

FY 2013 Performance Analyst & Media Briefing



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- **KEY HIGHLIGHTS AND MARKET PERFORMANCE**
- **FOCUS AREA AND STRATEGY**
- **FINANCIAL REVIEW**
- **CONCLUSION AND APPENDICES**

- Key Highlights
- Financial Trends
- Key Drivers
- Securities Market Overview
- Derivatives Market Overview
- Islamic Market Overview

2013 Achievements

Growing financial strength

- PATAMI of RM173 Mil, up 15% from 2012.
- Cost to Income ratio improved from 49% in 2012 to 48% in 2013.
- ROE recorded a significant increase from 18% in 2012 to 21% in 2013.
- A final dividend of 16 sen per share proposed.

Improved infrastructure with BTS2, significantly completed the refresh of our key systems.

Enhanced market micro structure with RSS/SBL enhancement, green lane policy for POs, strengthen PO framework, eRights, eStatement.

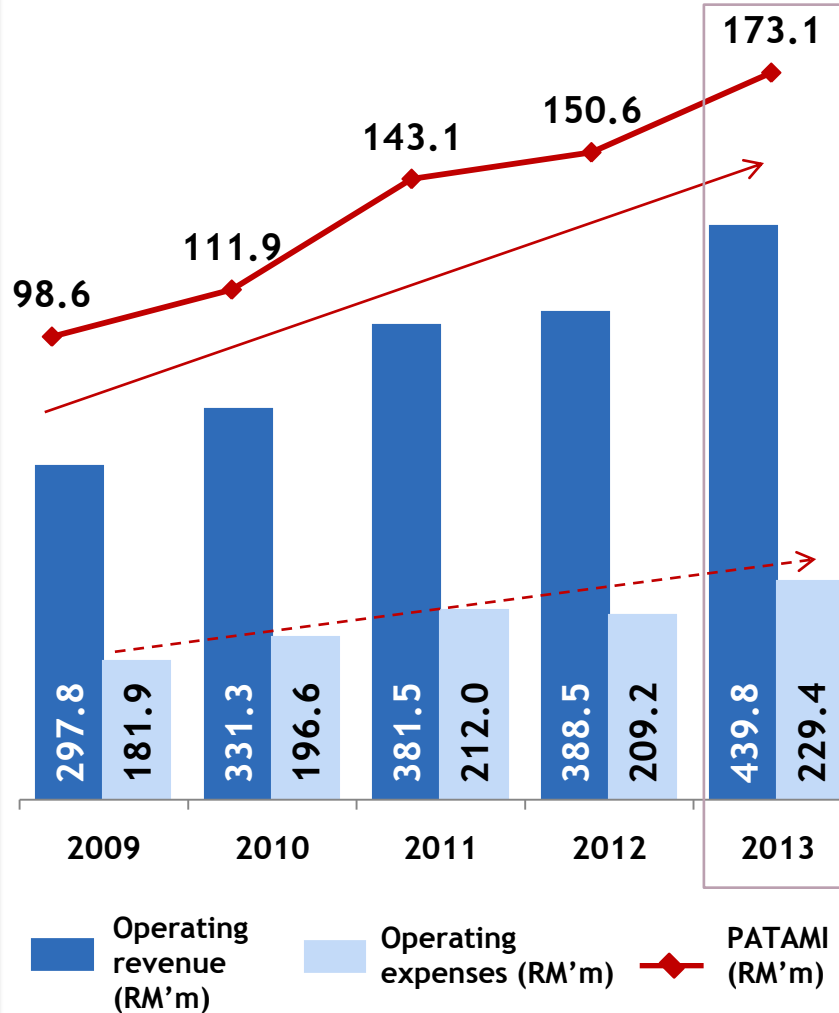
Expanded product range with business trusts framework stapled securities, FGLD, ETBS.

Outreach programs on all 3 markets.

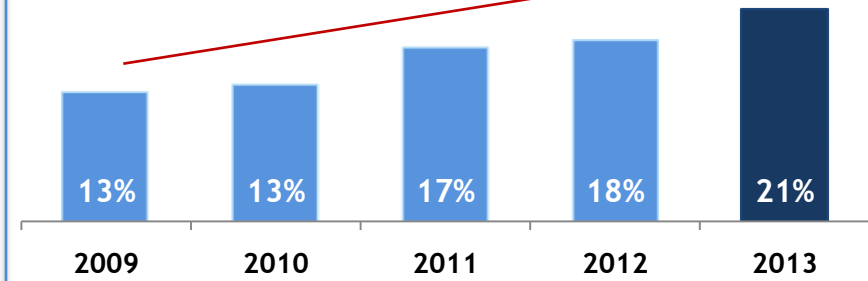
Financial Trends

Best financial performance in 5 years

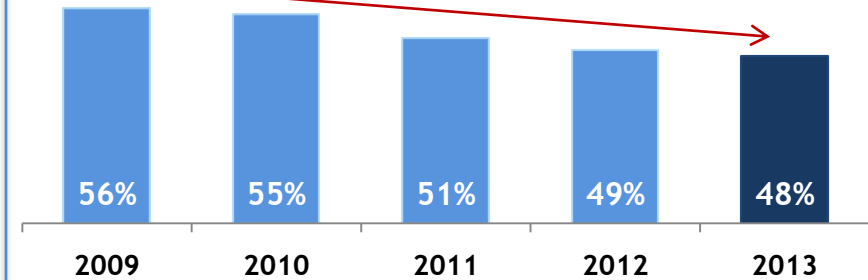
Growing revenue and profits; managed expenses



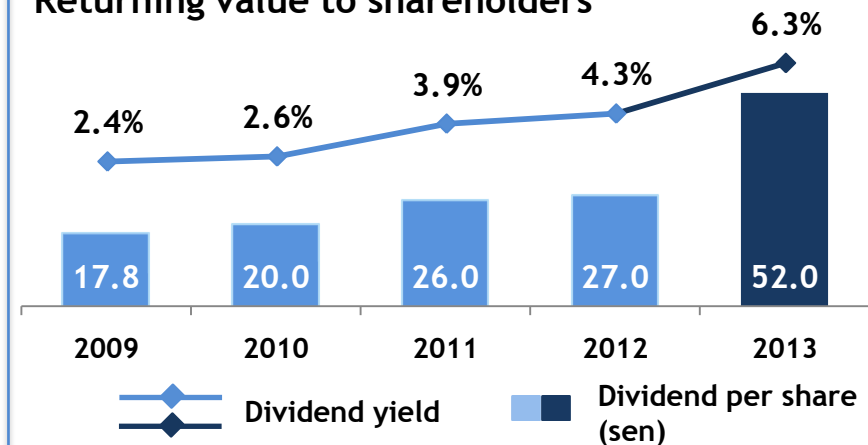
ROE breaks 20%



Improving cost to income ratio



Returning value to shareholders



Key Drivers

Strong performance across all markets



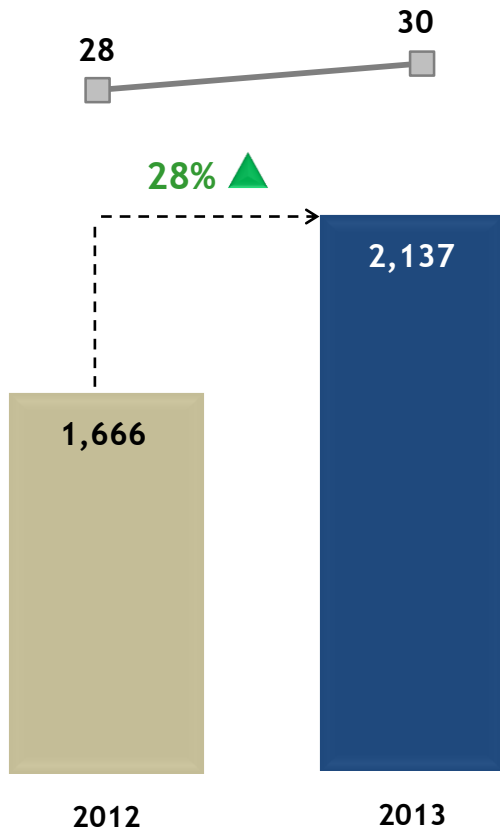
Key Financials	FY 2013	FY 2013 vs. FY 2012
Operating Revenue (RM million)	439.8	13% ▲
PATAMI (RM million)	173.1	15% ▲
EPS (sen)	32.5	15% ▲
Key Drivers		
Securities Market ADV OMT (RM million)	1,915	22% ▲
Derivatives Market ADC ('000)	43	10% ▲
BSAS ADV (RM million)	3,882	69% ▲

