

38th Annual General Meeting

31 March 2015



FTSE4Good

Welcome Remarks By The Chairman, Tan Sri Amirsham A Aziz

ABSENT WITH APOLOGY

Independent Non-Executive Director

TAN SRI ONG LEONG HUAT @ WONG JOO HWA



Demand for Poll

Article 54 provides that a poll can be demanded by:

- The Chairman of the meeting; or
- At least 2 members present in person or proxy; or
- Any member or members representing not less than 1/10 of total voting rights of all members attending this 38th AGM; or
- Any member or members holding shares conferring a right to vote at this 38th AGM, being shares on which an aggregate sum has been paid up equal to or not less than 1/10 of the total sum paid up on all the shares conferring that right

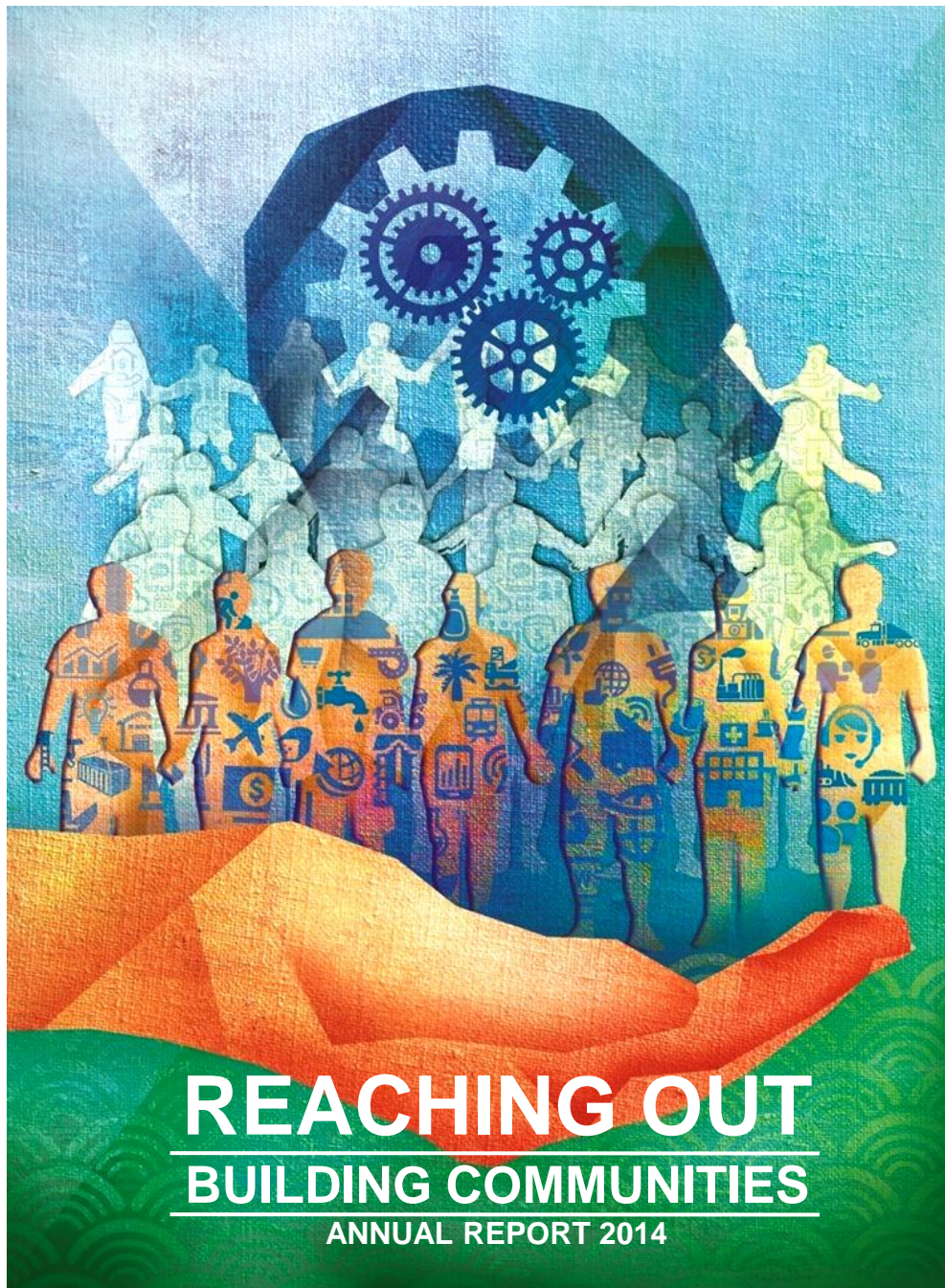
Poll Administrator and Scrutineers

Poll Administrator : **Tricor Investor Services Sdn Bhd**

Scrutineers : **Ernst & Young**

AGENDA 1

To receive the Audited Financial Statements for the financial year ended 31 December 2014 and the Reports of the Directors and Auditors thereon.



