

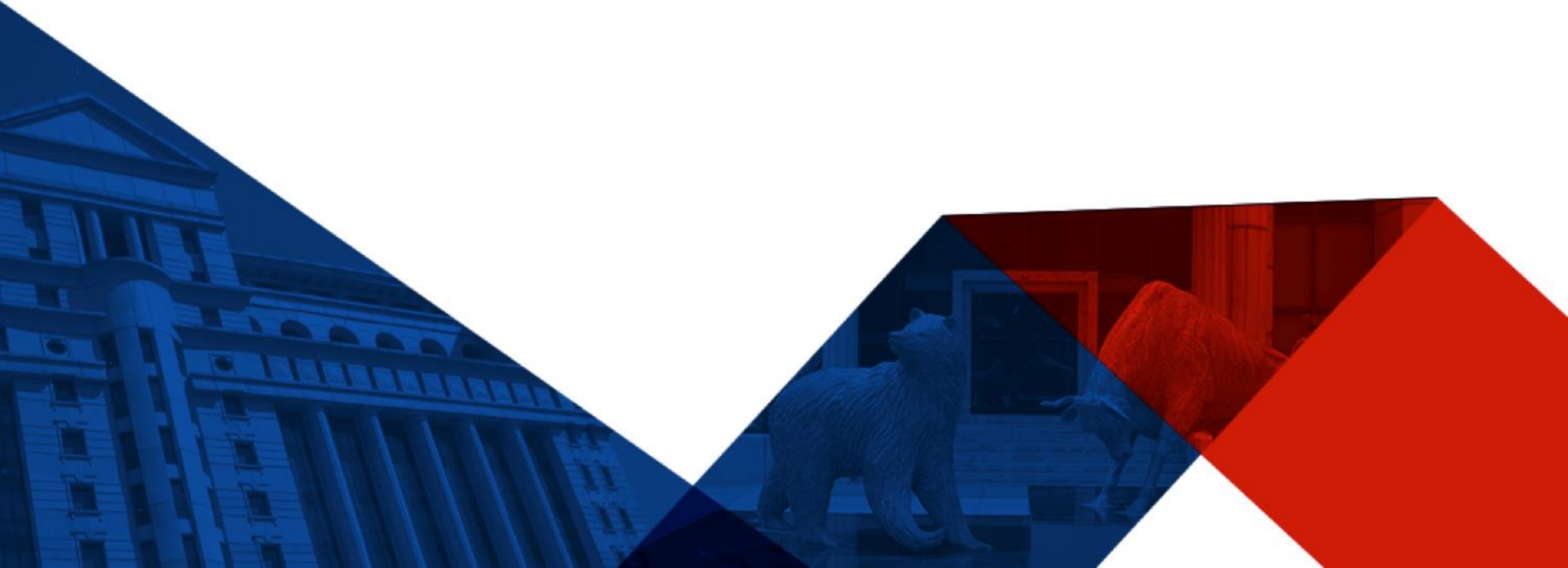


INCLUSIVE SUSTAINABLE

ASEAN'S
MARKETPLACE

29 October 2018

9M2018 Financial Results



Agenda

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

Key Financial Highlights & Market Performance

- Financial Highlights for 9M2018
- 9 Months Financial Trend
- Securities Market Overview
- Derivatives Market Overview
- Islamic Capital Market Overview

Financial Highlights for 9M2018

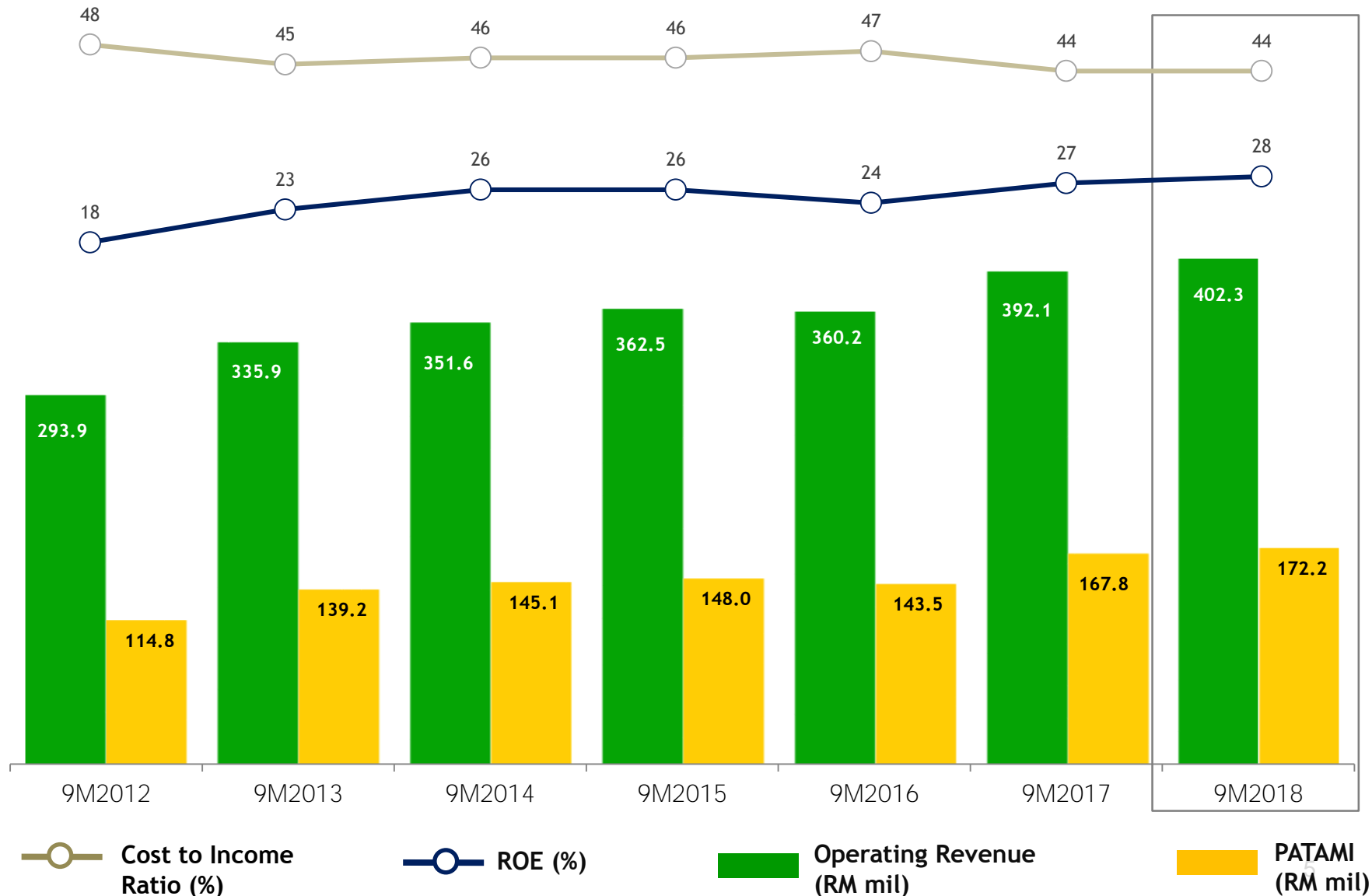
Financial Items	9M2018	9M2018 vs. 9M2017	3Q2018	3Q2018 vs. 3Q2017
Operating Revenue (RM million)	402.3	▲ 2.6%	123.2	▲ 0.4%
Operating Expenses (RM million)	184.2	▲ 0.1%	60.7	▲ 2.8%
PATAMI (RM million)	172.2	▲ 2.6%	50.2	▼ 2.7%
EPS (sen)	21.3	▼ 2.4%	6.2	▼ 3.1%
Cost to Income Ratio (%)	44%	↔	47%	▲ 2 percentage points
Annualised ROE (%)	28%	▲ 1 percentage point	24%	↔

9M2018 vs. 9M2017:

- Operating revenue increased mainly due to higher Securities Trading revenue. The increase was partially offset by lower trading revenue from Derivatives Market.
- Cost to income ratio maintained at 44% while ROE improved by 1 percentage point to 28%.

