Minutes of the 34th Annual General Meeting ("AGM") of Bursa Malaysia Berhad ("Bursa Malaysia" or "the Company") held at the Nirwana Ballroom 1, Crowne Plaza Mutia Kuala Lumpur, Jalan Sultan Ismail, 50250 Kuala Lumpur on Thursday, 14 April 2011 at 10.00 a.m.

PRESENT

As per Attendance List on Annexure 1.

IN ATTENDANCE

As per Attendance List on Annexure 2.

CHAIRPERSON OF THE MEETING

Tun Mohamed Dzaiddin bin Haji Abdullah (Chairman)

QUORUM

There being a quorum, the 34th AGM ("Meeting") was duly convened.

NOTICE OF MEETING

The notice convening the Meeting was tabled and taken as read.

(It was duly proposed by Encik Dinesh Kumar and seconded by Encik Abdul Rahim Bidin.)

PRELIMINARY

As at 7 April 2011, being the cut-off date for determining who shall be entitled to attend the Company’s 34th AGM, the Company had 25,016 depositors, and the total issued and paid-up capital stood at RM265,699,650 comprising 531,399,300 ordinary shares of RM0.50 each. There were approximately 450 members attending the present Meeting, in person or by proxy at the commencement of the Meeting.

The Chairman introduced each and every member of the Board of Directors ("Board"), including the new Chief Executive Officer ("CEO") as well as the Company Secretaries who were in attendance. Dato’ Tajuddin bin Atan, the new CEO of Bursa Malaysia had been a Public Interest Director and Non-Executive Director of Bursa Malaysia from 14 July 2008 to 31 March 2011. The Chairman extended his
apology on behalf of Encik Izham bin Yusoff who was not present at the Meeting, due to personal reasons.

In the Chairman’s opening remarks, he shared on Bursa Malaysia’s achievements during the year 2010. The Board and Management would remain focused on producing results which deliver greater value to shareholders of the Company.

1. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010 AND THE REPORTS OF THE DIRECTORS AND AUDITORS

1.1 The Chairman tabled the Audited Financial Statements for the year ended 31 December 2010 and the Reports of the Directors and Auditors. The Chairman invited a proposer and seconder for Resolution 1.

(Resolution 1 was duly proposed by Encik Sang Eng Soon and seconded by Encik Dinesh Kumar.)

1.2 Dato’ Tajuddin bin Atan, the CEO of Bursa Malaysia made a brief presentation on Bursa Group’s financial performance for the financial year ended 31 December 2010 (“FY2010”).

The CEO of Bursa Malaysia informed the Meeting that Bursa Malaysia had responded to the issues raised in the letter dated 6 April 2011 from the Minority Shareholder Watchdog Group (“MSWG”) for the 34th AGM. A copy of the said MSWG’s letter together with Bursa Malaysia’s written reply dated 13 April 2011 was attached herewith as Annexure 3. For the benefit of the shareholders, the CEO gave a summary of the reply in response to the issues raised.


1.4 The Meeting deliberated at length on this item. In summary, the issues raised by the shareholders/proxies were responded by the Management as follows:-

(1) With regard to Encik Abdul Rahim Bidin’s enquiry on Bursa Malaysia’s innovation to improve trading volume, which could include having foreign companies to list on Bursa Malaysia Securities Berhad (“Bursa Securities”), the CEO explained that the Board had been looking out for various avenues to improve market performance. Some of the initiatives were already in motion, namely to promote foreign listings on Bursa Securities, to increase number of proprietary day traders, and to grant dual licensing for trading participants to increase market velocity. The Management had been exploring several measures to increase the level of retail participation, and to improve revenue stream.

(2) With regard to the comment on the quality of Initial Public Offerings (“IPO”) on the stock exchange, the CEO informed that Bursa Malaysia would engage with the regulator and focus its efforts to increase the number of IPO with increased market valuation.
(3) With regard to the suggestion to make it compulsory to appoint a stabilizing manager for ensuring that share price would not fall below its IPO price within first 6 months of listing, which would in turn attract investors and maintain market confidence, the CEO clarified that the framework for the appointment of a stabilizing manager was already in place but not mandatory. It would be up to the discretion of the public listed companies ("PLCs") to adopt the same.