Securities Market Overview

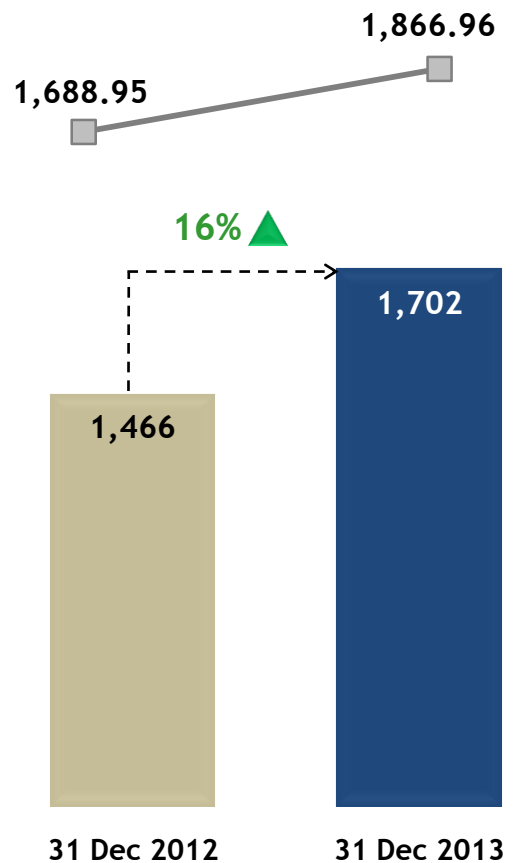
Trading activity up; market cap and FBMKLCI at new heights



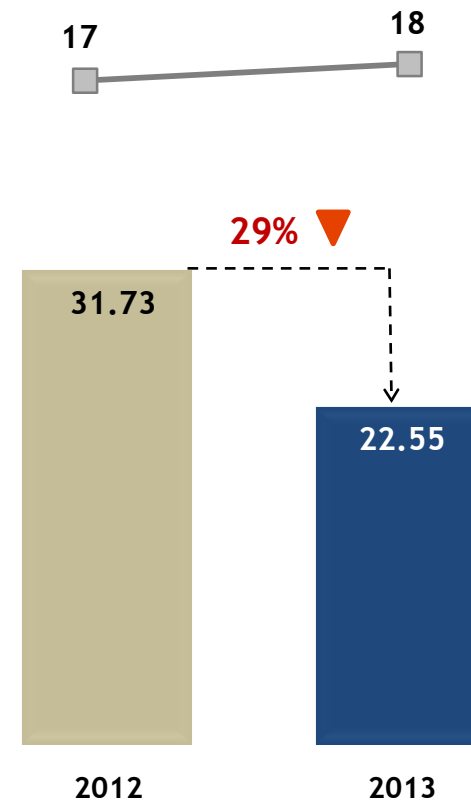
Average Daily Value (OMT+DBT)
(RM mil)



Market Capitalisation (RM bil)



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



—■— Velocity (%)

—■— FBMKLCI

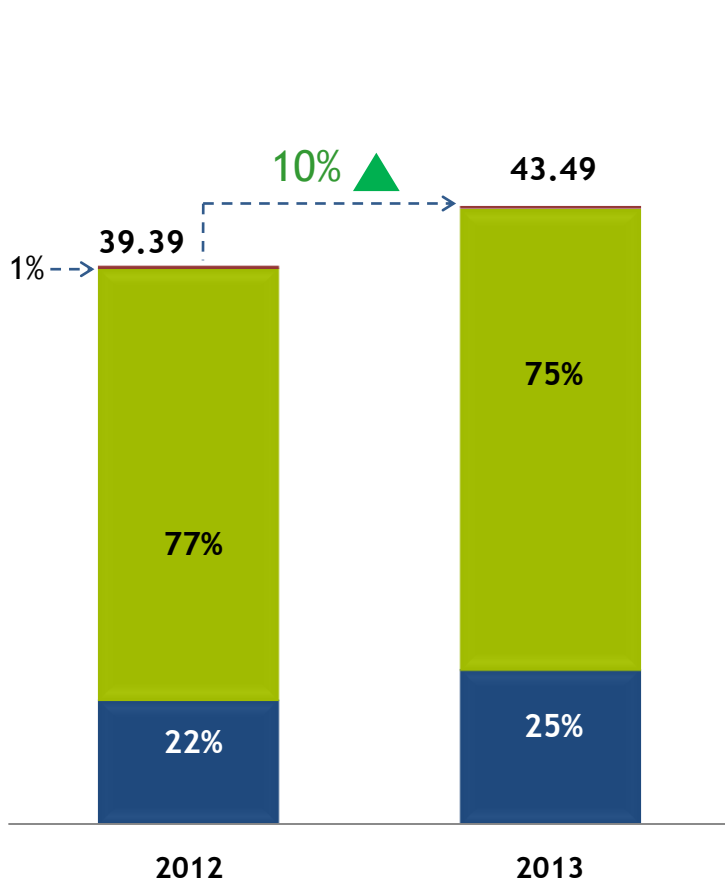
—■— No. of New Listing

Derivatives Market Overview

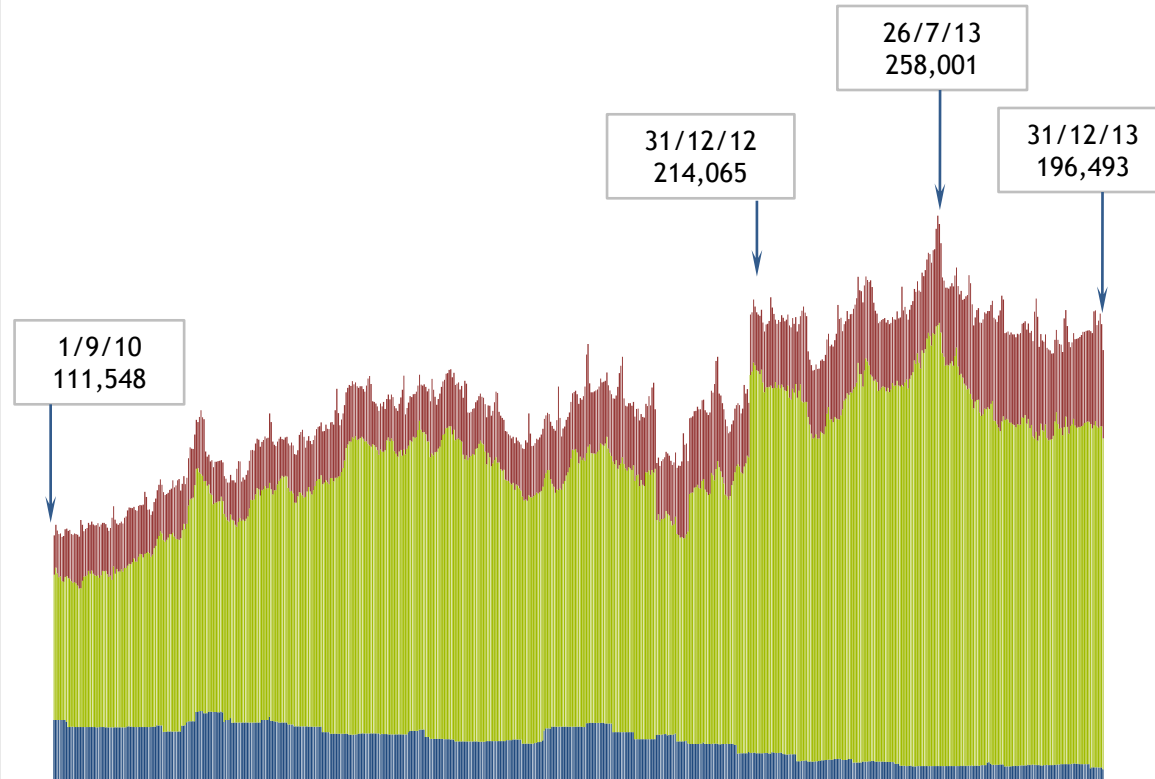
Gold futures launched; market continue to grow



Average Daily Contracts ('000)



