



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2017

26 April 2017

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

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2017

RM'000	Note	Quarter and Year-To-Date ended	
		31.03.2017	31.03.2016
		Reviewed	Reviewed
Operating revenue	8	134,679	126,129
Other income	9	8,006	7,804
		142,685	133,933
Staff costs		(33,980)	(33,295)
Depreciation and amortisation		(6,075)	(6,060)
Other operating expenses	10	(23,767)	(23,985)
Profit from operations		78,863	70,593
Finance costs		(134)	-
Profit before tax		78,729	70,593
Income tax expense	25	(19,840)	(18,006)
Profit for the period		58,889	52,587
Profit attributable to:			
Owners of the Company		56,629	49,936
Non-controlling interest		2,260	2,651
		58,889	52,587
Earnings Per Share ("EPS") attributable to owners of the Company (sen per share):			
Basic EPS	31(a)	10.6	9.3
Diluted EPS	31(b)	10.5	9.3

The above condensed consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 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 YEAR-TO-DATE ENDED 31 MARCH 2017

RM'000	Quarter and Year-To-Date ended	
	31.03.2017	31.03.2016
	Reviewed	Reviewed
Profit for the period	58,889	52,587
Other comprehensive income:		
Items that may be subsequently reclassified to profit or loss:		
Loss on foreign currency translation	(45)	(251)
Net fair value changes in unquoted bonds at Fair Value Through Other Comprehensive Income ("FVTOCI")	80	147
Income tax effects relating to unquoted bonds at FVTOCI	(10)	(6)
	25	(110)
Item that will not be subsequently reclassified to profit or loss:		
Net fair value changes in quoted shares at FVTOCI	3,148	(4,419)
	3,148	(4,419)
Total other comprehensive income/(loss), net of income tax	3,173	(4,529)
Total comprehensive income	62,062	48,058
Total comprehensive income attributable to:		
Owners of the Company	59,802	45,407
Non-controlling interest	2,260	2,651
	62,062	48,058

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 2016 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 31 MARCH 2017

RM'000	Note	As at 31.03.2017 Reviewed	As at 31.12.2016 Audited
Assets			
Property, plant and equipment		180,542	183,240
Computer software		44,155	47,107
Right-of-use assets		8,490	-
Goodwill		42,957	42,957
Investment securities		250,667	237,188
Staff loans receivable		3,345	3,525
Deferred tax assets		3,532	4,087
Non-current assets		533,688	518,104
Trade receivables		68,640	43,541
Other receivables		22,691	23,999
Tax recoverable		4,746	2,871
Investment securities		35,007	34,939
Cash for equity margins, derivatives trading margins, security deposits, Securities Borrowing and Lending ("SBL") collaterals and eDividend distributions	13	1,372,943	1,381,059
Cash and bank balances of Clearing Funds	14	125,933	126,213
Cash and bank balances of the Group	15	354,381	305,626
Current assets		1,984,341	1,918,248
Total assets		2,518,029	2,436,352
Equity and liabilities			
Share capital		392,438	268,136
Share premium		-	119,052
Other reserves		159,048	157,843
Retained earnings	26	289,329	323,909
Equity attributable to owners of the Company		840,815	868,940
Non-controlling interest		11,060	18,300
Total equity		851,875	887,240
Retirement benefit obligations		25,130	25,079
Lease liabilities		8,113	-
Deferred grants		2,616	3,092
Deferred tax liabilities		2,011	2,123
Non-current liabilities		37,870	30,294
Trade payables	13	1,370,512	1,378,595
Participants' contributions to Clearing Funds	14	35,933	36,213
Other payables		123,879	100,509
Dividend payable		91,209	-
Tax payable		6,751	3,501
Current liabilities		1,628,284	1,518,818
Total liabilities		1,666,154	1,549,112
Total equity and liabilities		2,518,029	2,436,352
Net assets per share attributable to owners of the Company (RM)		1.57	1.62

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 2016 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 YEAR-TO-DATE ENDED 31 MARCH 2017

RM'000	Attributable to owners of the Company							FVTOCI reserve	Retained earnings	Total	Non- controlling interest	Total equity
	Share capital	Share premium	Capital redemption reserve	Foreign currency translation reserve	Share grant reserve	Clearing fund reserves	Non-distributable					
At 1 January 2017	268,136	119,052	5,250	860	8,350	30,000	113,383	323,909	868,940	18,300	887,240	
Adjustments for effects of Companies Act 2016 (Note a)	124,302	(119,052)	(5,250)	-	-	-	-	-	-	-	-	
Profit for the period	-	-	-	-	-	-	-	56,629	56,629	2,260	58,889	
Other comprehensive income, net of income tax	-	-	-	(45)	-	-	3,218	-	3,173	-	3,173	
Total comprehensive income	-	-	-	(45)	-	-	3,218	56,629	59,802	2,260	62,062	
Transactions with owners of the Company:												
Share Grant Plan ("SGP") expense	-	-	-	-	3,282	-	-	-	3,282	-	3,282	
Dividend payable (Note 30)	-	-	-	-	-	-	-	(91,209)	(91,209)	-	(91,209)	
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(9,500)	(9,500)	
Total transactions with owners of the Company	-	-	-	-	3,282	-	-	(91,209)	(87,927)	(9,500)	(97,427)	
At 31 March 2017	392,438	-	-	815	11,632	30,000	116,601	289,329	840,815	11,060	851,875	
At 1 January 2016	267,307	107,443	5,250	710	10,049	30,000	64,041	318,206	803,006	16,010	819,016	
Profit for the period	-	-	-	-	-	-	-	49,936	49,936	2,651	52,587	
Other comprehensive income, net of income tax	-	-	-	(251)	-	-	(4,278)	-	(4,529)	-	(4,529)	
Total comprehensive income	-	-	-	(251)	-	-	(4,278)	49,936	45,407	2,651	48,058	
Transactions with owners of the Company:												
SGP expense	-	-	-	-	3,269	-	-	-	3,269	-	3,269	
Dividend payable (Note 30)	-	-	-	-	-	-	-	(96,276)	(96,276)	-	(96,276)	
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(6,750)	(6,750)	
Total transactions with owners of the Company	-	-	-	-	3,269	-	-	(96,276)	(93,007)	(6,750)	(99,757)	
At 31 March 2016	267,307	107,443	5,250	459	13,318	30,000	59,763	271,866	755,406	11,911	767,317	

Note a

With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium and capital redemption reserve accounts of RM119,052,000 and RM5,250,000, respectively, has been transferred to the share capital account. Pursuant to subsection 618(3) and 618(4) of the New Act, the Group may exercise its right to use the credit amounts being transferred from share premium and capital redemption reserve accounts within 24 months after the commencement of the New Act. The Board of Directors will make a decision thereon by 31 January 2019.

