



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2014

20 October 2014

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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2014

RM'000	Note	3 months ended		9 months ended	
		30.09.2014	30.09.2013	30.09.2014	30.09.2013
		Reviewed	Reviewed	Reviewed	Reviewed
Operating revenue	8	120,976	112,064	351,599	335,929
Other income	9	7,982	8,216	23,677	25,138
		128,958	120,280	375,276	361,067
Staff costs		(29,531)	(28,777)	(94,613)	(83,975)
Depreciation and amortisation		(6,248)	(9,121)	(19,055)	(26,589)
Other operating expenses	10	(19,561)	(17,926)	(59,262)	(53,223)
Profit before tax		73,618	64,456	202,346	197,280
Income tax expense	25	(18,963)	(16,793)	(52,884)	(52,837)
Profit for the period		54,655	47,663	149,462	144,443
Profit attributable to:					
Owners of the Company		53,088	46,209	145,087	139,233
Non-controlling interest		1,567	1,454	4,375	5,210
		54,655	47,663	149,462	144,443
Earnings per share (EPS) attributable to owners of the Company (sen per share):					
Basic EPS	31(a)	10.0	8.7	27.2	26.2
Diluted EPS	31(b)	9.9	8.6	27.1	26.1

The above condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 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 NINE MONTHS ENDED 30 SEPTEMBER 2014

RM'000	3 months ended		9 months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
	Reviewed	Reviewed	Reviewed	Reviewed
Profit for the period	54,655	47,663	149,462	144,443
Items that may be subsequently reclassified to profit or loss:				
Foreign currency translation	34	42	(7)	97
Net fair value changes in available-for-sale (AFS) financial assets	13,264	(906)	1,478	31,931
Income tax relating to AFS financial assets	(27)	102	12	99
Total other comprehensive income, net of income tax	13,271	(762)	1,483	32,127
Total comprehensive income	67,926	46,901	150,945	176,570
Total comprehensive income attributable to:				
Owners of the Company	66,359	45,447	146,570	171,360
Non-controlling interest	1,567	1,454	4,375	5,210
	67,926	46,901	150,945	176,570

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 2013 and the accompanying explanatory notes attached to these interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014

RM'000	Note	As at 30.09.2014 Reviewed	As at 31.12.2013 Audited
Assets			
Property, plant and equipment		199,160	206,356
Computer software		56,249	61,404
Goodwill		42,957	42,957
Investment securities		169,849	163,495
Staff loans receivable		6,180	7,122
Deferred tax assets		1,770	1,648
Non-current assets		476,165	482,982
Trade receivables		41,353	32,733
Other receivables		13,693	15,794
Tax recoverable		3,423	6,612
Investment securities		52,998	51,183
Cash for trading margins, SBL collaterals and eDividend distributions	13	871,580	735,543
Cash and bank balances of Clearing Funds	14	127,005	65,374
Cash and bank balances	15	156,467	351,442
Current assets		1,266,519	1,258,681
Total assets		1,742,684	1,741,663
Equity and liabilities			
Share capital		266,760	266,306
Share premium		100,064	94,167
Other reserves		56,267	67,716
Retained earnings	26	250,724	382,962
Equity attributable to owners of the Company		673,815	811,151
Non-controlling interest		12,580	16,330
Total equity		686,395	827,481
Retirement benefit obligations		29,257	28,950
Deferred capital grants		5,705	7,768
Deferred tax liabilities		10,268	12,892
Non-current liabilities		45,230	49,610
Trade payables	13	867,272	734,318
Participants' contributions to Clearing Funds	14	37,005	35,374
Other payables		95,159	89,134
Tax payable		11,623	5,746
Current liabilities		1,011,059	864,572
Total liabilities		1,056,289	914,182
Total equity and liabilities		1,742,684	1,741,663
Net assets per share attributable to owners of the Company (RM)		1.26	1.52

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 2013 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

RM'000	← Attributable to owners of the Company →									Total	Non-controlling interest (Note a)	Total equity
	← Non-distributable →					Distributable						
	Share capital	Share premium	Capital reserve	Capital redemption reserve	Foreign currency translation reserve	Share grant reserve	Clearing fund reserves	AFS reserve	Retained earnings			
At 1 January 2014	266,306	94,167	14,100	5,250	72	4,582	30,000	13,712	382,962	811,151	16,330	827,481
Profit for the period	-	-	-	-	-	-	-	-	145,087	145,087	4,375	149,462
Other comprehensive income, net of income tax	-	-	-	-	(7)	-	-	1,490	-	1,483	-	1,483
Total comprehensive income	-	-	-	-	(7)	-	-	1,490	145,087	146,570	4,375	150,945
Transactions with owners of the Company:												
Issuance of ordinary shares pursuant to Share Grant Plan (SGP)	454	5,897	-	-	-	(6,351)	-	-	-	-	-	-
SGP expense	-	-	-	-	-	7,519	-	-	-	7,519	-	7,519
Redemption of preference shares (Note 6.2)	-	-	(14,100)	-	-	-	-	-	-	(14,100)	-	(14,100)
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(277,325)	(277,325)	-	(277,325)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(8,125)	(8,125)
At 30 September 2014	266,760	100,064	-	5,250	65	5,750	30,000	15,202	250,724	673,815	12,580	686,395
At 1 January 2013	266,012	90,505	13,900	5,250	(40)	2,320	30,000	(24,602)	474,256	857,601	15,770	873,371
Profit for the period	-	-	-	-	-	-	-	-	139,233	139,233	5,210	144,443
Other comprehensive income, net of income tax	-	-	-	-	97	-	-	32,030	-	32,127	-	32,127
Total comprehensive income	-	-	-	-	97	-	-	32,030	139,233	171,360	5,210	176,570
Transactions with owners of the Company:												
Issuance of ordinary shares pursuant to SGP	294	3,662	-	-	-	(3,956)	-	-	-	-	-	-
SGP expense	-	-	-	-	-	4,771	-	-	-	4,771	-	4,771
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(263,597)	(263,597)	-	(263,597)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(5,750)	(5,750)
At 30 September 2013	266,306	94,167	13,900	5,250	57	3,135	30,000	7,428	349,892	770,135	15,230	785,365

Note a

Included in non-controlling interest of the Group as at 1 January 2014 are 85 non-cumulative preference shares of RM1 each in Bursa Malaysia Derivatives Berhad (Bursa Malaysia Derivatives), a subsidiary, for registration as Trading Participants (TPs), at a subscription price determined by Bursa Malaysia Derivatives. On 16 April 2014, the revamp of Bursa Malaysia Derivatives' participantship structure was completed and all existing non-cumulative preference shares were cancelled, as disclosed in Note 6.2.

