

Bursa Malaysia Berhad

Merrill Lynch Global Emerging Markets Conference, California



Tun Mohamed Dzaidin Hj. Abdullah, Chairman
Dato' Yusli Mohamed Yusoff, CEO
5-7 June 2007



Disclaimer

The contents of this presentation include materials which may be capable of being interpreted as forward-looking statements. Such statements are merely predictions and targets, based on circumstances and reasonable assumptions which apply only at the date of such statements. Accordingly, no reliance should be placed on any forward-looking statements, express or implied, contained in this presentation.

Single Exchange Group

Offering a full range of exchange-related products...



Equities Market	Derivatives Market	Offshore Market
<ul style="list-style-type: none">❖ 3 markets (Main Board, Second Board, MESDAQ Market)<ul style="list-style-type: none">➢ MB : 642 cos➢ SB : 246 cos➢ MM: 129 cos	<ul style="list-style-type: none">❖ 9 derivatives products<ul style="list-style-type: none">➢ Commodity futures➢ Equity futures & options➢ Financial futures	<ul style="list-style-type: none">❖ Non-ringgit securities❖ Islamic Sukuk cross listings

▶ Total Market Capitalisation: USD312bil (RM1,061bil) as at 31 May 2007

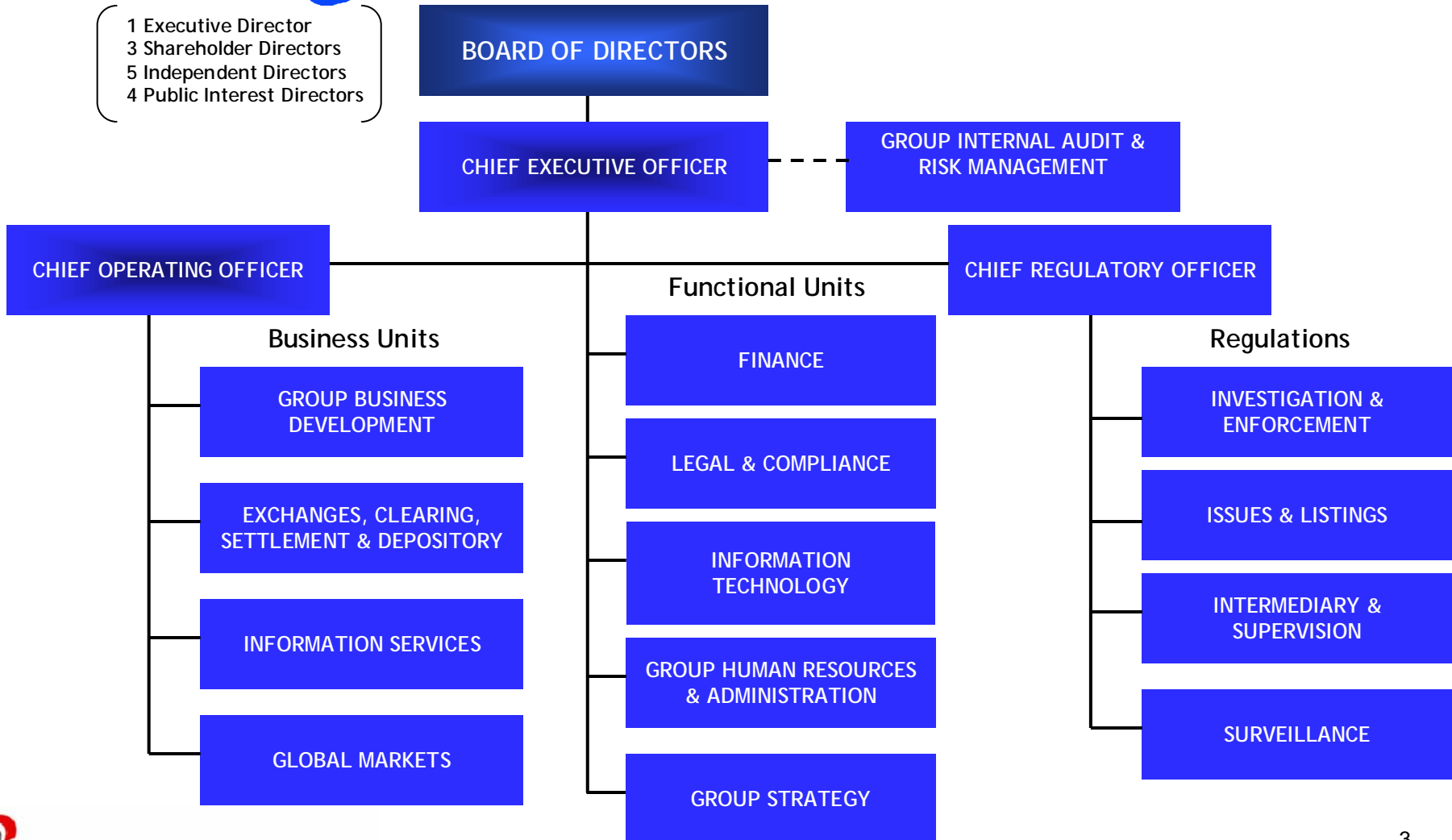
Horizontal Integration Across Products

...to different issuer and investor groups











Organisational Structure



- 1 Executive Director
- 3 Shareholder Directors
- 5 Independent Directors
- 4 Public Interest Directors











Q1 Results – A sign of times to come?

	FY2005 (RM)	FY2006 (RM)	Change	Q1 2006 (RM)	Q1 2007 * (RM)	Change
Operating Revenue	192.3 mil	262 mil	 36%	58.3 mil	124.3 mil	 113%
Operating Expenses	144.1 mil	148.5 mil	 3%	37.5 mil	39.4 mil	 5%
Operating EBITDA	61.5 mil	129.7 mil	 111%	24.8 mil	88.2 mil	 256%
PAT	80.9 mil	108.9 mil	 35%	23.0 mil	70.2 mil	 205%
EPS	15.9 sen	21 sen	 32%	4.3 sen	13.5 sen	 214%

* Condensed Consolidated Financial Statements for Q1 2007 including the commentaries are available at www.bursamalaysia.com, Investor Relations section




Ratios heading in the right direction

	FY2005	FY2006	Change	Q1 2006	Q1 2007	Change
Annualised ROE	6.6%	12.8%	 93%	10.0%	33.2%	 232%
Operating EBITDA Margin	32.0%	49.5%	 55%	42.5%	71.0%	 67%
Net Profit Margin	29.9%	35.8%	 20%	31.2%	51.5%	 65%
Stable Revenue : Total Operating Expenses	53.0%	50.7%	 4%	50.0%	58.2%	 16%

Driven by a strengthening market

Equity	FY2006	Change	Q1 2006	YTD 31 May 07	Change
Velocity	32.5%	↑ 25%	30%	64%	↑ 113%
Market Capitalisation	RM849 bil	↑ 22%	RM733 bil	RM1.1 tri	↑ 50%
Daily Average Trading Value	RM1.1 bil	↑ 42%	RM1.0 bil	RM2.7 bil	↑ 170%
Daily Average Trading Volume	876 mil	↑ 94%	838 mil	2.0 bil	↑ 139%
Derivatives					
Daily Average Contracts	16,915	↑ 70%	11,703	26,471	↑ 126%

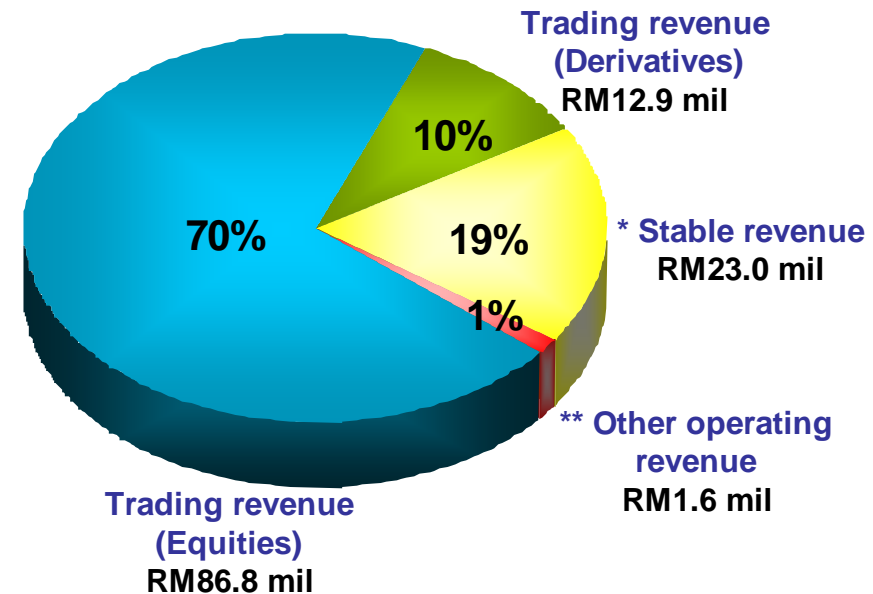
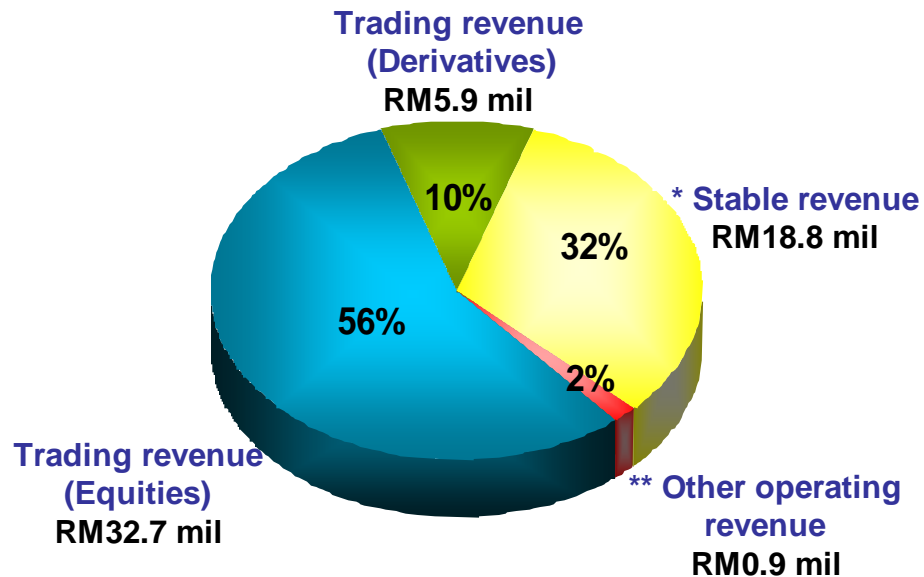
On Target to Achieve KPIs