38th Annual General Meeting

Presentation to Shareholders

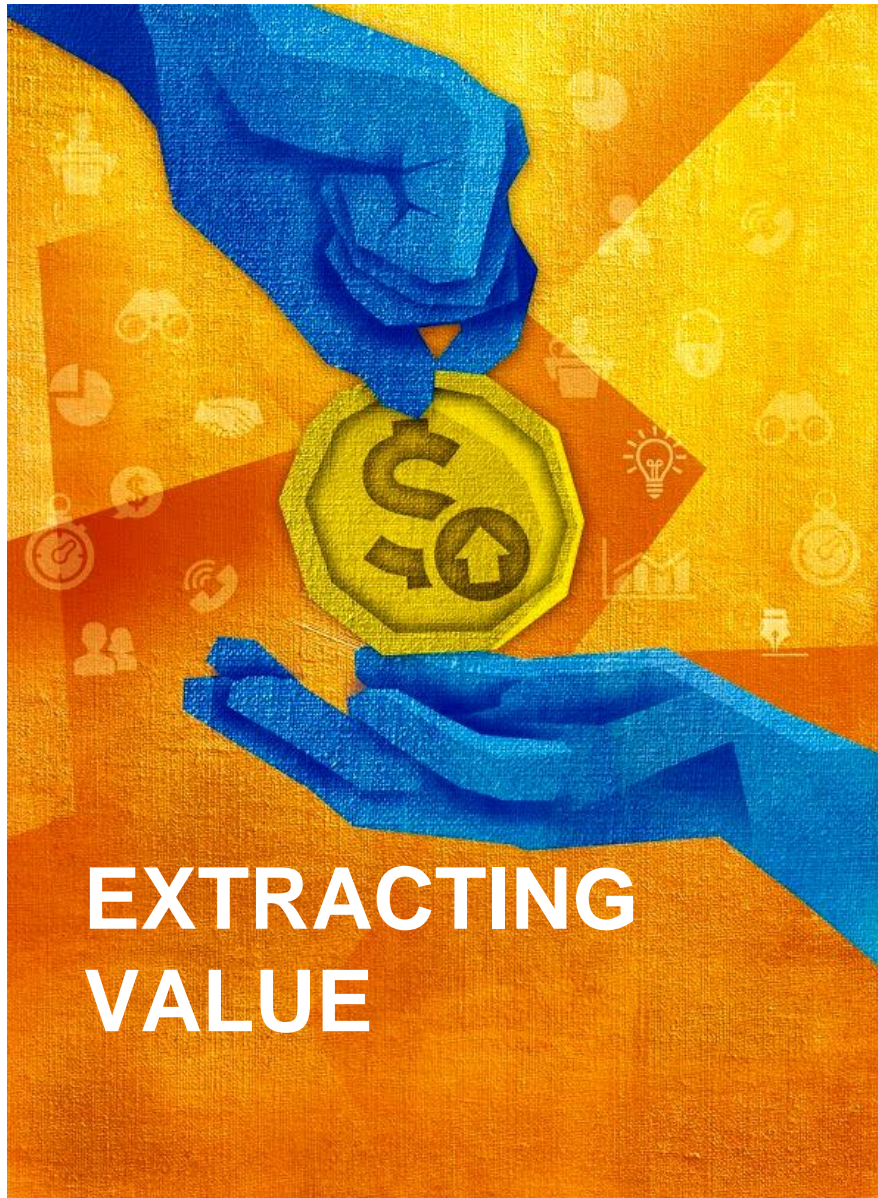
31 March 2015

Dato' Tajuddin Atan, CEO



FTSE4Good

- FINANCIAL AND MARKET PERFORMANCE
- FAIR AND ORDERLY MARKET
- MOVING FORWARD

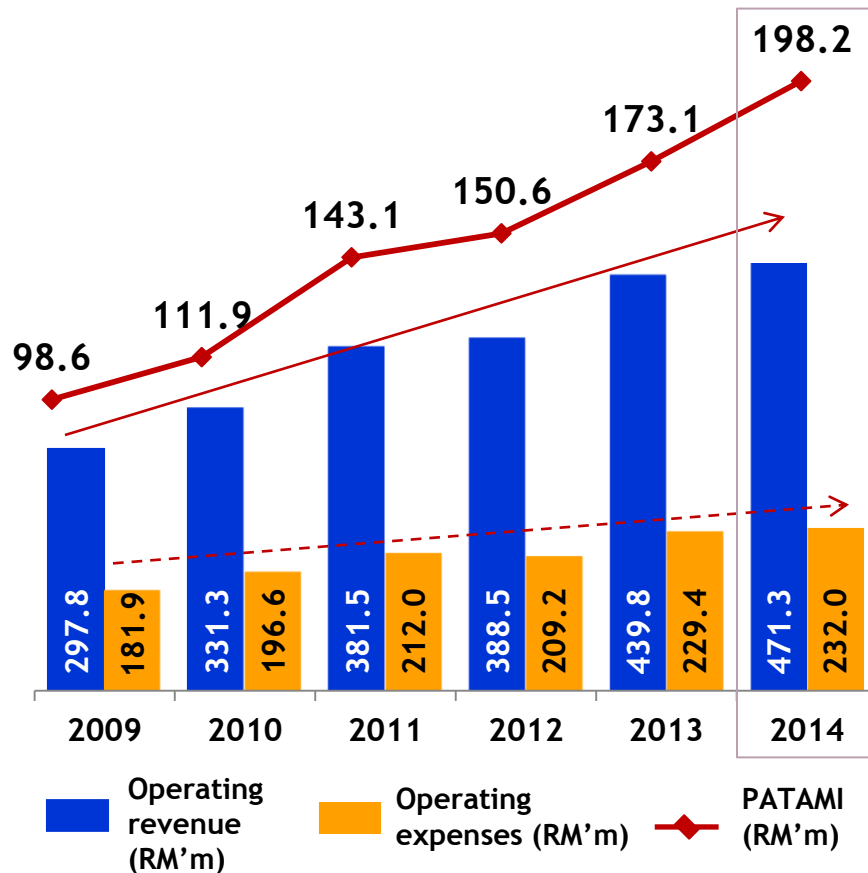


- FINANCIAL TRENDS
- GROWING SHAREHOLDER VALUE
- SHAREHOLDERS' RETURN
- KEY DRIVERS

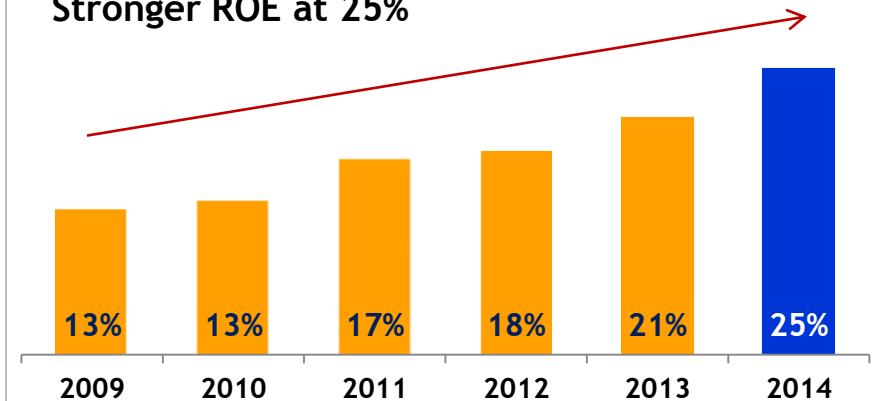
Financial Trends

Best performance in 6 years; PATAMI up 15%

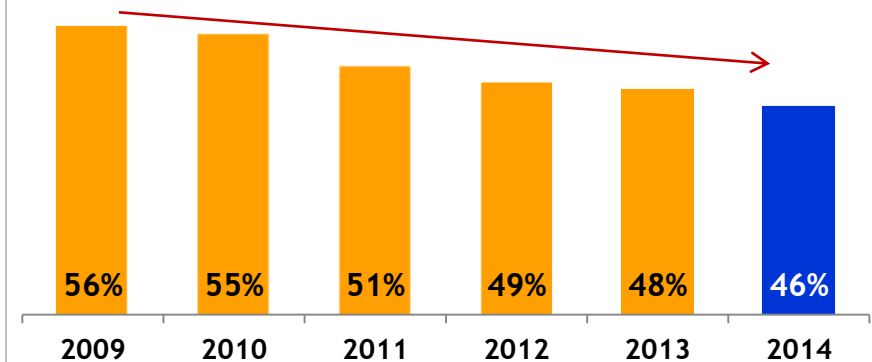
Growing revenue and profits; managed expenses



