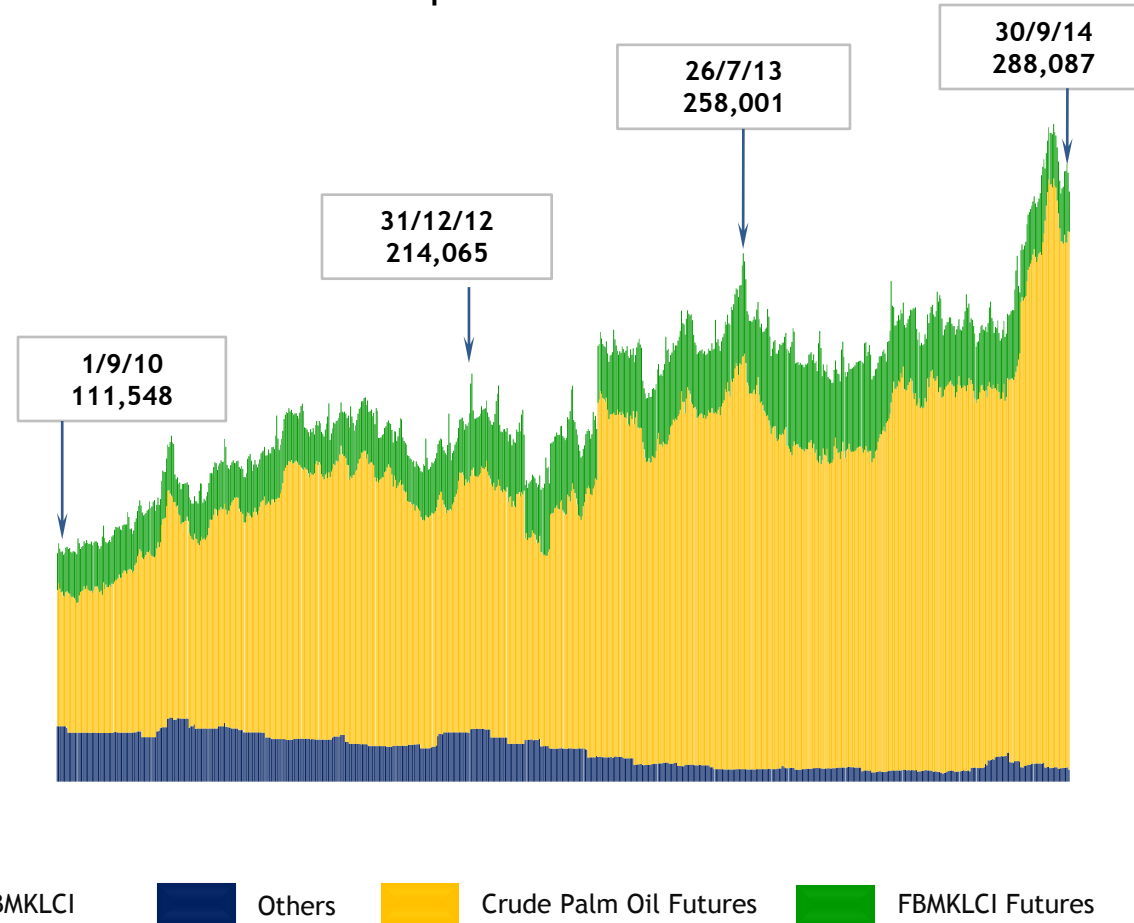
## FCPO contracts hit new historical high



Average Daily Contracts ('000) and Volatility



Open Interest

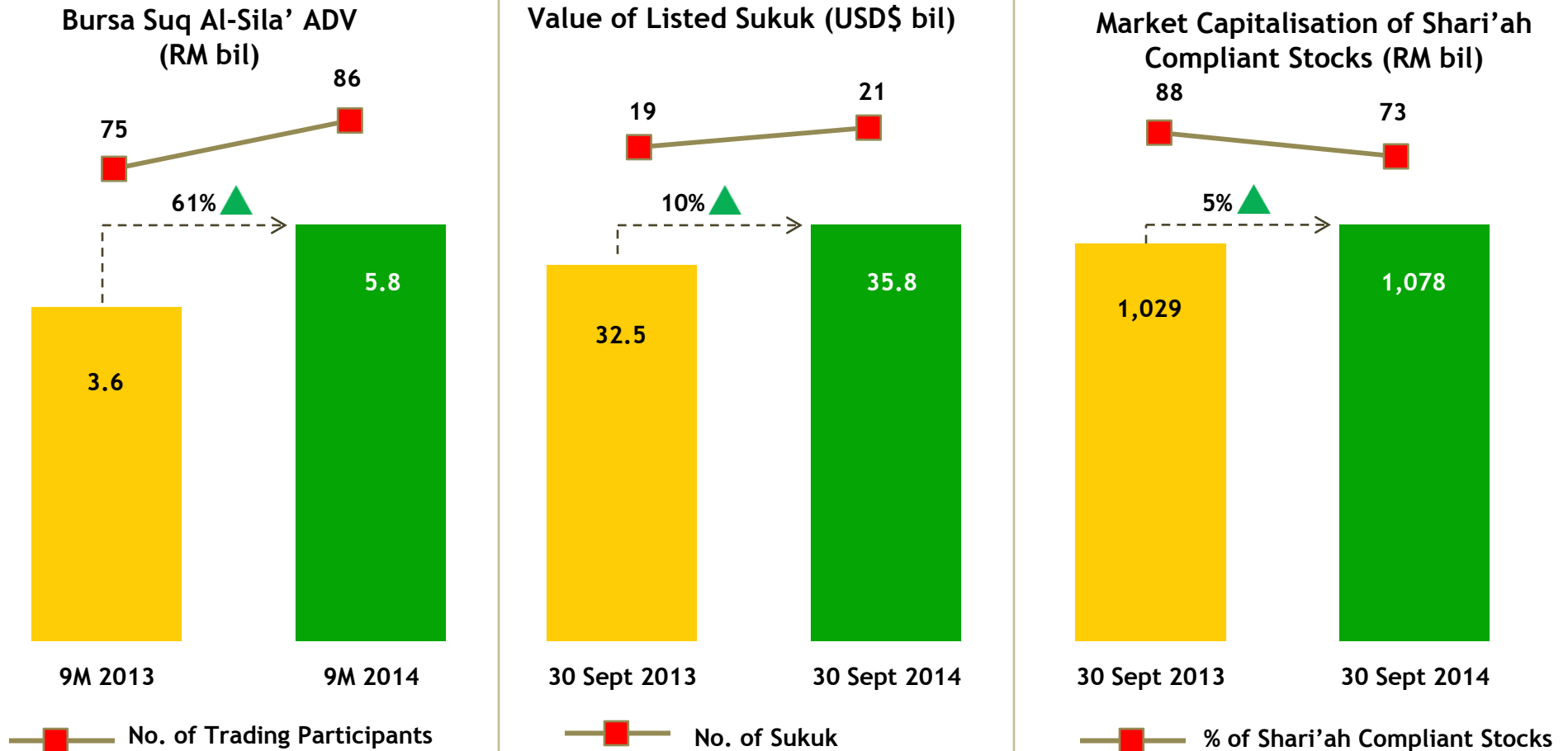


■ Volatility of Crude Palm Oil Prices   
 ■ Volatility of FBMKLCI   
 ■ Others   
 ■ Crude Palm Oil Futures   
 ■ FBMKLCI Futures

- Improved FCPO volume as a result of high trading activity in March, August and September. Volume of FCPO breached 1 million contract in September 2014 with its open interest hit an all time high of 287,859 contracts.
- Decrease in FKLI volume due to low volatility of FBMKLCI.