Open Interest since Migration to Globex®



Others

Crude Palm Oil Futures

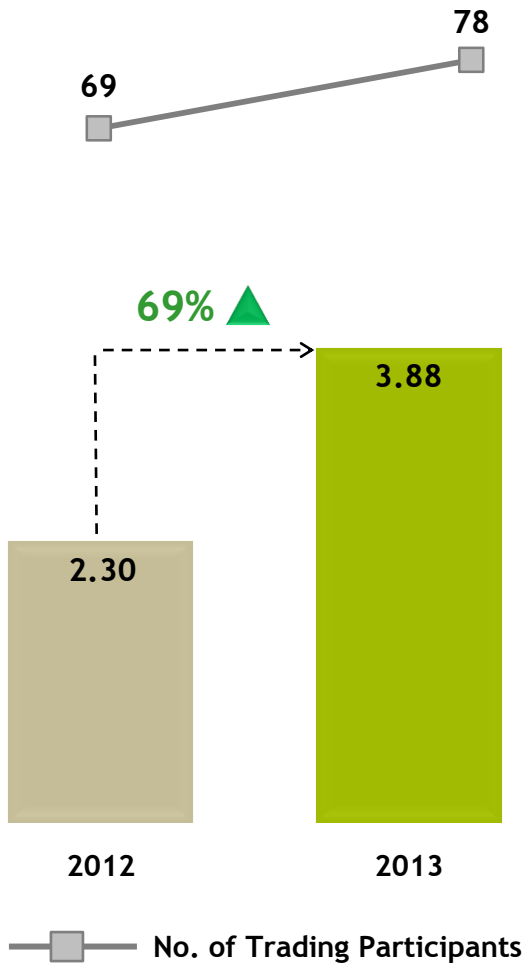
FBMKLCI Futures

Islamic Market Overview

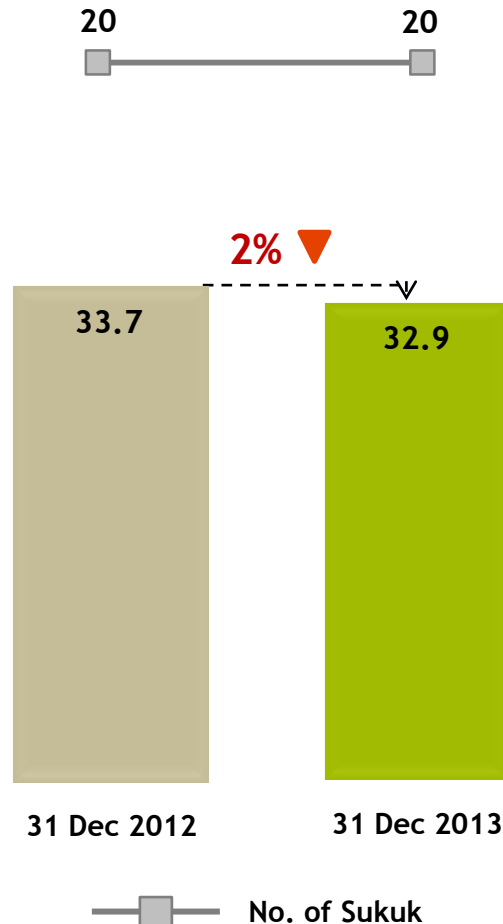
Continue to gain recognition as a market leader



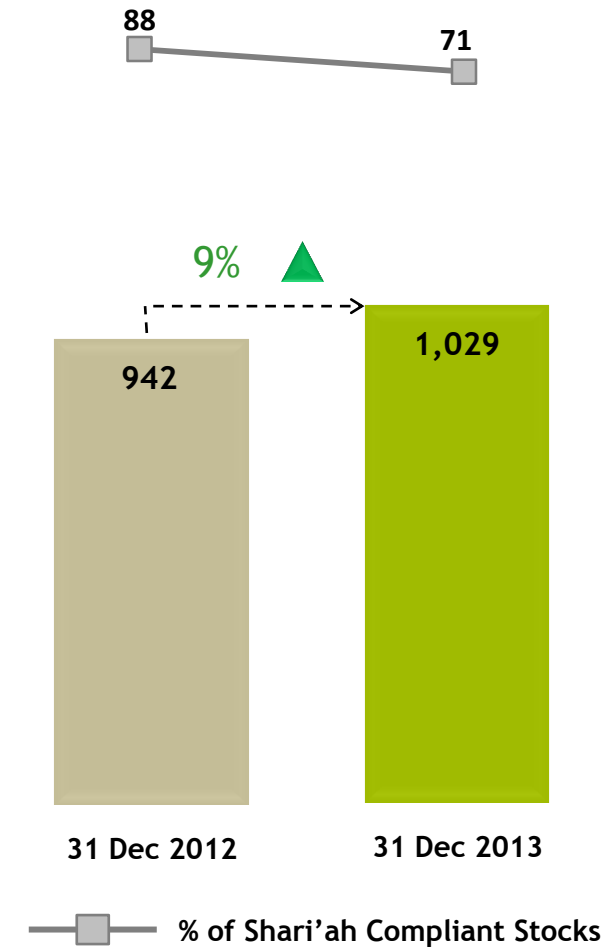
Bursa Suq Al-Sila' ADV
(RM bil)



Sukuk Listing (USD\$ bil)



Market Capitalisation of Shari'ah
Compliant Stocks (RM bil)

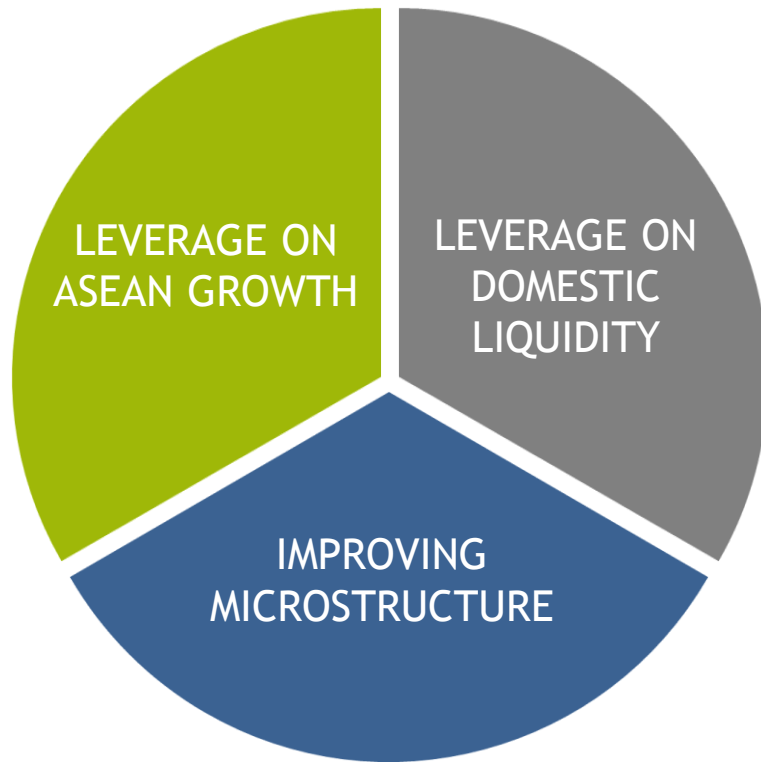


- Focus Area in 2013 and Beyond
- Our Delivery in 2013

Focus Area in 2013 and Beyond

To establish strong regional presence

Focus 1: Value Extraction



Focus 2: Build for the Future



Our Delivery in 2013

Initiatives completed to build a competitive marketplace



4 Strategic Intents

1

Create a More
Facilitative TRADING
ENVIRONMENT

- ✓ E-Rights
- ✓ E-Statement
- ✓ Establishment of futures-only branch offices
- ✓ Widening coverage of RSS & SBL
- ✓ Retail Engagement
- ✓ BTS Replacement

2

Facilitate More
TRADABLE
ALTERNATIVES

- ✓ ETBS
- ✓ Stapled Securities framework
- ✓ Business Trusts framework
- ✓ Gold Futures Contract

3

Reshape
MARKET STRUCTURE
& FRAMEWORK

- ✓ Revamped of Business Rules for Securities Brokers
- ✓ NLT for derivatives options
- ✓ Establishment of CMTF

4

REGIONAL
MARKETPLACE
with Global Access
(Centre of ASEAN)

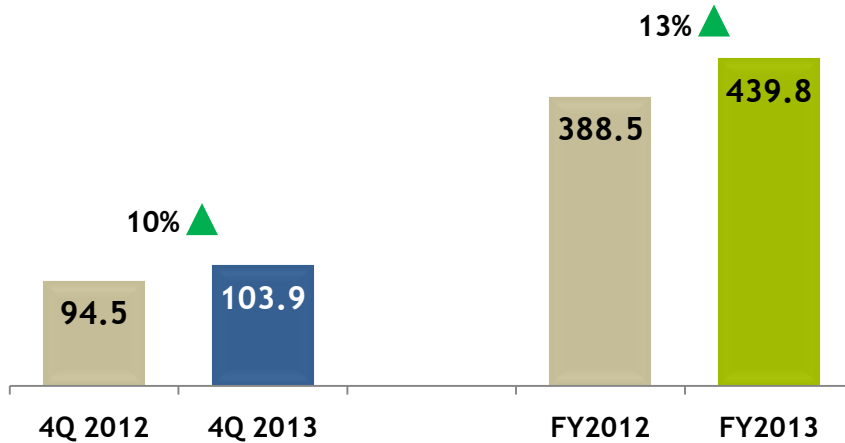
- ✓ PLCs profiling
- ✓ ASEAN Exchanges
- ✓ Investors Outreach Programme

- Financial Snapshots
- Operating Revenue
- Operating Expenses
- Growing Dividends

