



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2013

18 July 2013

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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2013

RM'000	Note	3 months ended		6 months ended	
		30.06.2013	30.06.2012	30.06.2013	30.6.2012
		Reviewed	Reviewed (Restated)	Reviewed	Reviewed (Restated)
Operating revenue	8	122,167	96,741	223,865	197,243
Other income	9	8,185	8,636	16,922	17,998
		130,352	105,377	240,787	215,241
Staff costs		(28,037)	(25,278)	(55,198)	(49,447)
Depreciation and amortisation		(8,707)	(8,676)	(17,468)	(16,713)
Other operating expenses	10	(16,328)	(17,827)	(35,297)	(37,787)
Profit before tax		77,280	53,596	132,824	111,294
Income tax expense	23	(20,886)	(14,222)	(36,044)	(29,873)
Profit for the period		56,394	39,374	96,780	81,421
Profit attributable to:					
Owners of the Company		54,824	37,733	93,024	78,346
Non-controlling interest		1,570	1,641	3,756	3,075
		56,394	39,374	96,780	81,421
Earnings per share (EPS) attributable to owners of the Company (sen):					
Basic EPS	29(a)	10.3	7.1	17.5	14.7
Diluted EPS	29(b)	10.3	7.1	17.5	14.7

The above condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 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 SIX MONTHS ENDED 30 JUNE 2013

RM'000	3 months ended		6 months ended	
	30.06.2013	30.06.2012	30.06.2013	30.6.2012
	Reviewed	Reviewed (Restated)	Reviewed	Reviewed (Restated)
Profit for the period	56,394	39,374	96,780	81,421
Items that may be subsequently reclassified to profit or loss:				
Foreign currency translation	45	98	55	(7)
Net fair value changes in available-for-sale (AFS) financial assets	19,751	(2,318)	32,837	6,515
Income tax relating to AFS financial assets	(17)	(12)	(3)	(25)
Total other comprehensive income	19,779	(2,232)	32,889	6,483
Total comprehensive income	76,173	37,142	129,669	87,904
Total comprehensive income attributable to:				
Owners of the Company	74,603	35,501	125,913	84,829
Non-controlling interest	1,570	1,641	3,756	3,075
	76,173	37,142	129,669	87,904

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 2012 and the accompanying explanatory notes attached to these interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

RM'000	Note	As at 30.06.2013	As at 31.12.2012	As at 01.01.2012
		Reviewed	Reviewed (Restated)	Reviewed (Restated)
Assets				
Property, plant and equipment		207,163	209,733	218,397
Computer software		63,223	61,274	59,614
Goodwill		42,957	42,957	42,957
Investment securities		166,574	123,782	93,371
Staff loans receivable		8,400	9,140	11,678
Deferred tax assets		1,287	1,278	1,034
Non-current assets		489,604	448,164	427,051
Trade receivables		43,386	30,262	27,870
Other receivables		14,196	14,281	12,932
Tax recoverable		2,991	4,296	388
Investment securities		34,813	54,936	33,441
Cash and bank balances not belonging to the Group	13	889,436	1,175,000	671,880
Cash and bank balances of the Group	14	507,891	471,503	499,943
Current assets		1,492,713	1,750,278	1,246,454
Total assets		1,982,317	2,198,442	1,673,505
Equity and liabilities				
Share capital		266,137	266,012	265,800
Share premium		92,118	90,505	87,553
Other reserves		60,996	26,828	25,429
Retained earnings	24	495,423	474,256	462,062
Equity attributable to owners of the Company		914,674	857,601	840,844
Non-controlling interest		13,776	15,770	14,232
Total equity		928,450	873,371	855,076
Retirement benefit obligations		30,354	30,023	33,599
Deferred capital grants		9,143	9,934	11,850
Deferred tax liabilities		7,788	7,895	7,564
Non-current liabilities		47,285	47,852	53,013
Trade payables	13	852,178	1,137,234	636,166
Clearing Funds' contributions	13	36,911	35,938	34,485
Other payables		100,305	94,479	79,913
Tax payable		17,188	9,568	14,852
Current liabilities		1,006,582	1,277,219	765,416
Total liabilities		1,053,867	1,325,071	818,429
Total equity and liabilities		1,982,317	2,198,442	1,673,505
Net assets per share attributable to owners of the Company (RM)		1.72	1.61	1.58

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 2012 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 SIX MONTHS ENDED 30 JUNE 2013

RM'000	← Attributable to owners of the Company →										Non-controlling interest	Total equity
	← Non-distributable →					→ Distributable →						
	Share capital	Share premium	Capital reserve	Capital redemption reserve	AFS reserve	Foreign currency translation reserve	Share grant reserve	Clearing Fund reserves	Retained earnings	Total		
At 1 January 2012	265,800	87,553	13,900	5,250	(24,776)	59	996	30,000	481,611	860,393	14,232	874,625
Effects of MFRS adoption and changes in accounting policies disclosed in Note 2.3	-	-	-	-	-	-	-	-	(19,549)	(19,549)	-	(19,549)
At 1 January 2012 (restated)	265,800	87,553	13,900	5,250	(24,776)	59	996	30,000	462,062	840,844	14,232	855,076
Profit for the period	-	-	-	-	-	-	-	-	78,346	78,346	3,075	81,421
Other comprehensive income	-	-	-	-	6,490	(7)	-	-	-	6,483	-	6,483
Total comprehensive income	-	-	-	-	6,490	(7)	-	-	78,346	84,829	3,075	87,904
Transactions with owners of the Company:												
Issuance of ordinary shares pursuant to Share Grant Plan (SGP)	125	1,720	-	-	-	-	(1,845)	-	-	-	-	-
SGP expense	-	-	-	-	-	-	2,663	-	-	2,663	-	2,663
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(69,140)	(69,140)	-	(69,140)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(4,750)	(4,750)
At 30 June 2012 (restated)	265,925	89,273	13,900	5,250	(18,286)	52	1,814	30,000	471,268	859,196	12,557	871,753
At 1 January 2013	266,012	90,505	13,900	5,250	(24,602)	(40)	2,320	30,000	492,106	875,451	15,770	891,221
Effects of MFRS adoption and changes in accounting policies disclosed in Note 2.3	-	-	-	-	-	-	-	-	(17,850)	(17,850)	-	(17,850)
At 1 January 2013 (restated)	266,012	90,505	13,900	5,250	(24,602)	(40)	2,320	30,000	474,256	857,601	15,770	873,371
Profit for the period	-	-	-	-	-	-	-	-	93,024	93,024	3,756	96,780
Other comprehensive income	-	-	-	-	32,834	55	-	-	-	32,889	-	32,889
Total comprehensive income	-	-	-	-	32,834	55	-	-	93,024	125,913	3,756	129,669
Transactions with owners of the Company:												
Issuance of ordinary shares pursuant to SGP	125	1,613	-	-	-	-	(1,738)	-	-	-	-	-
SGP expense	-	-	-	-	-	-	3,017	-	-	3,017	-	3,017
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(71,857)	(71,857)	-	(71,857)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(5,750)	(5,750)
At 30 June 2013	266,137	92,118	13,900	5,250	8,232	15	3,599	30,000	495,423	914,674	13,776	928,450

Note a

Note a

Included in non-controlling interests of the Group at 30 June 2013 are 84 non-cumulative preference shares of RM1 each in Bursa Malaysia Derivatives Berhad (Bursa Malaysia Derivatives), a subsidiary, for registration as Trading Participants, at a subscription price determined by Bursa Malaysia Derivatives. The preference shareholders are not entitled to a refund of any part of the premium paid for the preference shares.

