



**BURSA MALAYSIA BERHAD (30632-P)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2015**

**15 July 2015**

**BURSA MALAYSIA BERHAD (30632-P)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2015**

RM'000	Note	3 months ended		6 months ended	
		30.06.2015	30.06.2014	30.06.2015	30.06.2014
		Reviewed	Reviewed	Reviewed	Reviewed
Operating revenue	8	120,660	115,484	240,450	230,623
Other income	9	6,359	7,667	13,663	15,695
		127,019	123,151	254,113	246,318
Staff costs		(32,303)	(32,531)	(63,907)	(65,082)
Depreciation and amortisation		(6,010)	(6,393)	(11,686)	(12,807)
Other operating expenses	10	(19,223)	(18,427)	(42,187)	(39,701)
Profit before tax		69,483	65,800	136,333	128,728
Income tax expense	25	(18,440)	(17,889)	(36,131)	(33,921)
<b>Profit for the period</b>		<b>51,043</b>	<b>47,911</b>	<b>100,202</b>	<b>94,807</b>
<b>Profit attributable to:</b>					
Owners of the Company		49,489	46,851	96,544	91,999
Non-controlling interest		1,554	1,060	3,658	2,808
		51,043	47,911	100,202	94,807
<b>Earnings per share (EPS) attributable to owners of the Company (sen per share):</b>					
Basic EPS	31(a)	9.3	8.8	18.1	17.3
Diluted EPS	31(b)	9.2	8.8	18.0	17.2

*The above condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.*

**BURSA MALAYSIA BERHAD (30632-P)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2015**

RM'000	3 months ended		6 months ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
	Reviewed	Reviewed	Reviewed	Reviewed
Profit for the period	51,043	47,911	100,202	94,807
<b>Other comprehensive income</b>				
<b>Items that may be subsequently reclassified to profit or loss:</b>				
Foreign currency translation	53	(28)	173	(41)
Net fair value changes in available-for-sale (AFS) financial assets	717	(4,989)	16,006	(11,786)
Income tax relating to AFS financial assets	(1)	4	3	39
<b>Total other comprehensive income, net of income tax</b>	<b>769</b>	<b>(5,013)</b>	<b>16,182</b>	<b>(11,788)</b>
<b>Total comprehensive income</b>	<b>51,812</b>	<b>42,898</b>	<b>116,384</b>	<b>83,019</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	50,258	41,838	112,726	80,211
Non-controlling interest	1,554	1,060	3,658	2,808
	<b>51,812</b>	<b>42,898</b>	<b>116,384</b>	<b>83,019</b>

*The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.*

**BURSA MALAYSIA BERHAD (30632-P)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2015**

RM'000	Note	As at 30.06.2015	As at 31.12.2014
		Reviewed	Audited
<b>Assets</b>			
Property, plant and equipment		191,885	197,264
Computer software		55,342	57,122
Goodwill		42,957	42,957
Investment securities		184,294	188,449
Staff loans receivable		5,238	5,919
Deferred tax assets		2,500	3,673
<b>Non-current assets</b>		<b>482,216</b>	<b>495,384</b>
Trade receivables		52,449	41,289
Other receivables		14,728	17,412
Tax recoverable		2,377	2,721
Investment securities		35,040	41,916
Cash for trading margins, security deposits and eDividend distributions	13	999,914	717,133
Cash and bank balances of Clearing Funds	14	125,456	126,261
Cash and bank balances	15	254,240	214,367
<b>Current assets</b>		<b>1,484,204</b>	<b>1,161,099</b>
<b>Total assets</b>		<b>1,966,420</b>	<b>1,656,483</b>
<b>Equity and liabilities</b>			
Share capital		266,885	266,760
Share premium		102,084	100,064
Other reserves		96,561	76,658
Retained earnings	26	305,683	305,218
Equity attributable to owners of the Company		771,213	748,700
Non-controlling interest		11,834	14,001
<b>Total equity</b>		<b>783,047</b>	<b>762,701</b>
Retirement benefit obligations		25,381	26,605
Deferred grants		4,472	5,193
Deferred tax liabilities		6,999	8,149
<b>Non-current liabilities</b>		<b>36,852</b>	<b>39,947</b>
Trade payables	13	999,815	715,815
Participants' contributions to Clearing Funds	14	35,456	36,261
Other payables		99,476	93,532
Tax payable		11,774	8,227
<b>Current liabilities</b>		<b>1,146,521</b>	<b>853,835</b>
<b>Total liabilities</b>		<b>1,183,373</b>	<b>893,782</b>
<b>Total equity and liabilities</b>		<b>1,966,420</b>	<b>1,656,483</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>		<b>1.44</b>	<b>1.40</b>

*The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.*

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2015**

RM'000	← Attributable to owners of the Company →										Non-controlling interest	Total equity
	← Non-distributable →					→ Distributable →						
	Share capital	Share premium	Capital reserve (Note a)	Capital redemption reserve	Foreign currency translation reserve	Share grant reserve	Clearing fund reserves	AFS reserve	Retained earnings	Total		
<b>At 1 January 2015</b>	266,760	100,064	-	5,250	204	7,496	30,000	33,708	305,218	748,700	14,001	762,701
Profit for the period	-	-	-	-	-	-	-	-	96,544	96,544	3,658	100,202
Other comprehensive income, net of income tax	-	-	-	-	173	-	-	16,009	-	16,182	-	16,182
Total comprehensive income	-	-	-	-	173	-	-	16,009	96,544	112,726	3,658	116,384
<b>Transactions with owners of the Company:</b>												
Issuance of ordinary shares pursuant to Share Grant Plan (SGP)	125	2,020	-	-	-	(2,145)	-	-	-	-	-	-
SGP expense	-	-	-	-	-	5,866	-	-	-	5,866	-	5,866
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(96,079)	(96,079)	-	(96,079)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(5,825)	(5,825)
<b>At 30 June 2015</b>	266,885	102,084	-	5,250	377	11,217	30,000	49,717	305,683	771,213	11,834	783,047
<b>At 1 January 2014</b>	266,306	94,167	14,100	5,250	72	4,582	30,000	13,712	382,962	811,151	16,330	827,481
Profit for the period	-	-	-	-	-	-	-	-	91,999	91,999	2,808	94,807
Other comprehensive income, net of income tax	-	-	-	-	(41)	-	-	(11,747)	-	(11,788)	-	(11,788)
Total comprehensive income	-	-	-	-	(41)	-	-	(11,747)	91,999	80,211	2,808	83,019
<b>Transactions with owners of the Company:</b>												
Issuance of ordinary shares pursuant to SGP	125	1,763	-	-	-	(1,888)	-	-	-	-	-	-
SGP expense	-	-	-	-	-	5,056	-	-	-	5,056	-	5,056
Redemption of preference shares	-	-	(14,100)	-	-	-	-	-	-	(14,100)	-	(14,100)
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(85,258)	(85,258)	-	(85,258)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(8,125)	(8,125)
<b>At 30 June 2014</b>	266,431	95,930	-	5,250	31	7,750	30,000	1,965	389,703	797,060	11,013	808,073

**Note a**

The revamp of Bursa Malaysia Derivatives' participantship structure was completed and all preference shares were cancelled.