9 Months Financial Trend

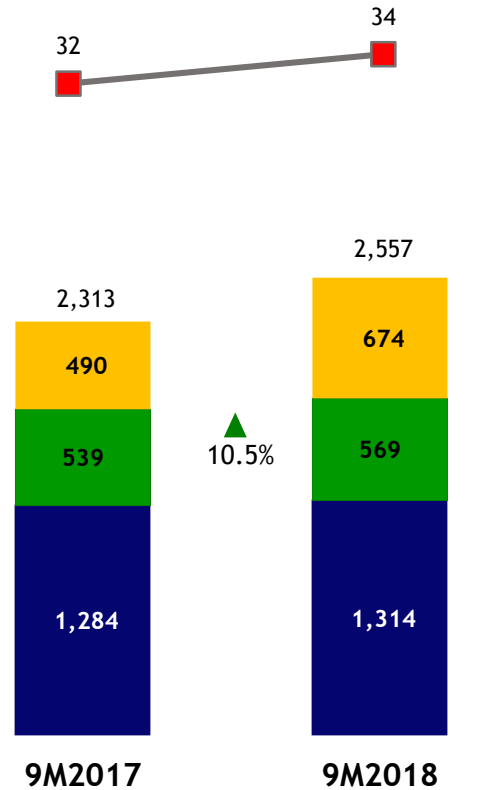
Highest operating revenue since listing



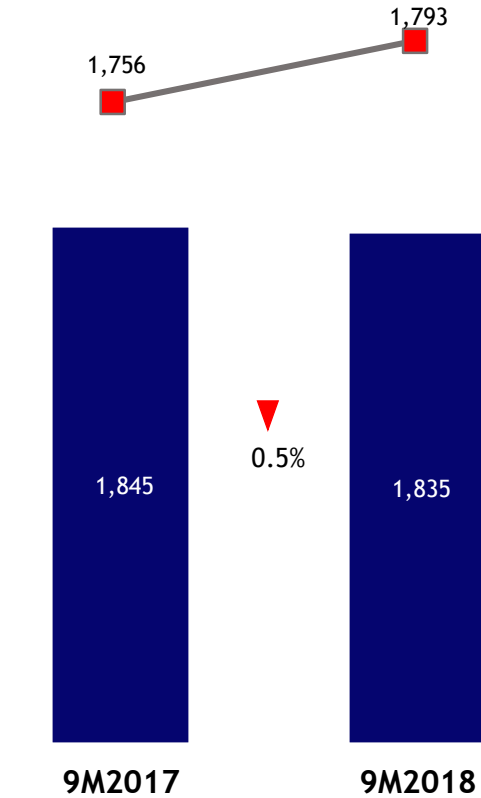
Securities Market Overview

Highest ADV since listing

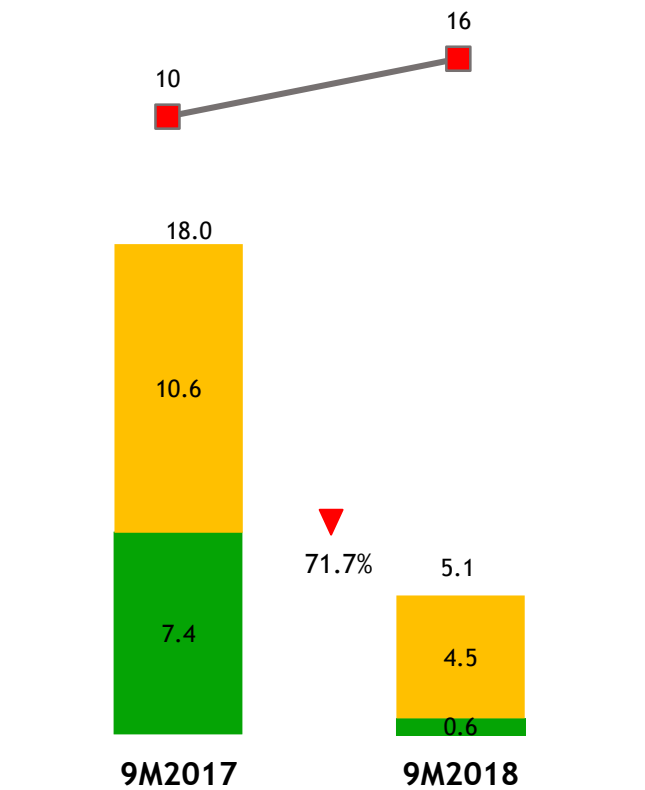
Average Daily Value (“ADV”) (OMT)(RM mil)



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

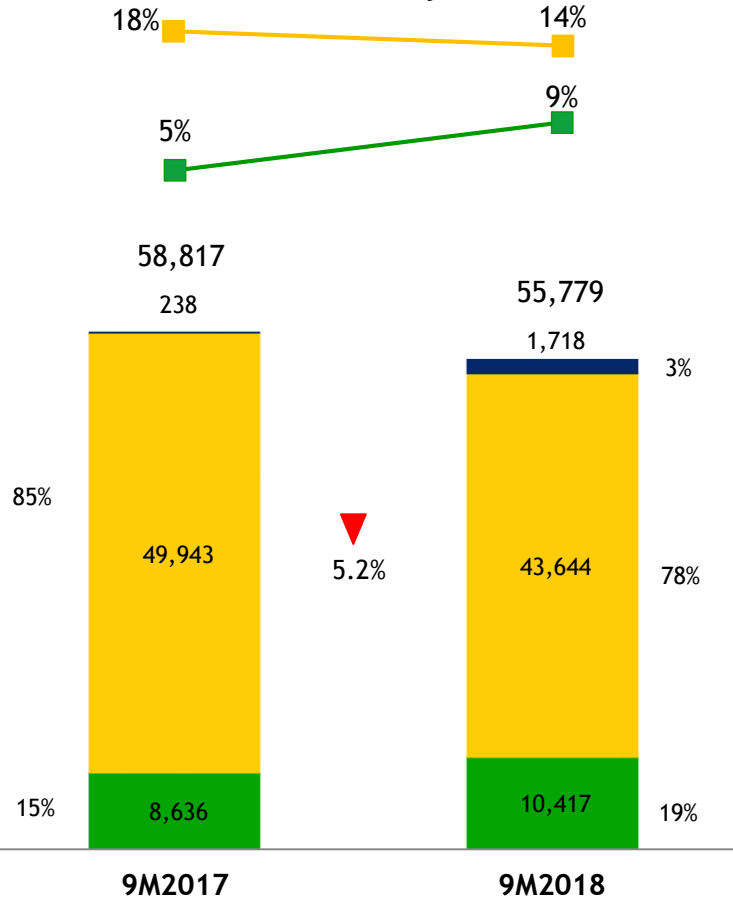
- FBMKLCI
- Market Capitalisation

- No. of New Listing (including LEAP Market)
- Fund raised from secondary market
- Fund raised from new listings

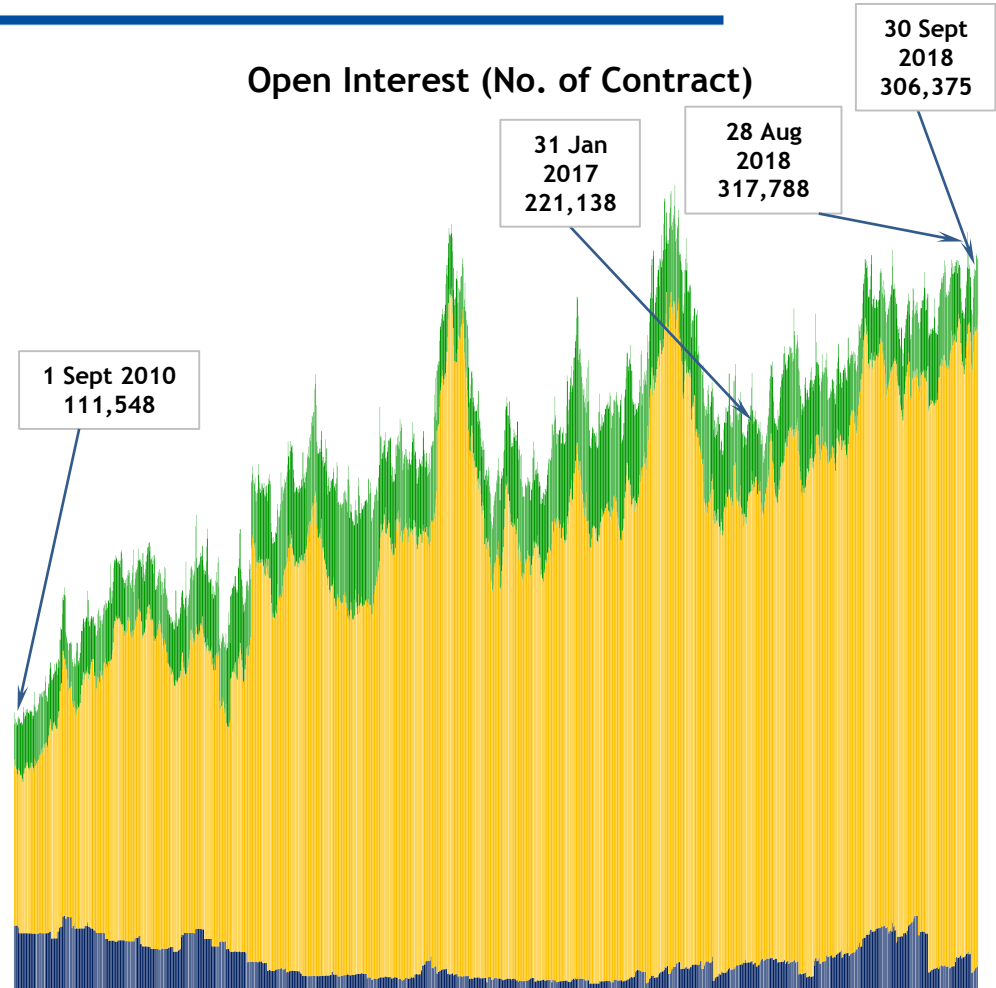
Derivatives Market Overview

FCPO trades influenced by the volatility of the underlying

Average Daily Contracts (“ADC”) & Volatility



Open Interest (No. of Contract)