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 2016 and the accompanying explanatory notes attached to these interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR-TO-DATE ENDED 31 MARCH 2017

RM'000	Note	Year-To-Date ended	
		31.03.2017	31.03.2016
		Reviewed	Reviewed
Cash flows from operating activities			
Profit before tax		78,729	70,593
Adjustments for:			
(Accretion of discount)/Amortisation of premium, net		(25)	15
Depreciation and amortisation		6,075	6,060
Dividend income from investment securities	9	(785)	(681)
Grant income	9	(476)	(285)
Interest income	9	(5,038)	(5,281)
Finance costs		134	-
Net gain from disposal of investment securities	9	(25)	-
Net (reversal of impairment loss)/impairment loss on:			
- Investment securities	10	(14)	12
- Trade and other receivables	10	683	64
Retirement benefit obligations		294	330
SGP expense		3,282	3,269
Unrealised (gain)/loss on foreign exchange differences		(14)	37
Operating profit before working capital changes		82,820	74,133
Increase in receivables		(26,325)	(10,489)
Increase in other payables		24,102	19,307
Cash generated from operations		80,597	82,951
Staff loans repaid		145	155
Retirement benefits paid		(243)	(773)
Net tax paid		(18,031)	(19,291)
Net cash from operating activities		62,468	63,042
Cash flows from investing activities			
Dividends received		-	6,319
Decrease/(Increase) in deposits not for short-term funding requirements		13,322	(8,811)
Interest received		7,146	6,378
Proceeds from disposal of investment securities		9,740	5,000
Purchases of investment securities		(19,995)	(5,000)
Purchases of property, plant and equipment and computer software		(1,057)	(1,743)
Net cash from investing activities		9,156	2,143
Cash flows used in financing activity			
Dividends paid by a subsidiary to non-controlling interest		(9,500)	(6,750)
Net cash used in financing activity		(9,500)	(6,750)
Net increase in cash and cash equivalents		62,124	58,435
Effect of exchange rate changes		(47)	(257)
Cash and cash equivalents at beginning of period		214,048	264,058
Cash and cash equivalents at end of period	15	276,125	322,236

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 2016 and the accompanying explanatory notes attached to these interim financial statements.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

These condensed consolidated financial statements ("Condensed Report"), other than for financial instruments and retirement benefit obligations, have been prepared under the historical cost convention. Certain financial instruments are carried at fair value in accordance with Malaysian Financial Reporting Standard ("MFRS") 9 *Financial Instruments* 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*, International Accounting Standard ("IAS") 34 *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 2016. 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 2016.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Adoption of Standards, Amendments and Annual Improvements to Standards and Issues Committee ("IC") Interpretations

The accounting policies adopted in the preparation of the Condensed Report are consistent with those used in the preparation of the Group's audited financial statements for the financial year ended 31 December 2016, except for the following:

(i) Amendments and Annual Improvements to Standards effective for financial periods beginning on or after 1 January 2017

Amendments to MFRS 107 *Statement of Cash Flows - Disclosure Initiative*
Amendments to MFRS 112 *Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses*
Amendments to MFRS 12 *Disclosure of Interests in Other Entities (Annual Improvements to MFRSs 2014 - 2016 Cycle)*

The above pronouncements are either not relevant or do not have any impact on the financial statements of the Group, except for the Amendments to MFRS 107 *Statement of Cash Flows - Disclosure Initiative*.

These amendments to MFRS 107 *Statement of Cash Flows* require the entity to disclose a reconciliation between the opening and closing balances for liabilities arising from financing activities, including both changes arising from cash flows and non-cash flow changes. The adoption of these amendments affects only the disclosure notes to the financial statements and has no financial impact on the Group's financial statements.

(ii) Early adoption of Standards, Amendments and Annual Improvements to Standards and IC Interpretations

Effective for financial periods beginning on or after 1 January 2018

Amendments to MFRS 2 *Share-based Payment - Classification and Measurement of Share-based Payment Transactions*
Amendments to MFRS 4 *Insurance Contracts - Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
Amendments to MFRS 140 *Investment Property - Transfers of Investment Property*
Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRSs 2014 - 2016 Cycle)*
Amendments to MFRS 128 *Investments in Associates and Joint Ventures (Annual Improvements to MFRSs 2014 - 2016 Cycle)*
IC Interpretations 22 *Foreign Currency Transactions and Advance Consideration*

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.1 Adoption of Standards, Amendments and Annual Improvements to Standards and IC Interpretations (Cont'd.)

(ii) Early adoption of Standards, Amendments and Annual Improvements to Standards and IC Interpretations (Cont'd.)

Effective for financial periods beginning on or after 1 January 2019

MFRS 16 Leases

The Group has elected to early adopt the above pronouncements which are mandatory for financial periods beginning on or after 1 January 2018 and 1 January 2019. These pronouncements are either not relevant or do not have any impact on the financial statements of the Group, other than the Standard described below:

(a) MFRS 16 Leases

The Group has early adopted MFRS 16 *Leases* and applied this Standard retrospectively during the financial period. In accordance with the transition requirements under the Appendix C, paragraph 5(b) of this Standard, comparatives are not restated.