*The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.*

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2015**

RM'000	Note	6 months ended	
		30.06.2015	30.06.2014
		Reviewed	Reviewed
<b>Cash flows from operating activities</b>			
Profit before tax		136,333	128,728
Adjustments for:			
Amortisation of premiums less accretion of discounts		32	81
Dividend income from investment securities	9	(963)	(814)
Depreciation and amortisation		11,686	12,807
Grant income	9	(721)	(1,375)
Interest income	9	(9,072)	(9,977)
Net (gain)/loss on disposal of investment securities	9	(95)	187
Loss on disposal on disposal of motor vehicle	9	345	-
Net reversal of impairment loss on trade and other receivables	10	(144)	(210)
Property, plant and equipment written off	10	2	-
Retirement benefit obligations		685	706
Unrealised gain on foreign exchange differences		(238)	(116)
SGP expense		5,866	5,056
Operating profit before working capital changes		143,716	135,073
Increase in receivables		(9,069)	(7,581)
Increase in other payables		9,333	5,346
Cash generated from operations		143,980	132,838
Staff loans repaid, net of disbursements		587	858
Retirement benefits paid		(1,771)	(273)
Taxes paid, net of refund		(32,214)	(30,735)
<b>Net cash from operating activities</b>		<b>110,582</b>	<b>102,688</b>
<b>Cash flows from investing activities</b>			
Decrease in other deposits not for short-term funding requirements		-	112,669
Dividends received		945	3,015
Interest received		9,987	10,183
Proceeds from disposal of investment securities		48,557	40,079
Purchases of investment securities		(21,457)	(47,097)
Proceeds from disposal of motor vehicle		283	-
Purchases of property, plant and equipment and computer software		(7,294)	(7,673)
<b>Net cash from investing activities</b>		<b>31,021</b>	<b>111,176</b>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2015 (CONT'D.)**

RM'000	Note	6 months ended	
		30.06.2015	30.06.2014
		Reviewed	Reviewed
<b>Cash flows from financing activities</b>			
Dividends paid	7	(96,079)	(85,258)
Dividends paid by a subsidiary to non-controlling interest		(5,825)	(8,125)
Redemption of preference shares		-	(14,100)
<b>Net cash used in financing activities</b>		<b>(101,904)</b>	<b>(107,483)</b>
<b>Net increase in cash and cash equivalents</b>			
Effect of exchange rate changes		174	(41)
Cash and cash equivalents at beginning of year		214,367	246,608
<b>Cash and cash equivalents at end of period</b>	15	<b>254,240</b>	<b>352,948</b>

*The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to these interim financial statements.*

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. BASIS OF PREPARATION**

This condensed consolidated interim financial statements (Condensed Report), other than for financial instruments and retirement benefit obligations, have been prepared under the historical cost convention. Certain financial instruments have been carried at fair value in accordance to Malaysian Financial Reporting Standard (MFRS) 139 *Financial Instruments: Recognition and Measurement*, and the retirement benefit obligations include actuarial gains and losses in accordance with MFRS 119 *Employee Benefits*.

This Condensed Report has also been prepared in accordance with the requirements of MFRS 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014. The explanatory notes attached to the Condensed Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2014.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of the Condensed Report are consistent with those followed in the preparation of the Group's audited financial statements for the financial year ended 31 December 2014, except for the adoption of the Amendments and Annual Improvements to Standards effective as of 1 January 2015.

**2.1 Adoption of Amendments and Annual Improvements to Standards**

The Group has adopted the following Amendments and Annual Improvements to Standards, with a date of initial application of 1 January 2015.

Amendments to MFRS 119 *Employee Benefits - Defined Benefit Plans: Employee Contributions*  
Annual Improvements to MFRSs 2010 - 2012 Cycle  
Annual Improvements to MFRSs 2011 - 2013 Cycle

The adoption of the above pronouncements did not have any impact on the financial statements of the Group.

**2.2 Standards issued but not yet effective**

At the date of authorisation of the Condensed Report, the following Standards, Amendments and Annual Improvements to Standards were issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not been adopted by the Group:

**Effective for financial periods beginning on or after 1 January 2016**

MFRS 14 *Regulatory Deferral Accounts*  
Amendments to MFRS 11 *Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations*  
Amendments to MFRS 101 *Presentation of Financial Statements - Disclosure Initiative*  
Amendments to MFRS 127 *Consolidated and Separate Financial Statements - Equity Method in Separate Financial Statements*  
Amendments to MFRS 10 *Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*  
Amendments to MFRS 116 *Property, Plant and Equipment and MFRS 138 Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation*



PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.2 Standards issued but not yet effective (cont'd.)

**Effective for financial periods beginning on or after 1 January 2016 (cont'd.)**

Amendments to MFRS 116 Property, Plant and Equipment and MFRS 141 Agriculture - *Bearer Plants*  
Amendments to MFRS 10 Consolidated Financial Statements, MFRS 12 Disclosure of Interests in Other Entities and MFRS 128 Investments in Associates and Joint Ventures - *Investment Entities: Applying the Consolidation Exception*  
Annual Improvements to MFRSs 2012 - 2014 Cycle

**Effective for financial periods beginning on or after 1 January 2017**

MFRS 15 Revenue from Contracts with Customers

**Effective for financial periods beginning on or after 1 January 2018**

MFRS 9 Financial Instruments (International Financial Reporting Standards 9 Financial Instruments as issued by International Accounting Standards Board in July 2014)

The Group will adopt the above pronouncements when they become effective in the respective financial periods. The Group does not expect any material impact to the financial statements on the above pronouncements other than for the two Standards described below, for which the effects are still being assessed:

**(a) MFRS 15 Revenue from Contracts with Customers**

MFRS 15 *Revenue from Contracts with Customers* was issued in September 2014 and established a new five-step model which will apply to recognition of revenue arising from contracts with customers. Under this Standard, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principle of this Standard is to provide a more structured approach to measuring and recognising revenue.

This Standard is applicable to all entities and will supersede all current revenue recognition requirements under MFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted.

**(b) MFRS 9 Financial Instruments**

In November 2014, the MASB issued the final version of MFRS 9 *Financial Instruments*, replacing MFRS 139. This Standard made changes to the requirements for classification and measurement, impairment, and hedge accounting of financial instruments. The adoption of this Standard will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

MFRS 9 *Financial Instruments* also requires impairment assessments to be based on an expected loss model, replacing the MFRS 139 incurred loss model. Finally, MFRS 9 *Financial Instruments* aligns hedge accounting more closely with risk management, establishes a more principle-based approach to hedge accounting and addresses inconsistencies and weaknesses in the previous model.

This Standard will come into effect on or after 1 January 2018 with early adoption permitted. Retrospective application is required, but comparative information is not compulsory.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The Group's performance is not affected by any seasonal or cyclical factors but is affected by the level of activities in the securities and derivatives markets.

**4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter and six months ended 30 June 2015.

**5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There were no changes in estimates that have had any material effect on the quarter and six months ended 30 June 2015.

**6. DEBT AND EQUITY SECURITIES**

There were no issuances, repurchases and repayments of debt and equity securities during the quarter and six months ended 30 June 2015 other than the issuance of 250,000 new ordinary shares of RM0.50 each pursuant to the SGP.

**7. DIVIDENDS PAID**

The following dividend was paid during the current and previous corresponding quarter:

	<b>30.06.2015</b>	<b>30.06.2014</b>
Final dividend for the financial year	31 December 2014	31 December 2013
Approved and declared on	31 March 2015	27 March 2014
Date paid	16 April 2015	16 April 2014
Number of ordinary shares on which dividends were paid ('000)	533,770	532,862
Dividend per share (single-tier)	18.0 sen	16.0 sen
Net dividend paid (RM'000)	96,079	85,258

**BURSA MALAYSIA BERHAD (30632-P)**  
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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**8. OPERATING REVENUE**

RM'000	3 months ended		6 months ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
Securities clearing fees	46,554	48,057	92,386	94,556
Securities trade fees	6,027	6,466	12,166	12,565
Other securities revenue	5,884	4,797	11,387	9,257
<b>Securities trading revenue</b>	<b>58,465</b>	<b>59,320</b>	<b>115,939</b>	<b>116,378</b>
Derivatives clearing fees	4,267	3,636	8,964	7,545
Derivatives trade fees	11,512	9,893	23,835	20,523
Other derivatives revenue	3,748	2,546	7,227	5,180
<b>Derivatives trading revenue</b>	<b>19,527</b>	<b>16,075</b>	<b>40,026</b>	<b>33,248</b>
Bursa Suq Al-Sila (BSAS) trading revenue	3,737	1,938	7,503	3,732
Listing and issuer services	14,941	14,247	25,792	27,270
Depository services	10,293	10,119	18,716	17,893
Market data	8,020	7,897	16,181	14,805
Member services and connectivity	5,493	5,731	10,447	11,121
Other operating revenue	184	157	5,846	6,176
<b>Total operating revenue</b>	<b>120,660</b>	<b>115,484</b>	<b>240,450</b>	<b>230,623</b>

**9. OTHER INCOME**

RM'000	3 months ended		6 months ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
Interest income from:				
- Investments	4,244	4,772	8,923	9,830
- Others	84	72	149	147
Loss on disposal of motor vehicle	(345)	-	(345)	-
Net gain/(loss) on disposal of investment securities	24	(187)	95	(187)
Rental income	1,539	1,739	3,063	3,463
Dividend income	477	403	963	814
Grant income	277	687	721	1,375
Miscellaneous income	59	181	94	253
<b>Total other income</b>	<b>6,359</b>	<b>7,667</b>	<b>13,663</b>	<b>15,695</b>

