



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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2009**

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

**CONSOLIDATED INCOME STATEMENT**  
**FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2009**

| RM'000  | Note  | 3 months ended |               | 6 months ended |               |
|---|-------|----------------|---------------|----------------|---------------|
|   |       | 30.06.2009     | 30.06.2008    | 30.06.2009     | 30.06.2008    |
|   |       | Unaudited      | Unaudited     | Unaudited      | Unaudited     |
| Operating revenue   | 9     | 86,800         | 77,527        | 141,208        | 168,503       |
| Other income  | 10    | 7,779          | 8,145         | 17,523         | 18,425        |
|   |       | 94,579         | 85,672        | 158,731        | 186,928       |
| Staff costs   |       | (20,724)       | (20,540)      | (39,509)       | (43,100)      |
| Depreciation and amortisation   |       | (9,062)        | (4,807)       | (18,299)       | (9,313)       |
| Other operating expenses  | 11    | (16,297)       | (21,142)      | (30,443)       | (37,869)      |
| Profit from operations  |       | 48,496         | 39,183        | 70,480         | 96,646        |
| Finance costs   |       | (157)          | (158)         | (310)          | (315)         |
| Profit before tax   |       | 48,339         | 39,025        | 70,170         | 96,331        |
| Income tax expense  | 25    | (13,317)       | (10,386)      | (19,648)       | (25,621)      |
| <b>Profit for the period attributable to equity holders of the Company</b>    |       | <b>35,022</b>  | <b>28,639</b> | <b>50,522</b>  | <b>70,710</b> |
| Earnings per share (EPS) attributable to equity holders of the Company (sen): |       |                |               |                |               |
| <b>Basic EPS</b>  | 33(a) | <b>6.7</b>     | <b>5.5</b>    | <b>9.6</b>     | <b>13.5</b>   |
| <b>Diluted EPS</b>  | 33(b) | <b>6.4</b>     | <b>5.2</b>    | <b>9.2</b>     | <b>12.8</b>   |

*The above consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.*

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

**CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2009**

| RM'000   | Note | As at<br>30.06.2009<br>Unaudited | As at<br>31.12.2008<br>Audited |
|--|------|----------------------------------|--------------------------------|
| <b>ASSETS</b>  |      |                                  |                                |
| Property, plant and equipment  |      | 247,328                          | 253,722                        |
| Computer software  |      | 98,018                           | 91,828                         |
| Goodwill   |      | 44,720                           | 44,720                         |
| Other investments  |      | 57,643                           | 47,200                         |
| Staff loans receivable   |      | 19,309                           | 20,578                         |
| Deferred tax assets  |      | 4,870                            | 6,357                          |
| <b>Non-current Assets</b>  |      | <b>471,888</b>                   | <b>464,405</b>                 |
| Trade receivables  |      | 32,329                           | 15,496                         |
| Other receivables  |      | 13,547                           | 11,598                         |
| Tax recoverable  |      | 16,809                           | 21,203                         |
| Short term investments   | 13   | 108,120                          | 72,857                         |
| Cash collected from Clearing Participants (CPs) and Trading Clearing Participants (TCPs) | 16   | 669,980                          | 861,500                        |
| Cash and bank balances   |      | 272,816                          | 282,805                        |
| <b>Current Assets</b>  |      | <b>1,113,601</b>                 | <b>1,265,459</b>               |
| <b>TOTAL ASSETS</b>  |      | <b>1,585,489</b>                 | <b>1,729,864</b>               |
| <b>EQUITY AND LIABILITIES</b>  |      |                                  |                                |
| Share capital  |      | 263,515                          | 262,943                        |
| Share premium  |      | 74,370                           | 70,736                         |
| Other reserves   |      | 53,994                           | 54,690                         |
| Retained earnings  |      | 363,640                          | 343,886                        |
| <b>Equity Attributable to Equity Holders of the Company</b>                              |      | <b>755,519</b>                   | <b>732,255</b>                 |
| Retirement benefit obligations   |      | 23,434                           | 22,940                         |
| Deferred income  | 14   | 13,065                           | 11,617                         |
| Deferred tax liabilities   |      | 19,556                           | 16,179                         |
| <b>Non-current Liabilities</b>   |      | <b>56,055</b>                    | <b>50,736</b>                  |
| Trade payables   | 16   | 637,833                          | 827,755                        |
| CPs' and TCPs' contributions to Clearing Funds   | 16   | 32,147                           | 33,745                         |
| Other payables   |      | 97,684                           | 79,728                         |
| Tax payable  |      | 6,032                            | 5,426                          |
| Short term borrowings  |      | 219                              | 219                            |
| <b>Current Liabilities</b>   |      | <b>773,915</b>                   | <b>946,873</b>                 |
| <b>Total Liabilities</b>   |      | <b>829,970</b>                   | <b>997,609</b>                 |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |      | <b>1,585,489</b>                 | <b>1,729,864</b>               |
| <b>Net assets per share attributable to equity holders of the Company (RM)</b>           |      | <b>1.43</b>                      | <b>1.39</b>                    |