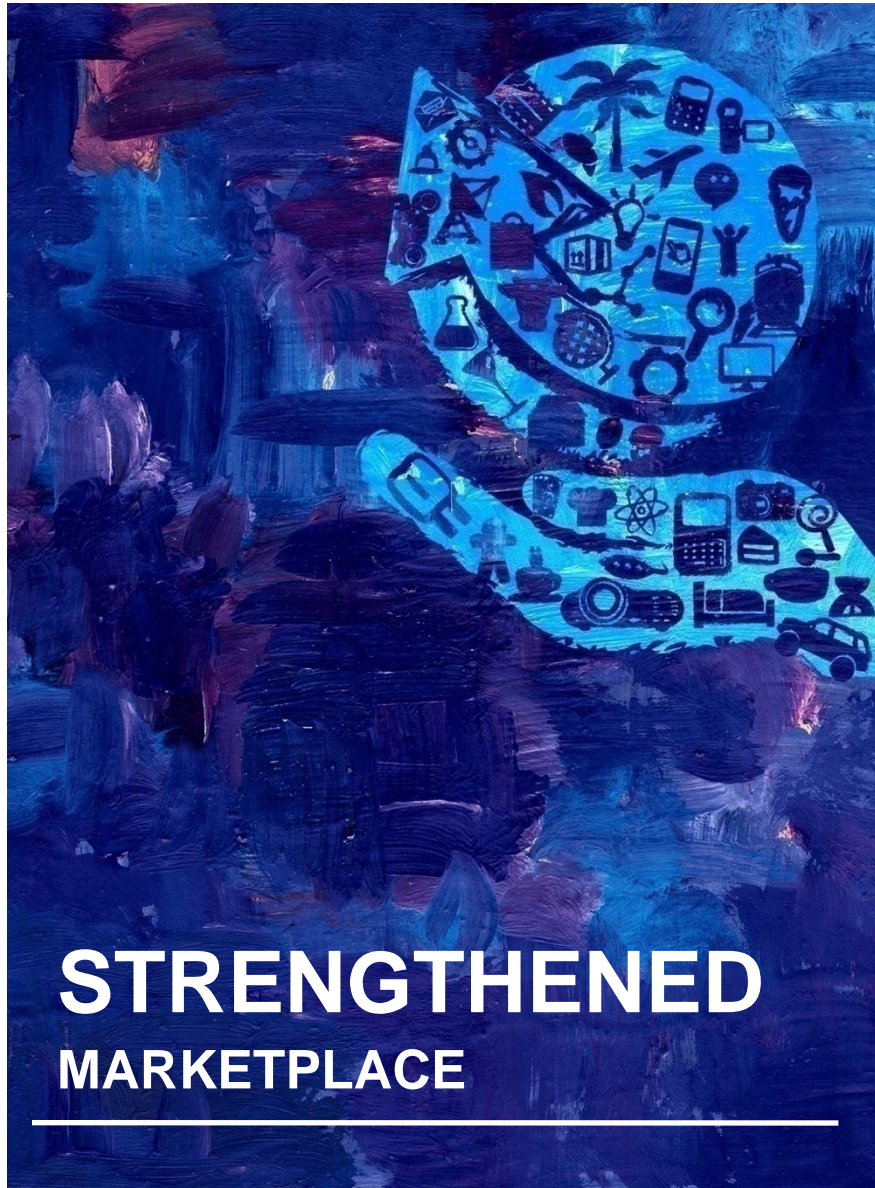
# Islamic Market Overview

## Continue to be the market leader



- BSAS ADV increased due to increasing adoption of the Murabahah principal and higher sukuk issuance.





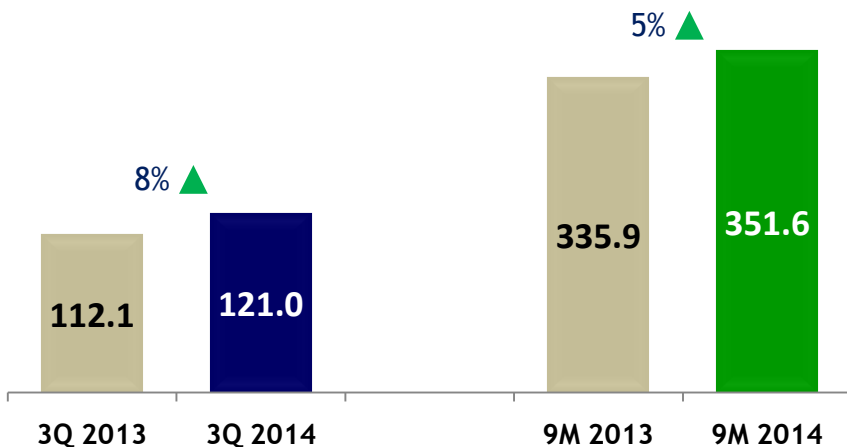
- Financial Snapshot
- Operating Revenue
- Operating Expenses

# Financial Snapshot

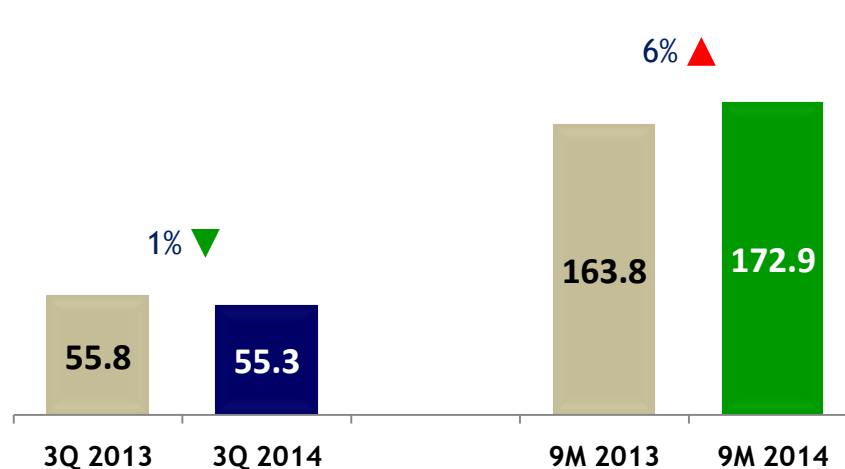
## Improved performance from higher trading activity



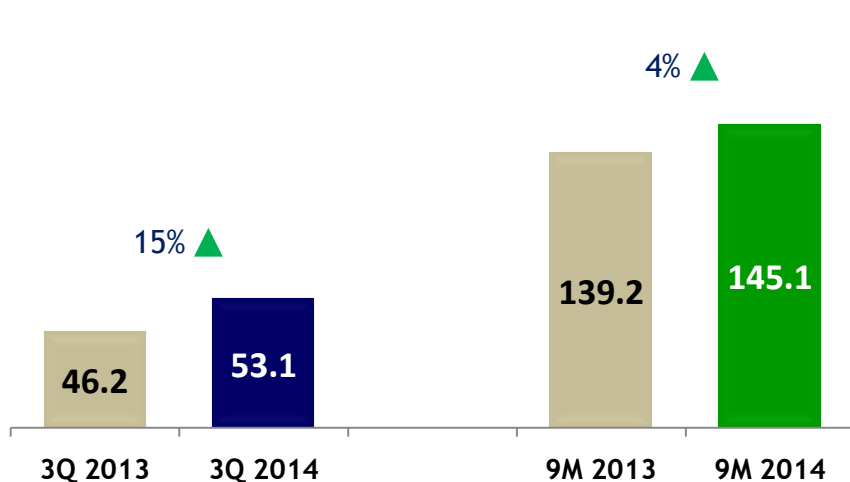
### Operating revenue (RM mil)



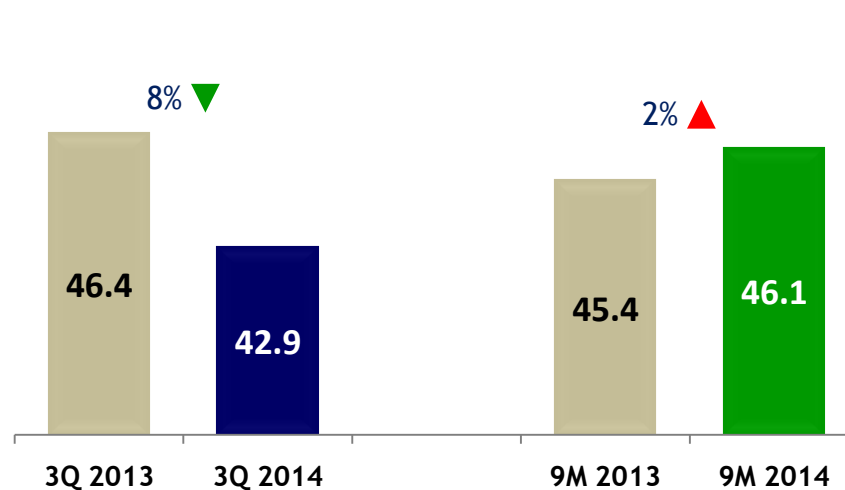
### Operating expenses (RM mil)



