



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2015

2 February 2016

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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2015

RM'000	Note	3 months ended		12 months ended	
		31.12.2015	31.12.2014	31.12.2015	31.12.2014
		Reviewed	Reviewed	Audited	Audited
Operating revenue	8	125,198	119,669	487,670	471,268
Other income	9	10,361	8,811	30,834	32,488
		135,559	128,480	518,504	503,756
Staff costs		(37,687)	(32,991)	(133,938)	(127,604)
Depreciation and amortisation		(6,069)	(6,232)	(23,739)	(25,287)
Other operating expenses	10	(21,251)	(19,844)	(82,051)	(79,106)
Profit before tax		70,552	69,413	278,776	271,759
Income tax expense	25	(17,924)	(14,853)	(72,321)	(67,737)
Profit for the period/year		52,628	54,560	206,455	204,022
Profit attributable to:					
Owners of the Company		50,603	53,139	198,613	198,226
Non-controlling interest		2,025	1,421	7,842	5,796
		52,628	54,560	206,455	204,022
Earnings per share (EPS) attributable to owners of the Company (sen per share):					
Basic EPS	31(a)	9.5	10.0	37.2	37.2
Diluted EPS	31(b)	9.4	9.9	37.0	37.0

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 YEAR ENDED 31 DECEMBER 2015

RM'000	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	Reviewed	Reviewed	Audited	Audited
Profit for the period/year	52,628	54,560	206,455	204,022
Other comprehensive income:				
Items that may be subsequently reclassified to profit or loss:				
Foreign currency translation	(95)	139	506	132
Net fair value changes in Available-For-Sale (AFS) financial assets	(8,616)	18,476	30,141	19,954
Income tax relating to AFS financial assets	(5)	30	17	42
	(8,716)	18,645	30,664	20,128
Items that will not be subsequently reclassified to profit or loss:				
Actuarial (losses)/gains on defined benefit obligations	(884)	1,806	(884)	1,806
Income tax relating to actuarial gains and losses on defined benefit obligations	168	(451)	168	(451)
	(716)	1,355	(716)	1,355
Total other comprehensive income, net of income tax	(9,432)	20,000	29,948	21,483
Total comprehensive income	43,196	74,560	236,403	225,505
Total comprehensive income attributable to:				
Owners of the Company	41,171	73,139	228,561	219,709
Non-controlling interest	2,025	1,421	7,842	5,796
	43,196	74,560	236,403	225,505

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 31 DECEMBER 2015

RM'000	Note	As at 31.12.2015	As at 31.12.2014
		Audited	Audited
Assets			
Property, plant and equipment		191,214	197,264
Computer software		52,873	57,122
Goodwill		42,957	42,957
Investment securities		203,401	188,449
Staff loans receivable		4,392	5,919
Deferred tax assets		2,307	3,673
Non-current assets		497,144	495,384
Trade receivables		48,674	41,289
Other receivables		23,042	17,412
Tax recoverable		3,327	2,721
Investment securities		30,048	41,916
Cash for trading margins, security deposits and eDividend distributions	13	1,087,526	717,133
Cash and bank balances of Clearing Funds	14	125,568	126,261
Cash and bank balances	15	271,126	214,367
Current assets		1,589,311	1,161,099
Total assets		2,086,455	1,656,483
Equity and liabilities			
Share capital		267,307	266,760
Share premium		107,443	100,064
Other reserves		109,875	76,658
Retained earnings	26	318,825	305,218
Equity attributable to owners of the Company		803,450	748,700
Non-controlling interest		16,018	14,001
Total equity		819,468	762,701
Retirement benefit obligations		26,112	26,605
Deferred grants		4,087	5,193
Deferred tax liabilities		3,333	8,149
Non-current liabilities		33,532	39,947
Trade payables	13	1,083,886	715,815
Participants' contributions to Clearing Funds	14	35,568	36,261
Other payables		107,297	93,532
Tax payable		6,704	8,227
Current liabilities		1,233,455	853,835
Total liabilities		1,266,987	893,782
Total equity and liabilities		2,086,455	1,656,483
Net assets per share attributable to owners of the Company (RM)		1.50	1.40

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 YEAR ENDED 31 DECEMBER 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		
At 1 January 2015	266,760	100,064	-	5,250	204	7,496	30,000	33,708	305,218	748,700	14,001	762,701
Profit for the year	-	-	-	-	-	-	-	-	198,613	198,613	7,842	206,455
Other comprehensive income, net of income tax	-	-	-	-	506	-	-	30,158	(716)	29,948	-	29,948
Total comprehensive income	-	-	-	-	506	-	-	30,158	197,897	228,561	7,842	236,403
Transactions with owners of the Company:												
Issuance of ordinary shares pursuant to Share Grant Plan (SGP)	547	7,379	-	-	-	(7,926)	-	-	-	-	-	-
SGP expense	-	-	-	-	-	10,479	-	-	-	10,479	-	10,479
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(184,290)	(184,290)	-	(184,290)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(5,825)	(5,825)
At 31 December 2015	267,307	107,443	-	5,250	710	10,049	30,000	63,866	318,825	803,450	16,018	819,468
At 1 January 2014	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 year	-	-	-	-	-	-	-	-	198,226	198,226	5,796	204,022
Other comprehensive income, net of income tax	-	-	-	-	132	-	-	19,996	1,355	21,483	-	21,483
Total comprehensive income	-	-	-	-	132	-	-	19,996	199,581	219,709	5,796	225,505
Transactions with owners of the Company:												
Issuance of ordinary shares pursuant to SGP	454	5,897	-	-	-	(6,351)	-	-	-	-	-	-
Redemption of preference shares	-	-	(14,100)	-	-	-	-	-	-	(14,100)	-	(14,100)
SGP expense	-	-	-	-	-	9,265	-	-	-	9,265	-	9,265
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(277,325)	(277,325)	-	(277,325)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(8,125)	(8,125)
At 31 December 2014	266,760	100,064	-	5,250	204	7,496	30,000	33,708	305,218	748,700	14,001	762,701

Note a

In the previous financial year, 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 YEAR ENDED 31 DECEMBER 2015