	2007 Target	Q1 2007	Exceeded Target By
Velocity	40%	68%	 70%
Annualised ROE	16.8%	33.2%	 98%
Derivatives Daily Average Contracts	40% growth	54% growth	 14%

Revenues remain dependant on equities trading

Q1 2006 : RM58.3 mil

Q1 2007 : RM124.3 mil



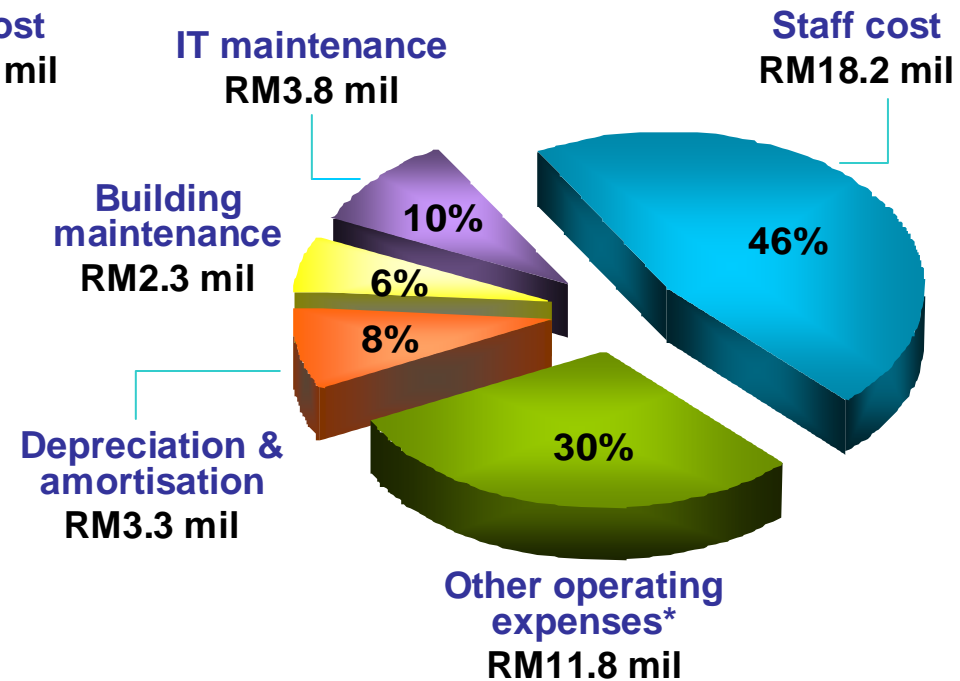
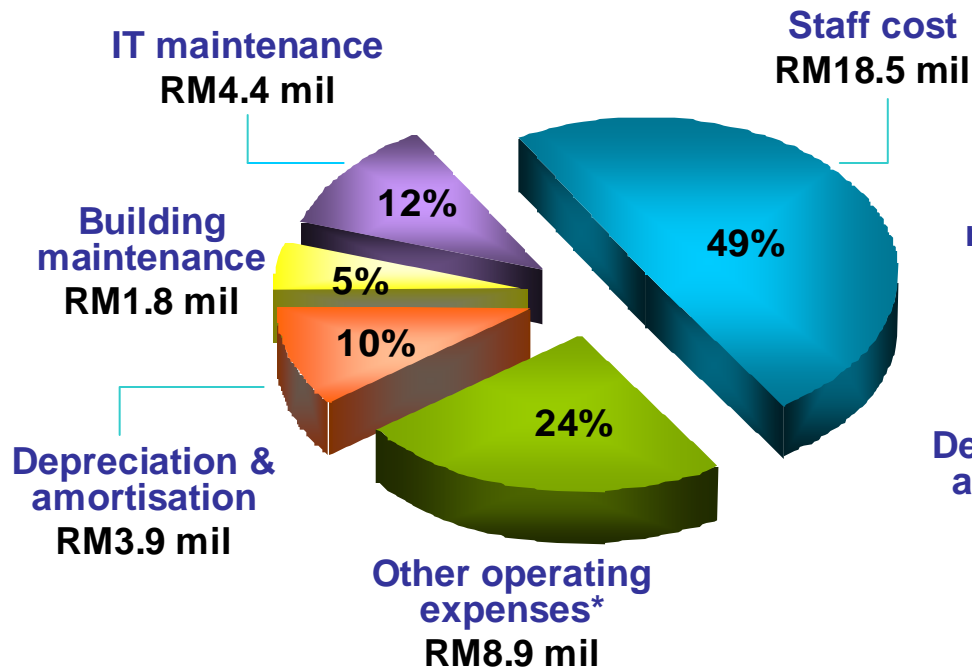
* Stable revenue comprises information services, listing fees, depository services, participants' fees and broker services

** Other operating revenue comprises mainly perusal and processing fees

Whilst Operating Expenses contained

Q1 2006 – RM37.5 mil

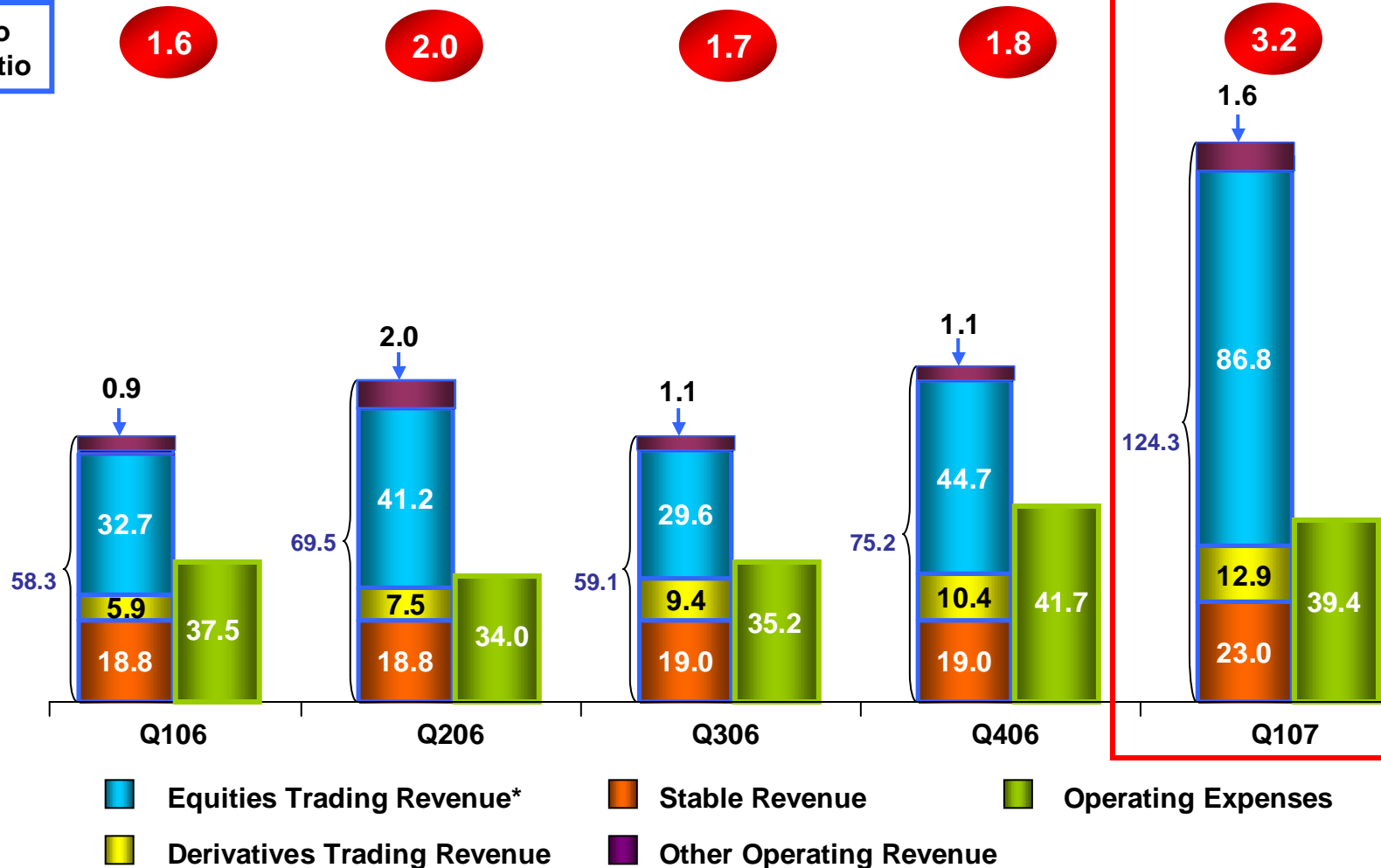
Q1 2007 – RM39.4 mil



* Other operating expenses comprises market promotion, legal, audit and professional fees etc.