### PATAMI (RM mil)

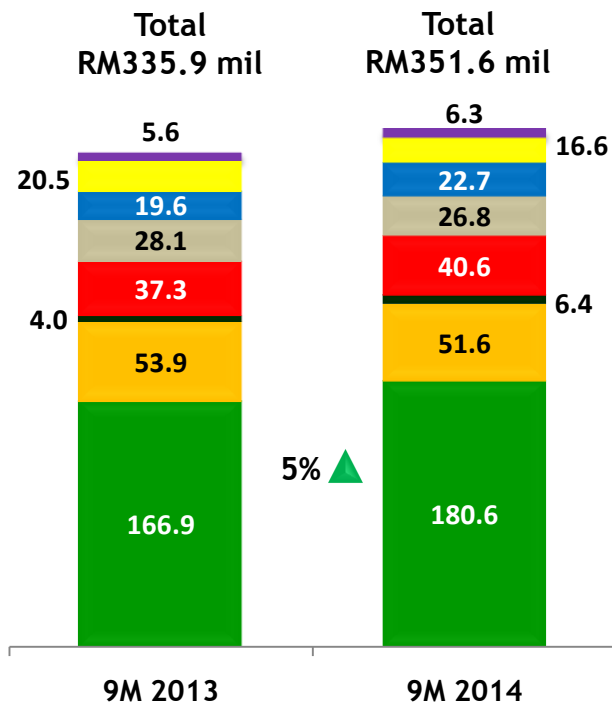


### Cost-to-income (%)

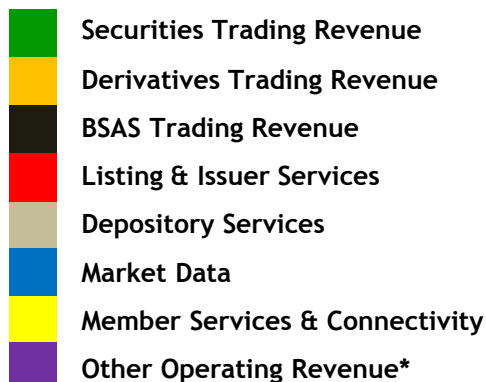
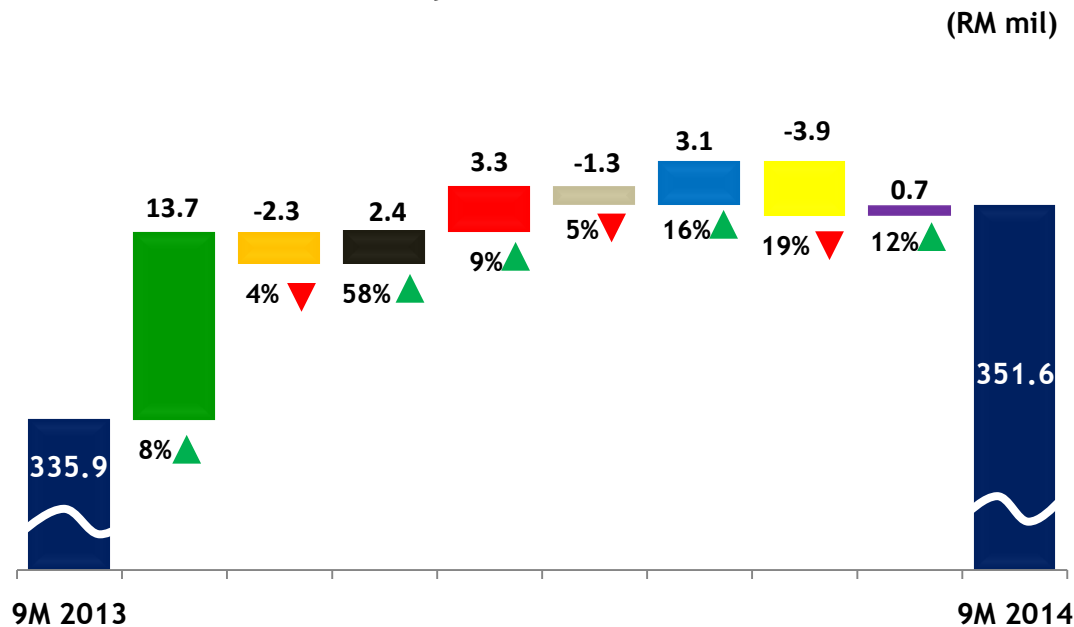


# Operating Revenue

## Revenue bolstered by active retail trading in securities market



### Growth contribution by revenue streams:

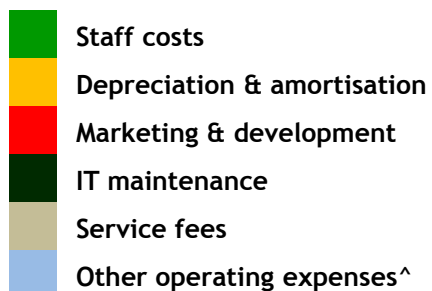
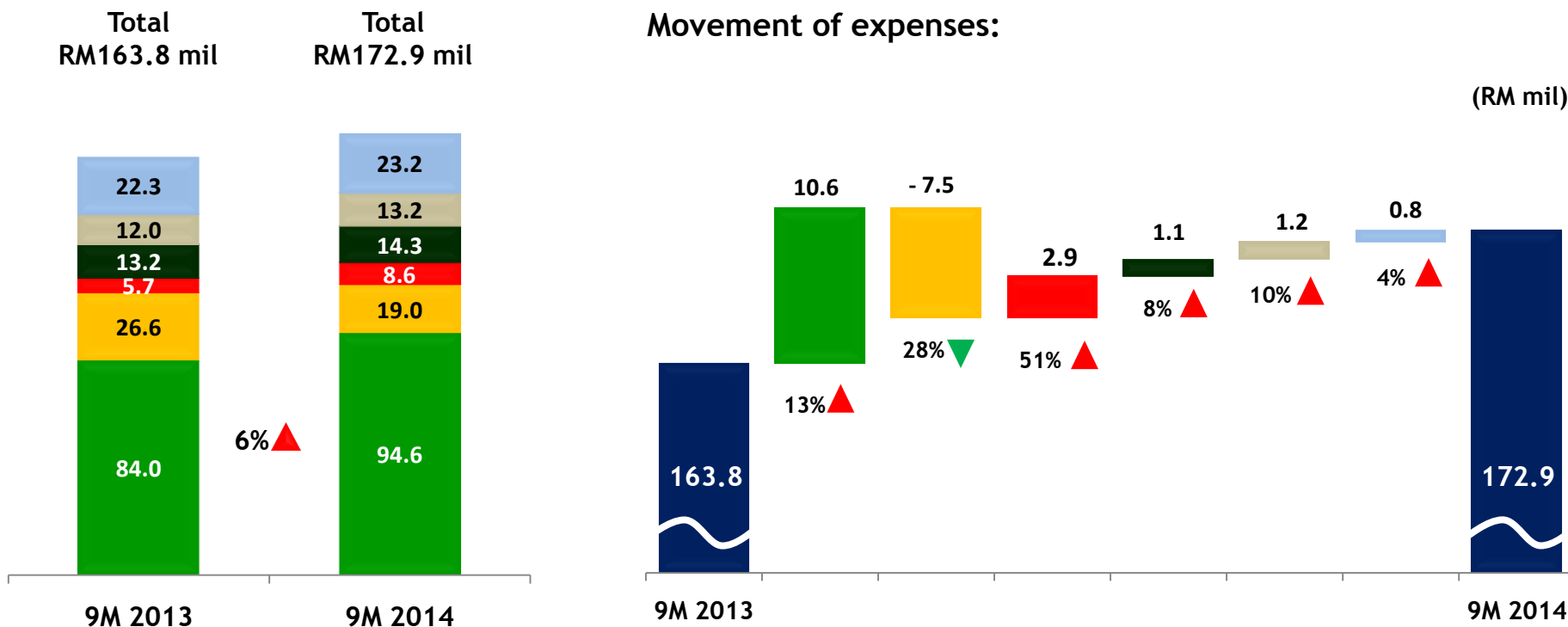


- Lower derivatives trading revenue despite higher trading volume due to lower guarantee and collateral management fees.
- Growth in BSAS trading revenue contributed by higher domestic and foreign participation.
- Growth in listing and issuer services revenue due to higher market capitalisation, higher number of new structured warrant listings and larger IPOs in 9M2014 compared to 9M2013.
- Higher market data revenue due to introduction of new information packages and commencement of market data charges to brokers.
- Lower revenue from member services and connectivity due to lower broker services fee and a revision in Bursa access fee structure.

