



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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2019**

**29 April 2019**

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

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2019**

	Note	Quarter and Year-To-Date Ended		
		31.03.2019 RM'000 (Reviewed)	31.03.2018 RM'000 (Reviewed)	Changes %
Operating revenue	8	121,440	144,836	(16.2)
Other income	9	5,088	5,875	(13.4)
		126,528	150,711	(16.0)
Staff costs		(33,516)	(34,798)	(3.7)
Depreciation and amortisation		(5,078)	(5,565)	(8.8)
Other operating expenses	10	(23,428)	(22,555)	3.9
Profit from operations		64,506	87,793	(26.5)
Finance costs		(133)	(133)	-
Profit before tax		64,373	87,660	(26.6)
Income tax expense	26	(16,158)	(22,003)	(26.6)
<b>Profit for the period</b>		<b>48,215</b>	<b>65,657</b>	<b>(26.6)</b>
<b>Profit attributable to:</b>				
Owners of the Company		46,855	63,781	(26.5)
Non-controlling interest		1,360	1,876	(27.5)
		48,215	65,657	(26.6)

	Note	Quarter and Year-To-Date Ended	
		31.03.2019 Sen per share (Reviewed)	31.03.2018 Sen per share (Reviewed)
<b>Earnings per share ("EPS") attributable to owners of the Company:</b>			
Basic EPS	32(a)	5.8	7.9
Diluted EPS	32(b)	5.8	7.9

*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 31 MARCH 2019**

	Quarter and Year-To-Date Ended		
	31.03.2019 RM'000 (Reviewed)	31.03.2018 RM'000 (Reviewed)	Changes %
Profit for the period	48,215	65,657	(26.6)
<b>Other comprehensive income:</b>			
<b>Items that may be subsequently reclassified to profit or loss:</b>			
Loss on foreign currency translation	(57)	(162)	(64.8)
Net fair value changes in unquoted bonds at fair value through other comprehensive income ("FVTOCI")	200	(66)	(403.0)
Income tax effects relating to unquoted bonds at FVTOCI	(45)	10	(550.0)
	98	(218)	(145.0)
<b>Item that will not be subsequently reclassified to profit or loss:</b>			
Net fair value changes in quoted shares at FVTOCI	(41,442)	11,265	(467.9)
	(41,442)	11,265	(467.9)
<b>Total other comprehensive income, net of income tax</b>	<b>(41,344)</b>	<b>11,047</b>	<b>(474.3)</b>
<b>Total comprehensive income</b>	<b>6,871</b>	<b>76,704</b>	<b>(91.0)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	5,511	74,828	(92.6)
Non-controlling interest	1,360	1,876	(27.5)
	6,871	76,704	(91.0)

*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 31 MARCH 2019**

	Note	As at 31.03.2019 RM'000 (Reviewed)	As at 31.12.2018 RM'000 (Audited)
<b>Assets</b>			
Property, plant and equipment		169,105	171,424
Computer software		39,540	40,347
Right-of-use assets		8,268	8,296
Goodwill		42,957	42,957
Investment securities		301,929	338,140
Staff loans receivable		2,129	2,287
Deferred tax assets		8,299	7,455
<b>Non-current assets</b>		<b>572,227</b>	<b>610,906</b>
Trade receivables	27	50,025	38,600
Other receivables		18,643	18,572
Tax recoverable		5,613	2,961
Investment securities		25,016	34,935
Cash for equity margins, derivatives trading margins, security deposits and eDividend distributions	13	1,334,070	1,375,995
Cash and bank balances of Clearing Funds	14	130,806	129,806
Cash and bank balances of the Group	15	190,872	222,785
<b>Current assets</b>		<b>1,755,045</b>	<b>1,823,654</b>
<b>Total assets</b>		<b>2,327,272</b>	<b>2,434,560</b>
<b>Equity and liabilities</b>			
Share capital		424,142	424,142
Other reserves		211,145	251,311
Retained earnings		152,893	199,705
Equity attributable to owners of the Company		788,180	875,158
Non-controlling interest		13,651	12,291
<b>Total equity</b>		<b>801,831</b>	<b>887,449</b>
Retirement benefit obligations		18,094	18,082
Deferred income		2,709	2,805
Lease liabilities		7,590	7,466
Deferred tax liabilities		1,295	1,388
<b>Non-current liabilities</b>		<b>29,688</b>	<b>29,741</b>
Trade payables	13	1,334,032	1,375,955
Participants' contributions to Clearing Funds	14	40,806	39,806
Other payables		119,060	97,498
Lease liabilities		514	505
Tax payable		1,341	3,606
<b>Current liabilities</b>		<b>1,495,753</b>	<b>1,517,370</b>
<b>Total liabilities</b>		<b>1,525,441</b>	<b>1,547,111</b>
<b>Total equity and liabilities</b>		<b>2,327,272</b>	<b>2,434,560</b>
		<b>RM</b>	<b>RM</b>
<b>Net assets per share attributable to owners of the Company</b>	33	<b>0.98</b>	<b>1.08</b>

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)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2019**

	← Attributable to owners of the Company →						Total	Non-controlling interest	Total equity
	← 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	RM'000	RM'000	RM'000
<b>At 1 January 2019</b>	424,142	605	6,963	30,000	213,743	199,705	875,158	12,291	887,449
Profit for the period	-	-	-	-	-	46,855	46,855	1,360	48,215
Other comprehensive income, net of income tax	-	(57)	-	-	(41,287)	-	(41,344)	-	(41,344)
Total comprehensive income	-	(57)	-	-	(41,287)	46,855	5,511	1,360	6,871
<b>Transactions with owners:</b>									
Share grant plan ("SGP") expense	-	-	1,178	-	-	-	1,178	-	1,178
Dividends paid to owners of the Company (Note 7)	-	-	-	-	-	(93,667)	(93,667)	-	(93,667)
Total transactions with owners	-	-	1,178	-	-	(93,667)	(92,489)	-	(92,489)
<b>At 31 March 2019</b>	<b>424,142</b>	<b>548</b>	<b>8,141</b>	<b>30,000</b>	<b>172,456</b>	<b>152,893</b>	<b>788,180</b>	<b>13,651</b>	<b>801,831</b>
<b>At 1 January 2018</b>	402,169	531	6,849	30,000	142,558	267,881	849,988	12,469	862,457
Profit for the period	-	-	-	-	-	63,781	63,781	1,876	65,657
Other comprehensive income, net of income tax	-	(162)	-	-	11,209	-	11,047	-	11,047
Total comprehensive income	-	(162)	-	-	11,209	63,781	74,828	1,876	76,704
<b>Transactions with owners:</b>									
SGP expense	-	-	1,640	-	-	-	1,640	-	1,640
Dividend paid to owners of the Company (Note 7)	-	-	-	-	-	(99,438)	(99,438)	-	(99,438)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	(3,375)	(3,375)
Total transactions with owners	-	-	1,640	-	-	(99,438)	(97,798)	(3,375)	(101,173)
<b>At 31 March 2018</b>	<b>402,169</b>	<b>369</b>	<b>8,489</b>	<b>30,000</b>	<b>153,767</b>	<b>232,224</b>	<b>827,018</b>	<b>10,970</b>	<b>837,988</b>