Resulting in our high operating leverage

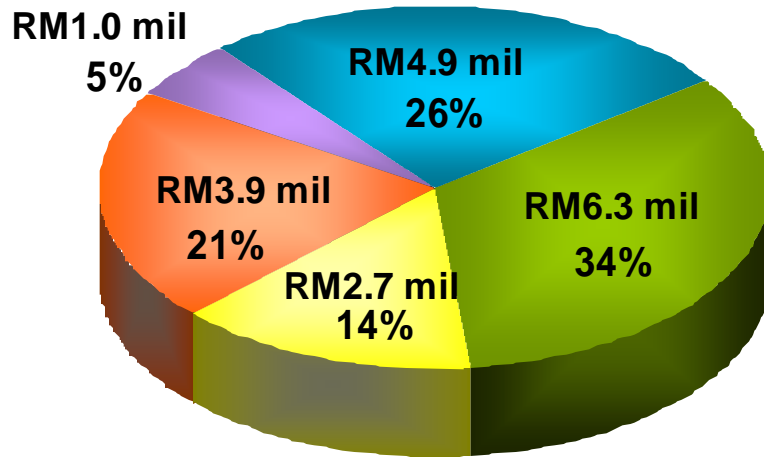
Revenues to Expenses Ratio



* Excludes SC levy (Clearing fee is 0.04% ad valorem, subject to a cap of RM500 per trade, of which 18.75% is SC levy)

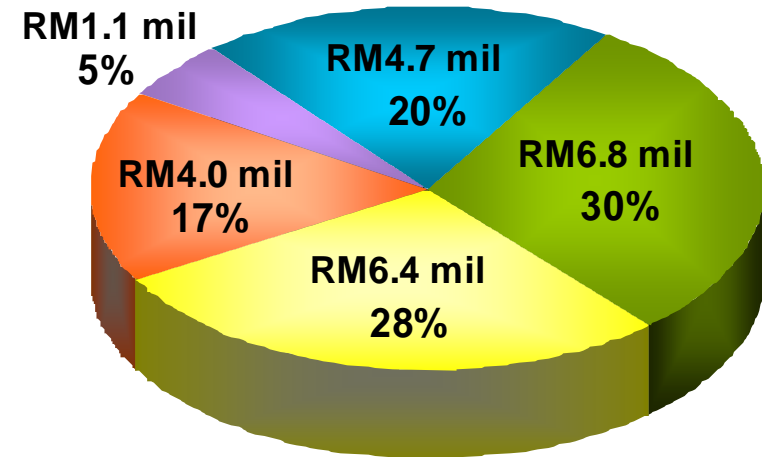
Growing Stable Revenue ...with more to come

Q1 2006 : RM18.8 mil



- Information Services
- Listing Fees
- Participants' Fees *

Q1 2007 : RM23.0 mil



- Depository Services
- Broker Services **

* *Participants' Fees comprises of application/admission/initial/registration fee, participants subscriptions and renewal fees*

** *Broker Services comprises of SCORE/Data Comm equipment rental income from brokers/ADM at a certain fixed monthly rate.*

In 2007, Our Focus Will Be On...

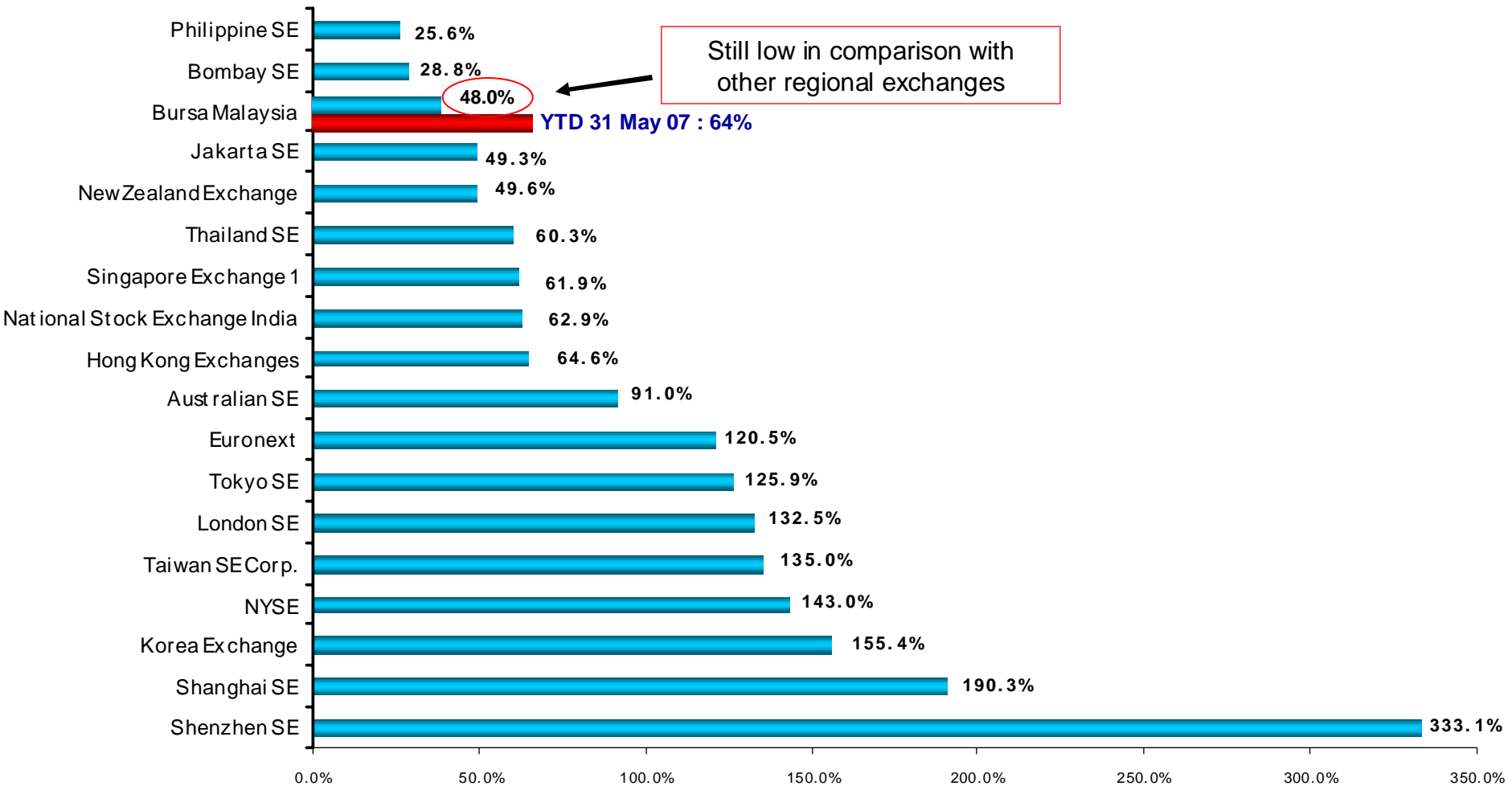
Primary
Improve Sustainable Velocity

Secondary
Improve quality internal
structure and processes

2007

Bursa's Sustainable Velocity Target : 60% by 2010

Turnover Velocity for the past 12 months to April 2007



Three Key Areas Will Be...

Infrastructure : improve efficiency & access

Products : broaden & internationalise product base

Additional Market Initiatives

Initiative update : Infrastructure...1

■ Equities

➤ Bursa Trade 1b
(Equity Trading Platform)

Q407

➤ Direct Market Access
(Derivatives)

Sep07

■ Fixed Income

➤ Electronic Trading Platform

Q108

■ Outsourcing

➤ Technology JV with AEMS

Q407

Initiatives Update : Products...2

■ Equities

➤ FTSE BURSA 30 ETF

Oct07

➤ National ETF

Dec07

■ Futures

➤ FTSE BURSA 30

Oct07

➤ USD based FCPO

Sep07

■ FTSE Bursa Index Series

➤ Tradable Shariah Index

May07

Additional Market Initiatives...3

- **PLC access**
 - **CMDF Bursa Research Scheme**
 - **Good Investor Relations Practices**
- **Protect market integrity –**
 - **Revised delisting criteria**
 - **Action against malpractice and manipulation**
- **CSR Framework**
- **Retail Market Plan**
 - **Rebranding**
 - **Perception Management**

Surplus cash under constant review

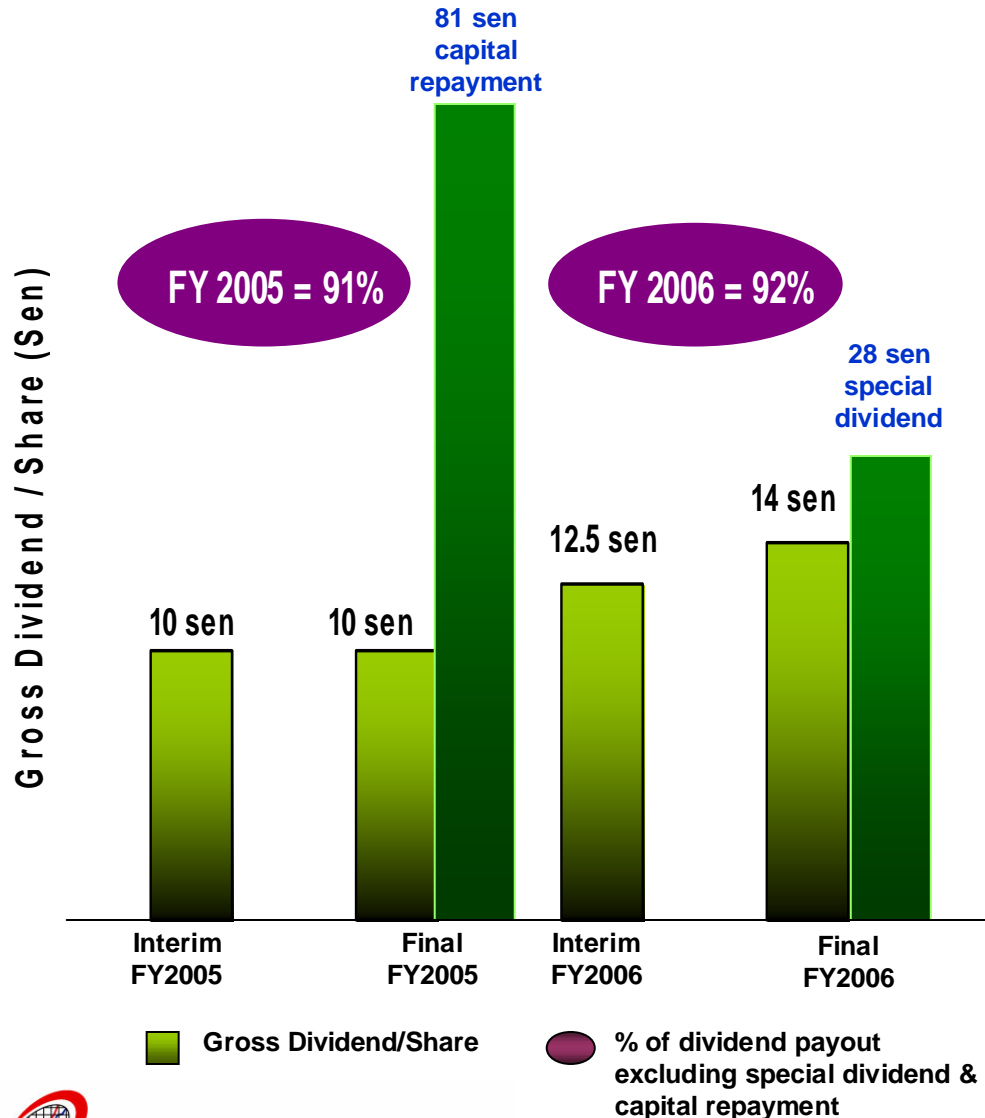
	RM million
* Financial resources available for use @ 31 March 07	512 **
Shareholders' Fund @ 31 March 07	880
Capital Expenditure for 2007	90