Note\* - Other Operating Revenue mainly includes conference & exposition income

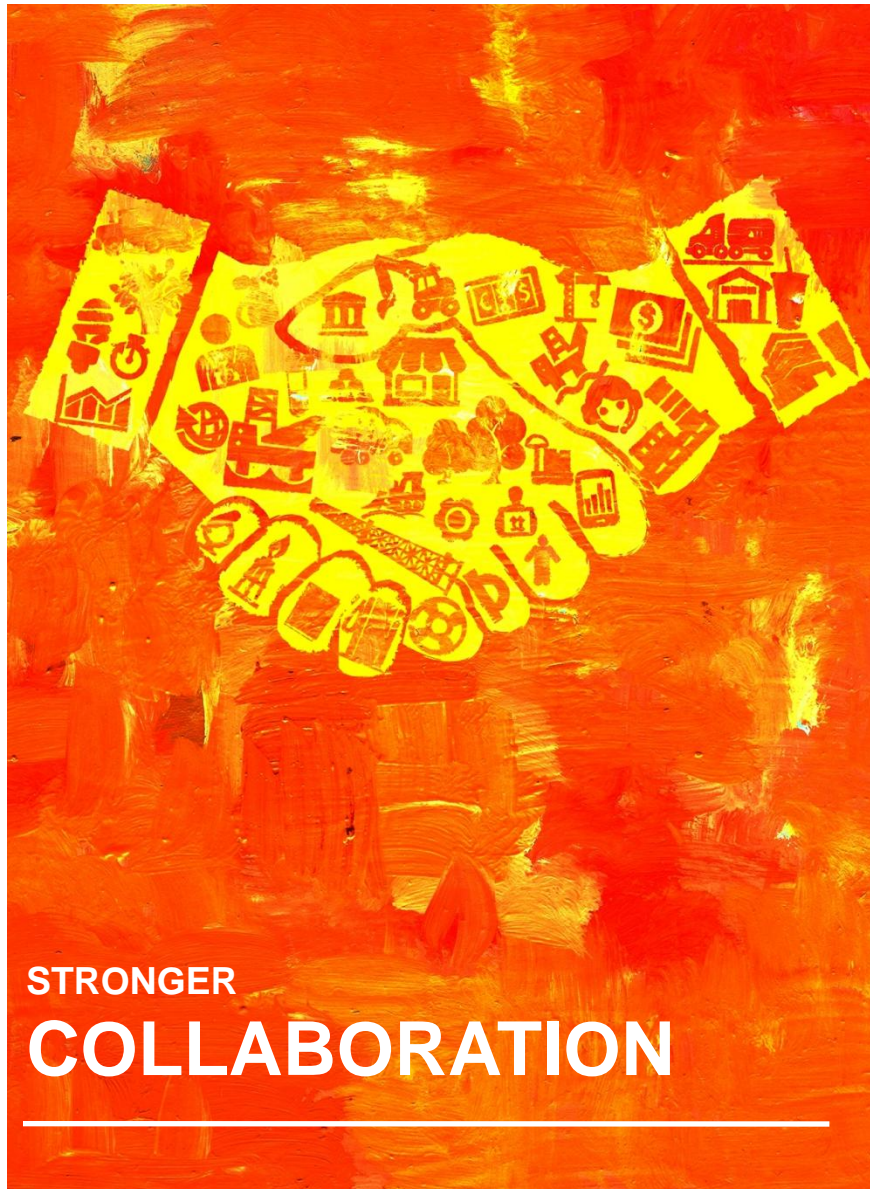
# Operating Expenses

Focused investment in talent and market development



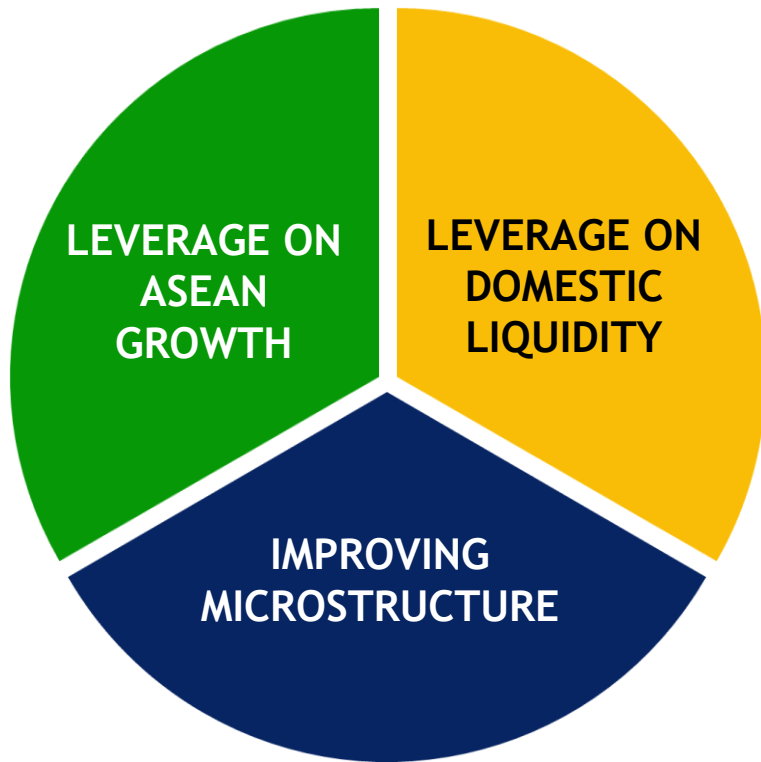
- Increased staff costs due to talent building efforts which commenced in 2012.
- Decreased depreciation arising from a more cost efficient new trading system (BTS2) implemented end of 2013.
- Increased marketing and development cost due to greater retail outreach and engagement.
- Increased IT maintenance cost due to one-off on-site maintenance of the new trading system.
- Increased service fees due to higher derivatives contracts traded.