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 QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2019**

	Note	Quarter and Year-To-Date Ended	
		31.03.2019 RM'000 (Reviewed)	31.03.2018 RM'000 (Reviewed)
<b>Cash flows from operating activities</b>			
Profit before tax		64,373	87,660
Adjustments for:			
(Accretion of discount)/amortisation of premium, net		(1)	3
Depreciation and amortisation		5,078	5,565
Dividend income from investment securities	9	(823)	(731)
Grant income	9	(163)	(146)
Interest income	9	(4,050)	(4,647)
Interest expense on lease liabilities		133	133
Net loss on disposals of motor vehicles	9	278	-
Net (reversal of impairment loss)/impairment loss on:			
- investment securities	10	(47)	13
- trade and other receivables	10	90	39
Retirement benefit obligations		210	247
SGP expense		1,178	1,640
Unrealised loss on foreign exchange differences		59	206
Operating profit before working capital changes		66,315	89,982
Increase in receivables		(12,433)	(13,065)
Increase in other payables		23,668	20,396
Cash generated from operations		77,550	97,313
Staff loans repaid, net of disbursements		167	201
Retirement benefits paid		(198)	(2,721)
Net tax paid		(22,058)	(21,012)
<b>Net cash from operating activities</b>		<b>55,461</b>	<b>73,781</b>
<b>Cash flows from investing activities</b>			
Dividend received		754	-
Increase in deposits not for short-term funding requirements		(624)	(38,454)
Interest received		4,918	5,824
Proceeds from disposals of investment securities		9,947	5,000
Proceeds from disposals of motor vehicles		245	-
Purchases of investment securities		(5,011)	-
Purchases of property, plant and equipment and computer software		(4,504)	(2,175)
<b>Net cash from/(used in) investing activities</b>		<b>5,725</b>	<b>(29,805)</b>
<b>Cash flows from financing activities</b>			
Dividend paid to owners of the Company	7	(93,667)	(99,438)
Dividend paid by a subsidiary to non-controlling interest		-	(3,375)
Grant received		-	1,600
<b>Net cash used in financing activities</b>		<b>(93,667)</b>	<b>(101,213)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(32,481)</b>	<b>(57,237)</b>
Effect of exchange rate changes		(56)	(165)
Cash and cash equivalents at beginning of period		167,960	248,132
<b>Cash and cash equivalents at end of period</b>	15	<b>135,423</b>	<b>190,730</b>

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 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 and have not been adopted by 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*

The above pronouncements are either not relevant or do not have any material impact on the financial statements of the Group.

**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 31 March 2019.

**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 31 March 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 31 March 2019.

**7. DIVIDEND PAID**

The following dividend was paid during the current quarter and year-to-date ended:

	31.03.2019	31.03.2018
<b>Second interim dividend</b>		
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
Dividend per share (single-tier)	11.6 sen	18.5 sen
Net dividends paid (RM'000)	93,667	99,438

**8. OPERATING REVENUE**

	Quarter and Year-To-Date Ended		
	31.03.2019	31.03.2018	Changes
	RM'000	RM'000	%
Trade fees	6,031	8,283	(27.2)
Clearing fees	47,083	61,407	(23.3)
Others	5,912	6,583	(10.2)
<b>Total Securities trading revenue</b>	<b>59,026</b>	<b>76,273</b>	<b>(22.6)</b>
Trade fees	8,785	10,991	(20.1)
Clearing fees	3,890	4,286	(9.2)
Others	3,679	3,706	(0.7)
<b>Total Derivatives trading revenue</b>	<b>16,354</b>	<b>18,983</b>	<b>(13.8)</b>
Bursa Suq Al-Sila ("BSAS") trading revenue	3,930	3,967	(0.9)
Listing and issuer services	11,876	15,673	(24.2)
Depository services	10,196	10,501	(2.9)
Market data	9,581	8,455	13.3
Member services and connectivity	5,454	5,454	-
Conference fees and exhibition-related income	5,023	5,530	(9.2)
<b>Total other operating revenue</b>	<b>46,060</b>	<b>49,580</b>	<b>(7.1)</b>
<b>Total operating revenue</b>	<b>121,440</b>	<b>144,836</b>	<b>(16.2)</b>



**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 table illustrates 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 table also includes the timing of revenue recognition.

**OPERATING REVENUE FOR THE QUARTER AND YEAR-TO-DATE ENDED**

	Securities Market			Derivatives Market			Exchange Holding Company			Others			Total		
	31.03.2019 RM'000	31.03.2018 RM'000	Changes %	31.03.2019 RM'000	31.03.2018 RM'000	Changes %	31.03.2019 RM'000	31.03.2018 RM'000	Changes %	31.03.2019 RM'000	31.03.2018 RM'000	Changes %	31.03.2019 RM'000	31.03.2018 RM'000	Changes %
<b>Major products or services:</b>															
Securities trading	59,026	76,273	(22.6)	-	-	-	-	-	-	-	-	-	59,026	76,273	(22.6)
Derivatives trading	-	-	-	16,354	18,983	(13.8)	-	-	-	-	-	-	16,354	18,983	(13.8)
BSAS trading	-	-	-	-	-	-	-	-	-	3,930	3,967	(0.9)	3,930	3,967	(0.9)
Listing and issuer services	11,846	15,631	(24.2)	-	-	-	-	-	-	30	42	(28.6)	11,876	15,673	(24.2)
Depository services	10,196	10,501	(2.9)	-	-	-	-	-	-	-	-	-	10,196	10,501	(2.9)
Market data	7,605	6,412	18.6	1,924	1,983	(3.0)	-	-	-	52	60	(13.3)	9,581	8,455	13.3
Member services and connectivity	3,390	3,499	(3.1)	139	40	247.5	1,893	1,885	0.4	32	30	6.7	5,454	5,454	-
Conference fees and exhibition-related income	-	-	-	5,023	5,530	(9.2)	-	-	-	-	-	-	5,023	5,530	(9.2)
	<b>92,063</b>	<b>112,316</b>	<b>(18.0)</b>	<b>23,440</b>	<b>26,536</b>	<b>(11.7)</b>	<b>1,893</b>	<b>1,885</b>	<b>0.4</b>	<b>4,044</b>	<b>4,099</b>	<b>(1.3)</b>	<b>121,440</b>	<b>144,836</b>	<b>(16.2)</b>
<b>Timing of revenue recognition:</b>															
At a point in time	78,762	97,144	(18.9)	22,274	25,511	(12.7)	-	-	-	3,964	4,008	(1.1)	105,000	126,663	(17.1)
Over time	13,301	15,172	(12.3)	1,166	1,025	13.8	1,893	1,885	0.4	80	91	(12.1)	16,440	18,173	(9.5)
	<b>92,063</b>	<b>112,316</b>	<b>(18.0)</b>	<b>23,440</b>	<b>26,536</b>	<b>(11.7)</b>	<b>1,893</b>	<b>1,885</b>	<b>0.4</b>	<b>4,044</b>	<b>4,099</b>	<b>(1.3)</b>	<b>121,440</b>	<b>144,836</b>	<b>(16.2)</b>