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 2013 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

RM'000	Note	9 months ended	
		30.09.2014	30.09.2013
		Reviewed	Reviewed
Cash flows from operating activities			
Profit before tax		202,346	197,280
Adjustments for:			
Amortisation of premium less accretion of discount		23	562
Dividend income from investment securities	9	(1,215)	(1,151)
Depreciation and amortisation		19,055	26,589
Grant income	9	(2,063)	(1,478)
Retirement benefit obligations		1,060	1,110
Interest income	9	(14,535)	(17,211)
Net loss on disposal of investment securities	9	329	30
Net reversal of impairment loss on trade and other receivables	10	(97)	(5)
Unrealised loss on foreign exchange differences		5	15
SGP expense		7,519	4,771
Operating profit before working capital changes		212,427	210,512
Increase in receivables		(9,743)	(6,853)
Increase in other payables		5,998	9,788
Cash generated from operations		208,682	213,447
Staff loans repaid, net of disbursements		1,150	1,864
Retirement benefits paid		(573)	(2,083)
Taxes paid, net of refund		(46,552)	(38,985)
Net cash from operating activities		162,707	174,243
Cash flows from investing activities			
Decrease in other deposits not for short-term funding requirements		104,834	92,455
Dividends received		3,416	2,558
Interest received		15,277	17,193
Proceeds from disposal of investment securities		76,338	61,260
Purchases of investment securities		(83,381)	(53,168)
Purchases of property, plant and equipment and computer software		(9,775)	(29,951)
Net cash from investing activities		106,709	90,347

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014 (CONT'D.)

RM'000	Note	9 months ended	
		30.09.2014	30.09.2013
		Reviewed	Reviewed
Cash flows from financing activities			
Additional cash resources to Clearing Funds	14(a)	(60,000)	-
Dividends paid	7	(277,325)	(263,597)
Dividends paid by a subsidiary to non-controlling interest		(8,125)	(5,750)
Redemption of preference shares	6.2	(14,100)	-
Net cash from financing activities		(359,550)	(269,347)
Net decrease in cash and cash equivalents			
Effect of exchange rate changes		(7)	48
Cash and cash equivalents at beginning of year		246,608	153,775
Cash and cash equivalents at end of period	15	156,467	149,066

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 2013 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 Standard (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 2013. 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 2013.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Condensed Report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2013, except for the adoption of Amendments to Standards and Issue Committee (IC) interpretations effective as of 1 January 2014.

2.1 Adoption of Amendments to Standards and IC Interpretations

The Group has adopted the following Amendments to Standards and IC Interpretations, with a date of initial application of 1 January 2014.

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>Separate Financial Statements: Investment Entities</i>
Amendments to MFRS 132	<i>Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities</i>
Amendments to MFRS 136	<i>Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets</i>
Amendments to MFRS 139	<i>Novation of Derivatives and Continuation of Hedge Accounting</i>
IC Interpretation 21	<i>Levies</i>

The adoption of the above pronouncements did not have any impact on the financial statements of the Group.

2.2 Standards issued but not yet effective

At the date of authorisation of the Condensed Report, the following Standards were issued but not yet effective and have not been adopted by the Group:

Description	Effective for financial periods beginning on or after
MFRS 9 * <i>Financial Instruments (IFRS 9 issued by International Accounting Standards Board (IASB) in November 2009)</i>	To be announced by Malaysian Accounting Standards Board (MASB)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.2 Standards issued but not yet effective (Cont'd.)

Description	Effective for financial periods beginning on or after
MFRS 9 *	<i>Financial Instruments (IFRS 9 issued by IASB in October 2010)</i> To be announced by MASB
MFRS 9 *	<i>Financial Instruments: Mandatory Effective Date of MFRS 9 and Transition Disclosures (Amendments to MFRS 9 and MFRS 7)</i> To be announced by MASB
MFRS 9 *	<i>Financial Instruments (Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139)</i> To be announced by MASB
MFRS 14	<i>Regulatory Deferral Accounts</i> 1 January 2016
MFRS 15	<i>Revenue from Contracts with Customers</i> 1 January 2017
Amendments to MFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i> 1 January 2016
Amendments to MFRS 116 and MFRS 138	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> 1 January 2016
Amendments to MFRS 116 and MFRS 141	<i>Agriculture: Bearer Plants</i> 1 January 2016
Amendments to MFRS 119	<i>Defined Benefit Plans: Employee Contributions</i> 1 July 2014
Annual Improvements to MFRSs 2010 - 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 - 2013 Cycle	1 July 2014

* On 24 July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments*. This standard will come into effect on 1 January 2018, with early application permitted.

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any material impact to the financial statements of the Group upon their initial application, other than for MFRS 9 *Financial Instruments*. The Group will assess the financial implications of MFRS 9 *Financial Instruments* when the full standard is issued.

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 nine months ended 30 September 2014.

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the quarter and nine months ended 30 September 2014.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

6. DEBT AND EQUITY SECURITIES

The following are the changes in debt and equity securities during the quarter and nine months ended 30 September 2014:

6.1 Issuance of shares

- (a) On 1 April 2014, the Company issued 250,000 new ordinary shares of RM0.50 each pursuant to the share grant plan.
- (b) On 11 July 2014, the Company issued 658,000 new ordinary shares of RM0.50 each pursuant to the share grant plan.

6.2 Revamp of Bursa Malaysia Derivatives participants structure

The revamp of Bursa Malaysia Derivatives' participants structure was approved and subsequently completed in the following manner upon obtaining all the requisite approval and confirmation:

- (a) On 14 April 2014, the Rules of Bursa Malaysia Derivatives were amended and non-cumulative preference shares of RM1 each, existing at this date, were cancelled:
 - (i) 40 non-cumulative "A" preference shares;
 - (ii) 17 non-cumulative "B" preference shares; and
 - (iii) 28 non-cumulative "C" preference shares.

Accordingly, the issued and paid-up share capital of Bursa Malaysia Derivatives was reduced from RM50,000,095 to RM50,000,010.

- (b) On 15 April 2014, 19 new redeemable "A" and 14 new redeemable "B" preference shares of RM1.00 each were issued and allotted to the previous holders of non-cumulative "A", "B" and "C" preference shares who were entitled to the new redeemable "A" and "B" shares of RM1.00 each.
- (c) On 16 April 2014, all the new redeemable "A" and "B" preference shares were redeemed based on the terms and conditions of the new redeemable preference shares as set out in the Articles of Association of Bursa Malaysia Derivatives. Bursa Malaysia Derivatives' share premium account was fully utilised for the redemption.

7. DIVIDENDS PAID

The following dividends were paid during the current and previous corresponding quarter:

	30.09.2014	30.09.2013
Special dividend		
Approved and declared on	17 July 2014	18 July 2013
Paid on	14 August 2014	15 August 2013
Number of ordinary shares on which dividends were paid ('000)	533,520	532,612
Dividend per share (single-tier)	20.0 sen	20.0 sen
Net dividend paid (RM'000)	106,704	106,522

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

7. DIVIDENDS PAID (CONT'D.)

	30.09.2014	30.09.2013
Interim dividend		
For the financial year	31 December 2014	31 December 2013
Approved and declared on	17 July 2014	18 July 2013
Paid on	14 August 2014	15 August 2013
Number of ordinary shares on which dividends were paid ('000)	533,520	532,612
Dividend per share (single-tier)	16.0 sen	16.0 sen
Net dividend paid (RM'000)	85,363	85,218
Final dividend		
For the financial year	31 December 2013	31 December 2012
Approved and declared on	27 March 2014	28 March 2013
Paid on	16 April 2014	16 April 2013
Number of ordinary shares on which dividends were paid ('000)	532,862	532,274
Dividend per share (single-tier)	16.0 sen	13.5 sen
Net dividend paid (RM'000)	85,258	71,857