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**10. OTHER OPERATING EXPENSES**

<b>RM'000</b>	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2015</b>	<b>30.06.2014</b>	<b>30.06.2015</b>	<b>30.06.2014</b>
Marketing and development expenses	2,158	2,938	7,071	6,970
Technology charges:				
- Information technology maintenance	4,304	4,165	8,770	9,225
- Service fees	5,257	4,081	10,823	8,450
Central Depository System (CDS) consumables	915	953	1,817	1,928
Professional fees	109	256	304	493
Building management costs	2,705	2,664	5,447	5,494
Administrative expenses	1,611	1,658	3,491	3,163
Net reversal of impairment loss on trade and other receivables	(8)	(154)	(144)	(210)
Property, plant and equipment written off	2	-	2	-
Foreign exchange (gain)/loss, net	(26)	90	13	87
Miscellaneous expenses	2,196	1,776	4,593	4,101
<b>Total other operating expenses</b>	<b>19,223</b>	<b>18,427</b>	<b>42,187</b>	<b>39,701</b>

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**11. SEGMENTAL INFORMATION**

RM'000	Securities market	Derivatives market	Holding company	Others	Consolidated
<b>RESULTS FOR 3 MONTHS ENDED 30 JUNE 2015</b>					
Operating revenue	92,852	21,843	2,104	3,861	120,660
Other income	3,137	435	2,708	79	6,359
Direct costs	(22,213)	(11,266)	(7,790)	(1,543)	(42,812)
<b>Segment profit/(loss)</b>	<b>73,776</b>	<b>11,012</b>	<b>(2,978)</b>	<b>2,397</b>	<b>84,207</b>
Overheads					(14,724)
<b>Profit/(Loss) before tax</b>	<b>73,776</b>	<b>11,012</b>	<b>(2,978)</b>	<b>2,397</b>	<b>69,483</b>

<b>RESULTS FOR 3 MONTHS ENDED 30 JUNE 2014</b>					
Operating revenue	92,991	18,709	1,710	2,074	115,484
Other income	3,048	763	3,817	39	7,667
Direct costs	(22,778)	(11,210)	(6,914)	(1,275)	(42,177)
<b>Segment profit/(loss)</b>	<b>73,261</b>	<b>8,262</b>	<b>(1,387)</b>	<b>838</b>	<b>80,974</b>
Overheads					(15,174)
<b>Profit/(Loss) before tax</b>	<b>73,261</b>	<b>8,262</b>	<b>(1,387)</b>	<b>838</b>	<b>65,800</b>

<b>RESULTS FOR 6 MONTHS ENDED 30 JUNE 2015</b>					
Operating revenue	178,850	49,962	3,841	7,797	240,450
Other income	6,591	1,028	5,900	144	13,663
Direct costs	(43,327)	(26,257)	(15,179)	(2,939)	(87,702)
<b>Segment profit/(loss)</b>	<b>142,114</b>	<b>24,733</b>	<b>(5,438)</b>	<b>5,002</b>	<b>166,411</b>
Overheads					(30,078)
<b>Profit/(Loss) before tax</b>	<b>142,114</b>	<b>24,733</b>	<b>(5,438)</b>	<b>5,002</b>	<b>136,333</b>

<b>RESULTS FOR 6 MONTHS ENDED 30 JUNE 2014</b>					
Operating revenue	179,254	43,955	3,414	4,000	230,623
Other income	5,980	1,836	7,816	63	15,695
Direct costs	(43,652)	(25,512)	(15,222)	(2,645)	(87,031)
<b>Segment profit/(loss)</b>	<b>141,582</b>	<b>20,279</b>	<b>(3,992)</b>	<b>1,418</b>	<b>159,287</b>
Overheads					(30,559)
<b>Profit/(Loss) before tax</b>	<b>141,582</b>	<b>20,279</b>	<b>(3,992)</b>	<b>1,418</b>	<b>128,728</b>

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**11. SEGMENTAL INFORMATION (CONT'D.)**

RM'000	Securities market	Derivatives market	Holding company	Others	Consolidated
<b>ASSETS AND LIABILITIES AS AT 30 JUNE 2015</b>					
Assets	409,509	97,064	295,333	34,267	836,173
Clearing Funds	97,859	27,597	-	-	125,456
Cash for trading margins, security deposits and eDividend distributions	99	999,815	-	-	999,914
Segment assets	507,467	1,124,476	295,333	34,267	1,961,543
Unallocated corporate assets					4,877
<b>Total assets</b>	<b>507,467</b>	<b>1,124,476</b>	<b>295,333</b>	<b>34,267</b>	<b>1,966,420</b>
Liabilities	43,232	11,132	46,452	28,414	129,230
Participants' contributions to Clearing Funds	12,859	22,597	-	-	35,456
Trading margins and eDividend distributions	99	999,815	-	-	999,914
Segment liabilities	56,190	1,033,544	46,452	28,414	1,164,600
Unallocated corporate liabilities					18,773
<b>Total liabilities</b>	<b>56,190</b>	<b>1,033,544</b>	<b>46,452</b>	<b>28,414</b>	<b>1,183,373</b>

**BURSA MALAYSIA BERHAD (30632-P)**  
(Incorporated in Malaysia)

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**12. RELATED PARTY DISCLOSURES**

All related party transactions within the Bursa Group had been entered into in the normal course of business and were carried out on normal commercial terms.

**13. CASH FOR TRADING MARGINS, SECURITY DEPOSITS AND eDIVIDEND DISTRIBUTIONS**

<b>RM'000</b>	<b>As at 30.06.2015</b>
Trading margins and security deposits, representing trade payables	999,815
Cash received for eDividend distributions (included within other payables)	99
<b>Total cash for trading margins, security deposits and eDividend distributions</b>	<b>999,914</b>

The amount of non-cash collaterals for trading margins, security deposits and Securities Borrowing and Lending (SBL) not included in the consolidated statement of financial position as at 30 June 2015 comprise the following:

<b>RM'000</b>	<b>As at 30.06.2015</b>
Collaterals in the form of letters of credit	576,200
Collaterals in the form of shares	6,443
	<b>582,643</b>

**14. CASH AND BANK BALANCES OF CLEARING FUNDS**

<b>RM'000</b>	<b>Participants' contributions</b>	<b>Cash set aside by the Group</b>	<b>As at 30.06.2015</b>
Contributions from Trading Clearing Participants (TCPs) of Bursa Malaysia Securities Clearing Sdn Bhd (BMSC)	12,859	-	12,859
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
Clearing Guarantee Fund (CGF) contributions (Note a)	12,859	85,000	97,859
Contributions from Clearing Participants (CPs) of Bursa Malaysia Derivatives Clearing Bhd (BMDC)	22,597	-	22,597
Contribution from BMDC	-	5,000	5,000
Derivatives Clearing Fund (DCF) contributions (Note b)	22,597	5,000	27,597
<b>Total cash and bank balances of Clearing Funds</b>	<b>35,456</b>	<b>90,000</b>	<b>125,456</b>

(a) Total cash and non-cash components of the CGF are as follows:

<b>RM'000</b>	<b>As at 30.06.2015</b>
Cash and bank balances	97,859
Bank guarantees from TCPs of BMSC	4,416
<b>Total CGF</b>	<b>102,275</b>

(b) There are no non-cash collaterals from CPs of BMDC for DCF held by the Group as at 30 June 2015.

**BURSA MALAYSIA BERHAD (30632-P)**  
(Incorporated in Malaysia)

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**15. CASH AND BANK BALANCES OF THE GROUP**

<b>RM'000</b>	<b>As at 30.06.2015</b>
Cash and bank balances	2,882
Deposits for short-term funding requirements	251,358
Cash and cash equivalents	254,240

Included in the cash and bank balances as at the end of the financial period is an amount of RM1,130,000 which has been set aside to meet or secure the claims of creditors pursuant to the High Court order issued in relation to the reduction of capital of the Company on 27 January 2005.

