

MEDIA RELEASE

BURSA MALAYSIA ANNOUNCES RM64.7 MILLION PROFIT AFTER TAX AND MINORITY INTEREST FOR THE FIRST QUARTER OF 2020

Key Financial & Market Highlights (1Q2020 vs 1Q2019)
<ul style="list-style-type: none"> Profit After Tax and Minority Interest at RM64.7 million, increased by 38.2%
<ul style="list-style-type: none"> Annualised Return On Equity at 35%, increased by 12 percentage points
<ul style="list-style-type: none"> Basic earnings per share at 8.0 sen, increased by 2.2 sen
<ul style="list-style-type: none"> Operating revenue at RM145.5 million, increased by 19.8%
<ul style="list-style-type: none"> Operating expenses at RM63.5 million, increased by 2.4%
<ul style="list-style-type: none"> Cost-to-income ratio at 42%, decreased by 7 percentage points
<ul style="list-style-type: none"> Average daily trading value for Securities Market's on-market trades at RM2.5 billion, increased by 22.4%
<ul style="list-style-type: none"> Market capitalisation as at 31 March 2020 at RM1.4 trillion, decreased by 20.3%
<ul style="list-style-type: none"> Securities Market velocity at 39%, increased by 10 percentage points
<ul style="list-style-type: none"> Average daily contracts traded for Derivatives Market at 85,578 contracts, increased by 80.7%
<ul style="list-style-type: none"> Average daily trading value for BSAS at RM30.4 billion, decreased by 3.8%

Kuala Lumpur, 30 April 2020 - Bursa Malaysia Berhad ("Bursa Malaysia" or the "Exchange") recorded a Profit After Tax and Minority Interest ("PATAMI") of RM64.7 million for the first quarter ended 31 March 2020 ("1Q2020"), a 38.2% increase from RM46.9 million reported in the previous corresponding quarter ended 31 March 2019 ("1Q2019"). The increase in PATAMI is primarily due to higher operating revenue by 19.8% to RM145.5 million from 1Q2019. Meanwhile, total operating expenses in 1Q2020 increased by 2.4% to RM63.5 million from RM62.0 million in 1Q2019.

Bursa Malaysia Chief Executive Officer, Datuk Muhamad Umar Swift said, "The COVID-19 pandemic has profound impact across all industries. The Exchange continued to ensure orderly operations of our market to preserve the flows of capital in our economy, as well as to aid market participants in managing potential risks and opportunities they may face. Amidst the exceptionally volatile and uncertain market environment, we saw higher trading activities in both the Securities and Derivatives Markets. Our derivative products have

served as an efficient price discovery and hedging instrument during this volatile period. As a testament, Derivatives Market registered several new highs in trading volume and open interest in 1Q 2020.”

For the current quarter under review, Securities Market registered trading revenue of RM78.1 million compared to RM59.0 million in the previous corresponding quarter, increased by 32.2% as a result of higher Average Daily Trading Value (“ADV”) for Securities Market’s on-market trades in 1Q2020. The broader market is well supported by our local investors, both institutional and retail, recording net buy position in 1Q2020.

Derivatives Market trading revenue increased by 63.5% to RM26.7 million in 1Q2020 from RM16.4 million in 1Q2019, mainly due to higher number of contracts traded for Crude Palm Oil Futures (“FCPO”) and FTSE Bursa Malaysia KLCI Futures (“FKLI”), as well as higher number of trading days in the current quarter under review. Average Daily Contracts (“ADC”) for the Derivatives Market saw an increase of 80.7%, with 85,578 contracts in 1Q2020 compared to 47,359 contracts in 1Q2019. Aside from trading revenue, conference fees and exhibition-related income decreased in 1Q2020, mainly due to the postponement of the Palm and Lauric Oils Price Outlook Conference & Exhibition 2020.

As for the Islamic Capital Market, Bursa Suq Al-Sila’ (“BSAS”), intense competition and slower economic activities have resulted in trading revenue decreasing by 25.2% to RM2.9 million in 1Q2020 from RM3.9 million in 1Q2019. The Exchange, nevertheless, onboarded nine new participants for BSAS, two of which are foreign, and is expected to sustain its level of activities through continuous engagement with its participants to increase trading activities.

Datuk Umar added, “As we continue through this uncertain and challenging environment, we will adjust our approach accordingly. Appropriate measures will be introduced as required to ease the financial burden of the capital market participants and help speedier market recovery. We remain confident in our strategy to enhance market attractiveness and vibrancy through initiatives that we have in place that includes efforts to broaden our product and service offerings, as well as initiatives to strengthen our ecosystem.”

The financial results for 1Q2020 are available on Bursa Malaysia’s website at www.bursamalaysia.com

Financial results	1Q2020 (RM million)	1Q2019 (RM million)	Percentage change (%)
Operating revenue	145.5	121.4	19.8
Other income	5.2	5.1	2.6
Total revenue	150.7	126.5	19.1
Staff costs	(34.1)	(33.5)	1.9
Depreciation and amortisation	(5.6)	(5.1)	9.5
Other operating expenses	(23.8)	(23.4)	1.5
Profit from operations	87.2	64.5	35.3
Finance costs	(0.1)	(0.1)	-
Profit before tax	87.1	64.4	35.3
Income tax expense	(22.4)	(16.2)	38.6
Profit after tax	64.7	48.2	34.3
Minority interest	-	(1.3)	(100)
PATAMI	64.7	46.9	38.2

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About Bursa Malaysia

Bursa Malaysia is an Exchange holding company incorporated in 1976 and listed in 2005, and has grown to be one of the largest bourses in ASEAN today. Bursa Malaysia operates and regulates a fully-integrated exchange offering a comprehensive range of exchange-related facilities, and is committed to *Creating Opportunities, Growing Value*. Learn more at www.bursamalaysia.com.

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