



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2015

23 October 2015

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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2015

RM'000	Note	3 months ended		9 months ended	
		30.09.2015	30.09.2014	30.09.2015	30.09.2014
		Reviewed	Reviewed	Reviewed	Reviewed
Operating revenue	8	122,022	120,976	362,472	351,599
Other income	9	6,810	7,982	20,473	23,677
		128,832	128,958	382,945	375,276
Staff costs		(32,344)	(29,531)	(96,251)	(94,613)
Depreciation and amortisation		(5,984)	(6,248)	(17,670)	(19,055)
Other operating expenses	10	(18,613)	(19,561)	(60,800)	(59,262)
Profit before tax		71,891	73,618	208,224	202,346
Income tax expense	25	(18,266)	(18,963)	(54,397)	(52,884)
Profit for the period		53,625	54,655	153,827	149,462
Profit attributable to:					
Owners of the Company		51,466	53,088	148,010	145,087
Non-controlling interest		2,159	1,567	5,817	4,375
		53,625	54,655	153,827	149,462
Earnings per share (EPS) attributable to owners of the Company (sen per share):					
Basic EPS	31(a)	9.6	10.0	27.7	27.2
Diluted EPS	31(b)	9.6	9.9	27.6	27.1

The above condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 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 2015

RM'000	3 months ended		9 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	Reviewed	Reviewed	Reviewed	Reviewed
Profit for the period	53,625	54,655	153,827	149,462
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss:				
Foreign currency translation	428	34	601	(7)
Net fair value changes in available-for-sale (AFS) financial assets	22,751	13,264	38,757	1,478
Income tax relating to AFS financial assets	19	(27)	22	12
Total other comprehensive income, net of income tax	23,198	13,271	39,380	1,483
Total comprehensive income	76,823	67,926	193,207	150,945
Total comprehensive income attributable to:				
Owners of the Company	74,664	66,359	187,390	146,570
Non-controlling interest	2,159	1,567	5,817	4,375
	76,823	67,926	193,207	150,945

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 2014 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 2015

RM'000	Note	As at 30.09.2015	As at 31.12.2014
		Reviewed	Audited
Assets			
Property, plant and equipment		191,734	197,264
Computer software		53,695	57,122
Goodwill		42,957	42,957
Investment securities		212,073	188,449
Staff loans receivable		4,623	5,919
Deferred tax assets		2,210	3,673
Non-current assets		507,292	495,384
Trade receivables		53,314	41,289
Other receivables		16,747	17,412
Tax recoverable		2,592	2,721
Investment securities		29,997	41,916
Cash for trading margins, security deposits and eDividend distributions	13	1,113,468	717,133
Cash and bank balances of Clearing Funds	14	125,205	126,261
Cash and bank balances	15	223,025	214,367
Current assets		1,564,348	1,161,099
Total assets		2,071,640	1,656,483
Equity and liabilities			
Share capital		267,307	266,760
Share premium		107,443	100,064
Other reserves		116,546	76,658
Retained earnings	26	268,938	305,218
Equity attributable to owners of the Company		760,234	748,700
Non-controlling interest		13,993	14,001
Total equity		774,227	762,701
Retirement benefit obligations		25,460	26,605
Deferred grants		4,193	5,193
Deferred tax liabilities		5,115	8,149
Non-current liabilities		34,768	39,947
Trade payables	13	1,113,445	715,815
Participants' contributions to Clearing Funds	14	35,205	36,261
Other payables		101,390	93,532
Tax payable		12,605	8,227
Current liabilities		1,262,645	853,835
Total liabilities		1,297,413	893,782
Total equity and liabilities		2,071,640	1,656,483
Net assets per share attributable to owners of the Company (RM)		1.42	1.40

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 2014 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 2015

RM'000	← Attributable to owners of the Company →							← Distributable →				
	Share capital	Share premium	Capital reserve (Note a)	Capital redemption reserve	Foreign currency translation reserve	Share grant reserve	Clearing fund reserves	AFS reserve	Retained earnings	Total	Non-controlling interest	Total equity
At 1 January 2015	266,760	100,064	-	5,250	204	7,496	30,000	33,708	305,218	748,700	14,001	762,701
Profit for the period	-	-	-	-	-	-	-	-	148,010	148,010	5,817	153,827
Other comprehensive income, net of income tax	-	-	-	-	601	-	-	38,779	-	39,380	-	39,380
Total comprehensive income	-	-	-	-	601	-	-	38,779	148,010	187,390	5,817	193,207
Transactions with owners of the Company:												
Issuance of ordinary shares pursuant to Share Grant Plan (SGP)	547	7,379	-	-	-	(7,926)	-	-	-	-	-	-
SGP expense	-	-	-	-	-	8,434	-	-	-	8,434	-	8,434
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(184,290)	(184,290)	-	(184,290)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(5,825)	(5,825)
At 30 September 2015	267,307	107,443	-	5,250	805	8,004	30,000	72,487	268,938	760,234	13,993	774,227
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 SGP	454	5,897	-	-	-	(6,351)	-	-	-	-	-	-
SGP expense	-	-	-	-	-	7,519	-	-	-	7,519	-	7,519
Redemption of preference shares	-	-	(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

Note a
The revamp of Bursa Malaysia Derivatives' participantship structure was completed and all preference shares were cancelled.

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 2014 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 2015

RM'000	Note	9 months ended	
		30.09.2015	30.09.2014
		Reviewed	Reviewed
Cash flows from operating activities			
Profit before tax		208,224	202,346
Adjustments for:			
Amortisation of premiums less accretion of discounts		47	23
Dividend income from investment securities	9	(1,480)	(1,215)
Depreciation and amortisation		17,670	19,055
Grant income	9	(1,000)	(2,063)
Interest income	9	(13,505)	(14,535)
Net (gain)/loss on disposal of investment securities	9	(95)	329
Loss on disposal on disposal of motor vehicle	9	345	-
Net reversal of impairment loss on trade and other receivables	10	(119)	(97)
Property, plant and equipment written off	10	2	-
Retirement benefit obligations		1,027	1,060
Unrealised (gain)/loss on foreign exchange differences		(359)	5
SGP expense		8,434	7,519
Operating profit before working capital changes		219,191	212,427
Increase in receivables		(10,024)	(9,743)
Increase in other payables		10,959	5,998
Cash generated from operations		220,126	208,682
Staff loans repaid, net of disbursements		1,023	1,150
Retirement benefits paid		(1,794)	(573)
Taxes paid, net of refund		(51,441)	(46,552)
Net cash from operating activities		167,914	162,707
Cash flows from investing activities			
Decrease in other deposits not for short-term funding requirements		-	104,834
Dividends received		945	3,416
Interest received		13,432	15,277
Proceeds from disposal of investment securities		53,553	76,338
Purchases of investment securities		(26,453)	(83,381)
Proceeds from disposal of motor vehicle		283	-
Purchases of property, plant and equipment and computer software		(11,519)	(9,775)
Net cash from investing activities		30,241	106,709

BURSA MALAYSIA BERHAD (30632-P)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015 (CONT'D.)

