



BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2019

29 October 2019

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2019**

	Note	Quarter Ended			Year-To-Date Ended		
		30.09.2019	30.09.2018	Changes	30.09.2019	30.09.2018	Changes
		RM'000	RM'000	%	RM'000	RM'000	%
		(Reviewed)	(Reviewed)		(Reviewed)	(Reviewed)	
Operating revenue	8	117,478	123,176	(4.6)	357,476	402,264	(11.1)
Other income	9	5,193	6,646	(21.9)	15,683	18,824	(16.7)
		122,671	129,822	(5.5)	373,159	421,088	(11.4)
Staff costs		(32,821)	(35,447)	(7.4)	(101,426)	(106,419)	(4.7)
Depreciation and amortisation		(5,165)	(5,497)	(6.0)	(15,386)	(16,546)	(7.0)
Other operating expenses	10	(19,728)	(19,785)	(0.3)	(63,477)	(61,208)	3.7
Profit from operations		64,957	69,093	(6.0)	192,870	236,915	(18.6)
Finance costs		(134)	(134)	-	(401)	(401)	-
Profit before tax		64,823	68,959	(6.0)	192,469	236,514	(18.6)
Income tax expense	27	(16,429)	(17,495)	(6.1)	(48,468)	(59,538)	(18.6)
Profit for the period		48,394	51,464	(6.0)	144,001	176,976	(18.6)
Profit attributable to:							
Owners of the Company		47,104	50,192	(6.2)	140,298	172,187	(18.5)
Non-controlling interest		1,290	1,272	1.4	3,703	4,789	(22.7)
		48,394	51,464	(6.0)	144,001	176,976	(18.6)

	Note	Quarter Ended		Year-To-Date Ended	
		30.09.2019	30.09.2018	30.09.2019	30.09.2018
		Sen per share	Sen per share	Sen per share	Sen per share
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Earnings per share ("EPS") attributable to owners of the Company:					
Basic EPS	33(a)	5.8	6.2	17.4	21.3
Diluted EPS	33(b)	5.8	6.2	17.3	21.3

The above condensed consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 SEPTEMBER 2019**

	Quarter Ended			Year-To-Date Ended		
	30.09.2019 RM'000 (Reviewed)	30.09.2018 RM'000 (Reviewed)	Changes %	30.09.2019 RM'000 (Reviewed)	30.09.2018 RM'000 (Reviewed)	Changes %
Profit for the period	48,394	51,464	(6.0)	144,001	176,976	(18.6)
Other comprehensive income:						
Items that may be subsequently reclassified to profit or loss:						
Gain on foreign currency translation	42	87	(51.7)	41	73	(43.8)
Net fair value changes in unquoted bonds at fair value through other comprehensive income ("FVTOCI")	382	112	241.1	950	(8)	(11,975.0)
Income tax effects relating to unquoted bonds at FVTOCI	(97)	(33)	193.9	(229)	(18)	1,172.2
	327	166	97.0	762	47	1,521.3
Item that will not be subsequently reclassified to profit or loss:						
Net fair value changes in quoted shares at FVTOCI	31,108	16,367	90.1	40,433	42,766	(5.5)
Total other comprehensive income, net of income tax	31,435	16,533	90.1	41,195	42,813	(3.8)
Total comprehensive income	79,829	67,997	17.4	185,196	219,789	(15.7)
Total comprehensive income attributable to:						
Owners of the Company	78,539	66,725	17.7	181,493	215,000	(15.6)
Non-controlling interest	1,290	1,272	1.4	3,703	4,789	(22.7)
	79,829	67,997	17.4	185,196	219,789	(15.7)

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

Note	As at 30.09.2019 RM'000 (Reviewed)	As at 31.12.2018 RM'000 (Audited)
Assets		
	166,519	171,424
Property, plant and equipment		
	39,174	40,347
Computer software		
	8,212	8,296
Right-of-use assets		
	42,957	42,957
Goodwill		
	214,862	338,140
Investment securities		
	1,924	2,287
Staff loans receivable		
	9,127	7,455
Deferred tax assets		
Non-current assets	482,775	610,906
Trade receivables	28 38,196	38,600
Other receivables	12,125	18,572
Tax recoverable	8,534	2,961
Investment securities	184,672	34,935
Cash for equity margins, derivatives trading margins, security deposits and eDividend distributions	13 1,026,880	1,375,995
Cash and bank balances of Clearing Funds	14 129,003	129,806
Cash and bank balances of the Group	15 214,785	222,785
Current assets	1,614,195	1,823,654
Total assets	2,096,970	2,434,560
Equity and liabilities		
	430,395	424,142
Share capital		
	289,522	251,311
Other reserves		
	13,593	199,705
Retained earnings		
Equity attributable to owners of the Company	733,510	875,158
Non-controlling interest	19 -	12,291
Total equity	733,510	887,449
Retirement benefit obligations	17,515	18,082
Deferred income	2,924	2,805
Lease liabilities	7,839	7,466
Deferred tax liabilities	1,105	1,388
Non-current liabilities	29,383	29,741
Trade payables	13 1,026,836	1,375,955
Participants' contributions to Clearing Funds	14 39,003	39,806
Other payables	18 265,773	97,498
Lease liabilities	533	505
Tax payable	1,932	3,606
Current liabilities	1,334,077	1,517,370
Total liabilities	1,363,460	1,547,111
Total equity and liabilities	2,096,970	2,434,560
	RM	RM
Net assets per share attributable to owners of the Company	34 0.91	1.08

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2019

	← Attributable to owners of the Company →								
	← Non-distributable →			→ Distributable					
(Reviewed)	Share capital RM'000	Foreign currency translation reserve RM'000	Share grant reserve RM'000	Clearing fund reserves RM'000	FVTOCI reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interest RM'000	Total equity RM'000
At 1 January 2019	424,142	605	6,963	30,000	213,743	199,705	875,158	12,291	887,449
Profit for the period	-	-	-	-	-	140,298	140,298	3,703	144,001
Other comprehensive income, net of income tax	-	41	-	-	41,154	-	41,195	-	41,195
Total comprehensive income	-	41	-	-	41,154	140,298	181,493	3,703	185,196
Transactions with owners:									
Issuance of ordinary shares pursuant to share grant plan ("SGP") expense	6,253	-	(6,253)	-	-	-	-	-	-
SGP expense	-	-	3,269	-	-	-	3,269	-	3,269
Dividends paid to owners of the Company (Note 7)	-	-	-	-	-	(177,751)	(177,751)	-	(177,751)
Acquisition of a non-controlling interest (Note 23)	-	-	-	-	-	(148,659)	(148,659)	(15,994)	(164,653)
Total transactions with owners	6,253	-	(2,984)	-	-	(326,410)	(323,141)	(15,994)	(339,135)
At 30 September 2019	430,395	646	3,979	30,000	254,897	13,593	733,510	-	733,510
At 1 January 2018	402,169	531	6,849	30,000	142,558	267,881	849,988	12,469	862,457
Profit for the period	-	-	-	-	-	172,187	172,187	4,789	176,976
Other comprehensive income, net of income tax	-	73	-	-	42,740	-	42,813	-	42,813
Total comprehensive income	-	73	-	-	42,740	172,187	215,000	4,789	219,789
Transactions with owners:									
Issuance of ordinary shares pursuant to:									
- bonus issue	15,323	-	-	-	-	(15,323)	-	-	-
- SGP	6,650	-	(6,650)	-	-	-	-	-	-
SGP expense	-	-	5,925	-	-	-	5,925	-	5,925
Dividends paid to owners of the Company (Note 7)	-	-	-	-	-	(277,082)	(277,082)	-	(277,082)
Dividend paid to a non-controlling interest	-	-	-	-	-	-	-	(6,750)	(6,750)
Total transactions with owners	21,973	-	(725)	-	-	(292,405)	(271,157)	(6,750)	(277,907)
At 30 September 2018	424,142	604	6,124	30,000	185,298	147,663	793,831	10,508	804,339

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR-TO-DATE ENDED 30 SEPTEMBER 2019

	Note	Year-To-Date Ended	
		30.09.2019 RM'000 (Reviewed)	30.09.2018 RM'000 (Reviewed)
Cash flows from operating activities			
Profit before tax		192,469	236,514
Adjustments for:			
(Accretion of discount)/Amortisation of premium, net		(2)	3
Depreciation and amortisation		15,386	16,546
Dividend income from investment securities	9	(2,496)	(2,232)
Grant income	9	(463)	(638)
Interest and profit income	9	(11,803)	(14,227)
Interest expense on lease liabilities		401	401
Net loss/(gain) on disposals of motor vehicles	9	278	(68)
Net (reversal of impairment loss)/impairment loss on:			
- investment securities	10	(54)	(127)
- trade and other receivables	10	586	362
Retirement benefit obligations		631	742
SGP expense		3,269	5,925
Unrealised loss on foreign exchange differences		57	62
Operating profit before working capital changes		198,259	243,263
Decrease in receivables		3,400	2,823
Increase/(Decrease) in other payables		3,823	(642)
Cash generated from operations		205,482	245,444
Staff loans disbursements, net of repaid		352	516
Retirement benefits paid		(1,198)	(4,522)
Net tax paid		(57,899)	(55,762)
Net cash from operating activities		146,737	185,676
Cash flows from investing activities			
Dividends received		4,340	6,474
(Increase)/Decrease in deposits not for short-term funding requirements		(37,481)	14,625
Interest received		12,834	15,313
Proceeds from disposals of investment securities		29,947	25,000
Proceeds from disposals of motor vehicles		245	68
Purchases of investment securities		(14,967)	(14,963)
Purchases of property, plant and equipment and computer software		(9,425)	(8,039)
Net cash (used in)/from investing activities		(14,507)	38,478
Cash flows from financing activities			
Dividends paid to owners of the Company	7	(177,751)	(277,082)
Dividend paid by a subsidiary to a non-controlling interest		-	(6,750)
Grant received		-	1,600
Net cash used in financing activities		(177,751)	(282,232)
Net decrease in cash and cash equivalents		(45,521)	(58,078)
Effect of exchange rate changes		40	74
Cash and cash equivalents at beginning of period		167,960	248,132
Cash and cash equivalents at end of period	15	122,479	190,128

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to these interim financial statements.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

These condensed consolidated financial statements ("Condensed Report") have been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*, the International Accounting Standard ("IAS") 34 *Interim Financial Reporting* and the requirements of the Companies Act 2016 in Malaysia, where applicable. This Condensed Report, other than for financial instruments and retirement benefit obligations, has been prepared under the historical cost convention. Certain financial instruments are carried at fair value in accordance with MFRS 9 *Financial Instruments* and the retirement benefit obligations, including actuarial gains and losses are recognised in accordance with MFRS 119 *Employee Benefits*.