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 2012 and the accompanying explanatory notes attached to these interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2013

RM'000	Note	6 months ended	
		30.06.2013	30.6.2012
		Reviewed	Reviewed (Restated)
Cash flows from operating activities			
Profit before tax		132,824	111,294
Adjustments for:			
Amortisation of premium less accretion of discount		373	345
Dividend income from investment securities	9	(764)	(1,249)
Depreciation and amortisation		17,468	16,713
Grant income	9	(791)	(958)
Retirement benefit obligations		740	953
Interest income		(11,835)	(11,683)
Net gain on disposal of investment securities		-	(238)
Net impairment loss on trade and other receivables	10	32	1,362
Unrealised loss on foreign exchange differences		87	20
SGP expense		3,017	2,663
Operating profit before working capital changes		141,151	119,222
Increase in receivables		(13,564)	(11,436)
Increase in payables		11,802	10,143
Cash generated from operations		139,389	117,929
Staff loans repaid, net of disbursements		1,013	1,795
Retirement benefits paid		(410)	(383)
Taxes paid, net of refunds		(27,792)	(36,243)
Net cash from operating activities		112,200	83,098
Cash flows from investing activities			
Decrease in other deposits not for short-term funding requirements		151,154	84,454
Interest received		11,195	10,710
Proceeds from disposal of investment securities		53,068	29,197
Purchases of investment securities		(43,273)	(55,020)
Purchases of property, plant and equipment and computer software		(21,421)	(13,133)
Net cash from investing activities		150,723	56,208

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2013 (CONT'D.)

RM'000	Note	6 months ended	
		30.06.2013	30.6.2012
		Reviewed	Reviewed (Restated)
Cash flows from financing activities			
Dividends paid	7	(71,857)	(69,140)
Dividends paid by a subsidiary to non-controlling interest		(5,750)	(4,750)
Dividends received		2,182	1,106
Net cash used in financing activities		(75,425)	(72,784)
Net increase in cash and cash equivalents			
Effect of exchange rate changes on cash and cash equivalents		44	(4)
Cash and cash equivalents at beginning of year		153,775	155,343
Cash and cash equivalents at end of period (Note)	14	341,317	221,861

NOTE

Included in cash and cash equivalents as at the end of the financial period are the following:

- (i) Cash set aside for the following Clearing Funds:

RM'000	As at	As at
	30.06.2013	30.06.2012
Bursa Malaysia Securities Clearing Sdn. Bhd.'s (Bursa Malaysia Securities Clearing) appropriation to the Clearing Guarantee Fund (CGF)	25,000	25,000
Bursa Malaysia Derivatives Clearing Berhad's (Bursa Malaysia Derivatives Clearing) appropriation to the Derivatives Clearing Fund (DCF)	5,000	5,000
	30,000	30,000

- (ii) An amount of RM6,694,000 (30.06.2012: RM7,233,000) which has been set aside to meet or secure the claims of creditors and certain lease payments pursuant to the High Court order issued in relation to the reduction of capital of the Company on 27 January 2005.

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 2012 and the accompanying explanatory notes attached to these interim financial statements.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

This condensed consolidated interim financial statements (Condensed Report), other than for financial instruments and retirement benefit obligations, have been prepared under the historical cost convention. Certain financial instruments have been carried at fair value in accordance to Malaysian Financial Reporting Standards (MFRS) 139 *Financial Instruments: Recognition and Measurement*, and the retirement benefit obligations include actuarial gains and losses in accordance with MFRS 119 *Employee Benefits*.

This condensed report also has been prepared in accordance with the requirements of MFRS 134 *Interim Financial Reporting* and 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 2012. The explanatory notes attached to the condensed report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Adoption of Standards, Amendments and Issues Committee (IC) Interpretations and changes in accounting policies

(a) Adoption of Standards, Amendments and IC Interpretations

The Group adopted the following Standards, Amendments and IC Interpretations:-

MFRS 3	<i>Business Combinations</i>
MFRS 10	<i>Consolidated Financial Statements</i>
MFRS 11	<i>Joint Arrangements</i>
MFRS 12	<i>Disclosure of Interests in Other Entities</i>
MFRS 13	<i>Fair Value Measurement</i>
MFRS 119	<i>Employee Benefits (revised)</i>
MFRS 127	<i>Consolidated and Separate Financial Statements (revised)</i>
MFRS 128	<i>Investments in Associates and Joint Ventures (revised)</i>
Amendments to MFRS 1	<i>First-time Adoption of MFRS - Government Loans</i>
Amendments to MFRS 7	<i>Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities</i>
Amendments to MFRS 10	<i>Consolidated Financial Statements: Transition Guidance</i>
Amendments to MFRS 11	<i>Joint Arrangements: Transition Guidance</i>
Amendments to MFRS 12	<i>Disclosure of Interests in Other Entities: Transition Guidance</i>
Amendments to MFRS 101	<i>Presentation of Items of Other Comprehensive Income</i>
Annual Improvements to IC Interpretations and MFRSs 2009 - 2011 Cycle	

The adoption of the above pronouncements did not have any impact on the financial statements of the Group, except for the following:

(i) Amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income*

The amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income* change the grouping of items presented in other comprehensive income. Items that could be reclassified to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations and net gains or losses on AFS financial assets) would be presented separately from items that will never be reclassified (for example, actuarial gains and losses on defined benefit plans).

The adoption of this amendment affects presentation only and has no financial impact on the Group's financial statements.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.1 Adoption of Standards, Amendments and Issues Committee (IC) Interpretations and changes in accounting policies (Cont'd.)

(a) Adoption of Standards, Amendments and IC Interpretations (Cont'd.)

(ii) MFRS 119 *Employee Benefits (revised)*

The Group has adopted MFRS 119 *Employee Benefits (revised)* and applied this standard retrospectively during the current period.

As a result of MFRS 119 *Employee Benefits (Revised)* adoption, actuarial gains and losses are recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the statement of financial position to reflect the full value of the plan deficit or surplus. The expected returns on plan assets of defined benefit plans are not recognised in profit or loss and instead, the interest on net defined benefit obligation (net of the plan assets) is recognised in profit or loss, calculated using the discount rate used to measure the net pension obligation or asset.

The financial effects arising from the adoption of MFRS 119 *Employee Benefits (revised)* is disclosed in Note 2.3.

(b) Change in accounting policy on fines

In prior years, fines and related expenses were recognised in profit or loss. On 16 October 2012 after receiving the consent for the establishment of Capital Market Education and Integrity Fund (CMEIF), fines and related expenses were no longer recognised in profit or loss as the Group proposed the establishment of the CMEIF to account for fines received and strengthen the governance of fines utilisation.

Following the setting up of CMEIF on 1 January 2013, the net fines received by the Group in the past were transferred to CMEIF and recorded as a liability in the statement of financial position. This change in accounting policy has been applied retrospectively as disclosed in Note 2.3.