8. OPERATING REVENUE

RM'000	3 months ended		9 months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Securities clearing fees	52,261	47,114	146,817	134,507
Securities trade fees	6,698	6,307	19,263	18,336
Other securities revenue	5,265	4,484	14,522	14,066
Securities trading revenue	64,224	57,905	180,602	166,909
Derivatives clearing fees	4,295	3,881	11,840	11,019
Derivatives trade fees	11,278	11,021	31,801	31,258
Other derivatives revenue	2,803	3,068	7,983	11,586
Derivatives trading revenue	18,376	17,970	51,624	53,863
Bursa Suq Al-Sila (BSAS) trading revenue	2,646	1,402	6,378	4,025
Listing and issuer services	13,287	12,288	40,557	37,314
Depository services	8,925	9,588	26,818	28,098
Market data	7,856	6,635	22,661	19,562
Member services and connectivity	5,524	6,276	16,645	20,545
Other operating revenue	138	-	6,314	5,613
Total operating revenue	120,976	112,064	351,599	335,929

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. OTHER INCOME

RM'000	3 months ended		9 months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Interest income from:				
- Investments	4,456	5,293	14,286	16,948
- Others	102	83	249	263
Net loss on disposal of investment securities	(142)	(30)	(329)	(30)
Rental income	1,660	1,714	5,123	4,866
Dividend income	401	387	1,215	1,151
Grant income	688	687	2,063	1,478
Miscellaneous income	817	82	1,070	462
Total other income	7,982	8,216	23,677	25,138

10. OTHER OPERATING EXPENSES

RM'000	3 months ended		9 months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Marketing and development costs	1,602	648	8,572	5,660
Technology charges:				
- Information technology maintenance	5,069	4,802	14,294	13,181
- Service fees	4,722	4,548	13,172	11,995
Central Depository System (CDS) consumables	850	818	2,778	2,987
Professional fees	360	270	853	797
Building management costs	2,834	2,702	8,328	7,810
Administrative expenses	1,638	1,646	4,801	4,686
Net impairment loss/(reversal of impairment loss) on trade and other receivables	113	(37)	(97)	(5)
Foreign exchange loss/(gain)	51	1	138	(55)
Miscellaneous expenses	2,322	2,528	6,423	6,167
Total other operating expenses	19,561	17,926	59,262	53,223

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 SEPTEMBER 2014					
Operating revenue	95,868	20,586	1,719	2,803	120,976
Other income	3,725	901	3,323	33	7,982
Direct costs	(20,840)	(11,145)	(7,678)	(1,350)	(41,013)
Segment profit/(loss)	78,753	10,342	(2,636)	1,486	87,945
Overheads					(14,327)
Profit/(Loss) before tax	78,753	10,342	(2,636)	1,486	73,618

RESULTS FOR 3 MONTHS ENDED 30 SEPTEMBER 2013					
Operating revenue	88,008	20,163	2,344	1,549	112,064
Other income	2,513	994	4,680	29	8,216
Direct costs	(21,886)	(10,942)	(6,516)	(1,379)	(40,723)
Segment profit	68,635	10,215	508	199	79,557
Overheads					(15,101)
Profit before tax	68,635	10,215	508	199	64,456

RESULTS FOR 9 MONTHS ENDED 30 SEPTEMBER 2014					
Operating revenue	275,122	64,541	5,133	6,803	351,599
Other income	9,705	2,737	11,139	96	23,677
Direct costs	(64,492)	(36,657)	(23,263)	(3,995)	(128,407)
Segment profit/(loss)	220,335	30,621	(6,991)	2,904	246,869
Overheads					(44,523)
Profit/(Loss) before tax	220,335	30,621	(6,991)	2,904	202,346

RESULTS FOR 9 MONTHS ENDED 30 SEPTEMBER 2013					
Operating revenue	257,668	65,952	7,868	4,441	335,929
Other income	7,556	2,275	15,209	98	25,138
Direct costs	(63,734)	(32,693)	(19,801)	(3,926)	(120,154)
Segment profit	201,490	35,534	3,276	613	240,913
Overheads					(43,633)
Profit before tax	201,490	35,534	3,276	613	197,280

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 SEPTEMBER 2014					
Assets	376,049	95,915	237,065	29,877	738,906
Clearing Funds	98,647	28,358	-	-	127,005
Cash for trading margins and eDividend distributions	4,308	867,272	-	-	871,580
Segment assets	479,004	991,545	237,065	29,877	1,737,491
Unallocated corporate assets					5,193
Total assets	479,004	991,545	237,065	29,877	1,742,684
Liabilities	31,857	11,224	53,072	29,660	125,813
Participants' contributions to Clearing Funds	13,647	23,358	-	-	37,005
Trade margins and eDividend distributions	4,308	867,272	-	-	871,580
Segment liabilities	49,812	901,854	53,072	29,660	1,034,398
Unallocated corporate liabilities					21,891
Total liabilities	49,812	901,854	53,072	29,660	1,056,289

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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		9 months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Administration fee income from Bursa Malaysia Securities Berhad - Compensation Fund, a fund managed by Bursa Malaysia Berhad	-	-	-	158
Administration fee income from Bursa Malaysia Derivatives Berhad - Fidelity Fund, a fund managed by Bursa Malaysia Derivatives	-	-	-	20

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

13. CASH FOR TRADING MARGINS, SBL COLLATERALS AND eDIVIDEND DISTRIBUTIONS

RM'000	As at 30.09.2014
Trade margins, collaterals and security deposits, representing trade payables	867,272
Cash received for eDividend distributions (included within other payables)	4,308
Total cash for trading margins, security deposits and eDividend distributions	871,580

(a) The amount of non-cash collaterals for trading margins and SBL collaterals not included in the consolidated statement of financial position as at 30 September 2014 comprise the following:

RM'000	As at 30.09.2014
Collaterals in the form of letters of credit	541,305
Collaterals in the form of shares	15,072
	556,377

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

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

14. CASH AND BANK BALANCES OF CLEARING FUNDS

RM'000	Participants' contributions	Cash set aside by the Group	As at 30.09.2014
Contributions from Trading Clearing Participants (TCPs) of Bursa Malaysia Securities Clearing Sdn Bhd (BMSC)	13,647	-	13,647
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
Clearing Guarantee Fund (CGF) contributions (Note a)	13,647	85,000	98,647
Contributions from Clearing Participants (CPs) of Bursa Malaysia Derivatives Clearing Bhd (BMDC)	23,358	-	23,358
Contribution from BMDC	-	5,000	5,000
Derivatives Clearing Fund (DCF) contributions	23,358	5,000	28,358
Total cash and bank balances of Clearing Funds	37,005	90,000	127,005

RM'000	Participants' contributions	Cash set aside by the Group	As at 31.12.2013
Contributions from TCPs of BMSC	13,178	-	13,178
Contribution from BMSC	-	25,000	25,000
CGF contributions (Note a)	13,178	25,000	38,178
Contributions from CPs	22,196	-	22,196
Contribution from BMDC	-	5,000	5,000
DCF contributions	22,196	5,000	27,196
Total cash and bank balances of Clearing Funds	35,374	30,000	65,374

(a) Total cash and non-cash components of the CGF are as follows:

RM'000	As at 30.9.2014	As at 31.12.2013
Cash and bank balances	98,647	38,178
Bank guarantees from TCPs of BMSC	4,448	4,438
Standing Credit Facility from Bursa Malaysia Berhad	-	60,000
Total CGF	103,095	102,616

On 1 August 2014, BMSC replaced the Standby Credit Facility from the Company by setting aside RM60,000,000 as additional cash resources to CGF.