RM'000	Note	9 months ended	
		30.09.2015	30.09.2014
		Reviewed	Reviewed
Cash flows from financing activities			
Additional cash resources to Clearing Funds		-	(60,000)
Dividends paid	7	(184,290)	(277,325)
Dividends paid by a subsidiary to non-controlling interest		(5,825)	(8,125)
Redemption of preference shares		-	(14,100)
Net cash used in financing activities		(190,115)	(359,550)
Net increase/(decrease) in cash and cash equivalents			
Effect of exchange rate changes		618	(7)
Cash and cash equivalents at beginning of year		214,367	246,608
Cash and cash equivalents at end of period	15	223,025	156,467

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 2014 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 has also been prepared in accordance with the requirements of MFRS 134 *Interim Financial Reporting*, International Accounting Standard 34 *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 2014. 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 2014.

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 2014, except for the adoption of the Amendments and Annual Improvements to Standards effective as of 1 January 2015.

2.1 Adoption of Amendments and Annual Improvements to Standards

The Group has adopted the following Amendments and Annual Improvements to Standards, with a date of initial application of 1 January 2015.

Amendments to MFRS 119 *Employee Benefits - Defined Benefit Plans: Employee Contributions*
Annual Improvements to MFRSs 2010 - 2012 Cycle
Annual Improvements to MFRSs 2011 - 2013 Cycle

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, Amendments and Annual Improvements to Standards were issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not been adopted by the Group:

Effective for financial periods beginning on or after 1 January 2016

MFRS 14 *Regulatory Deferral Accounts*
Amendments to MFRS 11 *Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations*
Amendments to MFRS 101 *Presentation of Financial Statements - Disclosure Initiative*
Amendments to MFRS 127 *Consolidated and Separate Financial Statements - Equity Method in Separate Financial Statements*
Amendments to MFRS 10 *Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
Amendments to MFRS 116 *Property, Plant and Equipment and MFRS 138 Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation*

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

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

Effective for financial periods beginning on or after 1 January 2016 (cont'd.)

Amendments to MFRS 116 Property, Plant and Equipment and MFRS 141 Agriculture - *Bearer Plants*
Amendments to MFRS 10 Consolidated Financial Statements, MFRS 12 Disclosure of Interests in Other Entities and MFRS 128 Investments in Associates and Joint Ventures - *Investment Entities: Applying the Consolidation Exception*
Annual Improvements to MFRSs 2012 - 2014 Cycle

Effective for financial periods beginning on or after 1 January 2018

MFRS 15 Revenue from Contracts with Customers
MFRS 9 Financial Instruments (International Financial Reporting Standards 9 Financial Instruments as issued by International Accounting Standards Board in July 2014)

The Group will adopt the above pronouncements when they become effective in the respective financial periods. The Group does not expect any material impact to the financial statements on the above pronouncements other than for the two Standards described below, for which the effects are still being assessed:

(a) MFRS 15 Revenue from Contracts with Customers

MFRS 15 *Revenue from Contracts with Customers* was issued in September 2014 and established a new five-step model which will apply to recognition of revenue arising from contracts with customers. Under this Standard, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principle of this Standard is to provide a more structured approach to measuring and recognising revenue.

This Standard is applicable to all entities and will supersede all current revenue recognition requirements under MFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted.

(b) MFRS 9 Financial Instruments

In November 2014, the MASB issued the final version of MFRS 9 *Financial Instruments*, replacing MFRS 139. This Standard made changes to the requirements for classification and measurement, impairment, and hedge accounting of financial instruments. The adoption of this Standard will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

MFRS 9 *Financial Instruments* also requires impairment assessments to be based on an expected loss model, replacing the MFRS 139 incurred loss model. Finally, MFRS 9 *Financial Instruments* aligns hedge accounting more closely with risk management, establishes a more principle-based approach to hedge accounting and addresses inconsistencies and weaknesses in the previous model.

This Standard will come into effect on or after 1 January 2018 with early adoption permitted. Retrospective application is required, but comparative information is not compulsory.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

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 2015.

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 2015.

6. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases and repayments of debt and equity securities during the quarter and nine months ended 30 September 2015 other than the following:

- (i) On 1 April 2015, the Company issued 250,000 new ordinary shares of RM0.50 each pursuant to the SGP; and
- (ii) On 13 July 2015, the Company issued 844,500 new ordinary shares of RM0.50 each pursuant to the SGP.

7. DIVIDENDS PAID

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

	30.09.2015	30.09.2014
Special dividend		
Approved and declared on	-	17 July 2014
Date paid	-	14 August 2014
Number of ordinary shares on which dividends were paid ('000)	-	533,520
Dividend per share (single-tier)	-	20.0 sen
Net dividend paid (RM'000)	-	106,704
Interim dividend		
For the financial year ended	31 December 2015	31 December 2014
Approved and declared on	15 July 2015	17 July 2014
Date paid	12 August 2015	14 August 2014
Number of ordinary shares on which dividends were paid ('000)	534,614	533,520
Dividend per share (single-tier)	16.5 sen	16.0 sen
Net dividend paid (RM'000)	88,211	85,363

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

7. DIVIDENDS PAID (CONT'D.)

	30.09.2015	30.09.2014
Final dividend		
For the financial year ended	31 December 2014	31 December 2013
Approved and declared on	31 March 2015	27 March 2014
Date paid	16 April 2015	16 April 2014
Number of ordinary shares on which dividends were paid ('000)	533,770	532,862
Dividend per share (single-tier)	18.0 sen	16.0 sen
Net dividend paid (RM'000)	96,079	85,258

8. OPERATING REVENUE

RM'000	3 months ended		9 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Securities clearing fees	45,641	52,261	138,027	146,817
Securities trade fees	5,991	6,698	18,157	19,263
Other securities revenue	5,691	5,265	17,078	14,522
Securities trading revenue	57,323	64,224	173,262	180,602
Derivatives clearing fees	5,254	4,295	14,218	11,840
Derivatives trade fees	14,414	11,278	38,249	31,801
Other derivatives revenue	4,313	2,803	11,540	7,983
Derivatives trading revenue	23,981	18,376	64,007	51,624
Bursa Suq Al-Sila (BSAS) trading revenue	4,264	2,646	11,767	6,378
Listing and issuer services	12,632	13,287	38,424	40,557
Depository services	9,999	8,925	28,715	26,818
Market data	8,701	7,856	24,882	22,661
Member services and connectivity	5,122	5,524	15,569	16,645
Other operating revenue	-	138	5,846	6,314
Total operating revenue	122,022	120,976	362,472	351,599