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

**9. OTHER INCOME**

	Quarter and Year-To-Date Ended		
	31.03.2019 RM'000	31.03.2018 RM'000	Changes %
Interest income from:			
- deposits and investment securities	4,026	4,616	(12.8)
- others	24	31	(22.6)
Dividend income	823	731	12.6
Grant income	163	146	11.6
Net loss on disposals of motor vehicles (Note a)	(278)	-	-
Rental income	319	320	(0.3)
Miscellaneous income	11	31	(64.5)
<b>Total other income</b>	<b>5,088</b>	<b>5,875</b>	<b>(13.4)</b>

(a) During the quarter and year-to-date ended 31 March 2019, the net loss arose from the disposals of motor vehicles to the former Chairman and former Chief Executive Officer ("CEO") of the Company.

**10. OTHER OPERATING EXPENSES**

	Quarter and Year-To-Date Ended		
	31.03.2019 RM'000	31.03.2018 RM'000	Changes %
Administrative expenses	1,448	1,620	(10.6)
Building management expenses	2,625	2,532	3.7
Central Depository System ("CDS") consumables	501	634	(21.0)
Marketing and development expenses	6,389	4,631	38.0
Professional fees	586	493	18.9
Technology expenses:			
- information technology maintenance	5,153	4,885	5.5
- service fees	4,126	5,013	(17.7)
Net loss on foreign exchange differences	235	475	(50.5)
Net (reversal of impairment loss)/impairment loss on:			
- investment securities	(47)	13	(461.5)
- trade and other receivables	90	39	130.8
Miscellaneous expenses	2,322	2,220	4.6
<b>Total other operating expenses</b>	<b>23,428</b>	<b>22,555</b>	<b>3.9</b>

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

**11. SEGMENT INFORMATION**

**RESULTS FOR FOR THE QUARTER AND YEAR-TO-DATE ENDED**

	Securities Market			Derivatives Market			Exchange Holding Company			Others			Total		
	31.03.2019 RM'000	31.03.2018 RM'000	Changes %	31.03.2019 RM'000	31.03.2018 RM'000	Changes %	31.03.2019 RM'000	31.03.2018 RM'000	Changes %	31.03.2019 RM'000	31.03.2018 RM'000	Changes %	31.03.2019 RM'000	31.03.2018 RM'000	Changes %
Operating revenue (Note 8)	92,063	112,316	(18.0)	23,440	26,536	(11.7)	1,893	1,885	0.4	4,044	4,099	(1.3)	121,440	144,836	(16.2)
Other income	3,179	3,454	(8.0)	479	459	4.4	1,374	1,909	(28.0)	56	53	5.7	5,088	5,875	(13.4)
Direct costs	(22,869)	(21,856)	4.6	(14,006)	(13,694)	2.3	(7,164)	(9,199)	(22.1)	(1,654)	(1,507)	9.8	(45,693)	(46,256)	(1.2)
<b>Segment profit/(loss)</b>	<b>72,373</b>	<b>93,914</b>	<b>(22.9)</b>	<b>9,913</b>	<b>13,301</b>	<b>(25.5)</b>	<b>(3,897)</b>	<b>(5,405)</b>	<b>(27.9)</b>	<b>2,446</b>	<b>2,645</b>	<b>(7.5)</b>	<b>80,835</b>	<b>104,455</b>	<b>(22.6)</b>
Overheads													(16,462)	(16,795)	(2.0)
<b>Profit before tax</b>													<b>64,373</b>	<b>87,660</b>	<b>(26.6)</b>

**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
<b>ASSETS AND LIABILITIES AS AT 31 MARCH 2019</b>					
Assets	339,461	99,416	385,710	23,897	848,484
Clearing Funds	103,692	27,114	-	-	130,806
Cash for equity margins, derivatives trading margins, security deposits and eDividend distributions	131,088	1,202,982	-	-	1,334,070
Segment assets	574,241	1,329,512	385,710	23,897	2,313,360
Unallocated corporate assets	-	-	-	-	13,912
<b>Total assets</b>	<b>574,241</b>	<b>1,329,512</b>	<b>385,710</b>	<b>23,897</b>	<b>2,327,272</b>
Liabilities	63,188	13,507	55,832	15,402	147,929
Participants' contributions to Clearing Funds	18,692	22,114	-	-	40,806
Equity margins, derivatives trading margins, security deposits and eDividend distributions	131,088	1,202,982	-	-	1,334,070
Segment liabilities	212,968	1,238,603	55,832	15,402	1,522,805
Unallocated corporate liabilities	-	-	-	-	2,636
<b>Total liabilities</b>	<b>212,968</b>	<b>1,238,603</b>	<b>55,832</b>	<b>15,402</b>	<b>1,525,441</b>
<b>ASSETS AND LIABILITIES AS AT 31 DECEMBER 2018</b>					
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
<b>Total assets</b>	<b>599,281</b>	<b>1,370,142</b>	<b>428,587</b>	<b>26,134</b>	<b>2,434,560</b>
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
<b>Total liabilities</b>	<b>177,361</b>	<b>1,284,357</b>	<b>64,775</b>	<b>15,624</b>	<b>1,547,111</b>

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**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).

