

## **MEDIA RELEASE**

**4 February 2010**

### **BURSA MALAYSIA POSTS 70% INCREASED NET PROFIT OF RM177.6 MILLION FOR 2009; CAPITAL GAIN FROM EQUITY STAKE DISPOSAL TO CME GROUP**

Bursa Malaysia Berhad (Bursa Malaysia) today reported a healthy net profit of RM177.6 million for the financial year ended 31 December 2009, an increase of 70% compared to the net profit of RM104.4 million in 2008. This was mainly due to the RM76 million gain on the disposal of 25% equity interest in Bursa Malaysia Derivatives Berhad (Bursa Malaysia Derivatives) to CME Group Strategic Investments LLC following the completion of the Share Purchase Agreement on 30 November 2009.

The operational profit of the Group, excluding gain on disposal of 25% equity interest in Bursa Malaysia Derivatives, was RM101.6 million representing a 3% decrease from 2008.

Bursa Malaysia's Chief Executive Officer, Dato' Yusli Mohamed Yusoff said, "We had a challenging year in 2009, and exercised prudent financial and operational management measures across the Group to ensure that we delivered on shareholders' value. Signs of global market recovery emerging from the second quarter onwards until the end of the year saw better trading activity and a resurgence of local investor participation in our market."

Against this backdrop, Bursa Malaysia registered velocity of 34%, same as the year before. The securities market maintained its trading levels with a marginal decline of 5% in daily average trading value to RM1.22 billion compared to the previous year's RM1.28 billion. Securities market trading revenue remained comparable at these levels with a slight increase by 2% to RM139.1 million due to higher effective clearing fees. Market capitalisation for the year stood at RM999 billion, a 50% increase from the previous year.

"Despite the economic sentiment spilling from the previous year, we still saw companies raise funds from the capital market, which demonstrated confidence in our market's comparable valuations," said Dato' Yusli.

The Exchange saw 14 new listings and a total of RM12.04 billion raised in 2009, compared to the total amount of funds raised through IPOs in 2008 which was RM1.3 billion. There was also an increase in secondary offerings with RM15.71 billion in 2009 from RM4.6 billion in 2008. Arising from the revamp of the listing guidelines together with the introduction of market making for structured warrants (SW) which reduced time-to-market, the Exchange saw an increase of 124 SWs listed in 2009 compared to 81 in 2008. The higher number of SW listings was also due to the incentive scheme that was put in place.

The derivatives market trading revenue declined by 12% to RM38.5 million, from RM43.6 million in 2008 despite a marginal increase of 0.3% in the total number of derivatives contracts traded for 2009. The total number of FKLII contracts traded decreased to 2 million in 2009 from 2.92 million from the previous year, due to lower foreign participation. The dip in trading

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revenue was due to lower FKL1 contracts traded which brings in higher trade fee than FCPO contracts.

“The derivatives market was stable in terms of total number of contracts traded, supported strongly by our FCPO contracts which performed exceptionally well with an increase of 34% to 4 million contracts traded. We expect our partnership with the CME Group to elevate the profile and accessibility of our offerings,” he said.

Bursa Malaysia’s effort to establish itself as a key destination for Islamic markets gained traction when the Exchange was recognised as the top global listing venue for sukuk in 2009. Dato Yusli said that the Exchange will also continue with profiling initiatives aimed at securing greater market reach for Bursa Suq Al-Sila’, the Shari’ah compliant commodity trading platform.

Dato’ Yusli also commented that the Group exceeded its targeted 15% reduction in budgeted operating expenses and capital expenditure. The reduced operating and capital expenditure was the result of concerted cost management measures.

“We are seeing a more cautiously optimistic sentiment coming back to the market. So far, the recovery in global markets has seen an increase in trading activity and we hope to see this continue. We will persevere with our efforts in enhancing the quality of our markets to elevate our profile and relevance in the global arena. The Exchange will continue to implement initiatives to improve market efficiency and liquidity in order to remain attractive and competitive, as well as conducive for more quality companies to list on Bursa Malaysia.”

Bursa Malaysia remains committed to deliver value to shareholders and maintains its record of paying out more than 90% profits. The Board of Directors of Bursa Malaysia Berhad will seek approval during its Annual General Meeting on 29 March 2010 to accord its shareholders a final dividend of 9 sen per share under the single-tier system to shareholders, This represents a dividend payout of 92.6% of our profit excluding capital gain. The dividend payable of approximately RM47.6 million will be proposed for shareholders’ approval.

The financial results for 2009 are available on Bursa Malaysia’s website ([www.bursamalaysia.com](http://www.bursamalaysia.com)).

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FINANCIAL RESULTS	2009	2008
	RM'mil	RM'mil
Operating revenue	297.6	302.3
Other income	28.8	29.4
Capital gain	76.0	-
Total revenue	402.4	331.7
Staff costs	(83.3)	(85.8)
Depreciation and amortisation	(38.9)	(20.5)
Other operating expenses	(60.4)	(79.2)
Profit from operations	219.8	146.2
Finance costs	(0.6)	(0.6)
Profit before tax	219.2	145.6
Income tax expense	(41.5)	(41.2)
<b>Profit after tax</b>	<b>177.7</b>	<b>104.4</b>
Minority interest	(0.1)	-
<b>Net profit for the year</b>	<b>177.6</b>	<b>104.4</b>

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Bursa Malaysia Berhad is a public company limited by shares under the Companies Act 1965. Bursa Malaysia is an approved exchange holding company under Section 15 of the Capital Markets and Services Act 2007. Other companies in the Bursa Malaysia Berhad Group of companies include a stock exchange, a derivatives exchange, an off-shore international financial exchange, equity and derivatives clearing houses, a central depository, an information services provider and an Information Technology services provider.

Bursa Malaysia Securities Berhad, a wholly-owned subsidiary of Bursa Malaysia Berhad, is an approved stock exchange under Section 8 of the Capital Markets and Services Act 2007.

**Issued by Bursa Malaysia.**

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