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

15. CASH AND BANK BALANCES

RM'000	As at 30.09.2014
Cash and bank balances	3,871
Deposits for short-term funding requirements	152,596
Cash and cash equivalents	156,467
Other deposits not for short-term funding requirements	-
Total cash and bank balances	156,467

Included in the cash and bank balances as at end of the financial period, an amount of RM1,669,000 (31.12.2013: RM2,207,000) 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.

16. 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	6,427	3,267
Other assets	166	-
Total capital commitments	6,593	3,267

17. 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 2013.

18. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter and nine months ended 30 September 2014.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

19. OPERATING LEASE ARRANGEMENTS

(a) As Lessee - for the lease of land

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

RM'000	As at 30.09.2014
Not later than 1 year	539
Later than 1 year and not later than 5 years	2,155
Later than 5 years	39,175
Total future minimum lease payments	41,869

(b) As Lessee - for the lease of equipment

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 30.09.2014
Not later than 1 year	152
Later than 1 years and not later than 5 years	316
Total future minimum lease payments	468

(c) As Lessor - for building rental

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

RM'000	As at 30.09.2014
Not later than 1 year	5,552
Later than 1 year and not later than 2 years	3,883
Later than 2 years and not later than 5 years	20
Total future minimum lease receivables	9,455

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

20. FINANCIAL INSTRUMENTS

20.1 Classification

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

RM'000	AFS	Held-To-Maturity (HTM)	Loans and Receivables	Liabilities At Amortised Cost	Total
As at 30 September 2014					
Assets					
Investments securities					
- Shares (quoted equity)	99,919	-	-	-	99,919
- Bonds	113,018	-	-	-	113,018
- Commercial papers	-	9,910	-	-	9,910
	212,937	9,910	-	-	222,847
Staff loans receivable	-	-	6,950	-	6,950
Trade receivables	-	-	41,353	-	41,353
Other receivables which are financial assets	-	-	6,856	-	6,856
Cash for trading margins and eDividend distributions	-	-	871,580	-	871,580
Cash and bank balances of Clearing Funds	-	-	127,005	-	127,005
Cash and bank balances	-	-	156,467	-	156,467
Total financial assets	212,937	9,910	1,210,211	-	1,433,058
Liabilities					
Trade payables	-	-	-	867,272	867,272
Participants' contributions to Clearing Funds	-	-	-	37,005	37,005
Other payables which are financial liabilities	-	-	-	32,103	32,103
Total financial liabilities	-	-	-	936,380	936,380

20.2 Fair Value

(a) Financial instruments that are carried at fair value

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

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

Quoted equity is measured at Level 1. The fair value of quoted equity is determined directly by reference to its published market bid price as at 30 September 2014.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

20. FINANCIAL INSTRUMENTS (CONT'D.)

(a) Financial instruments that are carried at fair value (Cont'd.)

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

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

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

The Group does not have any financial instruments in Level 3 as at 30 September 2014.

RM'000	Level 1	Level 2	Total
AFS Financial Assets			
Quoted equity	99,919	-	99,919
Unquoted bonds	-	113,018	113,018
	99,919	113,018	212,937

There were no transfers between Level 1 and Level 2 during the nine months and quarter ended 30 September 2014.

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

Financial instruments classified as HTM investments, loans and receivables and financial liabilities are carried at amortised cost.

The carrying amount of these financial instruments, other than staff loans receivable, are reasonable approximation of their fair values due to their short-term nature.

The carrying amount of staff loans receivable approximates its fair value, and is estimated by discounting the expected future cash flows using the current interest rates for loans with similar risk profiles. This represents a Level 3 input under the measurement hierarchy.

21. EVENTS AFTER THE REPORTING PERIOD

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

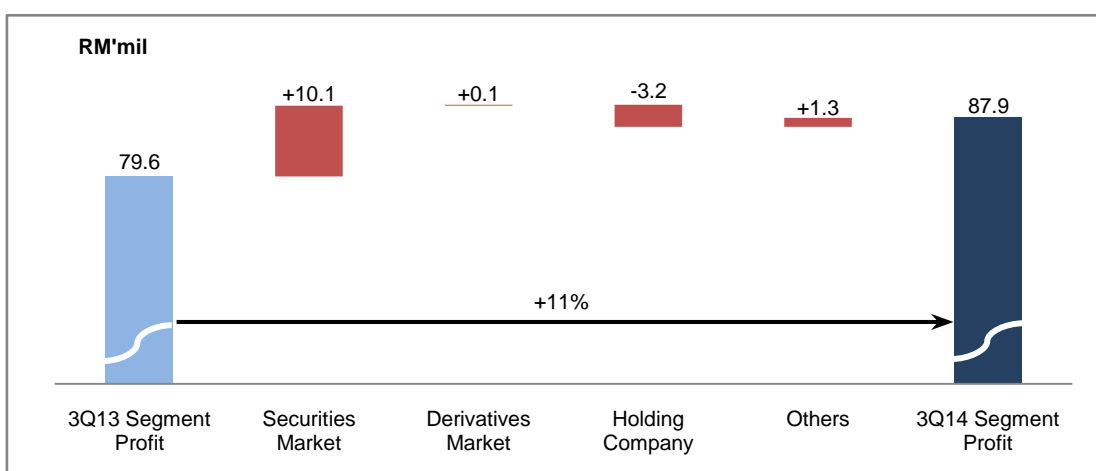
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN
MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

22. OPERATING SEGMENTS REVIEW

(a) 3Q14 vs. 3Q13

Profit before tax (PBT) for the quarter ended 30 September 2014 (3Q14) was RM73.6 million, an increase of 14 per cent from RM64.5 million in the quarter ended 30 September 2013 (3Q13). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profit for 3Q14 was RM87.9 million, an increase of 11 per cent from RM79.6 million in 3Q13. The quarter movements in the segment profits are depicted in the graph below:

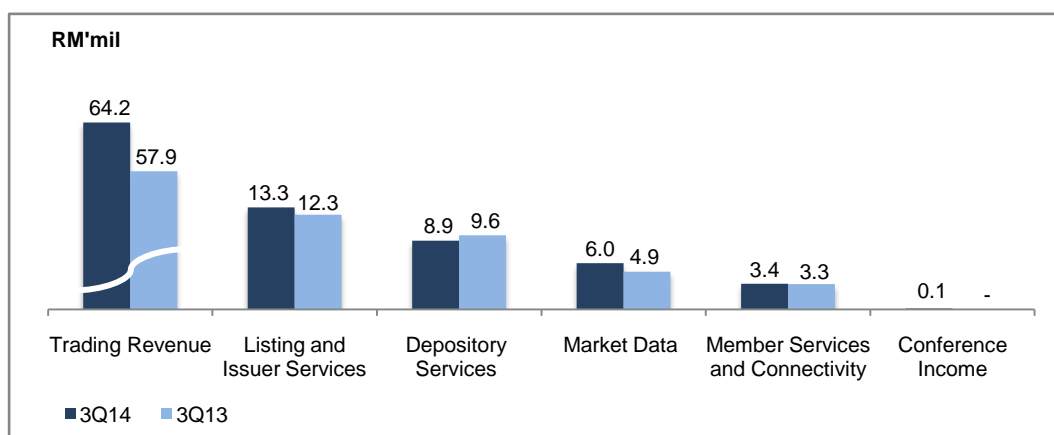


Securities Market

The securities market recorded a segment profit of RM78.8 million in 3Q14, an increase of 15 per cent compared to RM68.7 million in 3Q13. The higher profit in 3Q14 was mainly a result of higher trading value on the securities market compared to 3Q13.