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

	As at 31.03.2019 RM'000	As at 31.12.2018 RM'000
Equity margins	131,050	125,385
Derivatives trading margins	1,175,624	1,223,643
Security deposits from derivatives participants	27,358	26,927
Total equity margins, derivatives trading margins and security deposits, representing trade payables	1,334,032	1,375,955
Cash received for eDividend distributions (included in other payables)	38	40
<b>Total cash for equity margins, derivatives trading margins, security deposits and eDividend distributions</b>	<b>1,334,070</b>	<b>1,375,995</b>

The amount of non-cash collaterals for equity margins, derivatives trading margins and security deposits 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 31.03.2019 RM'000	As at 31.12.2018 RM'000
Collaterals in the form of letters of credit	623,790	620,819
Collaterals in the form of shares	331	307
	<b>624,121</b>	<b>621,126</b>

**14. CASH AND BANK BALANCES OF CLEARING FUNDS**

	Participants' contributions RM'000	Cash set aside by the Group RM'000	Total RM'000
<b>As at 31 March 2019</b>			
Contributions from Trading Clearing Participants ("TCPs") of Bursa Malaysia Securities Clearing Sdn Bhd ("BMSC")	18,692	-	18,692
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
Clearing Guarantee Fund ("CGF") contributions	18,692	85,000	103,692
Contributions from Clearing Participants ("CPs") of Bursa Malaysia Derivatives Clearing Bhd ("BMDC")	22,114	-	22,114
Contribution from BMDC	-	5,000	5,000
Derivatives Clearing Fund ("DCF") contributions	22,114	5,000	27,114
<b>Total cash and bank balances of Clearing Funds</b>	<b>40,806</b>	<b>90,000</b>	<b>130,806</b>

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

**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
<b>As at 31 December 2018</b>			
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
<b>Total cash and bank balances of Clearing Funds</b>	<b>39,806</b>	<b>90,000</b>	<b>129,806</b>

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

**15. CASH AND BANK BALANCES OF THE GROUP**

	As at 31.03.2019 RM'000	As at 31.12.2018 RM'000
Cash and bank balances	3,974	3,678
Deposits for short-term funding requirements	131,449	164,282
Cash and cash equivalents	135,423	167,960
Deposits not for short-term funding requirements	55,449	54,825
<b>Total cash and bank balances</b>	<b>190,872</b>	<b>222,785</b>

**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 period are as follows:

	As at 31.03.2019 RM'000	As at 31.12.2018 RM'000
<b>Approved and contracted for:</b>		
Computers and office automation	4,685	2,193
Office equipment and renovations	96	364
	<b>4,781</b>	<b>2,557</b>
<b>Approved but not contracted for:</b>		
Computers and office automation	3,432	2,851
	<b>3,432</b>	<b>2,851</b>

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**17. CONTINGENT ASSETS AND LIABILITIES**

There are no contingent assets and no changes in the contingent liability in respect of the put and call options with Chicago Mercantile Exchange ("CME") Group over the ordinary shares of Bursa Malaysia Derivatives Berhad held by CME Group since 31 December 2018.

**18. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the quarter and year-to-date ended 31 March 2019.

**19. 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 31.03.2019 RM'000	As at 31.12.2018 RM'000
Not later than 1 year	923	950
Later than 1 year and not later than 5 years	961	1,187
<b>Total future minimum lease receivables</b>	<b>1,884</b>	<b>2,137</b>

**20. FINANCIAL INSTRUMENTS**

**20.1 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 31.03.2019 RM'000	As at 31.12.2018 RM'000
<b>Assets</b>		
<b>Financial assets at FVTOCI</b>		
Investment securities:		
- quoted shares (outside Malaysia)	256,552	297,993
- unquoted bonds	70,393	70,159
	<b>326,945</b>	<b>368,152</b>
<b>Financial assets at amortised cost</b>		
Investment securities - commercial paper	-	4,923
Staff loans receivable	2,556	2,747
Trade receivables	50,025	38,600
Other receivables which are financial assets*	7,518	8,417
Cash for equity margins, derivatives trading margins, security deposits and eDividend distributions	1,334,070	1,375,995
Cash and bank balances of Clearing Funds	130,806	129,806
Cash and bank balances of the Group	190,872	222,785
	<b>1,715,847</b>	<b>1,783,273</b>
<b>Total financial assets</b>	<b>2,042,792</b>	<b>2,151,425</b>

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**20. FINANCIAL INSTRUMENTS (CONT'D)**

**20.1 Classification (cont'd)**

	As at 31.03.2019 RM'000	As at 31.12.2018 RM'000
<b>Liabilities</b>		
<b>Financial liabilities at amortised cost</b>		
Trade payables	1,334,032	1,375,955
Participants' contributions to Clearing Funds	40,806	39,806
Other payables which are financial liabilities**	36,756	25,709
Lease liabilities	8,104	7,971
<b>Total financial liabilities</b>	<b>1,419,698</b>	<b>1,449,441</b>

\* 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 amount due to the Securities Commission Malaysia and sundry payables.

**20.2 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 their published market bid prices as at 31 March 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 of unquoted fixed income securities 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 31 March 2019 and 31 December 2018.



**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**20. FINANCIAL INSTRUMENTS (CONT'D)**

**20.2 Fair value (cont'd)**

**(a) Financial instruments that are carried at fair value (cont'd)**

	Level 1 RM'000	Level 2 RM'000	Total RM'000
<b>As at 31 March 2019</b>			
Financial assets at FVTOCI:			
- quoted shares (outside Malaysia)	256,552	-	256,552
- unquoted bonds	-	70,393	70,393
	<b>256,552</b>	<b>70,393</b>	<b>326,945</b>
<b>As at 31 December 2018</b>			
Financial assets at FVTOCI:			
- quoted shares (outside Malaysia)	297,993	-	297,993
- unquoted bonds	-	70,159	70,159
	<b>297,993</b>	<b>70,159</b>	<b>368,152</b>

There were no transfers between Level 1 and Level 2 during the quarter and year-to-date ended 31 March 2019.

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

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

**21. EVENT AFTER THE REPORTING PERIOD**

There was no material event subsequent to the quarter and year-to-date ended 31 March 2019.

**22. SIGNIFICANT EVENT DURING THE REPORTING PERIOD**

There was no significant event during the quarter and year-to-date ended 31 March 2019.

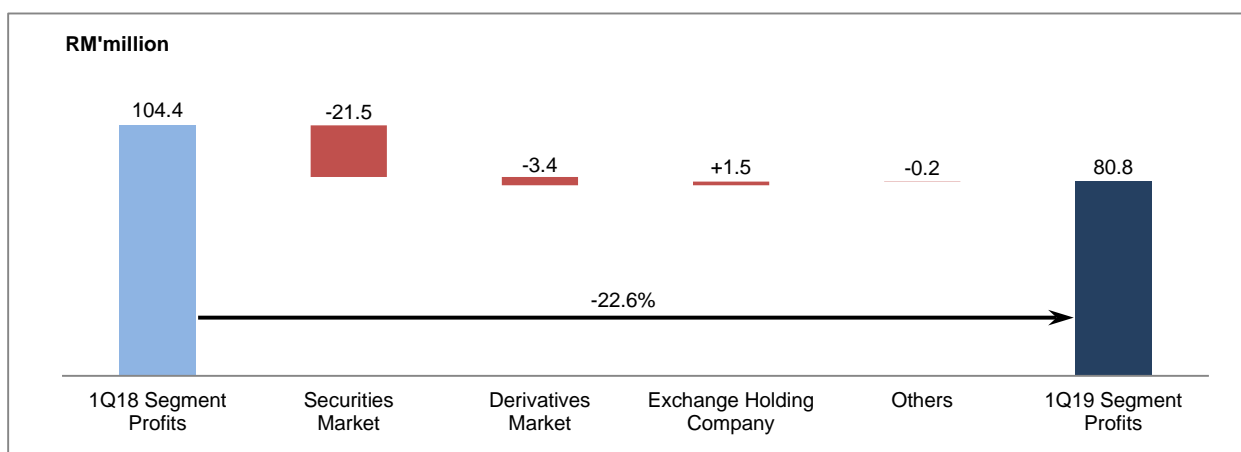
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. OPERATING SEGMENTS REVIEW**