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

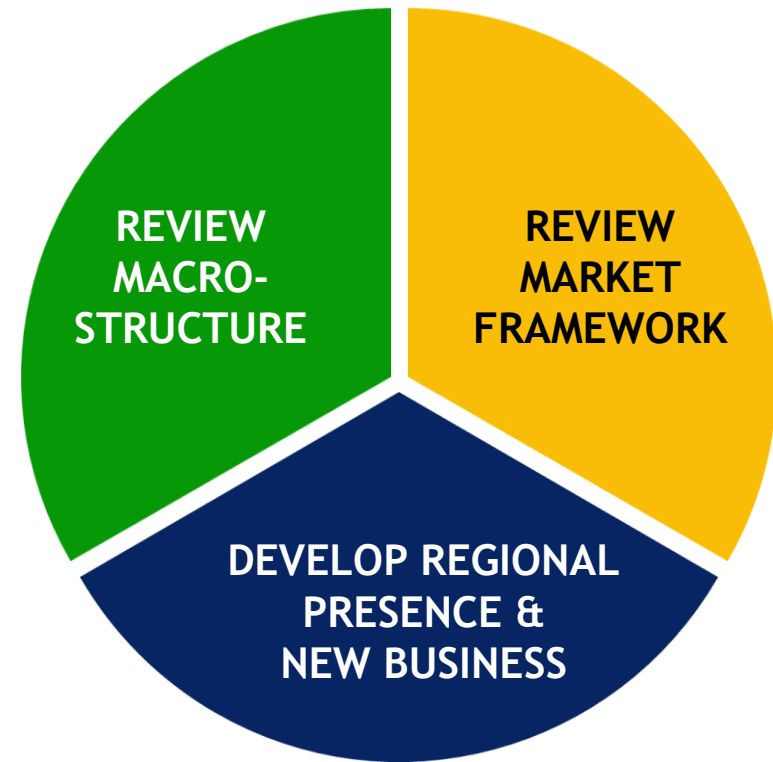


- Focus Area
- Going Forward - Key Deliverables

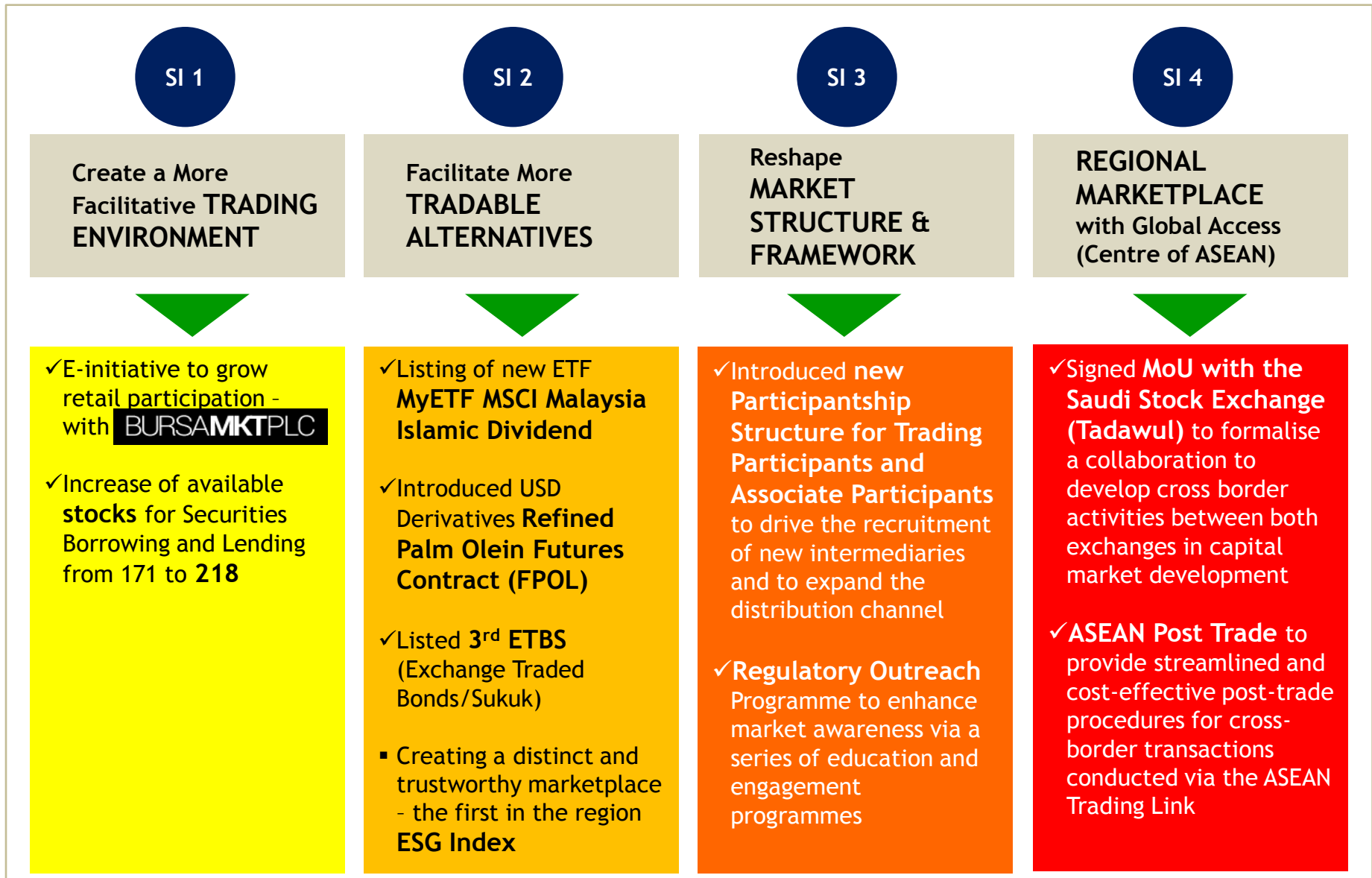
## Focus 1: Value Extraction



## Focus 2: Build for the Future



# 2014 Key Deliverables



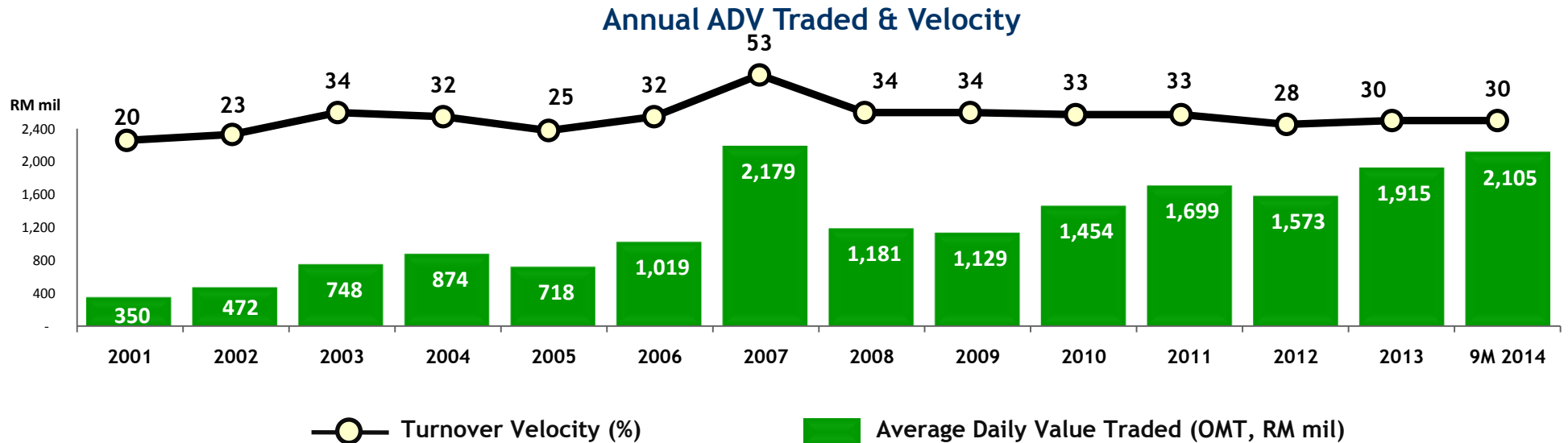
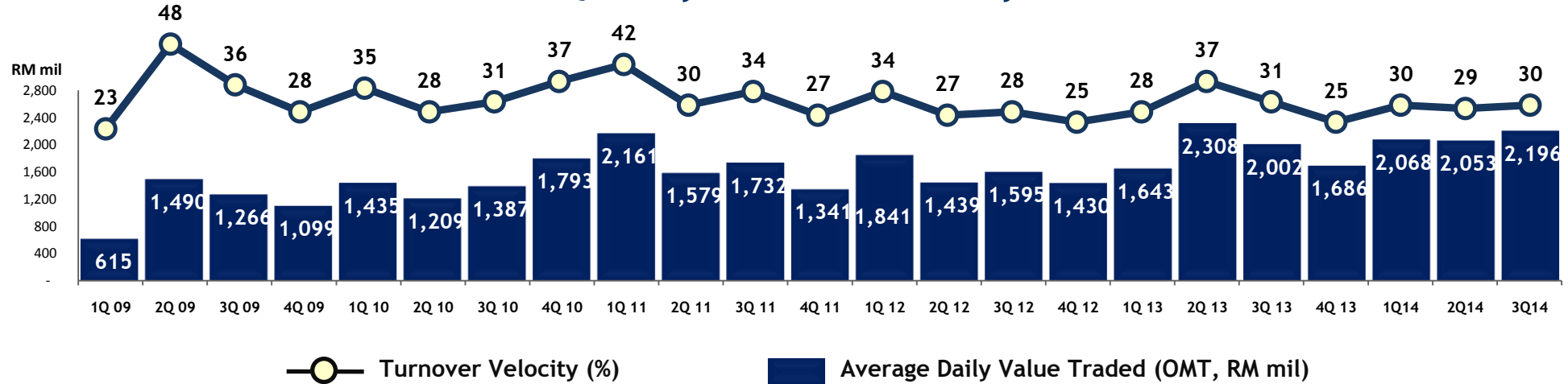
Note : SI-Strategic Intent