RM'000	Note	12 months ended	
		31.12.2015	31.12.2014
		Audited	Audited
Cash flows from operating activities			
Profit before tax		278,776	271,759
Adjustments for:			
Amortisation of premiums/(accretion of discounts), net		61	(259)
Depreciation and amortisation		23,739	25,287
Dividend income from investment securities	9	(5,372)	(3,523)
Grant income	9	(1,281)	(2,750)
Interest income	9	(18,174)	(18,827)
Net (gain)/loss on disposal of investment securities	9	(95)	566
Net impairment loss/(reversal of impairment loss)			
on trade and other receivables	10	135	(673)
Loss/(gain) on disposal of motor vehicle	9	345	(200)
Property, plant and equipment and computer software			
written off	10	42	5
Retirement benefit obligations		1,369	1,414
(Reversal of)/provision for short-term accumulating			
compensated unutilised leave		(206)	261
SGP expense		10,479	9,265
Unrealised (gain)/loss on foreign exchange differences		(735)	115
Operating profit before working capital changes		289,083	282,440
Increase in receivables		(7,334)	(11,140)
Increase in other payables		13,247	4,802
Cash generated from operations		294,996	276,102
Staff loans repaid, net of disbursements		1,045	1,466
Retirement benefits paid		(2,368)	(1,774)
Net tax paid		(77,717)	(68,542)
Net cash from operating activities		215,956	207,252
Cash flows from investing activities			
Dividends received		1,515	3,851
Interest received		17,042	19,496
(Increase)/decrease in other deposits not for short-term			
funding requirements		(7,068)	104,834
Proceeds from disposal of investment securities		58,554	97,986
Proceeds from disposal of motor vehicle		283	200
Purchases of investment securities		(31,463)	(94,026)
Purchases of property, plant and equipment			
and computer software		(15,534)	(12,796)
Net cash from investing activities		23,329	119,545

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015 (CONT'D.)

RM'000	Note	12 months ended	
		31.12.2015	31.12.2014
		Audited	Audited
Cash flows from financing activities			
Additional cash resources to Clearing Funds		-	(60,000)
Dividends paid	7	(184,290)	(277,325)
Dividends paid by a subsidiary to non-controlling interest		(5,825)	(8,125)
Redemption of preference shares		-	(13,718)
Net cash used in financing activities		(190,115)	(359,168)
Net increase/(decrease) in cash and cash equivalents			
Effect of exchange rate changes		521	130
Cash and cash equivalents at beginning of year		214,367	246,608
Cash and cash equivalents at end of year	15	264,058	214,367

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 with the 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*, 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 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 that became effective from 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 *Separate Financial Statements - Equity Method in Separate Financial Statements*
Amendments to MFRS 116 *Property, Plant and Equipment* and MFRS 138 *Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation*
Amendments to MFRS 116 *Property, Plant and Equipment* and MFRS 141 *Agriculture - Agriculture: Bearer Plants*

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 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

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**

Effective for financial periods beginning on or after 1 January 2018

MFRS 15 Revenue from Contracts with Customers

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

* *The effective date of these Standards have been deferred, and yet to be announced by MASB.*

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 of the above pronouncements other than the two Standards described below, for which the effects of adoption 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 five-step model that 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 2018 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 makes 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.

The Group expects to complete the assessment of the effect of these Standards and plan to adopt these Standards with effect from 1 January 2016.

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 year ended 31 December 2015.

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have had any material effect on the quarter and year ended 31 December 2015.

6. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases and repayments of debt and equity securities during the quarter and year ended 31 December 2015 other than the following:

- (a) On 1 April 2015, the Company issued 250,000 new ordinary shares of RM0.50 each pursuant to the SGP; and
- (b) On 13 July 2015, the Company issued 844,000 new ordinary shares of RM0.50 each pursuant to the SGP.

7. DIVIDENDS PAID

The following dividends were paid during the current and previous corresponding period:

	31.12.2015	31.12.2014
Special dividend		
Approved and declared on	-	17 July 2014
Paid on	-	14 August 2014
Number of ordinary shares on which dividends were paid ('000)	-	533,520
Dividend per share (single-tier)	-	20.0 sen
Net dividend paid (RM'000)	-	106,704
Interim dividend		
For the financial year ended	31 December 2015	31 December 2014
Approved and declared on	15 July 2015	17 July 2014
Date paid	12 August 2015	14 August 2014
Number of ordinary shares on which dividends were paid ('000)	534,614	533,520
Dividend per share (single-tier)	16.5 sen	16.0 sen
Net dividend paid (RM'000)	88,211	85,363
Final dividend		
For the financial year ended	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

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

8. OPERATING REVENUE

RM'000	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Securities clearing fees	47,589	46,876	185,616	193,693
Securities trade fees	6,332	5,987	24,489	25,250
Other securities revenue	5,866	5,651	22,944	20,173
Securities trading revenue	59,787	58,514	233,049	239,116
Derivatives clearing fees	4,777	4,526	18,995	16,366
Derivatives trade fees	12,686	11,574	50,935	43,375
Other derivatives revenue	4,678	2,879	16,218	10,862
Derivatives trading revenue	22,141	18,979	86,148	70,603
Bursa Suq Al-Sila (BSAS) trading revenue	5,020	3,584	16,787	9,962
Listing and issuer services	14,490	15,374	52,914	55,931
Depository services	9,700	8,550	38,415	35,368
Market data	8,785	8,639	33,667	31,300
Member services and connectivity	5,275	6,009	20,844	22,654
Other operating revenue	-	20	5,846	6,334
Total operating revenue	125,198	119,669	487,670	471,268

9. OTHER INCOME

RM'000	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Interest income from:				
- Investments	4,652	4,228	17,955	18,514
- Others	17	64	219	313
Net gain/(loss) on disposal of investment securities	-	(237)	95	(566)
(Loss)/Gain on disposal of motor vehicle	-	200	(345)	200
Rental income	1,536	1,535	6,132	6,658
Dividend income	3,892	2,308	5,372	3,523
Grant income	281	687	1,281	2,750
Miscellaneous income	(17)	26	125	1,096
Total other income	10,361	8,811	30,834	32,488

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PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

10. OTHER OPERATING EXPENSES

RM'000	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Marketing and development costs	1,778	2,178	9,312	10,750
Technology charges:				
- Information technology maintenance	5,478	4,554	18,046	18,848
- Service fees	5,237	5,184	22,381	18,356
Central Depository System (CDS) consumables	761	984	3,478	3,762
Professional fees	914	404	1,789	1,257
Building management costs	2,992	2,864	11,205	11,192
Administrative expenses	1,543	1,454	6,607	6,255
Net impairment loss/(reversal of impairment loss) on trade and other receivables	254	(576)	135	(673)
Property, plant and equipment and computer software written off	40	5	42	5
Net (gain)/loss on foreign exchange differences	(83)	71	(262)	209
Miscellaneous expenses	2,337	2,722	9,318	9,145
Total other operating expenses	21,251	19,844	82,051	79,106

