

BURSA MALAYSIA BERHAD 2009 Financial Results

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Highlights

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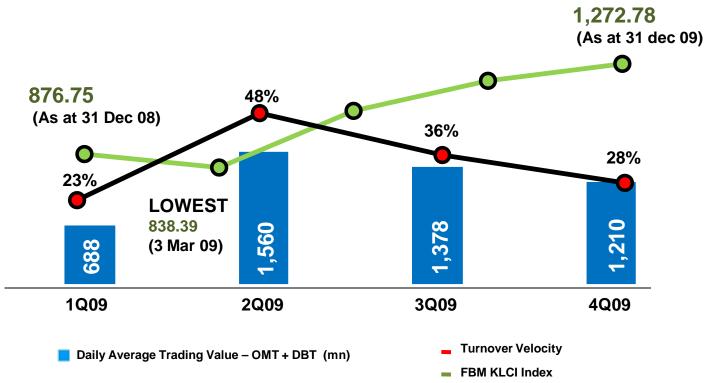
Key Highlights

	2009 (RM mil)	2009 (RM mil) 2008 (RM mil)		
Operating Revenue	297.6	302.3	(2)	
Capital Gain	76.0	-	NA	
Net Profit	177.6	104.4	70 📥	
Net Operating Profit (excl. capital gain)	101.6	104.4	(3)	
ROE (%)	22.6	13.8	64 📥	

- Market sentiment improved from 2Q09 onwards; sustained operating revenue
- Prudent cost management
- Capital gain of RM76 million from disposal of 25% equity stake in Bursa Malaysia Derivatives (BMD)
- Final dividend of 9 sen (tax exempt)
- Total Shareholders' Return for 2009 of 58.6%



Securities Market Overview (1)



 Q109 saw continuation of weak sentiment from previous year, however the KLCI rebounded quickly after reaching low of 838.39 on 3rd March, rising 45% over the year.



Securities Market Overview (2)

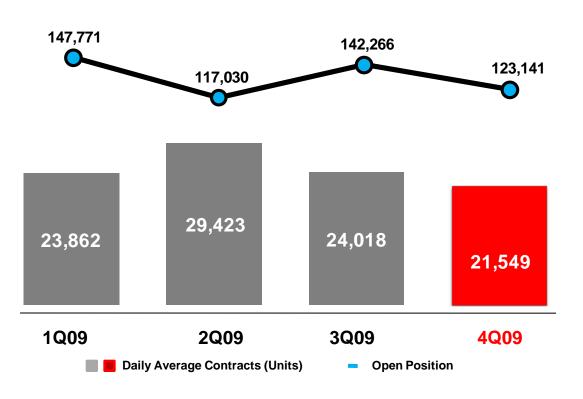
	2009	2008	% ▲		2009	2008	% ▲
No. of New Structured Warrants	124	81	53	Market Capitalisation at year end (RM bn)	999	664	51
No. of IPOs	14	23	(39)	Velocity (%)	34	34	-
Total Fund Raised*	27.8	5.9	371	Daily Average Trading Value	1,221	1,278	(4)
(RM bn)				OMT +DBT (RM mn)			

^{*} From IPO & secondary offerings

- Market Valuation improved in line with positive investors sentiment
- Total Funds raised from IPO and secondary offerings increased substantially
 - First foreign listings and the largest listing in Southeast Asia -Maxis Berhad
 - Maybank and Axiata rights issues



Derivatives Market Overview (1)

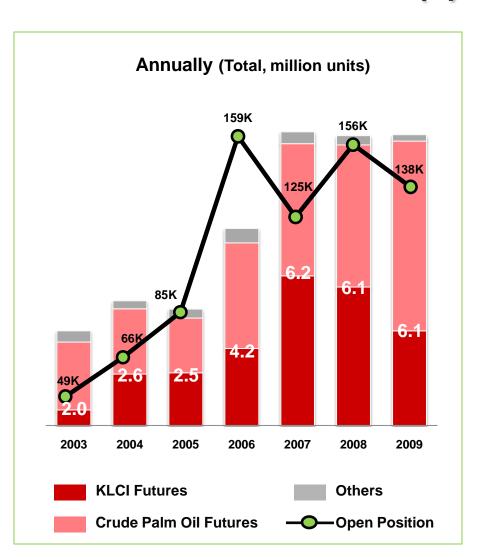


Daily Average Contracts	2009	2008	▲ %
∘ Total	24,749	24,878	(1)
∘ FCPO	16,165	12,210	32
o FKLI	8,056	11,873	(32)