2.2 Standards issued but not yet effective

Amendments to MFRS 9	<i>Mandatory Effective Date of MFRS 9 and Transition Disclosures</i>
Amendments to MFRS 10	<i>Consolidated Financial Statements: Investment Entities</i>
Amendments to MFRS 12	<i>Disclosure of Interests in Other Entities: Investment Entities</i>
Amendments to MFRS 127	<i>Consolidated and Separate Financial Statements: Investment Entities</i>
Amendments to MFRS 132	<i>Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities</i>

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncement are not expected to have any effect to the financial statements of the Group upon their initial application.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.3 Financial effects arising from the adoption of MFRS 119 *Employee Benefits (Revised)* and change in accounting policy on fines

Accordingly, the financial statements for the previous financial period and years have been restated as follows:

(a) Condensed consolidated statement of financial position

RM'000	As previously reported	Note 2.1(a)(ii) Effect of adoption of MFRS 119	Note 2.1(b) Effect of change in accounting policy for fines	Restated
<u>As at 1 January 2012</u>				
Current liabilities				
Other payables	67,330	-	12,583	79,913
Non-current liabilities				
Retirement benefit obligations	24,311	9,288	-	33,599
Deferred tax liabilities	9,886	(2,322)	-	7,564
Equity attributable to owners of the Company				
Retained earnings	481,611	(6,966)	(12,583)	462,062
<u>As at 31 December 2012</u>				
Current liabilities				
Other payables	80,535	-	13,944	94,479
Non-current liabilities				
Retirement benefit obligations	24,816	5,207	-	30,023
Deferred tax liabilities	9,196	(1,301)	-	7,895
Equity attributable to owners of the Company				
Retained earnings	492,106	(3,906)	(13,944)	474,256

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.3 Financial effects arising from the adoption of MFRS 119 *Employee Benefits (Revised)* and change in accounting policy on fines (Cont'd.)

(b) Condensed consolidated income statement

RM'000	As previously reported	Note 2.1(a)(ii) Effect of adoption of MFRS 119	Note 2.1(b) Effect of change in accounting policy for fines	Restated
<u>Period Ended 30 June 2012</u>				
Other income	19,233	-	(1,235)	17,998
Staff costs	(49,781)	334	-	(49,447)
Other operating expenses	(38,403)	-	616	(37,787)
Profit before tax	111,579	334	(619)	111,294
Income tax expense	(29,789)	(84)	-	(29,873)
Profit for the period	81,790	250	(619)	81,421
<u>Year Ended 31 December 2012</u>				
Other income	38,603	-	(2,496)	36,107
Staff costs	(102,481)	668	-	(101,813)
Other operating expenses	(74,857)	-	1,135	(73,722)
Profit before tax	216,032	668	(1,361)	215,339
Income tax expense	(58,286)	(167)	-	(58,453)
Profit for the period	157,746	501	(1,361)	156,886

(c) Condensed consolidated statement of comprehensive income

RM'000	As previously reported	Note 2.1(a)(ii) Effect of adoption of MFRS 119	Note 2.1(b) Effect of change in accounting policy for fines	Restated
<u>Period Ended 30 June 2012</u>				
Total comprehensive income for the period	88,273	250	(619)	87,904
<u>Year Ended 31 December 2012</u>				
Actuarial gains and losses on defined benefit plans	-	3,413	-	3,413
Income tax relating to actuarial gains and losses	-	(854)	-	(854)
Total comprehensive income for the year	157,821	3,060	(1,361)	159,520

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.3 Financial effects arising from the adoption of MFRS 119 *Employee Benefits (Revised)* and change in accounting policy on fines (Cont'd.)

(d) Condensed consolidated statement of cash flows

RM'000	As previously reported	Note 2.1(a)(ii) Effect of adoption of MFRS 119	Note 2.1(b) Effect of change in accounting policy for fines	Restated
<u>Period Ended 30 June 2012</u>				
Profit before tax	111,579	334	(619)	111,294
Retirement benefit obligations	1,287	(334)	-	953
Operating profit before working capital changes	119,841	-	(619)	119,222
Increase in payables	9,524	-	619	10,143
<u>Year Ended 31 December 2012</u>				
Profit before tax	216,032	668	(1,361)	215,339
Retirement benefit obligations	2,574	(668)	-	1,906
Operating profit before working capital changes	230,127	-	(1,361)	228,766
Increase in payables	4,619	-	1,361	5,980

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

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

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 quarter and six months ended 30 June 2013.

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the quarter and six months ended 30 June 2013.

6. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases and repayments of debt and equity securities during the quarter and six months ended 30 June 2013 other than the issuance of 250,000 new ordinary shares of RM0.50 each pursuant to the SGP.

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

7. DIVIDENDS PAID

The following dividend was paid during the current and previous corresponding quarter:

	30.06.2013	30.06.2012
Final dividend for the financial year	31 December 2012	31 December 2011
Approved and declared on	28 March 2013	29 March 2012
Date paid	16 April 2013	17 April 2012
Number of ordinary shares on which dividends were paid ('000)	532,274	531,849
Dividend per share (single-tier)	13.5 sen	13.0 sen
Net dividend paid (RM'000)	71,857	69,140

8. OPERATING REVENUE

RM'000	3 months ended		6 months ended	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Securities clearing fees	53,053	34,408	87,393	75,957
Securities trade fees	7,269	4,534	12,029	9,965
Other securities revenue	5,452	3,520	9,582	7,056
Securities trading revenue	65,774	42,462	109,004	92,978
Derivatives clearing fees	3,622	3,299	7,138	5,789
Derivatives trade fees	10,310	9,855	20,237	17,327
Other derivatives revenue	3,512	3,589	8,518	6,505
Derivatives trading revenue	17,444	16,743	35,893	29,621
Listing and issuer services	13,678	14,120	25,026	26,427
Depository services	10,698	9,858	18,510	17,334
Market data	6,456	6,262	12,927	11,290
Member services and connectivity	6,829	6,477	14,269	12,622
Other operating revenue	1,288	819	8,236	6,971
Total operating revenue	122,167	96,741	223,865	197,243

9. OTHER INCOME

RM'000	3 months ended		6 months ended	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Rental income	1,588	1,555	3,152	3,113
Interest income from:				
- Investments	5,700	5,613	11,655	11,454
- Others	89	109	180	229
Net gain on disposal of investment securities	-	73	-	238
Dividend income	381	419	764	1,249
Grant income	357	480	791	958
Miscellaneous income	70	387	380	757
Total other income	8,185	8,636	16,922	17,998

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

10. OTHER OPERATING EXPENSES

RM'000	3 months ended		6 months ended	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Marketing and development costs	1,292	1,179	5,012	5,428
Technology charges:				
- Information technology maintenance	3,880	3,882	8,379	7,837
- Service fees	3,679	3,550	7,447	6,037
Central Depository System (CDS) consumables	1,240	874	2,169	1,575
Professional fees	357	1,792	527	3,023
Building management costs	2,658	2,762	5,108	5,271
Administrative expenses	1,379	1,950	3,040	3,683
Net (reversal of impairment loss)/impairment loss on trade and other receivables	(23)	(4)	32	1,362
Foreign exchange loss/(gain)	80	(17)	(56)	15
Miscellaneous expenses	1,786	1,859	3,639	3,556
Total other operating expenses	16,328	17,827	35,297	37,787