This Condensed Report has also been prepared in accordance with paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018. The explanatory notes attached to the Condensed Report provide explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 31 December 2018. As at the date of authorisation of this Condensed Report, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective. These pronouncements are either not relevant or do not have any material impact on the financial statements of the Group.

Standards issued but not yet effective

Effective for financial periods beginning on or after 1 January 2020

Amendments to MFRS 3 Business Combinations - *Definition of a Business*
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - *Definition of Material*
Amendment to MFRS 101 Presentation of Financial Statements - *Definition of Material*

Effective for financial periods beginning on or after 1 January 2021

MFRS 17 Insurance Contracts

Effective date of these Amendments to Standards has been deferred, and yet to be announced

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is affected by the level of activities in the securities, derivatives and Islamic capital markets but not by any seasonal or cyclical factors.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and year-to-date ended 30 September 2019 other than the put option exercised by a non-controlling interest and the change in composition of the Group as disclosed in Note 23.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect during the current quarter and year-to-date ended 30 September 2019.

6. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter and year-to-date ended 30 September 2019 other than the issuance of 1,028,450 new ordinary shares of the Company on 11 July 2019, pursuant to the SGP. The details of the new issuance of ordinary shares are as follows:

SGP grants	Number of new ordinary shares			Issue price (RM per share)
	Employees	Former Chief Executive Officer ("CEO") (Note a)	Total	
(i) 2016 Restricted Share Plan ("RSP") grant (third tranche)	413,250	9,600	422,850	5.02
(ii) 2017 RSP grant (second tranche)	271,500	9,600	281,100	6.48
(iii) 2017 RSP grant (third tranche)	-	9,600	9,600	6.22
(iv) 2018 RSP grant (first tranche)	295,700	6,400	302,100	7.16
(v) 2018 RSP grant (second tranche)	-	6,400	6,400	6.89
(vi) 2018 RSP grant (third tranche)	-	6,400	6,400	6.62
Total	980,450	48,000	1,028,450	6.08*

* Representing the weighted average issue price per share.

(a) A total of 48,000 new ordinary shares were issued to the former CEO pursuant to the SGP.

7. DIVIDENDS PAID

The following dividends were paid during the current and previous corresponding financial period ended:

	30.09.2019	30.09.2018
Interim/First interim and special dividends		
Interim/First interim dividend per share (single-tier)	10.4 sen	14.0 sen
Special dividend per share* (single-tier)	-	8.0 sen
Total interim/first interim and special dividends per share	10.4 sen	22.0 sen
For the financial year ending/ended	31 December 2019	31 December 2018
Approved and declared on	1 August 2019	30 July 2018
Date paid	30 August 2019	29 August 2018
Number of ordinary shares on which dividends were paid ('000)	808,503	807,475
Net dividends paid (RM'000)	84,084	177,644
Second interim dividend		
Second interim dividend per share (single-tier)	11.6 sen	18.5 sen
For the financial year ended	31 December 2018	31 December 2017
Approved and declared on	30 January 2019	5 February 2018
Date paid	28 February 2019	5 March 2018
Number of ordinary shares on which dividend was paid ('000)	807,475	537,501
Net dividend paid (RM'000)	93,667	99,438

* The special dividend paid in the previous corresponding financial period were due to surplus cash in excess of the requirements of the Group.

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

8. OPERATING REVENUE

	Quarter Ended			Year-To-Date Ended		
	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %
Trade fees	5,526	6,662	(17.1)	17,568	22,988	(23.6)
Clearing fees	44,326	48,747	(9.1)	138,097	165,745	(16.7)
Others	5,983	5,786	3.4	17,972	18,996	(5.4)
Total Securities trading revenue	55,835	61,195	(8.8)	173,637	207,729	(16.4)
Trade fees	10,956	10,129	8.2	29,457	32,536	(9.5)
Clearing fees	4,786	4,174	14.7	12,754	12,885	(1.0)
Others	2,721	4,521	(39.8)	9,521	12,135	(21.5)
Total Derivatives trading revenue	18,463	18,824	(1.9)	51,732	57,556	(10.1)
Bursa Suq Al-Sila ("BSAS") trading revenue	3,516	3,411	3.1	11,122	10,828	2.7
Listing and issuer services	14,503	14,245	1.8	39,692	45,204	(12.2)
Depository services	10,257	10,493	(2.2)	31,488	31,824	(1.1)
Market data	9,529	9,789	(2.7)	28,563	27,189	5.1
Member services and connectivity	5,375	5,219	3.0	16,219	16,404	(1.1)
Conference fees and exhibition-related income	-	-	-	5,023	5,530	(9.2)
Total other operating revenue	43,180	43,157	0.1	132,107	136,979	(3.6)
Total operating revenue	117,478	123,176	(4.6)	357,476	402,264	(11.1)

BURSA MALAYSIA BERHAD (30632-P)
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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

8. OPERATING REVENUE (CONT'D)

Disaggregation of revenue

The following tables illustrate the Group's revenue as disaggregated by major products or services and provide a reconciliation of the disaggregated revenue with the Group's four major market segments as disclosed in Note 11. The tables also include the timing of revenue recognition.

OPERATING REVENUE FOR THE QUARTER ENDED

	Securities Market			Derivatives Market			Exchange Holding Company			Others			Total		
	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %
Major products or services:															
Securities trading	55,835	61,195	(8.8)	-	-	-	-	-	-	-	-	-	55,835	61,195	(8.8)
Derivatives trading	-	-	-	18,463	18,824	(1.9)	-	-	-	-	-	-	18,463	18,824	(1.9)
BSAS trading	-	-	-	-	-	-	-	-	-	3,516	3,411	3.1	3,516	3,411	3.1
Listing and issuer services	14,472	14,216	1.8	-	-	-	-	-	-	31	29	6.9	14,503	14,245	1.8
Depository services	10,257	10,493	(2.2)	-	-	-	-	-	-	-	-	-	10,257	10,493	(2.2)
Market data	7,399	7,588	(2.5)	2,077	2,141	(3.0)	-	-	-	53	60	(11.7)	9,529	9,789	(2.7)
Member services and connectivity	3,476	3,274	6.2	37	40	(7.5)	1,834	1,876	(2.2)	28	29	(3.4)	5,375	5,219	3.0
	91,439	96,766	(5.5)	20,577	21,005	(2.0)	1,834	1,876	(2.2)	3,628	3,529	2.8	117,478	123,176	(4.6)
Timing of revenue recognition:															
At a point in time	76,262	81,906	(6.9)	19,408	19,842	(2.2)	-	-	-	3,547	3,451	2.8	99,217	105,199	(5.7)
Over time	15,177	14,860	2.1	1,169	1,163	0.5	1,834	1,876	(2.2)	81	78	3.8	18,261	17,977	1.6
	91,439	96,766	(5.5)	20,577	21,005	(2.0)	1,834	1,876	(2.2)	3,628	3,529	2.8	117,478	123,176	(4.6)

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

8. OPERATING REVENUE (CONT'D)

Disaggregation of revenue (cont'd)

OPERATING REVENUE FOR THE YEAR-TO-DATE ENDED

	Securities Market			Derivatives Market			Exchange Holding Company			Others			Total		
	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %
Major products or services:															
Securities trading	173,637	207,729	(16.4)	-	-	-	-	-	-	-	-	-	173,637	207,729	(16.4)
Derivatives trading	-	-	-	51,732	57,556	(10.1)	-	-	-	-	-	-	51,732	57,556	(10.1)
BSAS trading	-	-	-	-	-	-	-	-	-	11,122	10,828	2.7	11,122	10,828	2.7
Listing and issuer services	39,600	45,103	(12.2)	-	-	-	-	-	-	92	101	(8.9)	39,692	45,204	(12.2)
Depository services	31,488	31,824	(1.1)	-	-	-	-	-	-	-	-	-	31,488	31,824	(1.1)
Market data	22,205	20,797	6.8	6,200	6,216	(0.3)	-	-	-	158	176	(10.2)	28,563	27,189	5.1
Member services and connectivity	10,333	10,540	(2.0)	216	117	84.6	5,582	5,659	(1.4)	88	88	-	16,219	16,404	(1.1)
Conference fees and exhibition -related income	-	-	-	5,023	5,530	(9.2)	-	-	-	-	-	-	5,023	5,530	(9.2)
	277,263	315,993	(12.3)	63,171	69,419	(9.0)	5,582	5,659	(1.4)	11,460	11,193	2.4	357,476	402,264	(11.1)
Timing of revenue recognition:															
At a point in time	234,400	271,329	(13.6)	59,555	66,073	(9.9)	-	-	-	11,218	10,945	2.5	305,173	348,347	(12.4)
Over time	42,863	44,664	(4.0)	3,616	3,346	8.1	5,582	5,659	(1.4)	242	248	(2.4)	52,303	53,917	(3.0)
	277,263	315,993	(12.3)	63,171	69,419	(9.0)	5,582	5,659	(1.4)	11,460	11,193	2.4	357,476	402,264	(11.1)

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. OTHER INCOME

	Quarter Ended			Year-To-Date Ended		
	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %
Interest and profit income from:						
- deposits and investment securities	3,841	4,745	(19.1)	11,736	14,141	(17.0)
- others	21	26	(19.2)	67	86	(22.1)
Dividend income	841	763	10.2	2,496	2,232	11.8
Grant income	90	256	(64.8)	463	638	(27.4)
Net (loss)/gain on disposals of motor vehicles (Note a)	-	-	-	(278)	68	(508.8)
Rental income	334	319	4.7	969	959	1.0
Miscellaneous income	66	537	(87.7)	230	700	(67.1)
Total other income	5,193	6,646	(21.9)	15,683	18,824	(16.7)

(a) During the financial period ended 30 September 2019, the net loss arose from the disposals of motor vehicles to the former Chairman and former CEO of the Company.