Stronger ROE at 25%



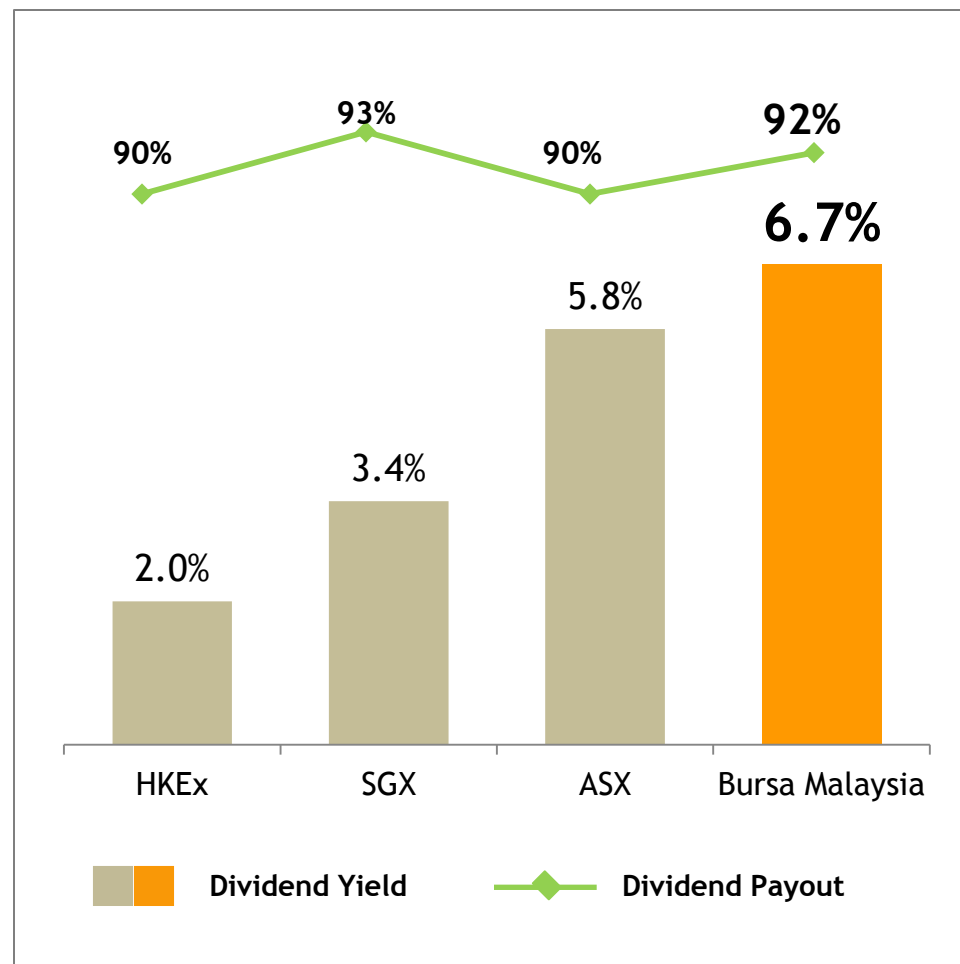
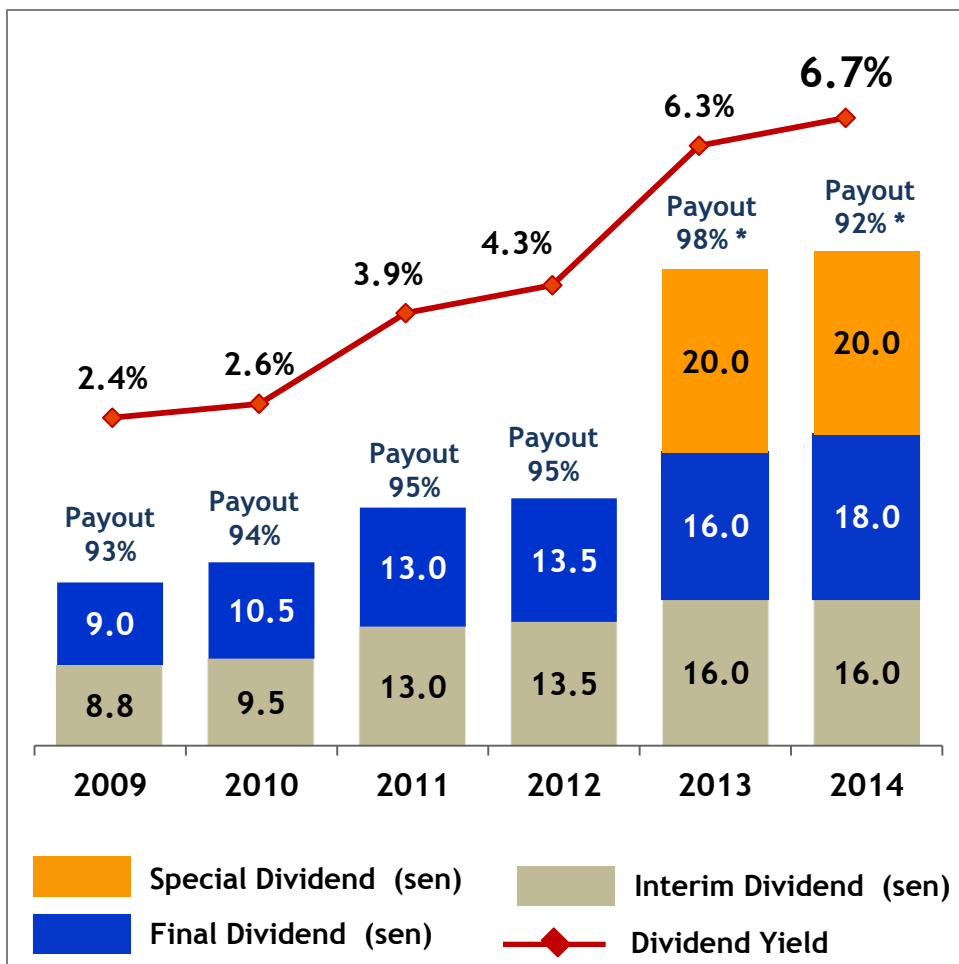
Improving cost to income ratio



- PATAMI grew 101% from 2009, with 2014 being the highest notwithstanding current market challenges.
- Highest ROE attributable to strong growth in profit and effective capital management.
- Continuous improvement in cost to income ratio, contributed by steady revenue growth and cost management.