As a result of the adoption of MFRS 16 *Leases*, the existing requirements for a lessee to distinguish between finance lease and operating lease under the MFRS 117 *Leases* are no longer required. This Standard introduces a single accounting model, requiring the lessee to recognise the right-of-use of the underlying lease asset and the future lease payments liabilities in the statement of financial position. For a lessor, MFRS 16 *Leases* continue to allow the lessor to classify leases as either operating leases or finance leases and to account for these two types of leases differently.

The following table presents the impact of changes to the consolidated statement of financial position of the Group resulting from the early adoption of MFRS 16 *Leases* as at 1 January 2017:

Group	Note	As at 31 December 2016 RM'000	Changes RM'000	As at 1 January 2017 RM'000
Non-current assets				
Right-of-use assets	(a)	-	8,518	8,518
Current assets				
Other receivables	(b)	23,999	(539)	23,460
Non-current liabilities				
Lease liabilities	(c)	-	7,979	7,979

Note:

- (a) The right-of-use assets comprise 2 pieces of freehold land leased from the Government and recognised during the period. Subsequent to initial recognition, the right-of-use assets are measured at cost less any accumulated depreciation, accumulated impairment losses and adjusted for any remeasurement of lease liabilities.
- (b) Prepaid lease payments which were previously classified as other receivables are now recognised as part of right-of-use assets.
- (c) The lease liabilities arising from the freehold land leased from the Government are recognised and discounted using the Group's weighted average incremental borrowing rate of 6.7% on RM40,796,000 disclosed as operating lease commitments as at 31 December 2016. Subsequent to initial recognition, the Group measures the lease liabilities by increasing the carrying amount to reflect the interest on the lease liabilities, reducing the carrying amount to reflect lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

Other than the above, the Group elected to apply exemptions for a lease of equipment expiring within 12 months under the Appendix C, paragraph 10(c) of this Standard. As at the end of the reporting period, the lease payments payable for this lease of equipment within the next 12 months and not recognised in the statement of financial position of the Group is RM89,000.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.2 Standards issued but not yet effective

As at the date of authorisation of the Condensed Report, the 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* were issued by the Malaysian Accounting Standards Board ("MASB") but the effective dates of these Standards have been deferred and yet to be announced. The Group does not expect any material impact to the financial statements arising from the adoption of these Standards.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

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

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 year-to-date ended 31 March 2017.

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect during the quarter and year-to-date ended 31 March 2017.

6. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases and repayments of debt and equity securities during the quarter and year-to-date ended 31 March 2017.

7. DIVIDEND PAID

There was no dividend paid during the quarter and year-to-date ended 31 March 2017.

8. OPERATING REVENUE

RM'000	Quarter and Year-To-Date ended	
	31.03.2017	31.03.2016
Clearing fees	54,451	45,463
Trade fees	7,254	5,943
Others	5,500	5,691
Total Securities trading revenue	67,205	57,097
Clearing fees	4,858	4,952
Trade fees	12,422	12,433
Others	3,939	5,085
Total Derivatives trading revenue	21,219	22,470
Bursa Suq Al-Sila ("BSAS") trading revenue	3,964	4,733
Listing and issuer services	12,744	13,284
Depository services	9,786	9,360
Market data	8,575	8,131
Member services and connectivity	5,177	5,358
Conference fees and exhibition related income	6,009	5,696
	46,255	46,562
Total operating revenue	134,679	126,129

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

8. OPERATING REVENUE (CONT'D.)

(a) Disaggregation of revenue

The following table illustrates the Group's revenue as disaggregated by major products or services and provides a reconciliation of the disaggregated revenue with the Group's four major market segments as disclosed in Note 11. The table also includes the timing of revenue recognition.

RM'000	Securities Market	Derivatives Market	Exchange Holding Company	Others	Total
Quarter and Year-To-Date ended 31 March 2017					
Major products or services:					
- Securities trading revenue	67,205	-	-	-	67,205
- Derivatives trading revenue	-	21,219	-	-	21,219
- BSAS trading revenue	-	-	-	3,964	3,964
- Listing and issuer services	12,715	-	-	29	12,744
- Depository services	9,786	-	-	-	9,786
- Market data	6,436	2,075	-	64	8,575
- Member services and connectivity	3,254	39	1,845	39	5,177
- Conference fees and exhibition related income	-	6,009	-	-	6,009
	99,396	29,342	1,845	4,096	134,679
Timing of revenue recognition:					
- At a point in time	87,418	28,288	-	4,014	119,720
- Over time	11,978	1,054	1,845	82	14,959
	99,396	29,342	1,845	4,096	134,679
Quarter and Year-To-Date ended 31 March 2016					
Major products or services:					
- Securities trading revenue	57,092	-	-	5	57,097
- Derivatives trading revenue	-	22,470	-	-	22,470
- BSAS trading revenue	-	-	-	4,733	4,733
- Listing and issuer services	13,227	-	-	57	13,284
- Depository services	9,360	-	-	-	9,360
- Market data	6,087	1,993	-	51	8,131
- Member services and connectivity	3,398	38	1,885	37	5,358
- Conference fees and exhibition related income	-	5,696	-	-	5,696
	89,164	30,197	1,885	4,883	126,129
Timing of revenue recognition:					
- At a point in time	77,372	29,242	-	4,802	111,416
- Over time	11,792	955	1,885	81	14,713
	89,164	30,197	1,885	4,883	126,129

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

9. OTHER INCOME

RM'000	Quarter and Year-To-Date ended	
	31.03.2017	31.03.2016
Interest income from:		
- Investments	5,000	5,235
- Others	38	46
Dividend income	785	681
Grant income	476	285
Net gain on disposal of investment securities	25	-
Rental income	1,661	1,535
Miscellaneous income	21	22
Total other income	8,006	7,804

10. OTHER OPERATING EXPENSES

RM'000	Quarter and Year-To-Date ended	
	31.03.2017	31.03.2016
Administrative expenses	1,580	1,888
Building management expenses	2,692	2,782
Central Depository System ("CDS") consumables	733	1,200
Marketing and development expenses	3,817	4,613
Professional fees	292	240
Technology expenses:		
- Information technology maintenance	4,847	5,010
- Service fees	7,191	5,672
Net loss on foreign exchange differences	85	654
Net (reversal of impairment loss)/impairment loss on:		
- Investment securities	(14)	12
- Trade and other receivables	683	64
Miscellaneous expenses	1,861	1,850
Total other operating expenses	23,767	23,985