* *Inclusive of RM 85 mil set aside for Clearing Guaranteed Fund*

** *After 2006 final dividend of RM53 mil*

Dividend Policy 75%

To Ensure We Generate Value For Shareholders



- Total Shareholders' Return since IPO = 302% (Capital Gain + Dividends + Special Dividend)
- 257% increase in share price since IPO
- 33% increase in share price YTD 2007

Assumption: Based on IPO price of RM3.00 and last done price on 31st May 2007 of RM10.70

A Favourable Malaysian Economy

- **Real growth** projected at about 6%
- Conducive **domestic interest rates** for economic activities, overnight policy rate of 3.5%
- **Manageable Inflation**, 2007 CPI is forecast at about 2.0%
- The **strengthening Ringgit**, up 11.7% since de-peg in mid-2005
- **Ninth Malaysia Plan** charts the expansion path of the local economy

With Increased Corporate Activity

	RM' bn
Maxis buyout by Binariang GSM Sdn. Bhd.	39.9
BCHB acquires Southern Bank	6.7
Daikin acquires OYL Industries	7.6
ANZ acquires stake in AMMB	1.3
PNB mega plantation merger – Synergy Drive	31.4
PPB Group plantation consolidation exercise under Wilmar International	2.3
Genting Group wins SGD5.2bn Sentosa casino license	11.9

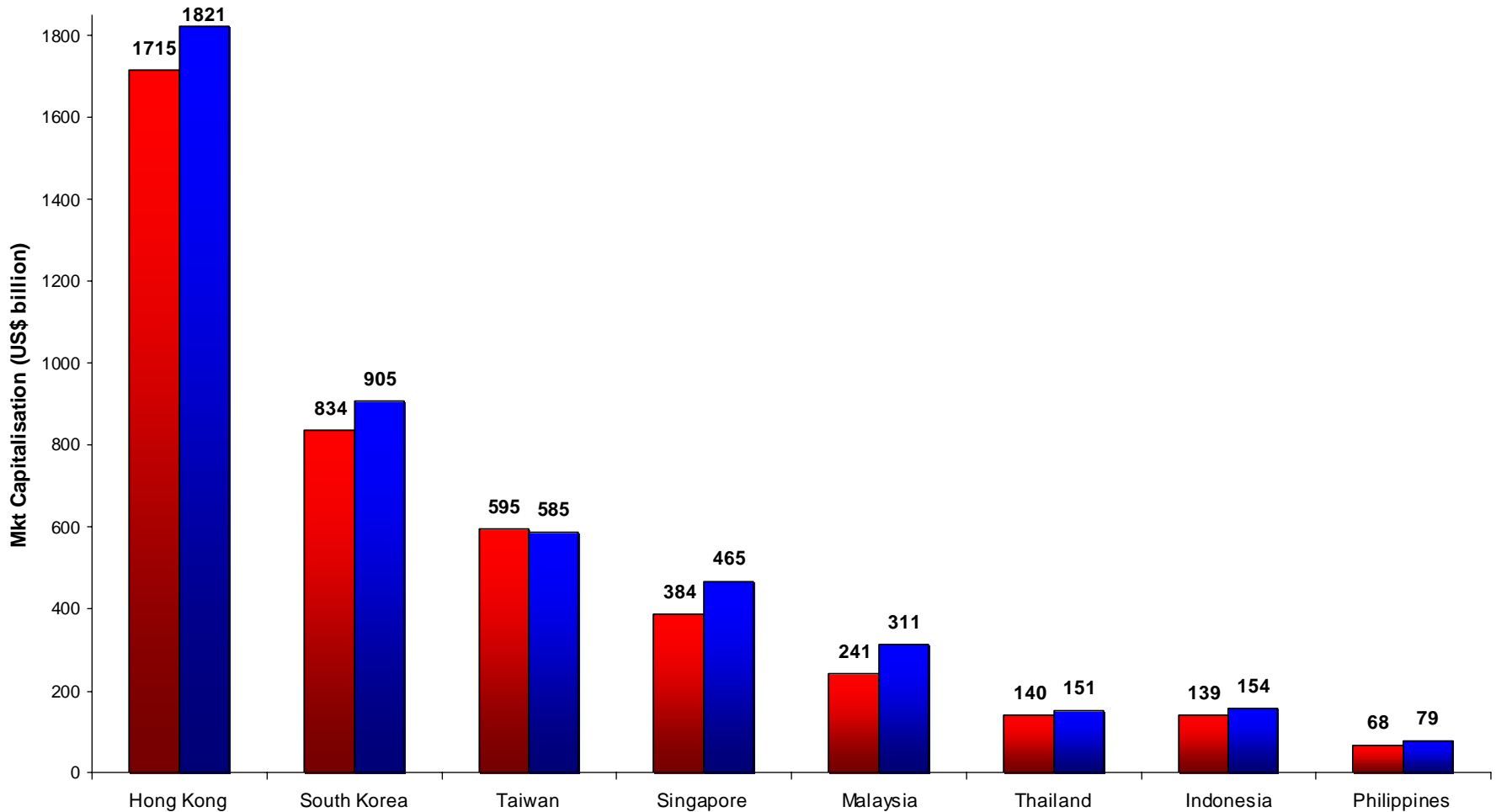
More active approach to globalisation and foreign investment interest.

GLC reforms significant progress- Increase free float

- **ROE and Share Performance:** More than half of 20 leading listed GLCs achieved YoY ROE improvements in FY2006 and better share price performance.
- **Market capitalization:** Increased by RM83 billion since May 2004. (20 top GLCs)
- **Earnings Increment:** FY 2006, 20 top GLCs of the 48 listed GLCs achieved a very commendable 60% increase in earnings over FY 2005. 4X earnings growth rate of the broader market.
- **Total Shareholder's Return:** (14 May 2004 - 16 March 2007) of 20 top GLCs is 71.8%, outperforming the KLCI ex-G-20 by 4.9%.
- **Analyst Expectation:** Most are on track in meeting analysts' expectation of combined earnings growth of 43% YoY in FY2007.

Source: Putrajaya Committee on GLC High Performance(PCG)/ Khazanah, March 2007

Regional Market Capitalisation



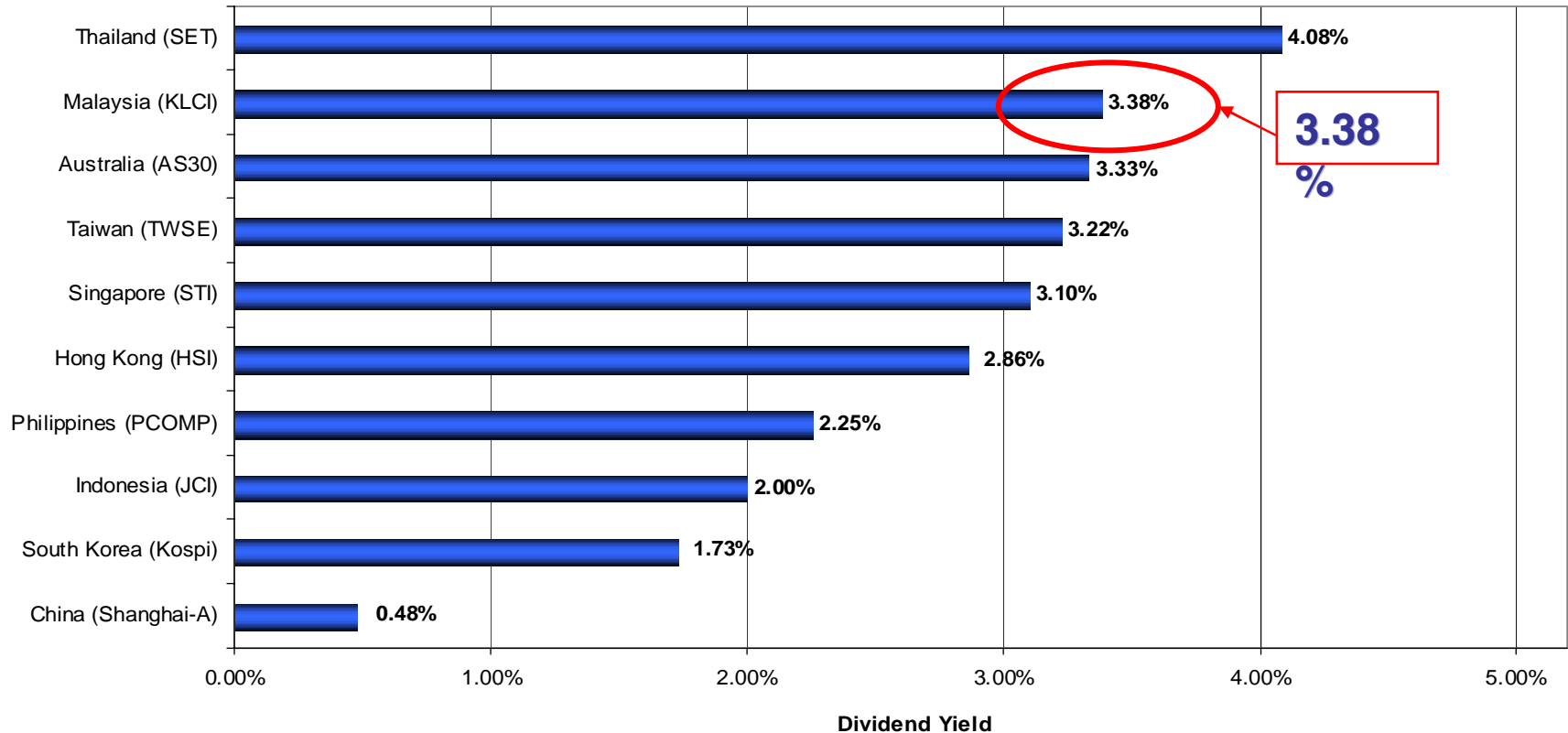
Source: WFE and KMIS (for Malaysia)