Growing Shareholder Value

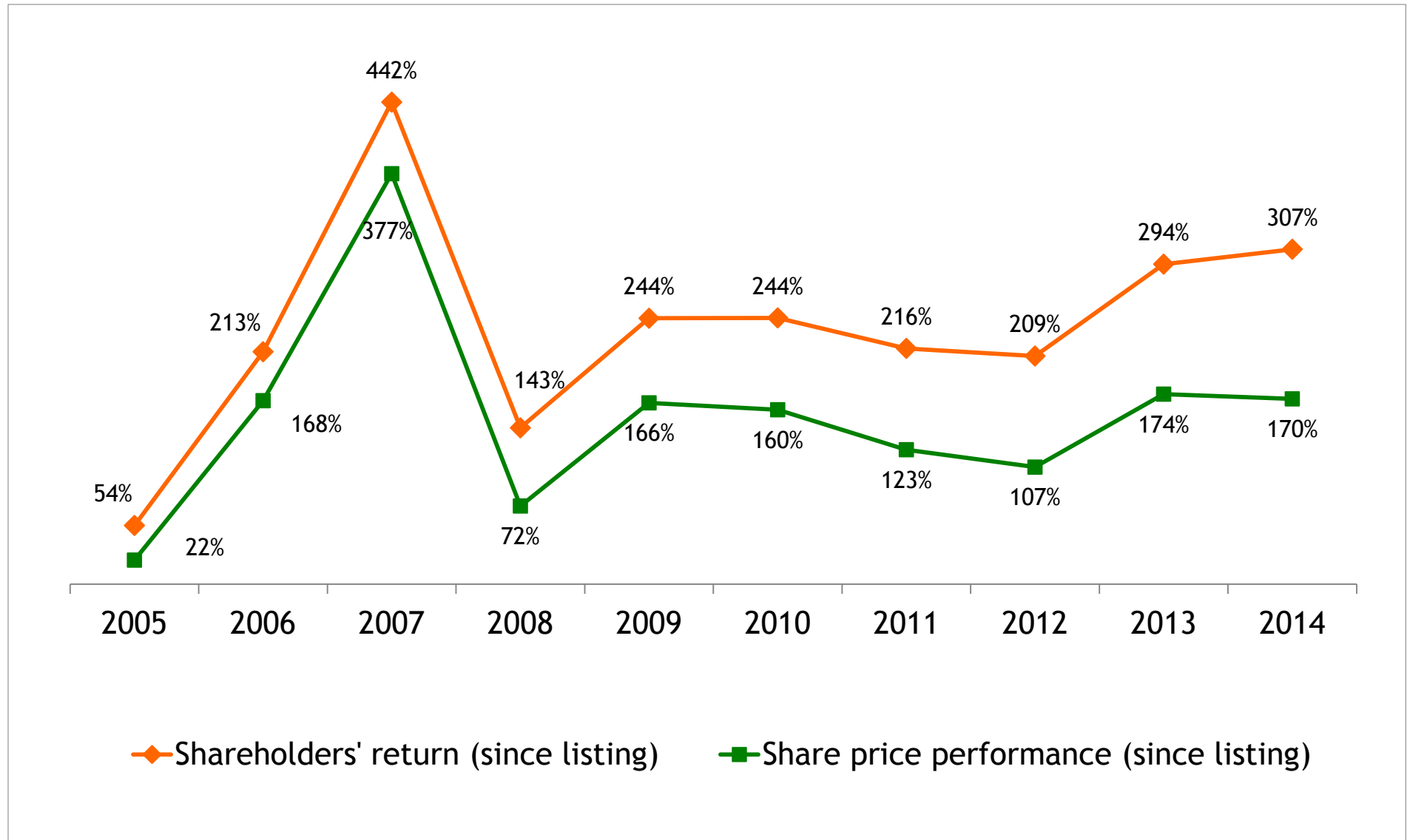
Highest dividend yield among ASIAN listed peers



- Dividend payout has been consistently at above 90%.
- Dividend yield has been steadily on the up trend.
- Bursa Malaysia's dividend yield is the highest among Asian listed peers.

Shareholders' Return

Total Shareholders' Return since listing = 307%



Growth from Jan 2009 to Feb 2015

FBMKLCI
+108%

Market Capitalisation
+161%

Average Daily
Trading Value
+85%

Foreign outflow
2014:
RM6.9 bil

2010 to 2013 Total Foreign
Net Inflow: **RM33 bil**

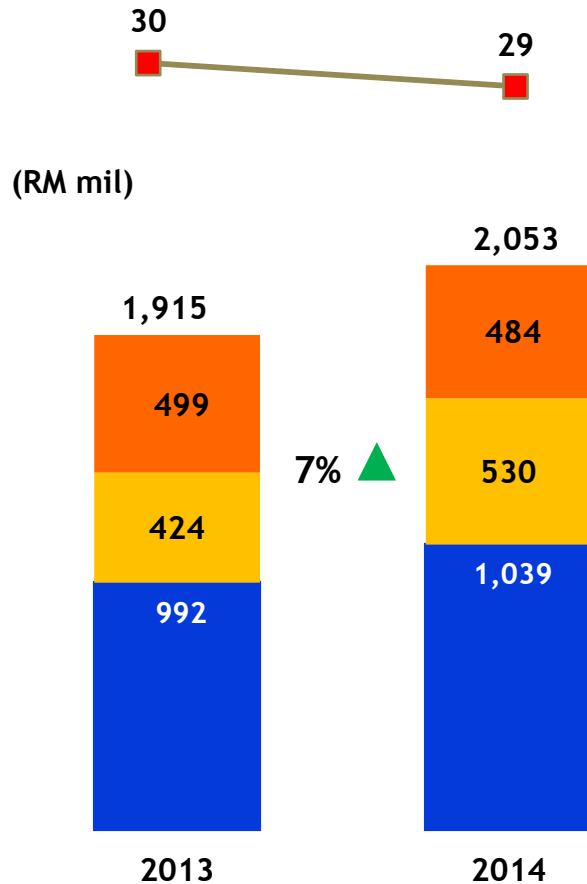
Average Daily Contract
Traded for Derivatives
Products
+154%

Value of Sukuk
+91%

Securities Market Performance

ADV up 7% due to higher retail participation

ADV (OMT)



Initiatives implemented in 2014:

28 Apr

Launch of BURSAMKTPLC - Everyone's market-in-the-pocket

22 Jul

Introduced new guide for Independent Advisers

22 Aug

Introduced ASEAN Post Trade Services

1 Dec

Implemented Straight Through Processing to enable seamless registration process for registering Dealer's reps, Futures Brokers Reps and Directors of Brokers

18 Dec

Issuance of Regulatory Framework to accord flexibility for client account Opening

22 Dec

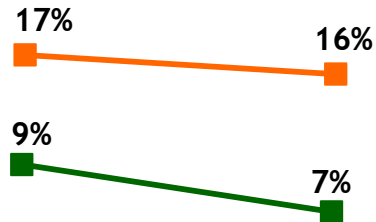
Introduced Environmental, Social and Governance (ESG) Index - FTSE4Good Bursa Malaysia (F4GBM)

Derivatives Market Performance

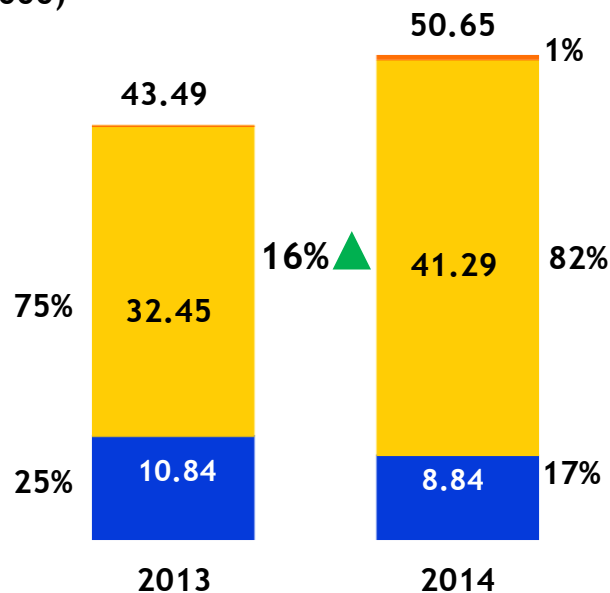
ADC up 16% contributed mainly by increase in FCPO trading



ADC



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Initiatives implemented in 2014:

16 Apr

Revamp of derivatives participation structure aims at attracting new entrants to the Derivatives Market through the creation of a single trading right across all classes of products at a cost of entry comparable with the regional exchanges.