(i) Operating Revenue

Securities market operating revenue for 3Q14 was RM95.9 million, representing an increase of 9 per cent compared to RM88.0 million in 3Q13. The increase came mainly from trading revenue, as shown in the chart below:



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

(a) 3Q14 vs. 3Q13 (Cont'd.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue increased by 11 per cent to RM64.2 million in 3Q14 compared to 3Q13. 3Q14 saw a higher average daily value (ADV) for on-market trades (OMT) and direct business trades (DBT) of RM2.30 billion (3Q13: RM2.08 billion) and a higher effective clearing fee rate of 2.44 basis points (3Q13: 2.31 basis points), as a result of higher retail participation in the securities market.
- > Listing and issuer services increased by 8 per cent to RM13.3 million in 3Q14 compared to 3Q13. The higher market capitalisation at 31 December 2013 (RM1.70 trillion) compared to 31 December 2012 market capitalisation (RM1.47 trillion) resulted in higher annual listing fees, while the higher number of corporate exercises completed and processed in 3Q14 compared to 3Q13 increased the additional listing fees and perusal and processing fees.
- > Depository services decreased by 7 per cent to RM8.9 million in 3Q14 compared to 3Q13. The lower revenue was mainly due to lower of public issue fees from Initial Public Offerings (IPOs) listed in 3Q14.
- > Market data increased by 23 per cent to RM6.0 million in 3Q14 compared to 3Q13. The market data revenue was higher in 3Q14 as a result of new information packages introduced and commencement of market data charges to Participant Organisations (POs).

Key operating drivers in the securities market are as follows:

		3Q14	3Q13	%
FBM KLCI	(points)	1,846.31	1,768.62	4
Average daily trading value (OMT and DBT)	(RM'billion)	2.30	2.08	11
Average daily trading volume (OMT and DBT)	(billion)	2.77	1.74	59
Effective clearing fee rate	(basis points)	2.44	2.31	6
Velocity	(per cent)	30	31	-3
Number of IPOs		4	4	-
Number of new structured warrant listings		116	113	3
Total funds raised:				
- IPOs	(RM'billion)	0.97	1.58	-39
- Secondary issues	(RM'billion)	3.49	1.34	160
Market capitalisation at end of period	(RM'billion)	1,774.09	1,611.20	10

(ii) Operating Expenses

Segment expenses decreased by 5 per cent to RM20.8 million in 3Q14 compared to 3Q13. The decrease in 3Q14 was mainly due to lower depreciation. The decrease is partially offset by higher staff costs and information technology maintenance.

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 3Q14 vs. 3Q13 (Cont'd.)

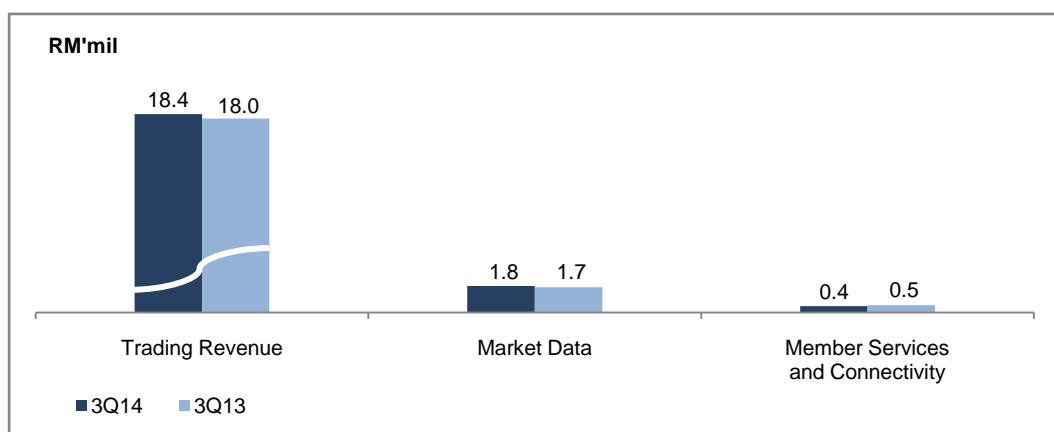
Derivatives Market

The derivatives market recorded a segment profit of RM10.3 million in 3Q14, an increase of 1 per cent compared to RM10.2 million in 3Q13. The higher profit in 3Q14 was attributable to the increase in contracts traded.

(i) Operating Revenue

Operating revenue for 3Q14 was RM20.6 million, representing an increase of 2 per cent compared to RM20.2 million in 3Q13. The increase came mainly from trading income, as a result of higher contracts were traded in 3Q14 compared to 3Q13. The income is partially offset by lower guarantee and collateral management fees earned, which are components of trading revenue.

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



Key operating drivers in the derivatives market are as follows:

		3Q14	3Q13	%
FCPO contracts	(million)	2.78	2.15	29
FKLI contracts	(million)	0.48	0.72	-33
Other contracts	(million)	0.04	0.01	300
Total	(million)	3.30	2.88	15
Daily average contracts		54,019	45,700	18
Open interests at end of period		288,087	204,266	41

(ii) Operating Expenses

Segment expenses increased by 2 per cent to RM11.1 million in 3Q14 compared to 3Q13. The increase in 3Q14 was mainly due to service fees charged as a result of higher trading volumes in 3Q14 compared to 3Q13.

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 3Q14 vs. 3Q13 (Cont'd.)

Exchange Holding Company

The exchange holding company recorded a segment loss of RM2.7 million in 3Q14 compared to a segment profit of RM0.5 million in 3Q13 mainly due to lower broker services and interest income earned, as well as higher staff costs.

Others

Others segment is made up of our BSAS business, bonds trading and offshore exchange. The Others segment profit increased by 647 per cent to RM1.5 million in 3Q14 from RM0.2 million in 3Q13 as a result of the increasing use of BSAS as a commodity murabaha trading platform.

Overheads

Overheads decreased by 5 per cent to RM14.3 million in 3Q14 compared to RM15.1 million in 3Q13 mainly due to adjustment to provisions.

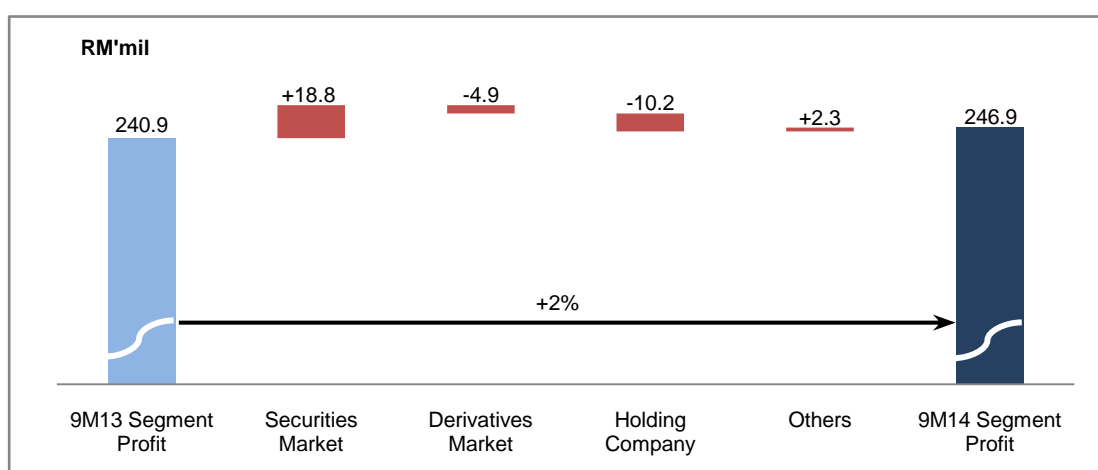
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN
MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) 9M14 vs. 9M13

PBT for the nine months ended 30 September 2014 (9M14) was RM202.3 million, an increase of 3 per cent from RM197.3 million in the nine months ended 30 September 2013 (9M13). PBT is made up of segment profits less overheads.