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENTAL INFORMATION

RM'000	Securities Market	Derivatives Market	Exchange Holding Company	Others	Consolidated
RESULTS FOR 3 MONTHS ENDED 31 DECEMBER 2015					
Operating revenue	93,911	24,249	1,840	5,198	125,198
Other income	3,050	607	6,586	118	10,361
Direct costs	(25,581)	(12,079)	(9,261)	(1,601)	(48,522)
Segment profit/(loss)	71,380	12,777	(835)	3,715	87,037
Overheads					(16,485)
Profit/(Loss) before tax	71,380	12,777	(835)	3,715	70,552

RESULTS FOR 3 MONTHS ENDED 31 DECEMBER 2014					
Operating revenue	92,958	21,228	1,772	3,711	119,669
Other income	3,026	896	4,851	38	8,811
Direct costs	(21,982)	(11,909)	(8,531)	(1,302)	(43,724)
Segment profit/(loss)	74,002	10,215	(1,908)	2,447	84,756
Overheads					(15,343)
Profit/(Loss) before tax	74,002	10,215	(1,908)	2,447	69,413

RESULTS FOR 12 MONTHS ENDED 31 DECEMBER 2015					
Operating revenue	362,782	100,046	7,460	17,382	487,670
Other income	12,744	2,130	15,624	336	30,834
Direct costs	(89,781)	(50,938)	(32,000)	(5,928)	(178,647)
Segment profit/(loss)	285,745	51,238	(8,916)	11,790	339,857
Overheads					(61,081)
Profit/(Loss) before tax	285,745	51,238	(8,916)	11,790	278,776

RESULTS FOR 12 MONTHS ENDED 31 DECEMBER 2014					
Operating revenue	368,080	85,769	6,905	10,514	471,268
Other income	12,731	3,633	15,990	134	32,488
Direct costs	(86,474)	(48,566)	(31,794)	(5,297)	(172,131)
Segment profit/(loss)	294,337	40,836	(8,899)	5,351	331,625
Overheads					(59,866)
Profit/(Loss) before tax	294,337	40,836	(8,899)	5,351	271,759

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENTAL INFORMATION (CONT'D.)

RM'000	Securities Market	Derivatives Market	Exchange Holding Company	Others	Consolidated
ASSETS AND LIABILITIES AS AT 31 DECEMBER 2015					
Assets	377,269	114,625	333,227	42,606	867,727
Clearing Funds	97,911	27,657	-	-	125,568
Cash for trading margins, security deposits and eDividend distributions	3,640	1,083,886	-	-	1,087,526
Segment assets	478,820	1,226,168	333,227	42,606	2,080,821
Unallocated corporate assets					5,634
Total assets	478,820	1,226,168	333,227	42,606	2,086,455
Liabilities	30,554	13,874	58,246	31,182	133,856
Participants' contributions to Clearing Funds	12,911	22,657	-	-	35,568
Trade margins and eDividend distributions	3,640	1,083,886	-	-	1,087,526
Segment liabilities	47,105	1,120,417	58,246	31,182	1,256,950
Unallocated corporate liabilities					10,037
Total liabilities	47,105	1,120,417	58,246	31,182	1,266,987

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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

RM'000	As at 31.12.2015
Trading margins and security deposits, representing trade payables	1,083,886
Cash received for eDividend distributions (included in other payables)	3,640
Total cash for trading margins, security deposits and eDividend distributions	1,087,526

The amount of non-cash collaterals for trading margins, security deposits and Securities Borrowing and Lending (SBL) which was not included in the consolidated statement of financial position as at 31 December 2015 comprise the following:

RM'000	As at 31.12.2015
Collaterals in the form of letters of credit	669,057
Collaterals in the form of shares	7,179
	676,236

14. CASH AND BANK BALANCES OF CLEARING FUNDS

RM'000	Participants' contributions	Cash set aside by the Group	As at 31.12.2015
Contributions from Trading Clearing Participants (TCPs) of Bursa Malaysia Securities Clearing Sdn Bhd (BMSC)	12,911	-	12,911
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
Clearing Guarantee Fund (CGF) contributions (Note a)	12,911	85,000	97,911
Contributions from Clearing Participants (CPs) of Bursa Malaysia Derivatives Clearing Bhd (BMDC)	22,657	-	22,657
Contribution from BMDC	-	5,000	5,000
Derivatives Clearing Fund (DCF) contributions (Note b)	22,657	5,000	27,657
Total cash and bank balances of Clearing Funds	35,568	90,000	125,568

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

RM'000	As at 31.12.2015
Cash and bank balances	97,911
Bank guarantees from TCPs of BMSC	4,547
Total CGF	102,458

(b) There are no non-cash collaterals from CPs of BMDC for DCF held by the Group as at 31 December 2015.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

15. CASH AND BANK BALANCES OF THE GROUP

RM'000	As at 31.12.2015
Cash and bank balances	5,143
Deposits for short-term funding requirements	258,915
Cash and cash equivalents	264,058
Other deposits not for short-term funding requirements	7,068
Total cash and bank balances	271,126

Included in the cash and bank balances as at the end of the financial period is an amount of RM182,000 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 year were as follows:

RM'000	Approved and contracted for	Approved but not contracted for
Computers and office automation	1,399	3,934
Renovations	1,152	1,148
Office equipment	78	-
Total capital commitments	2,629	5,082

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 year ended 31 December 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 non-cancellable operating lease contracted for as at the end of the financial year but not recognised as liabilities are as follows:

RM'000	As at 31.12.2015
Not later than 1 year	539
Later than 1 year and not later than 5 years	2,155
Later than 5 years	38,640
Total future minimum lease payments	41,334

(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 year but not recognised as liabilities are as follows:

RM'000	As at 31.12.2015
Not later than 1 year	152
Later than 1 year and not later than 2 years	126
Total future minimum lease payments	278

(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 year but not recognised as receivables are as follows:

RM'000	As at 31.12.2015
Not later than 1 year	5,333
Later than 1 year and not later than 2 years	5,235
Later than 2 years and not later than 5 years	7,669
Total future minimum lease receivables	18,237

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.

RM'000	AFS	Loans and Receivables	Financial Liabilities At Amortised Cost	Total
As at 31 December 2015				
Assets				
Investments securities				
- Shares (quoted equity)	148,667	-	-	148,667
- Bonds	84,782	-	-	84,782
	233,449	-	-	233,449
Staff loans receivable	-	5,026	-	5,026
Trade receivables	-	48,674	-	48,674
Other receivables which are financial assets *	-	14,662	-	14,662
Cash for trading margins, security deposits and eDividend distributions	-	1,087,526	-	1,087,526
Cash and bank balances of Clearing Funds	-	125,568	-	125,568
Cash and bank balances	-	271,126	-	271,126
Total financial assets	233,449	1,552,582	-	1,786,031
Liabilities				
Trade payables	-	-	1,083,886	1,083,886
Participants' contributions to Clearing Funds	-	-	35,568	35,568
Other payables which are financial liabilities **	-	-	31,814	31,814
Total financial liabilities	-	-	1,151,268	1,151,268

* 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 Securities Commission and sundry payables.