10. OTHER OPERATING EXPENSES

	Quarter Ended			Year-To-Date Ended		
	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %
Administrative expenses	1,770	1,734	2.1	4,787	4,906	(2.4)
Building management expenses	2,635	2,723	(3.2)	8,075	7,624	5.9
Central Depository System ("CDS") consumables	375	557	(32.7)	1,484	2,023	(26.6)
Marketing and development expenses	1,874	1,588	18.0	10,448	7,727	35.2
Professional fees	515	1,242	(58.5)	1,894	2,289	(17.3)
Technology expenses:						
- information technology maintenance	5,158	4,391	17.5	15,108	14,200	6.4
- service fees	5,513	5,365	2.8	14,732	15,363	(4.1)
Net (gain)/loss on foreign exchange differences	(66)	(140)	(52.9)	107	444	(75.9)
Net (reversal of impairment loss)/impairment loss on:						
- investment securities	(2)	(154)	(98.7)	(54)	(127)	(57.5)
- trade and other receivables	225	6	3,650.0	586	362	61.9
Miscellaneous expenses	1,731	2,473	(30.0)	6,310	6,397	(1.4)
Total other operating expenses	19,728	19,785	(0.3)	63,477	61,208	3.7

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11. SEGMENT INFORMATION

RESULTS FOR THE QUARTER ENDED

	Securities Market			Derivatives Market			Exchange Holding Company			Others			Total		
	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %
Operating revenue (Note 8)	91,439	96,766	(5.5)	20,577	21,005	(2.0)	1,834	1,876	(2.2)	3,628	3,529	2.8	117,478	123,176	(4.6)
Other income	3,051	3,564	(14.4)	501	495	1.2	1,599	2,520	(36.5)	42	67	(37.3)	5,193	6,646	(21.9)
Direct costs	(20,529)	(22,473)	(8.7)	(11,577)	(12,004)	(3.6)	(5,990)	(7,972)	(24.9)	(1,597)	(1,646)	(3.0)	(39,693)	(44,095)	(10.0)
Segment profit/(loss)	73,961	77,857	(5.0)	9,501	9,496	0.1	(2,557)	(3,576)	(28.5)	2,073	1,950	6.3	82,978	85,727	(3.2)
Overheads													(18,155)	(16,768)	8.3
Profit before tax													64,823	68,959	(6.0)

RESULTS FOR FOR THE YEAR-TO-DATE ENDED

	Securities Market			Derivatives Market			Exchange Holding Company			Others			Total		
	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %
Operating revenue (Note 8)	277,263	315,993	(12.3)	63,171	69,419	(9.0)	5,582	5,659	(1.4)	11,460	11,193	2.4	357,476	402,264	(11.1)
Other income	9,395	10,671	(12.0)	1,486	1,414	5.1	4,662	6,551	(28.8)	140	188	(25.5)	15,683	18,824	(16.7)
Direct costs	(65,712)	(67,669)	(2.9)	(36,783)	(36,472)	0.9	(20,560)	(24,512)	(16.1)	(4,923)	(4,762)	3.4	(127,978)	(133,415)	(4.1)
Segment profit/(loss)	220,946	258,995	(14.7)	27,874	34,361	(18.9)	(10,316)	(12,302)	(16.1)	6,677	6,619	0.9	245,181	287,673	(14.8)
Overheads													(52,712)	(51,159)	3.0
Profit before tax													192,469	236,514	(18.6)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENT INFORMATION (CONT'D)

	Securities Market RM'000	Derivatives Market RM'000	Exchange Holding Company RM'000	Others RM'000	Total RM'000
ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2019					
Assets	317,407	106,749	475,013	24,257	923,426
Clearing Funds	103,793	25,210	-	-	129,003
Cash for equity margins, derivatives trading margins, security deposits and eDividend distributions	120,735	906,145	-	-	1,026,880
Segment assets	541,935	1,038,104	475,013	24,257	2,079,309
Unallocated corporate assets	-	-	-	-	17,661
Total assets	541,935	1,038,104	475,013	24,257	2,096,970
Liabilities	48,516	12,794	218,254	14,976	294,540
Participants' contributions to Clearing Funds	18,793	20,210	-	-	39,003
Equity margins, derivatives trading margins, security deposits and eDividend distributions	120,735	906,145	-	-	1,026,880
Segment liabilities	188,044	939,149	218,254	14,976	1,360,423
Unallocated corporate liabilities	-	-	-	-	3,037
Total liabilities	188,044	939,149	218,254	14,976	1,363,460

ASSETS AND LIABILITIES AS AT 31 DECEMBER 2018					
Assets	370,088	93,534	428,587	26,134	918,343
Clearing Funds	103,768	26,038	-	-	129,806
Cash for equity margins, derivatives trading margins, security deposits and eDividend distributions	125,425	1,250,570	-	-	1,375,995
Segment assets	599,281	1,370,142	428,587	26,134	2,424,144
Unallocated corporate assets	-	-	-	-	10,416
Total assets	599,281	1,370,142	428,587	26,134	2,434,560
Liabilities	33,168	12,749	64,775	15,624	126,316
Participants' contributions to Clearing Funds	18,768	21,038	-	-	39,806
Equity margins, derivatives trading margins, security deposits and eDividend distributions	125,425	1,250,570	-	-	1,375,995
Segment liabilities	177,361	1,284,357	64,775	15,624	1,542,117
Unallocated corporate liabilities	-	-	-	-	4,994
Total liabilities	177,361	1,284,357	64,775	15,624	1,547,111

12. RELATED PARTY DISCLOSURES

All related party transactions and balances within the Group had been entered into in the normal course of business and were carried out on normal commercial terms except for the disposals of motor vehicles to the former Chairman and former CEO of the Company as disclosed in Note 9(a).

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13. CASH FOR EQUITY MARGINS, DERIVATIVES TRADING MARGINS, SECURITY DEPOSITS AND eDIVIDEND DISTRIBUTIONS

	As at 30.09.2019 RM'000	As at 31.12.2018 RM'000
Equity margins	120,691	125,385
Derivatives trading margins	884,619	1,223,643
Security deposits from Clearing Participants ("CPs") of Bursa Malaysia Derivatives Clearing Bhd ("BMDC")	21,526	26,927
Total equity margins, derivatives trading margins and security deposits, representing trade payables	1,026,836	1,375,955
Cash received for eDividend distributions (included in other payables) (Note 18)	44	40
Total cash for equity margins, derivatives trading margins, security deposits and eDividend distributions	1,026,880	1,375,995

The amount of non-cash collaterals for equity margins, derivatives trading margins and security deposits from CPs of BMDC held by, but not belonging to the Group and which are not included in the condensed consolidated statement of financial position comprise the following:

	As at 30.09.2019 RM'000	As at 31.12.2018 RM'000
Collaterals in the form of letters of credit for:		
- Equity margins	7,400	9,900
- Derivatives trading margins	549,570	592,919
- Security deposits from CPs of BMDC	17,000	18,000
Collaterals in the form of shares for derivatives trading margins	327	307
	574,297	621,126

14. CASH AND BANK BALANCES OF CLEARING FUNDS

	Participants' contributions RM'000	Cash set aside by the Group RM'000	Total RM'000
As at 30 September 2019			
Contributions from Trading Clearing Participants ("TCPs") of Bursa Malaysia Securities Clearing Sdn Bhd ("BMSC")	18,793	-	18,793
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
Clearing Guarantee Fund ("CGF") contributions	18,793	85,000	103,793
Contributions from CPs of BMDC	20,210	-	20,210
Contribution from BMDC	-	5,000	5,000
Derivatives Clearing Fund ("DCF") contributions	20,210	5,000	25,210
Total cash and bank balances of Clearing Funds	39,003	90,000	129,003

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14. CASH AND BANK BALANCES OF CLEARING FUNDS (CONT'D)

	Participants' contributions RM'000	Cash set aside by the Group RM'000	Total RM'000
As at 31 December 2018			
Contributions from TCPs of BMSC	18,768	-	18,768
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
CGF contributions	18,768	85,000	103,768
Contributions from CPs of BMDC	21,038	-	21,038
Contribution from BMDC	-	5,000	5,000
DCF contributions	21,038	5,000	26,038
Total cash and bank balances of Clearing Funds	39,806	90,000	129,806

There are no non-cash collaterals from TCPs of BMSC and CPs of BMDC as at 30 September 2019 and 31 December 2018.