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

11. SEGMENTAL INFORMATION

RM'000	Securities Market	Derivatives Market	Exchange Holding Company	Others	Consolidated
RESULTS FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2017					
Operating revenue	99,396	29,342	1,845	4,096	134,679
Other income	3,427	676	3,875	28	8,006
Direct costs	(22,037)	(15,123)	(8,862)	(1,427)	(47,449)
Segment profit/(loss)	80,786	14,895	(3,142)	2,697	95,236
Overheads					(16,507)
Profit/(Loss) before tax	80,786	14,895	(3,142)	2,697	78,729

RESULTS FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2016					
Operating revenue	89,164	30,197	1,885	4,883	126,129
Other income	3,582	692	3,439	91	7,804
Direct costs	(23,563)	(14,382)	(7,959)	(1,610)	(47,514)
Segment profit/(loss)	69,183	16,507	(2,635)	3,364	86,419
Overheads					(15,826)
Profit/(Loss) before tax	69,183	16,507	(2,635)	3,364	70,593

ASSETS AND LIABILITIES AS AT 31 MARCH 2017					
Assets	362,408	97,366	527,310	23,791	1,010,875
Clearing Funds	98,046	27,887	-	-	125,933
Cash for equity margins, derivatives trading margins, security deposits, SBL collaterals and eDividend distributions	102,691	1,270,252	-	-	1,372,943
Segment assets	563,145	1,395,505	527,310	23,791	2,509,751
Unallocated corporate assets					8,278
Total assets	563,145	1,395,505	527,310	23,791	2,518,029
Liabilities	65,647	15,562	151,867	15,440	248,516
Participants' contributions to Clearing Funds	13,046	22,887	-	-	35,933
Equity margins, derivatives trading margins, SBL collaterals and eDividend distributions	102,691	1,270,252	-	-	1,372,943
Segment liabilities	181,384	1,308,701	151,867	15,440	1,657,392
Unallocated corporate liabilities					8,762
Total liabilities	181,384	1,308,701	151,867	15,440	1,666,154

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

12. RELATED PARTY DISCLOSURES

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

13. CASH FOR EQUITY MARGINS, DERIVATIVES TRADING MARGINS, SECURITY DEPOSITS, SBL COLLATERALS AND eDIVIDEND DISTRIBUTIONS

RM'000	As at 31.03.2017
Equity margins, derivatives trading margins, security deposits and SBL collaterals, representing trade payables	1,370,512
Cash received for eDividend distributions (included in other payables)	2,431
Total cash for equity margins, derivatives trading margins, security deposits, SBL collaterals and eDividend distributions	1,372,943

The amount of non-cash collaterals for equity margins, derivatives trading margins, security deposits and SBL collaterals held by, but not belonging to, the Group and which are not included in the consolidated statement of financial position as at 31 March 2017 comprise the following:

RM'000	As at 31.03.2017
Collaterals in the form of letters of credit	666,082
Collaterals in the form of shares	469
	666,551

14. CASH AND BANK BALANCES OF CLEARING FUNDS

RM'000	Participants' contributions	Cash set aside by the Group	As at 31.03.2017
Contributions from Trading Clearing Participants ("TCPs") of Bursa Malaysia Securities Clearing Sdn Bhd ("BMSC")	13,046	-	13,046
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
Clearing Guarantee Fund ("CGF") contributions (Note a)	13,046	85,000	98,046
Contributions from Clearing Participants ("CPs") of Bursa Malaysia Derivatives Clearing Bhd ("BMDC")	22,887	-	22,887
Contribution from BMDC	-	5,000	5,000
Derivatives Clearing Fund ("DCF") contributions (Note b)	22,887	5,000	27,887
Total cash and bank balances of Clearing Funds	35,933	90,000	125,933

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

RM'000	As at 31.03.2017
Cash and bank balances	98,046
Bank guarantees from TCPs of BMSC	4,253
Total CGF	102,299

(b) There are no non-cash collaterals from CPs of BMDC for DCF held by the Group as at 31 March 2017.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

15. CASH AND BANK BALANCES OF THE GROUP

RM'000	As at 31.03.2017
Cash and bank balances	3,366
Deposits for short-term funding requirements	272,759
Cash and cash equivalents	276,125
Deposits not for short-term funding requirements	78,256
Total cash and bank balances	354,381

Included in the cash and bank balances as at the end of the financial period is an amount of RM170,000 which has been set aside to meet or secure the claims of creditors pursuant to a 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 not provided for in the Condensed Report as at the end of the financial period are as follows:

RM'000	Approved and contracted for
Computers and office automation	1,526
Office equipment and renovations	276
Total capital commitments	1,802

17. CONTINGENT ASSETS AND LIABILITIES

There are 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 Berhad since 31 December 2016.

18. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter and year-to-date ended 31 March 2017.

19. OPERATING LEASE ARRANGEMENTS

The Group entered into operating lease arrangements as the lessor for the lease of office space in the building. 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:

RM'000	As at 31.03.2017
Not later than 1 year	4,781
Later than 1 year and not later than 2 years	75
Total future minimum lease receivables	4,856

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

20. FINANCIAL INSTRUMENTS

20.1 Classification

The following table analyses the financial assets and financial 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 as at 31 March 2017.