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) of identical assets in active markets

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 31 December 2015.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

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 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 31 December 2015.

RM'000	Level 1	Level 2	Total
AFS Financial Assets			
Quoted equity	148,667	-	148,667
Unquoted bonds	-	84,782	84,782
	148,667	84,782	233,449

There were no transfers between Level 1 and Level 2 during the quarter and year ended 31 December 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 fair value of 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.

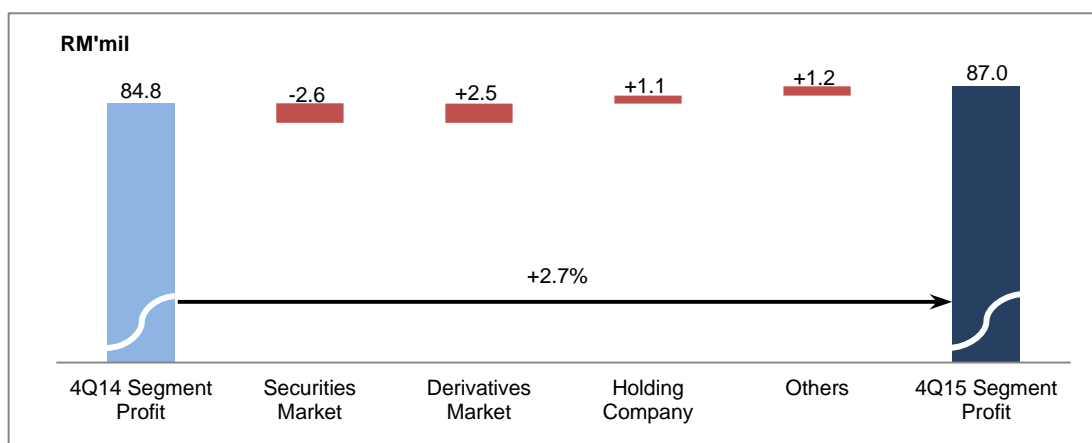
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

22. OPERATING SEGMENTS REVIEW

(a) 4Q15 vs. 4Q14

Profit before tax (PBT) for the quarter ended 31 December 2015 (4Q15) was RM70.6 million, an increase of 1.6 per cent from RM69.4 million in the quarter ended 31 December 2014 (4Q14). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profit for 4Q15 was RM87.0 million, an increase of 2.7 per cent from RM84.8 million in 4Q14. The movements in the segment profits are depicted in the graph below:

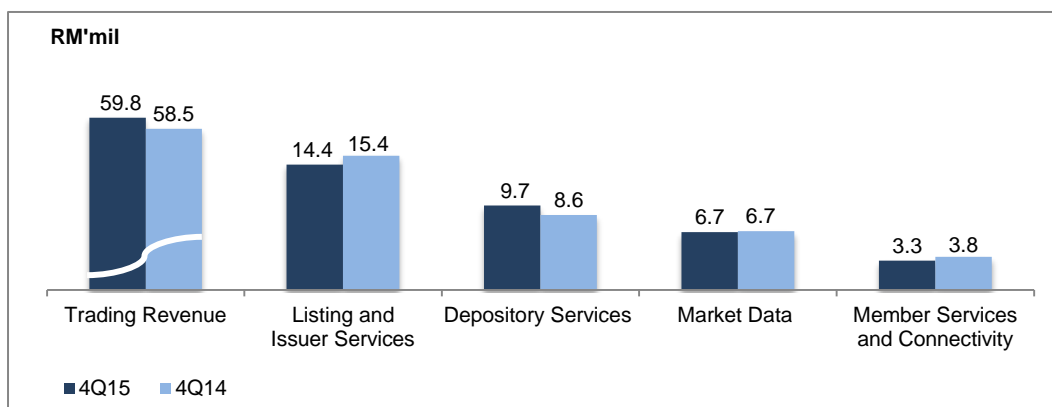


Securities Market

The Securities Market recorded a segment profit of RM71.4 million in 4Q15, a decrease of 3.5 per cent compared to RM74.0 million in 4Q14. The lower profit in 4Q15 was mainly a result of higher operating expenses compared to 4Q14.

(i) Operating Revenue

The Securities Market operating revenue for 4Q15 was RM93.9 million, representing an increase of 1.0 per cent compared to RM93.0 million in 4Q14. The details by revenue category is 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) 4Q15 vs. 4Q14 (Cont'd.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue increased by 2.2 per cent to RM59.8 million in 4Q15 compared to 4Q14. 4Q15 saw a higher average daily value (ADV) for on-market trades (OMT) and direct business trades (DBT) of RM2.15 billion compared to RM2.00 billion in 4Q14.
- > Listing and issuer services revenue decreased by 6.1 per cent to RM14.4 million in 4Q15 compared to 4Q14. The decrease was mainly due to lower initial listing fees and perusal and processing fees earned as a result of fewer Initial Public Offering (IPOs) and corporate exercises in 4Q15.
- > Depository services increased by 13.4 per cent to RM9.7 million in 4Q15 compared to 4Q14. The increase was mainly due to higher share transfer fees and Securities Borrowing and Lending (SBL) fees earned.

Key operating drivers in the Securities Market are as follows:

		4Q15	4Q14	%
FBM KLCI	(points)	1,692.51	1,761.25	-4
Average daily trading value (OMT and DBT)	(RM'billion)	2.15	2.00	8
Average daily trading volume (OMT and DBT)	(billion)	2.23	1.94	15
Effective clearing fee rate	(basis points)	2.34	2.43	-4
Velocity	(per cent)	30	28	7
Number of IPOs		2	4	-50
Number of new structured warrant listings		166	211	-21
Total funds raised:				
- IPOs	(RM'billion)	0.42	0.22	91
- Secondary issues	(RM'billion)	7.75	1.37	466
Market capitalisation at end of period	(RM'billion)	1,695.15	1,651.17	3

(ii) Operating Expenses

Operating expenses increased by 16.4 per cent to RM25.6 million in 4Q15 compared to 4Q14 mainly due to higher staff costs.

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 4Q15 vs. 4Q14 (Cont'd.)