# Appendices



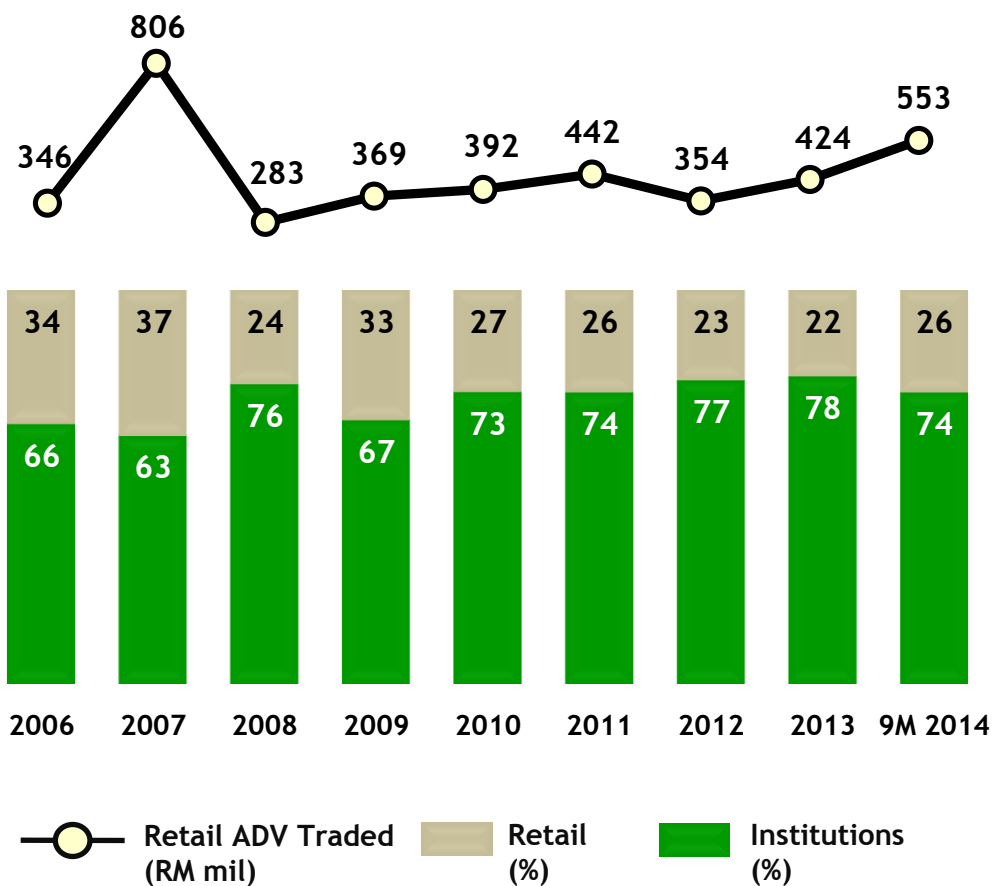
# Securities Market Trading Activity

## Quarterly ADV Traded & Velocity

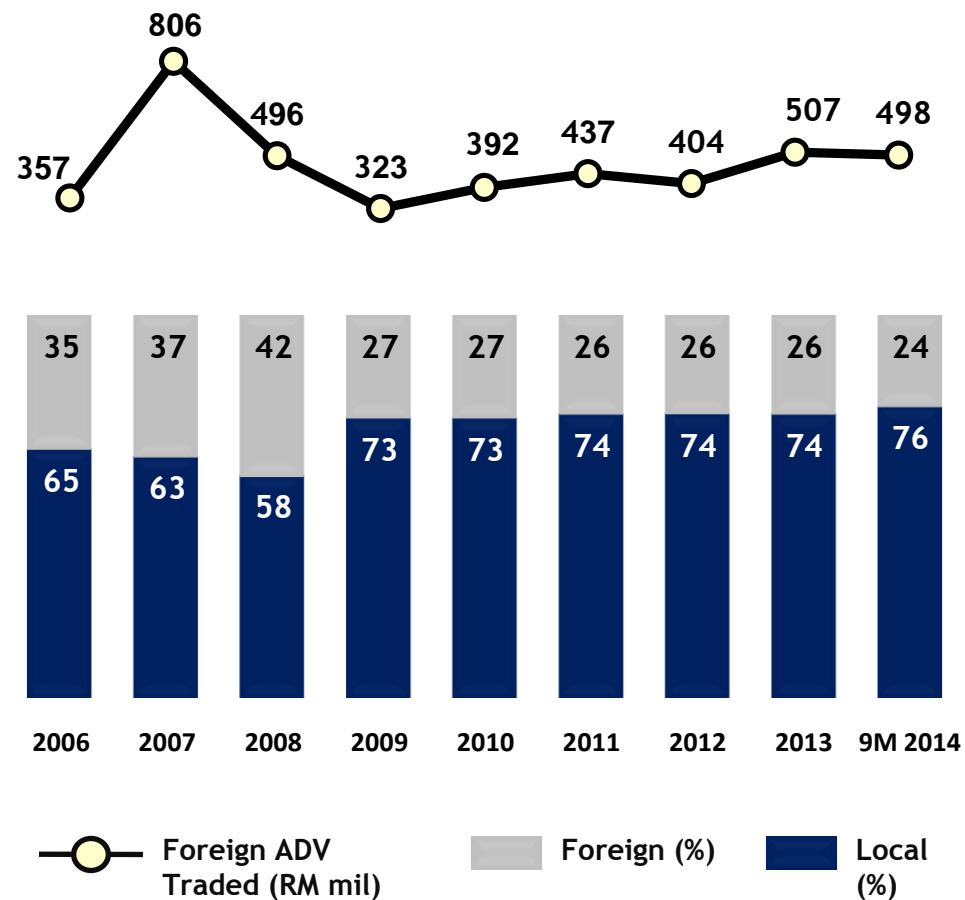


# Securities Market Trading Participation

## Retail vs Institutions



## Foreign vs Local

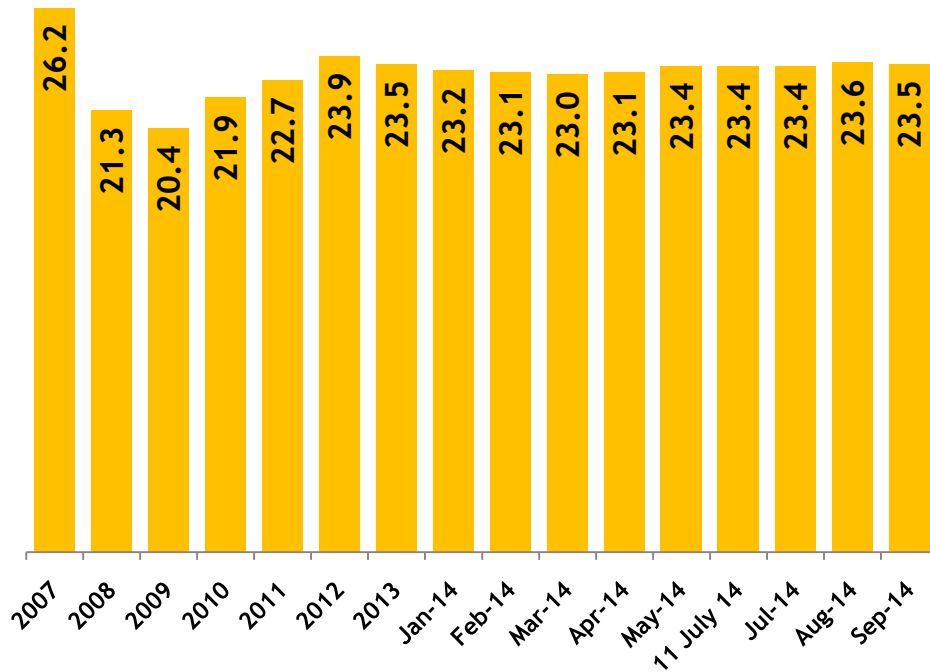


From 2006 to 2009, the statistics were based on Brokers' submission. From 2010 onwards statistics were based on Bursa's internal system.