ADC - FBMKLCI Futures
 Volatility of FBMKLCI

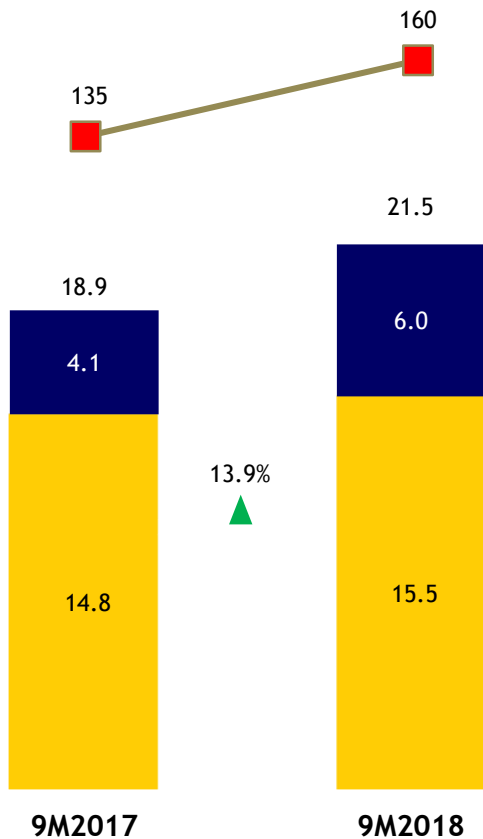
ADC - Crude Palm Oil Futures
 Volatility of Crude Palm Oil Prices

ADC - Others

Islamic Capital Market Overview

Higher foreign trades under volume-based pricing

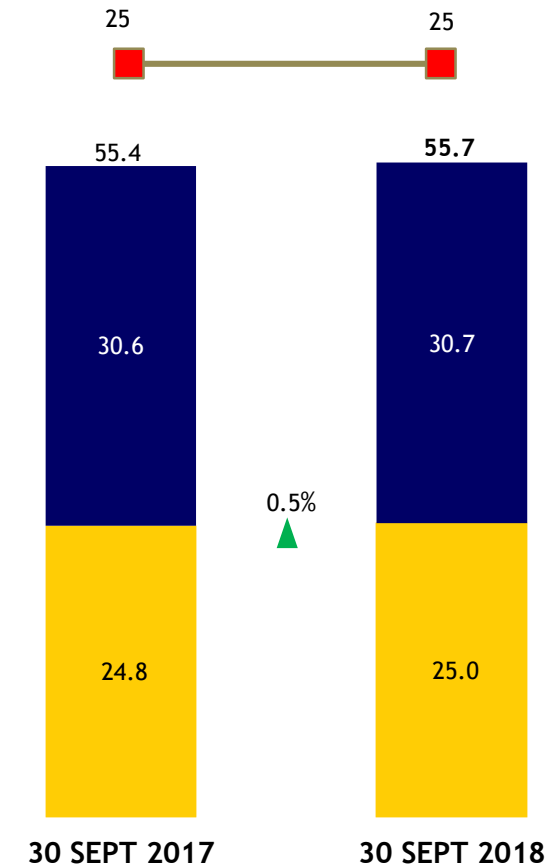
Bursa Suq Al-Sila' ("BSAS")
ADV (RM bil)



■ No. of Trading Participants

■ Domestic ■ Foreign

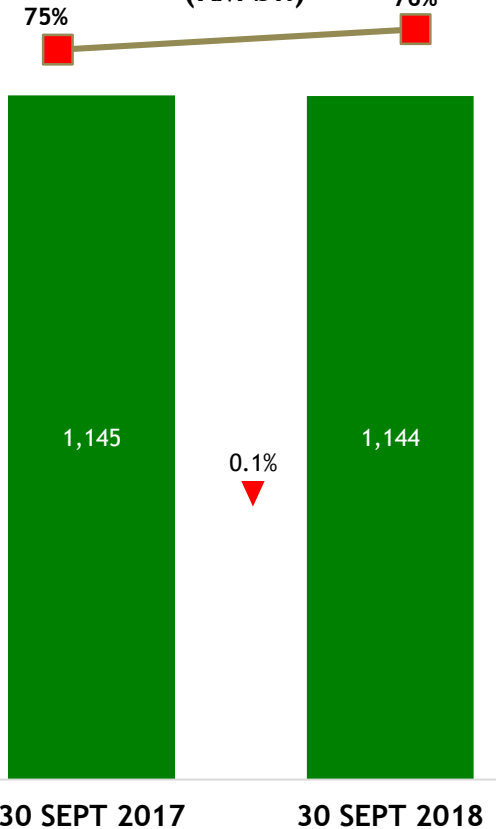
Value of Listed Sukuk (USD bil)



■ No. of Sukuk

■ Domestic ■ Foreign

Market Capitalisation of
Shariah Compliant Stocks
(RM bil)



■ No. of Shariah Compliant Stocks (%)

■ Market Capitalisation of Shariah Compliant Stocks

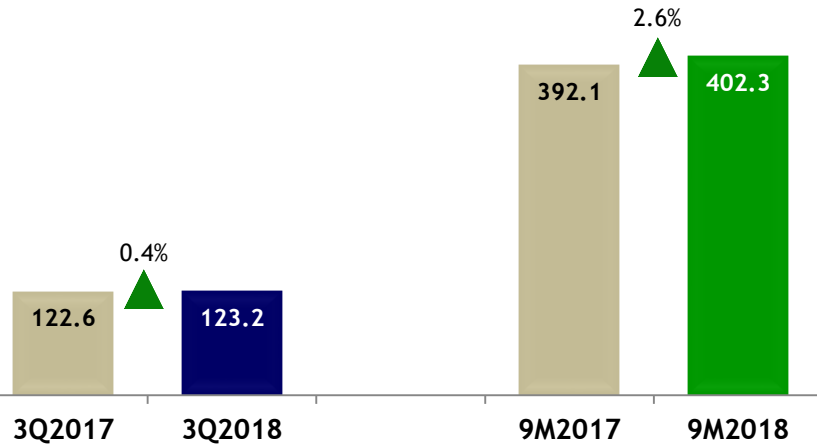
Financial Review

- Financial Snapshot
- Operating Revenue
- Operating Expenses

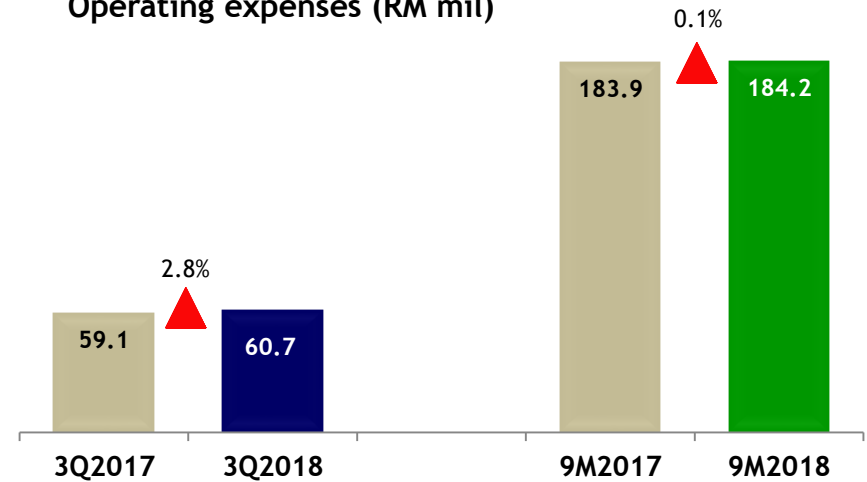
Financial Snapshot

Highest 9-month PAT since 2007 and highest operating revenue since listing

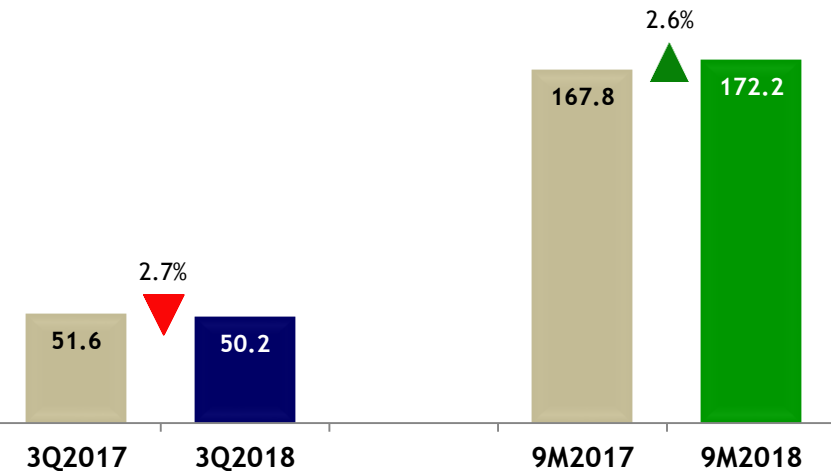
Operating revenue (RM mil)