15. CASH AND BANK BALANCES OF THE GROUP

	As at 30.09.2019 RM'000	As at 31.12.2018 RM'000
Cash and bank balances	3,645	3,678
Deposits for short-term funding requirements	118,834	164,282
Cash and cash equivalents	122,479	167,960
Deposits not for short-term funding requirements	92,306	54,825
Total cash and bank balances	214,785	222,785

16. CAPITAL COMMITMENTS

Capital commitments for the purchase of property, plant and equipment not provided for in the Condensed Report as at the end of the financial periods are as follows:

	As at 30.09.2019 RM'000	As at 31.12.2018 RM'000
Approved and contracted for:		
Computers and office automation	6,046	2,193
Office equipment and renovations	345	364
	6,391	2,557
Approved but not contracted for:		
Computers and office automation	4,941	2,851
Office equipment and renovations	2,404	-
	7,345	2,851

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17. CONTINGENT ASSETS AND LIABILITIES

During the quarter and year-to-date ended 30 September 2019, the put option with CME Group Inc ("CME Group") over the ordinary shares of Bursa Malaysia Derivatives Berhad ("BMD") held by CME Group was exercised on 16 September 2019, as disclosed in Note 23.

Other than the above, there are no contingent assets and contingent liabilities as at 30 September 2019.

18. OTHER PAYABLES

Other payables of the Group comprise:

	As at 30.09.2019 RM'000	As at 31.12.2018 RM'000
Cash received for eDividend distributions (Note 13)	44	40
Amount payable to CME Group Strategic Investments LLC ("CMEGSI") (Note 23)	162,471	-
Provision for the Additional Sum (Note 23)	2,182	-
Others	101,076	97,458
	265,773	97,498

19. CHANGES IN COMPOSITION OF THE GROUP

Pursuant to the exercise of the put option by CME Group and the Board's approval on the acquisition of the remaining 25% equity interest in BMD, the Group's ownership interest in BMD was increased from 75% to 100% with effect from 18 September 2019 as disclosed in Note 23.

Other than the above, there were no changes in the composition of the Group during the quarter and year-to-date ended 30 September 2019.

20. OPERATING LEASE ARRANGEMENTS

The Group has entered into operating lease arrangements as the lessor for the lease of office space in its building. The future aggregate minimum lease payments receivable under the operating leases contracted for but not recognised in the financial statements as receivables are as follows:

	As at 30.09.2019 RM'000	As at 31.12.2018 RM'000
Not later than 1 year	1,047	950
Later than 1 year and not later than 5 years	764	1,187
Total future minimum lease receivables	1,811	2,137

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

21. FINANCIAL INSTRUMENTS

21.1 Classification

The following table analyses the financial assets and financial liabilities of the Group in the condensed consolidated statement of financial position by the classes and categories of financial instruments to which they are assigned by their measurement basis.

	As at 30.09.2019 RM'000	As at 31.12.2018 RM'000
Assets		
Financial assets at FVTOCI		
Investment securities:		
- quoted shares (outside Malaysia)	338,426	297,993
- unquoted bonds	56,174	70,159
	394,600	368,152
Financial assets at amortised cost		
Investment securities - commercial paper	4,934	4,923
Staff loans receivable	2,328	2,747
Trade receivables	38,196	38,600
Other receivables which are financial assets*	5,225	8,417
Cash for equity margins, derivatives trading margins, security deposits and eDividend distributions	1,026,880	1,375,995
Cash and bank balances of Clearing Funds	129,003	129,806
Cash and bank balances of the Group	214,785	222,785
	1,421,351	1,783,273
Total financial assets	1,815,951	2,151,425
Liabilities		
Financial liabilities at amortised cost		
Trade payables	1,026,836	1,375,955
Participants' contributions to Clearing Funds	39,003	39,806
Other payables which are financial liabilities**	192,448	25,708
Lease liabilities	8,372	7,971
Total financial liabilities	1,266,659	1,449,440

* Other receivables which are financial assets include deposits, interest receivables and sundry receivables, net of allowance for impairment loss.

** Other payables which are financial liabilities include the amount payable to CMEGSI of RM162,471,000, amount due to the Securities Commission Malaysia and sundry payables.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

21. FINANCIAL INSTRUMENTS (CONT'D)

21.2 Fair value

(a) Financial instruments that are carried at fair value

Financial assets at FVTOCI are measured at different measurement hierarchies (i.e. Level 1, 2 and 3). The hierarchies reflect the level of objectiveness of inputs used when measuring the fair value.

(i) Level 1: Quoted prices (unadjusted) of identical assets in active markets

Shares quoted outside Malaysia are measured at Level 1. The fair value of quoted shares is determined directly by reference to the published market bid prices as at 30 September 2019 and 31 December 2018.

(ii) Level 2: Inputs other than at quoted prices included within Level 1 that are observable for the assets, either directly (prices) or indirectly (derived from prices)

Unquoted bonds are measured at Level 2. The fair value of unquoted bonds is determined by reference to the published market bid prices based on information provided by Bond Pricing Agency Malaysia Sdn Bhd.

(iii) Level 3: Inputs for the assets that are not based on observable market data (unobservable inputs)

The Group does not have any financial instruments measured at Level 3 as at 30 September 2019 and 31 December 2018.

	Level 1 RM'000	Level 2 RM'000	Total RM'000
As at 30 September 2019			
Financial assets at FVTOCI:			
- quoted shares (outside Malaysia)	338,426	-	338,426
- unquoted bonds	-	56,174	56,174
	338,426	56,174	394,600
As at 31 December 2018			
Financial assets at FVTOCI:			
- quoted shares (outside Malaysia)	297,993	-	297,993
- unquoted bonds	-	70,159	70,159
	297,993	70,159	368,152

There were no transfers between Level 1 and Level 2 during the current quarter and year-to-date ended 30 September 2019.

(b) Financial instruments that are not carried at fair value

The carrying amounts of financial assets and financial liabilities at amortised cost are reasonable approximation of their fair values.

22. EVENT AFTER THE REPORTING PERIOD

There was no material event subsequent to the financial period ended 30 September 2019.

23. SIGNIFICANT EVENT DURING THE REPORTING PERIOD

The following is the significant event during the quarter and year-to-date ended 30 September 2019:

Acquisition of the remaining 25% equity interest in a subsidiary

On 16 September 2019, CME Group Inc ("CME Group") exercised its put option under the Shareholders Agreement entered into between Bursa Malaysia Berhad (the "Company"), Bursa Malaysia Derivatives Berhad ("BMD"), CMEGSI and CME Group on 30 November 2009 ("Shareholders Agreement"), which requires the Company to acquire the 12,500,000 ordinary shares in BMD from CMEGSI based on the considerations below:

- (a) the put option price of RM162,471,000 for the proposed acquisition of 12,500,000 ordinary shares, which represents the remaining 25% equity interest in BMD. This valuation is based on the pre-agreed valuation formula as defined in the Shareholders Agreement which takes into consideration the earnings before interest, taxes, depreciation and amortisation ("EBITDA") of BMD and its subsidiary, and the enterprise value over EBITDA multiple of 17.8 times which was derived based on 12 stipulated listed exchanges; and
- (b) an additional sum which equals to 25% of 70% of BMD's operating profit before tax for the second and third quarters of the financial year ending 31 December 2019 ("Additional Sum").

The Board of Directors ("Board") of the Company had, on 18 September 2019, approved the put option price of RM162,471,000 and the Additional Sum to be determined later. Consequently, the Group recognised the put option exercised by CME Group of RM162,471,000 as payable to CMEGSI and recognised a provision of RM2,182,000 for the estimated Additional Sum, both of which are included in other payables as disclosed in Note 18.

With the recognition of the put option exercised by the CME Group and the provision for the Additional Sum of RM164,653,000, the Group treated these transactions as an acquisition of the remaining 25% equity interest in BMD, and accounted for them as an equity transaction with the owners of the Company and derecognised the non-controlling interest of RM15,994,000 in accordance with the provisions of MFRS 10 *Consolidated Financial Statements*. The difference between the put option price including the estimated Additional Sum and derecognised non-controlling interest of RM148,659,000 is offset against the retained earnings of the Group in the condensed consolidated statement of changes in equity.

As a result of the acquisition, the ownership interest of the Company in BMD was increased from 75% to 100%. The consideration for the transaction is expected to be settled by early December 2019.