9. OTHER INCOME

RM'000	3 months ended		9 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Interest income from:				
- Investments	4,380	4,456	13,303	14,286
- Others	53	102	202	249
Loss on disposal of motor vehicle	-	-	(345)	-
Net gain/(loss) on disposal of investment securities	-	(142)	95	(329)
Rental income	1,533	1,660	4,596	5,123
Dividend income	517	401	1,480	1,215
Grant income	279	688	1,000	2,063
Miscellaneous income	48	817	142	1,070
Total other income	6,810	7,982	20,473	23,677

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

10. OTHER OPERATING EXPENSES

RM'000	3 months ended		9 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Marketing and development expenses	463	1,602	7,534	8,572
Technology charges:				
- Information technology maintenance	3,798	5,069	12,568	14,294
- Service fees	6,321	4,722	17,144	13,172
Central Depository System (CDS) consumables	900	850	2,717	2,778
Professional fees	571	360	875	853
Building management costs	2,766	2,834	8,213	8,328
Administrative expenses	1,573	1,638	5,064	4,801
Net impairment loss/(reversal of impairment loss) on trade and other receivables	25	113	(119)	(97)
Property, plant and equipment written off	-	-	2	-
Foreign exchange (gain)/loss, net	(192)	51	(179)	138
Miscellaneous expenses	2,388	2,322	6,981	6,423
Total other operating expenses	18,613	19,561	60,800	59,262

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENTAL INFORMATION

RM'000	Securities market	Derivatives market	Exchange Holding company	Others	Consolidated
RESULTS FOR 3 MONTHS ENDED 30 SEPTEMBER 2015					
Operating revenue	90,021	25,835	1,779	4,387	122,022
Other income	3,103	495	3,138	74	6,810
Direct costs	(20,873)	(12,602)	(7,560)	(1,388)	(42,423)
Segment profit/(loss)	72,251	13,728	(2,643)	3,073	86,409
Overheads					(14,518)
Profit/(Loss) before tax	72,251	13,728	(2,643)	3,073	71,891

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 9 MONTHS ENDED 30 SEPTEMBER 2015					
Operating revenue	268,871	75,797	5,620	12,184	362,472
Other income	9,694	1,523	9,038	218	20,473
Direct costs	(64,200)	(38,859)	(22,739)	(4,327)	(130,125)
Segment profit/(loss)	214,365	38,461	(8,081)	8,075	252,820
Overheads					(44,596)
Profit/(Loss) before tax	214,365	38,461	(8,081)	8,075	208,224

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

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENTAL INFORMATION (CONT'D.)

RM'000	Securities market	Derivatives market	Exchange Holding company	Others	Consolidated
ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2015					
Assets	341,161	107,912	340,428	38,664	828,165
Clearing Funds	97,635	27,570	-	-	125,205
Cash for trading margins, security deposits and eDividend distributions	23	1,113,445	-	-	1,113,468
Segment assets	438,819	1,248,927	340,428	38,664	2,066,838
Unallocated corporate assets					4,802
Total assets	438,819	1,248,927	340,428	38,664	2,071,640
Liabilities	38,610	13,004	49,525	29,881	131,020
Participants' contributions to Clearing Funds	12,635	22,570	-	-	35,205
Trading margins and eDividend distributions	23	1,113,445	-	-	1,113,468
Segment liabilities	51,268	1,149,019	49,525	29,881	1,279,693
Unallocated corporate liabilities					17,720
Total liabilities	51,268	1,149,019	49,525	29,881	1,297,413

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

12. RELATED PARTY DISCLOSURES

All related party transactions within the Bursa Group had been entered into in the normal course of business and were carried out on normal commercial terms.

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

RM'000	As at 30.09.2015
Trading margins and security deposits, representing trade payables	1,113,445
Cash received for eDividend distributions (included within other payables)	23
Total cash for trading margins, security deposits and eDividend distributions	1,113,468

The amount of non-cash collaterals for trading margins, security deposits and Securities Borrowing and Lending (SBL) which was not included in the consolidated statement of financial position as at 30 September 2015 comprise the following:

RM'000	As at 30.09.2015
Collaterals in the form of letters of credit	625,450
Collaterals in the form of shares	6,328
	631,778

14. CASH AND BANK BALANCES OF CLEARING FUNDS

RM'000	Participants' contributions	Cash set aside by the Group	As at 30.09.2015
Contributions from Trading Clearing Participants (TCPs) of Bursa Malaysia Securities Clearing Sdn Bhd (BMSC)	12,635	-	12,635
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
Clearing Guarantee Fund (CGF) contributions (Note a)	12,635	85,000	97,635
Contributions from Clearing Participants (CPs) of Bursa Malaysia Derivatives Clearing Bhd (BMDC)	22,570	-	22,570
Contribution from BMDC	-	5,000	5,000
Derivatives Clearing Fund (DCF) contributions (Note b)	22,570	5,000	27,570
Total cash and bank balances of Clearing Funds	35,205	90,000	125,205

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

RM'000	As at 30.09.2015
Cash and bank balances	97,635
Bank guarantees from TCPs of BMSC	4,544
Total CGF	102,179

(b) There are no non-cash collaterals from CPs of BMDC for DCF held by the Group as at 30 September 2015.

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

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

15. CASH AND BANK BALANCES OF THE GROUP

RM'000	As at 30.09.2015
Cash and bank balances	3,255
Deposits for short-term funding requirements	219,770
Cash and cash equivalents	223,025

Included in the cash and bank balances as at the end of the financial period is an amount of RM1,130,000 which has been set aside to meet or secure the claims of creditors 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 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	2,570	3,956
Renovations	1,842	2,138
Office equipment	86	-
Total capital commitments	4,498	6,094

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 2014.

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 2015.

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 operating leases contracted for as at the end of the financial period but not recognised as liabilities are as follows:

RM'000	As at 30.09.2015
Not later than 1 year	539
Later than 1 year and not later than 5 years	2,155
Later than 5 years	38,640
Total future minimum lease payments	41,334

(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 30.09.2015
Not later than 1 year	152
Later than 1 year and not later than 5 years	164
Total future minimum lease payments	316

(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 30.09.2015
Not later than 1 year	4,140
Later than 1 year and not later than 2 years	172
Later than 2 years and not later than 5 years	49
Total future minimum lease receivables	4,361

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

20. FINANCIAL INSTRUMENTS

20.1 Classification

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

RM'000	AFS	Loans and Receivables	Financial Liabilities At Amortised Cost	Total
As at 30 September 2015				
Assets				
Investment securities				
- Shares (quoted equity)	157,337	-	-	157,337
- Bonds	84,733	-	-	84,733
	242,070	-	-	242,070
Staff loans receivable	-	5,291	-	5,291
Trade receivables	-	53,314	-	53,314
Other receivables which are financial assets *	-	10,208	-	10,208
Cash for trading margins, security deposits and eDividend distributions	-	1,113,468	-	1,113,468
Cash and bank balances of Clearing Funds	-	125,205	-	125,205
Cash and bank balances	-	223,025	-	223,025
Total financial assets	242,070	1,530,511	-	1,772,581
Liabilities				
Trade payables	-	-	1,113,445	1,113,445
Participants' contributions to Clearing Funds	-	-	35,205	35,205
Other payables which are financial liabilities **	-	-	29,666	29,666
Total financial liabilities	-	-	1,178,316	1,178,316

* Other receivables which are financial assets include deposits, interest receivables and sundry receivables, net of allowance for impairment.