■ End-2006 (Mkt Cap)

■ End- April 2007 (Mkt Cap)

Offers one of the highest dividend yields

Regional Comparison – Dividend Yield



Source: Bloomberg, Dividend yield for main regional indices as at 31 May 2007

Bursa Is Committed Towards Making Our Market Place More Attractive

Increase Depth of Products and Services

- CMDF Bursa Research Scheme
- Restricted Short Selling & Stock Borrowing Lending
- Real Estate Investment Trusts
- Exchange Traded Funds
- FTSE- Bursa indices
- Single Stock Futures
- Structured Warrants
- ASEAN Index Products
- Foreign Listings/Dual Listings
- Internationalise CPO prices

Improving Infrastructure, Distribution Channels and Lowering Taxes

- Admission of 5 foreign brokers (UBS, CLSA, CSFB, Macquarie, JP Morgan)
- Admission of 3 foreign fund managers (Aberdeen, Nomura, BNP Paribas)
- Accelerate Tax restructuring; Removal of Real Property Gain Tax; REITS 15% local and 20% foreign; Corporate tax 2006:28%; 2007 : 27%; 2008 : 26%

BURSA MALAYSIA TODAY IS...

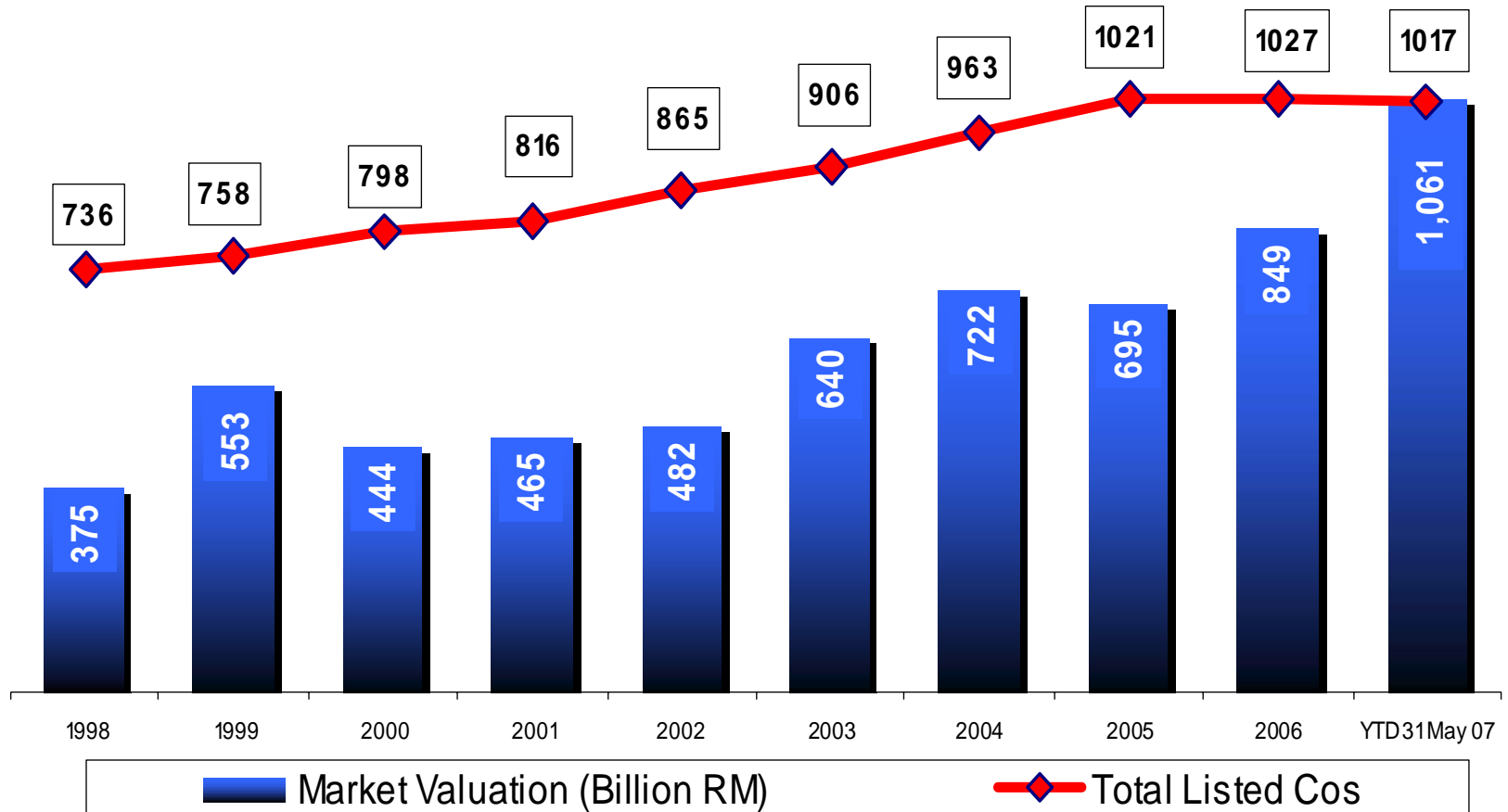
**A "Must Have" in
Investment Portfolios...**