**1Q19 vs. 1Q18**

Profit Before Tax ("PBT") for the quarter ended 31 March 2019 ("1Q19") was RM64.4 million, a decrease of 26.6 per cent compared to RM87.7 million in the quarter ended 31 March 2018 ("1Q18"). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profits for 1Q19 were RM80.8 million, a decrease of 22.6 per cent compared to RM104.4 million in 1Q18. Movements in the segment profits are depicted in the graph below:



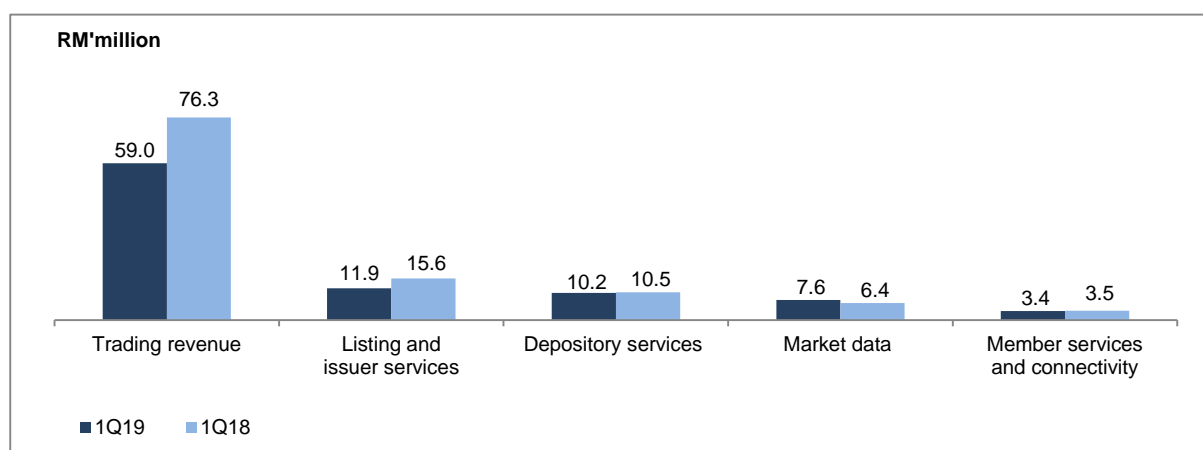
Total comprehensive income for 1Q19 was RM6.9 million, a decrease of 91.0 per cent compared to RM76.7 million in 1Q18. This was mainly due to the decline in the fair value of quoted shares (outside Malaysia) and lower profit earned in 1Q19 compared to 1Q18.

**Securities Market**

Securities Market recorded a segment profit of RM72.4 million in 1Q19, a decrease of 22.9 per cent compared to RM93.9 million in 1Q18 mainly due to lower operating revenue.

**(i) Operating Revenue**

Securities Market's operating revenue for 1Q19 was RM92.1 million, a decrease of 18.0 per cent compared to RM112.3 million in 1Q18. 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**

**23. OPERATING SEGMENTS REVIEW (CONT'D)**

**1Q19 vs. 1Q18 (cont'd)**

**Securities Market (cont'd)**

**(i) Operating Revenue (cont'd)**

- > Trading revenue decreased by 22.6 per cent to RM59.0 million in 1Q19, which was mainly attributed to a lower Average Daily trading Value ("ADV") for On-Market Trades ("OMT") and Direct Business Trades ("DBT") of RM2.41 billion in 1Q19 compared to RM2.93 billion in 1Q18. Trading velocity in 1Q19 was lower by 6 percentage points to 29% compared to 1Q18.
- > Listing and issuer services revenue declined by 24.2 per cent from RM15.6 million in 1Q18 to RM11.9 million in 1Q19. This was mainly due to lower listing fees earned in 1Q19, and lower perusal and processing fees earned as a result of lower number of circular submissions and corporate exercises respectively.
- > Market data revenue increased by 18.6 per cent to RM7.6 million in 1Q19 compared to 1Q18, mainly due to higher number of subscribers in 1Q19.

Key operating drivers of the Securities Market are as follows:

<b>Key operating drivers</b>		<b>1Q19</b>	<b>1Q18</b>	<b>Changes (%)</b>
FBMKLCI	(points)	1,643.63	1,863.46	(11.8)
ADV (OMT and DBT)	(RM'billion)	2.41	2.93	(17.7)
Average daily trading volume (OMT and DBT)	(billion shares)	2.87	3.27	(12.2)
Effective clearing fee rate	(basis points)	2.41	2.31	4.3
Velocity	(per cent)	29	35	(6.0)
Number of Initial Public Offerings ("IPOs")		5	7	(28.6)
Number of new structured warrants listed		265	269	(1.5)
Total funds raised:				
IPOs	(RM'million)	112.66	211.69	(46.8)
Secondary issues	(RM'million)	326.94	2,560.11	(87.2)
Market capitalisation as at end of period	(RM'billion)	1,729.50	1,895.66	(8.8)
Number of trading days		59	61	-

**(ii) Operating Expenses**

Segment expenses increased by 4.6 per cent to RM22.9 million in 1Q19 compared to RM21.9 million in 1Q18 mainly due to higher marketing and development expenses incurred in 1Q19.