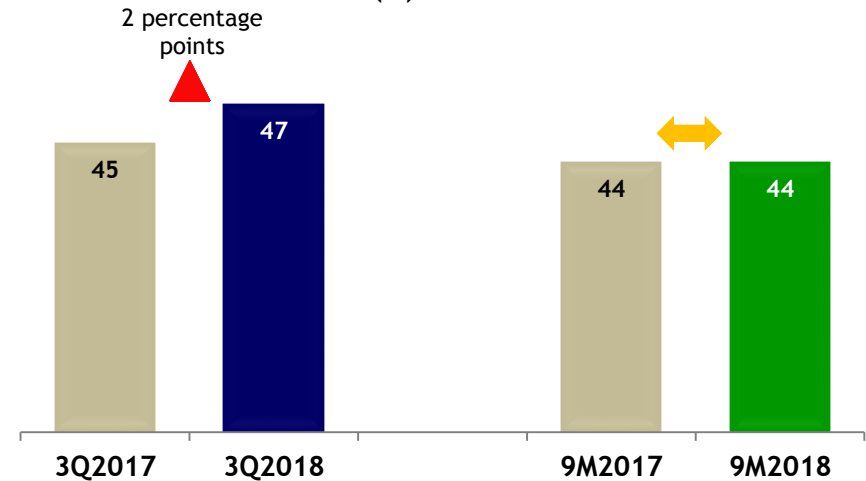
Operating expenses (RM mil)



PATAMI (RM mil)



Cost to income ratio (%)



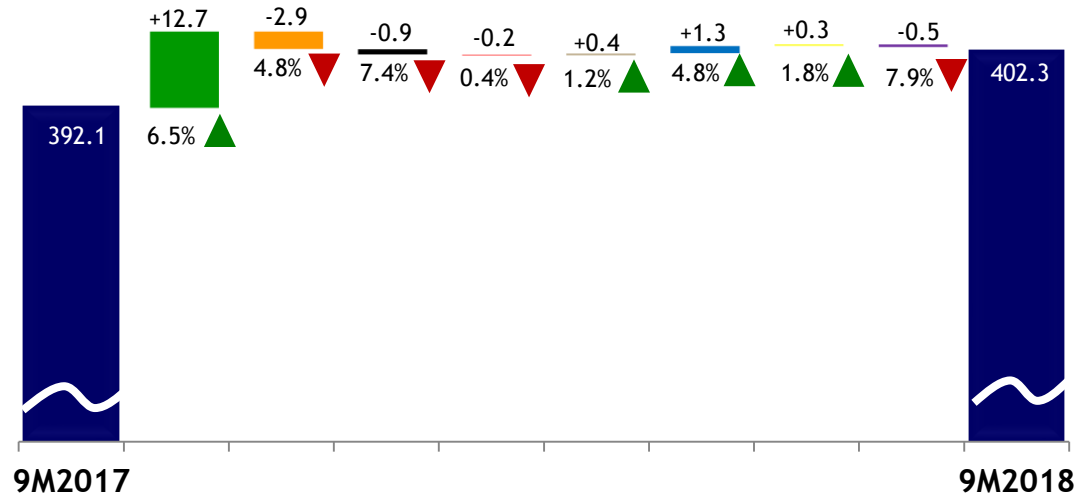
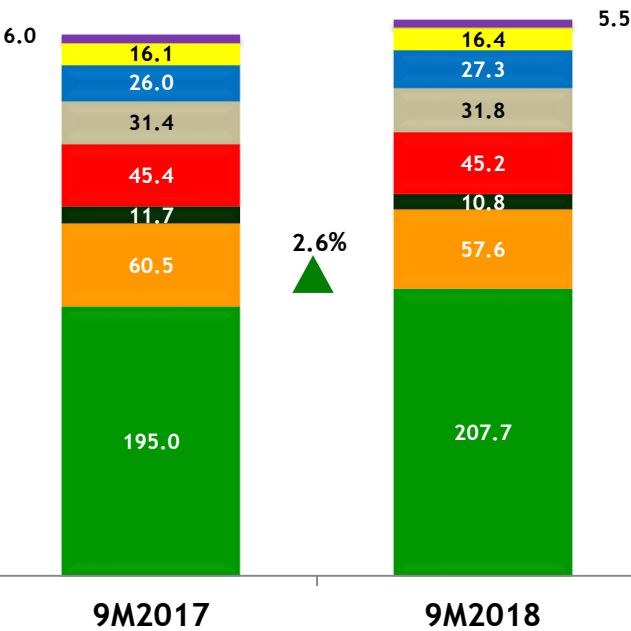
Operating Revenue

Growth mainly contributed by higher Securities Trading Revenue

Growth contribution by revenue streams:

(RM mil)

Total RM392.1 mil Total RM402.3mil



- 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.
- Decrease in Derivatives Trading Revenue due to lower number of FCPO contract traded and guarantee fees earned, as well as higher market incentives incurred in 9M2018.
- Lower BSAS Trading Revenue despite increase in its ADV due to volume-based pricing.
- Higher Market Data due to higher number of subscribers.

Operating Expenses

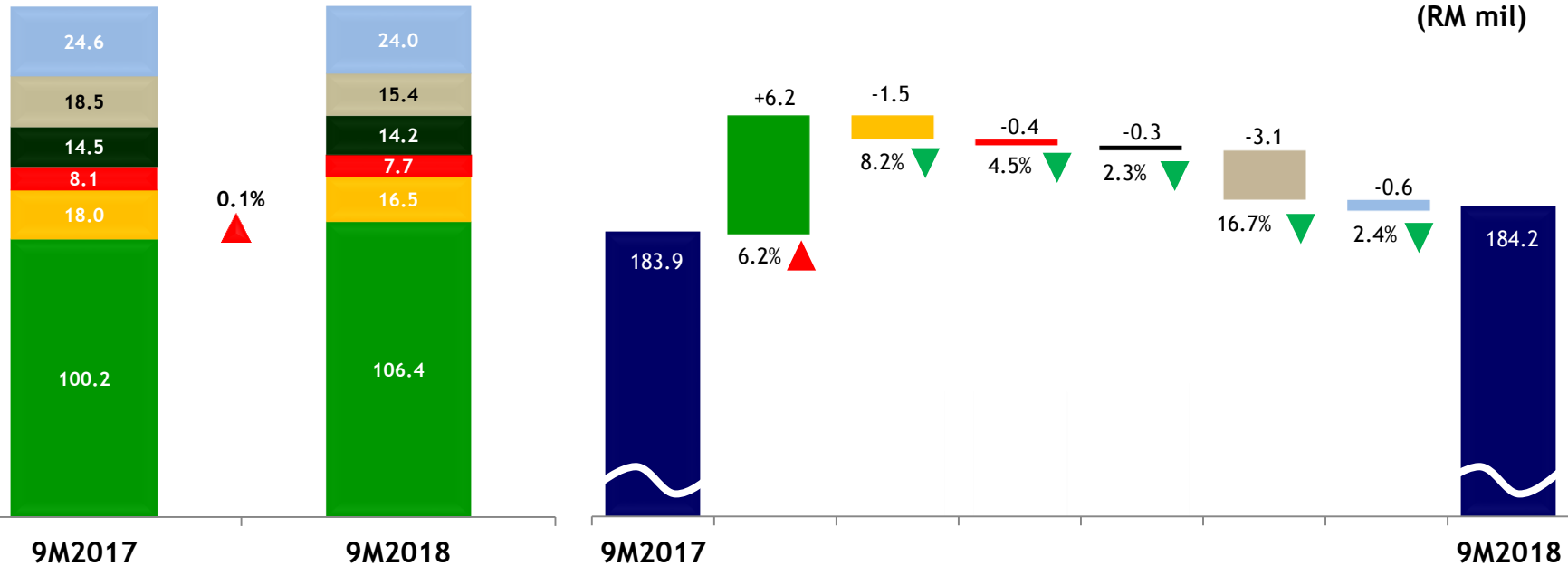
Fairly stable y-on-y with a marginal increase of 0.1%

Total
RM183.9 mil

Total
RM184.2 mil

Movement of expenses:

(RM mil)



Staff costs

Depreciation & amortisation

Marketing & development

IT maintenance

Service fees

Other operating expenses^

- Increase in staff cost due to annual salary increment, provision for variable staff costs and higher manpower.
- Decrease in Globex fees due to lower number of derivatives contracts traded.
- Lower depreciation as some IT assets are fully depreciated

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

Highlights & Conclusion

- Highlights of 9M2018 Initiatives
- Moving Forward

Highlights of 9M2018 Initiatives

SI 1

Create a More Facilitative TRADING ENVIRONMENT

- Launched BURSASUSTAIN, a comprehensive online portal designed as a one-stop knowledge and information hub on corporate governance and sustainability.
- Launched the “Invest Bursa, Invest in You” campaign.