Appendix : Market Statistics

Please visit us at :
www.bursamalaysia.com

Total Listings & Market Valuation

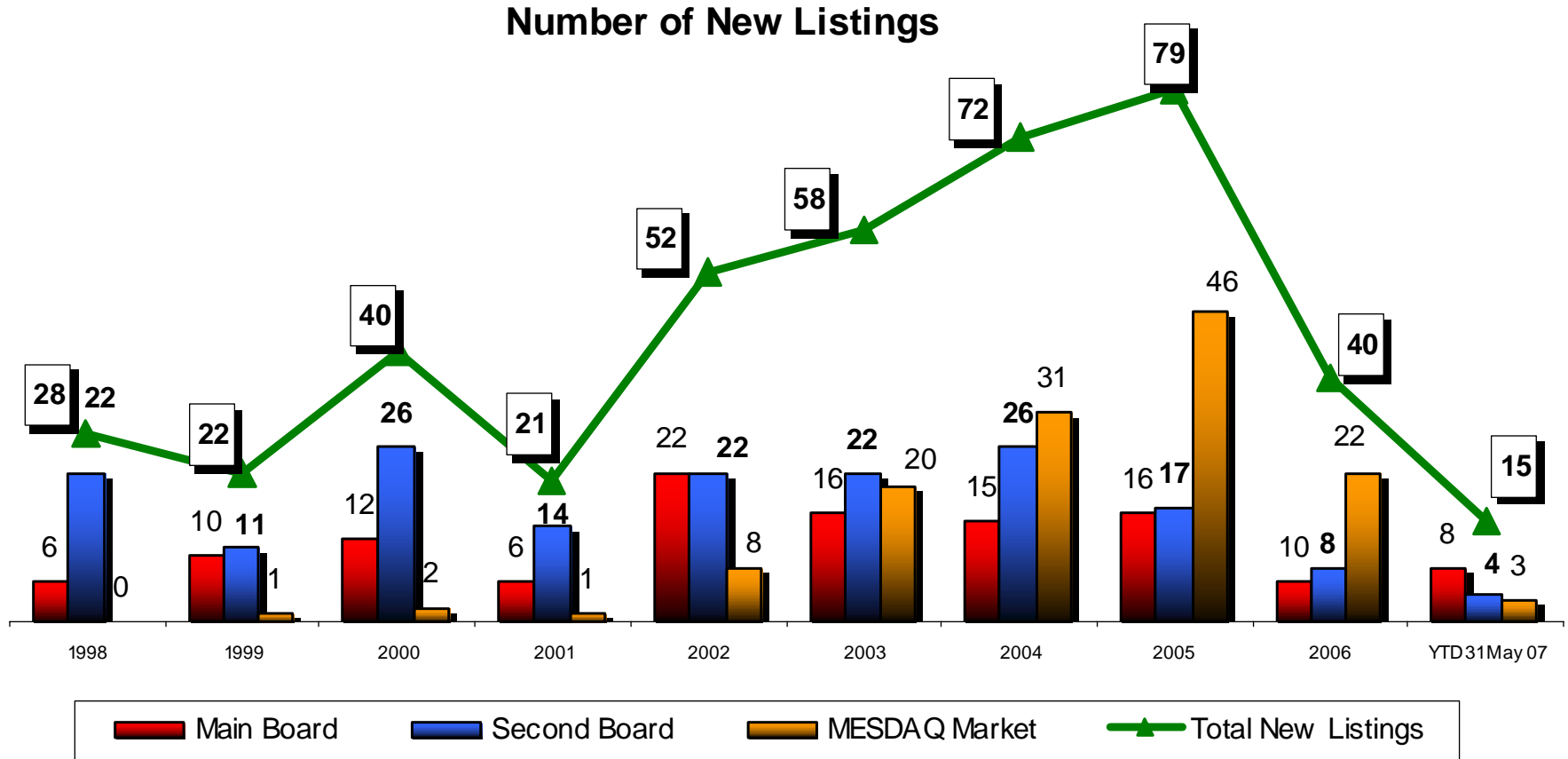
Market Valuation & Listed Companies



Funds mobilised (primary and secondary markets) 2006 = RM4.1b, 2005 = RM8.5b

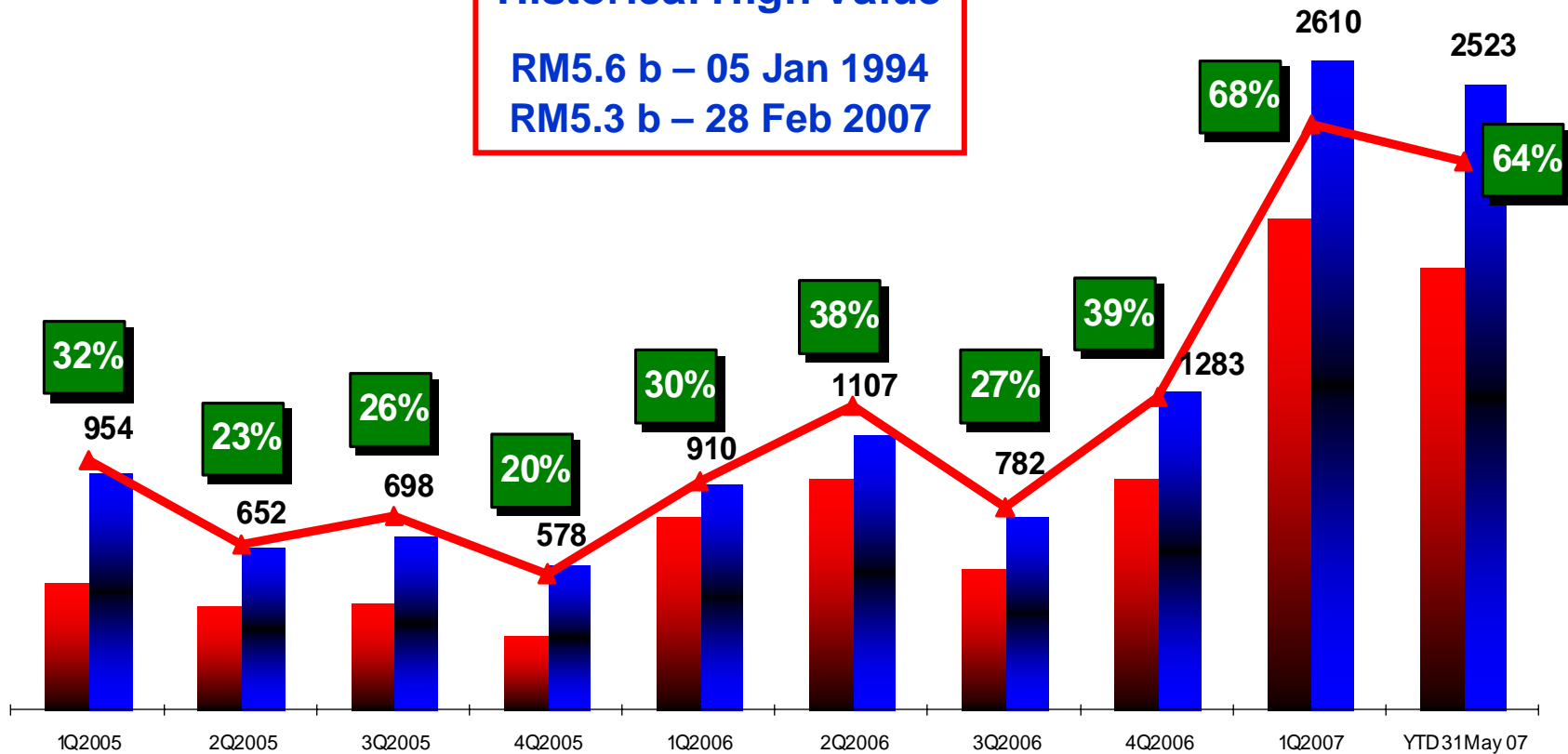
New Listings

Rate of new listings decreased due to tightening of entry criteria



Increasing Velocity : Quarterly

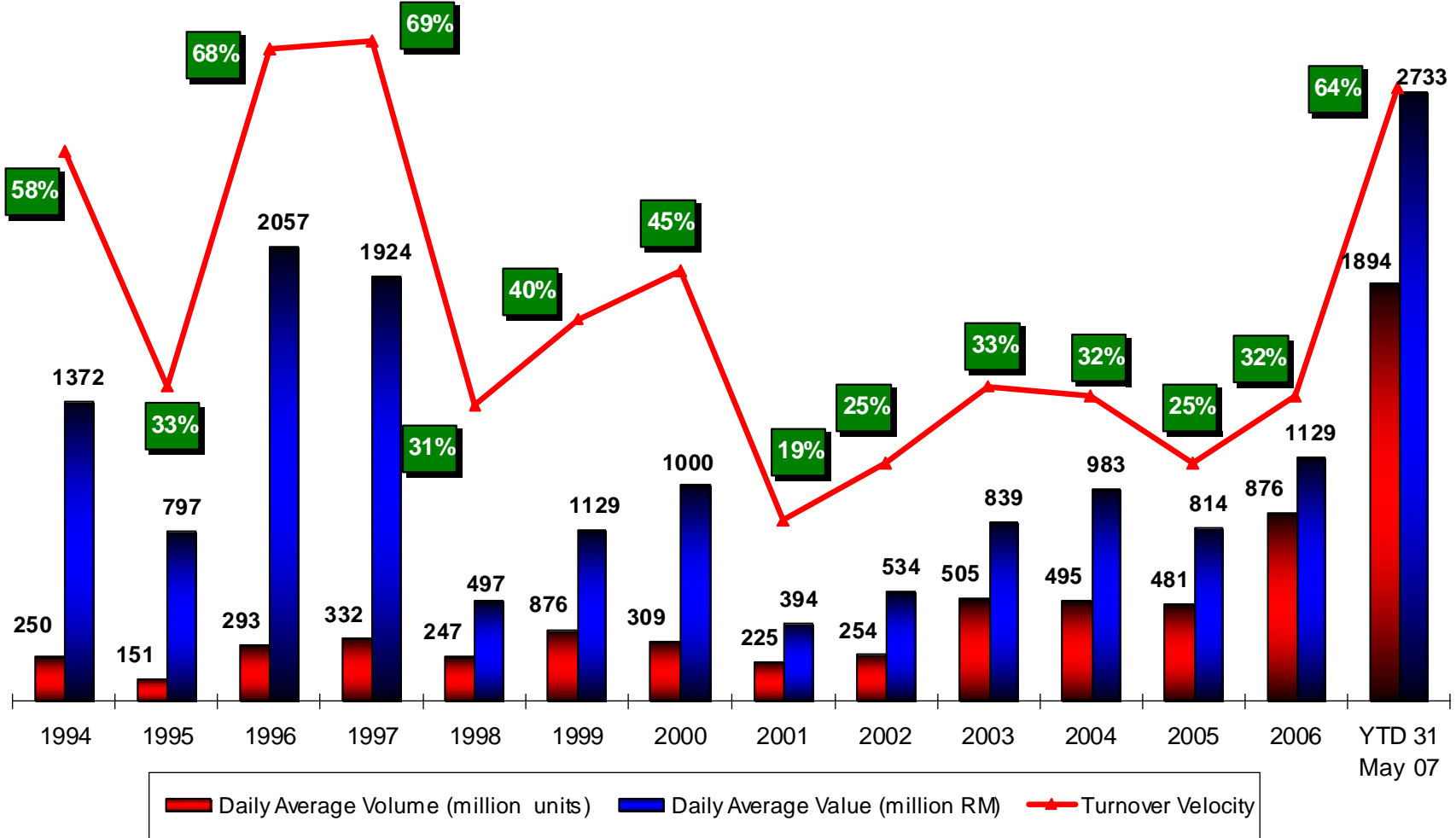
Historical High Value
 RM5.6 b – 05 Jan 1994
 RM5.3 b – 28 Feb 2007



■ Daily Average Market Transacted Volume (million units)
■ Daily Average Market Transacted Value (million RM)
▲ Turnover Velocity

Increasing Velocity : Annually

Daily Average Volume, Value and Velocity



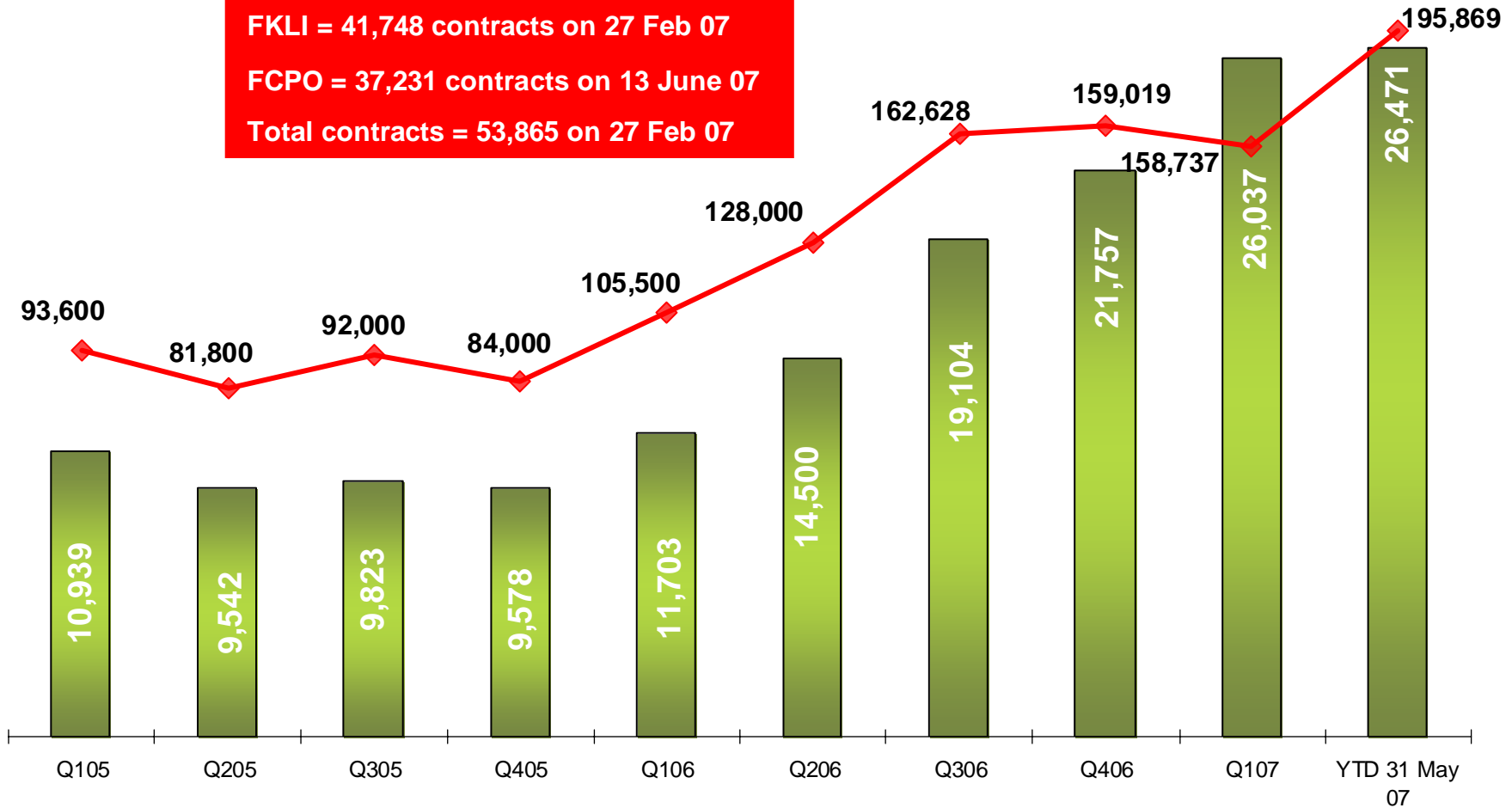
Improved Activity in Derivatives

Derivatives Hit New Record!