**16. CAPITAL COMMITMENTS**

Capital commitments for the purchase of property, plant and equipment and computer software not provided for in the condensed report as at the end of the financial period were as follows:

<b>RM'000</b>	<b>Approved and contracted for</b>	<b>Approved but not contracted for</b>
Computers and office automation	2,008	1,746
Renovations	3,741	-
Office equipment	105	-
Total capital commitments	5,854	1,746

**17. CONTINGENT ASSETS AND LIABILITIES**

There were no contingent assets and no changes in the contingent liability in respect of the put and call options with Chicago Mercantile Exchange Group over the ordinary shares of Bursa Malaysia Derivatives since 31 December 2014.

**18. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the quarter and six months ended 30 June 2015.



**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**19. OPERATING LEASE ARRANGEMENTS**

**(a) As Lessee - for the lease of land**

The future aggregate minimum lease payments payable under operating leases contracted for as at the end of the financial period but not recognised as liabilities are as follows:

<b>RM'000</b>	<b>As at 30.06.2015</b>
Not later than 1 year	539
Later than 1 year and not later than 5 years	2,155
Later than 5 years	38,640
<b>Total future minimum lease payments</b>	<b>41,334</b>

**(b) As Lessee - for the lease of equipment**

The future aggregate minimum lease payments payable under operating leases contracted for as at the end of the financial period but not recognised as liabilities are as follows:

<b>RM'000</b>	<b>As at 30.06.2015</b>
Not later than 1 year	152
Later than 1 years and not later than 5 years	202
<b>Total future minimum lease payments</b>	<b>354</b>

**(c) As Lessor - for building rental**

The future aggregate minimum lease payments receivable under operating leases contracted for as at the end of the financial period but not recognised as receivables are as follows:

<b>RM'000</b>	<b>As at 30.06.2015</b>
Not later than 1 year	5,487
Later than 1 year and not later than 2 years	195
Later than 2 years and not later than 5 years	71
<b>Total future minimum lease receivables</b>	<b>5,753</b>

**BURSA MALAYSIA BERHAD (30632-P)**  
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**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**20. FINANCIAL INSTRUMENTS**

**20.1 Classification**

The following table analyses the financial assets and liabilities of the Group in the condensed consolidated statement of financial position by the classes and categories of financial instruments to which they are assigned, and therefore by the measurement basis.

RM'000	AFS	Loans and Receivables	Financial Liabilities At Amortised Cost	Total
<b>As at 30 June 2015</b>				
<b>Assets</b>				
Investment securities				
- Shares (quoted equity)	134,350	-	-	134,350
- Bonds	84,984	-	-	84,984
	219,334	-	-	219,334
Staff loans receivable	-	5,960	-	5,960
Trade receivables	-	52,449	-	52,449
Other receivables which are financial assets *	-	8,178	-	8,178
Cash for trading margins, security deposits and eDividend distributions	-	999,914	-	999,914
Cash and bank balances of Clearing Funds	-	125,456	-	125,456
Cash and bank balances	-	254,240	-	254,240
<b>Total financial assets</b>	219,334	1,446,197	-	1,665,531
<b>Liabilities</b>				
Trade payables	-	-	999,815	999,815
Participants' contributions to Clearing Funds	-	-	35,456	35,456
Other payables which are financial liabilities **	-	-	26,021	26,021
<b>Total financial liabilities</b>	-	-	1,061,292	1,061,292

\* Other receivables which are financial assets include deposits, interest receivables, sundry receivables and allowance for impairment.

\*\* Other payables which are financial liabilities include amount due to Securities Commission and sundry payables.

**20. FINANCIAL INSTRUMENTS (CONT'D.)**

**20.2 Fair Value**

**(a) Financial instruments that are carried at fair value**

AFS financial assets are measured at fair value at different measurement hierarchies (i.e. Level 1, 2 and 3). The hierarchies reflect the level of objectiveness of inputs used when measuring the fair value.

**(i) Level 1: Quoted prices (unadjusted) in active markets for identical assets**

Quoted equity is measured at Level 1. The fair value of quoted equity is determined directly by reference to its published market bid price as at 30 June 2015.

**(ii) Level 2: Inputs other than at quoted prices included within Level 1 that are observable for the assets, either directly (prices) or indirectly (derived from prices)**

Unquoted bonds are measured at Level 2. The fair value of unquoted bonds is determined by reference to the published market bid price of unquoted fixed income securities based on information provided by Bond Pricing Agency Malaysia Sdn Bhd.

**(iii) Level 3: Inputs for the assets that are not based on observable market data (unobservable inputs)**

The Group does not have any financial instruments measured at Level 3 as at 30 June 2015.

RM'000	Level 1	Level 2	Total
<b>AFS Financial Assets</b>			
Quoted equity	134,350	-	134,350
Unquoted bonds	-	84,984	84,984
	134,350	84,984	219,334

There were no transfers between Level 1 and Level 2 during the six months and quarter ended 30 June 2015.

**(b) Financial instruments that are not carried at fair value**

Financial instruments classified as loans and receivables and financial liabilities are carried at amortised cost.

The carrying amount of these financial instruments, other than staff loans receivable, are reasonable approximation of their fair values due to their short-term nature.

The carrying amount of staff loans receivable approximates its fair value, and is estimated by discounting the expected future cash flows using the current interest rates for loans with similar risk profiles. The staff loans receivable is measured at Level 3 under the measurement hierarchy.

**21. EVENTS AFTER THE REPORTING PERIOD**

There was no material event subsequent to the end of the current quarter.

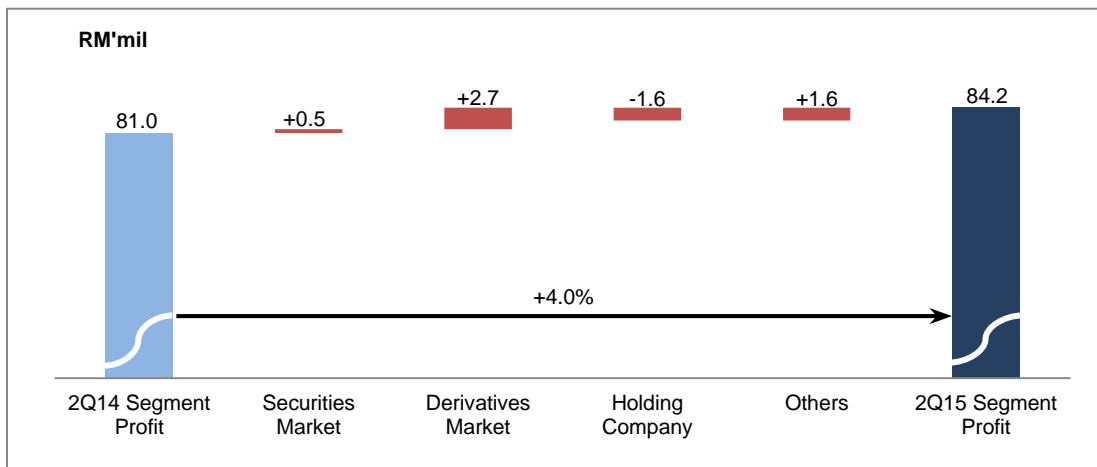
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**22. OPERATING SEGMENTS REVIEW**

**(a) 2Q15 vs. 2Q14**

Profit before tax (PBT) for the quarter ended 30 June 2015 (2Q15) was RM69.5 million, an increase of 5.6 per cent from RM65.8 million in the quarter ended 30 June 2014 (2Q14). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profit for 2Q15 was RM84.2 million, an increase of 4.0 per cent from RM81.0 million in 2Q14. The movements in the segment profits are depicted in the graph below:

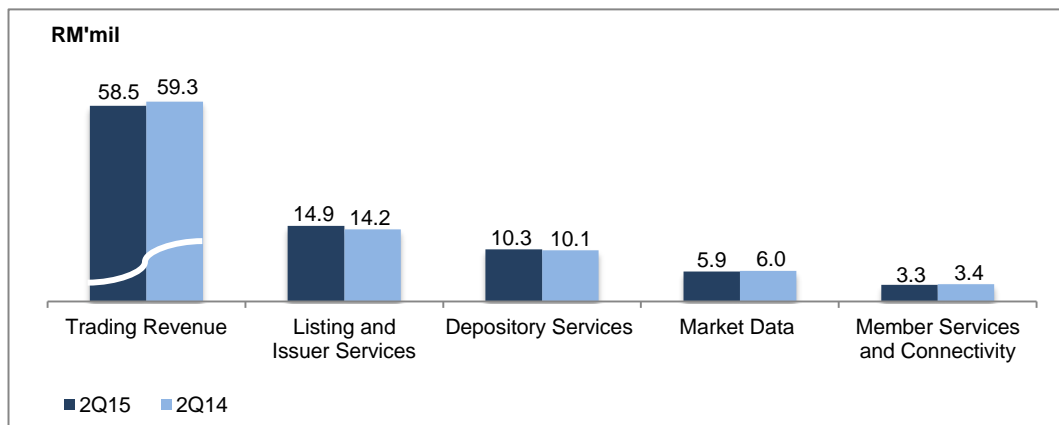


**Securities Market**

The Securities Market recorded a segment profit of RM73.8 million in 2Q15, marginally increasing by 0.7 per cent compared to RM73.3 million in 2Q14. The higher profit in 2Q15 was mainly a result of lower operating expenses compared to 2Q14.