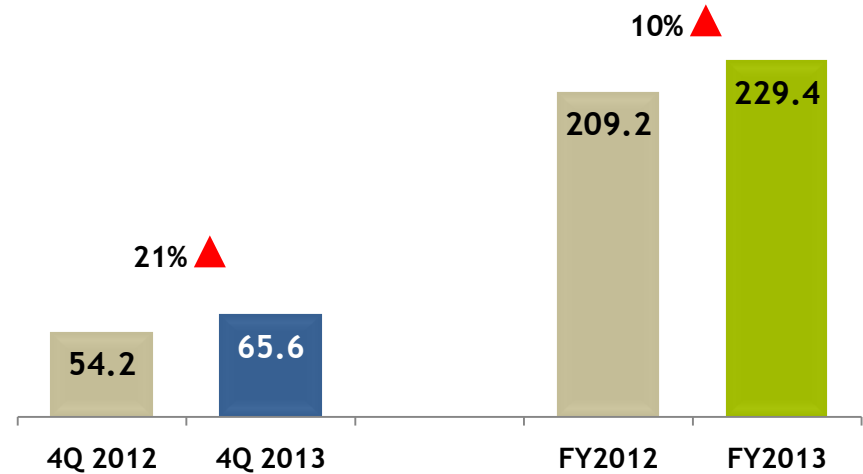
Financial Snapshot

Growing from strength to strength

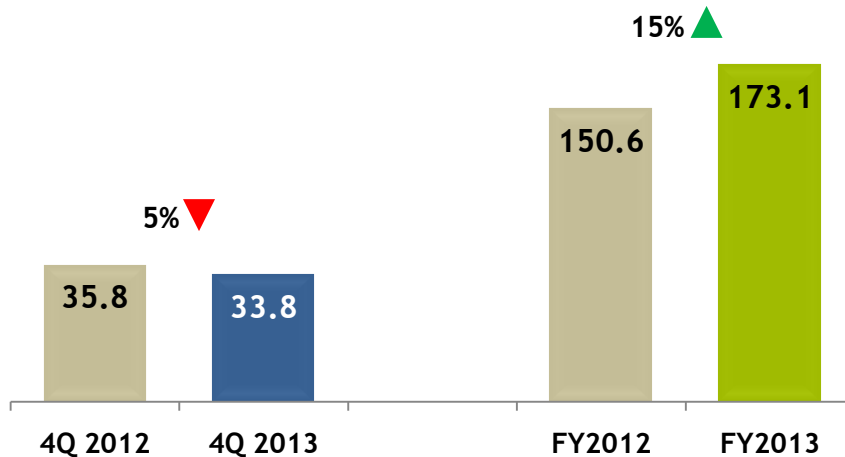
Operating revenue (RM mil)



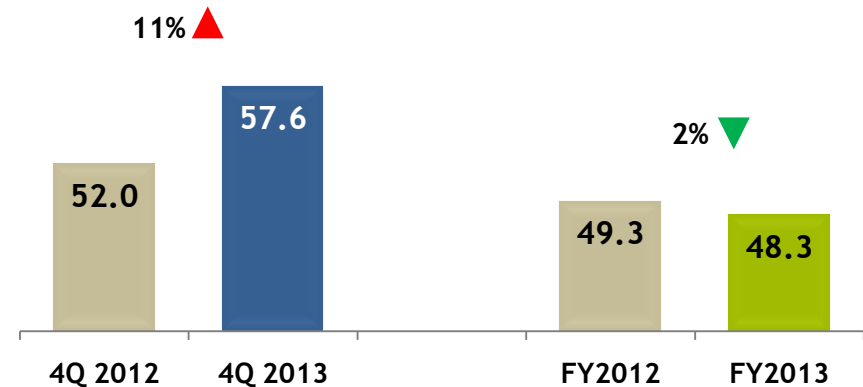
Operating expenses (RM mil)



PATAMI (RM mil)

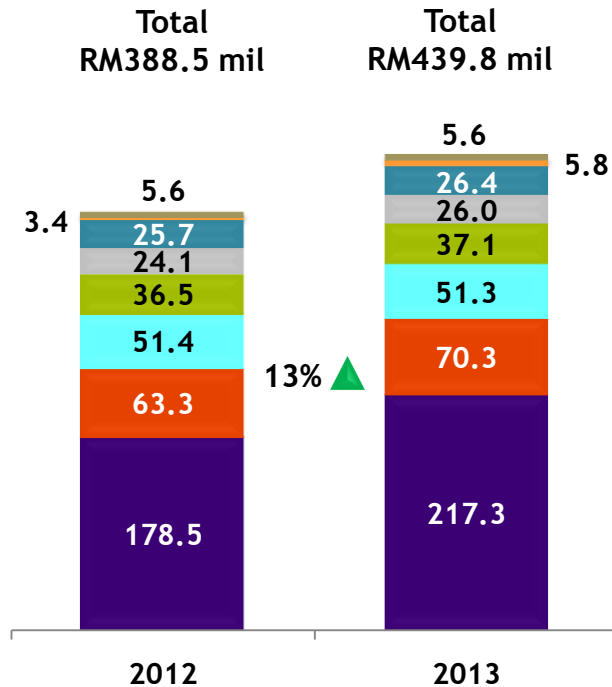


Cost-to-income (%)