Derivatives Market Overview (2)

- Volatility in commodity prices in 2009, FCPO performed well
- FCPO contract volume saw a new high, gaining 33.5% over previous record in 2008
- FKLI volume declined 31.6%, reflecting lower investor interest and foreign support for the contract
- Total number of contracts traded increased 0.3% from 2008



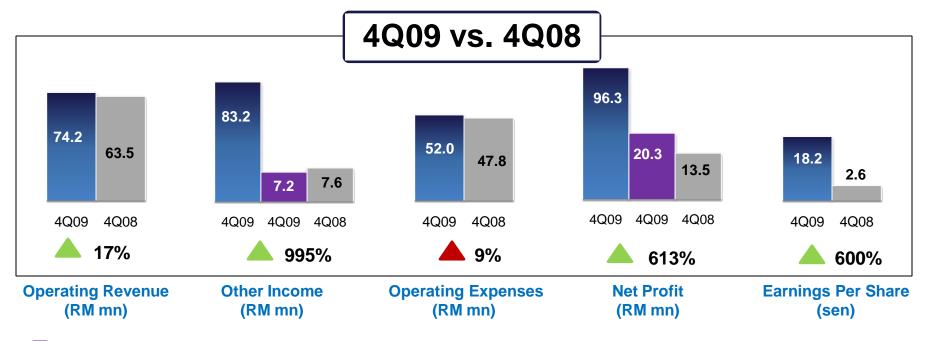


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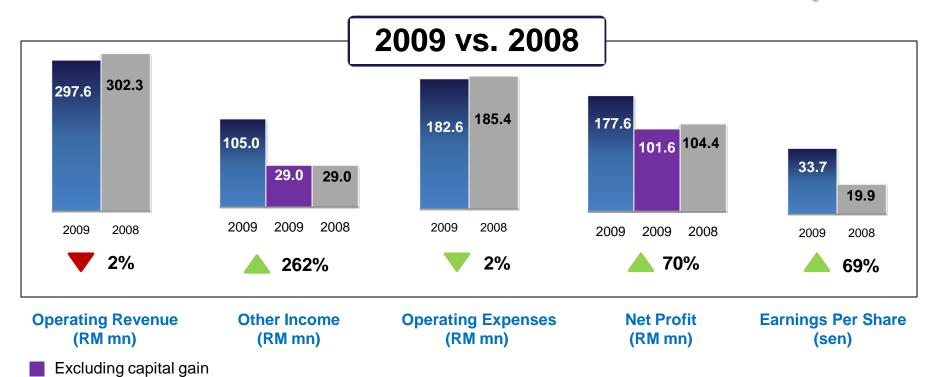
Financial Results Snapshots



- Excluding capital gain
- Operating revenue increased due to higher daily average value in comparison to 4Q08
- Total expenses increased mainly due to higher depreciation and amortisation



Financial Results Snapshots



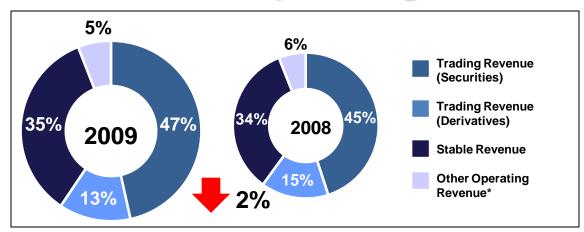
- Operating revenue in 2009 declined slightly due to fall in derivatives revenue
- Significant reductions in expenditure made in 2009. This was offset by higher depreciation and amortisation.