RM'000	Financial assets at FVTOCI	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
As at 31 March 2017				
Assets				
Investments securities				
- Quoted shares (outside Malaysia)	200,800	-	-	200,800
- Unquoted bonds	84,874	-	-	84,874
	285,674	-	-	285,674
Staff loans receivable	-	3,931	-	3,931
Trade receivables	-	68,640	-	68,640
Other receivables which are financial assets*	-	12,624	-	12,624
Cash for equity margins, derivatives trading margins, security deposits, SBL collaterals and eDividend distributions	-	1,372,943	-	1,372,943
Cash and bank balances of Clearing Funds	-	125,933	-	125,933
Cash and bank balances of the Group	-	354,381	-	354,381
Total financial assets	285,674	1,938,452	-	2,224,126
Liabilities				
Trade payables	-	-	1,370,512	1,370,512
Participants' contributions to Clearing Funds	-	-	35,933	35,933
Other payables which are financial liabilities**	-	-	45,591	45,591
Dividend payable	-	-	91,209	91,209
Total financial liabilities	-	-	1,543,245	1,543,245

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

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

20.2 Fair Value

(a) Financial instruments that are carried at fair value

Financial assets at FVTOCI 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) of identical assets in active markets

Quoted shares are measured at Level 1. The fair value of quoted shares (outside Malaysia) is determined directly by reference to their published market bid prices as at 31 March 2017.

20. FINANCIAL INSTRUMENTS (CONT'D.)

20.2 Fair Value (Cont'd.)

(a) Financial instruments that are carried at fair value (Cont'd.)

(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 prices 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 31 March 2017.

RM'000	Level 1	Level 2	Total
Financial assets at FVTOCI			
Quoted shares (outside Malaysia)	200,800	-	200,800
Unquoted bonds	-	84,874	84,874
	200,800	84,874	285,674

There were no transfers between Level 1 and Level 2 during the quarter and year-to-date ended 31 March 2017.

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

The carrying amount of financial assets and financial liabilities at amortised cost, 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 fair value of the staff loans receivable is measured at Level 3 under the measurement hierarchy.

21. EVENT AFTER THE REPORTING PERIOD

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

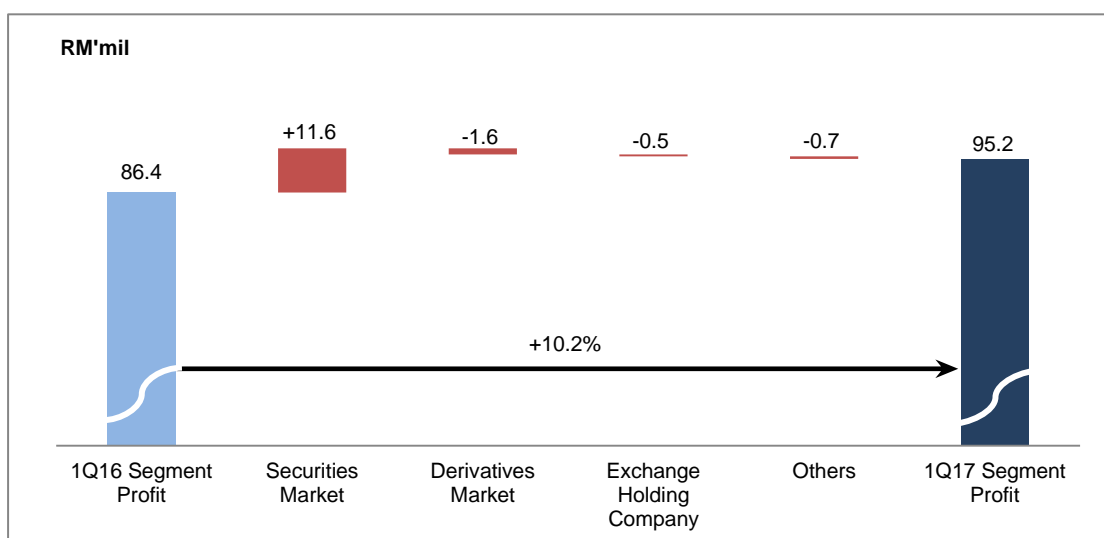
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

22. OPERATING SEGMENTS REVIEW

(a) 1Q17 vs. 1Q16

Profit before tax ("PBT") for the quarter ended 31 March 2017 ("1Q17") was RM78.7 million, an increase of 11.5 per cent compared to RM70.6 million in the quarter ended 31 March 2016 ("1Q16"). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profit for 1Q17 was RM95.2 million, an increase of 10.2 per cent compared to RM86.4 million in 1Q16. The movements in the segment profits are depicted in the graph below:

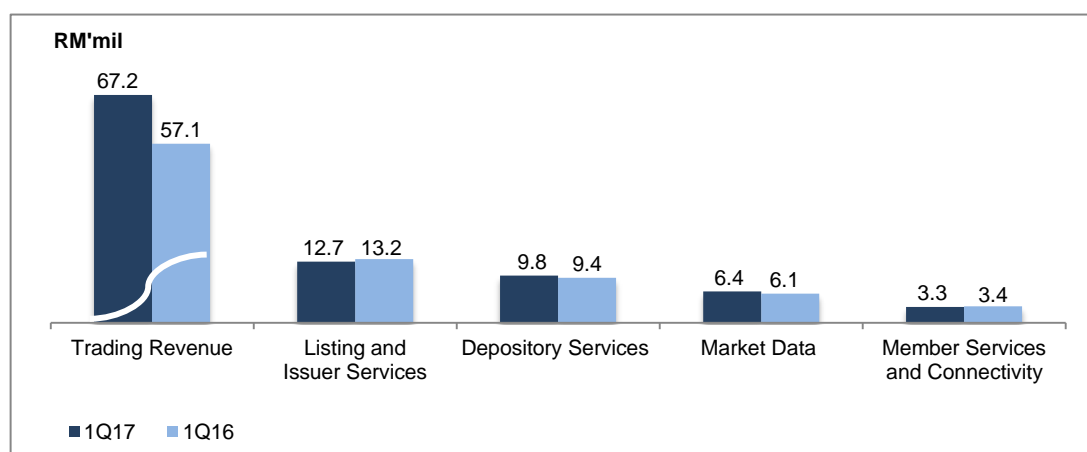


Securities Market

The Securities Market recorded a segment profit of RM80.8 million in 1Q17, an increase of 16.8 per cent compared to RM69.2 million in 1Q16 mainly as a result of higher trading revenue.