**(i) Operating Revenue**

The Securities Market operating revenue for 2Q15 and 2Q14 was fairly stable at RM93 million. The components of operating revenue and the key operating drivers are shown in the chart and table below respectively.



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**22. OPERATING SEGMENTS REVIEW (CONT'D.)**

**(a) 2Q15 vs. 2Q14 (Cont'd.)**

**Securities Market (Cont'd.)**

**(i) Operating Revenue (Cont'd.)**

- > Trading revenue decreased by 1.4 per cent to RM58.5 million in 2Q15 compared to 2Q14. 2Q15 saw a lower average daily value (ADV) for on-market trades (OMT) and direct business trades (DBT) of RM2.00 billion compared to RM2.19 billion in 2Q14.
- > Listing and issuer services revenue increased by 4.9 per cent to RM14.9 million in 2Q15 compared to 2Q14. The increase was mainly due to higher perusal and processing fees earned, resulting from higher number of new structured warrant listings and corporate exercises in 2Q15.

Key operating drivers in the Securities Market are as follows:

		<b>2Q15</b>	<b>2Q14</b>	<b>%</b>
FBM KLCI	(points)	1,706.64	1,882.71	-9.4
Average daily trading value (OMT and DBT)	(RM'billion)	2.00	2.19	-8.7
Average daily trading volume (OMT and DBT)	(billion)	1.92	1.88	2.1
Effective clearing fee rate	(basis points)	2.38	2.30	3.5
Velocity	(per cent)	28	29	-3.4
Number of Initial Public Offerings (IPOs)		5	4	25.0
Number of new structured warrant listings		157	63	149.2
Total funds raised:				
- IPOs	(RM'billion)	2.85	2.80	1.8
- Secondary issues	(RM'billion)	2.11	7.95	-73.5
Market capitalisation at end of period	(RM'billion)	1,659.02	1,770.42	-6.3

**(ii) Other Income**

Other income increased by 2.9 per cent to RM3.1 million in 2Q15 compared to 2Q14 mainly due to higher interest income.

**(iii) Operating Expenses**

Segment expenses decreased by 2.5 per cent to RM22.2 million in 2Q15 compared to 2Q14. The decrease in 2Q15 was mainly due to lower staff costs and information technology maintenance cost. However, the decrease was offset by higher depreciation expenses following the replacement of Bursa Link system.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**22. OPERATING SEGMENTS REVIEW (CONT'D.)**

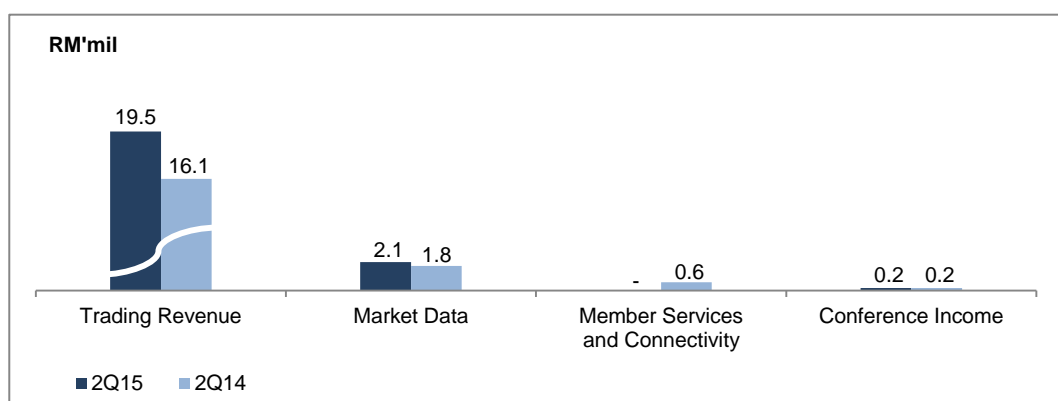
**(a) 2Q15 vs. 2Q14 (Cont'd.)**

**Derivatives Market**

The Derivatives Market recorded a segment profit of RM11.0 million in 2Q15, an increase of 33.3 per cent compared to RM8.3 million in 2Q14 due to higher number of contracts traded.

**(i) Operating Revenue**

The Derivatives Market operating revenue for 2Q15 was RM21.8 million, representing an increase of 16.8 per cent compared to RM18.7 million in 2Q14. The increase came mainly from trading revenue, as shown in the chart below:



- > Trading revenue increased by 21.5 per cent to RM19.5 million in 2Q15 compared to 2Q14 with 3.19 million contracts traded compared to 2.78 million contracts in 2Q14.
- > Member services and connectivity revenue decreased by 90.0 per cent in 2Q15 compared to 2Q14 mainly due to lower access fees earned after the termination of Derivatives Order Management System (OMS) at the end of 2014.

Key operating drivers in the Derivatives Market are as follows:

		2Q15	2Q14	%
FCPO contracts	(million)	2.53	2.23	13.5
FKLI contracts	(million)	0.65	0.50	30.0
Other contracts	(million)	0.01	0.05	-80.0
Total	(million)	3.19	2.78	14.7
Daily average contracts		50,612	44,082	14.8
Average number of open interests		216,794	225,235	-3.7

**(ii) Other Income**

Other income decreased by 43.0 per cent to RM0.4 million in 2Q15 compared to 2Q14 mainly due to lower grant income.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**22. OPERATING SEGMENTS REVIEW (CONT'D.)**

**(a) 2Q15 vs. 2Q14 (Cont'd.)**

**Derivatives Market (Cont'd.)**

**(iii) Operating Expenses**

Segment expenses increased marginally by 0.5 per cent to RM11.3 million in 2Q15 compared to 2Q14 mainly due to higher service fees incurred as a result of increased trading volumes in 2Q15. However, the increase was offset by lower depreciation expenses following the retirement of the Derivatives OMS at the end of 2014.

**Exchange Holding Company**

The Exchange Holding Company segment loss increased by 114.7 per cent to RM3.0 million in 2Q15 from RM1.4 million in 2Q14 as a result of lower investment income earned, loss on disposal of motor vehicle and higher staff costs.

**Others**

Others segment is made up of Bursa Suq Al-Sila (BSAS) business, bonds trading and offshore exchange. The segment profit increased by 186.0 per cent to RM2.4 million in 2Q15 from RM0.8 million in 2Q14 due to higher trades on BSAS resulting from higher conversion of deposits to Murabaha.

**Overheads**

Overheads decreased marginally by 3.0 per cent to RM14.7 million in 2Q15 compared to RM15.2 million in 2Q14.

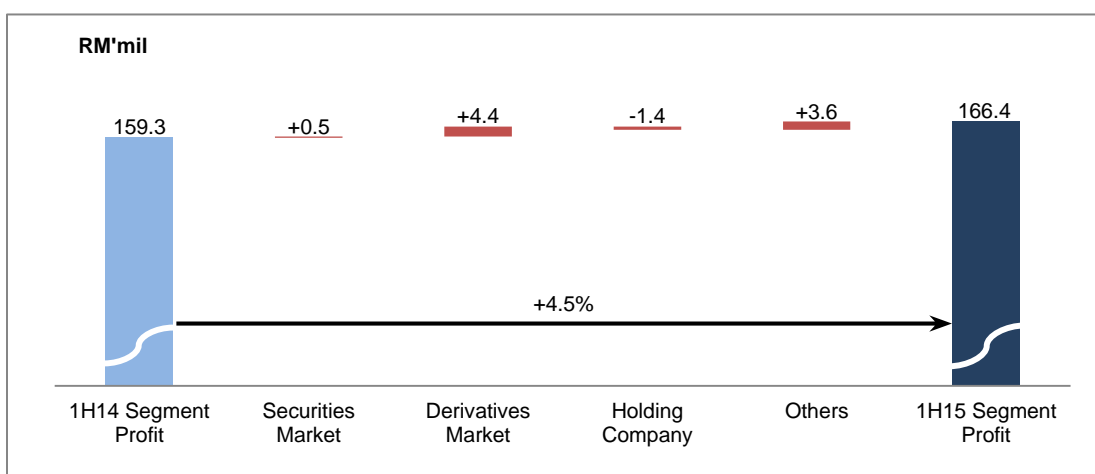
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**22. OPERATING SEGMENTS REVIEW (CONT'D.)**

**(b) 1H15 vs. 1H14**

PBT for the six months ended 30 June 2015 (1H15) was RM136.3 million, an increase of 5.9 per cent from RM128.7 million in the six months ended 30 June 2014 (1H14). PBT is made up of segment profits less overheads.