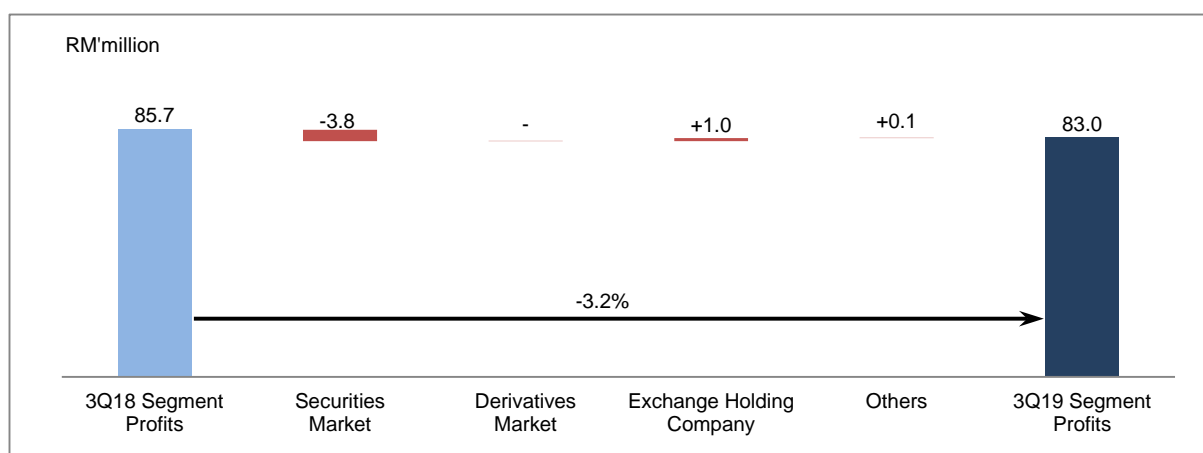
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

24. OPERATING SEGMENTS REVIEW

(a) 3Q19 vs. 3Q18

Profit Before Tax ("PBT") for the quarter ended 30 September 2019 ("3Q19") was RM64.8 million, a decrease of 6.0 per cent compared to RM69.0 million in the quarter ended 30 September 2018 ("3Q18"). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profits for 3Q19 were RM83.0 million, a decrease of 3.2 per cent compared to RM85.7 million in 3Q18. Movements in the segment profits are depicted in the graph below:



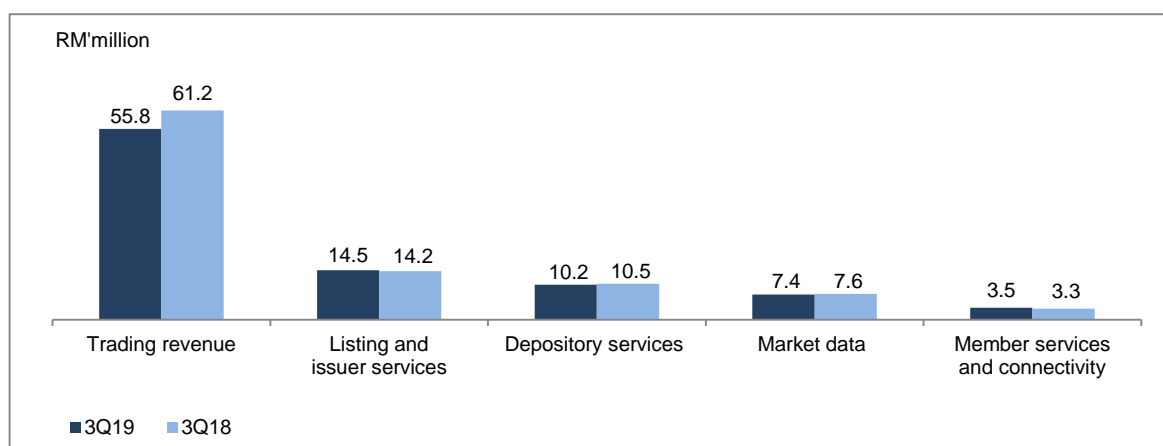
Total comprehensive income for 3Q19 was RM79.8 million, an increase of 17.4 per cent compared to RM68.0 million in 3Q18. This was mainly due to higher fair value of quoted shares (outside Malaysia) in 3Q19 compared to 3Q18.

Securities Market

The Securities Market recorded a segment profit of RM74.0 million in 3Q19, a decrease of 5.0 per cent compared to RM77.8 million in 3Q18 mainly due to lower operating revenue.

(i) Operating Revenue

The Securities Market's operating revenue for 3Q19 was RM91.4 million, a decrease of 5.5 per cent compared to RM96.8 million in 3Q18. Details by revenue category are shown in the chart below:



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

24. OPERATING SEGMENTS REVIEW (CONT'D)

(a) 3Q19 vs. 3Q18 (cont'd)

Securities Market (cont'd)

(i) Operating Revenue (cont'd)

- > Trading revenue decreased by 8.8 per cent to RM55.8 million in 3Q19, on the back of lower Average Daily trading Value ("ADV") for On-Market Trades ("OMT") and Direct Business Trades ("DBT") which declined by 21.1 per cent to RM1.95 billion in 3Q19 compared to RM2.47 billion in 3Q18. Trading velocity in 3Q19 was also lower by 3 percentage points to 27 per cent compared to 3Q18.

Key operating drivers of the Securities Market are as follows:

Key operating drivers	3Q19	3Q18	Changes (%)
FBMKLCI (points)	1,583.91	1,793.15	(11.7)
ADV (OMT and DBT) (RM'billion)	1.95	2.47	(21.1)
Average daily trading volume (OMT and DBT) (billion shares)	2.54	2.49	2.0
Effective clearing fee rate (basis points)	2.49	2.27	9.7
Velocity (per cent)	27	30	(3.0)
Number of Initial Public Offerings ("IPOs")	9	5	80.0
Number of new structured warrants listed	319	302	5.6
Total funds raised:			
- IPOs (RM'million)	394.82	115.11	243.0
- Secondary issues (RM'million)	770.93	1,409.29	(45.3)
Market capitalisation as at end of period (RM'billion)	1,673.63	1,835.43	(8.8)
Number of trading days	61	60	1.0

(ii) Operating Expenses

Segment expenses decreased by 8.7 per cent to RM20.5 million in 3Q19 compared to RM22.5 million in 3Q18 mainly due to lower staff costs and professional fees incurred in 3Q19.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

24. OPERATING SEGMENTS REVIEW (CONT'D)

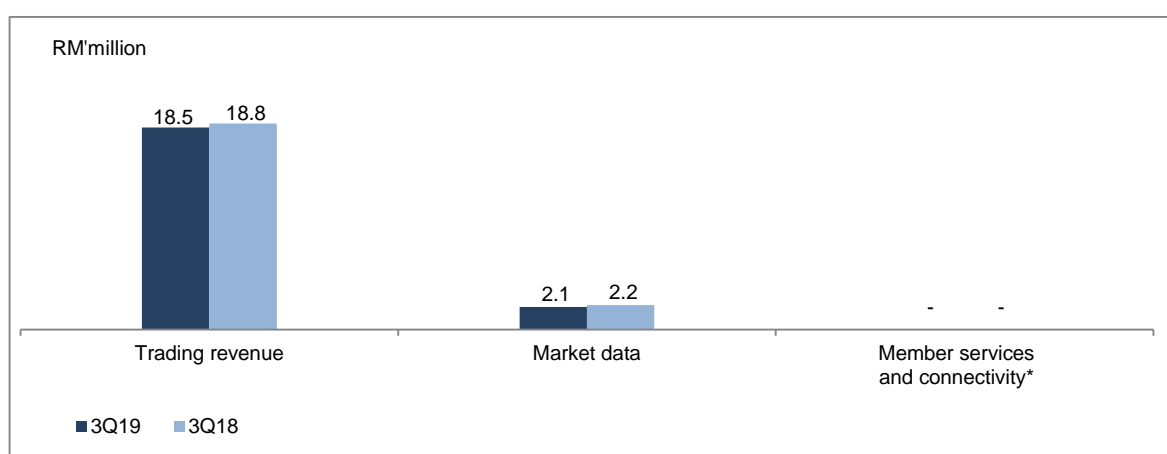
(a) 3Q19 vs. 3Q18 (cont'd)

Derivatives Market

The Derivatives Market's segment profit was fairly stable at RM9.5 million both in 3Q19 and 3Q18.

(i) Operating Revenue

The Derivatives Market's operating revenue for 3Q19 was RM20.6 million, a decrease of 2.0 per cent compared to RM21.0 million in 3Q18. Details by revenue category are shown in the chart below:



* Member services and connectivity fee income is below RM0.1 million for 3Q19 and 3Q18.

- > Trading revenue decreased by 1.9 per cent to RM18.5 million in 3Q19 mainly due to lower collateral management fees and guarantee fees earned in 3Q19 compared to 3Q18.

Key operating drivers of the Derivatives Market are as follows:

Key operating drivers	3Q19	3Q18	Changes (%)
Crude Palm Oil Futures ("FCPO") contracts	2,877,263	2,619,095	9.9
FTSE Bursa Malaysia KLCI Futures ("FKLI") contracts	563,681	596,706	(5.5)
US Dollar denominated Refined, Bleached and Deodorised Palm Olein Futures ("FPOL") contracts	43,504	209,073	(79.2)
Mini FTSE Bursa Malaysia Mid 70 Index Futures ("FM70") contracts	95,947	24,387	293.4
Other contracts	22,781	15,715	45.0
Total contracts	3,603,176	3,464,976	4.0
Average daily number of contracts traded	59,068	57,750	2.3
Average number of open interest positions	232,484	297,853	(21.9)
Number of trading days	61	60	1.0

(ii) Operating Expenses

Segment expenses decreased by 3.6 per cent to RM11.6 million in 3Q19 compared to RM12.0 million in 3Q18 mainly due to lower staff costs in 3Q19.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

24. OPERATING SEGMENTS REVIEW (CONT'D)

(a) 3Q19 vs. 3Q18 (cont'd)

Exchange Holding Company

The Exchange Holding Company recorded a lower segment loss of RM2.6 million in 3Q19 compared to RM3.6 million in 3Q18 mainly due to lower staff costs in 3Q19.

Others

This segment is made up of BSAS, bonds and offshore exchange businesses. The segment profit increased by 6.3 per cent to RM2.0 million in 3Q19 compared to RM1.9 million in 3Q18 mainly due to higher trading revenue from BSAS trades in 3Q19.

Overheads

Overheads increased by 8.3 per cent to RM18.2 million in 3Q19 compared to RM16.8 million in 3Q18 mainly due to higher information technology expenses and staff costs in 3Q19.

