

MEDIA RELEASE

BURSA MALAYSIA ANNOUNCES RM193.6 MILLION PROFIT AFTER TAX AND MINORITY INTEREST (“PATAMI”) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

Key Financial and Market Highlights (FY2016 against FY2015)
PATAMI at RM193.6 million, decreased by 2.5%
Annualised ROE at 23%
Earnings per share at 36.2 sen
Operating revenue at RM472.7 million, down 3.1%
Operating expenses at RM236.2 million, eased 1.5%
Cost-to-income ratio at 47%
Average daily trading value for Securities Market On-Market Trades at RM1.8 billion, down 9.0%
Market capitalisation at 31 December 2016 at RM1.7 trillion, eased 1.6%
Velocity at 27%
Average daily contracts traded for Derivatives Market at 57,829 contracts, up 1.2%
Average daily trading value on BSAS at RM16.3 billion, up 7.2%

Kuala Lumpur, 3 February 2017 - Bursa Malaysia Berhad (“Bursa Malaysia” or “The Exchange”) recorded a PATAMI of RM193.6 million for the financial year ended 31 December 2016 (“FY2016”); a marginal drop of 2.5% from RM198.6 million reported in the financial year ended 31 December 2015 (“FY2015”). Operating revenue recorded a 3.1% decrease to RM472.7 million, whilst operating expenses eased 1.5% to RM236.2 million. The annualised Return On Equity (“ROE”) stood at 23% and cost-to-income ratio was 47%.

The Board of Directors will propose a final dividend of 17 sen per share for the year under review, which is a distribution of 94.2% of its PATAMI, subject to shareholders’ approval at the Company’s 40th Annual General Meeting to be held on 29 March 2017.

Bursa Malaysia Chief Executive Officer, Datuk Seri Tajuddin Atan said, “Last year, 2016, was an exceptionally challenging year for capital markets globally. The year was marked with a greater regulatory and geopolitical changes and ambiguity. These have impacted the global economic landscape and heightened volatility in the financial markets. Against such a challenging environment, Bursa Malaysia has delivered a commendable performance on the back of (i) a diversified revenue stream; (ii) our robust cost management discipline; and (iii) our continued developmental efforts. In 2016, the two key developmental initiatives launched were Bursa Malaysia-*i*, the world’s first end-to-end integrated Islamic securities exchange platform, and the introduction of Tin Futures contract (“FTIN”), to complement the Gold Futures contract (“FGLD”) and widen our product offerings.”

Securities Market’s trading revenue was down 8.6% to RM212.9 million against RM233.0 million in FY2015. Average Daily Trading Value (“ADV”) for Securities Market On-Market Trades (“OMT”) stood at RM1.8 billion. Market capitalisation as at 31 December 2016 was RM1.7 trillion while market velocity for FY2016 was 27%. Bursa Malaysia attracted 11 new listings in 2016.

Derivatives Market recorded an improvement in trading volume as a result of increased participation by domestic and foreign investors. Trading revenue of Derivatives Market increased by 3.0% to RM88.7 million in FY2016 compared to RM86.1 million in FY2015. A total of 14.2 million contracts were traded in FY2016 compared to 14.1 million contracts in FY2015. The Average Daily Contracts (“ADC”) traded in the Derivatives Market was 57,829 contracts. Contracts traded for the Crude Palm Oil Futures (“FCPO”) increased 3.9% to 11.4 million contracts in FY2016. FTSE Bursa Malaysia Composite Index Futures (“FKLI”) saw a decline of 8.9% to 2.8 million contracts in FY2016 from 3.0 million contracts traded in the last financial year.

In the Islamic Capital Market, Bursa Malaysia was awarded “Best Islamic Finance Facilitation Platform Asia 2016” and “Best Islamic Exchange Asia 2016” by Global Banking and Finance Review. The awards were conferred in recognition of Bursa Malaysia’s first end-to-end Shariah-compliant commodity trading platform, Bursa

Suq Al-Sila' ("BSAS") growth, since its inception in 2009. Bursa Malaysia was also awarded "Best Islamic Exchange 2016" at the Global Islamic Finance Awards 2016.

Transactions on BSAS are expected to be sustained with the continuous demand for Murabaha contracts to support liquidity management. The ADV for BSAS increased 7.2% to RM16.3 billion in FY2016 from RM15.2 billion in the last financial year.

For the fourth quarter ended 31 December 2016, Bursa Malaysia recorded a PATAMI of RM50.2 million, slipped 0.9% from RM50.6 million in the last corresponding quarter ended 31 December 2015. Operating revenue dropped 10.1% to RM112.5 million from RM125.2 million in the fourth quarter of 2015. The ADV for Securities Market's OMT was RM1.7 billion while ADC traded for the Derivatives Market was 55,289 contracts. The ADV of BSAS stood at RM15.8 billion.

"Bursa Malaysia remains committed to preserving market confidence and integrity. In addition, the Exchange also plans to expand its developmental role through providing greater access to fund raising to SMEs (Small and Medium Enterprises) in the local market, strengthening our Islamic value proposition and widening our regional footprints in ASEAN. Finally, we also aim to further liberalise access to the market, to give investors greater opportunities to trade and invest."

"Market volatility is expected to persist in 2017 and as a result, the equity market is expected to remain challenging. The Exchange remains cautiously optimistic, however, based on the country's strong economic fundamentals and resilient banking system. These factors, together with our efforts in maintaining a fair and orderly market, will continue to support the growth agenda for the capital market," Datuk Seri Tajuddin Atan concluded.

The financial results for the full year of 2016 is available on Bursa Malaysia's website www.bursamalaysia.com

FY2016 VS FY2015

FINANCIAL RESULTS	FY2016 (RM'million)	FY2015 (RM'million)	Percentage Change (%)
Operating revenue	472.7	487.7	(3.1)
Other income	34.1	30.8	10.5
Total revenue	506.8	518.5	(2.3)
Staff costs	(128.6)	(133.9)	(4.0)
Depreciation and amortisation	(24.2)	(23.7)	2.1
Other operating expenses	(83.4)	(82.2)	1.7
Profit before tax	270.6	278.7	(2.9)
Income tax expense	(67.9)	(72.3)	(6.1)
Profit after tax	202.7	206.4	(1.8)
Minority interest	(9.1)	(7.8)	15.3
PATAMI	193.6	198.6	(2.5)

About Bursa Malaysia Berhad

Bursa Malaysia is an approved exchange holding company under Section 15 of the Capital Markets and Services Act 2007. A public company limited by shares under the Companies Act 1965, Bursa Malaysia operates a fully-integrated exchange, offering equities, derivatives, offshore, bonds as well as Islamic products, and provides a diverse range of investment choices globally.

For more information on Bursa Malaysia, visit www.bursamalaysia.com

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