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

11. SEGMENTAL INFORMATION

RM'000	Securities market	Derivatives market	Holding company	Others	Consolidated
RESULTS FOR 3 MONTHS ENDED 30 JUNE 2013					
Operating revenue	98,431	19,630	2,660	1,446	122,167
Other income	2,319	594	5,228	44	8,185
Direct costs	(21,096)	(9,579)	(6,936)	(1,317)	(38,928)
Segment profit	79,654	10,645	952	173	91,424
Overheads					(14,144)
Profit before tax	79,654	10,645	952	173	77,280

RESULTS FOR 3 MONTHS ENDED 30 JUNE 2012					
Operating revenue	74,063	18,673	3,048	957	96,741
Other income	2,602	583	5,424	27	8,636
Direct costs	(20,685)	(8,285)	(8,068)	(1,056)	(38,094)
Segment profit/(loss)	55,980	10,971	404	(72)	67,283
Overheads					(13,687)
Profit before tax	55,980	10,971	404	(72)	53,596

RESULTS FOR 6 MONTHS ENDED 30 JUNE 2013					
Operating revenue	169,660	45,789	5,524	2,892	223,865
Other income	5,043	1,281	10,529	69	16,922
Direct costs	(41,848)	(21,751)	(13,285)	(2,547)	(79,431)
Segment profit	132,855	25,319	2,768	414	161,356
Overheads					(28,532)
Profit before tax	132,855	25,319	2,768	414	132,824

RESULTS FOR 6 MONTHS ENDED 30 JUNE 2012					
Operating revenue	150,858	38,647	6,089	1,649	197,243
Other income	5,348	1,304	11,291	55	17,998
Direct costs	(40,071)	(18,574)	(16,453)	(2,121)	(77,219)
Segment profit/(loss)	116,135	21,377	927	(417)	138,022
Overheads					(26,728)
Profit before tax	116,135	21,377	927	(417)	111,294

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENTAL INFORMATION (CONT'D.)

RM'000	Securities market	Derivatives market	Holding company	Others	Consolidated
ASSETS AND LIABILITIES AS AT 30 JUNE 2013					
Assets that belong to the Group	438,347	124,630	491,314	34,312	1,088,603
Assets that do not belong to the Group	19,458	869,978	-	-	889,436
Segment assets	457,805	994,608	491,314	34,312	1,978,039
Unallocated corporate assets					4,278
Total assets	457,805	994,608	491,314	34,312	1,982,317
Liabilities that belong to the Group	49,179	12,553	43,868	33,855	139,455
Liabilities that do not belong to the Group	19,458	869,978	-	-	889,436
Segment liabilities	68,637	882,531	43,868	33,855	1,028,891
Unallocated corporate liabilities					24,976
Total liabilities	68,637	882,531	43,868	33,855	1,053,867

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

12. RELATED PARTY DISCLOSURES

Significant related party transactions are as follows:

RM'000	3 months ended		6 months ended	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Administration fee income from Bursa Malaysia Securities Berhad - Compensation Fund (BMSB - CF), a fund managed by Bursa Malaysia Berhad	-	233	158	464
Administration fee income from Bursa Malaysia Derivatives Berhad - Fidelity Fund (BMDB - FF), a fund managed by Bursa Malaysia Derivatives Berhad	-	30	20	60

As at 28 February 2013, Bursa Malaysia Securities Berhad and Bursa Malaysia Derivatives Berhad transferred the funds of BMSB - CF and BMDB - FF to the Capital Market Compensation Fund Corporation (CMC) pursuant to Part IV of the Capital Markets and Services (Amendment) Act 2012. Bursa Malaysia Berhad will no longer earn administration fees from those funds subsequent to the transfer of funds to CMC.

The Directors are of the opinion that the above transactions had been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

13. CASH AND BANK BALANCES NOT BELONGING TO THE GROUP

RM'000	As at 30.06.2013
Trade margins, collaterals and security deposits	846,372
Securities Borrowing and Lending collaterals	5,806
Trade payables	852,178
DCF contributions	23,606
CGF contributions	13,305
Clearing Funds' contributions	36,911
Cash received for eDividend distributions (included within other payables)	347
Total cash and bank balances not belonging to the Group	889,436

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

13. CASH AND BANK BALANCES NOT BELONGING TO THE GROUP (Cont'd.)

The amount of non-cash collaterals and contributions held by the Group not included in the consolidated statement of financial position as at 30 June 2013 comprise the following:

RM'000	As at 30.06.2013
Collaterals in the form of letters of credit	431,000
Collaterals in the form of shares	239
Contributions to the CGF in the form of bank guarantees	5,083
	436,322

14. CASH AND BANK BALANCES OF THE GROUP

RM'000	As at 30.06.2013
Cash and bank balances	5,958
Deposits for short-term funding requirements	335,359
Cash and cash equivalents	341,317
Other deposits not for short-term funding requirements	166,574
Total cash and bank balances of the Group	507,891

15. CAPITAL COMMITMENTS

Capital commitments for the purchase of property, plant and equipment and computer software not provided for in the condensed report as at the end of the financial period were as follows:

RM'000	Approved and contracted for	Approved but not contracted for
Computers and office automation	7,311	14,706
Renovations	35	-
Total capital commitments	7,346	14,706

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

16. CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets and no changes in the contingent liability in respect of the put and call options with Chicago Mercantile Exchange Group over the ordinary shares of Bursa Malaysia Derivatives since 31 December 2012.

17. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter and six months ended 30 June 2013.

18. OPERATING LEASE ARRANGEMENTS

(a) As Lessee - for the lease of land

The future aggregate minimum lease payments payable under operating leases contracted for as at the end of the financial period but not recognised as liabilities are as follows:

RM'000	As at 30.06.2013
Not later than 1 year	539
Later than 1 year and not later than 5 years	2,155
Later than 5 years	39,714
Total future minimum lease payments	42,408

(b) As Lessor - for building rental

The future aggregate minimum lease payments receivable under non-cancellable operating leases contracted for as at the end of the financial period but not recognised as receivables are as follows:

RM'000	As at 30.06.2013
Not later than 1 year	6,390
Later than 1 year and not later than 2 years	6,350
Later than 2 years and not later than 5 years	6,082
Total future minimum lease receivables	18,822

19. EVENTS AFTER THE REPORTING PERIOD

There was no material event subsequent to the end of the current quarter.