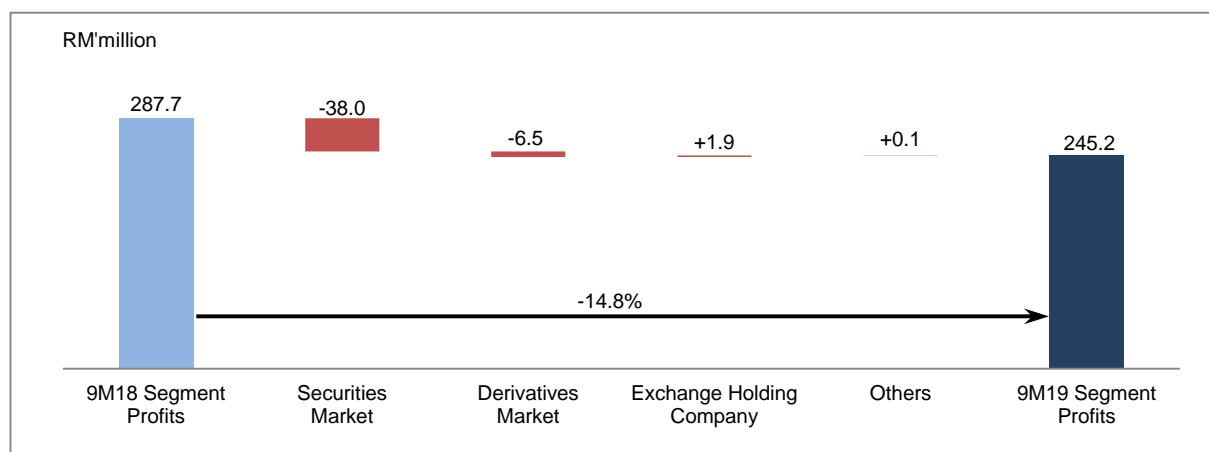
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

24. OPERATING SEGMENTS REVIEW (CONT'D)

(b) 9M19 vs. 9M18

PBT for the year-to-date ended 30 September 2019 ("9M19") was RM192.5 million, a decrease of 18.6 per cent from RM236.5 million in the year-to-date ended 30 September 2018 ("9M18"). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profits for 9M19 were RM245.2 million, a decrease of 14.8 per cent from RM287.7 million in 9M18. Movements in the segment profits are depicted in the graph below:



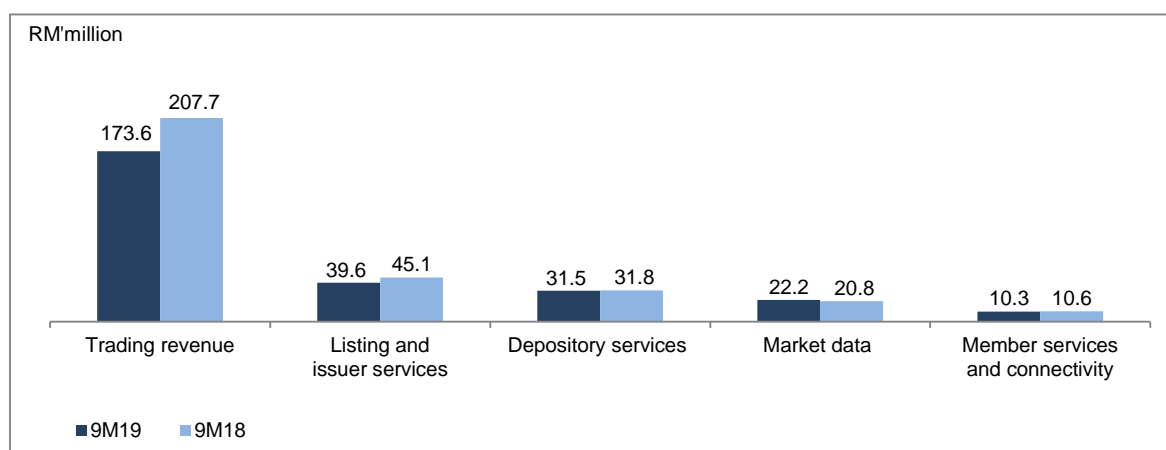
Total comprehensive income for 9M19 was RM185.2 million, a decrease of 15.7 per cent compared to RM219.8 million in 9M18. This was mainly due to lower profit earned in 9M19 compared to 9M18.

Securities Market

The Securities Market recorded a segment profit of RM221.0 million in 9M19, a decrease of 14.7 per cent compared to RM259.0 million in 9M18, on the back of lower operating revenue.

(i) Operating Revenue

The Securities Market's operating revenue for 9M19 was RM277.2 million, a decrease of 12.3 per cent compared to RM316.0 million in 9M18. Details by revenue category are shown in the chart below:



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

24. OPERATING SEGMENTS REVIEW (CONT'D)

(b) 9M19 vs. 9M18 (cont'd)

Securities Market (cont'd)

(i) Operating Revenue (cont'd)

- > Trading revenue decreased by 16.4 per cent to RM173.6 million in 9M19, which was mainly due to lower ADV for OMT and DBT of RM2.19 billion in 9M19 compared to RM2.76 billion in 9M18. Trading velocity in 9M19 was also lower by 6 percentage points to 28 per cent compared to 9M18.
- > Listing and issuer services revenue decreased by 12.2 per cent to RM39.6 million in 9M19 from RM45.1 million in 9M18. This was mainly due to lower listing fees and perusal and processing fees earned in 9M19 resulting from lower number of corporate exercises and circular submissions respectively.
- > Market data revenue increased by 6.8 per cent to RM22.2 million in 9M19 driven by higher number of subscribers in 9M19.

Key operating drivers of the Securities Market are as follows:

Key operating drivers	9M19	9M18	Changes (%)
FBMKLCI (points)	1,583.91	1,793.15	(11.7)
ADV (OMT and DBT) (RM'billion)	2.19	2.76	(20.7)
Average daily trading volume (OMT and DBT) (billion shares)	2.69	2.82	(4.6)
Effective clearing fee rate (basis points)	2.45	2.24	9.4
Velocity (per cent)	28	34	(6.0)
Number of IPOs	23	16	43.8
Number of new structured warrants listed	853	782	9.1
Total funds raised:			
- IPOs (RM'million)	1,753.99	577.79	203.6
- Secondary issues (RM'million)	2,522.42	4,532.41	(44.3)
Market capitalisation as at end of period (RM'billion)	1,673.63	1,835.43	(8.8)
Number of trading days	180	180	-

(ii) Operating Expenses

Segment expenses decreased by 2.9 per cent to RM65.7 million in 9M19 compared to RM67.7 million in 9M18 mainly due to lower staff costs, CDS consumables expenses and professional fees incurred in 9M19.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

24. OPERATING SEGMENTS REVIEW (CONT'D)

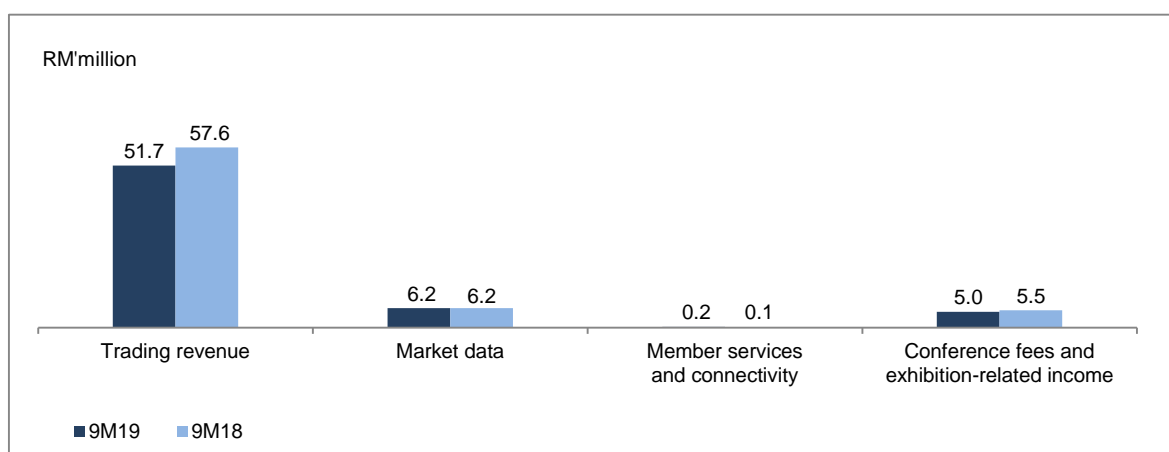
(b) 9M19 vs. 9M18 (cont'd)

Derivatives Market

The Derivatives Market recorded a segment profit of RM27.9 million in 9M19, a decrease of 18.9 per cent compared to RM34.4 million in 9M18 mainly due to lower operating revenue.

(i) Operating Revenue

The Derivatives Market registered an operating revenue of RM63.1 million in 9M19, representing a decrease of 9.0 per cent compared to RM69.4 million in 9M18. Details by revenue category are shown in the chart below:



- > Trading revenue decreased by 10.1 per cent to RM51.7 million in 9M19 mainly due to lower number of contracts traded for FCPO and FKLI, and lower collateral management fees and guarantee fees earned in 9M19.