Total segment profit for 1H15 was RM166.4 million, an increase of 4.5 per cent from RM159.3 million in 1H14. The movements in the segment profits are depicted in the graph below:

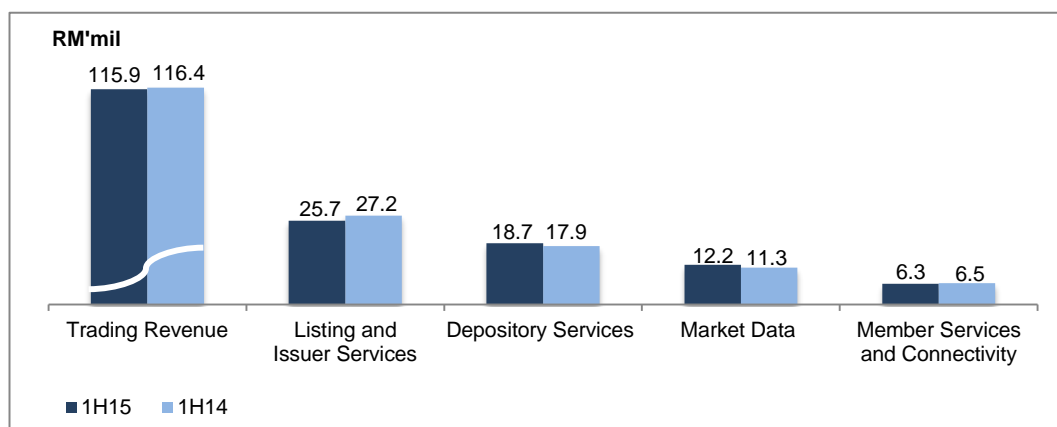


**Securities Market**

The Securities Market segment profit in 1H15 and 1H14 was fairly stable at RM142 million.

**(i) Operating Revenue**

The Securities Market operating revenue for 1H15 and 1H14 was fairly stable at RM179 million. The components of operating revenue and key operating drivers are shown in the chart and table below respectively.





**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**22. OPERATING SEGMENTS REVIEW (CONT'D.)**

**(b) 1H15 vs. 1H14 (Cont'd.)**

**Securities Market (Cont'd.)**

**(i) Operating Revenue (Cont'd.)**

- > Trading revenue decreased marginally by 0.4 per cent to RM115.9 million in 1H15 compared to 1H14. 1H15 saw a lower ADV for OMT and DBT of RM2.09 billion compared to RM2.18 billion in 1H14.
- > Listing and issuer services revenue decreased by 5.6 per cent to RM25.7 million in 1H15 compared to 1H14. The decrease was mainly due to lower initial and additional listing fees, resulting from the absence of larger IPOs as well as lower number of corporate exercises in 1H15.
- > Depository services revenue increased by 4.6 per cent to RM18.7 million in 1H15 compared to 1H14. The increase was mainly due to higher Central Depository System (CDS) custody fees, additional issue fees and Securities Borrowing and Lending (SBL) fees.
- > Market data revenue increased by 8.0 per cent to RM12.2 million in 1H15 compared to 1H14 mainly attributable to higher number of subscribers.

Key operating drivers in the Securities Market are as follows:

		<b>1H15</b>	<b>1H14</b>	<b>%</b>
FBM KLCI	(points)	1,706.64	1,882.71	-9.4
Average daily trading value (OMT and DBT)	(RM'billion)	2.09	2.18	-4.1
Average daily trading volume (OMT and DBT)	(billion)	2.01	1.96	2.6
Effective clearing fee rate	(basis points)	2.34	2.33	0.4
Velocity	(per cent)	29	30	-3.3
Number of IPOs		5	6	-16.7
Number of new structured warrant listings		329	219	50.2
Total funds raised:				
- IPOs	(RM'billion)	2.85	4.71	-39.5
- Secondary issues	(RM'billion)	8.11	13.45	-39.7
Market capitalisation at end of period	(RM'billion)	1,659.02	1,770.42	-6.3

**(ii) Other Income**

Other income increased by 10.2 per cent to RM6.6 million in 1H15 compared to 1H14 mainly from higher interest income.

**(iii) Operating Expenses**

Segment expenses were fairly stable at RM43 million in 1H15 and 1H14.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**22. OPERATING SEGMENTS REVIEW (CONT'D.)**

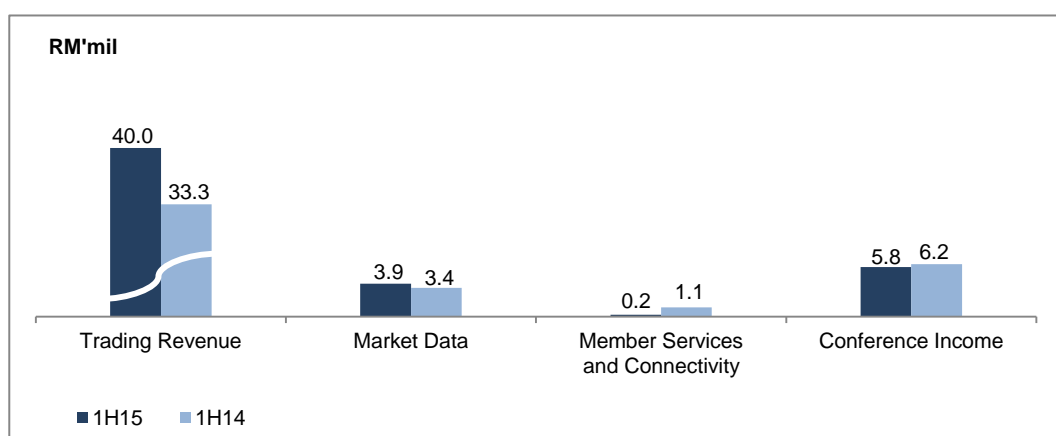
**(b) 1H15 vs. 1H14 (Cont'd.)**

**Derivatives Market**

The Derivatives Market recorded a segment profit of RM24.7 million in 1H15, an increase of 22.0 per cent compared to RM20.3 million in 1H14 due to higher number of contracts traded.

**(i) Operating Revenue**

The Derivatives Market operating revenue for 1H15 was RM49.9 million, representing an increase of 13.7 per cent compared to RM44.0 million in 1H14. The increase came mainly from trading revenue, as shown in the chart below:



- > Trading revenue increased by 20.4 per cent to RM40.0 million in 1H15 compared to 1H14 as a result of higher number of contracts traded. 6.75 million contracts were traded in 1H15 compared to 5.73 million contracts in 1H14.
- > Member services and connectivity revenue decreased by 81.1 per cent in 1H15 compared to 1H14 mainly due to lower access fees earned after the termination of Derivatives OMS at the end of 2014.

Key operating drivers in the Derivatives Market are as follows:

		<b>1H15</b>	<b>1H14</b>	<b>%</b>
FCPO contracts	(million)	5.45	4.57	19.3
FKLI contracts	(million)	1.27	1.08	17.6
Other contracts	(million)	0.03	0.08	-62.5
<b>Total</b>	<b>(million)</b>	<b>6.75</b>	<b>5.73</b>	<b>17.8</b>
Daily average contracts		55,314	46,966	17.8
Average number of open interests		220,860	223,406	-1.1

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**22. OPERATING SEGMENTS REVIEW (CONT'D.)**

**(b) 1H15 vs. 1H14 (Cont'd.)**

**Derivatives Market (Cont'd.)**

**(ii) Other Income**

Other income decreased by 44.0 per cent to RM1.0 million in 1H15 compared to 1H14 mainly due to lower grant income.