16 Jun

Launch of USD Denominated Refined Bleached Deodorised Palm Olein Futures Contract

28 Nov

Bursa Malaysia Recognised as Approved foreign derivatives exchange by Taiwan Regulator

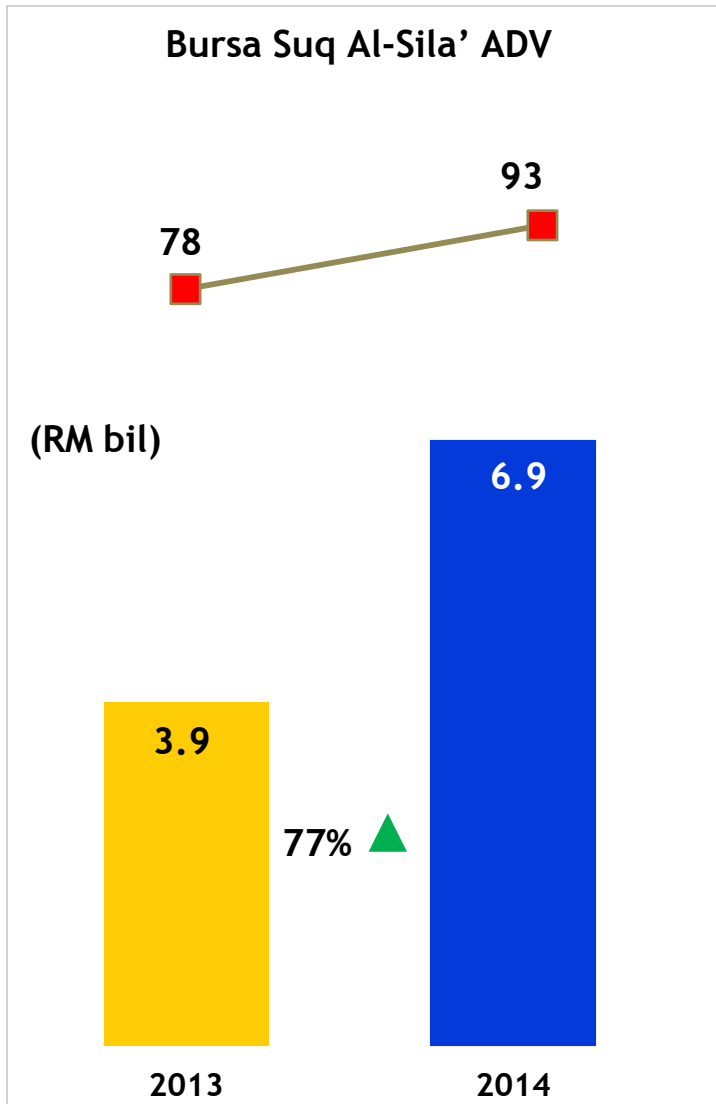
1 Dec

Launch of Enhanced 5-Year Bond Futures (FMG5) intended to improve the appeal of the product. The price accuracy and extended trading hours offer greater transparency and flexibility



Islamic Market Performance

BSAS up 77% due to conversion of bank deposits to Murabahah



Initiatives implemented in 2014:

20 Feb

Collaborative arrangement between Bursa Malaysia and Saudi Stock Exchange (Tadawul)

21 Mar

Launch of MyETF MSCI-Malaysia Islamic Dividend Fund, the second Shari'ah-compliant ETF

27 Aug

Launched of 3rd series of the government guaranteed DanaInfra Nasional Bhd ETBS

18 Sep

Listing of 2 Exempt Regime sukuk

- Hong Kong's maiden sovereign sukuk of USD1 billion
- USD500 million Mudharabah-Murabahah exchangeable sukuk

—■— No. of Trading Participants



- FAIR AND ORDERLY MARKET
- MARKET RECOGNITION

Bursa will ensure continuous efforts in maintaining a fair and orderly market. We put in place measures and have achieved the following:

1) Operations

- 100% uptime for both securities and derivatives trading system.
- Restructured Clearing Guarantee Fund.
- Conducted industry wide BCP exercises for the Derivatives and Securities markets. All tests were successfully completed.
- Complied to international standards:
 - Securities Market - Observed all of IOSCO Principles for Financial Market Infrastructures (IOSCO Principles) except Principle 6 - Equity margining which is currently been worked on.
 - Derivatives Clearing - Observed all relevant IOSCO Principles.

2) Technology

- Improved cyber security, we added another level of protection by subscribing to the SOC (Security Operations Centre) services.
- Implemented last price limit to control price aberrations during last 15 minutes of trading.

3) Regulation

- Trading remained fair and orderly
- No industry-wide breaches of our business rules
- Our brokers' Capital Adequacy Ratios are well above the minimum requirement
- 99.5% timely submission of financial statements
- Improved scores in ASEAN CG Scorecard ratings from 62.3 in 2012 to 71.7 in 2013
- Analysis of Corporate Governance disclosures in annual reports showed high level of adherence to the Listing Requirements
- Efficient capital raising for secondary fund raising-comparable with other markets

Market Recognition

Our market is internationally benchmarked



Malaysia ranked by:



4th among 148
countries for Strength
of Investor Protection



5th among 189
countries for Investor
Protection



2nd among 6
ASEAN countries in
Corporate Governance
(CG) assessment



12th most
competitive country
in the world
(2013:15th)

Bursa Malaysia ranked by:



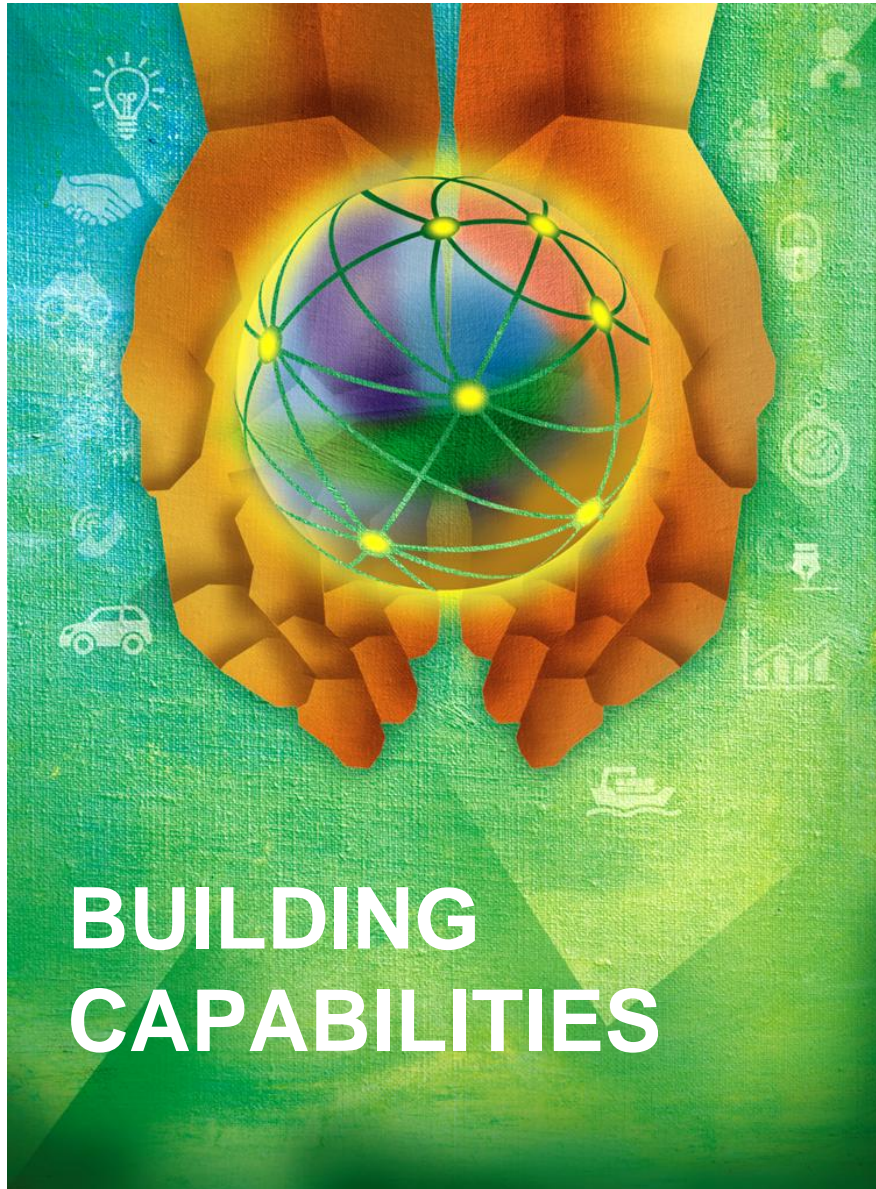
**Most
Transparent**
company ahead of the Top 30
FBM KLCI constituents



Top 11
Malaysian PLCs who
scored above 90 in CG
assessment



Top 5
CG Overall Recognition
and
Exemplary AGM Minutes



- MOVING FORWARD

- We expect 2015 to continue to be a challenging year where global markets remain volatile. Broadly, Malaysia will have to continue managing the impact of these external factors whilst staying on course to becoming a sustainable and developed economy by 2020.
- From a market perspective, this will also include having to face greater regional competition as well as navigate the impact of changing regulatory requirements.
- The Exchange remains cautiously optimistic as Malaysia has a proven track record being a tenacious and resilient market arising from the strength of our investor protection and corporate governance framework that has been built over the years. These factors will continue to support the growth agenda in the market whilst maintaining market confidence and integrity.
- Going forward, Bursa Malaysia will continue to build a sustainable market:
 - **Securities Market**- our ESG Index to draw a new segment of sustainability-conscious investors and provide a reference point for our PLCs.
 - **Derivatives Market** - obtained US's CFTC approval to attract US-based commodity traders into our derivatives market via direct market access.
 - **Islamic Market** - government papers that would be traded as ETBS as an alternative offering.



Question 1

With the recent formation of the ASEAN Economic Community (“AEC”), please elaborate on the initiatives taken by the Exchange to support the regional marketplace and goals of the AEC. What are the targets set, if any, and the timeline?

The AEC will transform ASEAN into a region with free movement of goods, services, investment, skilled labour, and freer flow of capital. The initiatives taken by the ASEAN Exchanges to support the regional marketplace and goals of the AEC are as follows:-

Key milestones	Launch Date
1. Product Launch	
1.1 Launch of new FTSE ASEAN Index series	May 2014
1.2 3 indices launched :- <ul style="list-style-type: none">• Broad based ASEAN index• ASEAN Stars Index• ASEAN All Share ex-developed	May 2014
1.3 ASEAN Exchanges and FTSE new sectoral indices eg Finance, Oil & Gas, Plantation, Consumer	May 2014

Key milestones	Launch Date
2. Promoting ASEAN as an Asset Class	
2.1 Platform to continuously educate trading members via ASEAN Broker Networking Sessions	July 2011 & March 2015
2.2 Promote ASEAN as an asset class to investors outside of ASEAN	As and when demand arises
2.3 Invest ASEAN events - Intra and outside ASEAN <ul style="list-style-type: none"> • Invest ASEAN in Bangkok • Invest ASEAN in Singapore • Invest ASEAN in KL • Invest ASEAN in HoChiMinh City 	As and when demand arises. To date: Jan-2013 Feb-2013 Mar-2013 Mar-2013
2.4 Website (www.aseanexchanges.org)	Launched 2012 Latest Update: 11 Feb 2015

Key milestones	Launch Date
3. ASEAN Trading Link & Post-Trade	
3.1 ASEAN Trading LINK	
• Launch of ASEAN Trading Link between Bursa Malaysia (Bursa) and Singapore Exchange (SGX)	Sept 2012
• The Stock Exchange of Thailand (SET) connected.	Oct 2012
3.2 Post-Trade	
• The ASEAN Post Trade services went live.	Aug 2014
• Bursa Malaysia is the first to make this facility available to its participating brokers.	

Moving forward, Bursa will continue to tap on the potential of the ASEAN Exchanges Collaboration through:

1. Promoting cross border investment and trading activities to regional investors, utilising Bursa Marketplace as one of the tools to reach out regionally.
2. Expanding Malaysia's proposition by providing more domestic & ASEAN products offerings to enable cross border trading and investments.

In support of these objectives, the Invest ASEAN Series programme has been planned for 2015, of which the first event was the CAP 10 ASEAN CEO Summit held on 12 February 2015. The launch of Invest ASEAN Series will cover 6 countries with the aim to encourage the ASEAN community to take full advantage of the new opportunities in the region arising from the ASEAN Economic Community.

Bursa Malaysia will also be marketing Malaysian PLCs via our 'In The Spotlight' events. In addition, Bursa Malaysia is collaborating with regional brokers to market Malaysian PLCs to investors in the ASEAN region. The Exchange will continue with the 'In the Spotlight' programmes in Thailand, Singapore and Japan.

Question 2

One of the key thrusts for Bursa Malaysia is to further develop and expand the Derivatives Market. Please share on what would be the new initiatives and targets in store for FY2015, and going forward.