** Other payables which are financial liabilities include amount due to Securities Commission and sundry payables.

20. FINANCIAL INSTRUMENTS (CONT'D.)

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 2015.

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

Unquoted bonds are measured at Level 2. The fair value of unquoted bonds is determined by reference to the published market bid 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 measured at Level 3 as at 30 September 2015.

RM'000	Level 1	Level 2	Total
AFS Financial Assets			
Quoted equity	157,337	-	157,337
Unquoted bonds	-	84,733	84,733
	157,337	84,733	242,070

There were no transfers between Level 1 and Level 2 during the quarter and nine months ended 30 September 2015.

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

Financial instruments classified as 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. The fair value of the staff loans receivable is measured at Level 3 under the measurement hierarchy.

21. EVENTS AFTER THE REPORTING PERIOD

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

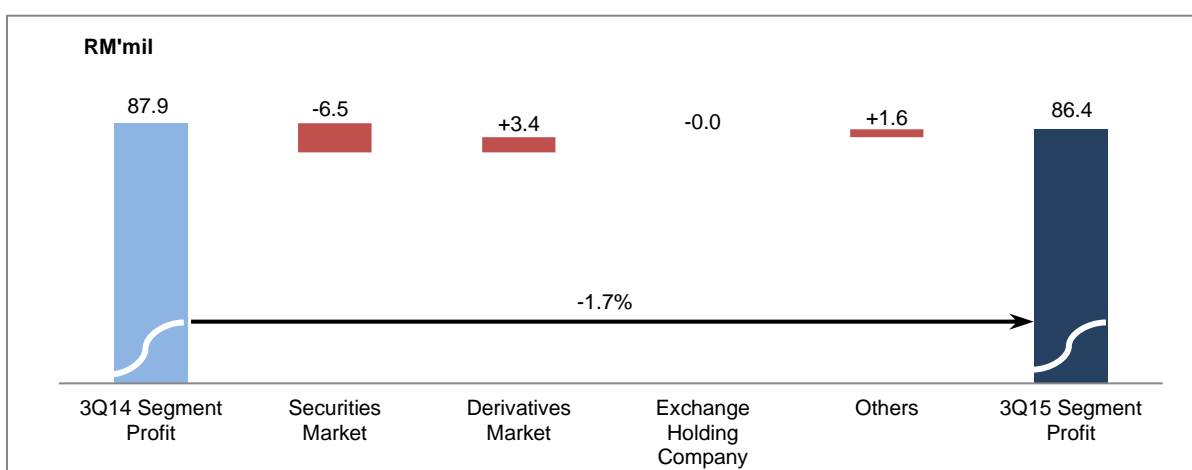
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

22. OPERATING SEGMENTS REVIEW

(a) 3Q15 vs. 3Q14

Profit before tax (PBT) for the quarter ended 30 September 2015 (3Q15) was RM71.9 million, a decrease of 2.3 per cent from RM73.6 million in the quarter ended 30 September 2014 (3Q14). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profit for 3Q15 was RM86.4 million, a decrease of 1.7 per cent from RM87.9 million in 3Q14. The movements in the segment profits are depicted in the graph below:

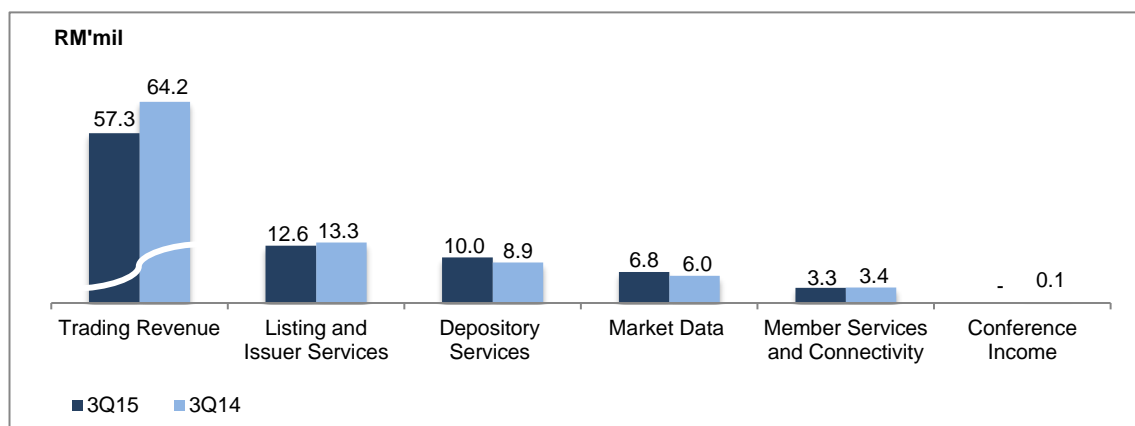


Securities Market

The Securities Market recorded a segment profit of RM72.3 million in 3Q15, a decrease of 8.3 per cent compared to RM78.8 million in 3Q14. The lower profit in 3Q15 was mainly a result of lower operating revenue compared to 3Q14.

(i) Operating Revenue

The Securities Market operating revenue for 3Q15 was RM90.0 million, representing a decrease of 6.1 per cent compared to RM95.9 million in 3Q14. The decrease was 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.)

(a) 3Q15 vs. 3Q14 (Cont'd.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue decreased by 10.7 per cent to RM57.3 million in 3Q15 compared to 3Q14. 3Q15 saw a lower average daily value (ADV) for on-market trades (OMT) and direct business trades (DBT) of RM2.01 billion compared to RM2.30 billion in 3Q14 and a lower effective clearing fee rate of 2.38 basis points (3Q14: 2.44 basis points) due to lower retail participation.
- > Listing and issuer services revenue decreased by 4.7 per cent to RM12.6 million in 3Q15 compared to 3Q14. The decrease was mainly due to lower additional listing fees earned, resulting from a lower number of corporate exercises compared to 3Q14.
- > Depository services increased by 12.0 per cent to RM10.0 million in 3Q15 compared to 3Q14. The increase was mainly due to higher Central Depository System (CDS) custody fees and Securities Borrowing and Lending (SBL) fees earned.
- > Market data increased by 13.4 per cent to RM6.8 million in 3Q15 compared to 3Q14 mainly attributable to higher number of subscribers.