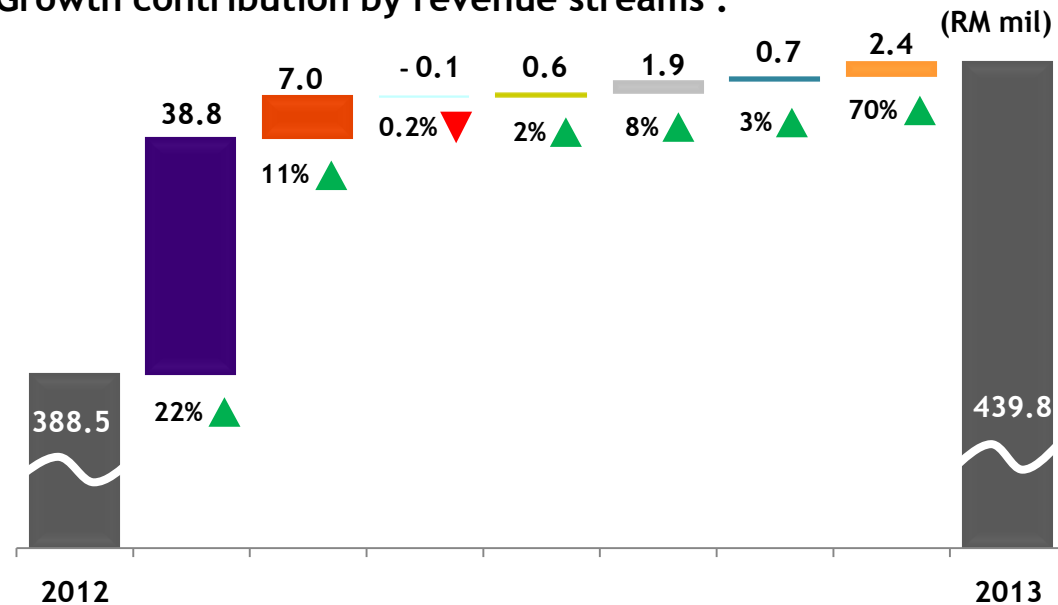


Operating Revenue

Revenue boosted by trades on securities and derivatives markets



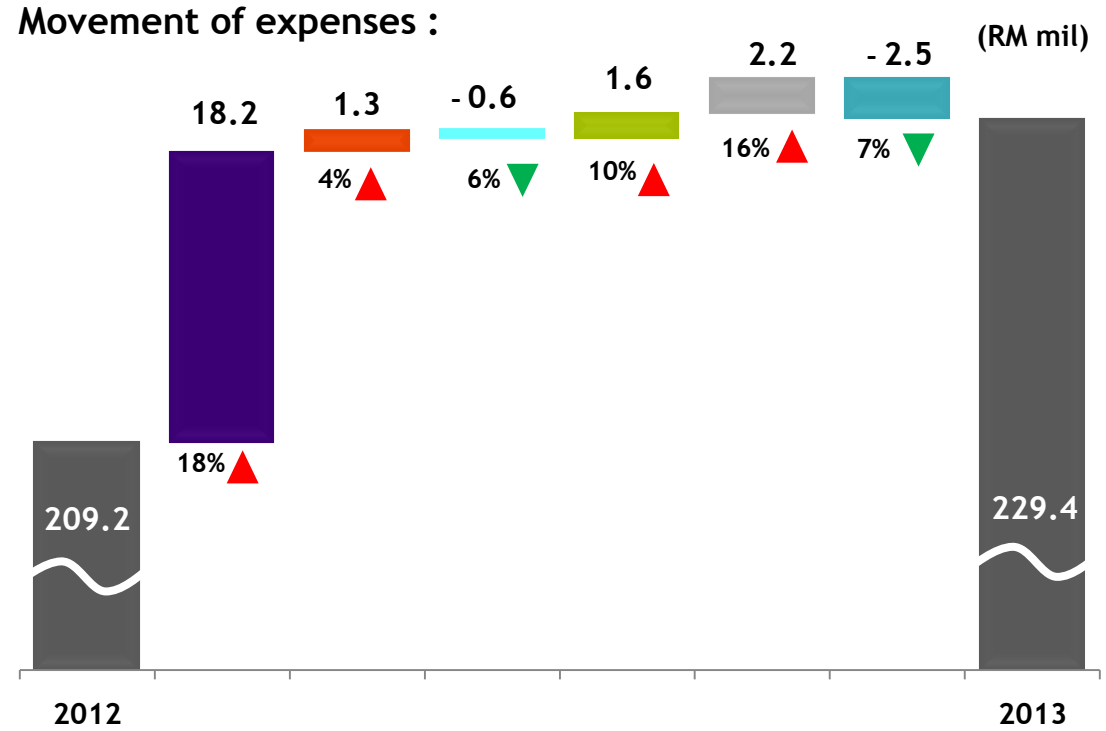
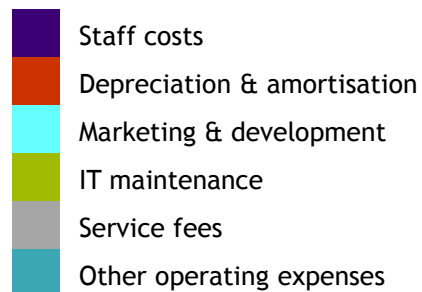
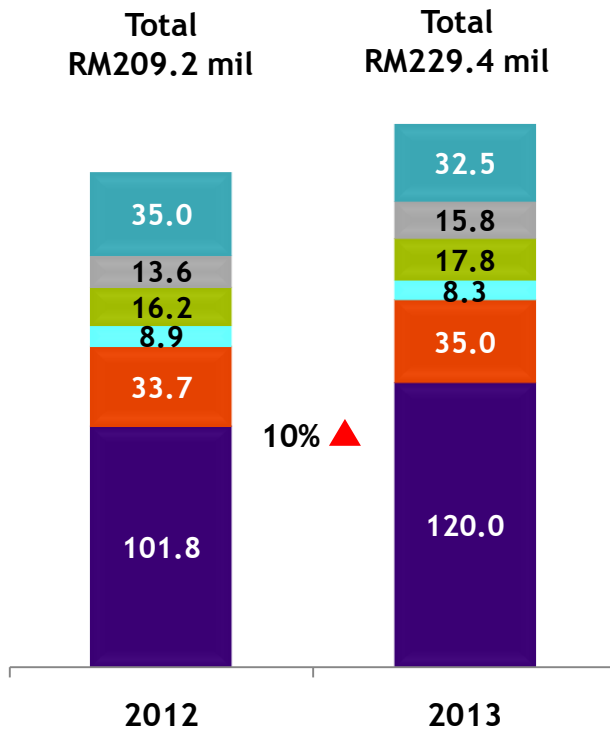
Growth contribution by revenue streams :



- Increased securities market revenue contributed by higher domestic and foreign trading participation.
 - 22% growth in domestic institution participation
 - 26% growth in foreign participation
 - 21% growth in retail participation
- Higher derivatives market revenue due 32% increase in foreign participation for FCPO and higher volatility in the FBM KLCI.

Operating Expenses

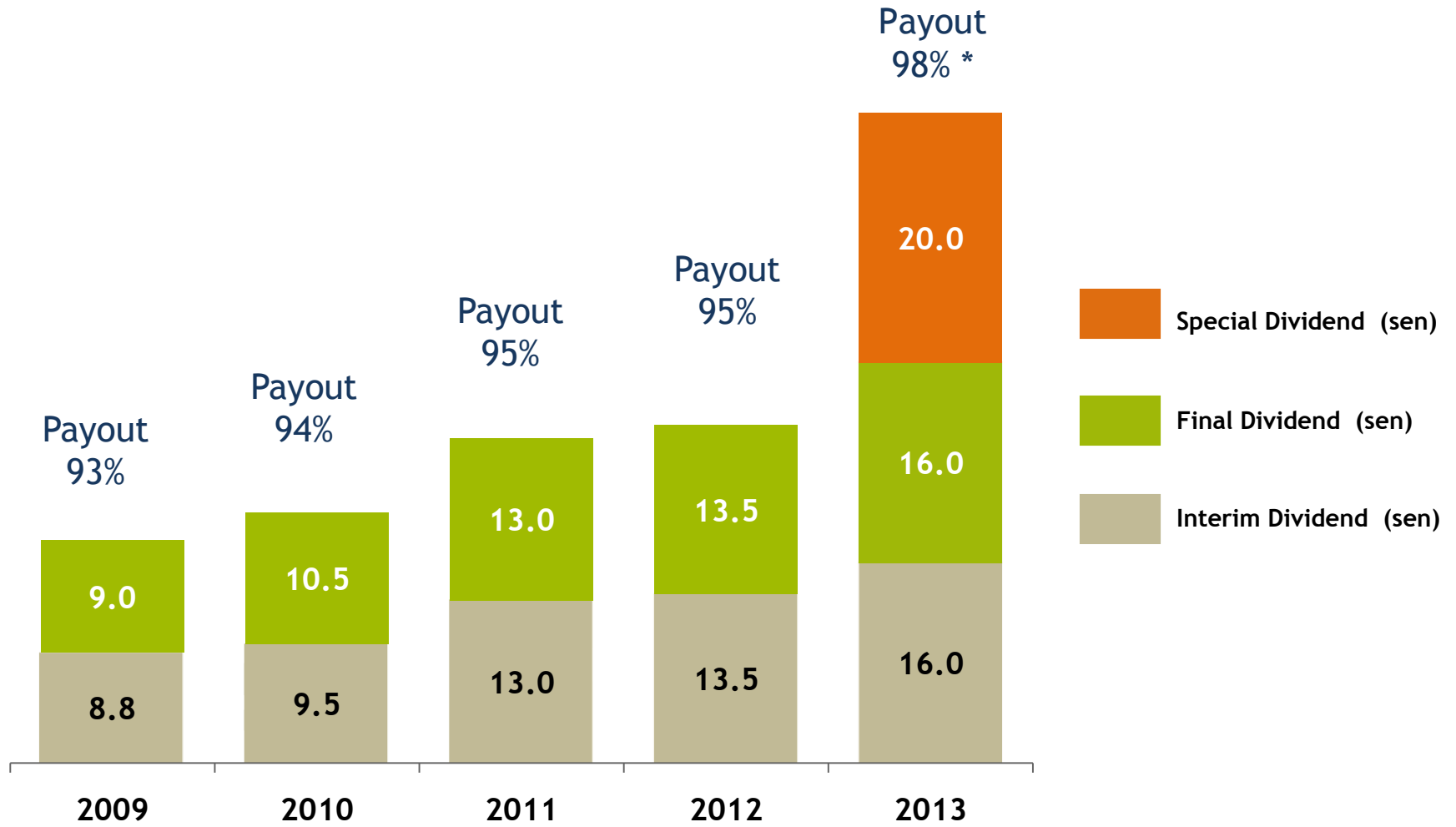
Competitive remuneration for talent pool



- 10% growth in operating expenses largely due to adjustments to talent pool remuneration package to benchmark against industry rates.
- Technology related expenses have increased slightly due to enhancement of certain systems.
- All other expenses continue to be managed.

Growing Dividends

Highest yield of 6.3%; total shareholders' return 41%



* Excludes special dividend

- Internationally Benchmarked
- Conclusion
- Appendices

Internationally Benchmarked

Building market quality and ensure sustainability



MINORITY SHAREHOLDER WATCHDOG GROUP (MSWG)

- Best Conduct of AGM
- Top 3 CG Transparency Award
- Top 5 Overall CG Award



WORLD BANK

- 4th among 189 countries for Investor Protection



WORLD ECONOMIC FORUM

- 4th among 148 countries for Strength of Investor Protection and 13th for Efficacy of Corporate Boards



ASIA CORPORATE GOVERNANCE ASSOCIATION

- 4th among 11 countries in Asia (6th in 2010)
- Bursa Malaysia as a listed company is included in the “Top 50 Corporate Governance ranking of mid/small caps in Asia Pacific”



A good year for shareholders with 41% TSR

- Key revenue drivers continue to grow.
- Committed to improve ROE, continue to review cash position & capital requirements
- Technology refresh completed, capex expected to be lower in FY14 compared to RM33 million in FY13