**(iii) Operating Expenses**

Segment expenses increased by 2.9 per cent to RM26.3 million in 1H15 compared to RM25.5 million in 1H14. The increase was mainly due to higher service fees incurred as a result of an increase in trading volumes in 1H15. However, the increase was offset by lower depreciation expenses following the retirement of the Derivatives OMS at the end of 2014.

**Exchange Holding Company**

The Exchange Holding Company segment loss increased by 36.2 per cent to RM5.4 million in 1H15 compared to 1H14 as a result of lower investment income earned and loss on disposal of motor vehicle in 1H15.

**Others**

Others segment is made up of BSAS business, bonds trading and offshore exchange. The segment profit increased by 252.8 per cent to RM5.0 million in 1H15 from RM1.4 million in 1H14 due to higher trades on BSAS resulting from higher conversion of deposits to Murabaha.

**Overheads**

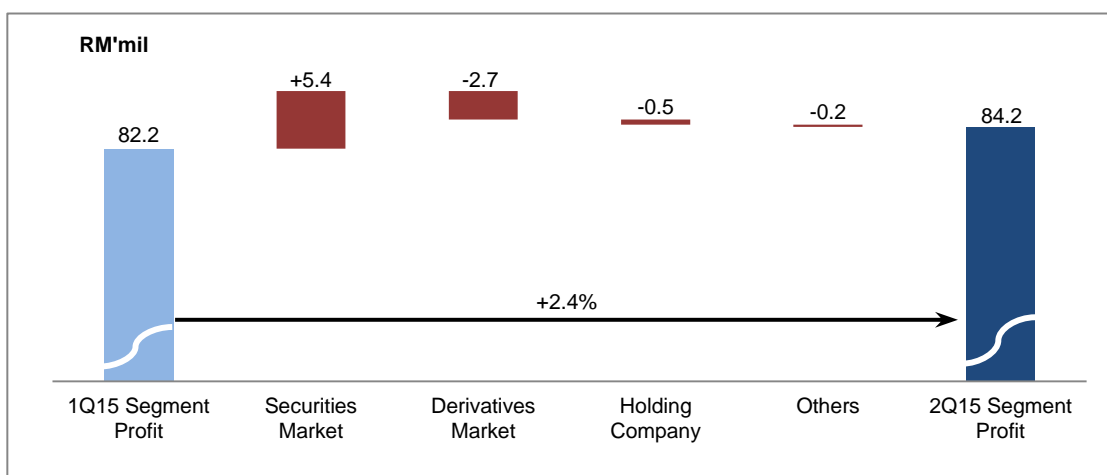
Overheads decreased marginally by 1.6 per cent to RM30.1 million in 1H15 compared to RM30.6 million in 1H14.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER**

PBT for 2Q15 was RM69.5 million, an increase of 3.9 per cent from RM66.9 million in the quarter ended 31 March 2015 (1Q15). PBT is made up of segment profits less overheads.

Total segment profit for 2Q15 were RM84.2 million, an increase of 2.4 per cent from RM82.2 million in 1Q15. The movements in the segment profits are depicted in the graph below:

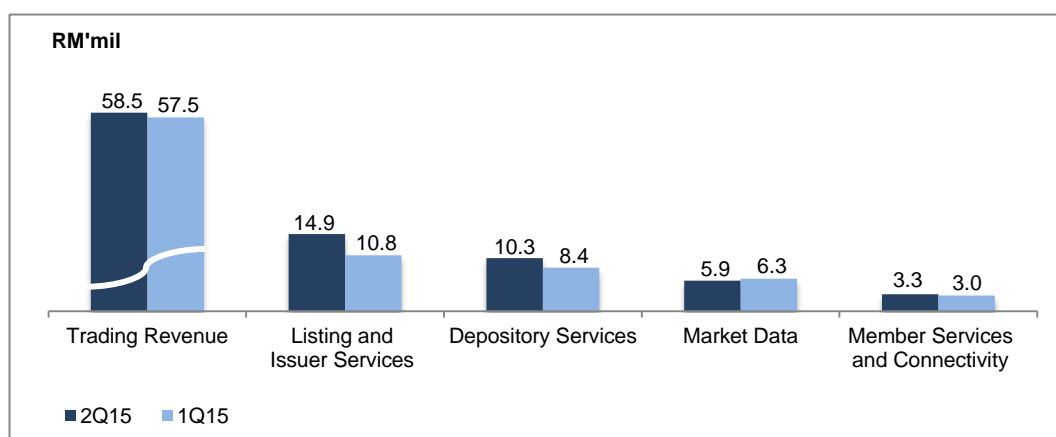


**Securities Market**

The Securities Market recorded a segment profit of RM73.8 million in 2Q15, an increase of 8.0 per cent compared to RM68.3 million in 1Q15. The higher profit was mainly due to higher operating revenue in 2Q15 compared to 1Q15.

**(i) Operating Revenue**

The Securities Market operating revenue increased by 8.0 per cent to RM92.9 million in 2Q15 compared to RM86.0 million in 1Q15 mainly from listing and issuer services revenue, as shown in the chart below:



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER (CONT'D.)**

**Securities Market (Cont'd.)**

**(i) Operating Revenue (Cont'd.)**

- > Trading revenue increased by 1.7 per cent to RM58.5 million in 2Q15 compared to 1Q15. Despite recording a lower ADV for OMT and DBT in 2Q15, trading revenue increased mainly due to higher effective clearing fees rate of 2.38 basis points (1Q15: 2.31 basis points) and higher number of trading days.
- > Listing and issuer services revenue increased by 38.2 per cent to RM14.9 million in 2Q15 compared to 1Q15 mainly due to higher perusal and processing fees and additional listing fees earned, resulting from a higher number of corporate exercises in 2Q15. In addition, initial listing fees earned in 2Q15 were higher due to more IPOs listed compared to 1Q15.
- > Depository services revenue increased by 22.2 per cent to RM10.3 million in 2Q15 compared to 1Q15. The increase was mainly due to higher public issue fees earned from IPOs listed in 2Q15.

Key operating drivers in the Securities Market are as follows:

		<b>2Q15</b>	<b>1Q15</b>	<b>%</b>
FBM KLCI	(points)	1,706.64	1,830.78	-6.8
Average daily trading value (OMT and DBT)	(RM'billion)	2.00	2.18	-8.3
Average daily trading volume (OMT and DBT)	(billion)	1.92	2.11	-9.0
Effective clearing fee rate	(basis points)	2.38	2.31	3.0
Velocity	(per cent)	28	30	-6.7
Number of IPOs		5	-	-
Number of new structured warrant listings		157	172	-8.7
Total funds raised:				
- IPOs	(RM'billion)	2.85	-	-
- Secondary issues	(RM'billion)	2.11	6.01	-64.9
Market capitalisation at end of period	(RM'billion)	1,659.02	1,737.52	-4.5

**(ii) Operating Expenses**

Segment expenses increased by 5.2 per cent to RM22.2 million in 2Q15 compared to RM21.1 million in 1Q15 with more marketing and development activities and higher depreciation expenses following the replacement of Bursa Link system in 2Q15.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

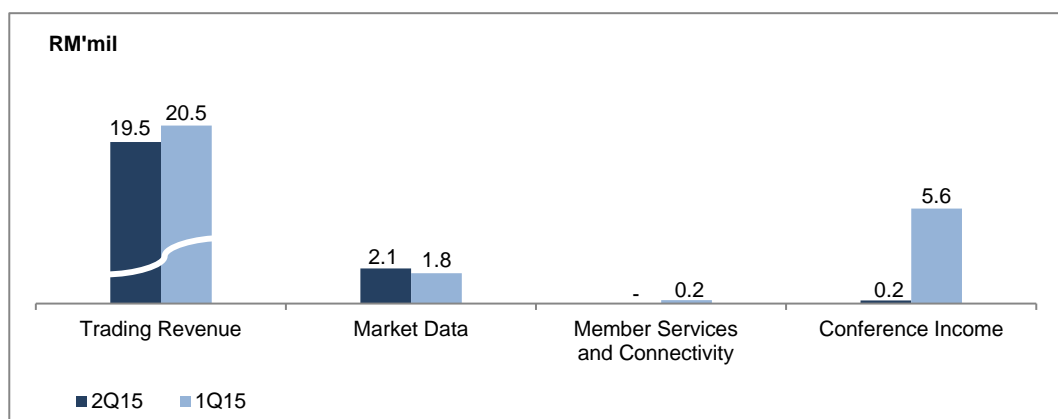
**23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER (CONT'D.)**

**Derivatives Market**

The Derivatives Market recorded a segment profit of RM11.0 million for 2Q15, a decrease of 19.7 per cent compared to RM13.7 million in 1Q15. The lower profit in 2Q15 was mainly due to the conference income earned in 1Q15 from the Palm and Lauric Oils Price Outlook Conference & Exhibition 2015 (POC).