*The above consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.*

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2009**

| RM'000   | Attributable to equity holders of the Company |               |                 |                            |                                   |                      |                        |                   | Minority interest | Total equity |                |
|--|---|---------------|-----------------|----------------------------|-----------------------------------|----------------------|------------------------|-------------------|-------------------|--------------|----------------|
|  | Non-distributable                             |               |                 |                            | Distributable                     |                      |                        |                   |                   |              |                |
|  | Share capital                                 | Share premium | Capital reserve | Capital redemption reserve | Foreign currency exchange reserve | Share option reserve | Clearing Fund reserves | Retained earnings |                   |              | Total          |
| <b>At 1 January 2008</b>   | 261,825                                       | 65,254        | 13,500          | 5,250                      | (933)                             | 4,563                | 30,000                 | 400,770           | 780,229           | *            | 780,229        |
| Issuance of ordinary shares pursuant to ESOS   | 825   | 4,197         | -               | -                          | -                                 | (886)                | -                      | -                 | 4,136             | -            | 4,136          |
| Issuance of preference share by a subsidiary   | -   | -             | 200             | -                          | -                                 | -                    | -                      | -                 | 200               | **           | 200            |
| Foreign currency translation, representing net expense recognised directly in equity | -   | -             | -               | -                          | (95)                              | -                    | -                      | -                 | (95)              | -            | (95)           |
| Share options granted under ESOS, net of options lapsed during the period            | -   | -             | -               | -                          | -                                 | 2,208                | -                      | -                 | 2,208             | -            | 2,208          |
| Dividends paid   | -   | -             | -               | -                          | -                                 | -                    | -                      | (97,136)          | (97,136)          | -            | (97,136)       |
| Profit for the period  | -   | -             | -               | -                          | -                                 | -                    | -                      | 70,710            | 70,710            | -            | 70,710         |
| <b>At 30 June 2008</b>   | <b>262,650</b>                                | <b>69,451</b> | <b>13,700</b>   | <b>5,250</b>               | <b>(1,028)</b>                    | <b>5,885</b>         | <b>30,000</b>          | <b>374,344</b>    | <b>760,252</b>    | <b>***</b>   | <b>760,252</b> |