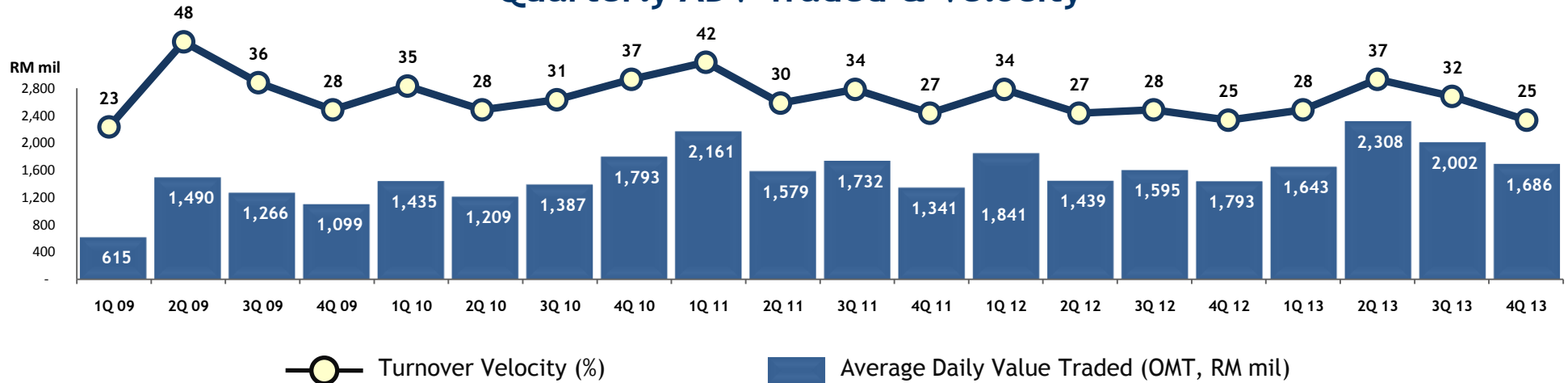
2014

4 Strategic Intents

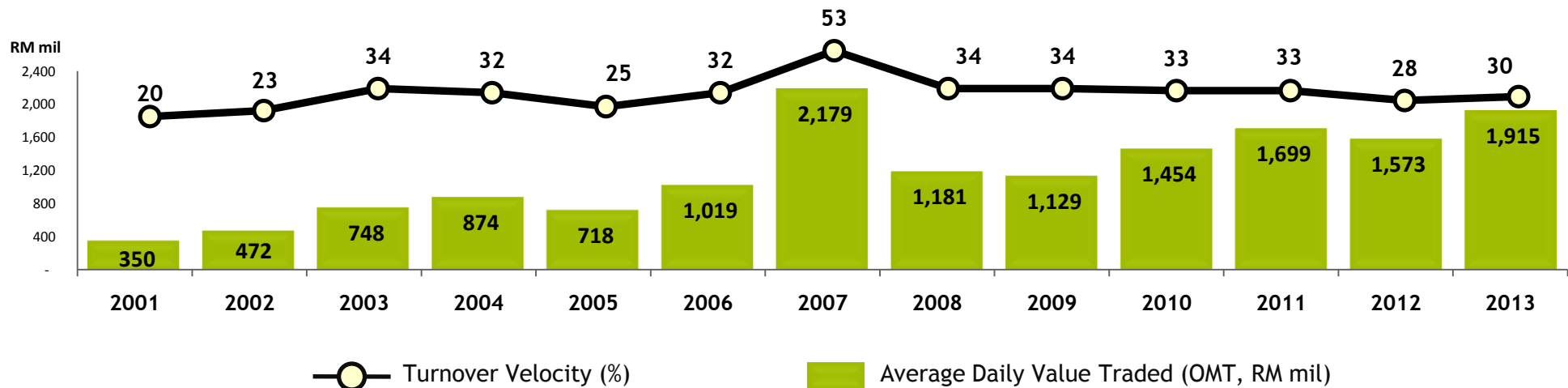
- 1 More Facilitative Trading Environment**
 - Going e (e-services and e-community)
 - Secured infrastructure
 - Orderly and efficient clearing, settlement and depository arrangement
- 2 More Tradable Alternatives**
 - ESG Index
 - More products i.e. ETFs, Reits, ETBS
 - New derivatives products
- 3 Improve Market Structure & Framework**
 - Liberalisation of derivatives membership
 - Continue enhancement of CG of PLCs
 - Fair and transparent market place
- 4 Regional Marketplace**