SI 2

Facilitate More TRADABLE ALTERNATIVES

- Implementation of Intra Day Short Selling (IDSS) for all investors.
- Introduced enhanced US Dollar denominated Palm Olein Futures Contract.
- Introduction of a new category of traders known as “trading specialists” who trade on their own account.
- Launched the Mini FTSE Bursa Malaysia Mid 70 Index Futures Contract (FM70).

SI 3

Reshape MARKET STRUCTURE & FRAMEWORK

- Exemption of stamp duty on shares of mid and small cap companies traded on Bursa Malaysia for 3 years from Mar’18 - Feb’21.
- Waiver on trading and clearing fees for 6 months for new individual investors.
- Enhancements of FCPO contract.
- Liberalisation of margin financing rules.
- Introduction of volume-based incentive programme.
- Announced new sector classification and sectorial index series.

SI 4

REGIONAL MARKETPLACE with Global Access (Centre of ASEAN)

- Organised the Palm and Lauric Oils Price Outlook Conference & Exhibition 2018.
- Organised the Shariah Investing Fair 2018.

Moving Forward

SECURITIES MARKET

- The Securities Market is expected to be resilient, given the sound economic fundamentals and anticipated growth momentum.
- Trading volatility is expected to continue in the last quarter of 2018 and will be influenced by external and domestic events.

DERIVATIVES MARKET

- Recent broader price range and volatility in crude palm oil prices are expected to stimulate trading and hedging activities in FCPO and US Dollar-denominated FPOL contracts.
- The recently introduced FTSE Bursa Malaysia Mid 70 Index (FM70) mini-futures contract which complements the existing FKL1 contracts, has seen encouraging trades in September 2018 and is expected to attract broader investor participation going-forward.

ISLAMIC CAPITAL MARKET

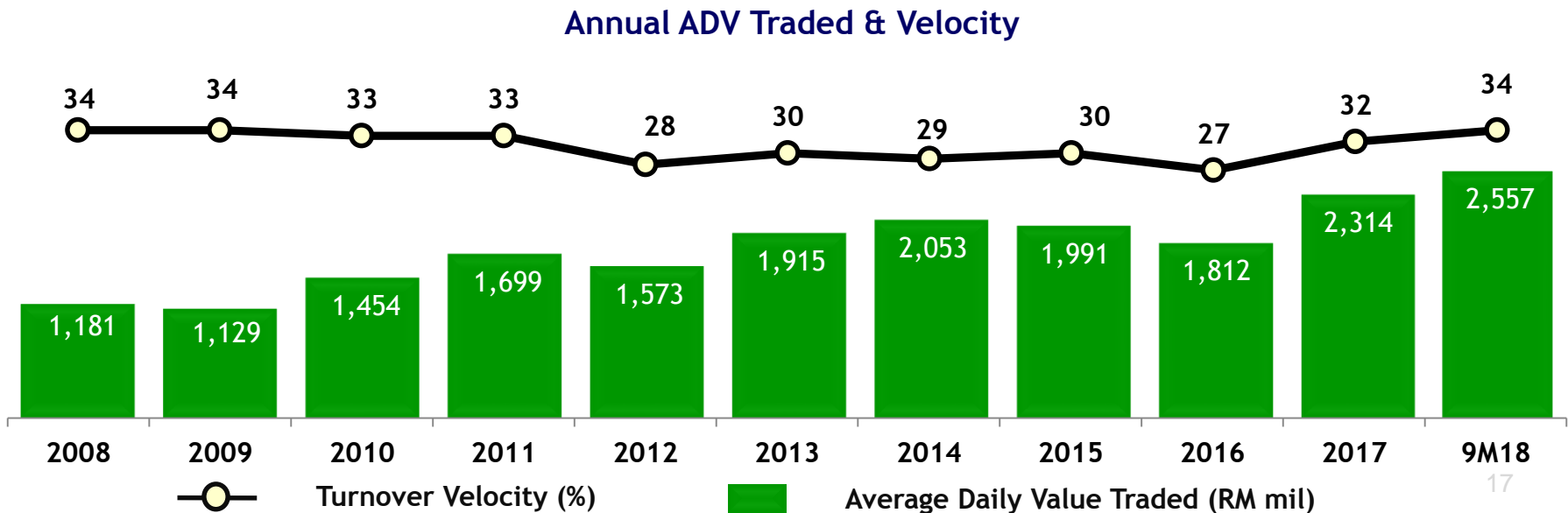
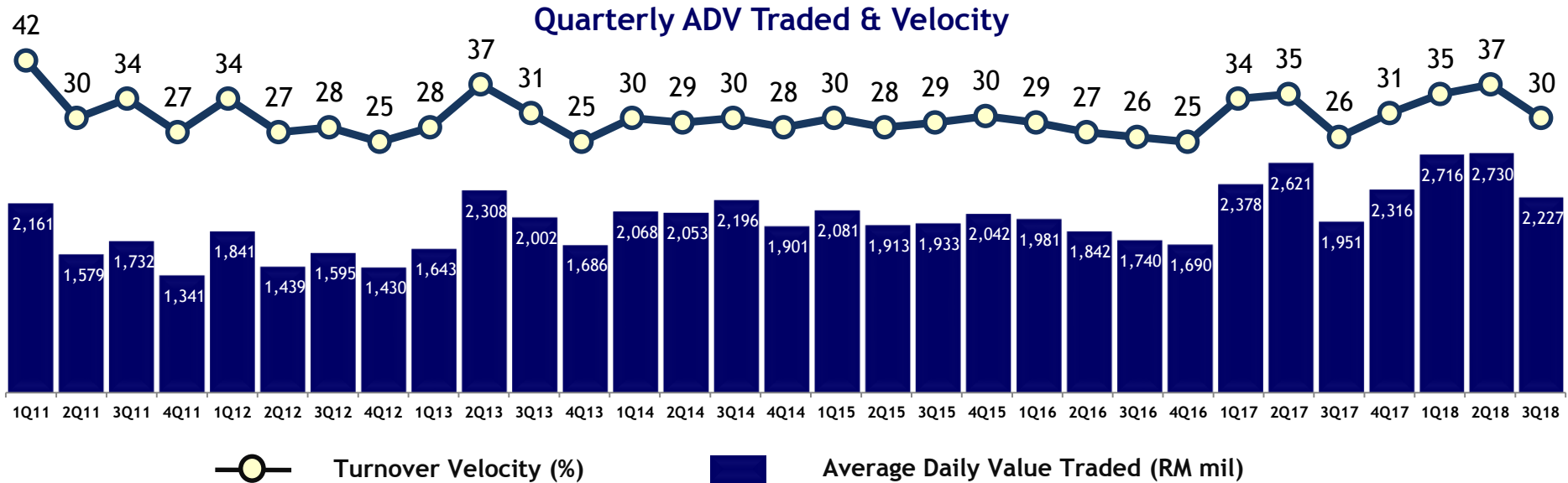
- Bursa Malaysia expects to see increased participation of institutional investors to trade on the Bursa Malaysia-i platform whilst the promotion of Shariah-compliant investing will continue through engagements with market players and retail investors.
- Bursa Suq Al-Sila', on the other hand will continue to expand its global reach into selective African and Central Asian regions in 2018.

Bursa Malaysia will continue with its initiatives to enhance the breadth and depth of the ecosystem. Despite the slower growth projected for global and domestic economy in 2018, the Exchange expects to achieve a sustainable performance for the current financial year.

Appendices

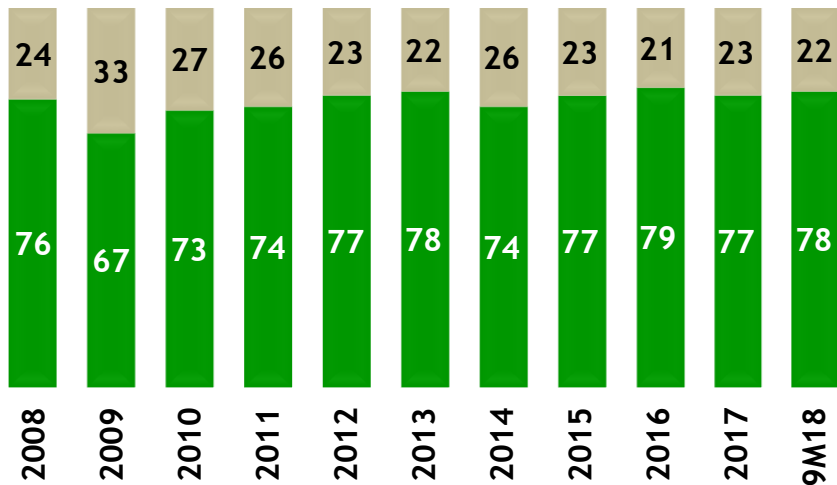
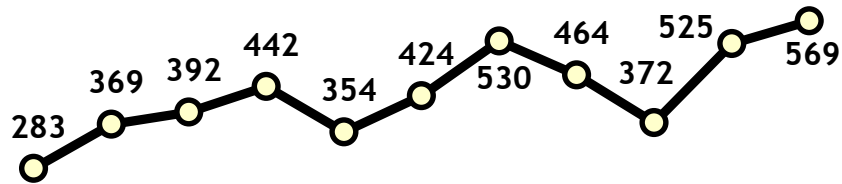
- Securities Market Trading Activity
- Securities Market Trading Participation
- Securities Market Foreign Ownership
- Foreign Inflow/Outflow
- Derivatives Market Activity
- Derivatives Market Demography
- Islamic Capital Market Activity