Note a

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 2009 (CONTD.)**

| RM'000  | Attributable to equity holders of the Company |               |                 |                            |                                   |                      |                        |                   | Minority interest | Total equity |                |
|---|---|---------------|-----------------|----------------------------|-----------------------------------|----------------------|------------------------|-------------------|-------------------|--------------|----------------|
|   | Non-distributable                             |               |                 |                            | Distributable                     |                      |                        |                   |                   |              |                |
|   | Share capital                                 | Share premium | Capital reserve | Capital redemption reserve | Foreign currency exchange reserve | Share option reserve | Clearing Fund reserves | Retained earnings |                   |              | Total          |
| <b>At 1 January 2009</b>  | 262,943                                       | 70,736        | 13,700          | 5,250                      | (629)                             | 6,369                | 30,000                 | 343,886           | 732,255           | ***          | 732,255        |
| Issuance of ordinary shares pursuant to ESOS  | 572   | 3,634         | -               | -                          | -                                 | (732)                | -                      | -                 | 3,474             | -            | 3,474          |
| Foreign currency translation, representing net income recognised directly in equity | -   | -             | -               | -                          | 107                               | -                    | -                      | -                 | 107               | -            | 107            |
| Share options granted under ESOS, net of options lapsed during the period           | -   | -             | -               | -                          | -                                 | (71)                 | -                      | -                 | (71)              | -            | (71)           |
| Dividends paid  | -   | -             | -               | -                          | -                                 | -                    | -                      | (30,768)          | (30,768)          | -            | (30,768)       |
| Profit for the period   | -   | -             | -               | -                          | -                                 | -                    | -                      | 50,522            | 50,522            | -            | 50,522         |
| <b>At 30 June 2009</b>  | <b>263,515</b>                                | <b>74,370</b> | <b>13,700</b>   | <b>5,250</b>               | <b>(522)</b>                      | <b>5,566</b>         | <b>30,000</b>          | <b>363,640</b>    | <b>755,519</b>    | <b>***</b>   | <b>755,519</b> |

Note a

**Note a**

Minority interest of the Group relates to subscriptions in the non-cumulative preference shares of RM1 each in Bursa Malaysia Derivatives Berhad (Bursa Malaysia Derivatives), a wholly-owned subsidiary, for registration as Trading Participants, at a subscription price determined by Bursa Malaysia Derivatives. The preference shareholders are not entitled to a refund of any part of the premium paid for the preference shares.

\* Denotes RM82

\*\* Denotes RM1

\*\*\* Denotes RM83

*The above consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.*

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2009**

| <b>RM'000</b>   | <b>6 months ended</b> |                   |
|---|-----------------------|-------------------|
|   | <b>30.06.2009</b>     | <b>30.06.2008</b> |
|   | <b>Unaudited</b>      | <b>Unaudited</b>  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                               |                       |                   |
| Profit before tax   | 70,170                | 96,331            |
| Adjustments for:  |                       |                   |
| Amortisation of premium less accretion of discount                        | 104                   | (76)              |
| Depreciation and amortisation   | 18,299                | 9,313             |
| Grant released  | (804)                 | (406)             |
| Increase in retirement benefit obligation                                 | 755                   | 1,302             |
| Interest expense  | -                     | 5                 |
| Interest income   | (7,928)               | (10,936)          |
| Net gain on disposal of investments                                       | (159)                 | (26)              |
| Net gain on disposal of property, plant and equipment                     | -                     | (34)              |
| Net (reversal of) / impairment loss on investments                        | (1,062)               | 3,545             |
| Net reversal of provision for bad and doubtful debts                      | (212)                 | (280)             |
| Provision for short term accumulating compensated unutilised leave        | 96                    | 155               |
| Share options granted under ESOS, net of options lapsed during the period | (71)                  | 2,208             |
| Operating profit before working capital changes                           | 79,188                | 101,101           |
| (Increase) / decrease in receivables                                      | (15,290)              | 3,890             |
| Increase in other payables  | 15,898                | 5,516             |
| Cash generated from operations  | 79,796                | 110,507           |
| Retirement benefits paid  | (261)                 | (306)             |
| Interest paid   | -                     | (5)               |
| Taxes paid net of refund  | (12,143)              | (49,181)          |
| <b>Net cash generated from operating activities</b>                       | <b>67,392</b>         | <b>61,015</b>     |