Securities Market Trading Activity

Quarterly ADV Traded & Velocity

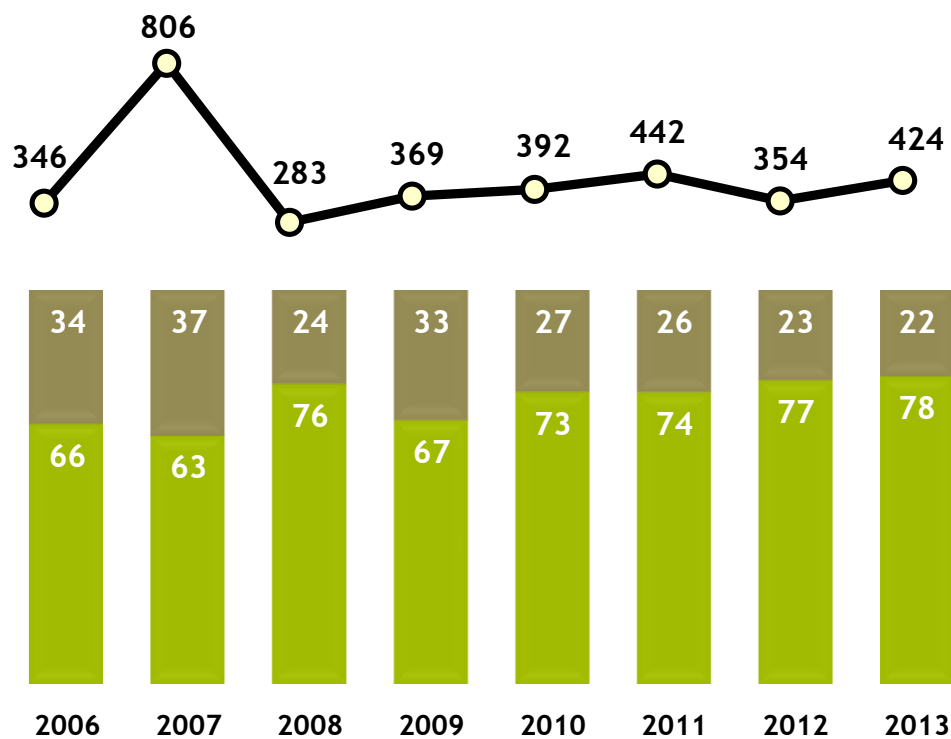


Annual ADV Traded & Velocity



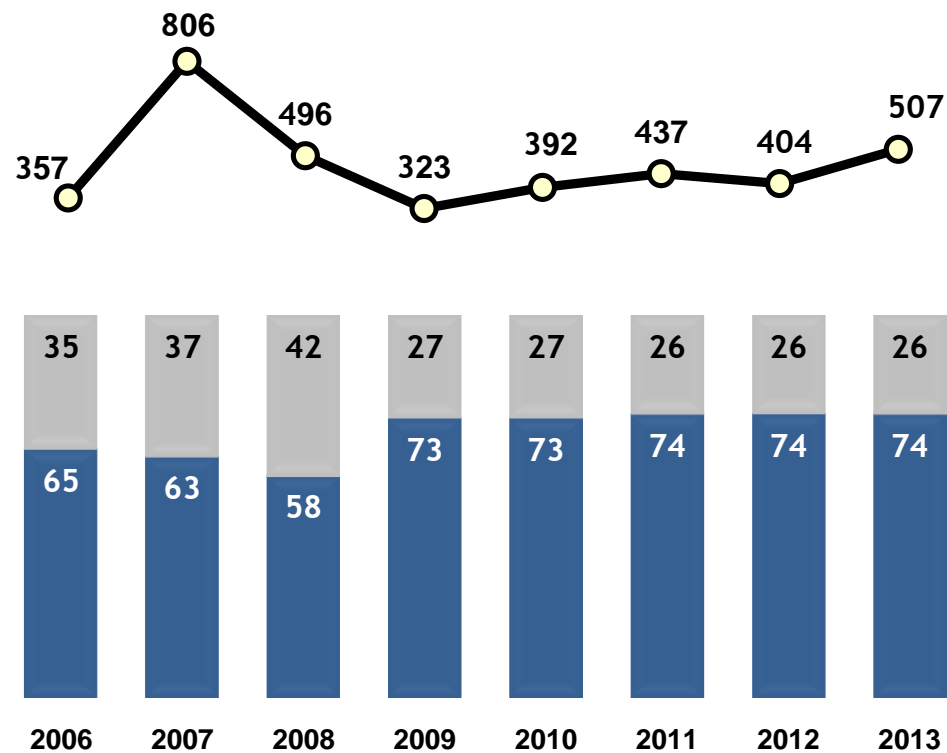
Securities Market Trading Participation

Retail vs Institutions



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

Foreign vs Local



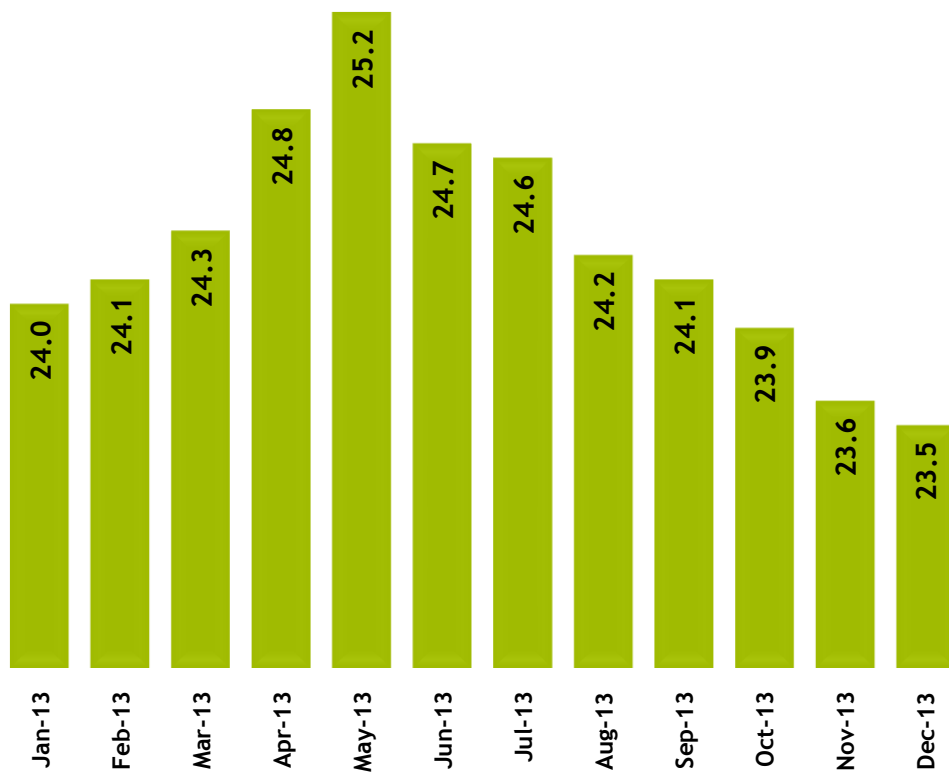
 Foreign ADV Traded (RM mil)
  Foreign (%)
  Local (%)

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

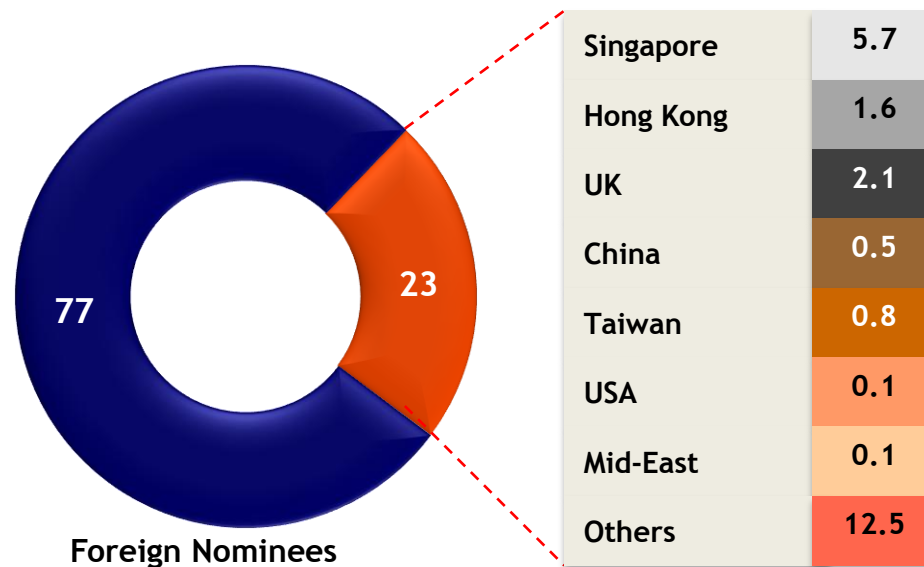
Securities Market Foreign Ownership

Based on Market Capitalisation
(as at month end)

(%)

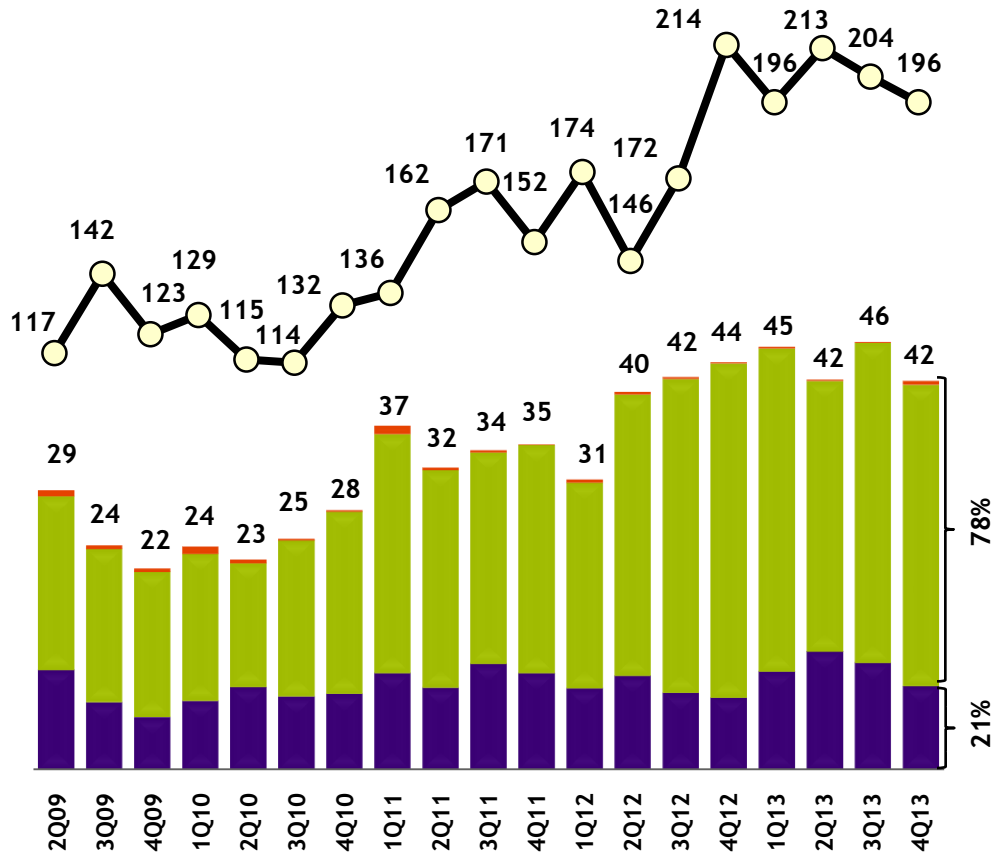


Foreign Ownership by Nationality (%)

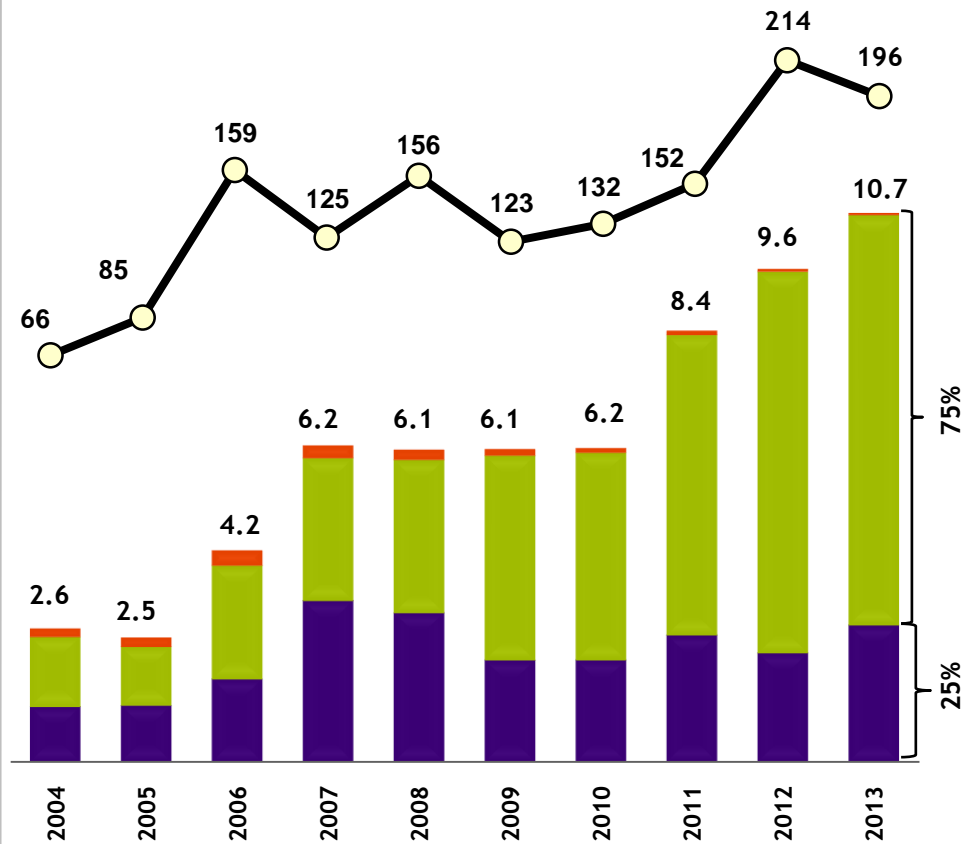


Derivatives Market Activity

Quarterly (Average Daily Contracts '000)