Key operating drivers in the Securities Market are as follows:

		3Q15	3Q14	%
FBM KLCI	(points)	1,621.04	1,846.31	-12.2
Average daily trading value (OMT and DBT)	(RM'billion)	2.01	2.30	-12.6
Average daily trading volume (OMT and DBT)	(billion)	1.90	2.77	-31.4
Effective clearing fee rate	(basis points)	2.38	2.44	-2.5
Velocity	(per cent)	29	30	-3.3
Number of Initial Public Offerings (IPOs)		4	4	-
Number of new structured warrant listings		149	116	28.4
Total funds raised:				
- IPOs	(RM'billion)	1.08	0.97	11.3
- Secondary issues	(RM'billion)	1.24	3.49	-64.5
Market capitalisation at end of period	(RM'billion)	1,597.35	1,774.09	-10.0

(ii) Operating Expenses

Operating expenses were fairly stable at RM21 million in 3Q15 compared to 3Q14.

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

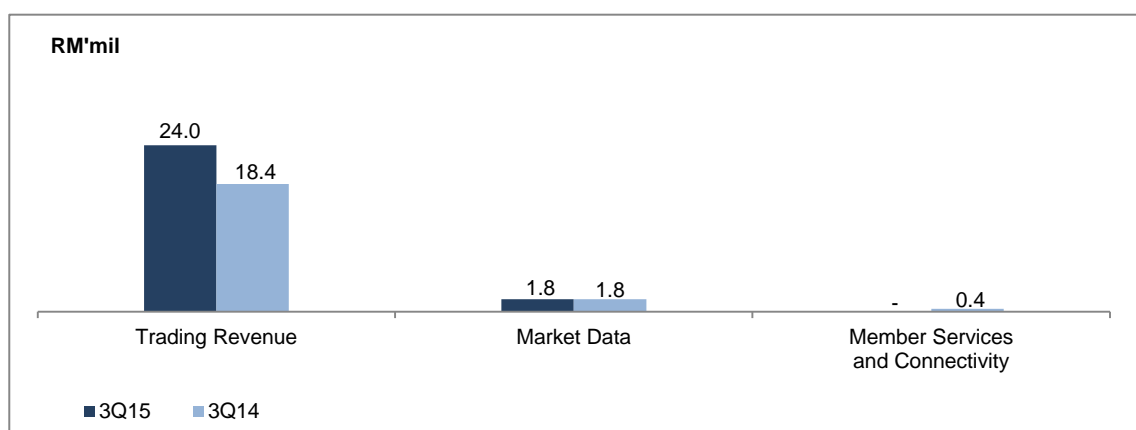
(a) 3Q15 vs. 3Q14 (Cont'd.)

Derivatives Market

The Derivatives Market recorded a segment profit of RM13.7 million in 3Q15, an increase of 32.7 per cent compared to RM10.3 million in 3Q14 due to higher trading volume.

(i) Operating Revenue

The Derivatives Market operating revenue for 3Q15 was RM25.8 million, representing an increase of 25.5 per cent compared to RM20.6 million in 3Q14. The increase was mainly from trading revenue, as shown in the chart below:



- > Trading revenue increased by 30.5 per cent to RM24.0 million in 3Q15 compared to 3Q14 as a result of higher number of contracts traded. 3.84 million contracts were traded in 3Q15 compared to 3.30 million contracts in 3Q14.

Key operating drivers in the Derivatives Market are as follows:

		3Q15	3Q14	%
FCPO contracts	(million)	2.82	2.78	1.4
FKLI contracts	(million)	1.00	0.48	108.3
Other contracts	(million)	0.02	0.04	-50.0
Total	(million)	3.84	3.30	16.4
Daily average contracts		61,954	54,019	14.7
Average number of open interests		251,293	280,393	-10.4

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 3Q15 vs. 3Q14 (Cont'd.)

Derivatives Market (Cont'd.)

(ii) Operating Expenses

Segment expenses increased by 13.1 per cent to RM12.6 million in 3Q15 compared to 3Q14 mainly due to higher service fees incurred as a result of increased trading volumes in 3Q15. However, the increase was offset by lower depreciation expenses following the retirement of the Derivatives Order Management System (OMS) at the end of 2014.

Exchange Holding Company

The Exchange Holding Company segment loss was fairly stable at RM3 million in 3Q15 compared to 3Q14.

Others

Others segment is made up of Bursa Suq Al-Sila (BSAS) business, bonds trading and offshore exchange. The Others segment profit increased by 106.8 per cent to RM3.1 million in 3Q15 from RM1.5 million in 3Q14 was mainly due to the increasing use of BSAS since the introduction of tenor based pricing in January 2015.

Overheads

Overheads increased marginally by 1.3 per cent to RM14.5 million in 3Q15 compared to RM14.3 million in 3Q14.

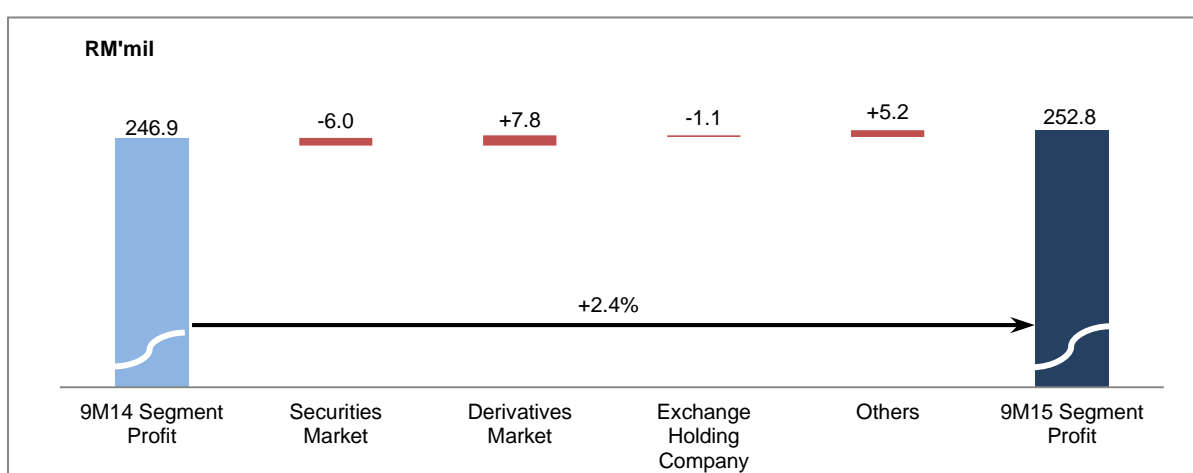
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) 9M15 vs. 9M14

PBT for the nine months ended 30 September 2015 (9M15) was RM208.2 million, an increase of 2.9 per cent from RM202.3 million in the nine months ended 30 September 2014 (9M14). PBT is made up of segment profits less overheads.