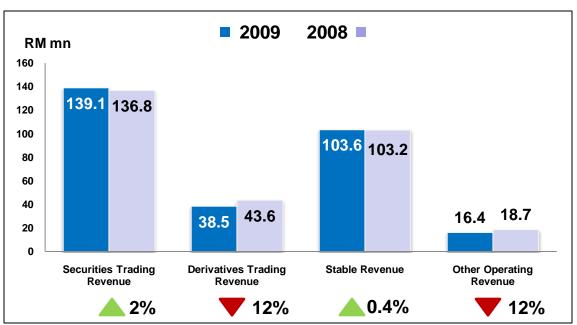


Operating Revenue

Bursa recorded RM297.6 mn operating revenue in 2009 (2008: RM302.3 mn)

- Securities trading revenue increased marginally by 2% due to higher effective clearing fees
- Derivatives trading revenue declined despite a marginal increase in the total number of contracts traded. This was due to a decrease in the number of FLKI contracts traded, which attract higher fees than FCPO.
- Other operating revenue fell owing to reduction in perusal fees, interest earned from participants due to lower level margins and contribution





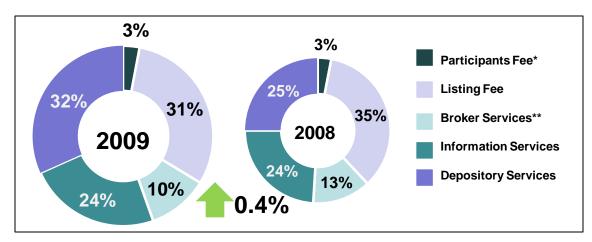
^{*}Other operating revenue mainly comprise interest earned from participants' contributions, conference fees and perusal & processing fees

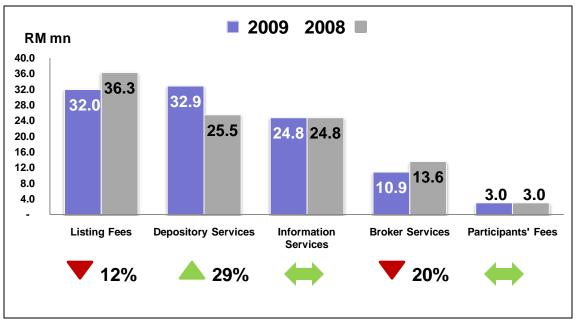


Stable Revenue

Stable revenue for 2009 stood at RM103.6 mn (2008: RM103.2 mn)

- Higher depository fees due to collection of prior years CDS fees, in addition to increase in public issues
- Lower listing fees due to lower market capitalisation and reduction in new listings
- Lower income from broker services following phasing out of older network equipment





^{*}Participants' Fees comprises application/ admission/ initial/ registration fees, participants' subscriptions and renewal fees

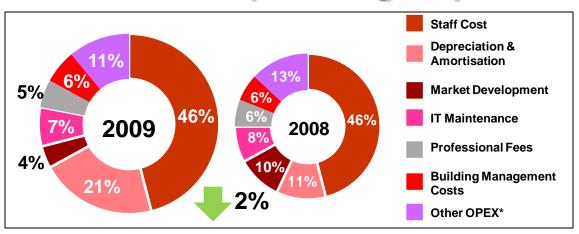
^{**}Broker Services comprises of Data Communication equipment rental income at a fixed monthly rate

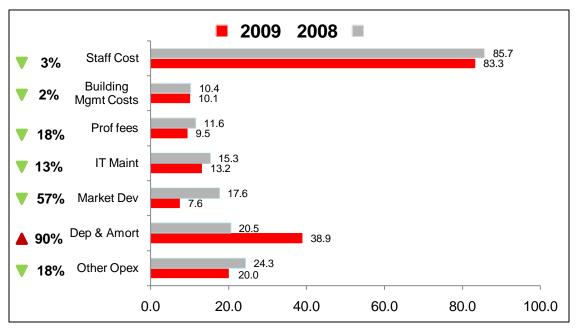


Operating Expenses reduced to RM182.6 mn in 2009 (2008: RM185.4 mn)

- Lower market development, professional fees, promotion and travel expenses due to vigilant approach to managing costs
- Higher depreciation and amortisation for Bursa Trade and ETP Phase II