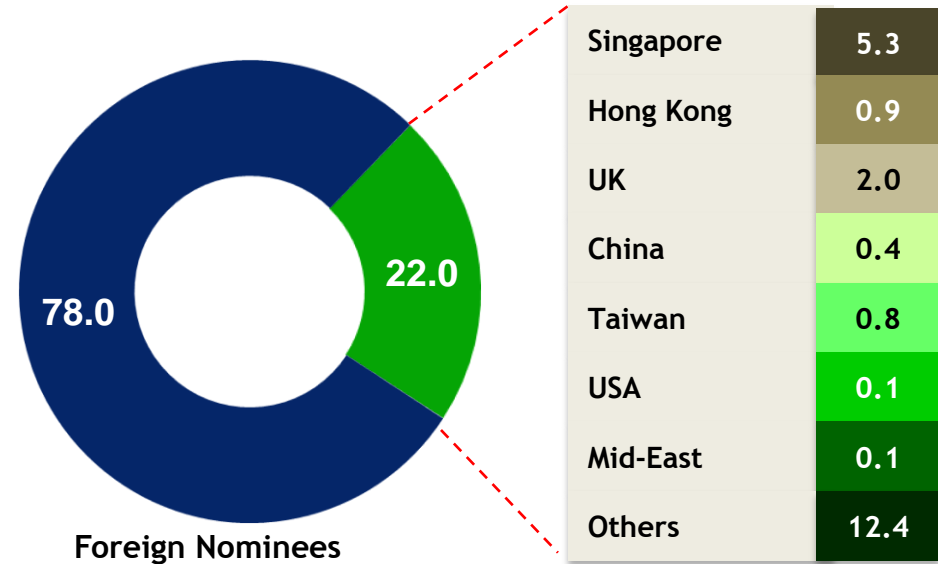
# Securities Market Foreign Ownership

Based on Market Capitalisation  
(as at month end)

(%)

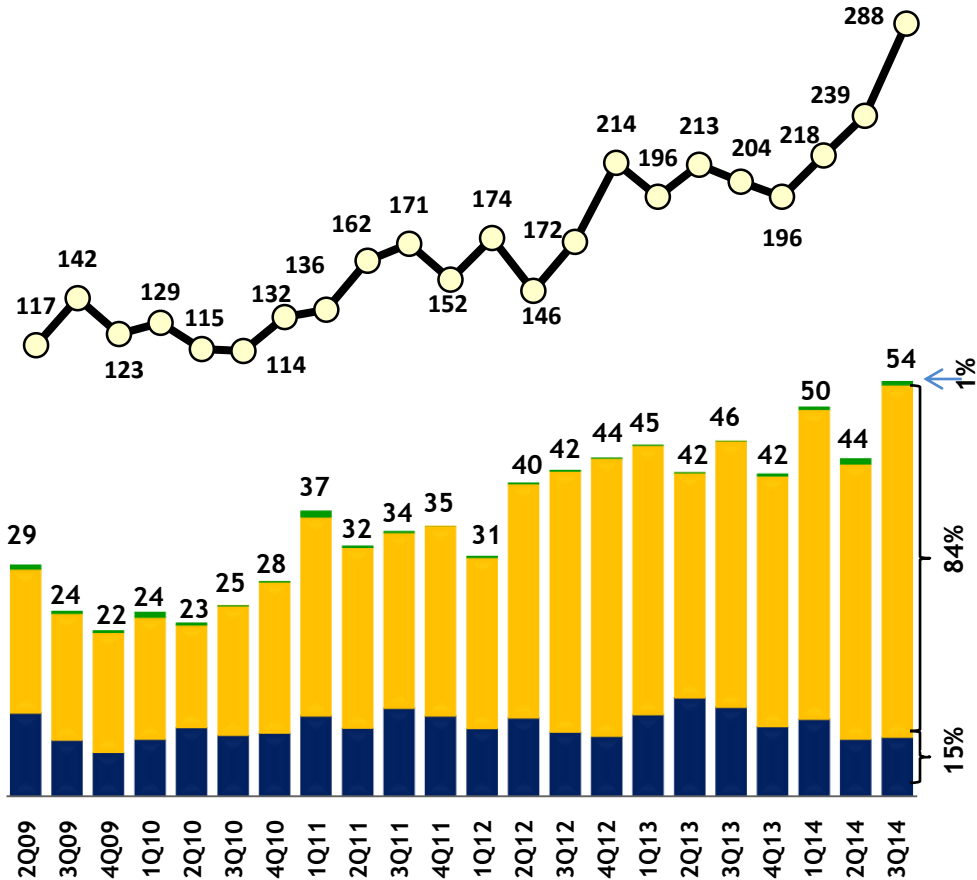


Foreign Ownership by Nationality (%)

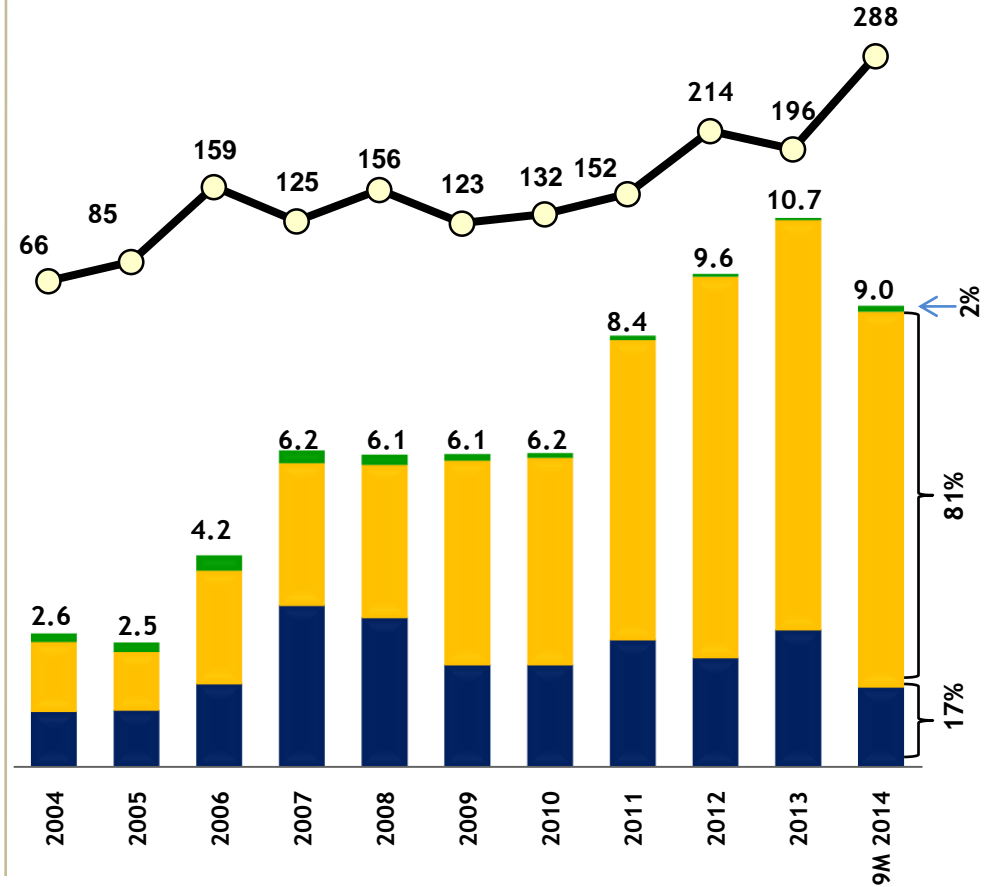


# Derivatives Market Activity

Quarterly Average Daily Contracts ('000)



Total Annual Contract (Mil)



○— Open Interest ('000)