We launched Gold futures contract (FGLD) in Oct 2013. In 2014, we launched Palm Olein futures contract (FPOL) and an enhanced 5 year Malaysian Government Securities futures contract (FMG5). We have also revamped the membership structure into a single trading right that makes the cost of entry as a Trading Participant (TP) cheaper.

The focus in 2015 is to attract more TPs into the derivatives market and to expand the product offerings. In January 2015, Bursa Malaysia obtained the USCFTC approval to attract US-based commodity traders into the derivatives market via direct market access. Bursa Malaysia is also currently working on a few products which will subject to regulator's approval.

Question 3

In line with Bursa's initiatives in strengthening marketplace and the protection of investors activities, please share on the measures taken to address the following concerns by retail shareholders/minority interests "MI" on the following:

- a. Issues of "trading suspension" for example, non-compliance with 25% public shareholding spread by PLCs and the position of retail shareholders or MI when trading is suspended.
- b. "Delisted entities" and what protection for MI upon such stocks being delisted from the Market.

In the discharge of Bursa's statutory obligation, there would be instances where Bursa determines imposition of trading suspension of the shares of companies and /or de-listing of companies.

In doing so, comprehensive disclosure framework is put in place to facilitate informed investment decisions by shareholders and investors:-

- a) Clear provisions under the LR on circumstances where suspension and de-listing can be imposed;
- b) timely and comprehensive announcements are imposed on listed companies requiring them to update the market as to the status and progress of the company's non-compliance of the LR and possibility as well as decision to suspend or as the case may be, de-list the company;
- c) Issuance of circulars by Bursa as to the impending suspension and de-listing; and
- d) Providing window period (of at least 5 market days) for trading prior the suspension takes effect.

As such, adequate time and information are given and shareholders and investors have ample opportunities to decide on its investment /shareholdings in the listed company prior to suspension (and possible de-listing).

E.g. in the case of HLCAP, the possibility of suspension was made to the market as early as in April 2014. Suspension of HLCAP's shares was effected on 26 March 2015.

Question 3

In line with Bursa's initiatives in strengthening marketplace and the protection of investors activities, please share on the measures taken to address the following concerns by retail shareholders/minority interests "MI" on the following:

- c. Private placements where there were no rules governing the maximum limit of placements which in practice have surpassed even 30% of the PLCs issues capital?
1. Adequate investor protection safeguards are incorporated under the Listing Requirements in respect of private placements of shares by listed companies.
2. These safeguards which are comparable if not more stringent (in comparison with SGX and HKEX) such as:-
 - listed companies are only allowed to procure a general mandate from their shareholders to issue and place out new shares (under Section 132D of Companies Act) up to 10% of its issued and paid-up capital subject to disclosure of certain information to shareholders and compliance of pricing requirement.
 - listed companies must procure specific shareholders' prior approval (and not general mandate) in respect of issuance and placement of new shares :-
 - i. of more than 10% of its issued and paid up capital ; or
 - ii. to related parties (where the interested related parties have to abstain from participating and voting at the general meeting).

Question 4

With the launch of the Environmental Social Governance Index in 2014, please share and brief shareholders on the monitoring mechanism, if any on PLCs in the Index and the interests shown by investors in the shares, the volume and results since the launch.

In 2014, FTSE implemented a new ESG assessment methodology which forms the basis for determining inclusion in the FTSE4Good Index Series.

Methodology and Approach

Universe: The top 200 companies listed on Bursa Malaysia by market capitalization was researched for potential inclusion in the new index.

Criteria: To be included in the index companies will need to meet a variety of environmental, social and governance (ESG) inclusion criteria: At a high level these will include areas ranging from anti-corruption, to climate change, through to labour standards. These are consistent with the global ESG model that FTSE has developed and will draw strongly from leading global disclosure frameworks such as the Global Reporting Initiative (GRI) and Carbon Disclosure Project (CDP)

Corporate Transparency: The criteria will be based on publicly available data sources and therefore companies are encouraged to ensure that high quality data and information is provided publicly on their ESG practices and performance.

Moving forward/Next Step

In April this year, sessions have been arranged to ensure that:-

- a) PLCs that are already in the index remain in the index; and
- b) PLCs that are not in the index are advised on areas where they can improve.

June & December Semi-annual review

Following the semi-annual review, PLCs who have passed the required thresholds will be included in the index, increasing the number of constituents in the Index. As at launch of the index, there are 24 constituents, 16 of which are Shariah compliant stocks listed on Bursa Malaysia.

Interest from investors

In terms of interest from investors, since launch 75% of index constituents have seen improvements in market capitalization. We believe that the value of the ESG index will provide benefits to shareholders and companies over the long term.

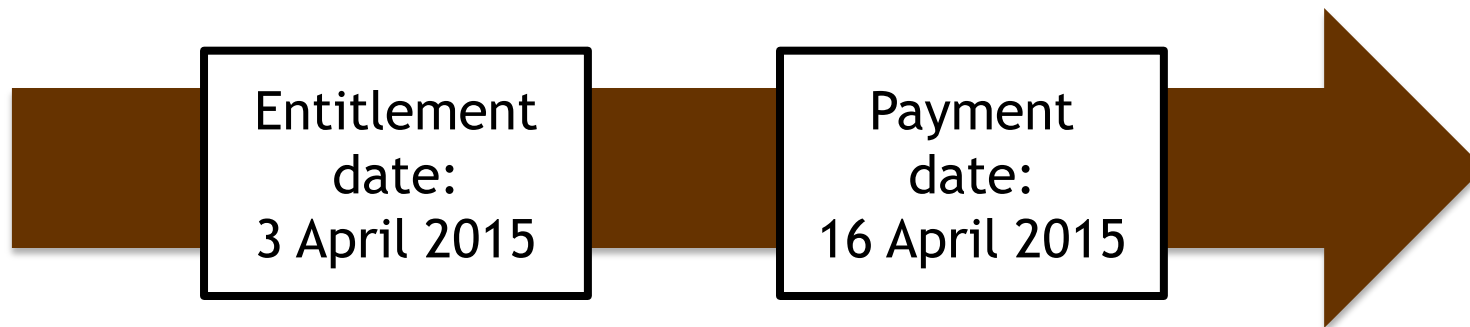
From an Exchange Perspective, we will continue to encourage our PLCs to improve on their ESG rating through continuous education and engagement programs.

AGENDA 1

To receive the Audited Financial Statements for the financial year ended 31 December 2014 and the Reports of the Directors and Auditors thereon.

Agenda 2 (Resolution 1)

To approve the payment of final dividend of 18 sen per share under single-tier system in respect of the financial year ended 31 December 2014.