(4) With reference to the Income Statements for FY2010 on page 94 of the Annual Report 2010, Encik Ng Seet Kow enquired on the rationale of lower profit (2010: RM115.6 million compared to 2009: RM177.7 million) on the back of higher operating revenue (2010: RM331.2 million compared to 2009: RM297.8 million), the CEO informed that normalized revenue and expenses had increased year-on-year by 11% and 8%, respectively. 2009 was a special year as Bursa Malaysia achieved an extraordinary gain of RM76 million from the disposal of its 25% equity in Bursa Malaysia Derivatives Berhad ("Bursa Derivatives") to CME Group Inc. In this respect, there was actually an increase in net profit from RM101.6 million in 2009. The Management would continue to capitalize on the potential growth of the strategic partnership with CME Group Inc in Bursa Derivatives.

(5) With regard to the question posed to the new CEO on his strategy to make Bursa Malaysia a vibrant stock exchange, the CEO responded that he would work together with the esteemed Board members to bring Bursa Malaysia to the next level. From a strategic perspective, the Management would remain focused on strengthening the equities, derivatives and Islamic markets and committed in developing a vibrant market. Positive results had been evidenced by the increased foreign participation arising from the migration of derivatives products onto the Globex trading platform. Bursa Malaysia would also continuously promote Malaysia as the investment destination amongst the fund managers. He indicated the Company's aim to strengthen the 3 core markets in Malaysia, and also to improve the Malaysian market weightage on MSCI, which would in turn enhance foreign participation. He further indicated that the Board would be in continuous discussion to work out the relevant strategy to address market structure issues in line with the Capital Market Masterplan 2 and put in place Key Performance Indicators to drive a vibrant and attractive market.

(6) With regard to the method of preparation of the financial statements on a historical costs basis concurrently with the adoption of the relevant financial reporting standards ("FRS") which required the financial statements to be prepared based on fair value or marked-to-market basis as set out on page 105 of the Annual Report 2010, Encik Chan Hooi Lam, the partner-in-charge of Messrs. Ernst & Young explained that the financial statements of Bursa Malaysia were prepared in compliance with the applicable FRS, approved accounting standards and Companies Act 1965. From 2010 onwards, certain assets were carried at fair value pursuant to FRS 139, and many of them were carried at cost.

(7) With regard to Encik Ng Seet Kow’s enquiry as to whether the issuance of the Notice of 34th AGM in separate printed copy, not being part of the Annual Report 2010 was in compliance, Puan Yong Hazadurah binti Md Hashim, the Company Secretary explained that the Notice of 34th AGM was issued to the shareholders on 23 March 2011 in separate hard copy because the Annual Report 2010 was issued in CD-ROM.
She confirmed that this was in compliance with the Main Market Listing Requirements of Bursa Securities and the Articles of Association of the Company.

With regard to the suggestion by Encik Yap Kim Tong to have the Chairman’s Message in Bahasa Malaysia and Chinese language in addition to the English version, the Chairman informed that the Bahasa Malaysia and Chinese versions of the Chairman’s Message were available under the Investor Relations Portal on Bursa Malaysia’s website.

With regard to the comment that the Malaysian market indices were hardly mentioned in the international media, possibly due to lack of marketing activities, the CEO noted it as valid, and indicated the need to balance realistically the benefit and the cost to be incurred. He added that marketing activities had been ongoing, and would consider this as an initiative to enhance visibility of the Malaysian market.

With regard to the Management’s efforts in the pipeline to improve Malaysia’s derivatives market in view of the disparity compared to the derivatives market of Singapore, in terms of (a) contribution to the total revenue of Bursa Malaysia and Singapore Stock Exchange at 11% and 25% respectively, (b) velocity at 33% and 50% in their respective markets, the CEO informed that at this juncture, Bursa Malaysia’s revenue was primarily contributed by the equities market, whilst revenue from derivatives market remained ancillary. The development of the derivatives market had been ongoing with the collaboration with CME Group Inc. The CEO took note of the velocity issue and added that the Management would also look into related infrastructure issue with regard to high frequency trading, and efforts to increase retail and institutional participation as well as domestic and foreign participation.

Encik Chong Kim Seng, the CEO of Bursa Derivatives elaborated that the trading volume in Malaysia had increased tremendously by 47% since September 2010 with the completion of the migration of derivatives products onto the Globex trading platform, which was paramount to Bursa Derivatives’ efforts in making available its products internationally. He added that strategies were in the pipeline to widen product offerings and to increase the velocity of the derivatives market in Malaysia.