Total segment profit for 9M14 was RM246.9 million, an increase of 2 per cent from RM240.9 million in 9M13. The nine months movement in the segment profits are depicted in the graph below:

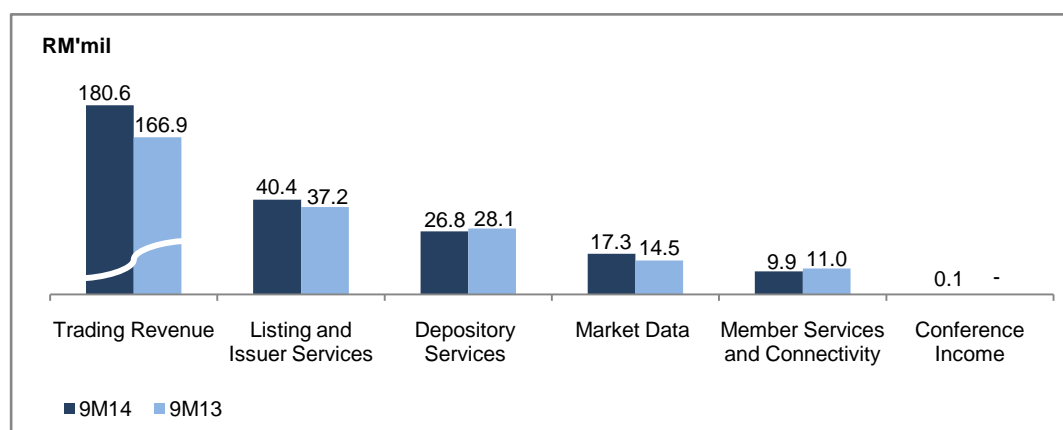


Securities Market

The securities market recorded a segment profit of RM220.3 million in 9M14 compared to RM201.5 million in 9M13. The higher profit in 9M14 was mainly a result of higher trading activity on the securities market as compared to 9M13.

(i) Operating Revenue

Operating revenue for 9M14 was RM275.1 million, representing an increase of 7 per cent compared to RM257.7 million in 9M13. 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**

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) 9M14 vs. 9M13 (Cont'd.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue increased by 8 per cent to RM180.6 million in 9M14 compared to 9M13. 9M14 saw a higher ADV for OMT and DBT of RM2.22 billion (9M13: RM2.07 billion) and a higher effective clearing fee rate of 2.37 basis points (9M13: 2.27 basis points), as a result of higher retail participation in the securities market.
- > Listing and issuer services increased by 9 per cent to RM40.4 million in 9M14 compared to 9M13. The increase was mainly attributable to higher number of corporate exercises and new structured warrant listings, as well as larger IPOs in 9M14 compared to 9M13. The higher market capitalisation at 31 December 2013 (RM1.70 trillion) compared to 31 December 2012 market valuation (RM1.47 trillion) also resulted in higher annual listing fees.
- > Depository services decreased by 4 per cent to RM26.8 million in 9M14 compared to 9M13. The lower revenue was mainly due to fees earned from the merger of two broking houses in 9M13.
- > Market data increased by 19 per cent to RM17.3 million in 9M14 compared to 9M13. The market data revenue in 9M14 was higher as a result of new information packages introduced and commencement of market data charges to POs.
- > Member services and connectivity decreased by 10 per cent to RM9.9 million in 9M14 compared to 9M13. The lower revenue was a result of a revision in fee structure for Bursa access fees.

Key operating drivers in the securities market are as follows:

		9M14	9M13	%
FBM KLCI	(points)	1,846.31	1,768.62	4
Average daily trading value (OMT and DBT)	(RM'billion)	2.22	2.07	7
Average daily trading volume (OMT and DBT)	(billion)	2.23	1.52	47
Effective clearing fee rate	(basis points)	2.37	2.27	4
Velocity	(per cent)	30	32	-6
Number of IPOs		10	11	-9
Number of new structured warrant listings		335	303	11
Total funds raised:				
- IPOs	(RM'billion)	5.68	3.37	69
- Secondary issues	(RM'billion)	17.01	9.97	71
Market capitalisation at end of period	(RM'billion)	1,774.09	1,611.20	10

(ii) Other Income

Other income increased by 28 per cent to RM9.7 million in 9M14 compared to RM7.6 million in 9M13 mainly due to higher interest income earned.

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) 9M14 vs. 9M13 (Cont'd.)

Securities Market (Cont'd.)

(iii) Operating Expenses

Segment expenses increased by 1 per cent to RM64.5 million in 9M14 compared to 9M13. The increase in 9M14 was mainly due to higher staff costs and information technology maintenance. The increase is partially offset by lower depreciation.

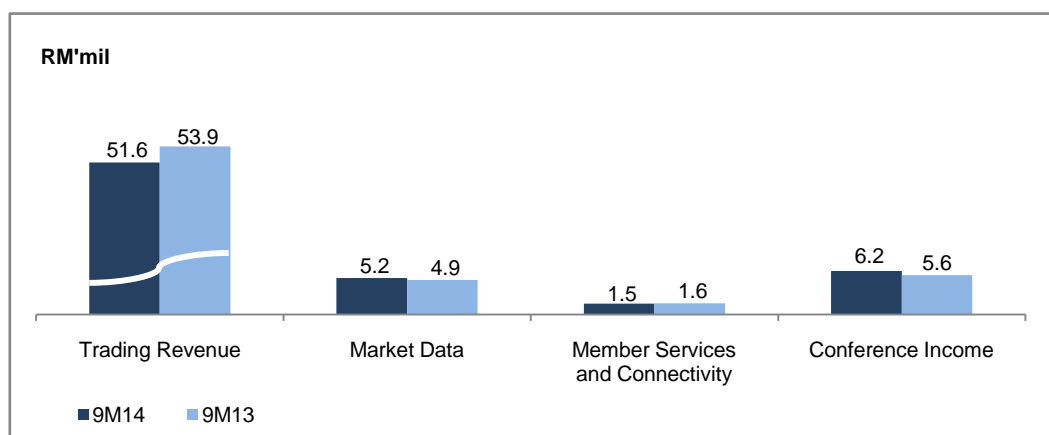
Derivatives Market

The derivatives market recorded a segment profit of RM30.6 million in 9M14, a decrease of 14 per cent compared to RM35.5 million in 9M13. Despite higher trading volume in 9M14, derivatives market segment profit was lower as a result of higher operating expenses and lower margin requirements.