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

**23. OPERATING SEGMENTS REVIEW (CONT'D)**

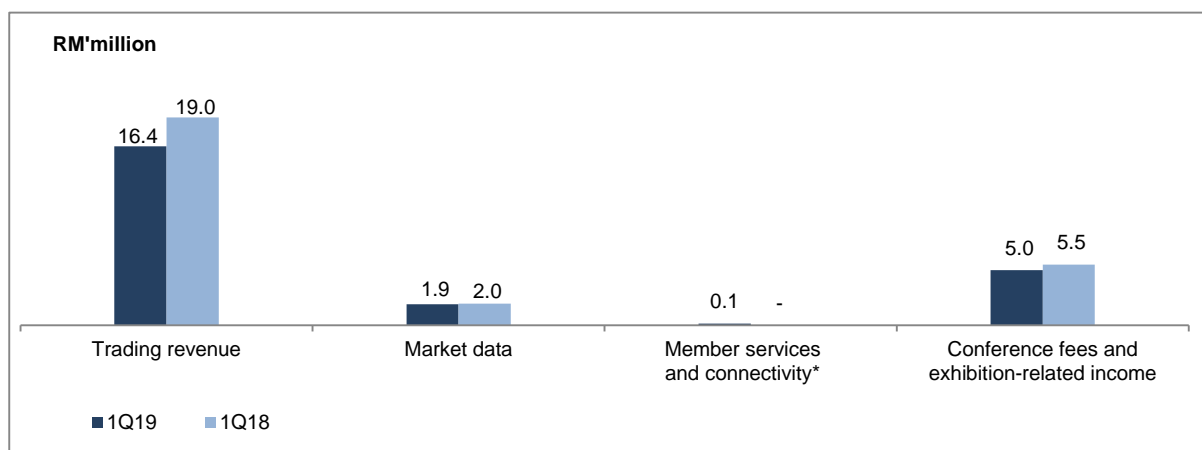
**1Q19 vs. 1Q18 (cont'd)**

**Derivatives Market**

The Derivatives Market recorded a segment profit of RM9.9 million in 1Q19, a decrease of 25.5 per cent from RM13.3 million in 1Q18 which was mainly attributed to lower operating revenue.

**(i) Operating Revenue**

Derivatives Market's operating revenue for 1Q19 was RM23.4 million, a decrease of 11.7 per cent compared to RM26.5 million in 1Q18. Details by revenue category are shown in the chart below:



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

- > Trading revenue decreased by 13.8 per cent to RM16.4 million in 1Q19 mainly due to lower number of contracts traded for Crude Palm Oil Futures ("FCPO") and FBMKLCI Futures ("FKLI"), as well as higher market incentives incurred in 1Q19.

Key operating drivers of the Derivatives Market are as follows:

Key operating drivers	1Q19	1Q18	Changes (%)
FCPO contracts	2,196,842	2,715,451	(19.1)
FKLI contracts	502,541	545,352	(7.9)
US Dollar denominated Refined, Bleached and Deodorised Palm Olein Futures ("FPOL") contracts	19	-	100.0
FM70 contracts	84,619	-	100.0
Other contracts	10,188	34,441	(70.4)
<b>Total contracts</b>	<b>2,794,209</b>	<b>3,295,244</b>	<b>(15.2)</b>
Average daily number of contracts traded	47,359	54,020	(12.3)
Average number of open interest positions	243,934	284,287	(14.2)
Number of trading days	59	61	-

**(ii) Operating Expenses**

Segment expenses increased marginally by 2.3 per cent to RM14.0 million in 1Q19 compared to RM13.7 million in 1Q18.

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

**23. OPERATING SEGMENTS REVIEW (CONT'D)**

**1Q19 vs. 1Q18 (cont'd)**

**Exchange Holding Company**

The Exchange Holding Company recorded a lower segment loss of RM3.9 million in 1Q19 compared to RM5.4 million in 1Q18 mainly due to lower staff costs in 1Q19.

**Others**

This segment is made up of BSAS, bonds and offshore exchange businesses. The segment profit decreased by 7.5 per cent to RM2.4 million in 1Q19 compared to RM2.6 million in 1Q18.

**Overheads**

Overheads decreased marginally by 2.0 per cent to RM16.5 million in 1Q19 compared to RM16.8 million in 1Q18.

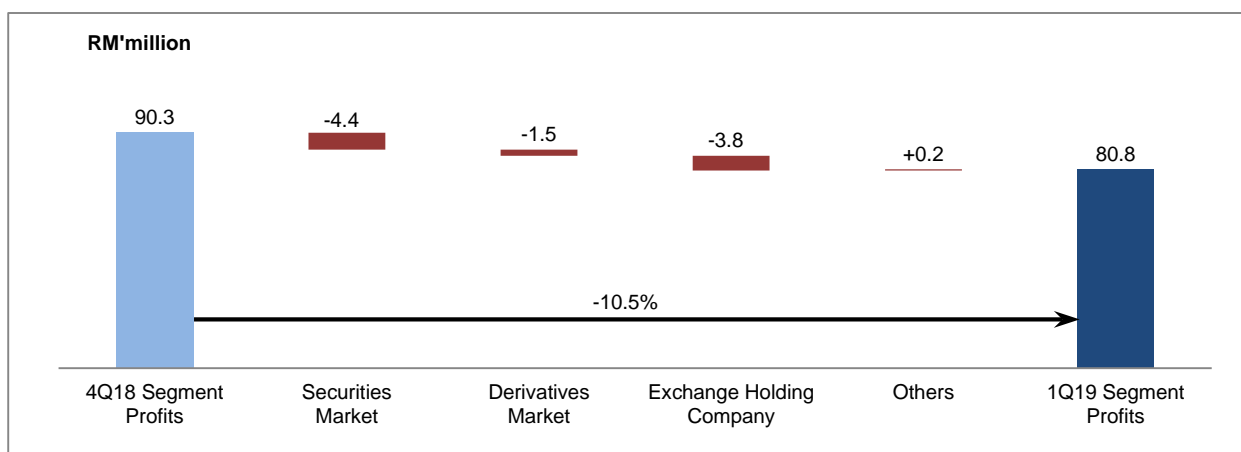
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

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

Financial Results	Quarter Ended		Changes %
	31.03.2019 RM'000	31.12.2018 RM'000	
Operating revenue	121,440	121,027	0.3
Other income	5,088	7,889	(35.5)
Staff costs	126,528	128,916	(1.9)
Depreciation and amortisation	(33,516)	(28,874)	16.1
Other operating expenses	(5,078)	(5,424)	(6.4)
Other operating expenses	(23,428)	(22,824)	2.6
Profit from operations	64,506	71,794	(10.2)
Finance costs	(133)	(133)	-
PBT	64,373	71,661	(10.2)

PBT for 1Q19 was RM64.4 million, a decrease of 10.2 per cent from RM71.7 million in the quarter ended 31 December 2018 ("4Q18"). PBT is made up of segment profits less overheads.

Total segment profits for 1Q19 were RM80.8 million, a decrease of 10.5 per cent from RM90.3 million in 4Q18. 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 RM72.4 million in 1Q19, representing a decrease of 5.7 per cent from RM76.8 million in 4Q18 which was mainly due to lower operating revenue and higher operating expenses.