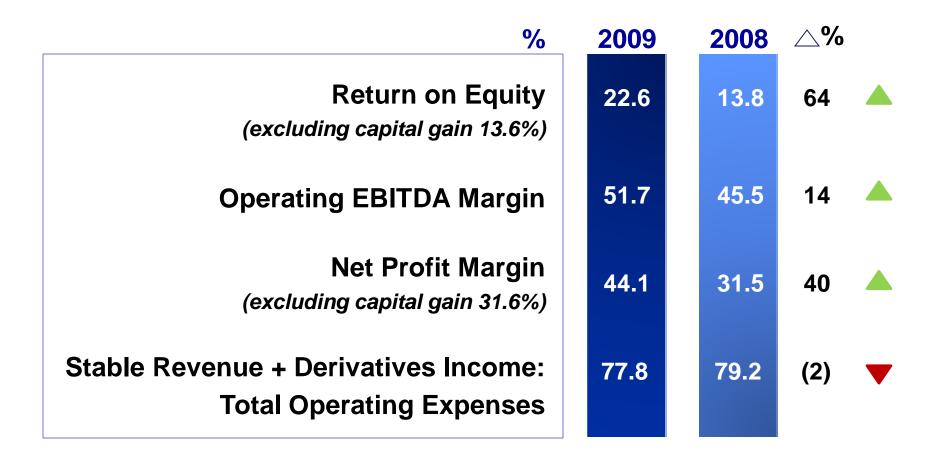
Operating Expenses







Performance Ratios





Capital Management

As at 31 December 2009

Shareholders' Fund

RM840 million (2008: RM732 million)

Financial Resources
Available for Use

RM453 million (2008: RM403 million)

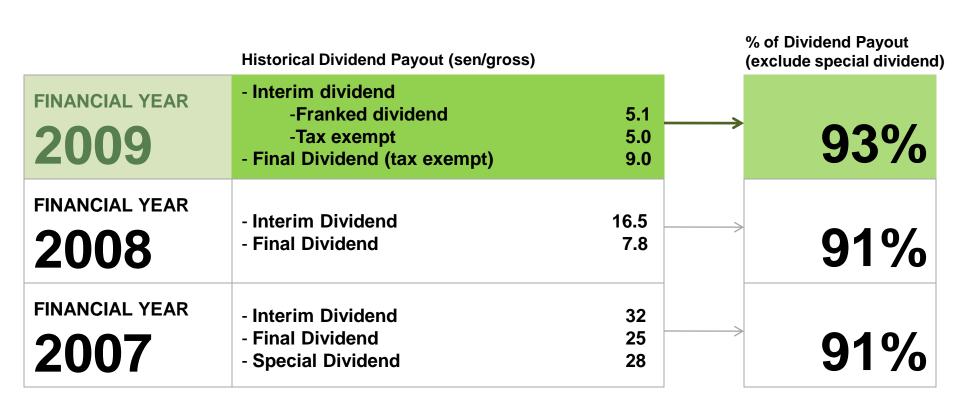
Commentary

The Company has sufficient financial resources to cover its CAPEX,
 Clearing Guarantee Fund commitment and working capital.



High Dividend Payout

Maximising Value to Shareholders, Surpassed 75% Payout Policy



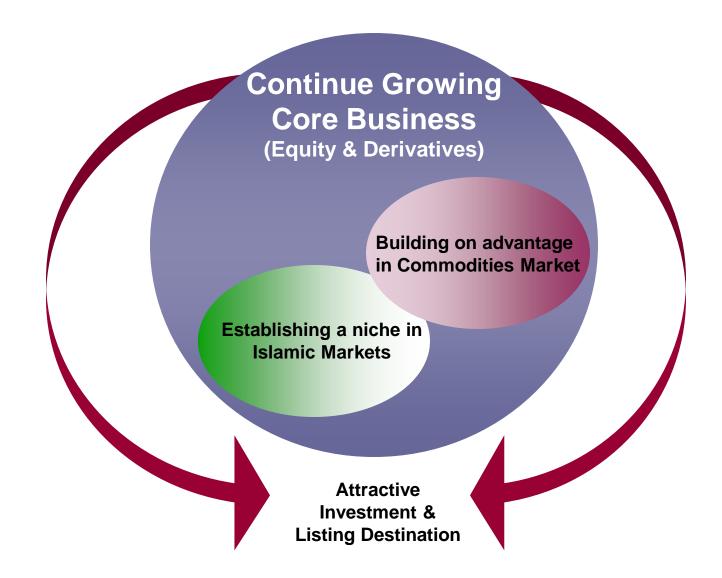


Business Review & Strategy

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Mid-term Business Direction





2009 Initiatives – **Building blocks for an attractive market**

NEW PRODUCTS & SERVICES

FTSE BM Palm Oil Plantation Index Series







Sukuk Listing

Bonds Listing (exempt regime)