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

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2009 (CONTD.)**

| RM'000  | 6 months ended  |                 |
|---|-----------------|-----------------|
|   | 30.06.2009      | 30.06.2008      |
|   | Unaudited       | Unaudited       |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                 |                 |
| Interest received   | 8,428           | 10,030          |
| Purchases of investments, net of proceeds   | (44,645)        | 13,560          |
| Purchases of property, plant and equipment and computer software, net of proceeds         | (16,139)        | (17,296)        |
| Staff loans repaid, net of disbursements  | 2,160           | 2,201           |
| <b>Net cash (used in) / generated from investing activities</b>                           | <b>(50,196)</b> | <b>8,495</b>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |                 |                 |
| Dividends paid (Note 8)   | (30,768)        | (97,136)        |
| Drawdown of revolving credit  | -               | 250             |
| Preference shares issued by a subsidiary  | -               | 200             |
| Proceeds from exercise of ESOS  | 3,474           | 4,136           |
| <b>Net cash used in financing activities</b>  | <b>(27,294)</b> | <b>(92,550)</b> |
| <b>Net decrease in cash and cash equivalents</b>  | <b>(10,098)</b> | <b>(23,040)</b> |
| Effects of exchange rate changes  | 109             | (99)            |
| Cash and cash equivalents at beginning of year  | 282,805         | 307,399         |
| <b>Cash and cash equivalents at end of year</b>   | <b>272,816</b>  | <b>284,260</b>  |
| <b>COMPOSITION OF CASH AND CASH EQUIVALENTS</b>   |                 |                 |
| Short term deposits   | 254,180         | 203,952         |
| Cash and bank balances  | 18,636          | 80,308          |
| <b>Cash and cash equivalents at end of year</b> <span style="float: right;">Note A</span> | <b>272,816</b>  | <b>284,260</b>  |

*The above consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.*

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

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2009 (CONTD.)**

**NOTE A**

Included in cash and cash equivalents as at balance sheet date are the following:

- (i) Cash set aside for the following Clearing Funds:

| <b>RM'000</b>   | <b>As at<br/>30.06.2009</b> | <b>As at<br/>30.06.2008</b> |
|---|-----------------------------|-----------------------------|
| Bursa Malaysia Securities Clearing Sdn. Bhd.'s<br>(Bursa Malaysia Securities Clearing) contribution<br>to the Clearing Guarantee Fund (CGF)   | 25,000                      | 25,000                      |
| Bursa Malaysia Derivatives Clearing Berhad's<br>(Bursa Malaysia Derivatives Clearing) appropriation<br>to the Derivatives Clearing Fund (DCF) | 5,000                       | 5,000                       |
|   | <b>30,000</b>               | <b>30,000</b>               |

- (ii) Cash set aside to meet or secure the claims of creditors and certain lease payments pursuant to the High Court orders issued in relation to reduction in capital of:

| <b>RM'000</b>                         | <b>High Court<br/>Order dated</b> | <b>As at<br/>30.06.2009</b> | <b>As at<br/>30.06.2008</b> |
|---------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Bursa Malaysia Berhad                 | 27 January 2005                   | 8,966                       | 9,550                       |
| Bursa Malaysia Securities<br>Clearing | 30 August 2007                    | -                           | 738                         |
|                                       |                                   | <b>8,966</b>                | <b>10,288</b>               |



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

**1. BASIS OF PREPARATION**

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008. These explanatory notes attached to the interim financial statements 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 year ended 31 December 2008.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008.

At the date of authorisation of these interim financial statements, the following FRSs and Interpretations were issued but not yet effective and have not been applied by the Group:

| <b>FRSs and Interpretations</b>   | <b>Effective for financial periods beginning on or after</b> |
|---|--|
| FRS 4 Insurance Contracts   | 1 January 2010   |
| FRS 7 Financial Instruments: Disclosures  | 1 January 2010   |
| FRS 8 Operating Segments  | 1 July 2009  |
| FRS 123 Borrowing Costs   | 1 January 2010   |
| FRS 139 Financial Instruments: Recognition and Measurement  | 1 January 2010   |
| Amendments to FRS 1 First-time Adoption of Financial Reporting Standards  | 1 January 2010   |
| Amendments to FRS 2 Share-based Payment: Vesting Conditions and Cancellations   | 1 January 2010   |
| Amendments to FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate | 1 January 2010   |
| IC Interpretation 9 Reassessment of Embedded Derivatives  | 1 January 2010   |
| IC Interpretation 10 Interim Financial Reporting and Impairment   | 1 January 2010   |
| IC Interpretation 11 FRS 2 - Group and Treasury Share Transactions  | 1 January 2010   |
| IC Interpretation 13 Customer Loyalty Programmes  | 1 January 2010   |
| IC Interpretation 14 FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction                             | 1 January 2010   |

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

**2. SIGNIFICANT ACCOUNTING POLICIES (CONTD.)**

The adoption of the FRSs and Interpretations upon their effective dates are not expected to have any significant impact on the interim financial statements of the Group. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon its initial application of FRS139.