Key operating drivers of the Derivatives Market are as follows:

Key operating drivers	9M19	9M18	Changes (%)
FCPO contracts	7,470,015	7,855,913	(4.9)
FKLI contracts	1,633,534	1,875,045	(12.9)
FPOL contracts	59,121	223,691	(73.6)
FM70 contracts	268,276	24,387	1,000.1
Other contracts	44,967	61,220	(26.5)
Total contracts	9,475,913	10,040,256	(5.6)
Average daily number of contracts traded	52,644	55,779	(5.6)
Average number of open interest positions	245,373	289,369	(15.2)
Number of trading days	180	180	-

(ii) Operating Expenses

Segment expenses remained fairly stable at approximately RM36 million in 9M19 and 9M18.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

24. OPERATING SEGMENTS REVIEW (CONT'D)

(b) 9M19 vs. 9M18 (cont'd)

Exchange Holding Company

The Exchange Holding Company recorded a lower segment loss of RM10.3 million in 9M19 compared to RM12.3 million in 9M18 mainly due to lower staff costs in 9M19.

Others

This segment is made up of BSAS, bonds and offshore exchange businesses. The segment profit increased marginally by 0.9 per cent to RM6.7 million in 9M19 compared to RM6.6 million in 9M18.

Overheads

Overheads increased by 3.0 per cent to RM52.7 million in 9M19 compared to RM51.2 million in 9M18 mainly due to higher staff costs and building management expenses in 9M19.

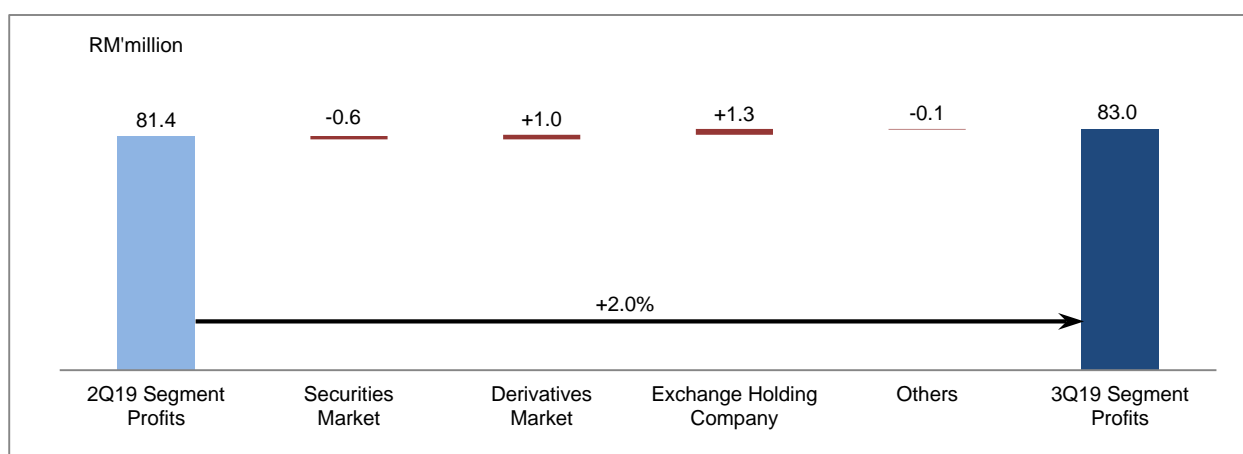
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**25. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER
COMPARED WITH IMMEDIATE PRECEDING QUARTER**

Financial Results	Quarter Ended		Changes %
	30.09.2019 RM'000	30.06.2019 RM'000	
Operating revenue	117,478	118,558	(0.9)
Other income	5,193	5,402	(3.9)
Staff costs	122,671	123,960	(1.0)
Depreciation and amortisation	(32,821)	(35,089)	(6.5)
Other operating expenses	(5,165)	(5,143)	0.4
Profit from operations	(19,728)	(20,321)	(2.9)
Finance costs	64,957	63,407	2.4
PBT	(134)	(134)	-
	64,823	63,273	2.4

PBT for 3Q19 was RM64.8 million, an increase of 2.4 per cent from RM63.3 million in the quarter ended 30 June 2019 ("2Q19"). PBT is made up of segment profits less overheads.

Total segment profits for 3Q19 were RM83.0 million, an increase of 2.0 per cent from RM81.4 million in 2Q19. The quarter-on-quarter movements in the segment profits are depicted in the graph below:



Securities Market

The Securities Market recorded a segment profit of RM74.0 million in 3Q19, a decrease of 0.9 per cent from RM74.6 million in 2Q19 mainly due to lower operating revenue.

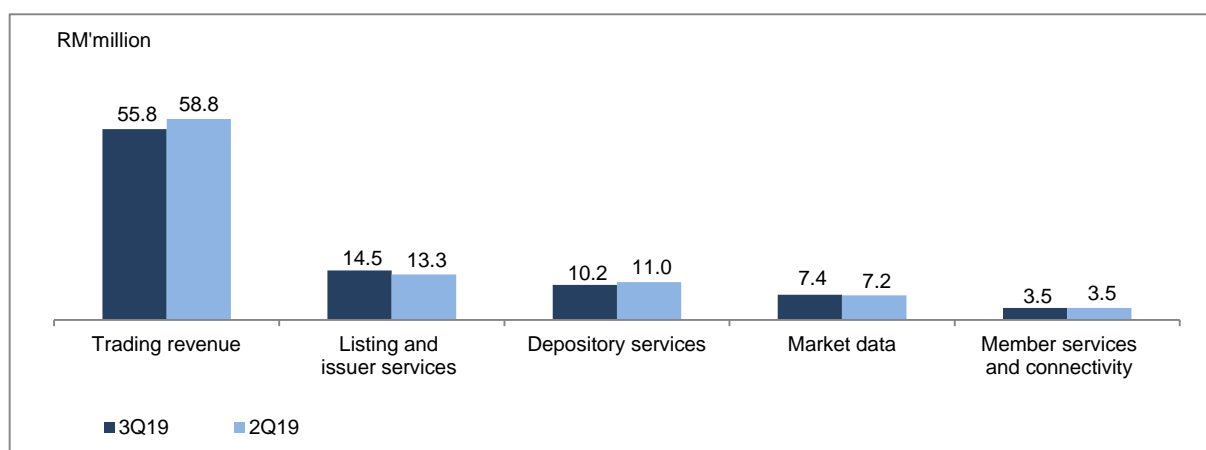
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

25. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D)

Securities Market (cont'd)

(i) Operating Revenue

The Securities Market's operating revenue for 3Q19 was RM91.4 million, a decrease of 2.5 per cent compared to RM93.8 million in 2Q19. Details by revenue category are shown in the chart below:



- > Trading revenue decreased by 5.0 per cent to RM55.8 million in 3Q19, which was mainly attributed to lower ADV for OMT and DBT of RM1.95 billion in 3Q19 compared to RM2.21 billion in 2Q19. Trading velocity in 3Q19 was also lower by 2 percentage points to 27 per cent compared to 2Q19.
- > Listing and issuer services revenue increased by 9.0 per cent to RM14.5 million in 3Q19 mainly due to higher perusal and processing fees earned in 3Q19 from higher number of corporate exercises and circular submissions.
- > Depository services revenue decreased by 7.1 per cent to RM10.2 million in 3Q19 mainly due to lower public issue fees and lower number of CDS account opening fees earned in 3Q19.

Key operating drivers of the Securities Market are as follows:

Key operating drivers		3Q19	2Q19	Changes (%)
FBMKLCI	(points)	1,583.91	1,672.13	(5.3)
ADV (OMT and DBT)	(RM'billion)	1.95	2.21	(11.8)
Average daily trading volume (OMT and DBT)	(billion shares)	2.54	2.67	(4.9)
Effective clearing fee rate	(basis points)	2.49	2.44	2.0
Velocity	(per cent)	27	29	(2.0)
Number of IPOs		9	9	-
Number of new structured warrants listed		319	269	18.6
Total funds raised:				
- IPOs	(RM'million)	394.82	1,246.51	(68.3)
- Secondary issues	(RM'million)	770.93	1,424.78	(45.9)
Market capitalisation as at end of period	(RM'billion)	1,673.63	1,752.56	(4.5)
Number of trading days		61	60	1.0

(ii) Operating Expenses

Segment expenses decreased by 8.0 per cent to RM20.5 million from RM22.3 million in 2Q19 mainly due to lower staff costs in 3Q19.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

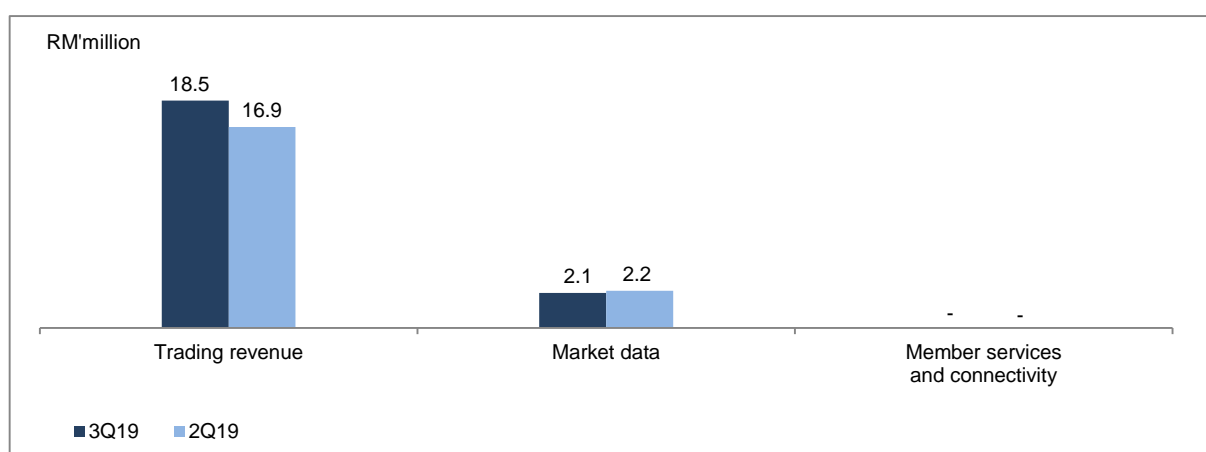
25. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D)

Derivatives Market

The Derivatives Market recorded a segment profit of RM9.5 million in 3Q19, representing an increase of 12.3 per cent from RM8.5 million in 2Q19 mainly due to higher operating revenue.