STRENGTHENING LIQUIDITY

Market Making-Structured Warrants & ETFs

More Proprietary Day Traders

Restructuring of minimum bids/spread size

Introduction of SBL-Negotiated Trade

Market Education & Awareness

Direct Market Access - Equity

INTERNATIONALISING **MARKETS**

KLCI Conversion to FTSE

Multicurrency Securities Framework

Foreign IPOs

Strategic partnership with CME on derivatives market



Our Focus in 2010

Securities Market

Strengthening Liquidity
+
Greater Efficiency

Derivatives Market

Growth
+
Development

Islamic Market

Greater International Profiling
+
Widening Market Reach



Our Regulatory Role – maintain market integrity

2009 KEY INITIATIVES & ACTIVITIES

Enhance CG standards:

- CG Guide and awareness program
- engagement with directors and auditors

Improve standards of disclosure:

- Strengthen the disclosure requirements for PLCs
- Proactive monitoring and engagement with PLCs on announcements by PLCs and media reports
 - 406 queries on announcement by PLCs
 - 157 media queries to PLCs

Strict & objective enforcement :

- Enforcement actions were taken against 76 directors & PLC
 - Total fines imposed RM3.76 mil
- Enforcement actions were taken against 65 market participants
 - Total fines imposed RM1.51 mil

Enhance the efficiency of capital raising:

- Implemented enhanced framework for capital raising (Main & ACE Market)
- Reduced time to market for capital raising

Effective oversight over intermediaries:

- Applied risk based approach & regular stress testing and impact analysis
- Industry average for Investment Banks' Risk Weighted Capital Ratio was above the minimum requirement of 8%. Derivatives Brokers' Adjusted Net Capital at RM11.03 million was above the minimum requirement
- Industry average for Non-Investment Banks'
 Capital Adequacy Ratio was 10.35 times vs
 minimum requirement of 1.2 times

Market orderliness through effective regulation :

 Employed effective methods to detect trading concerns and addressed the same



Market Outlook

Securities Market

- Global outlook cautious, improvement in local economic data supports positive domestic outlook.
- Liberalisation efforts by the government to make Malaysia attractive to global investors has potential to bring Malaysian financial markets closer to regional benchmarks.

Derivatives Market

- Continued volatility in CPO prices to sustain volume of FCPO trades.
- Partnership with CME expected to complement and strengthen derivatives market through joint product development and increase global visibility of the Malaysian derivatives market.

Islamic Market

- Expand market reach for Bursa Suq Al-Sila'
- Propel Malaysia as Global forerunner in Islamic Capital Markets



Thank you

Q & A



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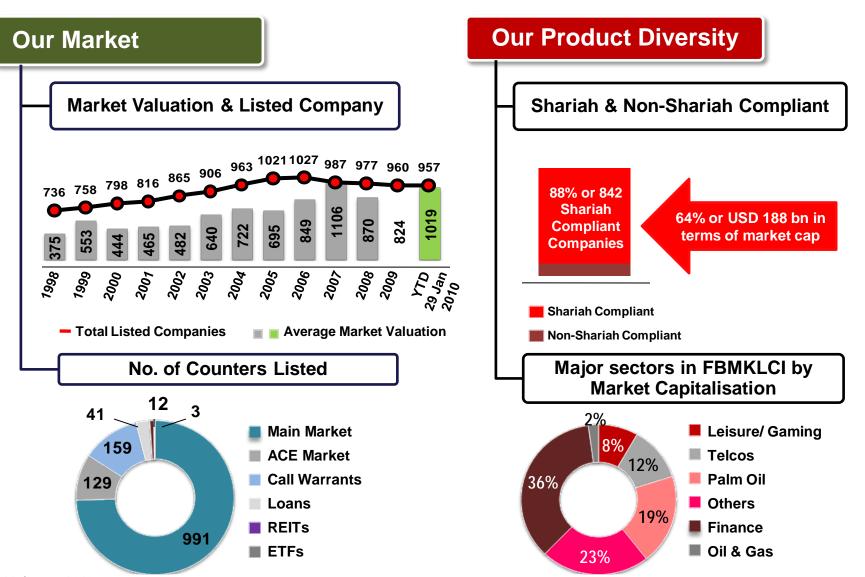