**3. COMPARATIVES**

The following comparative amounts for haircut on interest earned from participants' contributions and collaterals and Securities Borrowing and Lending (SBL) income have been reclassified:

| <b>RM'000</b>                    | <b>Previously<br/>stated</b> | <b>Reclassification</b> | <b>After<br/>reclassification</b> |
|----------------------------------|------------------------------|-------------------------|-----------------------------------|
| <b>3 months ended 30.06.2008</b> |                              |                         |                                   |
| Operating revenue                | 75,206                       | 2,321                   | 77,527                            |
| Other income                     | 10,466                       | (2,321)                 | 8,145                             |
| <b>6 months ended 30.06.2008</b> |                              |                         |                                   |
| Operating revenue                | 164,092                      | 4,411                   | 168,503                           |
| Other income                     | 22,836                       | (4,411)                 | 18,425                            |

The following opening balances for cash collected from CPs and TCPs have been reclassified:

| <b>RM'000</b>                                  | <b>Previously<br/>stated</b> | <b>Reclassification</b> | <b>After<br/>reclassification</b> |
|--|------------------------------|-------------------------|-----------------------------------|
| <b>At 31.12.2008</b>                           |                              |                         |                                   |
| Cash and bank balances                         | 1,144,305                    | (861,500)               | 282,805                           |
| Cash collected from CPs and TCPs               | -                            | 861,500                 | 861,500                           |
| TCPs' contributions to CGF                     | 10,012                       | (10,012)                | -                                 |
| CPs' contributions to DCF                      | 23,733                       | (23,733)                | -                                 |
| CPs' and TCPs' contributions to Clearing Funds | -                            | 33,745                  | 33,745                            |

**4. 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 market.

**5. 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 current quarter and financial year-to-date.

**6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There were no changes in estimates that have had any material effect on the current quarter and financial year-to-date results.

**7. DEBT AND EQUITY SECURITIES**

There were no issuances, repurchases and repayments of debt and equity securities during the financial year-to-date ended 30 June 2009 other than the issuance of 1,143,000 new ordinary shares of RM0.50 each pursuant to the exercise of the ESOS at the following option prices:

|                      |        |      |      |      |      |      |      |
|----------------------|--------|------|------|------|------|------|------|
| Exercise price       | (RM)   | 2.06 | 2.56 | 3.41 | 4.10 | 4.50 | 4.86 |
| No. of shares issued | ('000) | 590  | 13   | 23   | 457  | 50   | 10   |

**8. DIVIDENDS PAID**

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

|   | <b>30.06.2009</b>                    | <b>30.06.2008</b>                     |
|---|--------------------------------------|---------------------------------------|
| Final dividend for the financial year                         | 31 December 2008                     | 31 December 2007                      |
| Approved and declared on                                      | 2 April 2009                         | 3 April 2008                          |
| Date paid   | 4 May 2009                           | 30 April 2008                         |
| Number of ordinary shares on which dividends were paid ('000) | 525,927                              | 525,061                               |
| Amount per share  | 7.8 sen less<br>25 per cent taxation | 25.0 sen less<br>26 per cent taxation |
| Net dividend paid (RM'000)                                    | 30,768                               | 97,136                                |