FKLI = 41,748 contracts on 27 Feb 07

FCPO = 37,231 contracts on 13 June 07

Total contracts = 53,865 on 27 Feb 07



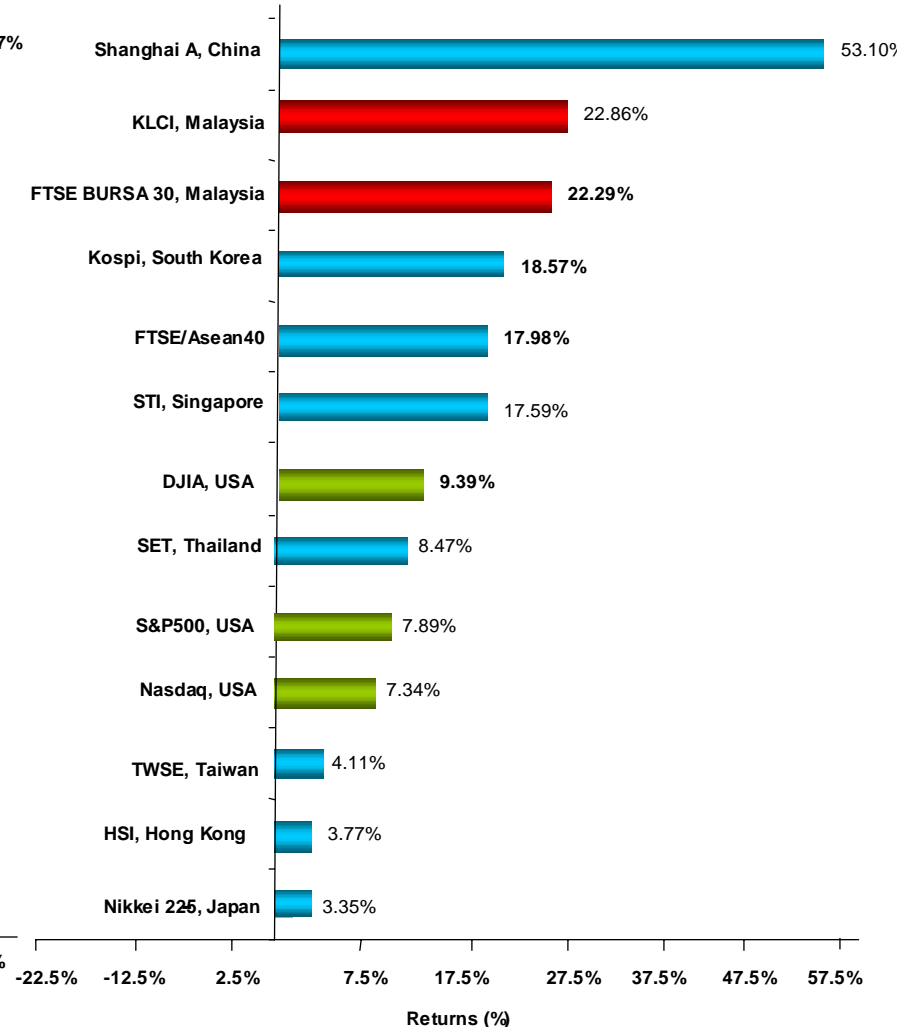
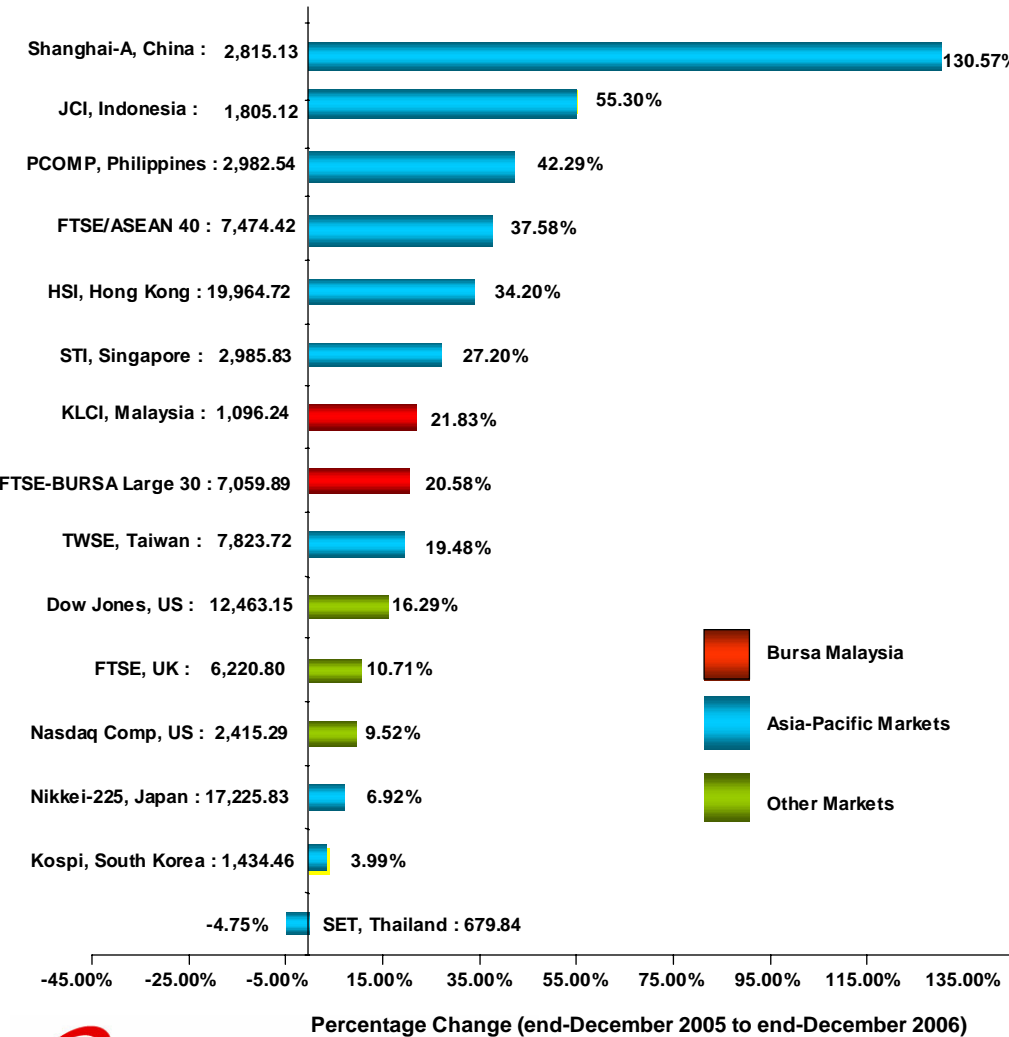
Daily Average Volume
 Open Position