Securities Market Trading Activity



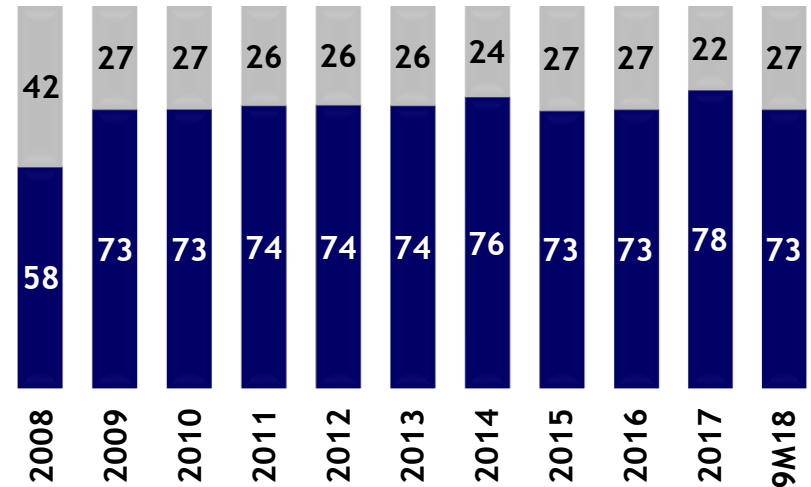
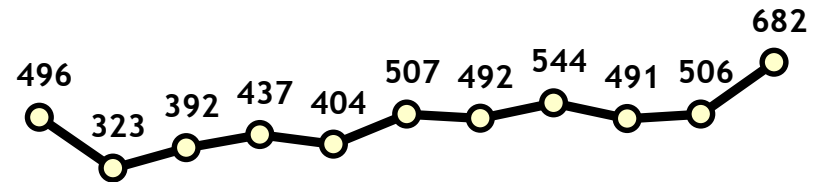
Securities Market Trading Participation

Retail vs. Institution



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

Foreign vs. Local

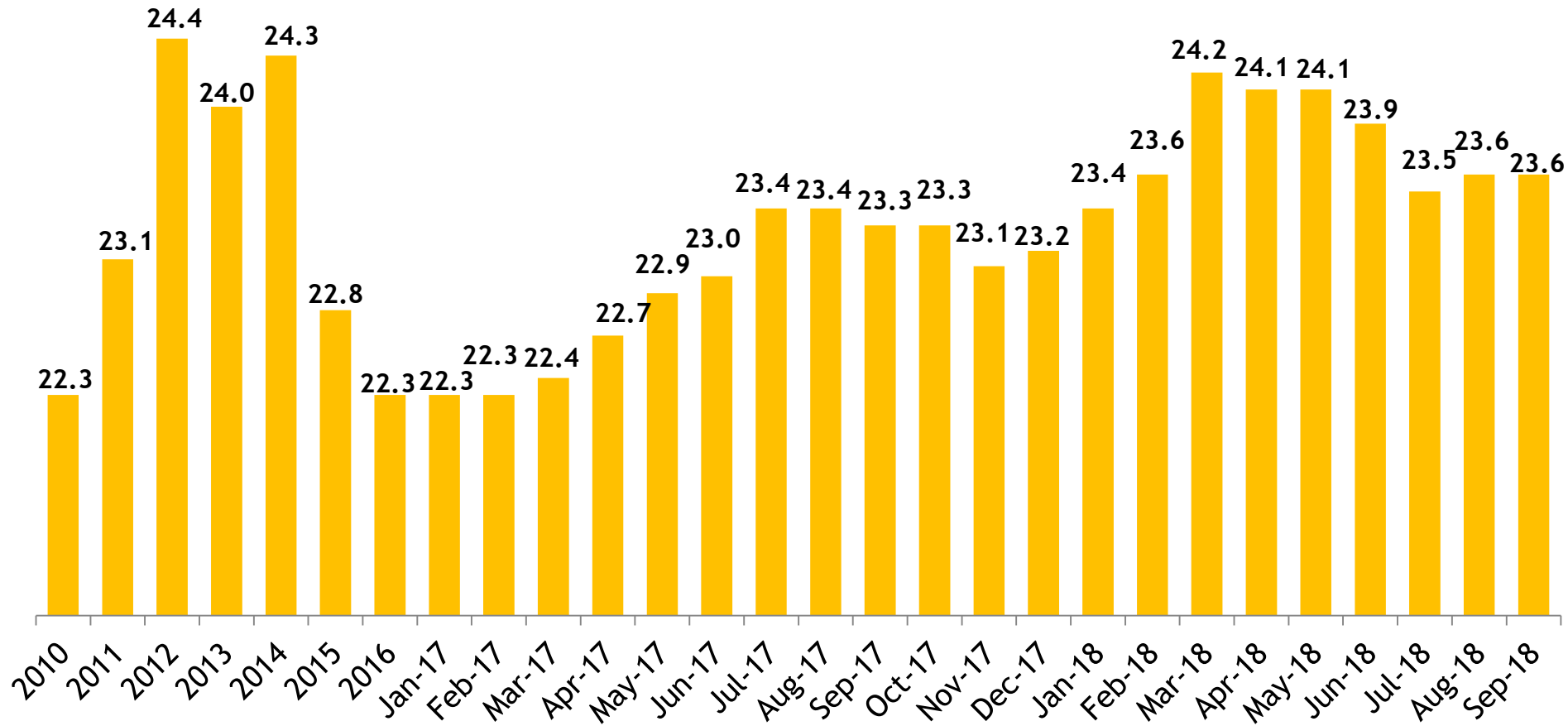


Foreign ADV Traded (RM mil)
 Foreign (%)
 Local (%)

From 2008 to 2009, the statistics were based on Brokers' submission. From 2010 onwards statistics were based on Bursa's internal system.

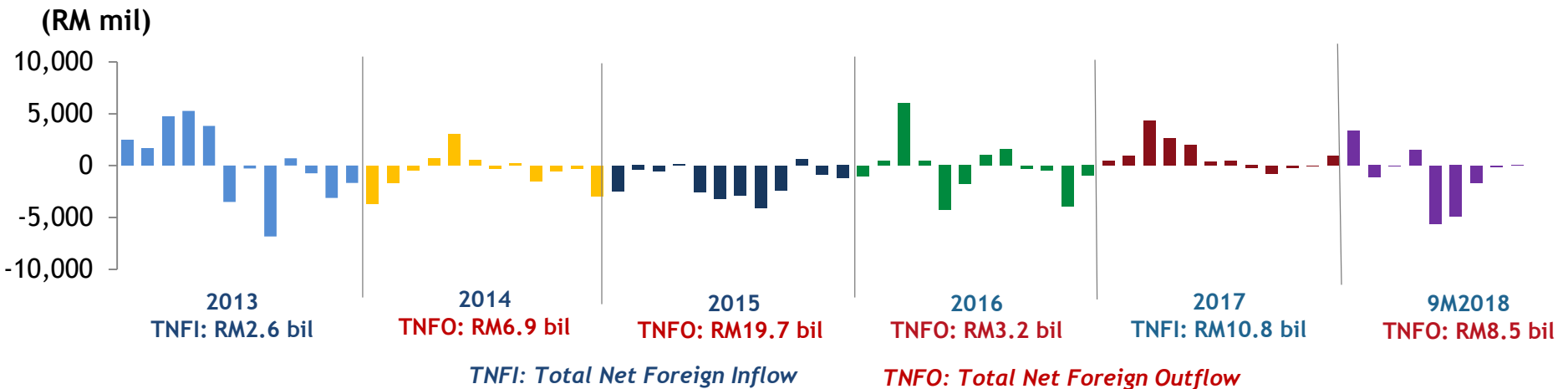
Securities Market Foreign Ownership

Based on Market Capitalisation (%)