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

**9. OPERATING REVENUE**

| RM'000                                      | 3 months ended |               | 6 months ended |                |
|---|----------------|---------------|----------------|----------------|
|   | 30.06.2009     | 30.06.2008    | 30.06.2009     | 30.06.2008     |
| Equities clearing fees                      | 40,573         | 29,487        | 56,234         | 69,980         |
| Equities trade fees                         | 4,871          | 3,737         | 6,757          | 9,268          |
| Institutional Settlement Service (ISS) fees | 2,320          | 2,480         | 4,215          | 5,221          |
| Buying-in commissions                       | 120            | 193           | 159            | 373            |
| Trading revenue from securities market      | 47,884         | 35,897        | 67,365         | 84,842         |
| Derivatives clearing fees                   | 2,618          | 2,010         | 4,588          | 4,668          |
| Derivatives trade fees                      | 7,893          | 6,458         | 13,914         | 14,869         |
| Guarantee / tender fees                     | 1,184          | 1,370         | 2,548          | 2,483          |
| Trading revenue from derivatives market     | 11,695         | 9,838         | 21,050         | 22,020         |
| <b>Total trading revenue</b>                | <b>59,579</b>  | <b>45,735</b> | <b>88,415</b>  | <b>106,862</b> |
| Listing fees                                | 7,489          | 9,563         | 14,946         | 19,082         |
| Depository services                         | 6,391          | 7,021         | 11,975         | 13,896         |
| Information services                        | 6,318          | 6,349         | 12,601         | 12,223         |
| Broker services                             | 2,645          | 3,469         | 5,351          | 6,874          |
| Participants' fees                          | 679            | 751           | 1,366          | 1,453          |
| <b>Total stable revenue</b>                 | <b>23,522</b>  | <b>27,153</b> | <b>46,239</b>  | <b>53,528</b>  |
| <b>Other operating income</b>               | <b>3,699</b>   | <b>4,639</b>  | <b>6,554</b>   | <b>8,113</b>   |
| <b>Total operating revenue</b>              | <b>86,800</b>  | <b>77,527</b> | <b>141,208</b> | <b>168,503</b> |

**10. OTHER INCOME**

| RM'000  | 3 months ended |              | 6 months ended |               |
|---|----------------|--------------|----------------|---------------|
|   | 30.06.2009     | 30.06.2008   | 30.06.2009     | 30.06.2008    |
| Conference fees and exhibition related income         | 8              | 598          | 3,183          | 3,638         |
| Fines income  | 1,712          | 162          | 1,999          | 414           |
| Interest income                                       | 3,783          | 5,289        | 7,928          | 10,936        |
| Net gain on disposal of investments                   | 159            | 64           | 159            | 26            |
| Net gain on disposal of property, plant and equipment | -              | 34           | -              | 34            |
| Rental income   | 1,341          | 1,102        | 2,689          | 2,117         |
| Miscellaneous income                                  | 776            | 896          | 1,565          | 1,260         |
| <b>Total other income</b>                             | <b>7,779</b>   | <b>8,145</b> | <b>17,523</b>  | <b>18,425</b> |

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

**11. OTHER OPERATING EXPENSES**

| <b>RM'000</b>   | <b>3 months ended</b> |                   | <b>6 months ended</b> |                   |
|---|-----------------------|-------------------|-----------------------|-------------------|
|   | <b>30.06.2009</b>     | <b>30.06.2008</b> | <b>30.06.2009</b>     | <b>30.06.2008</b> |
| Market development and promotions                             | 1,223                 | 3,999             | 2,352                 | 7,479             |
| Information technology (IT) upkeep and maintenance            | 4,470                 | 3,923             | 7,470                 | 7,580             |
| Professional fees   | 3,972                 | 2,948             | 6,424                 | 4,137             |
| Administrative expenses                                       | 2,440                 | 2,287             | 4,608                 | 4,285             |
| Building management costs                                     | 2,559                 | 2,509             | 5,003                 | 4,732             |
| CDS consumables   | 596                   | 666               | 1,222                 | 1,349             |
| Conference and exhibition related expenses                    | 50                    | 43                | 2,636                 | 2,536             |
| Net impairment loss / (reversal of) impairment on investments | 8                     | 3,732             | (1,062)               | 3,545             |
| Miscellaneous expenses  | 979                   | 1,035             | 1,790                 | 2,226             |
| <b>Total other operating expenses</b>                         | <b>16,297</b>         | <b>21,142</b>     | <b>30,443</b>         | <b>37,869</b>     |

**12. SEGMENTAL INFORMATION**

Segmental information is provided in two formats, one based on market segments and the other based on business segments. Expenses, assets and liabilities which are common and cannot be meaningfully allocated to the segments are presented under unallocated expenses, assets and liabilities, respectively.