■ Others

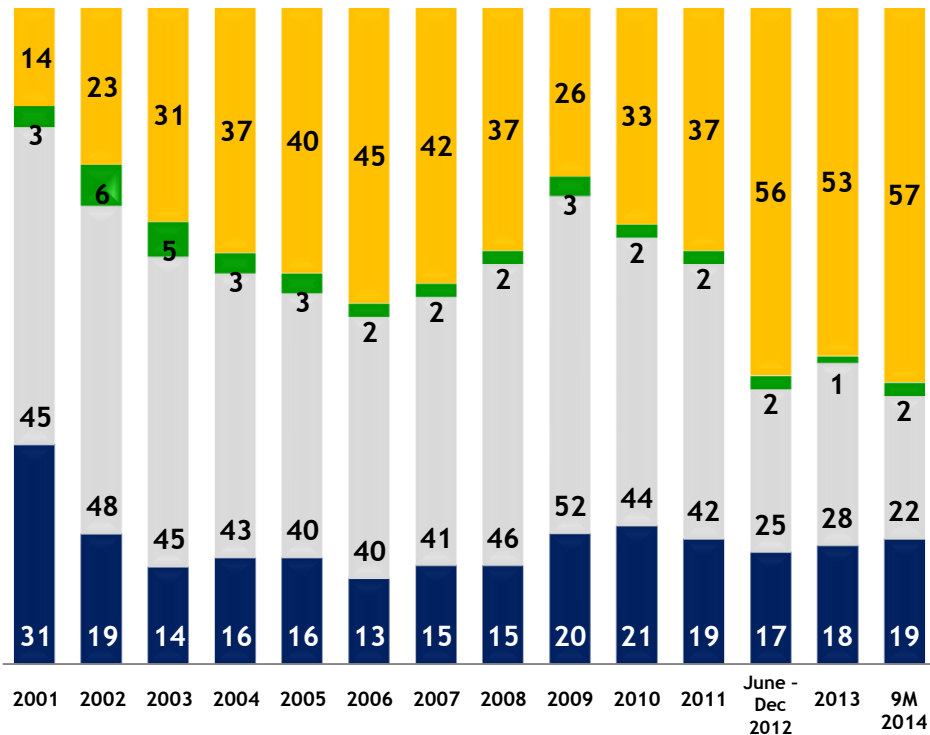
■ Crude Palm Oil Futures

■ FMBKLCI Futures

# Derivatives Market Demography

## FKLI

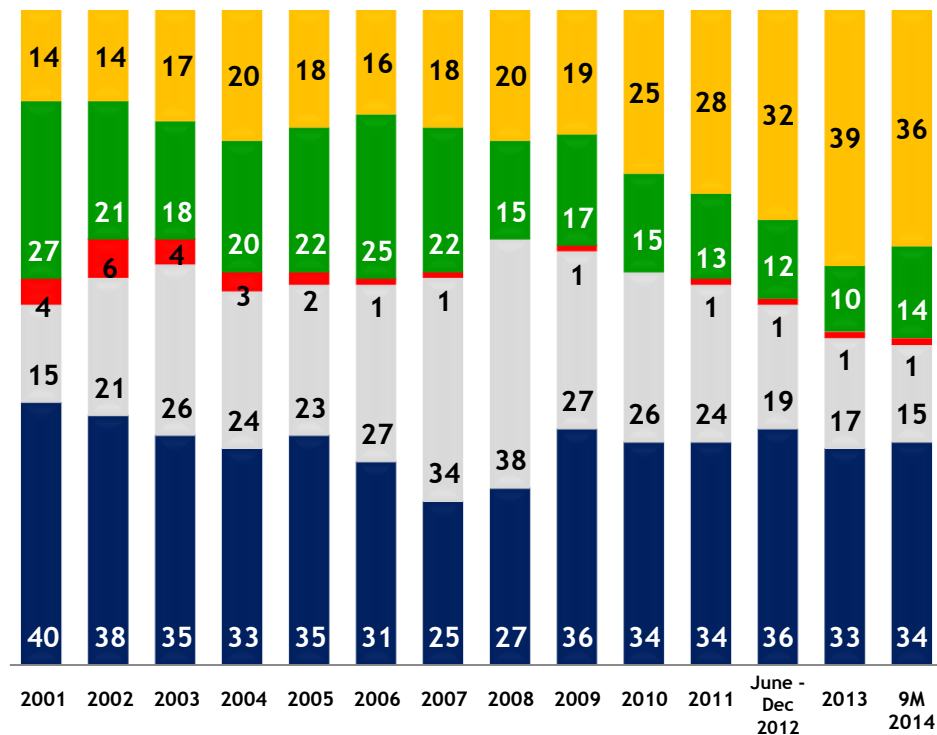
(%)



■ Foreign Institutions     ■ Domestic Retail  
■ Domestic Institutions     ■ Local

## FCPO

(%)

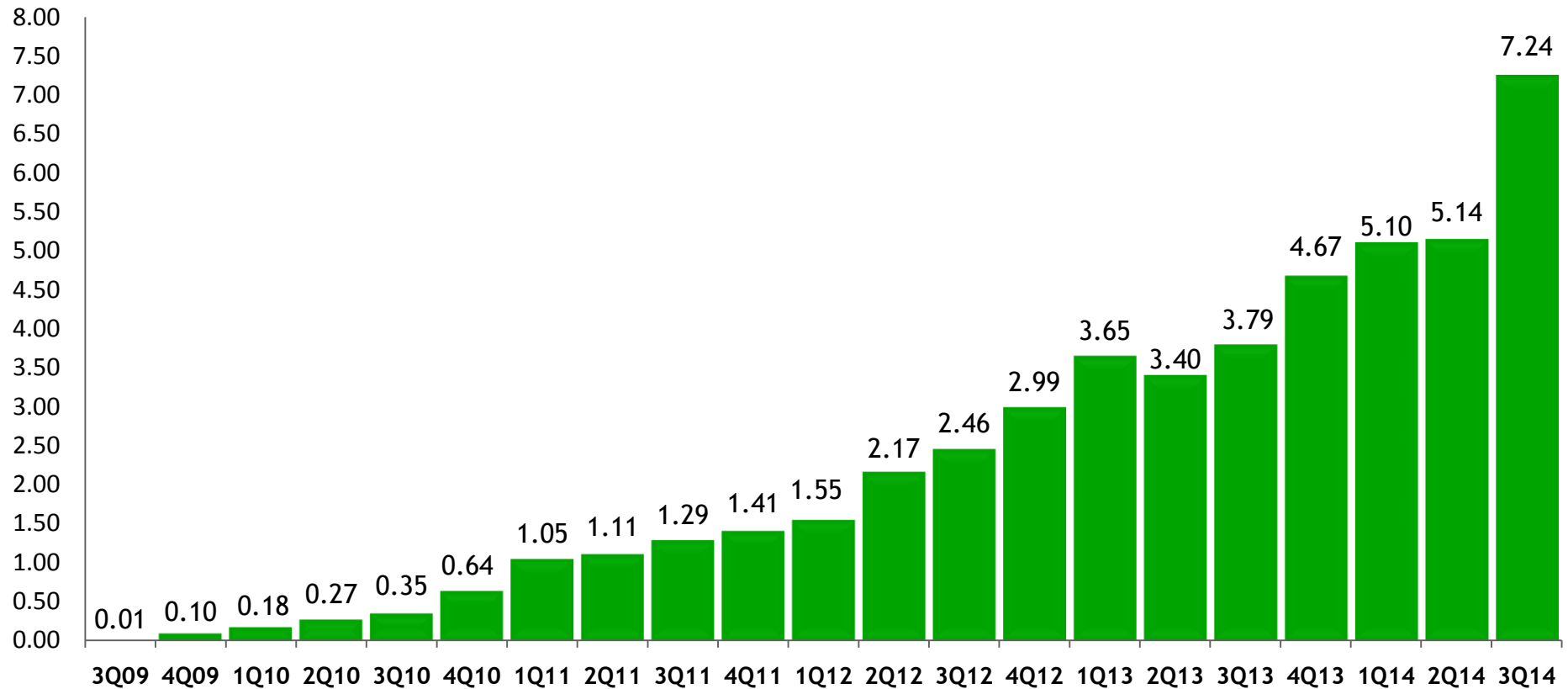


■ Foreign Institutions     ■ Foreign Retail     ■ Local  
■ Domestic Institutions     ■ Domestic Retail

# Islamic Market Trading Activity

RM bil

BSAS Average Daily Value



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