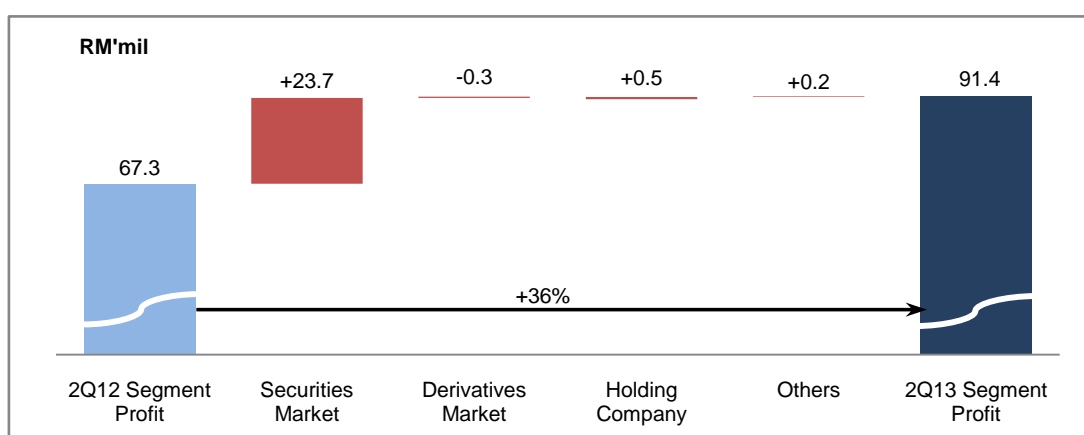
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN
MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

20. OPERATING SEGMENTS REVIEW

(a) 2Q13 vs. 2Q12

Profit before tax (PBT) for the quarter ended 30 June 2013 (2Q13) was RM77.3 million, an increase of 44 per cent from RM53.6 million in the quarter ended 30 June 2012 (2Q12). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profit for 2Q13 was RM91.4 million, an increase of 36 per cent from RM67.3 million in 2Q12. The quarter movements in the segment profits are depicted in the graph below:

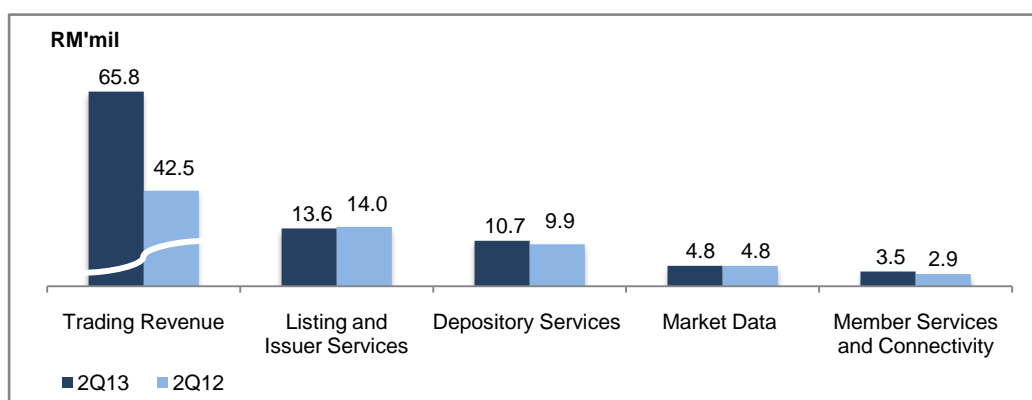


Securities Market

The securities market recorded a segment profit of RM79.7 million in 2Q13, an increase of 42 per cent compared to RM56.0 million in 2Q12. The higher profit in 2Q13 was mainly a result of higher trading value on the securities market as compared to 2Q12. Trading revenue increased by 55 per cent to RM65.8 million in 2Q13 compared to 2Q12. 2Q13 saw a higher average daily value (ADV) for on-market trades (OMT) and direct business trades (DBT) of RM2.39 billion compared to RM1.52 billion in 2Q12.

The components of operating revenue and key operating drivers are shown in the chart and table below respectively.

(i) Operating Revenue



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN
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20. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 2Q13 vs. 2Q12 (Cont'd.)

Securities Market (Cont'd.)

(ii) Key Operating Drivers

		2Q13	2Q12
FBM KLCI	(points)	1,773.54	1,599.15
Average daily trading value (OMT and DBT)	(RM'billion)	2.39	1.52
Average daily trading volume (OMT and DBT)	(billion)	1.71	1.21
Effective clearing fee rate	(basis points)	2.28	2.29
Velocity	(per cent)	37	27
Number of initial public offerings (IPOs)		5	6
Number of new structured warrant listings		68	140
Total funds raised:			
- IPOs	(RM'billion)	1.41	10.72
- Secondary issues	(RM'billion)	6.61	0.56
Market capitalisation at end of period	(RM'billion)	1,598.81	1,367.88

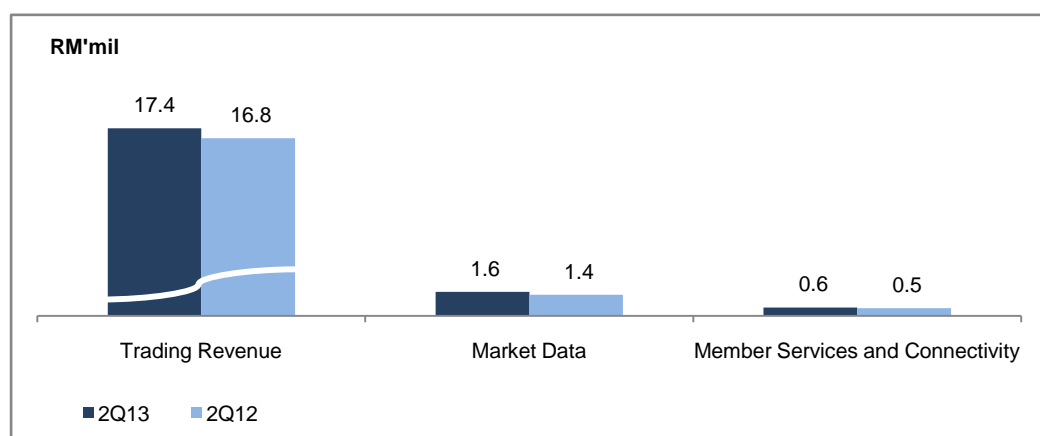
There was no significant movement in other income and expenses in both quarters.

Derivatives Market

The derivatives market recorded a segment profit of RM10.6 million in 2Q13, a decrease of 3 per cent compared to RM11.0 million in 2Q12. The lower profit in 2Q13 was mainly due to higher information technology maintenance.

The components of operating revenue and key operating drivers are shown in the chart and table below respectively.

(i) Operating Revenue



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN
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20. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 2Q13 vs. 2Q12 (Cont'd.)

Derivatives Market (Cont'd.)

(ii) Key Operating Drivers

		2Q13	2Q12
FCPO contracts	(million)	1.82	1.90
FKLI contracts	(million)	0.79	0.63
Other contracts	(million)	0.01	0.02
Total	(million)	2.62	2.55
Daily average contracts		41,673	40,367
Average number of open interests		209,651	160,899

Exchange Holding Company

The exchange holding company recorded a segment profit of RM1.0 million in 2Q13 compared to RM0.4 million in 2Q12. The lower profit in 2Q12 was mainly due to higher consultancy fees.

Others

Others segment is made up of our BSAS business, bonds trading and offshore exchange. The others segment improved from a loss position of RM0.1 million in 2Q12 to a profit position of RM0.2 million in 2Q13 as a result of rising use of BSAS as a commodity murabahah trading platform.

Overheads

Overheads increased by 3 per cent to RM14.1 million in 2Q13 compared to RM13.7 million in 2Q12.