(i) Operating Revenue

The Derivatives Market's operating revenue for 3Q19 was RM20.6 million, an increase of 7.4 per cent from RM19.1 million in 2Q19. Details by revenue category are shown in the chart below:



* Member services and connectivity fee income is below RM0.1 million for both 3Q19 and 2Q19.

- > Trading revenue increased by 9.2 per cent to RM18.5 million in 3Q19 mainly due to higher number of contracts traded for FCPO in 3Q19.

Key operating drivers of the Derivatives Market are as follows:

Key operating drivers	3Q19	2Q19	Changes (%)
FCPO contracts	2,877,263	2,395,910	20.1
FKLI contracts	563,681	567,312	(0.6)
FPOL contracts	43,504	15,598	178.9
FM70 contracts	95,947	87,710	9.4
Other contracts	22,781	11,998	89.9
Total contracts	3,603,176	3,078,528	17.0
Average daily number of contracts traded	59,068	51,309	15.1
Average number of open interest positions	232,484	259,701	(10.5)
Number of trading days	61	60	1.0

(ii) Operating Expenses

Segment expenses increased by 3.4 per cent to RM11.6 million in 3Q19 mainly due to higher service fees incurred from higher number of contracts traded.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**25. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER
COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D)**

Exchange Holding Company

The Exchange Holding Company recorded a lower segment loss of RM2.6 million in 3Q19 compared to RM3.8 million in 2Q19 mainly due to lower staff costs in 3Q19.

Others

This segment is made up of BSAS, bonds and offshore exchange businesses. The segment profit decreased by 3.9 per cent to RM2.0 million in 3Q19 compared to RM2.1 million in 2Q19 mainly due to lower BSAS trading revenue earned in 3Q19.

Overheads

Overheads remained fairly stable at approximately RM18 million in 3Q19 and 2Q19.

26. COMMENTARY ON PROSPECTS AND TARGETS

The International Monetary Fund in its October 2019 report revised its global economic growth projection for 2019 to 3.0% from 3.2% as growth continues to be weakened by rising trade barriers and increasing geopolitical tensions. However, Bank Negara Malaysia in its August 2019 report maintained its earlier projection for Malaysia's 2019 GDP growth of between 4.3% to 4.8% as the country's economy grew by 4.9% in the second quarter of 2019, supported by continued expansion in domestic demand. As announced in the recent Malaysian Budget 2020, the domestic economy is expected to grow by 4.7% in 2019 and 4.8% in 2020.

The Securities Market performance in the third quarter of 2019 continued to be influenced by both global and domestic developments such as the heightened risk of global economic slowdown, easing of global financing conditions and weaker corporate earnings. These developments coupled with the uncertainties over the United States – China trade negotiations saw the Securities Market's total trading value continue to decline in the third quarter of 2019. Despite the external headwinds, the Malaysian Budget 2020 with its expansionary measures are expected to provide support to the market and focus on achieving a sustainable economic growth. The proposal for tax deductions on expenses of up to RM1.5 million incurred for the listing of technology-based companies and small and medium enterprises on the ACE and LEAP markets for 3 years from 2020 to 2022 is expected to generate interest in companies seeking listing on the markets. In addition, the extension of the existing tax treatment for investors in real estate investment trusts by an additional 6 years until 2025 is anticipated to generate continued interest from local and foreign investors.

In the Derivatives Market, the volatility in crude palm oil prices and the underlying equities market will continue to drive trading and hedging activities. The derivatives trading community is expected to be further expanded through the ongoing initiatives focusing on the Greater China region, whereby the period under review saw the Exchange facilitating new inter-broke relationships and signing up new market makers and liquidity providers from the Greater China region. Furthermore, the Exchange expects increased retail demand through the continuous retail investor engagement and education programmes.

As for the Islamic Capital Market, the Exchange expects to see increased participation by institutional investors on the Bursa Malaysia-*i* platform, as several major institutional funds have already commenced trading on the platform. Meanwhile, trading on Bursa Suq Al-Sila' is expected to sustain its performance through expansion of its global reach and onboarding of new domestic non-banks and cooperatives onto its platform, despite competitive pricing by competitors.

The Exchange will continue to expand and strengthen its products and service offerings to drive trading activities, as well as attract new investors and participants into the markets. On 14 August 2019, the Exchange revamped the rules and directives of Bursa Malaysia Derivatives Berhad and Bursa Malaysia Derivatives Clearing Berhad to enhance business efficiency and flexibility of doing business amongst trading and clearing participants.

Taking into consideration the Exchange's performance to date and the continued challenging environment, the Exchange expects to register a satisfactory performance in the fourth quarter of 2019.

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

27. INCOME TAX EXPENSE

	Quarter Ended			Year-To-Date Ended		
	30.09.2019 RM'000	30.09.2018 RM'000	Changes %	30.09.2019 RM'000	30.09.2018 RM'000	Changes %
Income tax						
Current provision	17,121	16,299	5.0	50,811	59,450	(14.5)
Overprovision of tax in previous year	(159)	(224)	(29.0)	(159)	(224)	(29.0)
	16,962	16,075	5.5	50,652	59,226	(14.5)
Deferred tax						
Relating to origination and reversal of temporary differences	(439)	1,023	(142.9)	(2,090)	(85)	2,358.8
(Over)/Under provision of tax in previous year	(94)	397	(123.7)	(94)	397	(123.7)
	(533)	1,420	(137.5)	(2,184)	312	(800.0)
Total income tax expense	16,429	17,495	(6.1)	48,468	59,538	(18.6)

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current and previous corresponding periods.

The effective tax rates of the Group for the current and previous corresponding periods were higher than the statutory tax rate of the respective periods principally due to certain expenses being not deductible for tax purposes.

28. TRADE RECEIVABLES

	As at 30.09.2019 RM'000	As at 31.12.2018 RM'000
Trade receivables	40,578	40,345
Less: Allowance for impairment loss	(2,382)	(1,745)
	38,196	38,600

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

28. TRADE RECEIVABLES (CONT'D)

The ageing analysis of the Group's trade receivables is as follows:

	As at 30.09.2019 RM'000	As at 31.12.2018 RM'000
Not past due and not credit impaired	30,537	33,103
Past due and not credit impaired:		
< 30 days	4,536	2,779
31 - 60 days	1,708	2,032
61 - 90 days	340	279
91 - 180 days	967	413
> 181 days	751	598
Credit impaired	1,739	1,141
Trade receivables (gross)	40,578	40,345
Less: Allowance for impairment loss	(2,382)	(1,745)
	38,196	38,600

Trade receivables that are past due and not impaired are creditworthy debtors. The Group has no significant concentration of credit risk that may arise from exposures to a single clearing participant or counterparty.

29. CORPORATE PROPOSAL

On 18 September 2019, the Company announced that the Board had approved the acquisition of the remaining 25% equity interest in BMD by the Company from CMEGSI pursuant to an exercise of a put option by CME Group as disclosed in Note 23. The consideration for the transaction is expected to be settled by early December 2019.

Other than the above, there were no corporate proposals announced but not completed as at the reporting date.

30. BORROWINGS AND DEBT SECURITIES

As at the reporting date, there were no short-term borrowings and the Group has not issued any debt securities.

31. CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group as at the reporting date.

32. DECLARED DIVIDEND

There was no dividend declared in the current quarter and the corresponding quarter in the previous year.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

33. EARNINGS PER SHARE ("EPS")

(a) Basic EPS

	Quarter Ended		Year-To-Date Ended	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Profit attributable to the owners of the Company (RM'000)	47,104	50,192	140,298	172,187
Weighted average number of ordinary shares in issue ('000)	808,380	807,328	807,780	806,614
Basic EPS (sen)	5.8	6.2	17.4	21.3

(b) Diluted EPS

	Quarter Ended		Year-To-Date Ended	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
Profit attributable to the owners of the Company (RM'000)	47,104	50,192	140,298	172,187
Weighted average number of ordinary shares in issue ('000)	808,380	807,328	807,780	806,614
Effects of dilution of share grants ('000)	1,083	2,706	1,695	2,934
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	809,463	810,034	809,475	809,548
Diluted EPS (sen)	5.8	6.2	17.3	21.3

34. NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Net assets per share as at 30 September 2019 stood at RM0.91, a decrease of 15.7% compared to RM1.08 as at 31 December 2018 mainly due to the recognition of the put option price and the Additional Sum as disclosed in Note 23.

35. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2018 was unmodified.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

36. REVIEW BY EXTERNAL AUDITORS

The Board had engaged the external auditors to review and report on the Condensed Report of Bursa Malaysia Berhad for the quarter and year-to-date ended 30 September 2019 in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

The external auditors reported to the Board that nothing had come to their attention to cause them to believe that the Condensed Report was not prepared, in all material respects, in accordance with the MFRS 134 *Interim Financial Reporting* and the IAS 34 *Interim Financial Reporting*. The report was made to the Board in accordance with the terms of the engagement letter with the external auditors and for no other purpose.

37. AUTHORISED FOR ISSUE

The Condensed Report was authorised for issue by the Board in accordance with a resolution of the Directors on 29 October 2019.