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Our Market and Product Diversity

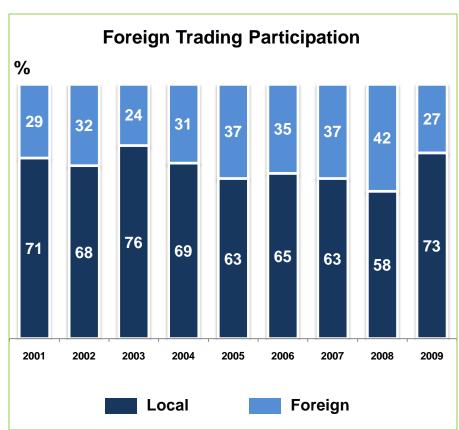


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Trading Participation

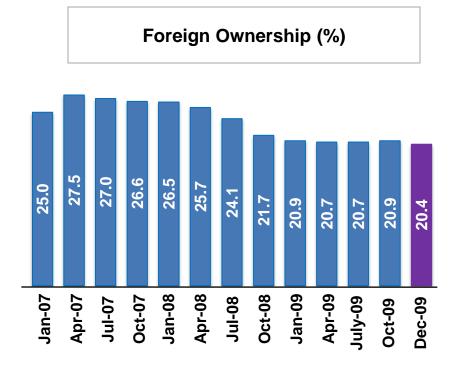




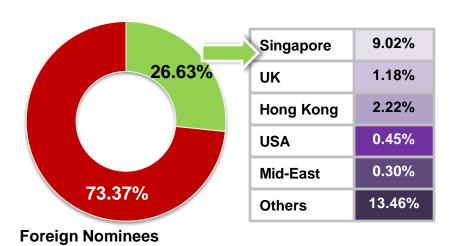
"Others"- refers to trades conducted for accounts not belonging to individuals/institutions. Definitions of investors' type clarified in 2004, hence reducing the type of investor falling under "others" category.



Market Foreign Ownership

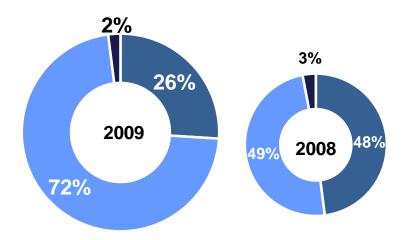


Foreign Ownership by Nationality



Derivatives Market Demography

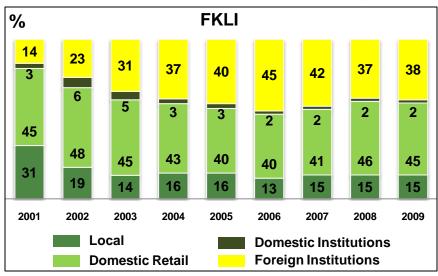
2 Leading Derivatives Products, FKLI & FCPO

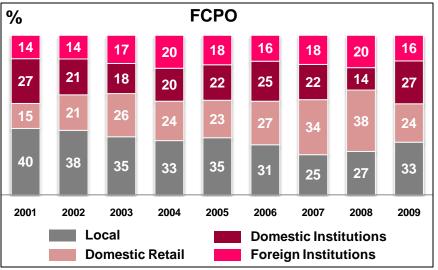






3-Month KL Interbank Offered Rate Futures (FKB3)





^{*} Local - A local participant is an individual who has been admitted as a participant in accordance with The Rules, registered with SC and has the right to trade for himself - all futures contracts listed on the Derivatives Exchange.