With regard to Encik Samuel Lim’s enquiry as to (a) whether Bursa Malaysia has any policy on cash holding, particularly where there was substantial Cash and Bank Balances as at 31 December 2010 amounting to RM450 million compared to RM337 million as at 31 December 2009 as set out on page 96 of the Annual Report 2010, and (b) whether Bursa Malaysia would consider higher dividend payout, Puan Nadzirah binti Abdul Rashid, the Chief Financial Officer ("CFO") informed that Bursa Malaysia had to set aside sufficient cash reserves for, inter alia, securities and derivatives clearing guarantee funds, future capital expenditure and technology improvement. Hence, there was no plan to pay out any special dividend to shareholders.

With regard to shareholders’ comment that Bursa Malaysia still provide delayed stock information i.e. 15 minutes behind real time, which would not be useful to foreign investors who refer to Bursa Malaysia’s website, the CEO responded that Bursa Malaysia has always considered IT improvement, including its website.
Encik Lim Jit Jee, the Chief Information Officer informed that Bursa Malaysia has an internal policy to provide market information with 15 minutes delay on its website. Investors could obtain real time information from their brokers.

(13) With regard to shareholder's comment that in the interest of the minority shareholders, appropriate actions should be taken by Bursa Malaysia against those PLCs who had disseminated inaccurate information, for example, type of business activities and intention to pay special dividend to their shareholders, the CEO informed that Bursa Malaysia has a surveillance department to monitor the activities of PLCs. The Chief Regulatory Officer could be engaged on this matter.

(14) With regard to the suggestion by Encik Sang Eng Soon that Bursa Malaysia should set up a relief fund to take over the PN 17 companies to prevent further exploitation of funds through restructuring plans by those PN 17 companies to protect the minority shareholders' interest, the Chairman indicated that Bursa Malaysia would always uphold high standards of corporate governance ("CG") and has in place the regulatory framework to address the relevant issue.

The CEO added that Bursa Malaysia has always been aware of the importance of investor protection and would continue to practise high standards of CG practices. Any enquiries or complaints could be channeled to the Customer Service of Bursa Malaysia. The contact particulars were provided on page 83 of the Annual Report 2010.

(15) With regard to the possible conflict of interest as Directors of Bursa Malaysia in regulating the PLCs on which they hold directorship, the CEO clarified that Bursa Malaysia has in place a comprehensive regulatory framework to deal with situations where conflict of interest arose.

(16) With regard to the oversight of public accountants, the CEO informed that the public accountants were under the watch of the Audit Oversight Board established by the Securities Commission ("SC").

The corporate representative of MSWG, Puan Lya Rahman thanked the CEO for presenting the response to the issues raised by MSWG. On behalf of MSWG, she commended Bursa Malaysia on its good performance for FY2010 and its continuous efforts and initiatives in achieving high standard of CG practices, particularly on the appointment of Senior Independent Non-Executive Director. In 2010, Bursa Malaysia ranked No. 2 for having achieved more than 80% in CG score and was also awarded Special Transparency Award. She was pleased that Bursa Malaysia under the new CEO's leadership would continue be exemplary in its CG practices for other PLCs to emulate.

1.5 At the end of the question and answer session, the Chairman put the motion to vote by show of hands.

The Meeting after due deliberation, resolved that the Audited Financial Statements for the year ended 31 December 2010 and the Reports of the Directors and Auditors thereon, be received and adopted. (Resolution 1)
2. RE-ELECTION OF DIRECTORS RETIRING BY ROTATION IN ACCORDANCE WITH ARTICLE 69 OF THE COMPANY’S ARTICLES OF ASSOCIATION

2.1 The Chairman informed that four (4) Directors shall retire by rotation in accordance with Article 69 of the Company’s Articles of Association, and being eligible, offered themselves for re-election under Resolutions 2, 3, 4 and 5 respectively. The retiring Directors were:

1. Dato’ Dr. Thillainathan all Ramasamy (Resolution 2)
2. Encik Izham bin Yusoff (Resolution 3)
3. Dato’ Wong Puan Wah @ Wong Sulong (Resolution 4)
4. Encik Cheah Tek Kuang (Resolution 5)

The profiles of the Directors standing for re-election were provided in the Statement Accompanying Notice of this Meeting.