(i) Operating Revenue

The Securities Market operating revenue for 1Q17 was RM99.4 million, representing an increase of 11.5 per cent compared to RM89.2 million in 1Q16. The details by revenue category are shown in the chart below:



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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 1Q17 vs. 1Q16 (Cont'd.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue increased by 17.7 per cent to RM67.2 million in 1Q17 compared to 1Q16. 1Q17 saw a higher Average Daily trading Value ("ADV") for On-Market Trades ("OMT") and Direct Business Trades ("DBT") of RM2.54 billion compared to RM2.07 billion in 1Q16.

Key operating drivers in the Securities Market are as follows:

		1Q17	1Q16	%
FBM KLCI	(points)	1,740.09	1,717.58	1
Average daily trading value (OMT and DBT)	(RM'billion)	2.54	2.07	23
Average daily trading volume (OMT and DBT)	(billion shares)	2.79	1.88	48
Effective clearing fee rate	(basis points)	2.32	2.38	-3
Velocity	(per cent)	34	29	17
Number of Initial Public Offerings ("IPOs")		4	2	100
Number of new structured warrant listings		168	175	-4
Total funds raised:				
- IPOs	(RM'billion)	0.87	0.17	412
- Secondary issues	(RM'billion)	3.35	1.30	158
Market capitalisation at end of period	(RM'billion)	1,801.30	1,707.44	5

(ii) Operating Expenses

Segment expenses decreased by 6.5 per cent to RM22.0 million in 1Q17 mainly due to lower CDS consumables.

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

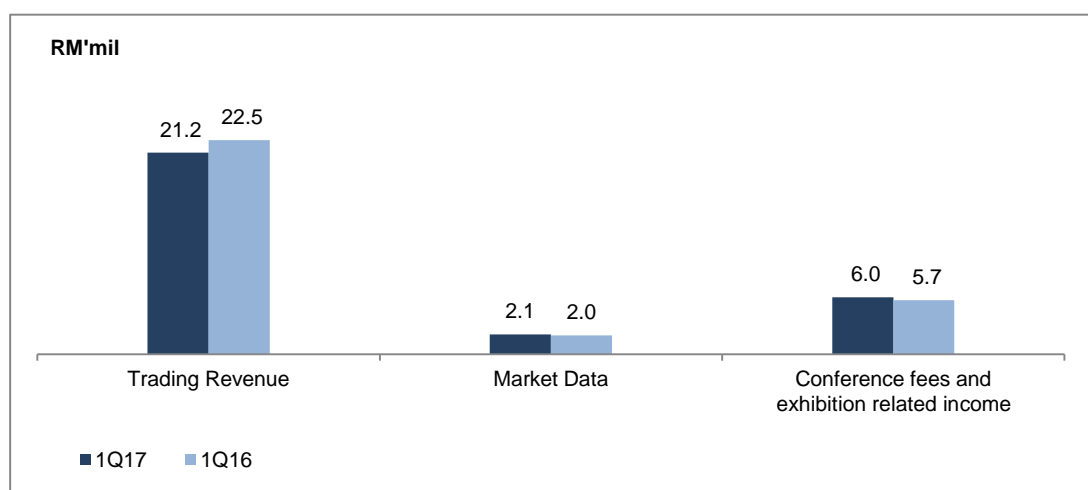
(a) 1Q17 vs. 1Q16 (Cont'd.)

Derivatives Market

The Derivatives Market recorded a segment profit of RM14.9 million in 1Q17, a decrease of 9.8 per cent from RM16.5 million in 1Q16 as a result of lower operating revenue and higher operating expenses in 1Q17.

(i) Operating Revenue

The Derivatives Market operating revenue for 1Q17 was RM29.3 million, representing a decrease of 2.8 per cent from RM30.2 million in 1Q16, mainly from lower trading revenue as shown in the chart below:



- > Trading revenue decreased by 5.6 per cent to RM21.2 million in 1Q17 as a result of lower guarantee fees.

Key operating drivers in the Derivatives Market are as follows:

		1Q17	1Q16	%
FCPO contracts	(million)	3.21	2.67	20
FKLI contracts	(million)	0.57	0.78	-27
Other contracts	(million)	0.01	0.02	-50
Total	(million)	3.79	3.47	9
Average daily number of contracts traded		62,076	57,878	7
Average number of open interest positions		242,684	259,565	-7

(ii) Operating Expenses

Segment expenses increased by 5.2 per cent to RM15.1 million in 1Q17 mainly due to higher service fee incurred as a result of an increase in trading volume as well as a higher foreign exchange rate.

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 1Q17 vs. 1Q16 (Cont'd.)

Exchange Holding Company

The Exchange Holding Company recorded a higher segment loss of RM3.1 million in 1Q17 compared to RM2.6 million in 1Q16 mainly due to higher staff costs.

Others

This segment is made up of BSAS business, bonds trading and offshore exchange. The segment profit decreased by 19.8 per cent to RM2.6 million in 1Q17 mainly due to the lower BSAS trades.

Overheads

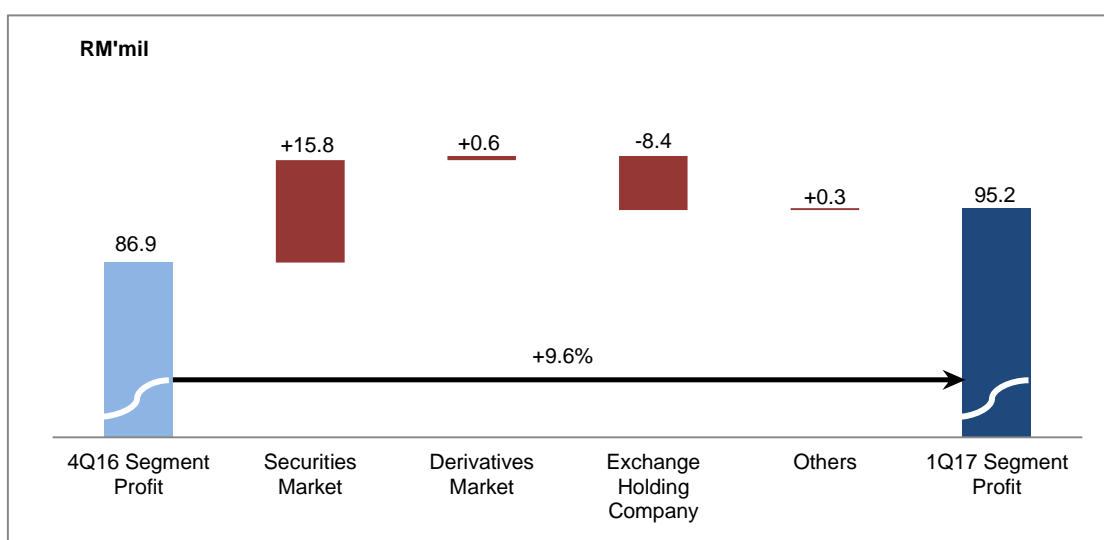
Overheads increased by 4.3 per cent to RM16.5 million in 1Q17 mainly due to higher staff costs.