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

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

**12. SEGMENTAL INFORMATION (CONTD.)**

**(a) Market Segments**

| RM'000   | Securities<br>market | Derivatives<br>market | Offshore<br>market | Information<br>services | Exchange<br>holding | Others         | Elimination        | Consolidated       |
|--|----------------------|-----------------------|--------------------|-------------------------|---------------------|----------------|--------------------|--------------------|
| <b>RESULTS FOR 3 MONTHS<br/>ENDED 30 JUNE 2009</b> |                      |                       |                    |                         |                     |                |                    |                    |
| External operating revenue                         | 66,467               | 13,920                | 71                 | 6,195                   | -                   | 147            | -                  | 86,800             |
| Inter-segment revenue                              | 154                  | -                     | -                  | 235                     | 63,500              | -              | (63,889)           | -                  |
| Total operating revenue                            | 66,621               | 13,920                | 71                 | 6,430                   | 63,500              | 147            | (63,889)           | 86,800             |
| Other income                                       | 3,352                | 741                   | 23                 | 21                      | 3,283               | 359            | -                  | 7,779              |
| Operating expenses                                 | 69,973<br>(30,869)   | 14,661<br>(5,716)     | 94<br>(137)        | 6,451<br>(2,643)        | 66,783<br>(41,305)  | 506<br>(1,885) | (63,889)<br>37,708 | 94,579<br>(44,847) |
| <b>Segment results</b>                             | <b>39,104</b>        | <b>8,945</b>          | <b>(43)</b>        | <b>3,808</b>            | <b>25,478</b>       | <b>(1,379)</b> | <b>(26,181)</b>    | <b>49,732</b>      |
| <b>Segment margins</b>                             | <b>56%</b>           | <b>61%</b>            | <b>-46%</b>        | <b>59%</b>              |                     |                |                    |                    |
| Corporate expenses                                 |                      |                       |                    |                         |                     |                |                    | (1,236)            |
| Finance costs                                      |                      |                       |                    |                         |                     |                |                    | (157)              |
| <b>Profit before tax</b>                           |                      |                       |                    |                         |                     |                |                    | <b>48,339</b>      |
| <b>RESULTS FOR 3 MONTHS<br/>ENDED 30 JUNE 2008</b> |                      |                       |                    |                         |                     |                |                    |                    |
| External operating revenue                         | 58,813               | 12,232                | 70                 | 6,258                   | -                   | 154            | -                  | 77,527             |
| Inter-segment revenue                              | 152                  | -                     | -                  | 243                     | 89,226              | -              | (89,621)           | -                  |
| Total operating revenue                            | 58,965               | 12,232                | 70                 | 6,501                   | 89,226              | 154            | (89,621)           | 77,527             |
| Other income                                       | 2,731                | 811                   | 28                 | 34                      | 4,093               | 406            | 42                 | 8,145              |
| Operating expenses                                 | 61,696<br>(31,816)   | 13,043<br>(6,815)     | 98<br>(133)        | 6,535<br>(3,104)        | 93,319<br>(42,609)  | 560<br>(518)   | (89,579)<br>39,742 | 85,672<br>(45,253) |
| <b>Segment results</b>                             | <b>29,880</b>        | <b>6,228</b>          | <b>(35)</b>        | <b>3,431</b>            | <b>50,710</b>       | <b>42</b>      | <b>(49,837)</b>    | <b>40,419</b>      |
| <b>Segment margins</b>                             | <b>48%</b>           | <b>48%</b>            | <b>-36%</b>        | <b>53%</b>              |                     |                |                    |                    |
| Corporate expenses                                 |                      |                       |                    |                         |                     |                |                    | (1,236)            |
| Finance costs                                      |                      |                       |                    |                         |                     |                |                    | (158)              |
| <b>Profit before tax</b>                           |                      |                       |                    |                         |                     |                |                    | <b>39,025</b>      |