(i) Operating Revenue

Operating revenue for 9M14 was RM64.5 million, representing a decrease of 2 per cent compared to RM66.0 million in 9M13. The decrease came mainly from lower guarantee and collateral management fees earned, which are components of trading revenue.

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



Key operating drivers in the derivatives market are as follows:

		9M14	9M13	%
FCPO contracts	(million)	7.35	5.99	23
FKLI contracts	(million)	1.57	2.12	-26
Other contracts	(million)	0.11	0.02	450
Total	(million)	9.03	8.13	11
Daily average contracts		49,317	44,160	12
Open interests at end of period		288,087	204,266	41

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) 9M14 vs. 9M13 (Cont'd.)

Derivatives Market (Cont'd.)

(ii) Operating Expenses

Segment expenses increased by 12 per cent to RM36.7 million in 9M14 compared to 9M13. The increase in 9M14 was mainly due to more marketing activities and service fees charged as a result of higher trading volumes in 9M14 compared to 9M13.

Exchange Holding Company

The exchange holding company recorded a segment loss of RM7.0 million in 9M14 compared to a segment profit of RM3.3 million in 9M13 mainly due to lower broker services and interest income earned, as well as higher staff costs.

Others

Others segment is made up of our BSAS business, bonds trading and offshore exchange. The Others segment profit increased by 374 per cent to RM2.9 million in 9M14 from RM0.6 million in 9M13 as a result of the increasing use of BSAS as a commodity murabaha trading platform.

Overheads

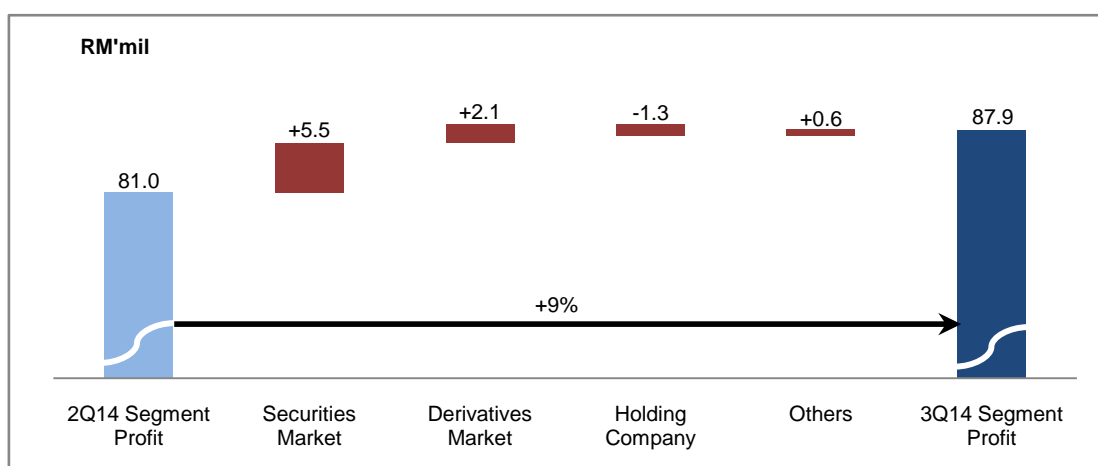
Overheads increased marginally by 2 per cent to RM44.5 million in 9M14 compared to RM43.6 million in 9M13.

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

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

PBT for 3Q14 was RM73.6 million, an increase of 12 per cent from RM65.8 million in the quarter ended 30 June 2014 (2Q14). PBT is made up of segment profits less overheads.

Total segment profit for 3Q14 was RM87.9 million, an increase of 9 per cent from RM81.0 million in 2Q14. The quarter on quarter movements in the segment profits are depicted in the graph below:

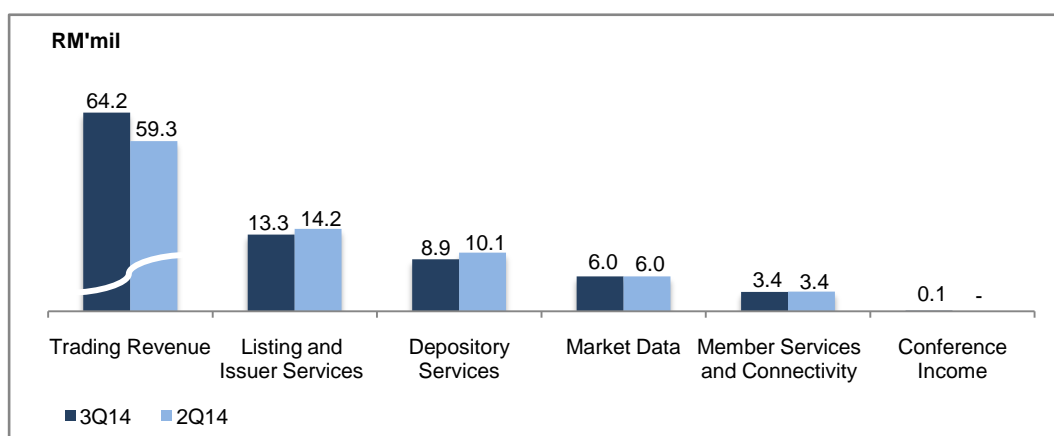


Securities Market

The securities market recorded a segment profit of RM78.8 million in 3Q14, an increase of 7 per cent compared to RM73.3 million in 2Q14. The higher profit in 3Q14 was mainly a result of higher trading value on the securities market compared to 2Q14.

(i) Operating Revenue

Operating revenue for 3Q14 was RM95.9 million, representing an increase of 3 per cent compared to RM93.0 million in 2Q14. The increase came mainly from trading revenue, as shown in the chart below:



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MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

23. 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 8 per cent to RM64.2 million in 3Q14 compared to 2Q14. 3Q14 saw a higher ADV for OMT and DBT of RM2.30 billion (2Q14: RM2.19 billion) and a higher effective clearing fee rate of 2.44 basis points (2Q14: 2.30 points).
- > Listing and issuer services decreased by 7 per cent to RM13.3 million in 3Q14 compared to 2Q14. The decrease in 3Q14 was mainly due to higher perusal and processing fees and additional listing fees earned from a higher number of corporate exercises in 2Q14.
- > Depository services decreased by 12 per cent to RM8.9 million in 3Q14 compared to 2Q14. The decrease in 3Q14 was mainly due to lower public issue fees earned from IPOs listed.

Key operating drivers in the securities market are as follows:

		3Q14	2Q14	%
FBM KLCI	(points)	1,846.31	1,882.71	-2
Average daily trading value (OMT and DBT)	(RM'billion)	2.30	2.19	5
Average daily trading volume (OMT and DBT)	(billion)	2.77	1.88	47
Effective clearing fee rate	(basis points)	2.44	2.30	6
Velocity	(per cent)	30	29	3
Number of IPOs		4	4	-
Number of new structured warrant listings		116	63	84
Total funds raised:				
- IPOs	(RM'billion)	0.97	2.80	-65
- Secondary issues	(RM'billion)	3.49	7.95	-56
Market capitalisation at end of period	(RM'billion)	1,774.09	1,770.42	0

(ii) Operating Expenses

Segment expenses decreased by 9 per cent to RM20.8 million in 3Q14 compared to 2Q14. The decrease was mainly due to lesser marketing activities in 3Q14.