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 1Q17 was RM78.7 million, an increase of 14.2 per cent from RM69.0 million in the quarter ended 31 December 2016 ("4Q16"). PBT is made up of segment profits less overheads.

Total segment profit for 1Q17 was RM95.2 million, an increase of 9.6 per cent from RM86.9 million in 4Q16. The quarter on quarter movements in the segment profits are depicted in the graph below:

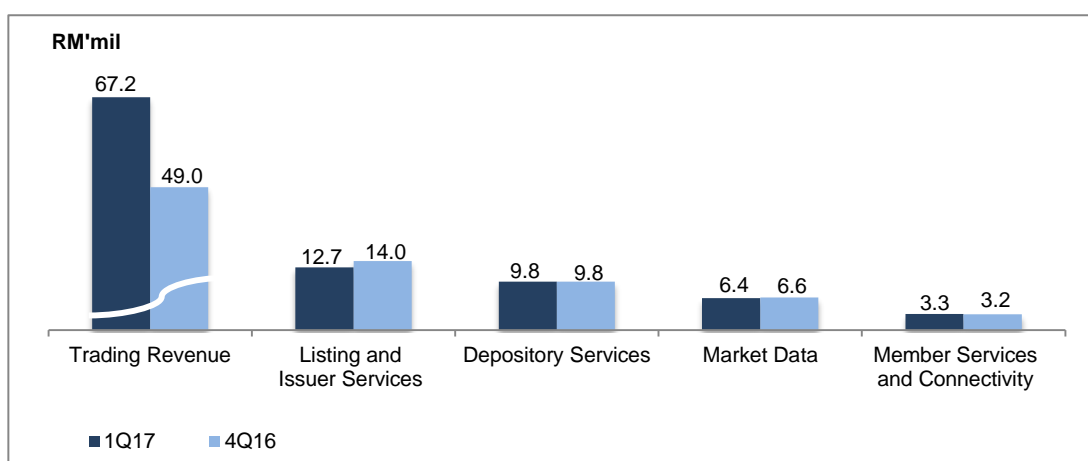


Securities Market

The Securities Market recorded a segment profit of RM80.8 million in 1Q17, an increase of 24.3 per cent compared to RM65.0 million in 4Q16 mainly as a result of higher trading revenue.

(i) Operating Revenue

The Securities Market operating revenue for 1Q17 was RM99.4 million, representing an increase of 20.3 per cent compared to RM82.6 million in 4Q16. The details by revenue category are 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 37.1 per cent to RM67.2 million in 1Q17, following a higher ADV for OMT and DBT in 1Q17 of RM2.54 billion compared to RM1.93 billion in 4Q16.
- > Listing and issuer services revenue decreased by 9.3 per cent to RM12.7 million in 1Q17 mainly due to lower additional listing fees earned in 1Q17.

Key operating drivers in the Securities Market are as follows:

		1Q17	4Q16	%
FBM KLCI	(points)	1,740.09	1,641.73	6
Average daily trading value (OMT and DBT)	(RM'billion)	2.54	1.93	32
Average daily trading volume (OMT and DBT)	(billion shares)	2.79	1.54	81
Effective clearing fee rate	(basis points)	2.32	2.22	5
Velocity	(per cent)	34	25	36
Number of IPOs		4	4	-
Number of new structured warrant listings		168	259	-35
Total funds raised:				
- IPOs	(RM'billion)	0.87	0.16	444
- Secondary issues	(RM'billion)	3.35	4.62	-27
Market capitalisation at end of period	(RM'billion)	1,801.30	1,667.37	8

(ii) Operating Expenses

Segment expenses increased by 6.5 per cent to RM22.0 million in 1Q17 mainly due to higher staff cost.

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

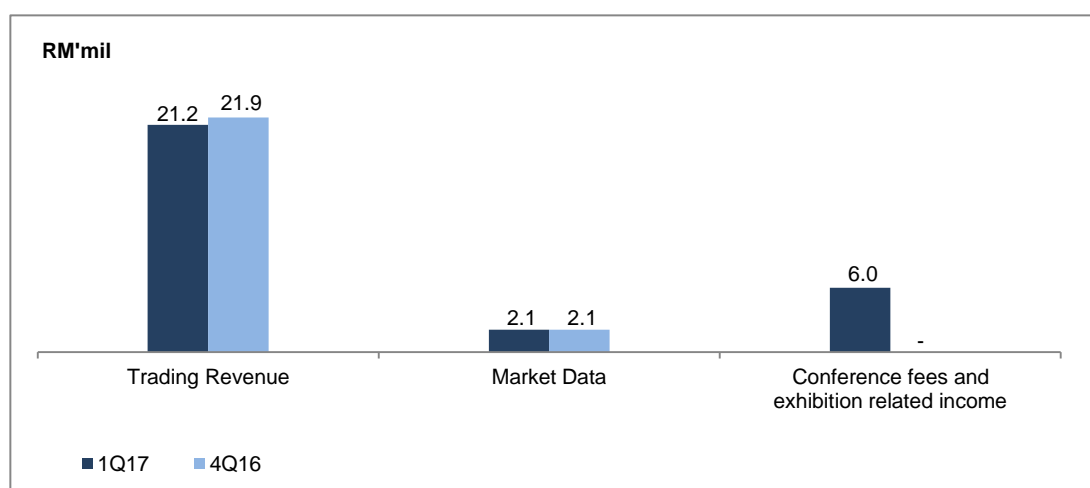
23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER (CONT'D.)