Total segment profit for 9M15 was RM252.8 million, an increase of 2.4 per cent from RM246.9 million in 9M14. The movements in the segment profits are depicted in the graph below:

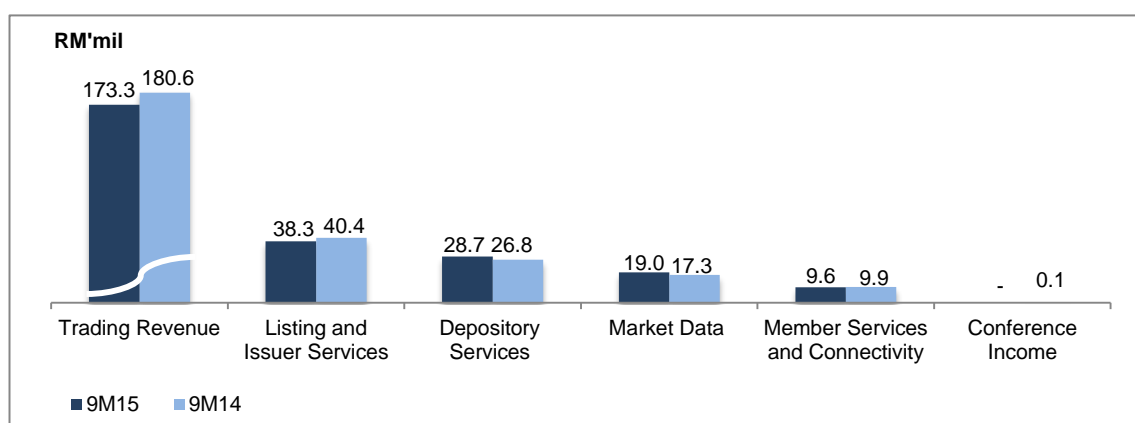


Securities Market

The Securities Market recorded a segment profit of RM214.3 million in 9M15, a decrease of 2.7 per cent compared to RM220.3 million in 9M14. The lower profit in 9M15 was mainly a result of lower operating revenue as compared to 9M14.

(i) Operating Revenue

The Securities Market operating revenue for 9M15 was RM268.9 million, representing a decrease of 2.3 per cent compared to RM275.1 million in 9M14. The decrease was 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) 9M15 vs. 9M14 (Cont'd.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue decreased by 4.1 per cent to RM173.3 million in 9M15 compared to 9M14. 9M15 saw a lower ADV for OMT and DBT of RM2.06 billion compared to RM2.22 billion in 9M14.
- > Listing and issuer services revenue decreased by 5.3 per cent to RM38.3 million in 9M15 compared to 9M14. The decrease was mainly due to lower initial and additional listing fees, resulting from the absence of larger IPOs as well as lower number of corporate exercises in 9M15.
- > Depository services revenue increased by 7.1 per cent to RM28.7 million in 9M15 compared to 9M14. The increase was mainly due to higher CDS custody fees and SBL fees earned.
- > Market data revenue increased by 9.9 per cent to RM19.0 million in 9M15 compared to 9M14 mainly attributable to higher number of subscribers.

Key operating drivers in the Securities Market are as follows:

		9M15	9M14	%
FBM KLCI	(points)	1,621.04	1,846.31	-12.2
Average daily trading value (OMT and DBT)	(RM'billion)	2.06	2.22	-7.2
Average daily trading volume (OMT and DBT)	(billion)	1.97	2.23	-11.7
Effective clearing fee rate	(basis points)	2.36	2.37	-0.4
Velocity	(per cent)	29	30	-3.3
Number of IPOs		9	10	-10.0
Number of new structured warrant listings		478	335	42.7
Total funds raised:				
- IPOs	(RM'billion)	3.93	5.68	-30.8
- Secondary issues	(RM'billion)	9.35	16.95	-44.8
Market capitalisation at end of period	(RM'billion)	1,597.35	1,774.09	-10.0

(ii) Operating Expenses

Segment expenses were fairly stable at RM64 million in 9M15 compared to 9M14.

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

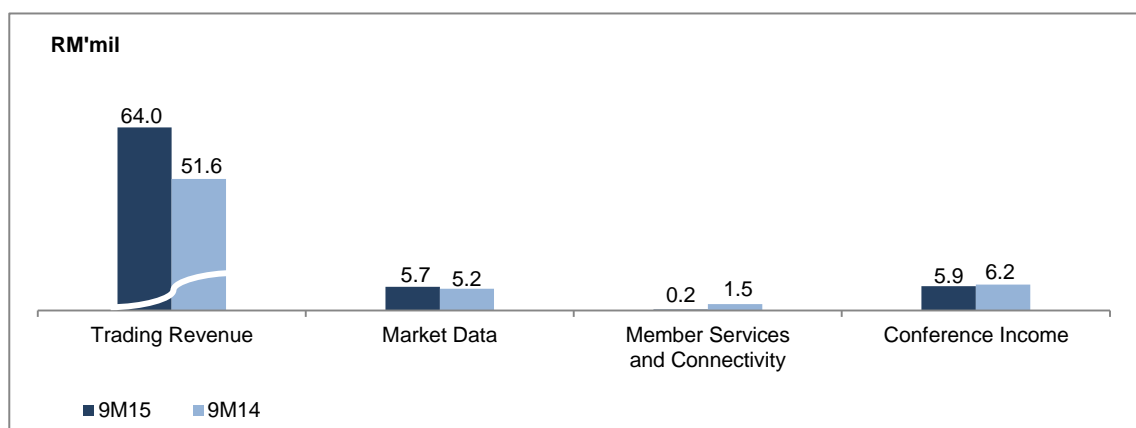
(b) 9M15 vs. 9M14 (Cont'd.)

Derivatives Market

The Derivatives Market recorded a segment profit of RM38.4 million in 9M15, an increase of 25.6 per cent compared to RM30.6 million in 9M14 due to higher trading volume.

(i) Operating Revenue

The Derivatives Market operating revenue for 9M15 was at RM75.8 million, representing an increase of 17.4 per cent compared to RM64.5 million in 9M14. The increase was mainly from trading revenue, as shown in the chart below:



- > Trading revenue increased by 24.0 per cent to RM64.0 million in 9M15 compared to 9M14 as a result of higher number of contracts traded. 10.59 million contracts were traded in 9M15 compared to 9.03 million contracts in 9M14.
- > Member services and connectivity revenue decreased by 84.8 per cent to RM0.2 million in 9M15 compared to 9M14 mainly due to lower access fees earned after the termination of Derivatives OMS at the end of 2014.

Key operating drivers in the Derivatives Market are as follows:

		9M15	9M14	%
FCPO contracts	(million)	8.27	7.35	12.5
FKLI contracts	(million)	2.27	1.57	44.6
Other contracts	(million)	0.05	0.11	-54.5
Total	(million)	10.59	9.03	17.3
Daily average contracts		57,552	49,317	16.7
Average number of open interests		231,004	242,401	-4.7

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) 9M15 vs. 9M14 (Cont'd.)

Derivatives Market (Cont'd.)

(ii) Operating Expenses

Segment expenses increased by 6.0 per cent to RM38.9 million in 9M15 compared to RM36.7 million in 9M14. The increase was mainly due to higher service fees incurred as a result of increased trading volumes in 9M15. However, the increase was offset by lower depreciation expenses following the retirement of the Derivatives OMS at the end of 2014.

Exchange Holding Company

The Exchange Holding Company segment loss increased by 15.6 per cent to RM8.1 million in 9M15 compared to 9M14 as a result of lower investment and rental income earned, as well as a loss on disposal of motor vehicle recorded.