**(i) Operating Revenue**

The Derivatives Market operating revenue for 2Q15 was RM21.8 million, representing a decrease of 22.3 per cent compared to RM28.1 million in 1Q15. The decrease mainly due to conference income, as shown in the chart below:



- > Trading revenue decreased by 4.7 per cent to RM19.5 million in 2Q15 compared to 1Q15 as a result of lower number of contracts traded. 3.19 million contracts were traded in 2Q15 compared to 3.56 million contracts in 1Q15.

Key operating drivers in the Derivatives Market are as follows:

		2Q15	1Q15	%
FCPO contracts	(million)	2.53	2.92	-13.4
FKLI contracts	(million)	0.65	0.62	4.8
Other contracts	(million)	0.01	0.02	-50.0
<b>Total</b>	<b>(million)</b>	<b>3.19</b>	<b>3.56</b>	<b>-10.4</b>
Daily average contracts		50,612	60,335	-16.1
Average number of open interests		216,794	224,926	-3.6

**(ii) Operating Expenses**

Segment expenses decreased by 24.8 per cent to RM11.3 million in 2Q15 compared to RM15.0 million in 1Q15 mainly due to POC expenses incurred.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER  
COMPARED WITH PRECEDING QUARTER (CONT'D.)**

**Exchange Holding Company**

The Exchange Holding Company segment loss increased by 21.1 per cent to RM3.0 million in 2Q15 compared to 1Q15 as a result of lower investment income earned and loss on disposal of motor vehicle in 2Q15.

**Others**

Others segment is made up of BSAS business, bonds trading and offshore exchange. The Others segment profit decreased by 8.0 per cent to RM2.4 million in 2Q15 from RM2.6 million in 1Q15 mainly due to higher information technology maintenance in 2Q15.

**Overheads**

Overheads decreased by 4.1 per cent to RM14.7 million in 2Q15 from RM15.4 million in 1Q15. The decrease was mainly due to lower promotional activities in 2Q15.

#### **24. COMMENTARY ON PROSPECTS AND TARGETS**

The global growth outlook is expected to be challenging in 2015, which is lower than anticipated earlier this year. The International Monetary Fund has revised the global growth outlook to 3.3% from the earlier projected growth of 3.5% in 2015. Malaysia's economic growth on the other hand is expected to remain at 4.7%<sup>1</sup>, supported by Malaysia's investment activities in the export-oriented industries, the services sector and infrastructure projects.

The Securities Market performance is expected to be challenging as the market sentiment on the FBM KLCI remains soft with pressure building up on the weakening of Ringgit and expectation of lower corporate earnings. However, we expect this downside to be cushioned by ample domestic liquidity. Retail participation has remained consistent at 22% for the first half of 2015 whilst domestic institutions continued their participation, contributing 51% to the market. Crucial to the growth of our market in the current economy are our outreach activities as well as the ability to provide diversified and investable products to existing and potential investors.

On the Derivatives Market front, FCPO is expected to trade more actively with the demand and supply of CPO to be impacted by the B10 biodiesel regime being promoted by the Ministry of Plantation, Industries & Commodities, coupled with the hot El Nino weather pattern. The uncertainty in the FBM KLCI is expected to lead to higher activities in FKLI. The Derivatives Market is expected to benefit from the volatility of both palm oil prices and the FBM KLCI.

The introduction of tenor-based pricing earlier this year as well as the full implementation of Islamic Financial Services Act ("IFSA") 2013 are expected to underpin the demand for Murabaha products and hence, deepen the usage of Bursa Suq Al-Sila' (BSAS) in the domestic market. The Islamic Market is expected to sustain its performance as the need for Shariah compliant products will spur further demand from Islamic funds.

We maintain our focus on growing and developing our businesses and will continuously expand our reach in the marketplace notwithstanding the challenging outlook for the remaining period in 2015.

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<sup>1</sup> Source: The World Bank dated June 2015



**BURSA MALAYSIA BERHAD (30632-P)**  
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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**25. INCOME TAX EXPENSE**

RM'000	3 months ended		6 months ended	
	30.06.2015	30.06.2014	30.06.2015	30.06.2014
Income tax	18,906	20,203	36,105	33,627
Deferred tax	(466)	(2,314)	26	294
<b>Total income tax expense</b>	<b>18,440</b>	<b>17,889</b>	<b>36,131</b>	<b>33,921</b>

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the period.

The effective tax rate of the Group for the current and previous corresponding quarters were higher than the statutory tax rate of the respective years principally due to certain expenses which were not deductible for tax purposes.

The Malaysian statutory tax rate will be reduced to 24% from the current year's rate of 25%, effective from year of assessment 2016.

**26. RETAINED EARNINGS**

RM'000	As at	As at
	30.06.2015	31.12.2014
Realised	320,648	315,853
Unrealised	(4,565)	(3,893)
	316,083	311,960
Consolidation adjustments	(10,400)	(6,742)
<b>Total retained earnings</b>	<b>305,683</b>	<b>305,218</b>

**27. CORPORATE PROPOSALS**

There were no corporate proposals announced but not completed as at the reporting date.

**28. BORROWINGS AND DEBT SECURITIES**

As at the reporting date, there were no short-term borrowings and the Group had not issued any debt securities.

**29. CHANGES IN MATERIAL LITIGATION**

There was no material litigation against the Group as at the reporting date.

**BURSA MALAYSIA BERHAD (30632-P)**  
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**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**30. PROPOSED DIVIDENDS**

The details of interim and special dividends under the single-tier system approved and declared by the Board of Directors are as follows:

	<b>30.06.2015</b>	<b>30.06.2014</b>
Dividends for financial year ending/ ended	31 December 2015	31 December 2014
Interim dividend per share (single-tier)	16.5 sen	16.0 sen
Special dividend per share (single-tier)	-	20.0 sen
Approved and declared on	15 July 2015	17 July 2014
Entitlement to dividends based on Record of Depositors as at	3 August 2015	5 August 2014
Date payable	12 August 2015	14 August 2014

**31. EPS**

**(a) Basic EPS**

	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2015</b>	<b>30.06.2014</b>	<b>30.06.2015</b>	<b>30.06.2014</b>
Profit attributable to the owners of the Company (RM'000)	49,489	46,851	96,544	91,999
Weighted average number of ordinary shares in issue ('000)	533,767	532,862	533,644	532,737
<b>Basic EPS (sen)</b>	<b>9.3</b>	<b>8.8</b>	<b>18.1</b>	<b>17.3</b>

**(b) Diluted EPS**

	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.06.2015</b>	<b>30.06.2014</b>	<b>30.06.2015</b>	<b>30.06.2014</b>
Profit attributable to owners of the Company (RM'000)	49,489	46,851	96,544	91,999
Weighted average number of ordinary shares in issue ('000)	533,767	532,862	533,644	532,737
Effect of dilution ('000)	2,366	1,946	2,365	1,944
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	536,133	534,808	536,009	534,681
<b>Diluted EPS (sen)</b>	<b>9.2</b>	<b>8.8</b>	<b>18.0</b>	<b>17.2</b>

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**32. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the financial year ended 31 December 2014 was unqualified.

**33. REVIEW BY EXTERNAL AUDITORS**

The Board of Directors ("Board") had engaged the external auditors to review and report on the condensed consolidated financial statements of Bursa Malaysia Berhad for the quarter and six months ended 30 June 2015 in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

The external auditors reported to the Board that nothing had come to their attention that causes them to believe that the said condensed consolidated financial statements were not prepared, in all material respects, in accordance with MFRS 134 and International Accounting Standard 34 *Interim Financial Reporting*. The report was made to the Board in accordance to the terms of reference with the external auditors and for no other purpose.

**34. AUTHORISED FOR ISSUE**

The condensed consolidated financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 15 July 2015.