KLCI New All Time High Closing

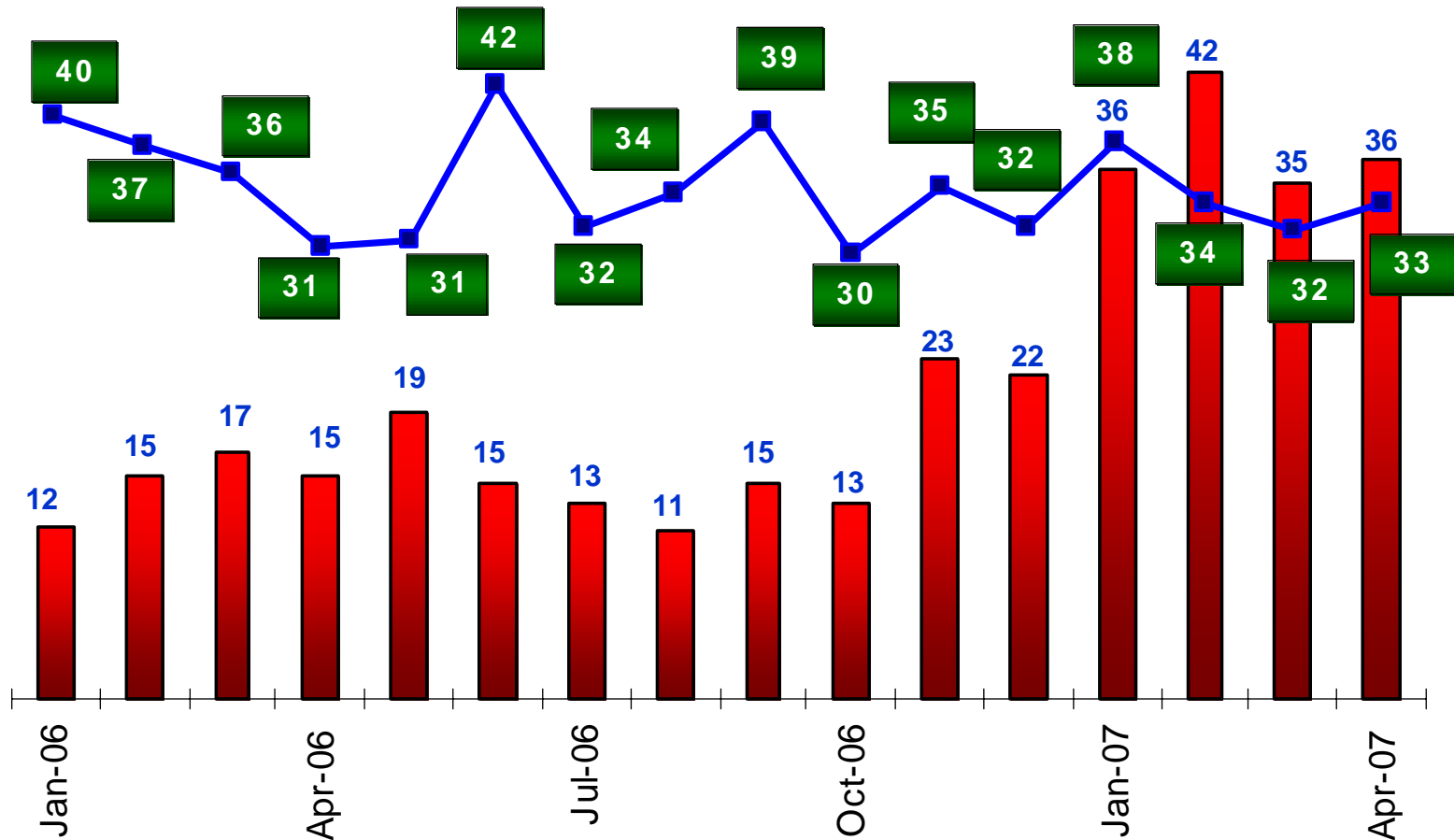
1,387.96 points as at 21 June 2007 (YTD + 26.6%)

Returns for Year 2006

Year-to-Date Returns of Selected Stockmarkets on 31/05/07



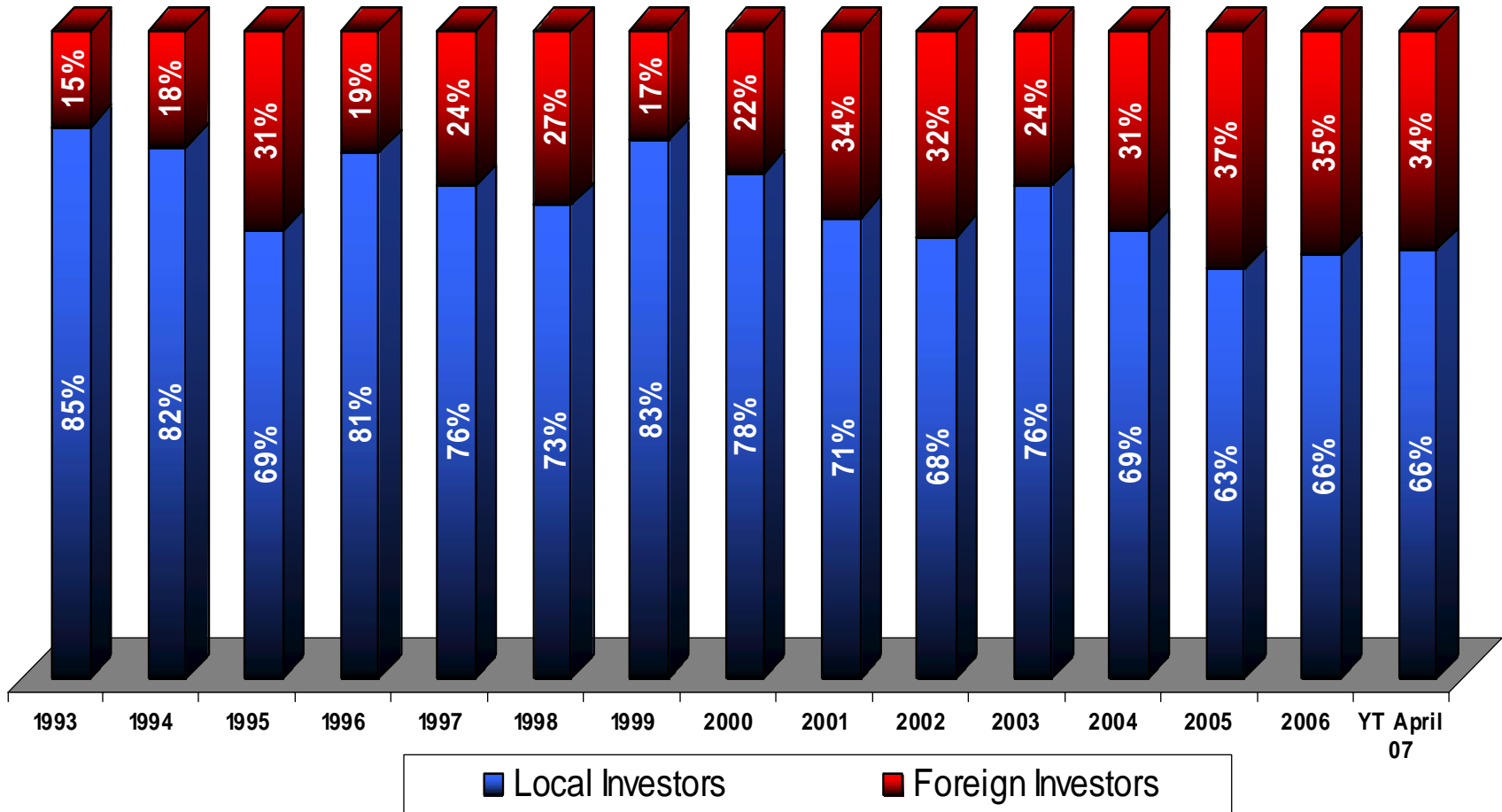
Sustained Foreign Trading Participation



■ Total Foreign Trading (RM billion) ■ % of Foreign Trading

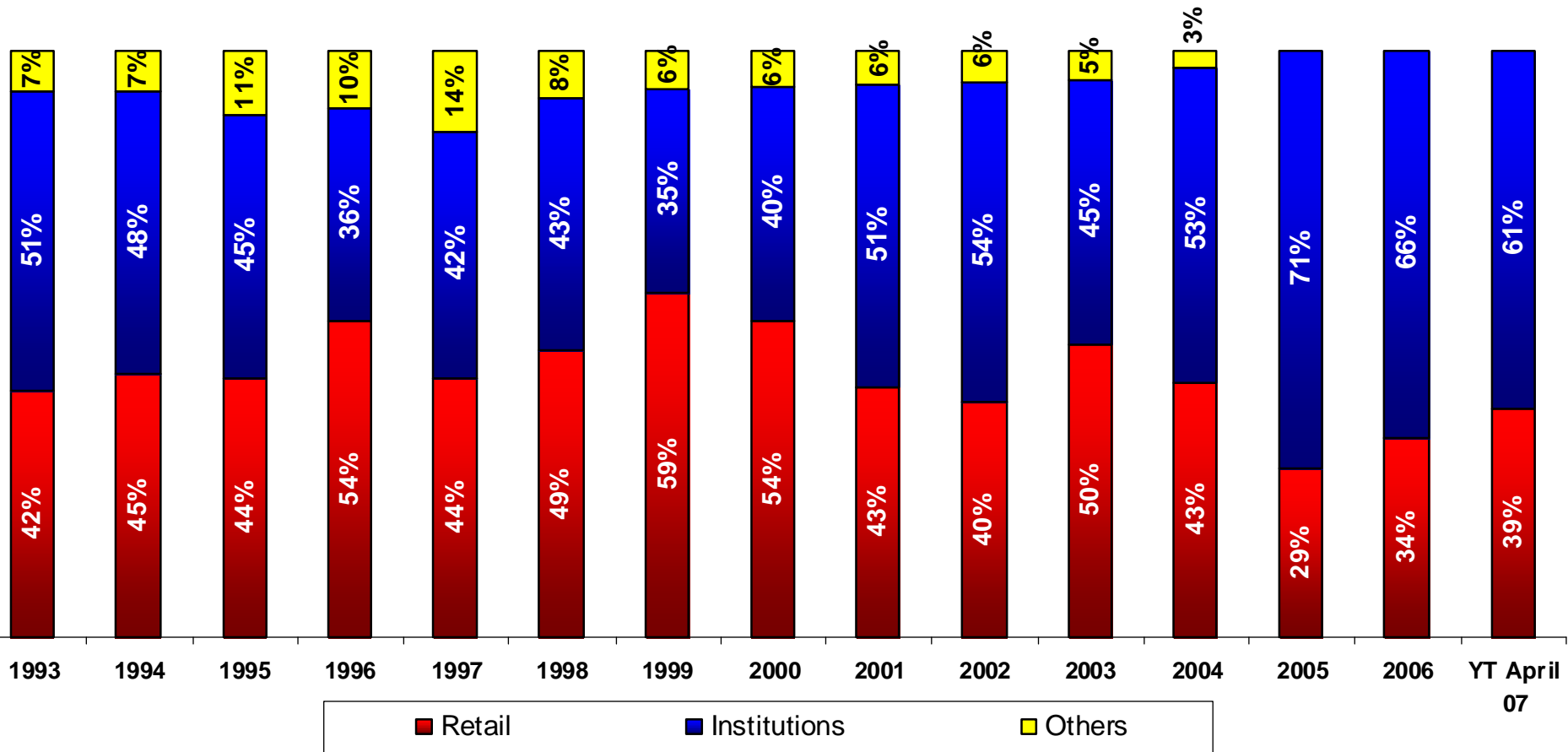
Foreign Trading Participation Has Improved

Local & Foreign Trading Participation 1993 to April 2007



Retail Investors Continue To Participate

Breakdown of trading (by value) 1993 to April 2007



“Others”- refers to trades conducted for accounts not belonging to individuals/ institutions. Definitions of investors’ type clarified in 2004, hence reducing the type of investor falling under “others” category.