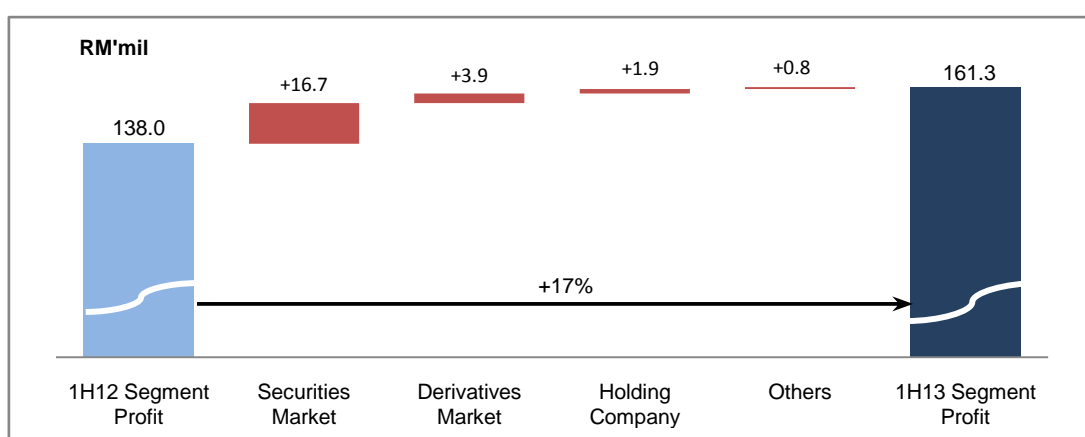
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN
MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

20. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) 1H2013 vs. 1H2012

PBT for the six month ended 30 June 2013 (1H13) was RM132.8 million, an increase of 19 per cent from RM111.3 million in the six months ended 30 June 2012 (1H12). PBT is made up of segment profits less overheads.

Total segment profit for 1H12 was RM161.3 million, an increase of 17 per cent from RM138.0 million in 1H12. The six months movement in the segment profits are depicted in the graph below:

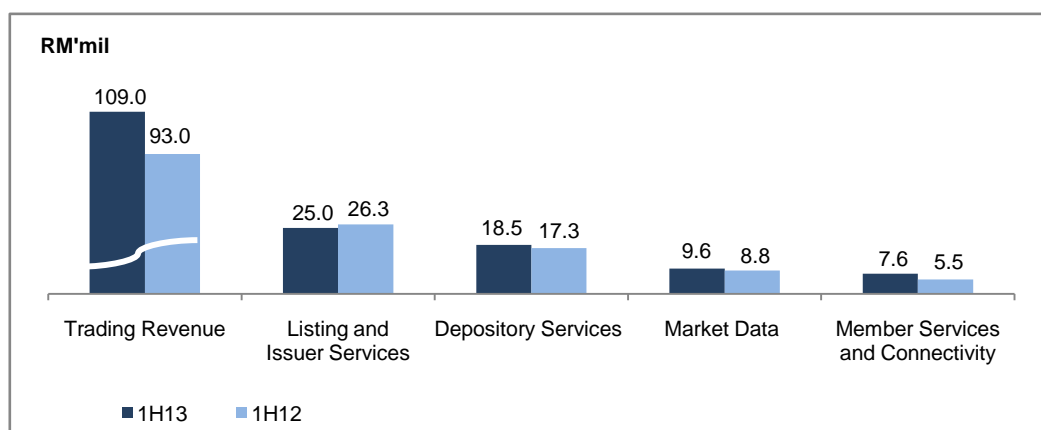


Securities Market

The securities market recorded a segment profit of RM132.9 million in 1H13 compared to RM116.1 million in 1H12. The higher profit in 1H13 was mainly a result of higher trading value on the securities market as compared to 1H12.

(i) Operating Revenue

Operating revenue for 1H13 was RM169.7 million, representing an increase of 12 per cent compared to RM150.9 million in 1H12. The increase came mainly from trading revenue, as shown in the chart below:



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

20. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) 1H13 vs. 1H12 (Cont'd.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue increased by 17 per cent to RM109.0 million in 1H13 compared to 1H12. 1H13 saw a higher ADV for OMT and DBT of RM2.06 billion compared to RM1.74 billion in 1H12.
- > Listing and issuer services decreased by 5 per cent to RM25.0 million in 1H13 compared to 1H12. The decrease was mainly attributable to the lower number of new structured warrant listings and smaller IPOs.
- > Depository services increased by 7 per cent to RM18.5 million in 1H13 compared to 1H12. The higher revenue was mainly due to fees earned from the merger of two broking houses in 1H13.
- > Market data increased by 10 per cent to RM9.6 million in 1H13 compared to 1H12. The higher revenue in 1H13 was mainly due to the revision in rates implemented progressively in the first quarter of 2012.
- > Member services and connectivity increased by 39 per cent to RM7.6 million in 1H13 compared to 1H12. The higher revenue was a result of a revision in fee structure for Bursa access fees.

Key operating drivers in the securities market are as follows:

		1H13	1H12
FBM KLCI	(points)	1,773.54	1,599.15
Average daily trading value (OMT and DBT)	(RM'billion)	2.06	1.74
Average daily trading volume (OMT and DBT)	(billion)	1.41	1.60
Effective clearing fee rate	(basis points)	2.25	2.34
Velocity	(per cent)	33	30
Number of IPOs		7	8
Number of new structured warrant listings		190	267
Total funds raised:			
- IPOs	(RM'billion)	1.79	11.02
- Secondary issues	(RM'billion)	8.64	2.86
Market capitalisation at end of period	(RM'billion)	1,598.81	1,367.88

(ii) Expenses

Segment expenses increased by 4 per cent to RM41.8 million in 1H13 compared to RM40.1 million in 1H12.

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

20. OPERATING SEGMENTS REVIEW (CONT'D.)

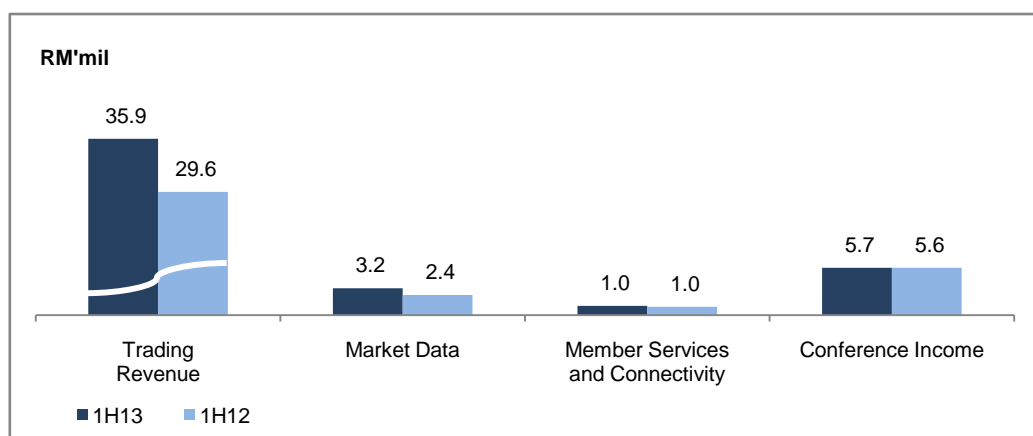
(b) 1H13 vs. 1H12 (Cont'd.)