2.2 The Chairman referred to Article 73 of the Company’s Articles of Association provided that “at any general meeting at which more than one (1) Director is to be elected, each candidate shall be the subject of a separate motion and vote unless a motion for the appointment of two (2) or more persons as the Directors by a single resolution shall first been agreed to by the meeting without any vote being given against it”.

The Chairman invited a proposer and seconder for Resolutions 2, 3, 4 and 5 to be put to vote as one motion.

(Resolutions 2, 3, 4 and 5 to be put to vote as one motion were duly proposed by Encik Yap Kim Tong and seconded by Encik Lim Pin Yeong.)

The Meeting unanimously agreed to the proposal of voting as one motion for the appointment of all the four (4) Directors in accordance with Article 73 of the Company’s Articles of Association.

2.3 The Chairman responded to the enquiries which were made by the shareholders/proxies, Encik Lim Pin Yeong, Encik Abdul Rahim Bidin and Puan Lya Rahman as follows:

(1) With regard to the need for Bursa Malaysia to have such a large Board, the Chairman explained that the current Board size is appropriate, given the unique composition of the Board comprising 1/3 of the number of the Board as Public Interest Directors appointed by the Minister of Finance pursuant to Section 10(1)(a) of the Capital Markets and Services Act 2007 (“CMSA”), as well as its governance and regulatory function as an exchange holding company, as more particularly explained on page 64 of the Annual Report 2010;

(2) With regard to the level of independence of the Independent Non-Executive Directors (“INED”) who had served long tenure on the Board, the Chairman clarified that these Board members had made valuable contributions to the Company through their diverse experience. The independence of INED must be satisfied through their exercise of independent judgment and ability to act in the best interest of the Company in decision-making, in compliance with the principles and best practices of the Malaysian CG Code, as more particularly explained on page 64 of the Annual Report 2010; and
With regard to Encik Izham bin Yusoff’s absence from the 34th AGM of the Company, the Chairman responded that Encik Izham had extended his sincere apology for his absence, as he had to be out of town for urgent personal matters.

2.4 (Resolutions 2, 3, 4 and 5 were duly proposed by Encik Sang Eng Soon and seconded by Encik Lim Pin Yeong.)

There being no further question from the floor, the motion was put to vote by show of hands.

The Meeting resolved that the following Directors who retired by rotation in accordance with Article 69 of the Company’s Articles of Association, be re-elected as Directors of the Company:

1) Dato’ Dr. Thillainathan a/l Ramasamy (Resolution 2)
2) Encik Izham bin Yusoff (Resolution 3)
3) Dato’ Wong Puan Wah @ Wong Sulong (Resolution 4)
4) Encik Cheah Tek Kuang (Resolution 5)

3. RE-ELECTION OF DIRECTOR RETIRING IN ACCORDANCE WITH TO ARTICLE 76 OF THE COMPANYS’ ARTICLES OF ASSOCIATION

3.1 The Chairman informed that Dato’ Tajuddin bin Atan shall retire in accordance with Article 76 of the Company’s Articles of Association, and being eligible, offered himself for re-election under Resolution 6.

Dato’ Tajuddin was appointed by the Board as Executive Director of Bursa Malaysia in conjunction with his appointment as CEO of Bursa Malaysia on 1 April 2011, after having obtained the SC’s concurrence pursuant to Section 10(1)(b) of the CMSA. His profile was provided in the Statement Accompanying Notice of this Meeting.

(Resolution 6 was duly proposed by Encik Poh Sim Gark and seconded by Encik Lim Pin Yeong.)

3.2 The motion was put to vote by show of hands.

The Meeting resolved that Dato’ Tajuddin bin Atan who retired in accordance with Article 76 of the Company’s Articles of Association, be re-elected as Director of the Company. (Resolution 6)

4. PAYMENT OF FINAL DIVIDEND OF 10.5 SEN PER SHARE UNDER SINGLE-TIER SYSTEM IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

4.1 With reference to the Notice of Dividend Entitlement and Payment dated 23 March 2011, the shareholders’ approval was sought for the payment of final dividend of 10.5 sen per share under single-tier system in respect of the financial year ended 31 December 2010 (“Dividend”) under Resolution 7 at the 34th AGM of the Company. The Dividend would be paid to the shareholders on 4 May 2011 based on entitlement date for the Dividend on 20 April 2011.
(Resolution 7 was duly proposed by Encik Lim Pin Yeong and seconded by Encik Sang Eng Soon.)