Others

Others segment is made up of BSAS business, bonds trading and offshore exchange. The Others segment profit increased by 178.1 per cent to RM8.1 million in 9M15 from RM2.9 million in 9M14 due to higher trades on BSAS resulting from higher conversion of deposits to Murabaha, as well as increasing use of BSAS since the introduction of tenor based pricing in January 2015.

Overheads

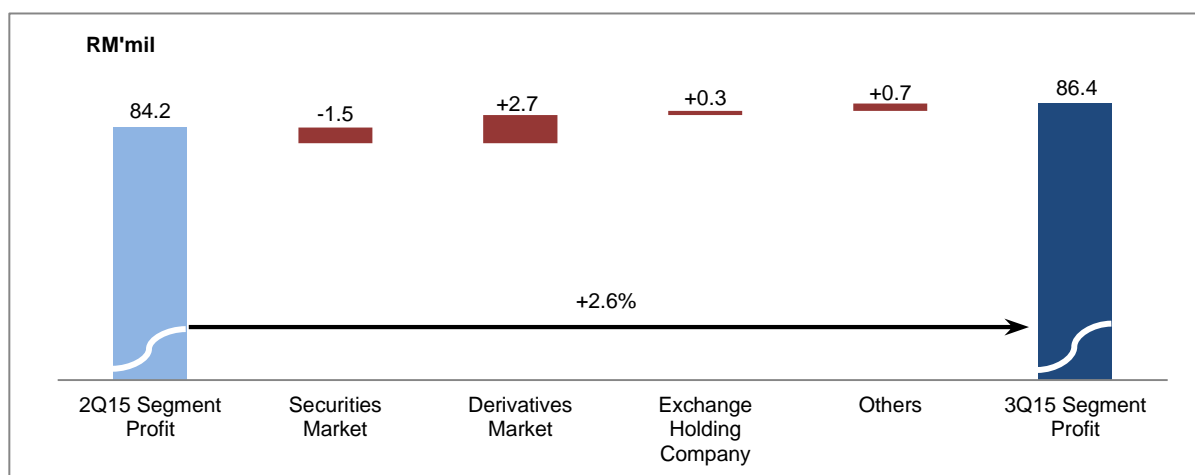
Overheads were fairly stable at RM45 million in 9M15 compared to 9M14.

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 3Q15 was RM71.9 million, an increase of 3.5 per cent from RM69.5 million in the quarter ended 30 June 2015 (2Q15). PBT is made up of segment profits less overheads.

Total segment profit for 3Q15 were RM86.4 million, an increase of 2.6 per cent from RM84.2 million in 2Q15. The movements in the segment profits are depicted in the graph below:

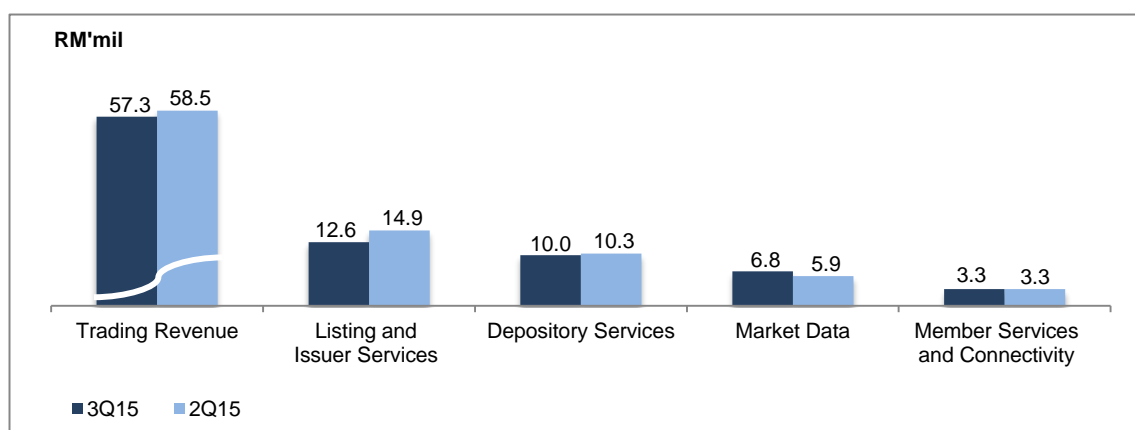


Securities Market

The Securities Market recorded a segment profit of RM72.3 million in 3Q15, a decrease of 2.1 per cent compared to RM73.8 million in 2Q15. The lower profit in 3Q15 was mainly a result of lower operating revenue compared to 2Q15.

(i) Operating Revenue

The Securities Market operating revenue for 3Q15 was RM90.0 million, representing a decrease of 3.0 per cent compared to RM92.9 million in 2Q15. The decrease was mainly from listing and issuer services and trading revenue, as shown in the chart below:



**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.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue decreased by 2.0 per cent to RM57.3 million in 3Q15 compared to 2Q15 mainly due to lower number of trading days.
- > Listing and issuer services revenue decreased by 15.4 per cent to RM12.6 million in 3Q15 compared to 2Q15. The decrease was mainly due to lower additional listing fees and perusal and processing fees earned, resulting from a lower number of corporate exercises in 3Q15.
- > Market data revenue increased by 15.6 per cent to RM6.8 million in 3Q15 compared to 2Q15 mainly attributable to higher number of subscribers.

Key operating drivers in the Securities Market are as follows:

		3Q15	2Q15	%
FBM KLCI	(points)	1,621.04	1,706.64	-5.0
Average daily trading value (OMT and DBT)	(RM'billion)	2.01	2.00	0.5
Average daily trading volume (OMT and DBT)	(billion)	1.90	1.92	-1.0
Effective clearing fee rate	(basis points)	2.38	2.38	-
Velocity	(per cent)	29	28	3.6
Number of IPOs		4	5	-20.0
Number of new structured warrant listings		149	157	-5.1
Total funds raised:				
- IPOs	(RM'billion)	1.08	2.85	-62.1
- Secondary issues	(RM'billion)	1.24	2.11	-41.2
Market capitalisation at end of period	(RM'billion)	1,597.35	1,659.02	-3.7

(ii) Operating Expenses

Segment expenses decreased by 6.0 per cent to RM20.9 million in 3Q15 compared to 2Q15 mainly due to higher marketing and development activities in 2Q15.