Derivatives Market

The Derivatives Market recorded a segment profit of RM14.9 million for 1Q17, an increase of 4.5 per cent from RM14.3 million in 4Q16 due to the conference fees and exhibition related income earned from Palm and Lauric Oils Price Outlook Conference & Exhibition 2017 ("POC") held in 1Q17.

(i) Operating Revenue

The Derivatives Market operating revenue for 1Q17 was RM29.3 million, representing an increase of 22.0 per cent from RM24.0 million in 4Q16. The increase mainly arose from conference fees and exhibition related income, as shown in the chart below:



- > Trading revenue decreased by 3.2 per cent to RM21.2 million in 1Q17 as a result of lower guarantee fees.

Key operating drivers in the Derivatives Market are as follows:

		1Q17	4Q16	%
FCPO contracts	(million)	3.21	2.76	16
FKLI contracts	(million)	0.57	0.66	-14
Other contracts	(million)	0.01	0.01	-
Total	(million)	3.79	3.43	10
Average daily number of contracts traded		62,076	55,289	12
Average number of open interest positions		242,684	240,069	1

(ii) Operating Expenses

Segment expenses increased by 44.8 per cent to RM15.1 million in 1Q17 mainly due to expenses incurred for POC and higher service fee.

**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 recorded a segment loss of RM3.1 million in 1Q17 from a segmental profit of RM5.3 million in 4Q16 mainly to due lower dividend income earned and higher staff costs incurred in 1Q17.

Others

This segment is made up of BSAS business, bonds trading and offshore exchange. The segment profit increased marginally by 12.9 per cent to RM2.6 million in 1Q17 compared to RM2.3 million in 4Q16.

Overheads

Overheads decreased by 7.8 per cent to RM16.5 million in 1Q17 compared to RM17.9 million in 4Q16 mainly due to lower professional fees and building management expenses incurred.

24. COMMENTARY ON PROSPECTS AND TARGETS

The International Monetary Fund, in its April 2017 report, has revised its global growth projection to 3.5% from its earlier projection of 3.4%. Bank Negara Malaysia in its Annual Report 2016 expects the global economic activity to improve in 2017, underpinned by expansion in domestic demand in the advanced and emerging market economies, boosted in part by expansionary fiscal policies in selected major economies. It has maintained its projection of the country's economic growth in 2017 at 4.3% - 4.8%.

The Securities Market saw heightened trading activities in the first 3 months of 2017, registering strong Average Daily Trading Value. Total net foreign inflow stood at RM5.7 billion as at 31 March 2017. Performance in the Securities Market is forecasted to continue with the expected improvements in the global as well as domestic economic conditions. In the Derivatives Market, uncertain weather conditions and volatile crude oil prices continued to underpin trading of FCPO contracts, while FKL1 trading is very much correlated to movements in the FBMKLCI. Hence, activities are expected to be influenced by the need to manage portfolio risk and volatility in commodity prices and the FBMKLCI. While trades on Bursa Suq Al-Sila' continue to face strong competition locally and globally, Bursa Malaysia will continue with its efforts to expand its niche in the Islamic Finance sector. Bursa Malaysia-*i*, as the world's first fully integrated end-to-end Shariah-compliant investing platform, is expected to further attract a wider pool of both domestic and foreign investors.

Bursa Malaysia will continue with its initiatives in creating a vibrant and sustainable Malaysian capital market.

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

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

25. INCOME TAX EXPENSE

RM'000	Quarter and Year-To-Date ended	
	31.03.2017	31.03.2016
Income tax	19,407	18,197
Deferred tax	433	(191)
Total income tax expense	19,840	18,006

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the period.

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

26. RETAINED EARNINGS

RM'000	As at	As at
	31.03.2017	31.12.2016
Realised	313,088	345,279
Unrealised	2,109	2,238
	315,197	347,517
Consolidation adjustments	(25,868)	(23,608)
Total retained earnings	289,329	323,909

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 has not issued any debt securities.

29. CHANGES IN MATERIAL LITIGATION

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

30. DIVIDEND PAYABLE

	31.03.2017	31.03.2016
Final dividend for financial year ended	31 December 2016	31 December 2015
Amount per share	17.0 sen	18.0 sen
Approved and declared on	29 March 2017	31 March 2016
Entitlement to dividends based on record of Depositors as at	5 April 2017	5 April 2016
Date payable	18 April 2017	18 April 2016

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

31. EARNINGS PER SHARE ("EPS")

(a) Basic EPS

	Quarter and Year-To-Date ended	
	31.03.2017	31.03.2016
Profit attributable to the owners of the Company (RM'000)	56,629	49,936
Weighted average number of ordinary shares in issue ('000)	536,272	534,614
Basic EPS (sen)	10.6	9.3

(b) Diluted EPS

	Quarter and Year-To-Date ended	
	31.03.2017	31.03.2016
Profit attributable to owners of the Company (RM'000)	56,629	49,936
Weighted average number of ordinary shares in issue ('000)	536,272	534,614
Effect of dilution ('000)	2,388	2,792
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	538,660	537,406
Diluted EPS (sen)	10.5	9.3

32. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2016 was unmodified.

33. REVIEW BY EXTERNAL AUDITORS

The Board of Directors ("Board") had engaged the external auditors to review and report on the Condensed Report of Bursa Malaysia Berhad for the quarter and year-to-date ended 31 March 2017 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 to cause them to believe that the Condensed Report are not prepared, in all material respects, in accordance with MFRS 134 *Interim Financial Reporting* and IAS 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 Report was authorised for issue by the Board in accordance with a resolution of the Directors on 26 April 2017.