Total Annual Contract (Mil)

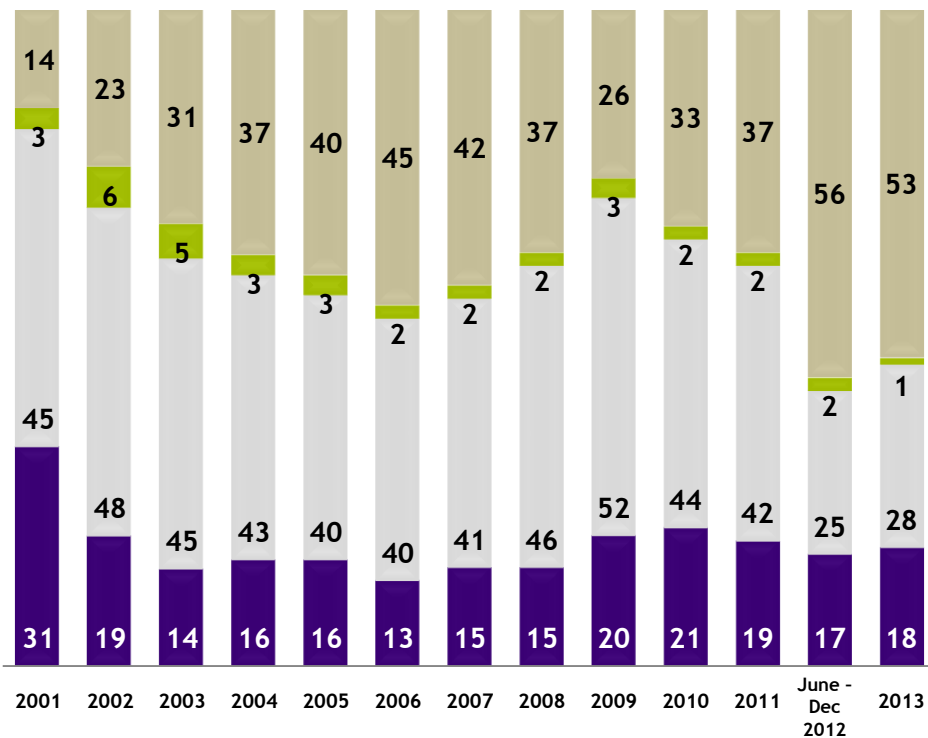


Open Interest ('000)
 Others
 Crude Palm Oil Futures
 FMBKLCI Futures

Derivatives Market Demography

FKLI

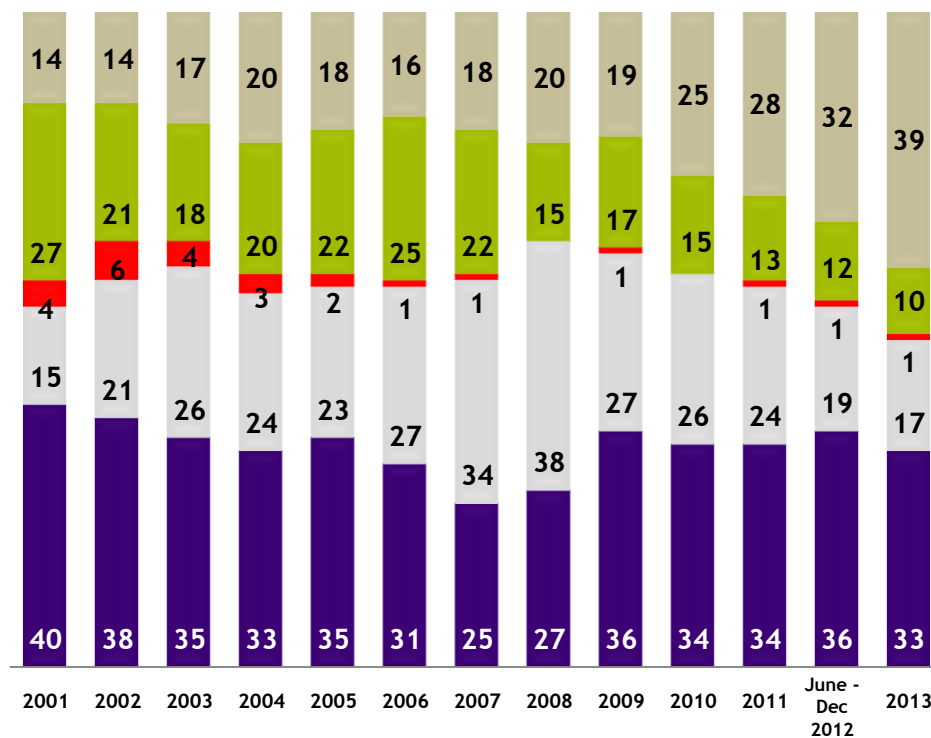
(%)



Foreign Institutions
 Domestic Retail
 Domestic Institutions
 Local

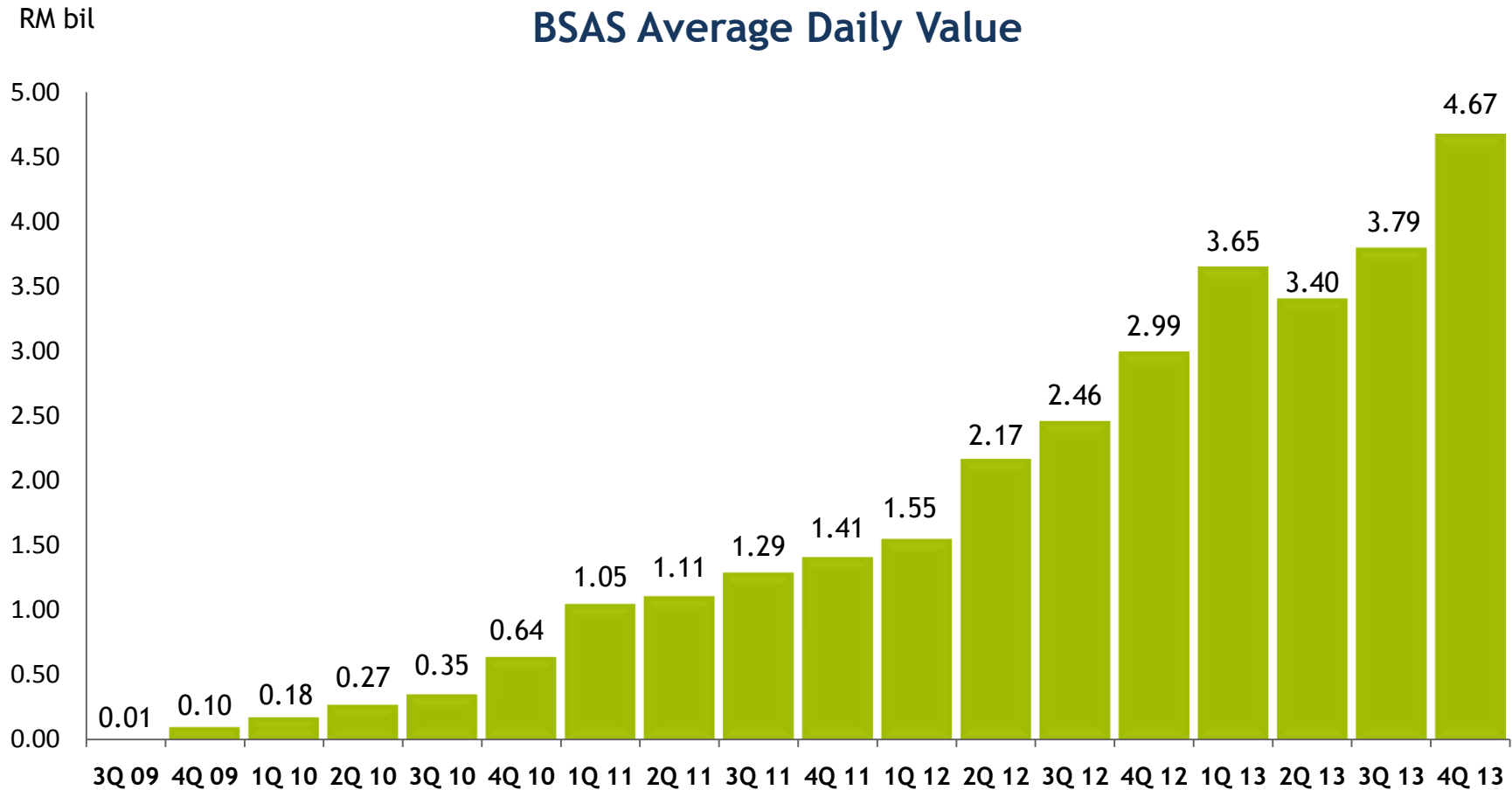
FCPO

(%)



Foreign Institutions
 Domestic Retail
 Foreign Retail
 Domestic Institutions
 Local

Islamic Market Trading Activity



Thank You

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