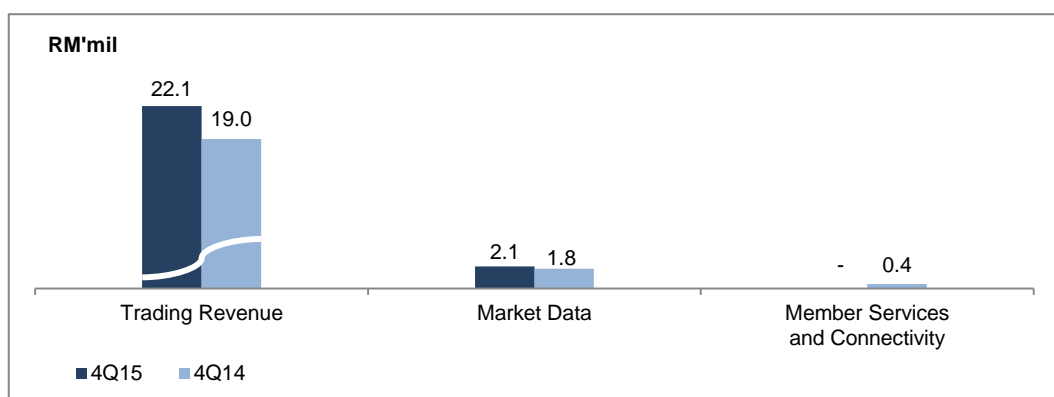
Derivatives Market

The Derivatives Market recorded a segment profit of RM12.7 million in 4Q15, an increase of 25.1 per cent compared to RM10.2 million in 4Q14 due to higher trade fees, guarantee fees and collateral management fees earned, all of which are part of the trading revenue.

The components of operating revenue and key operating drivers are shown in the chart and table below respectively.

(i) Operating Revenue

The Derivatives Market operating revenue for 4Q15 was RM24.2 million, representing an increase of 14.2 per cent compared to RM21.2 million in 4Q14. The increase was mainly from trading revenue, as shown in the chart below:



- > Trading revenue increased by 16.7 per cent to RM22.1 million in 4Q15 compared to 4Q14 as a result of higher number of contracts traded and higher collateral management fee. 3.47 million contracts were traded in 4Q15 compared to 3.44 million contracts in 4Q14.

Key operating drivers in the Derivatives Market are as follows:

		4Q15	4Q14	%
FCPO contracts	(million)	2.72	2.81	-3
FKLI contracts	(million)	0.75	0.61	23
Other contracts	(million)	-	0.02	-100
Total	(million)	3.47	3.44	1
Daily average contracts		55,985	54,537	3
Average number of open interest		239,749	250,862	-4

(ii) Operating Expenses

Segment expenses increased by 1.4 per cent to RM12.1 million in 4Q15 compared to 4Q14 mainly due to higher service fees and staff costs. However, the increase was offset by lower depreciation expenses following the retirement of the Derivatives Order Management System (OMS) at the end of 2014.

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 4Q15 vs. 4Q14 (Cont'd.)

Exchange Holding Company

The Exchange Holding Company segment loss decreased by 56.2 per cent to RM0.8 million in 4Q15 from RM1.9 million in 4Q14 due to higher dividend income earned.

Others

The Others segment is made up of Bursa Suq Al-Sila (BSAS) business, bonds trading and offshore exchange. The Others segment profit increased by 51.8 per cent to RM3.7 million in 4Q15 from RM2.4 million in 4Q14 mainly due to the increasing usage of BSAS since the introduction of tenor based pricing in January 2015.

Overheads

Overheads increased by 7.4 per cent to RM16.5 million in 4Q15 compared to RM15.3 million in 4Q14 mainly due to higher information technology maintenance expenses incurred in 4Q15.

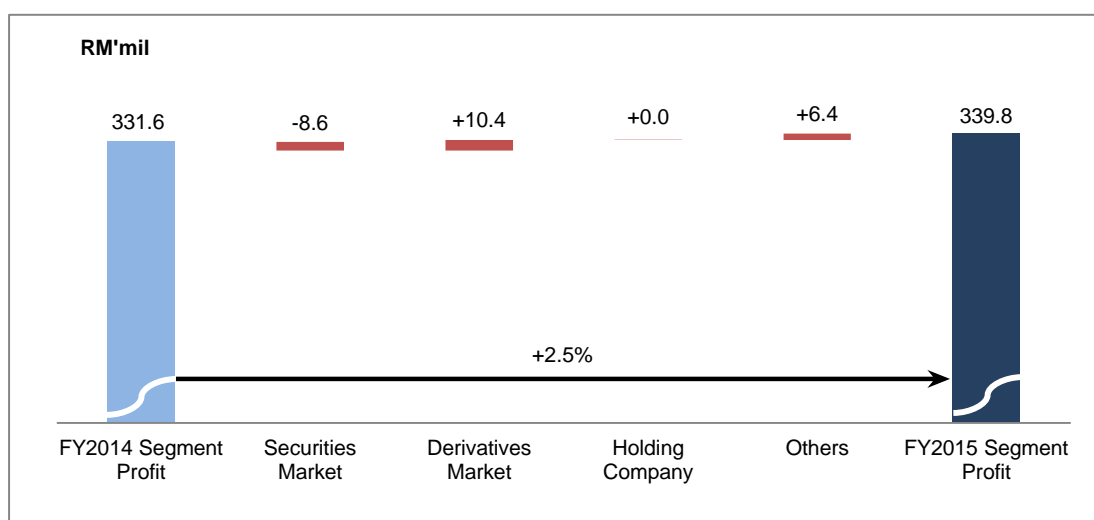
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) FY2015 vs. FY2014

PBT for the year ended 31 December 2015 (FY2015) was RM278.8 million, an increase of 2.6 per cent from RM271.8 million in the year ended 31 December 2014 (FY2014). PBT is made up of segment profits less overheads.