4.2 The CEO took note of the shareholder, Encik Sang Eng Soon’s comment that the dividend payout by Bursa Malaysia should be in tandem with Bursa Malaysia’s objective as the first choice of investment.

In response to Encik Kok Yoon Wah’s enquiry, Puan Nadzirah binti Abdul Rashid, the CFO informed that Bursa Malaysia had maximized the utilization of its Section 108 credit balance. The remaining amount was not sufficient to frank dividends to shareholders. Hence, Bursa Malaysia had commenced with dividend payment under single-tier system in August 2009.

4.3 The motion was put to vote by show of hands.

The Meeting resolved that the payment of final dividend of 10.5 sen per share under single-tier system in respect of the financial year ended 31 December 2010 be approved. (Resolution 7)

5. DIRECTORS' FEES

(Resolution 8 was duly proposed by Encik Lim Pin Yeong and seconded by Encik Abdul Rahim Bidin.)

5.1 The motion was put to vote by show of hands.

The Meeting resolved that the payment of Director’s fees amounting to RM90,000 per annum for the Non-Executive Chairman and RM60,000 per annum for each of the Non-Executive Directors in respect of the financial year ended 31 December 2010 be approved. (Resolution 8)

6. APPOINTMENT OF AUDITORS

(Resolution 9 was duly proposed by Encik Sang Eng Soon and seconded by Encik Lim Pin Yeong.)

6.1 The motion was put to vote by show of hands.

The Meeting resolved that Messrs. Ernst & Young be appointed as Auditors of the Company for the financial year ending 31 December 2011 and to hold office until the conclusion of the next annual general meeting, and the Board of Directors be authorised to determine their remuneration. (Resolution 9)

7. RENEWAL OF AUTHORITY FOR DIRECTORS TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT 1965
7.1 The Chairman informed that the shareholders’ approval was sought for renewal of authority pursuant to Section 132D of the Companies Act 1965 based on the reason given in Explanatory Note 7 (under Special Business) of the Notice of 34th AGM.

The Chairman further informed that the Company had not issued any new shares pursuant to Section 132D of the Companies Act 1965 under the general authority which was approved at the 33rd AGM of the Company held on 29 March 2010 and which would lapse at the conclusion of this 34th AGM.

(Resolution 10 was duly proposed by Encik Lim Pin Yeong and seconded by Encik Poh Sim Gark.)

7.2 The motion was put to vote by show of hands. The Meeting resolved to pass the following Ordinary Resolution for renewal of authority pursuant to Section 132D of the Companies Act 1965:

“THAT pursuant to Section 132D of the Companies Act 1965, the Articles of Association of the Company and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares of the Company, from time to time, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being in any one financial year and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company.” (Resolution 10)

8. REAPPOINTMENT OF DIRECTOR OVER 70 YEARS OF AGE PURSUANT TO SECTION 129(6) OF THE COMPANIES ACT 1965

8.1 The Chairman informed that Resolution 11 involved his reappointment as Director over the age of 70 pursuant to Section 129(6) of the Companies Act 1965. Hence he handed the Chairmanship of the Meeting to the CEO, Dato’ Tajuddin.

(Resolution 11 was duly proposed by Encik Poh Sim Gark and seconded by Encik Lim Pin Yeong.)

8.2 The motion was put to vote by show of hands. The Meeting resolved to pass the following Ordinary Resolution in accordance with Section 129(6) of the Companies Act 1965:

“THAT Tun Mohamed Dzaiddin bin Haji Abdullah, a Public Interest Director who retires pursuant to Section 129(2) of the Companies Act 1965 be and is hereby reappointed as Director of the Company to hold office until the conclusion of the next annual general meeting of the Company.” (Resolution 11)

Dato’ Tajuddin congratulated Tun Chairman on his reappointment as Director and handed over the Chairmanship back to Tun Chairman. The Chairman thanked the members in attendance for the confidence and support in his reappointment.
9. CLOSE OF MEETING

The Chairman sought confirmation from the Company Secretary whether the Company had received other business for transaction of which due notice had been given in accordance with the Companies Act 1965 and the Company's Articles of Association. The Company Secretary confirmed that the Company had not received any notice for transaction of any other business at this Meeting.

There being no other business to be transacted, the Meeting ended at 11.55 a.m. with a vote of thanks to the Chair.

Confirmed as correct

[Signature]
Chairman

Date: 14 April 2011