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

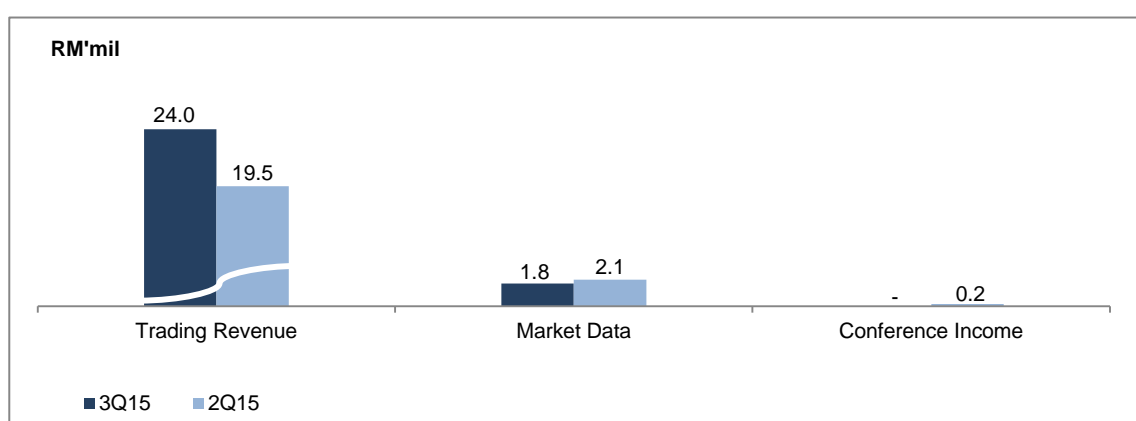
23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER (CONT'D.)

Derivatives Market

The Derivatives Market recorded a segment profit of RM13.7 million for 3Q15, an increase of 24.7 per cent compared to RM11.0 million in 2Q15 due to higher trading volume.

(i) Operating Revenue

The Derivatives Market operating revenue for 3Q15 was RM25.8 million, representing an increase of 18.3 per cent compared to RM21.8 million in 2Q15. The increase was mainly from trading revenue, as shown in the chart below:



- > Trading revenue increased by 22.8 per cent to RM24.0 million in 3Q15 compared to 2Q15 as a result of higher number of contracts traded. 3.84 million contracts were traded in 3Q15 compared to 3.19 million contracts in 2Q15.

Key operating drivers in the Derivatives Market are as follows:

		3Q15	2Q15	%
FCPO contracts	(million)	2.82	2.53	11.5
FKLI contracts	(million)	1.00	0.65	53.8
Other contracts	(million)	0.02	0.01	100.0
Total	(million)	3.84	3.19	20.4
Daily average contracts		61,954	50,612	22.4
Average number of open interests		251,293	216,794	15.9

(ii) Operating Expenses

Segment expenses increased by 11.9 per cent to RM12.6 million in 3Q15 compared to RM11.3 million in 2Q15. The increase was mainly due to higher service fees incurred as a result of increased trading volumes in 3Q15.

**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.)**

Exchange Holding Company

The Exchange Holding Company segment loss decreased by 11.2 per cent to RM2.6 million in 3Q15 compared to 2Q15 as a result of higher investment income earned.

Others

Others segment is made up of BSAS business, bonds trading and offshore exchange. The Others segment profit increased by 28.2 per cent to RM3.1 million in 3Q15 from RM2.4 million in 2Q15 as a result of the increasing use of BSAS since the introduction of tenor based pricing in January 2015.

Overheads

Overheads decreased marginally by 1.4 per cent to RM14.5 million in 3Q15 compared to RM14.7 million in 2Q15.

24. COMMENTARY ON PROSPECTS AND TARGETS

The global environment remains challenging with the recovery in high-income economies being gradual and global trade growing at its slowest pace since 2009¹. The slowing of China's economic growth, possibility of US interest rate hike, weak oil prices and weaker global commodity prices are factors influencing the outlook. In October 2015, the International Monetary Fund (IMF) has revised the 2015 global growth downwards to 3.1% from 3.3% forecasted in July and at a 0.3 percentage point lower than in 2014. Malaysia is affected by internal and external factors, particularly the weakening of the Ringgit, with its economic growth currently projected at 4.7% compared to 5.2% at the start of the year.

The Securities Market performance is expected to continue to be influenced by the global and domestic developments as corporate earnings are likely to be impacted. The support from domestic liquidity and our outreach programmes as well as the ability to provide diversified and investable products to the existing and potential investors are crucial to the performance of our market in this volatile environment.

The Derivatives Market has benefited from the increased volatility of the underlying products for FCPO and FKLI. Increasing palm oil imports by India, the effects from the El Nino weather pattern and stocking up by China are the supporting elements amidst the recent drop in commodity prices. The uncertainty in FBM KLCI has also resulted in significant increased trading activities on FKLI. The Derivatives Market is expected to continue to benefit from the factors outlined above.

Malaysia remains amongst the world's healthiest Islamic economic environment² that will underpin the interest of its Shariah compliant securities, despite the current global economic situation. Increased adoption of Murabaha and Tawarruq' contracts in the domestic market for liquidity management as well as the tenor based pricing have deepened the usage and will further spur the growth of Bursa Suq Al-Sila' (BSAS) activities.

Despite the challenging environment, we remain focused in developing our Securities, Derivatives and Islamic Capital Markets to ensure a sustainable performance.

¹ Source: World Bank East Asia and Pacific Economic Update October 2015

² Source: State of the Global Islamic Economy Report, Dubai Islamic Economic Development Centre dated September 2015

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

25. INCOME TAX EXPENSE

RM'000	3 months ended		9 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Income tax				
- Current provision	20,122	21,921	56,227	55,548
- (Over)/Under provision of tax in prior year	(281)	70	(281)	70
	19,841	21,991	55,946	55,618
Deferred tax				
- Relating to origination and reversal of temporary differences	(1,074)	(2,027)	(1,048)	(1,733)
- Over provision of tax in prior year	(501)	(1,001)	(501)	(1,001)
	(1,575)	(3,028)	(1,549)	(2,734)
Total income tax expense	18,266	18,963	54,397	52,884

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 years 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
	30.09.2015	31.12.2014
Realised	283,881	315,853
Unrealised	(2,384)	(3,893)
	281,497	311,960
Consolidation adjustments	(12,559)	(6,742)
Total retained earnings	268,938	305,218

27. CORPORATE PROPOSALS

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

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.

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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
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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	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Profit attributable to the owners of the Company (RM'000)	51,466	53,088	148,010	145,087
Weighted average number of ordinary shares in issue ('000)	534,504	533,198	533,934	532,977
Basic EPS (sen)	9.6	10.0	27.7	27.2

(b) Diluted EPS

	3 months ended		9 months ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
Profit attributable to owners of the Company (RM'000)	51,466	53,088	148,010	145,087
Weighted average number of ordinary shares in issue ('000)	534,504	533,198	533,934	532,977
Effect of dilution ('000)	2,994	2,843	2,597	2,246
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	537,498	536,041	536,531	535,223
Diluted EPS (sen)	9.6	9.9	27.6	27.1

32. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2014 was unqualified.

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

33. REVIEW BY EXTERNAL AUDITORS

The Board of Directors ("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 2015 in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

The external auditors reported to the Board that nothing had come to their attention that causes them to believe that the said condensed consolidated financial statements were not prepared, in all material respects, in accordance with MFRS 134 and International Accounting Standard 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 23 October 2015.