Total segment profit for FY2015 was RM339.8 million, an increase of 2.5 per cent from RM331.6 million in FY2014. The year on year movement in the segment profits are depicted in the graph below:

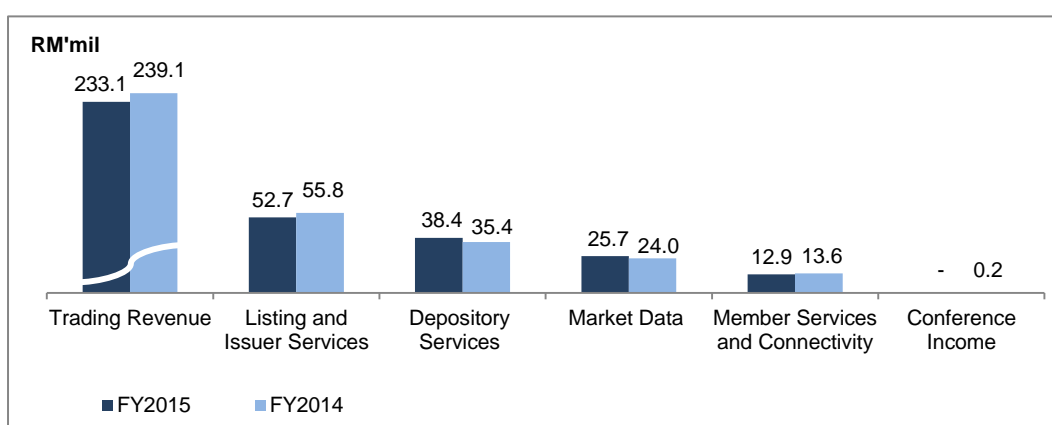


Securities Market

The Securities Market recorded a segment profit of RM285.7 million in FY2015, a decrease of 2.9 per cent compared to RM294.3 million in FY2014. The lower profit in FY2015 was mainly a result of lower operating revenue compared to FY2014.

(i) Operating Revenue

The Securities Market operating revenue for FY2015 was RM362.8 million, representing a decrease of 1.4 per cent compared to RM368.1 million in FY2014. The year-on-year movement in revenue components is 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.)

(b) FY2015 vs. FY2014 (Cont'd.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue decreased by 2.5 per cent to RM233.1 million in FY2015 compared to FY2014. FY2015 saw a lower ADV for OMT and DBT of RM2.08 billion compared to RM2.16 billion in FY2014 and a lower effective clearing fee rate of 2.35 basis points (FY2014: 2.38 basis points).
- > Listing and issuer services revenue decreased by 5.5 per cent to RM52.7 million in FY2015 compared to FY2014. The decrease was mainly due to lower initial and additional listing fees, resulting from lower number of large IPOs and of corporate exercises in FY2015.
- > Depository services revenue increased by 8.6 per cent to RM38.4 million in FY2015 against FY2014. The increase was mainly due to higher CDS custody fees and SBL fees earned.
- > Market data revenue increased by 6.8 per cent to RM25.7 million in FY2015 compared to FY2014 mainly attributable to higher number of subscribers.
- > Member services and connectivity decreased by 5.0 per cent to RM12.9 million in FY2015 compared to FY2014 attributable to one-off admission fees earned from new sponsors for ACE market in FY2014.

Key operating drivers in the Securities Market are as follows:

		FY2015	FY2014	%
FBM KLCI	(points)	1,692.51	1,761.25	-4
Average daily trading value (OMT and DBT)	(RM'billion)	2.08	2.16	-4
Average daily trading volume (OMT and DBT)	(billion)	2.04	2.16	-6
Effective clearing fee rate	(basis points)	2.35	2.38	-1
Velocity	(per cent)	30	29	3
Number of IPOs		11	14	-21
Number of new structured warrant listings		644	546	18
Total funds raised:				
- IPOs	(RM'billion)	4.14	5.90	-30
- Secondary issues	(RM'billion)	17.10	18.38	-7
Market capitalisation at end of year	(RM'billion)	1,695.15	1,651.17	3

(ii) Operating Expenses

Segment expenses increased by 3.8 per cent to RM89.8 million in FY2015 compared to FY2014 mainly due to higher staff costs and depreciation expenses following the commencement of the new Bursa Link System.

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

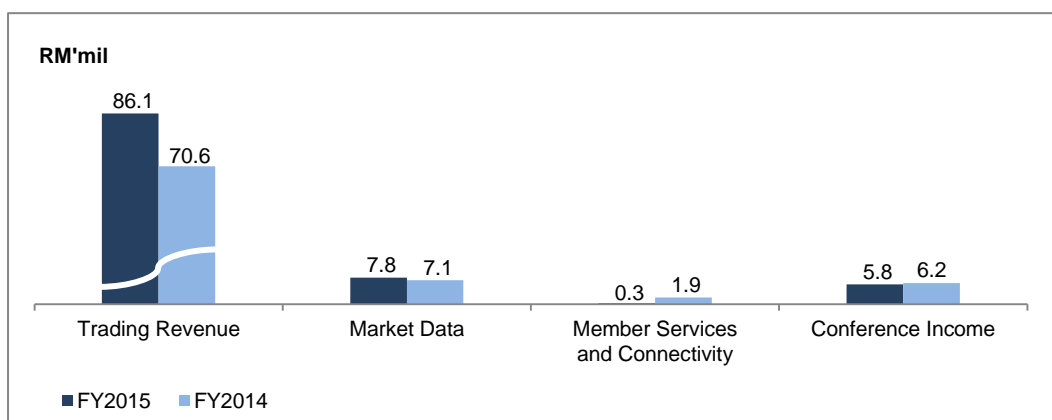
(b) FY2015 vs. FY2014 (Cont'd.)

Derivatives Market

The Derivatives Market recorded a segment profit of RM51.2 million in FY2015, an increase of 25.5 per cent compared to RM40.8 million in FY2014 due to higher trading volume.

(i) Operating Revenue

The Derivatives Market operating revenue for FY2015 was at RM100.0 million, representing an increase of 16.6 per cent compared to RM85.8 million in FY2014. The year-on-year movement in revenue components is shown in the chart below:



- > Trading revenue increased by 22.0 per cent to RM86.1 million in FY2015 compared to FY2014 as a result of higher number of contracts traded. 14.06 million contracts were traded in FY2015 compared to 12.46 million contracts in FY2014.
- > Market data revenue increased by 10.3 per cent to RM7.8 million in FY2015 compared to FY2014 mainly attributable to higher number of subscribers.
- > Member services and connectivity revenue decreased by 85.8 per cent to RM0.3 million in FY2015 compared to FY2014 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:

		FY2015	FY2014	%
FCPO contracts	(million)	10.99	10.16	8
FKLI contracts	(million)	3.02	2.17	39
Other contracts	(million)	0.05	0.13	-62
Total	(million)	14.06	12.46	13
Daily average contracts		57,157	50,654	13
Average number of open interests		233,191	244,517	-5

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

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(b) FY2015 vs. FY2014 (Cont'd.)

Derivatives Market (Cont'd.)

(ii) Operating Expenses

Segment expenses increased by 4.9 per cent to RM50.9 million in FY2015 compared to RM48.6 million in FY2014. The increase was mainly due to higher service fees incurred as a result of an increase in trading volumes in FY2015. 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 was fairly constant at RM8.9 million in FY2015 compared to FY2014.