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

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

Derivatives Market

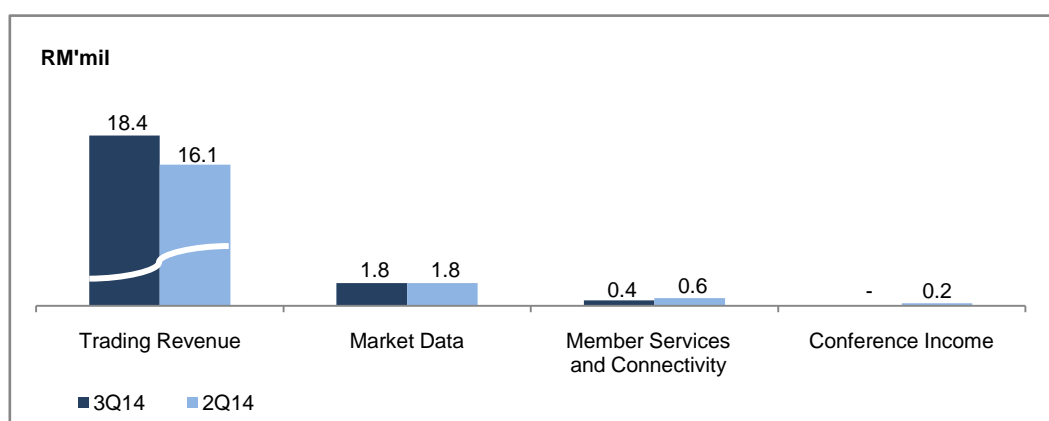
The derivatives market recorded a segment profit of RM10.3 million for 3Q14, an increase of 25 per cent compared to RM8.3 million in 2Q14. The higher profit in 3Q14 was attributable to the increase in contracts traded.

(i) Operating Revenue

Operating revenue for 3Q14 was RM20.6 million, representing an increase of 10 per cent compared to RM18.7 million in 2Q14. The increase came mainly from trading revenue, as a result of higher contracts traded in 3Q14 compared to 2Q14.

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

Components of Operating Revenue



Key operating drivers

		3Q14	2Q14	%
FCPO contracts	(million)	2.78	2.23	25
FKLI contracts	(million)	0.48	0.50	-4
Other contracts	(million)	0.04	0.05	-20
Total	(million)	3.30	2.78	19
Daily average contracts		54,019	44,082	23
Open interests at end of period		288,087	238,833	21

(ii) Operating Expenses

Segment expenses increased by 1 per cent to RM11.1 million in 3Q14 compared to 2Q14. The increase in 3Q14 was mainly due to service fees charged as result of higher trading volumes. The increase is partially offset by lower marketing activities.

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**23. 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 higher segment loss of RM2.7 million in 3Q14 compared to RM1.4 million in 2Q14. The higher segmental loss in 3Q14 was mainly due to lower interest income earned, as well as higher staff costs.

Others

Others segment is made up of our BSAS business, bonds trading and offshore exchange. The Others segment profit increased by 77 per cent to RM1.5 million in 3Q14 from RM0.8 million in 2Q14 as a result of the increasing use of BSAS as a commodity murabaha trading platform.

Overheads

Overheads decreased by 6 per cent to RM14.3 million in 3Q14 compared to RM15.2 million in 2Q14. The decrease mainly due to adjustment to provisions.

24. COMMENTARY ON PROSPECTS AND TARGETS

The outlook for the global economy is rather uncertain as key central banks contemplate measures to stimulate and sustain their economies. Global liquidity flows are expected to continue to be affected by such measures, as geopolitical events, national crises and disease outbreaks affect investor sentiment. The global volatility experienced this year has affected and is expected to continue to impact trading on capital markets worldwide.

The Malaysian economy registered a strong growth of 6.3% in the first half of 2014, driven by private sector activity and recovery in exports. Moving forward, Malaysia's economy is expected to exceed BNM's growth forecast of 5.5% for the year. The underlying strong fundamentals of the Malaysian economy and the economic growth prospects are expected to continue to support investors' confidence. The ample liquidity in the domestic financial system is also sufficient to support the capital market over the short and medium term.

Against this backdrop, we expect investor sentiment for equities to remain positive. Crucial to the growth of our market in the current economy are our outreach activities as well as the ability to provide diversified and investable products to existing and potential investors.

The challenges and uncertainties which affect investor sentiment and appetite on the equities market will continue to affect FKLII volumes, while the present uncertainty in palm oil prices will influence the volumes traded for FCPO. Overall, our efforts to deepen our distribution channels, promote our products and widen our range of derivatives offerings are expected to improve visibility and sustain trade volumes for the remainder of the year.

The Islamic capital market continues to register positive growth. The need for Shariah compliant products is expected to increase further due to the demand from Islamic funds as well as those funds dedicated to ethical investments. Wider usage of the Murabaha principle is expected to spur greater utilisation of our commodity trading platform, Bursa Suq Al-Sila' (BSAS).

We remain focused in developing our securities, derivatives and Islamic markets, despite the challenging environment, to ensure sustainable performance.

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25. INCOME TAX EXPENSE

RM'000	3 months ended		9 months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Income tax				
- Current provision	21,921	18,881	55,548	55,041
- Under/(over) provision of tax in prior years	70	(7,434)	70	(7,434)
	21,991	11,447	55,618	47,607
Deferred tax				
- Relating to origination and reversal of temporary differences	(2,027)	(1,969)	(1,733)	(2,085)
- (Over)/under provision of tax in prior years	(1,001)	7,315	(1,001)	7,315
	(3,028)	5,346	(2,734)	5,230
Total income tax expense	18,963	16,793	52,884	52,837

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 principally due to certain expenses which were not deductible for tax purposes.

The Malaysian statutory tax rate will be reduced to 24% from the current year's rate of 25%, effective from year of assessment 2016.

26. RETAINED EARNINGS

RM'000	As at	As at
	30.09.2014	31.12.2013
Realised	264,478	395,350
Unrealised	(8,424)	(11,414)
	256,054	383,936
Consolidation adjustments	(5,330)	(974)
Total retained earnings	250,724	382,962

27. CORPORATE PROPOSALS

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

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28. BORROWINGS AND DEBT SECURITIES

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

29. CHANGES IN MATERIAL LITIGATION

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

30. PROPOSED DIVIDENDS

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

31. EPS

(a) Basic EPS

	3 months ended		9 months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Profit attributable to the owners of the Company (RM'000)	53,088	46,209	145,087	139,233
Weighted average number of ordinary shares in issue ('000)	533,198	532,575	532,977	532,293
Basic EPS (sen)	10.0	8.7	27.2	26.2

(b) Diluted EPS

	3 months ended		9 months ended	
	30.09.2014	30.09.2013	30.09.2014	30.09.2013
Profit attributable to owners of the Company (RM'000)	53,088	46,209	145,087	139,233
Weighted average number of ordinary shares in issue ('000)	533,198	532,575	532,977	532,293
Effect of dilution ('000)	2,843	1,897	2,246	1,199
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	536,041	534,472	535,223	533,492
Diluted EPS (sen)	9.9	8.6	27.1	26.1

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MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

32. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2013 was unqualified.

33. 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 nine months ended 30 September 2014 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*. The report was made to the Board in accordance to the terms of reference with the external auditors and for no other purpose.

34. AUTHORISED FOR ISSUE

The condensed consolidated financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20 October 2014.