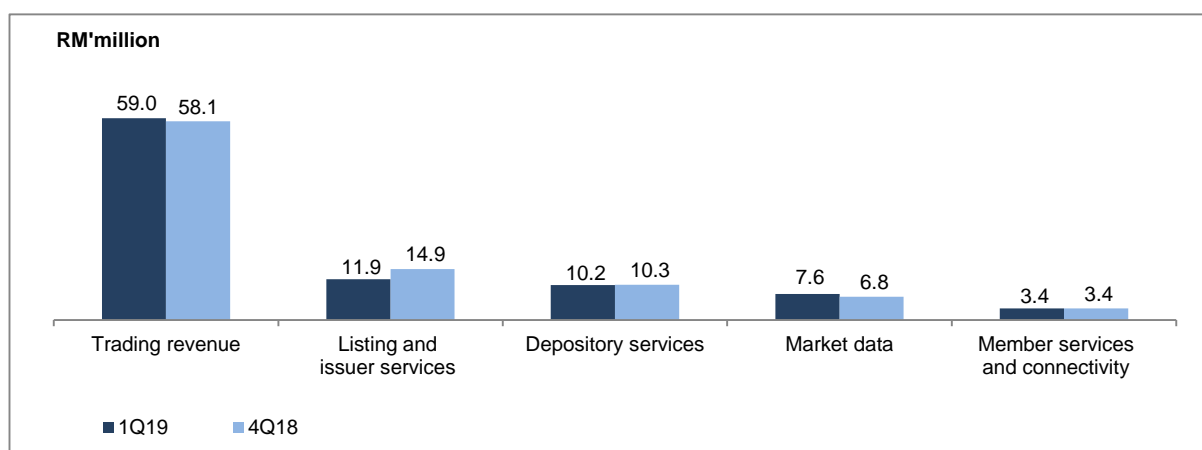
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

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

**Securities Market (cont'd)**

**(i) Operating Revenue**

Securities Market's operating revenue in 1Q19 stood at RM92.1 million, a decrease of 1.5 per cent compared to RM93.5 million in 4Q18. Details by revenue category are shown in the chart below:



- > Trading revenue increased by 1.6 per cent to RM59.0 million in 1Q19, underpinned by a higher ADV for OMT and DBT of RM2.41 billion compared to RM2.04 billion in 4Q18.
- > Listing and issuer services revenue decreased by 20.4 per cent to RM11.9 million in 1Q19 mainly due to lower listing fees earned and lower processing fees earned as a result of lower number of corporate exercises.
- > Market data revenue increased by 12.0 per cent to RM7.6 million in 1Q19 as a result of higher number of subscribers in 1Q19.

Key operating drivers of the Securities Market are as follows:

Key operating drivers		1Q19	4Q18	Changes (%)
FBMKLCI	(points)	1,643.63	1,690.58	(2.8)
ADV (OMT and DBT)	(RM'billion)	2.41	2.04	18.1
Average daily trading volume (OMT and DBT)	(billion shares)	2.87	2.14	34.1
Effective clearing fee rate	(basis points)	2.41	2.37	1.7
Velocity	(per cent)	29	28	1.0
Number of IPOs		5	5	-
Number of new structured warrants listed		265	252	5.2
Total funds raised:				
IPOs	(RM'million)	112.66	85.33	32.0
Secondary issues	(RM'million)	326.94	3,972.87	(91.8)
Market capitalisation as at end of period	(RM'billion)	1,729.50	1,700.37	1.7
Number of trading days		59	63	-

**(ii) Operating Expenses**

Segment expenses increased by 14.6 per cent to RM22.9 million from RM19.9 million in 4Q18 mainly due to higher marketing and development expenses and staff costs in 1Q19.

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

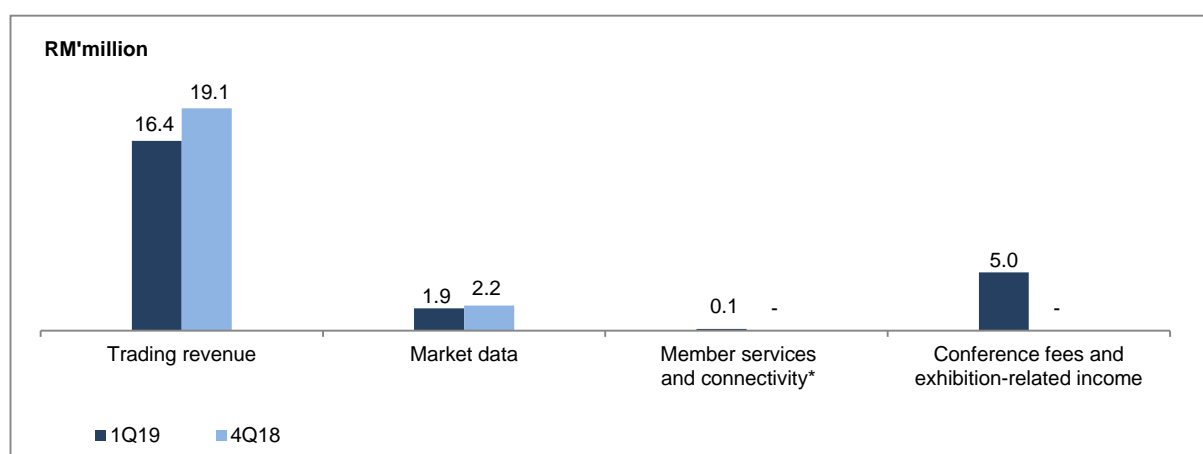
**24. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D)**

**Derivatives Market**

Derivatives Market recorded a segment profit of RM9.9 million in 1Q19, a decrease of 13.3 per cent from RM11.4 million in 4Q18 mainly due to lower trading revenue.

**(i) Operating Revenue**

Derivatives Market's operating revenue for 1Q19 was RM23.4 million, an increase of 9.8 per cent from RM21.3 million in 4Q18. Details by revenue category are shown in the chart below:



\* Member services and connectivity fee income is below RM0.1 million for 4Q18.

- > Trading revenue decreased by 14.6 per cent to RM16.4 million in 1Q19 mainly due to lower number of contracts traded and lower number of trading days in 1Q19. 2.79 million total contracts were traded in 1Q19 compared to 3.69 million total contracts in 4Q18.
- > Conference fees and exhibition-related income earned in 1Q19 is in respect of the Palm and Lauric Oils Price Outlook Conference & Exhibition 2019 ("POC") which was held in March 2019.