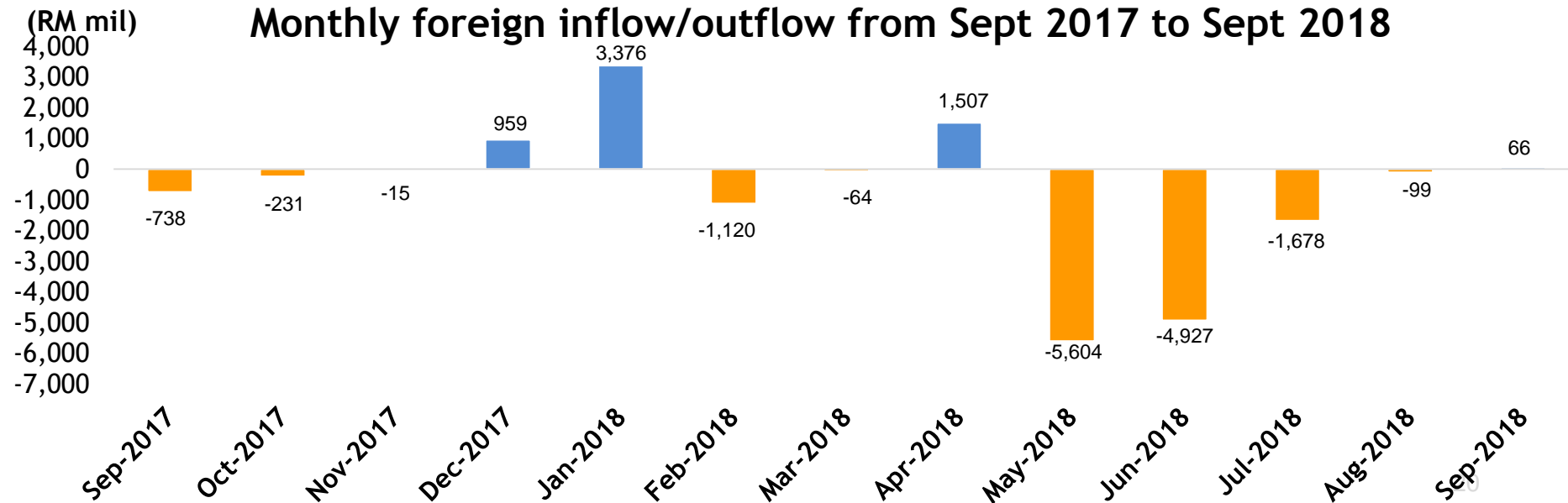


Foreign Inflow/Outflow

Monthly foreign inflow/outflow from 2013 to Sept 2018

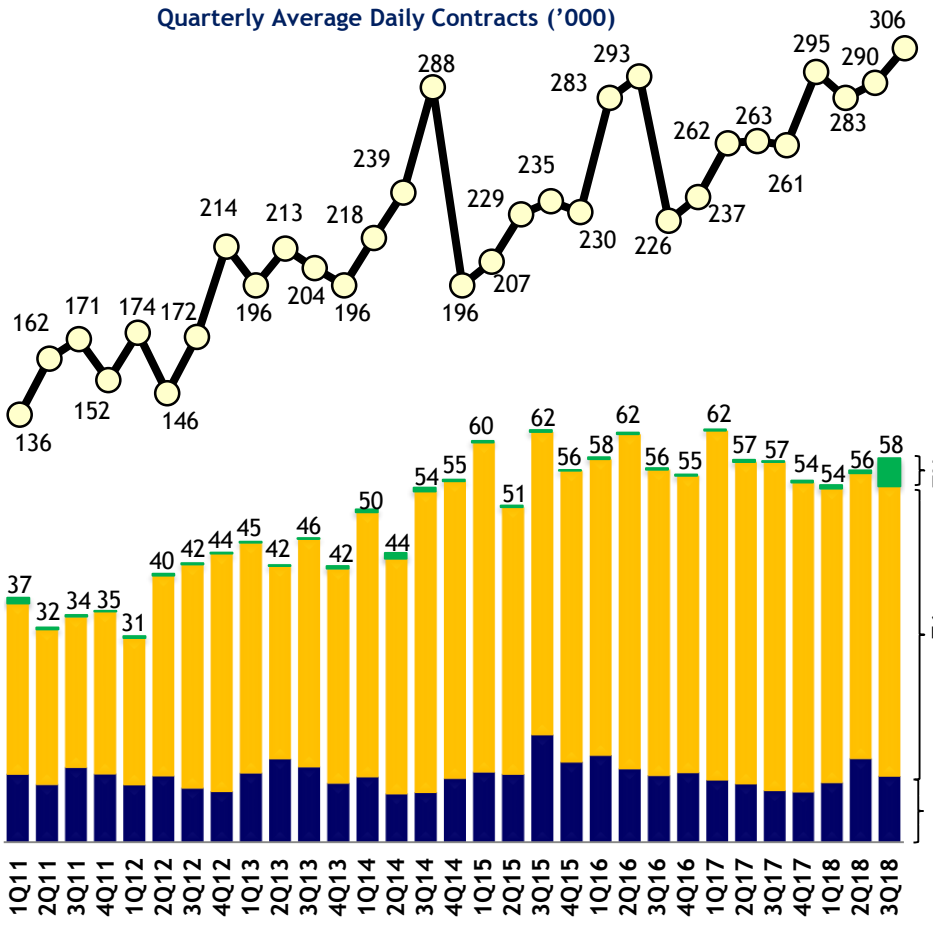


Monthly foreign inflow/outflow from Sept 2017 to Sept 2018

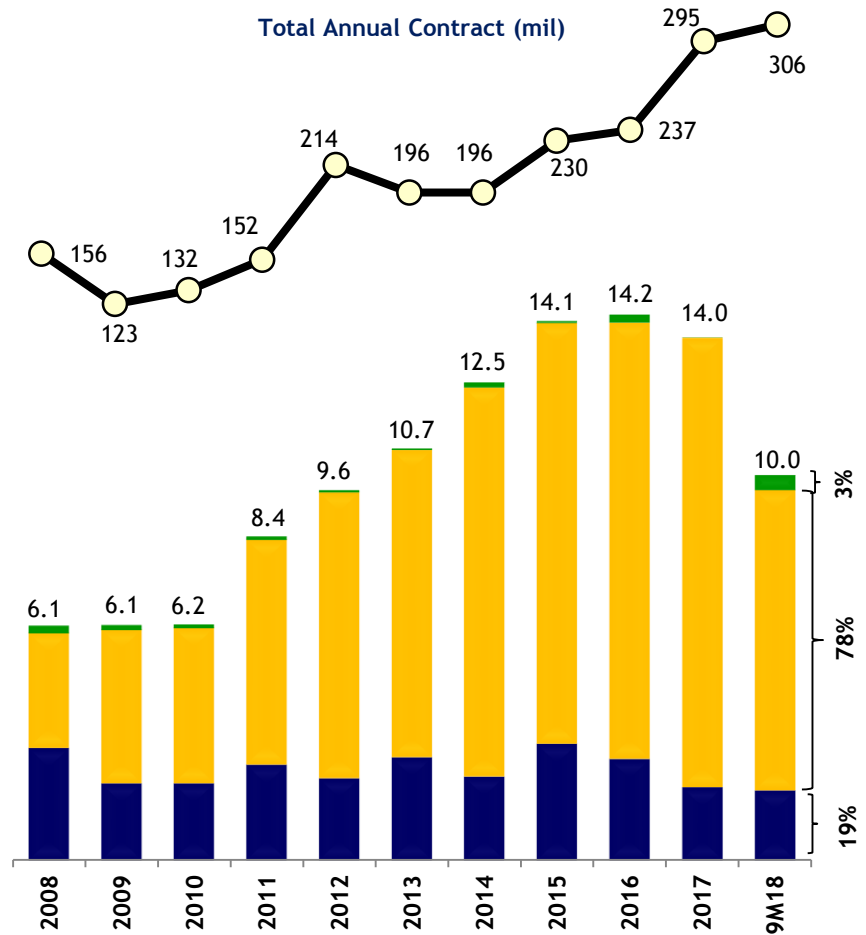


Derivatives Market Activity

Quarterly Average Daily Contracts ('000)



Total Annual Contract (mil)



○ Open Interest ('000)