Derivatives Market

The derivatives market recorded a segment profit of RM25.3 million in 1H13, an increase of 18 per cent compared to RM21.4 million in 1H12. The higher profit in 1H13 was attributed to a higher number of contracts traded.

(i) Operating Revenue

Operating revenue for 1H13 was RM45.8 million, representing an increase of 18 per cent compared to RM38.6 million in 1H12. The increase came mainly from trading revenue, as shown in the chart below:



- > Trading revenue increased by 21 per cent to RM35.9 million in 1H13 compared to 1H12. 5.25 million contracts were traded in 1H13 compared to 4.37 million contracts in 1H12.
- > Market data increased by 32 per cent to RM3.2 million in 1H13 compared to 1H12. The higher revenue was a result of higher number of subscribers.

Key operating drivers in the derivatives market are as follows:

		1H13	1H12
FCPO contracts	(million)	3.83	3.20
FKLI contracts	(million)	1.40	1.14
Other contracts	(million)	0.02	0.03
Total	(million)	5.25	4.37
Daily average contracts		43,358	35,845
Average number of open interests		211,812	166,590

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

20. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) 1H13 vs. 1H12 (Cont'd.)

Derivatives Market (Cont'd.)

(ii) Expenses

Segment expenses increased by 17 per cent to RM21.8 million in 1H13 compared to RM18.6 million in 1H12. This was mainly due to higher service fees charged as a result of the increase in trade volumes in 1H13 compared to 1H12.

Exchange Holding Company

The exchange holding company recorded a segment profit of RM2.8 million in 1H13 compared to RM1.0 million in 1H12. The lower profit in 1H12 was mainly due to higher consultancy fees and impairment on other receivables.

Others

Others segment is made up of our BSAS business, bonds trading and offshore exchange. The others segment improved from a loss position of RM0.4 million in 1H12 to a profit position of RM0.4 million in 2Q13 as a result of rising use of BSAS as a commodity murabahah trading platform.

Overheads

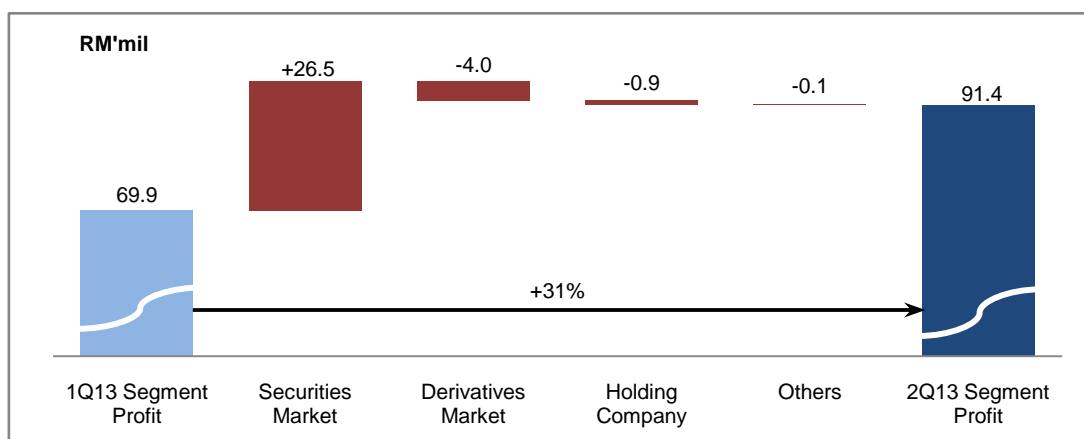
Overheads increased by 7 per cent to RM28.5 million in 1H13 compared to RM26.7 million in 1H12.

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

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

PBT for 2Q13 was RM77.3 million, an increase of 39 per cent from RM55.5 million in the quarter ended 31 March 2013 (1Q13). PBT is made up of segment profits less overheads.

Total segment profit for 2Q13 were RM91.4 million, an increase of 31 per cent from RM69.9 million in 1Q13. The quarter on quarter movements in the segment profits are depicted in the graph below:

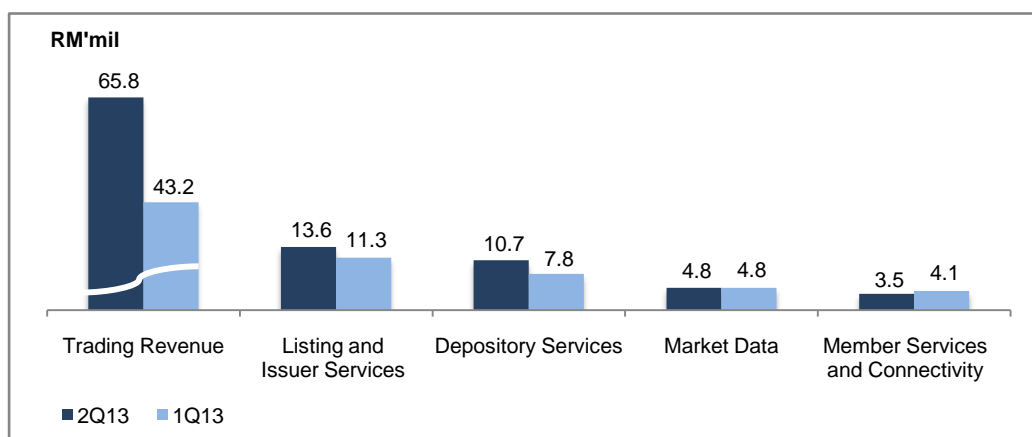


Securities Market

The securities market recorded a segment profit of RM79.7 million in 2Q13, an increase of 50 per cent compared to RM53.2 million in 1Q13. The higher profit in 2Q13 was mainly due to higher trading value on the securities market in 2Q13 compared to 1Q13.

(i) Operating Revenue

Securities market operating revenue increased by 38 per cent to RM98.4 million in 2Q13 compared to RM71.2 million in 1Q13. The increase came mainly from trading revenue, as shown in the chart below:



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

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

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue increased by 52 per cent to RM65.8 million in 2Q13 compared to 1Q13. 2Q13 saw higher ADV for OMT and DBT of RM2.39 billion compared to RM1.72 billion in 1Q13.
- > Listing and issuer services increased by 21 per cent to RM13.6 million in 2Q13 compared to 1Q13. The higher revenue in 2Q13 was mainly due to higher number of IPOs and corporate exercises.
- > Depository services increased by 37 per cent to RM10.7 million in 2Q13 compared to 1Q13. The higher revenue was mainly due to more Annual General Meetings held and the merger of two broking houses in 2Q13.

Key operating drivers in the securities market are as follows:

		2Q13	1Q13
FBM KLCI	(points)	1,773.54	1,671.63
Average daily trading value (OMT and DBT)	(RM'billion)	2.39	1.72
Average daily trading volume (OMT and DBT)	(billion)	1.71	1.07
Effective clearing fee rate	(basis points)	2.28	2.20
Velocity	(per cent)	37	28
Number of IPOs		5	2
Number of new structured warrant listings		68	122
Total funds raised:			
- IPOs	(RM'billion)	1.41	0.39
- Secondary issues	(RM'billion)	6.61	2.03
Market capitalisation at end of period	(RM'billion)	1,598.81	1,472.48

(ii) Expenses

Segment expenses was fairly stable at RM21 million in 2Q13 and 1Q13.

