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19 July 2011

**BURSA 1H2011 PATAMI UP 37%; HIGHEST HALF YEAR RESULTS IN FOUR YEARS**  
*Increase to RM76 million due to increased trading activities and stable income*

<b>Key Financial &amp; Market Highlights</b> (1H2011 against 1H2010)
▪ PATAMI of RM76.2 million, up 37%
▪ Total operating revenue at RM200.3 million, up 27%
▪ Earnings Per Share up 36%
▪ Annualised ROE up 29%
▪ Cost-to-income ratio down 7%
▪ Securities trading revenue at RM103.8 million, up 36%
▪ Derivatives trading revenue at RM25.3 million, up 45%
▪ Stable income up 8%, to RM56.6 million
▪ Market capitalisation at end June 2011 at RM1.34 trillion, up 29%
▪ Velocity at 35%, up 13%

Bursa Malaysia Berhad (Bursa Malaysia) today announced profit after tax and minority interest (PATAMI) of RM76.2 million for the half year period ended 30 June 2011, a 37% increase of RM20.7 million compared to RM55.5 million for the corresponding period last year.

For the second quarter ended 30 June 2011, Bursa Malaysia registered a PATAMI of RM35.7 million, 12% lower compared to RM40.5 million recorded in the preceding first quarter of 2011.

**Dato' Tajuddin Atan, Bursa Malaysia's Chief Executive Officer**, said, on the financial performance:

"We recorded our highest half year profit in comparison to other half year profits over the last four years, since 2008, on the back of ongoing market volatility and economic challenges, especially given the uncertainties over eurozone debts. However, we have seen Malaysia's capital market benefiting from the shift in major funds towards emerging markets.

"We would attribute the stronger securities markets performance to the ongoing catalytic activities of the Economic Transformation Programme that has spurred activities in select sectors such as finance and construction. Notwithstanding that, our increased engagements with foreign institutions in UK, US, Hong Kong and China are also seeing more attention directed to this market. Securities trading revenue for the first half of 2011, increased by 36% to RM103.8 million, compared to the corresponding period last year. We have seen an increase in average trading value by foreign investors by 37% within the same period this year. We recently saw Malaysia's position elevated in two key indices: the FTSE and MSCI. We have been upgraded as an *Advance Emerging Market* by FTSE on 20 June; and had our weightage

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increased to 3.14% from 2.9% in the MSCI MY Emerging Market index. This revision is timely and we envision that this will attract more investments from global investors.

“The derivatives market has marked an impressive performance, recording an increase of 45% to RM25.3 million in the first half of 2011, compared to RM17.5 million in the corresponding period last year. The migration to CME’s Globex® trading platform close to 10 months ago seem to be bearing good results in trading volume, given the increased access and visibility. We saw an increase in participation of institutional traders to 42% following the migration onto the CME Globex® trading platform in September 2010, compared to 38% before the migration. We have also seen steady increase in Open Interests in our Crude Palm Oil Futures (FCPO) contracts, as palm oil producers hedge against the softening of palm oil prices in the cash market. We recently received approval from the U.S. CFTC which now allows U.S. investors the opportunity to buy or sell our index-based futures product, the Kuala Lumpur Composite Index Futures (FKLI) contracts.

“Stable revenue, which is made up of listing fees, depository and broker services, and information services among others, recorded an increase of 8% to RM56.6 million compared to the corresponding period last year. This was mainly attributed to higher information services revenue, and higher listing fees and public issue fees due to the increase in Initial Public Offerings (IPOs) and new structured warrants. We have seen an increase in IPOs with 17 new listings in the first half of this year compared to 12 in the corresponding period last year. For structured warrants, we saw more than double the number of listings in the first half of this year with 201, compared to 86 in the first half of last year.

“Total expenses increased by 16% to RM109.4 million in the first half of 2011 compared to the corresponding period last year, which was due to increase in staff costs and technology charges. As staff development and talent management is a key consideration for the Company, this cost will remain significant. The increase in technology charges arose from the Globex® service fees payable to CME.

“In the immediate term, we are looking to increase our market participation base. Some of the initiatives that have been put in place are the allowance for up to 100 Propriety Day Traders (PDTs), of which we have seen an increase from 36 to 55 currently. We will also be engaging with both domestic and foreign institutional investors to relook this market given Malaysia’s revised positions in two major indices. This will include engaging with China investors now that we have received the Qualified Domestic Institutional Investors (QDII) recognition, ASEAN and US investors.

“With the dual licensing programme that allows securities dealer representatives with adequate experience to fast track into becoming futures broker representatives, we hope to see an increase in the scope of services and cross selling by our intermediaries, thereby enlarging their client base.

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“To ensure that our shareholders’ value grows, profitability will remain a key performance indicator and we target our net profit to grow by at least 20% per annum on average over the next three years. Liquidity is still a challenge but we are seeing changes in Government linked investment companies progressively releasing their holdings. We hope to ensure that our securities daily average trading value growth is at par with leading listed exchanges in the region; and achieve 50,000 contracts in our derivatives market by 2013.

“Our business direction in the mid-term is to build market competitiveness and drive vibrancy through increasing our investor base, providing greater diversity of products and services, and improving accessibility to our market and investor segments. Our enablers to achieve these are in ensuring that we adopt the appropriate technologies and talents. Underscoring this is the need to have a balanced regulatory framework that supports market integrity and market development.

“Bursa Malaysia remains committed to delivering value to shareholders and maintains its record pay out of dividends of at least 90% profits. The Board of Directors of Bursa Malaysia has approved an interim dividend of 13 sen per share under the single-tier system to shareholders, which represents a dividend payout of 90.7% of our profit.”

**END**

FINANCIAL RESULTS	1H2011	1H2010	Percentage Change
	RM'000	RM'000	%
Operating revenue	200,305	157,682	27
Other income	16,859	14,693	15
<b>Total revenue</b>	<b>217,164</b>	<b>172,375</b>	<b>26</b>
Staff costs	(51,066)	(43,713)	(17)
Depreciation and amortisation	(19,829)	(21,973)	10
Other operating expenses	(38,471)	(28,223)	(36)
Finance costs	107,798 (181)	78,466 (310)	37 42
Profit before tax	107,617	78,156	38
Income tax expense	(28,703)	(20,703)	(39)
<b>Profit after tax</b>	<b>78,914</b>	<b>57,453</b>	<b>37</b>
Minority interest	(2,710)	(1,904)	(42)
<b>Profit after tax and minority interest (PATAMI)</b>	<b>76,204</b>	<b>55,549</b>	<b>37</b>

The financial results for the first half of 2011 are available on Bursa Malaysia’s website ([www.bursamalaysia.com](http://www.bursamalaysia.com)).

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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.

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