Others

The Others segment is made up of BSAS business, bonds trading and offshore exchange. The Others segment profit increased by 120.3 per cent to RM11.8 million in FY2015 from RM5.4 million in FY2014 due to higher trades on BSAS resulting from higher conversion of deposits to Murabaha, as well as increasing usage of BSAS since the introduction of tenor based pricing in January 2015.

Overheads

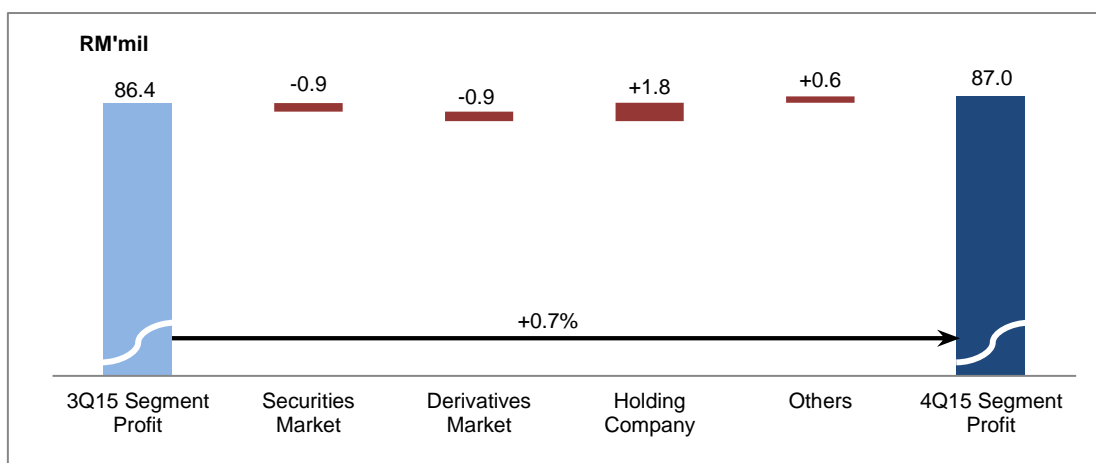
Overheads increased by 2.0 per cent to RM61.1 million in FY2015 compared to FY2014 mainly due to higher information technology maintenance expenses incurred in FY2015.

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 4Q15 was RM70.6 million, a decrease of 1.9 per cent from RM71.9 million in the quarter ended 30 September 2015 (3Q15). PBT is made up of segment profits less overheads.

Total segment profit for 4Q15 was RM87.0 million, an increase of 0.7 per cent from RM86.4 million in 3Q15. The quarter on quarter movements in the segment profits are depicted in the graph below:

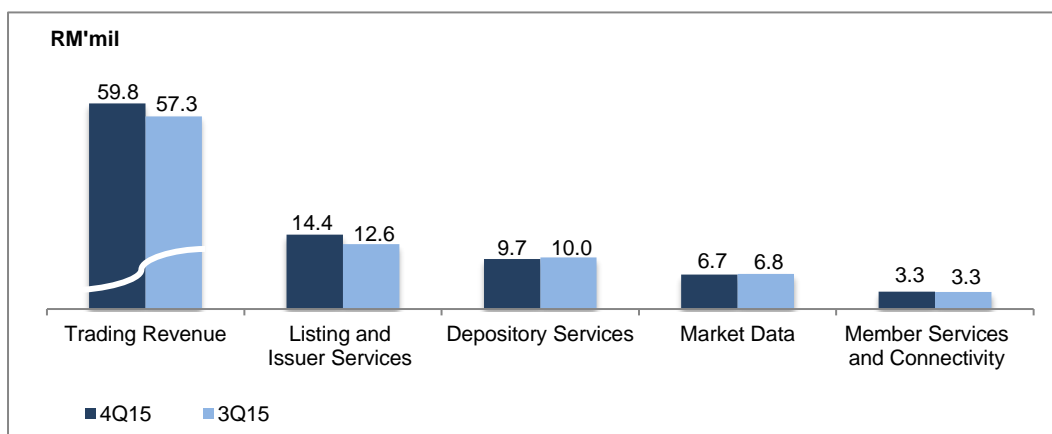


Securities Market

The Securities Market recorded a segment profit of RM71.4 million in 4Q15, a decrease of 1.2 per cent compared to RM72.3 million in 3Q15. The lower profit in 4Q15 was mainly a result of higher operating expenses compared to 3Q15.

(i) Operating Revenue

The Securities Market operating revenue for 4Q15 was RM93.9 million, representing an increase of 4.3 per cent compared to RM90.0 million in 3Q15. The details by revenue category is 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 4.3 per cent to RM59.8 million in 4Q15 compared to 3Q15 mainly due to higher ADV for OMT and DBT of RM2.15 billion compared to RM2.01 billion in 3Q15.
- > Listing and issuer services revenue increased by 14.3 per cent to RM14.4 million in 4Q15 compared to 3Q15. The increase was mainly due to higher additional and initial listing fees earned from higher number of corporate exercises and new structure warrants listings in 4Q15 respectively.

Key operating drivers in the Securities Market are as follows:

		4Q15	3Q15	%
FBM KLCI	(points)	1,692.51	1,621.04	4
Average daily trading value (OMT and DBT)	(RM'billion)	2.15	2.01	7
Average daily trading volume (OMT and DBT)	(billion)	2.23	1.90	17
Effective clearing fee rate	(basis points)	2.34	2.38	-2
Velocity	(per cent)	30	29	3
Number of IPOs		2	4	-
Number of new structured warrant listings		166	149	11
Total funds raised:				
- IPOs	(RM'billion)	0.42	0.87	-52
- Secondary issues	(RM'billion)	7.75	1.23	530
Market capitalisation at end of period	(RM'billion)	1,695.15	1,597.35	6

(ii) Operating Expenses

Segment expenses increased by 22.6 per cent to RM25.6 million in 4Q15 compared to 3Q15 mainly due to higher staff costs and more marketing and development activities in 4Q15.