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

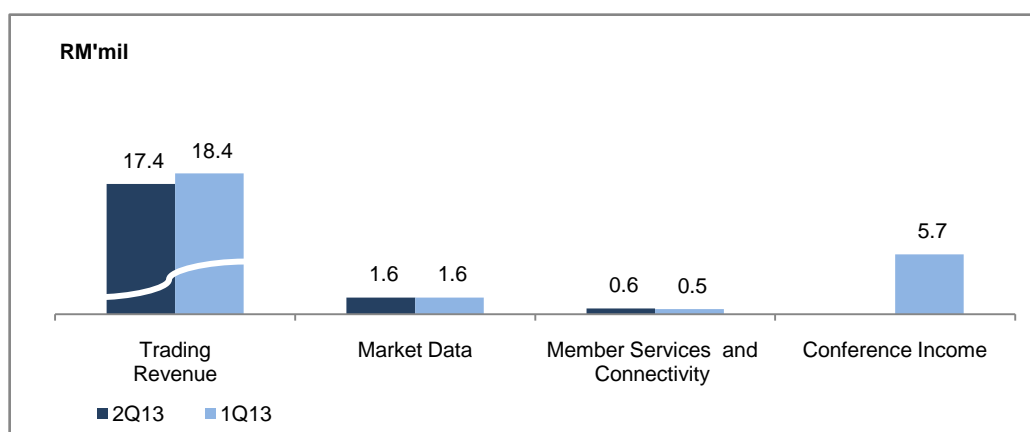
21. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER (CONT'D.)

Derivatives Market

The derivatives market recorded a segment profit of RM10.6 million for 2Q13, a decrease of 27 per cent compared to RM14.7 million in 1Q13. The lower profit in 2Q13 was mainly due to conference income in 1Q13.

(i) Operating Revenue

Derivatives market operating revenue for 2Q13 was RM19.6 million, representing a decrease of 25 per cent compared to RM26.2 million in 1Q13. The decrease mainly arose from conference income, as shown in the chart below:



- > Trading revenue decreased by 5 per cent to RM17.4 million in 2Q13 compared to 1Q13 as a result of lower open interests.
- > There were no conference income in 2Q13 as Palm and Lauric Oil Conference held in 1Q13.

Key operating drivers in the derivatives market are as follows:

		2Q13	1Q13
FCPO contracts	(million)	1.82	2.00
FKLI contracts	(million)	0.79	0.61
Other contracts	(million)	0.01	0.01
Total	(million)	2.62	2.62
Daily average contracts		41,673	45,188
Average number of open interests		209,651	213,972

(ii) Expenses

Segment expenses decreased by 22 per cent to RM9.6 million in 2Q13 compared to 1Q13. The lower costs were mainly a result of no conference expenses incurred in 2Q13.

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

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

Exchange Holding Company

The exchange holding company recorded a segment profit of RM1.0 million in 2Q13 compared to RM1.8 million in 1Q13. The lower profit in 2Q13 was mainly due to lower broker services earned and higher professional fees.

Others

Others segment is made up of our BSAS business, bonds trading and offshore exchange. The others segment profit was fairly stable at RM0.2 million in 2Q13 and 1Q13.

Overheads

Overheads was fairly stable at RM14 million in 2Q13 and 1Q13.

22. COMMENTARY ON PROSPECTS AND TARGETS

Looking forward, we expect the global economic conditions to remain challenging. Malaysia's economy is however expected to remain resilient, supported by its strong domestic demand and public spending.

Trading activity on the securities market was buoyant following the conclusion of the 13th General Election. We expect interest in the market to continue given the strong earnings potential of public listed companies.

As for our derivatives market, we expect that the weather conditions and demand levels could create crude palm oil price volatility. This, together with our efforts to facilitate accessibility, would be the main drivers of volume moving forward.

In addition to the challenging economic environment, Bursa Malaysia is cognisant of the constant changes and increasing competition among exchanges. We will continue to channel our efforts to provide more offerings and opportunities for market participants, and create a facilitative trading environment to support the growth in capital market.

Barring any unforeseen circumstances, we expect our financial results this year to improve compared to the previous year.

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

23. INCOME TAX EXPENSE

RM'000	3 months ended		6 months ended	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Income tax	23,055	16,303	36,160	29,638
Deferred tax	(2,169)	(2,081)	(116)	235
Total income tax expense	20,886	14,222	36,044	29,873

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the period.

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

24. RETAINED EARNINGS

RM'000	As at	As at	As at
	30.06.2013	31.12.2012	01.01.2012
Realised	501,606	475,418	456,989
Unrealised	(7,750)	(6,474)	(6,338)
	493,856	468,944	450,651
Consolidation adjustments	1,567	5,312	11,411
Total retained earnings	495,423	474,256	462,062

25. CORPORATE PROPOSALS

There were no corporate proposals announced but not completed as at the reporting date.

26. BORROWINGS AND DEBT SECURITIES

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

27. CHANGES IN MATERIAL LITIGATION

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

BURSA MALAYSIA BERHAD (30632-P)
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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN
MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

28. PROPOSED DIVIDENDS

Details of the interim and special dividends approved and declared by the Board of Directors are as follows:

	30.06.2013	30.06.2012
Dividends for financial year ended	31 December 2013	31 December 2012
Interim dividend per share (single-tier)	16.0 sen	13.5 sen
Special dividend per share (single-tier)	20.0 sen	-
Approved and declared on	18 July 2013	18 July 2012
Entitlement to dividends based on		
Record of Depositors as at	2 August 2013	2 August 2012
Date payable	15 August 2013	15 August 2012

29. EPS

(a) Basic EPS

	3 months ended		6 months ended	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Profit attributable to the Owners of the Company (RM'000)	54,824	37,733	93,024	78,346
Weighted average number of ordinary shares in issue ('000)	532,274	531,846	532,149	531,723
Basic EPS (sen)	10.3	7.1	17.5	14.7

(b) Diluted EPS

	3 months ended		6 months ended	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Profit attributable to Owners of the Company (RM'000)	54,824	37,733	93,024	78,346
Weighted average number of ordinary shares in issue ('000)	532,274	531,846	532,149	531,723
Effect of dilution ('000)	844	526	844	513
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	533,118	532,372	532,993	532,236
Diluted EPS (sen)	10.3	7.1	17.5	14.7

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

30. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2012 was unqualified.

31. REVIEW BY EXTERNAL AUDITORS

The Board had engaged the external auditors to review and report on the condensed consolidated financial statements of Bursa Malaysia Berhad for the quarter and six months ended 30 June 2013 in accordance with 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 has come to their attention that causes them to believe that the said condensed consolidated financial statements were not prepared, in all material respects, in accordance with MFRS 134 *Interim Financial Reporting* and in accordance with IAS 34 *Interim Financial Reporting* issued by the IASB. The report was made to the Board in accordance to the terms of reference with the external auditors and for no other purpose.

32. AUTHORISED FOR ISSUE

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 18 July 2013.