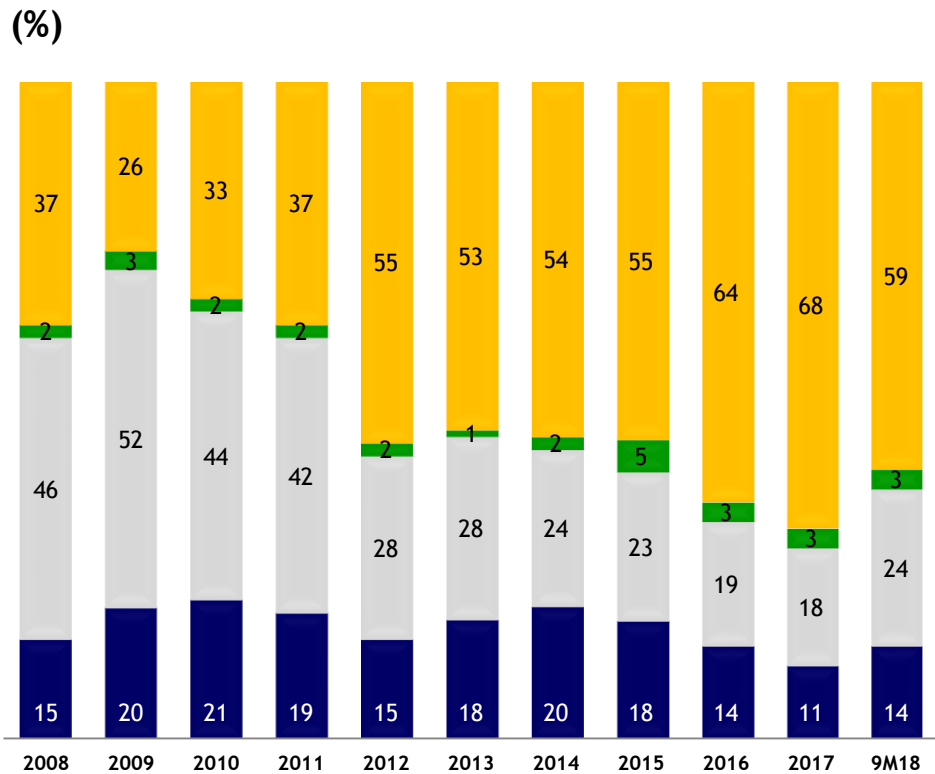
■ Others

■ Crude Palm Oil Futures

■ FBMKLCI Futures

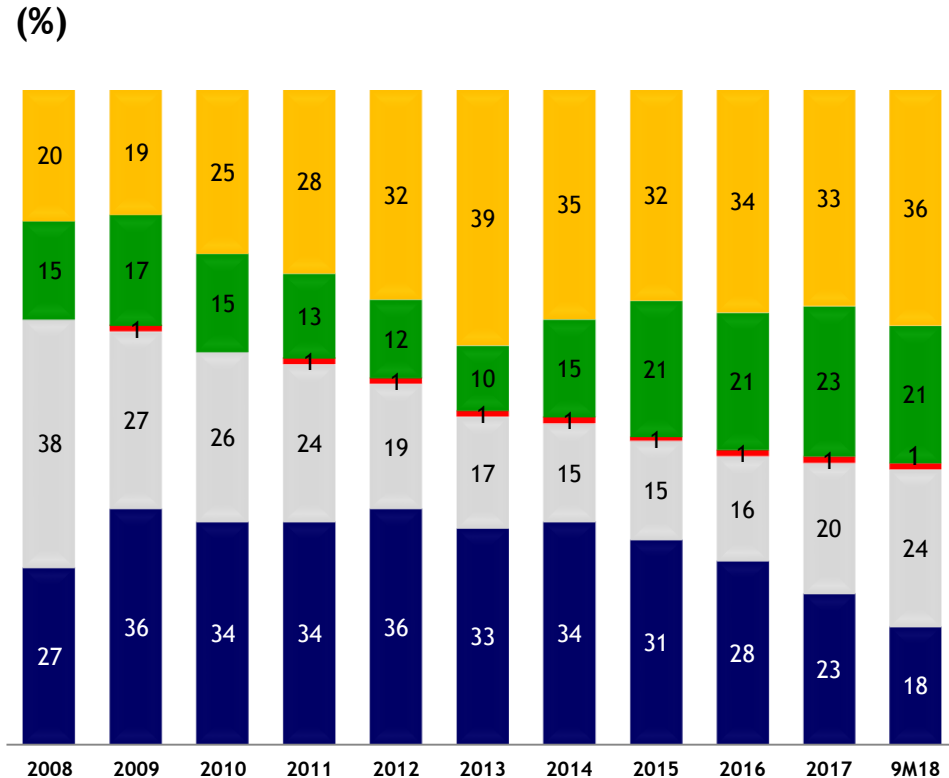
Derivatives Market Demography

FKLI



■ Foreign Institutions
■ Domestic Institutions
■ Domestic Retail
■ Local

FCPO

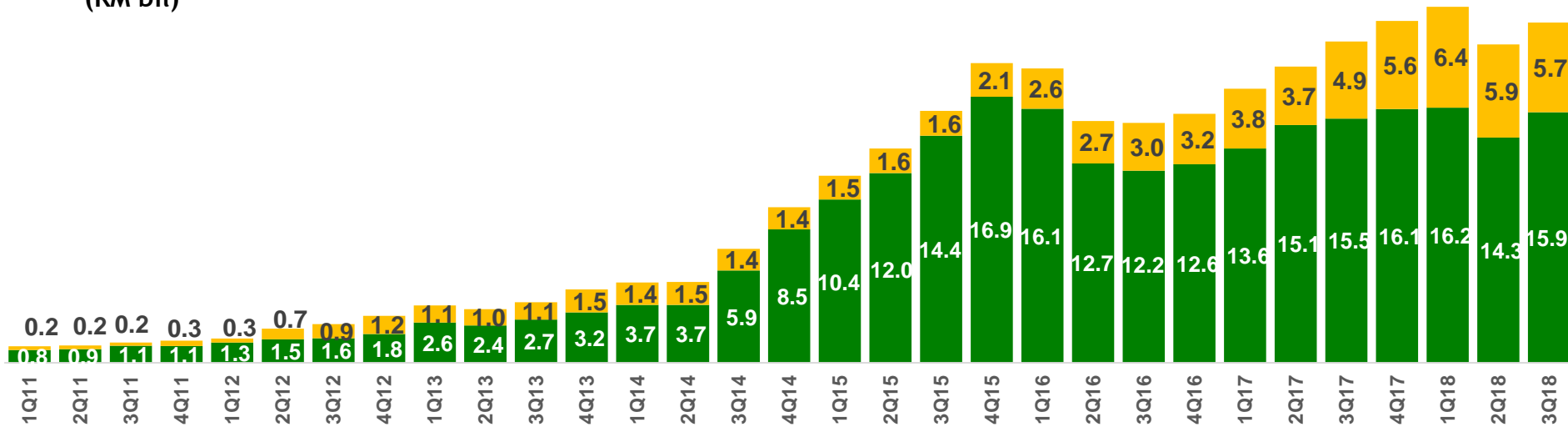


■ Foreign Institutions
■ Domestic Institutions
■ Foreign Retail
■ Domestic Retail
■ Local

Islamic Capital Market Activity

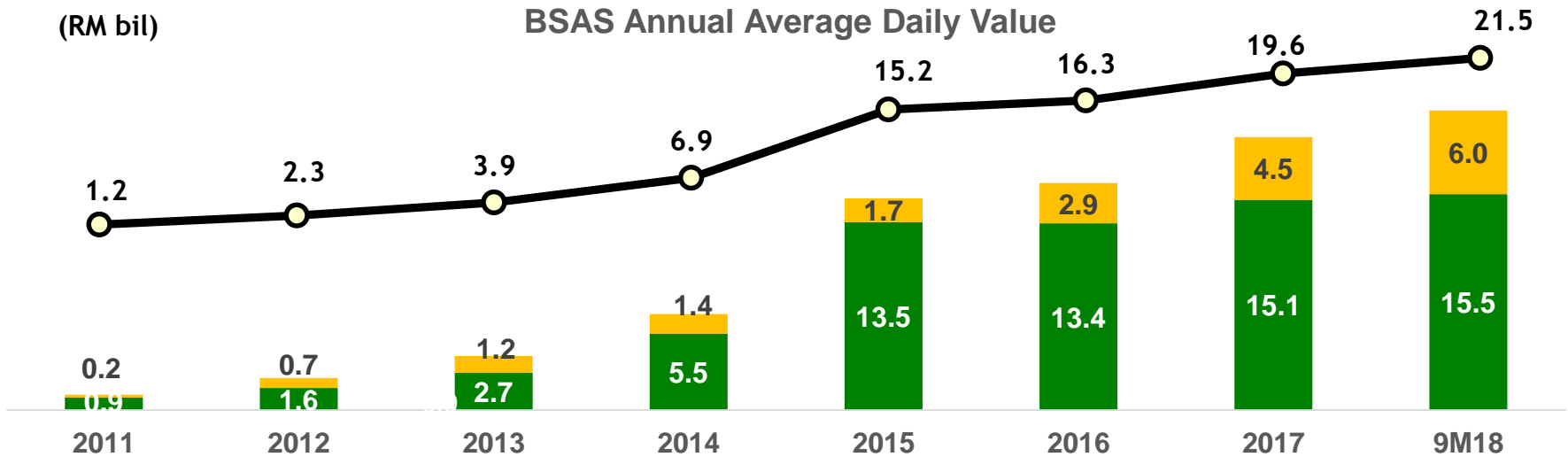
BSAS Quarterly Average Daily Value

(RM bil)



(RM bil)

BSAS Annual Average Daily Value



■ 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:

These presentation slides are owned by Bursa Malaysia Berhad and/or the Bursa Malaysia group of companies ("Bursa Malaysia"). Whilst Bursa Malaysia endeavors to ensure that the contents in this presentation are accurate, complete, current and have been obtained from sources believed by Bursa Malaysia to be accurate and reliable, neither Bursa Malaysia or the presenter of this presentation 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 Bursa Malaysia be liable for any claim, however arising, out of or in relation to this presentation.

Copyright Bursa Malaysia Berhad 2018 (30632-P)