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

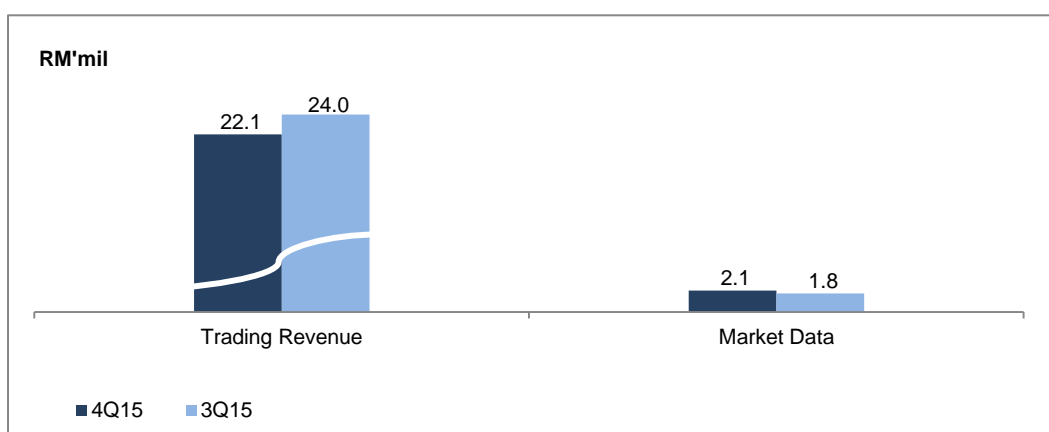
23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER (CONT'D.)

Derivatives Market

The Derivatives Market recorded a segment profit of RM12.7 million for 4Q15, a decrease of 6.9 per cent compared to RM13.7 in 3Q15 due to lower trading volume.

(i) Operating Revenue

The Derivatives Market operating revenue for 4Q15 was RM24.2 million, representing a decrease of 6.1 per cent compared to RM25.8 million in 3Q15. The decrease was mainly from trading revenue, as shown in the chart below:



- > Trading revenue decreased by 7.7 per cent to RM22.1 million from RM24.0 million as a result of lower number of contracts traded. 3.47 million contracts were traded in 4Q15 compared to 3.84 million contracts in 3Q15.

Key operating drivers in the Derivatives Market are as follows:

		4Q15	3Q15	%
FCPO contracts	(million)	2.72	2.82	-4
FKLI contracts	(million)	0.75	1.00	-25
Other contracts	(million)	-	0.02	-100
Total	(million)	3.47	3.84	-10
Daily average contracts		55,985	61,954	-10
Average number of open interests		239,749	251,293	-5

(ii) Operating Expenses

Segment expenses decreased by 4.2 per cent to RM12.1 million in 4Q15 compared to 3Q15. The decrease was mainly due to lower service fees incurred as a result of lower trading volumes in 4Q15. However, the decrease was offset by higher staff costs in 4Q15.

**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 segment loss decreased by 68.4 per cent to RM0.8 million in 4Q15 compared to 3Q15 due to higher dividend income earned.

Others

The Others segment is made up of BSAS business, bonds trading and offshore exchange. The Others segment profit increased by 20.9 per cent to RM3.7 million in 4Q15 from RM3.1 million in 3Q15 was mainly due to the increasing use of BSAS since the introduction of tenor based pricing in January 2015.

Overheads

Overheads increased by 13.5 per cent to RM16.5 million in 4Q15 compared to RM14.5 million in 3Q15 mainly due to higher information technology maintenance expenses incurred in 4Q15.

24. COMMENTARY ON PROSPECTS AND TARGETS

The economic outlook for 2016 will continue to remain uncertain and challenging. The global economic developments particularly in China, Europe and the United States of America, as well as the continued weak commodity prices together with the performance of the Malaysian Ringgit will have an impact on the Malaysian economy. Global growth in 2016 is projected to increase slightly to 3.4% from 3.1%¹ in 2015, whilst the Malaysian economic growth is expected to be between 4.0% to 4.5%² in 2016.

We expect the market outlook for 2016 to remain challenging, and market volatility to continue, with global and domestic factors such as policy statements, overall financial results of the public listed companies and strength of the Malaysian Ringgit continuing to affect market performance. Foreign and domestic institutions will continue to be major market contributors, whilst the Exchange will continue to intensify initiatives to attract retail players into the market. Volatility in commodity prices and FBM KLCI will further spur activities in our Derivatives Market, whilst adoption of Murabaha contracts in the domestic market for liquidity management, and tenor based pricing, will continue to encourage Bursa Suq Al- Sila' (BSAS) transactions.

Notwithstanding the global economic uncertainty, we remain focused in developing our markets and products offered, as well as intensifying our outreach activities, whilst managing expenses, to facilitate a sustainable performance.

¹ Source: International Monetary Fund - World Economic Outlook update, January 2016.

² Source: Malaysian 2016 Budget Recalibration.

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

25. INCOME TAX EXPENSE

RM'000	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Income tax				
- Current provision	19,640	19,296	75,867	74,844
- (Over)/under provision of tax in prior year	-	-	(281)	70
	19,640	19,296	75,586	74,914
Deferred tax				
- Relating to origination and reversal of temporary differences	(2,539)	(3,525)	(3,587)	(5,258)
- Relating to reduction in Malaysian income tax rate	823	(918)	823	(918)
- Over provision of tax in prior year	-	-	(501)	(1,001)
	(1,716)	(4,443)	(3,265)	(7,177)
Total income tax expense	17,924	14,853	72,321	67,737

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
	31.12.2015	31.12.2014
Realised	332,389	315,853
Unrealised	1,018	(3,893)
	333,407	311,960
Consolidation adjustments	(14,582)	(6,742)
Total retained earnings	318,825	305,218

27. CORPORATE PROPOSALS

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

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

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.

30. PROPOSED DIVIDENDS

At the forthcoming Annual General Meeting, a final dividend under the single-tier system in respect of the financial year ended 31 December 2015 of 18.0 sen per share on 534,615,000 ordinary shares, amounting to a dividend payable of approximately RM96,231,000 will be proposed for shareholders' approval.

31. EPS

(a) Basic EPS

	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Profit attributable to the owners of the Company (RM'000)	50,603	53,139	198,613	198,226
Weighted average number of ordinary shares in issue ('000)	534,614	533,520	534,105	533,114
Basic EPS (sen)	9.5	10.0	37.2	37.2

(b) Diluted EPS

	3 months ended		12 months ended	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
Profit attributable to owners of the Company (RM'000)	50,603	53,139	198,613	198,226
Weighted average number of ordinary shares in issue ('000)	534,614	533,520	534,105	533,114
Effect of dilution ('000)	2,784	2,433	2,588	2,209
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	537,398	535,953	536,693	535,323
Diluted EPS (sen)	9.4	9.9	37.0	37.0

**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 unmodified.

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 each of the four quarters ended 31 March 2015, 30 June 2015, 30 September 2015 and 31 December 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 has come to their attention to cause them to believe that the said condensed consolidated financial statements were 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 consolidated financial statements were authorised for issue by the Board in accordance with a resolution of the Directors on 2 February 2016.