Key operating drivers of the Derivatives Market are as follows:

Key operating drivers	1Q19	4Q18	Changes (%)
FCPO contracts	2,196,842	2,615,444	(16.0)
FKLI contracts	502,541	622,468	(19.3)
FPOL contracts	19	283,703	(100.0)
FM70 contracts	84,619	148,745	(43.1)
Other contracts	10,188	15,951	(36.1)
Total contracts	2,794,209	3,686,311	(24.2)
Average daily number of contracts traded	47,359	58,513	(19.1)
Average number of open interest positions	243,934	285,185	(14.5)
Number of trading days	59	63	-

**(ii) Operating Expenses**

Segment expenses increased by 35.4 per cent to RM14.0 million in 1Q19 mainly due to expenses incurred for the POC which was held in 1Q19.



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

**24. 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 higher segment loss of RM3.9 million in 1Q19 compared to RM0.1 million in 4Q18, mainly due to lower dividend income earned in 1Q19.

**Others**

This segment is made up of BSAS, bonds and offshore exchange businesses. The segment profit increased by 11.7 per cent to RM2.4 million in 1Q19 compared to RM2.2 million in 4Q18.

**Overheads**

Overheads decreased by 11.7 per cent to RM16.5 million in 1Q19 compared to RM18.6 million in 4Q18 due to lower professional fees and staff costs in 1Q19.

## **25. COMMENTARY ON PROSPECTS AND TARGETS**

The International Monetary Fund (“IMF”) in its April 2019 report, revised its global economic growth projection for 2019 to 3.3%, from its earlier forecast of 3.5% in January 2019, amid a challenging outlook with considerable uncertainties in the short term, with increased trade tensions weighing on global demand. However, for Malaysia, the IMF expects the gross domestic product (“GDP”) to grow at 4.7% in 2019, from its earlier projection of 4.6% in October 2018. Meanwhile, Bank Negara Malaysia in its 2018 annual report projected Malaysia’s economy to expand between 4.3% to 4.8% in 2019, underpinned by private sector consumption and investment activity.

The performance of the Securities and Derivatives Markets in the first quarter was influenced by both domestic and global developments, concerns of slower economic growth, weaker corporate earnings and palm oil prices. These factors, including China’s economic growth, the movement in crude oil prices and the European Union’s plan to ban the use of palm oil in European biodiesels, will influence the performance of both markets going forward. Nonetheless, the Exchange will continue to expand and strengthen its product offerings, and attract new investors and participants for both the Securities and Derivatives Markets. As for the Islamic Capital Market, the Exchange expects increased participation by institutional investors on the Bursa Malaysia-*i* platform, through its continuous engagements and marketing efforts. On the other hand, Bursa Suq Al-Sila’ (“BSAS”) has recorded growth in its activities in the first quarter and efforts to expand its global reach and onboard more domestic non-bank institutions onto its platform will be further intensified.

Given the challenges ahead, the Exchange expects that the above-mentioned factors will influence its performance, as evidenced in the first quarter of 2019. Nevertheless, Bursa Malaysia will continue with its initiatives to enhance the breadth and depth of the ecosystem through, amongst others, capitalising on technology to improve market efficiency and trading experience, and greater diversification of the investor base. As part of the Exchange’s initiative to improve operational efficiency and reduce systemic risk and align with the practices of major global exchanges, the Exchange has introduced the T+2 settlement cycle for the Securities Market effective 29 April 2019.

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

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

**26. INCOME TAX EXPENSE**

	Quarter and Year-To-Date Ended		
	31.03.2019 RM'000	31.03.2018 RM'000	Changes %
Income tax	17,140	21,717	(21.1)
Deferred tax	(982)	286	(443.4)
<b>Total income tax expense</b>	<b>16,158</b>	<b>22,003</b>	<b>(26.6)</b>

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.

**27. TRADE RECEIVABLES**

	As at 31.03.2019 RM'000	As at 31.12.2018 RM'000
Trade receivables	51,911	40,345
Less: Allowance for impairment loss	(1,886)	(1,745)
	<b>50,025</b>	<b>38,600</b>

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

	As at 31.03.2019 RM'000	As at 31.12.2018 RM'000
Not past due and not credit impaired	40,070	33,103
Past due and not impaired:		
< 30 days	2,799	2,779
31 - 60 days	6,489	2,032
61 - 90 days	314	279
91 - 180 days	565	413
> 181 days	446	598
Credit impaired	1,228	1,141
Trade receivables (gross)	51,911	40,345
Less: Allowance for impairment loss	(1,886)	(1,745)
	<b>50,025</b>	<b>38,600</b>

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.

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

**28. CORPORATE PROPOSAL**

On 27 November 2017, the Company announced the proposed establishment and implementation of a new Employees' Share Grant Plan ("ESGP") of up to four percent (4%) of the number of shares issued by the Company (excluding treasury shares) at any point in time during the tenure of the proposed ESGP. The corporate proposal is being reconsidered by the Board of Directors ("Board") and may be resubmitted for approval by the Securities Commission Malaysia before tabling to the shareholders of the Company for approval at an Extraordinary General Meeting.

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

**29. BORROWINGS AND DEBT SECURITIES**

As at the 31 March 2019, there were no short-term borrowings and the Group has not issued any debt securities.

**30. CHANGES IN MATERIAL LITIGATION**

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

**31. DIVIDEND PAYABLE**

There was no dividend payable in the quarter and year-to-date ended 31 March 2019.

**32. EARNINGS PER SHARE ("EPS")**

**(a) Basic EPS**

	<b>Quarter and Year-To-Date Ended</b>	
	<b>31.03.2019</b>	<b>31.03.2018</b>
Profit attributable to the owners of the Company (RM'000)	46,855	63,781
Weighted average number of ordinary shares in issue ('000)	807,475	806,251
<b>Basic EPS (sen)</b>	<b>5.8</b>	<b>7.9</b>

**(b) Diluted EPS**

	<b>Quarter and Year-To-Date Ended</b>	
	<b>31.03.2019</b>	<b>31.03.2018</b>
Profit attributable to the owners of the Company (RM'000)	46,855	63,781
Weighted average number of ordinary shares in issue ('000)	807,475	806,251
Effects of dilution of share grants ('000)	2,054	2,644
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	809,529	808,895
<b>Diluted EPS (sen)</b>	<b>5.8</b>	<b>7.9</b>

The basic and diluted EPS for the quarter and year-to-date ended 31 March 2018 have accounted for the effects of the bonus issue on 13 April 2018.

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

**33. NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY**

Net assets per share as at 31 March 2019 stood at RM0.98, a decrease of 9.3% compared to RM1.08 as at 31 December 2018 mainly due to the decline in the fair value of quoted shares (outside Malaysia) and lower profit earned in the current quarter ended 31 March 2019.

**34. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

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

**35. 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 31 March 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 to the terms of the engagement letter with the external auditors and for no other purpose.

**36. AUTHORISED FOR ISSUE**

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