Agenda 3 (Resolutions 2, 3, 4 and 5)

To re-elect the following Directors who retire by rotation in accordance with Article 69 of the Company's Articles of Association and who being eligible offer themselves for re-election:

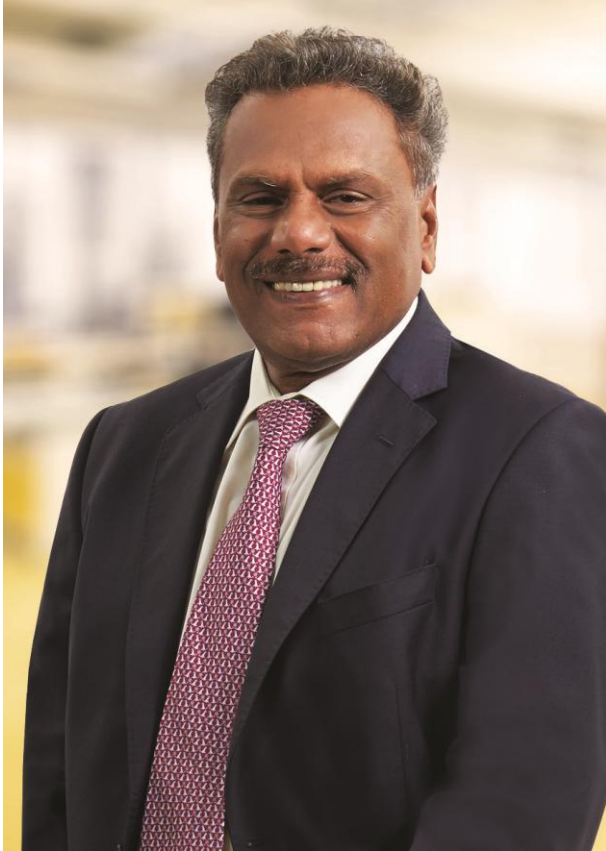
- 1) Dato' Saiful Bahri bin Zainuddin
- 2) Encik Ghazali bin Haji Darman
- 3) Datuk Karownakaran @ Karunakaran a/l Ramasamy
- 4) Datuk Chay Wai Leong



**Re-election of
Dato' Saiful Bahri
bin Zainuddin**

**Re-election of
Encik Ghazali
bin Haji Darman**





**Re-election of
Datuk Karownakaran @
Karunakaran a/l
Ramasamy**

Re-election of Datuk Chay Wai Leong



Agenda 4 (Resolution 6)

To re-elect Encik Pushpanathan a/l S.A. Kanagarayar, who retires in accordance with Article 76 of the Company's Articles of Association and who being eligible offers himself for re-election.



**Re-election of
Encik Pushpanathan a/l
S.A. Kanagarayar**

Agenda 5 (Resolution 7)

To approve the payment of Directors' fees amounting to RM150,000 per annum for the Non-Executive Chairman and RM100,000 per annum for each of the Non-Executive Directors in respect of the financial year ended 31 December 2014.

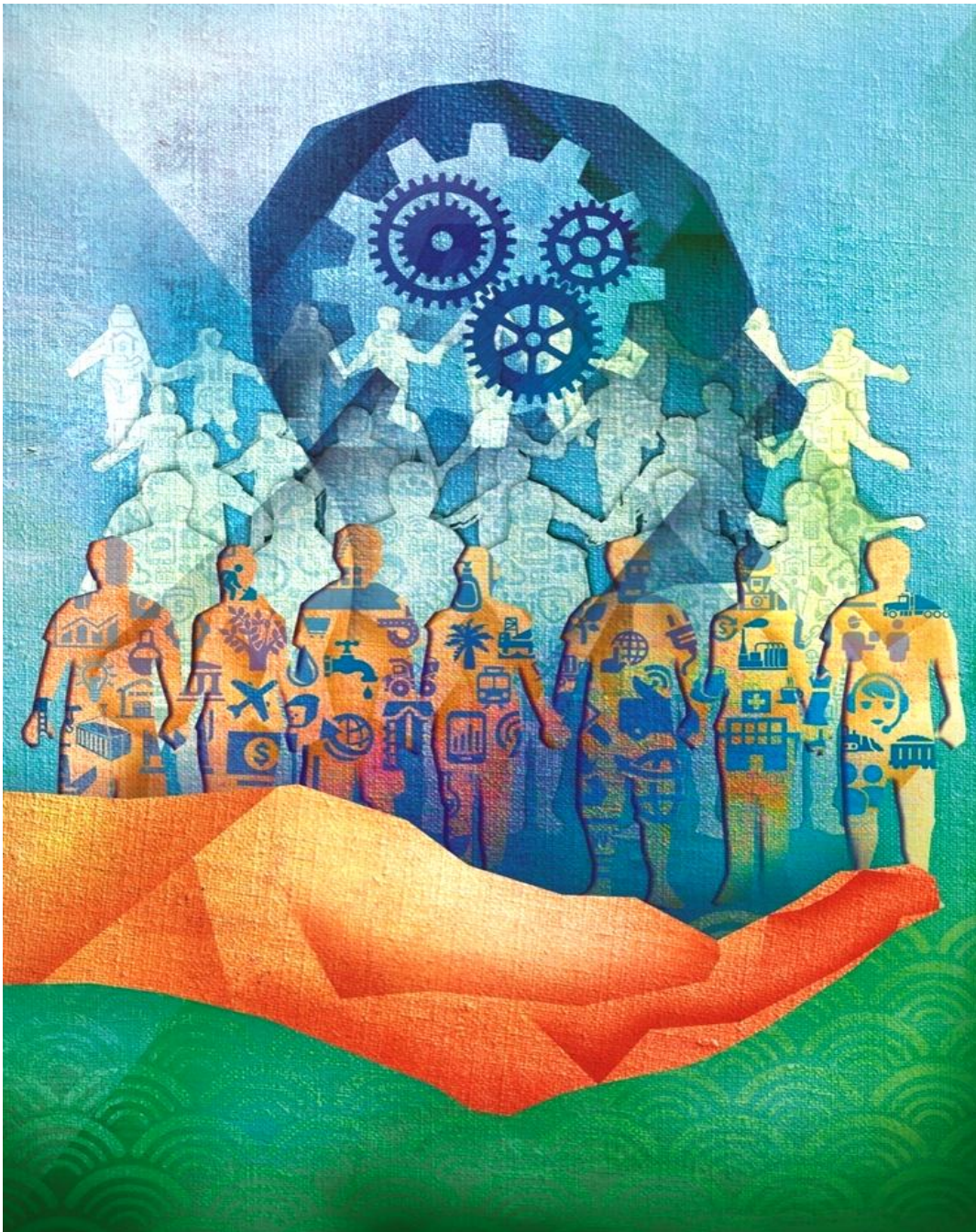
Agenda 6 (Resolution 8)

To appoint Messrs. Ernst & Young as Auditors of the Company for the financial year ending 31 December 2015 and to authorise the Board of Directors to determine their remuneration.

Any Other Business

Briefing on Poll Process by Poll Administrator

Meeting Adjourned for Poll Vote Calculation



38th Annual General Meeting

31 March 2015



FTSE4Good

Announcement of Poll Results

No.	Resolution No.	Votes For	%	Votes Against	%
1.	Resolution 1				
2.	Resolution 2				
3.	Resolution 3				
4.	Resolution 4				
5.	Resolution 5				
6.	Resolution 6				
7.	Resolution 7				
8.	Resolution 8				



Conclusion of 38th AGM



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