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

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

**12. SEGMENTAL INFORMATION (CONTD.)**

**(a) Market Segments (Contd.)**

| RM'000   | Securities<br>market | Derivatives<br>market | Offshore<br>market | Information<br>services | Exchange<br>holding | Others         | Elimination      | Consolidated  |
|--|----------------------|-----------------------|--------------------|-------------------------|---------------------|----------------|------------------|---------------|
| <b>RESULTS FOR 6 MONTHS ENDED 30 JUNE 2009</b> |                      |                       |                    |                         |                     |                |                  |               |
| External operating revenue                     | 102,941              | 25,516                | 143                | 12,312                  | -                   | 296            | -                | 141,208       |
| Inter-segment revenue                          | 281                  | -                     | -                  | 474                     | 101,255             | -              | (102,010)        | -             |
| Total operating revenue                        | 103,222              | 25,516                | 143                | 12,786                  | 101,255             | 296            | (102,010)        | 141,208       |
| Other income                                   | 5,342                | 1,553                 | 40                 | 44                      | 9,822               | 722            | -                | 17,523        |
| Operating expenses                             | 108,564              | 27,069                | 183                | 12,830                  | 111,077             | 1,018          | (102,010)        | 158,731       |
|  | (61,501)             | (11,544)              | (289)              | (5,165)                 | (80,311)            | (2,948)        | 75,829           | (85,929)      |
| <b>Segment results</b>                         | <b>47,063</b>        | <b>15,525</b>         | <b>(106)</b>       | <b>7,665</b>            | <b>30,766</b>       | <b>(1,930)</b> | <b>(26,181)</b>  | <b>72,802</b> |
| <b>Segment margins</b>                         | <b>43%</b>           | <b>57%</b>            | <b>-58%</b>        | <b>60%</b>              |                     |                |                  |               |
| Corporate expenses                             |                      |                       |                    |                         |                     |                |                  | (2,322)       |
| Finance costs                                  |                      |                       |                    |                         |                     |                |                  | (310)         |
| <b>Profit before tax</b>                       |                      |                       |                    |                         |                     |                |                  | <b>70,170</b> |
| <b>RESULTS FOR 6 MONTHS ENDED 30 JUNE 2008</b> |                      |                       |                    |                         |                     |                |                  |               |
| External operating revenue                     | 129,834              | 26,371                | 167                | 11,977                  | -                   | 154            | -                | 168,503       |
| Inter-segment revenue                          | 339                  | -                     | -                  | 486                     | 253,289             | -              | (254,114)        | -             |
| Total operating revenue                        | 130,173              | 26,371                | 167                | 12,463                  | 253,289             | 154            | (254,114)        | 168,503       |
| Other income                                   | 5,651                | 1,661                 | 74                 | 67                      | 10,524              | 406            | 42               | 18,425        |
| Operating expenses                             | 135,824              | 28,032                | 241                | 12,530                  | 263,813             | 560            | (254,072)        | 186,928       |
|  | (63,381)             | (13,527)              | (376)              | (6,280)                 | (84,058)            | (518)          | 80,272           | (87,868)      |
| <b>Segment results</b>                         | <b>72,443</b>        | <b>14,505</b>         | <b>(135)</b>       | <b>6,250</b>            | <b>179,755</b>      | <b>42</b>      | <b>(173,800)</b> | <b>99,060</b> |
| <b>Segment margins</b>                         | <b>53%</b>           | <b>52%</b>            | <b>-56%</b>        | <b>50%</b>              |                     |                |                  |               |
| Corporate expenses                             |                      |                       |                    |                         |                     |                |                  | (2,414)       |
| Finance costs                                  |                      |                       |                    |                         |                     |                |                  | (315)         |
| <b>Profit before tax</b>                       |                      |                       |                    |                         |                     |                |                  | <b>96,331</b> |

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

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

**12. SEGMENTAL INFORMATION (CONTD.)**

**(a) Market Segments (Contd.)**

| RM'000                               | Securities<br>market | Derivatives<br>market | Offshore<br>market | Information<br>services | Exchange<br>holding | Others | Elimination | Consolidated     |
|--------------------------------------|----------------------|-----------------------|--------------------|-------------------------|---------------------|--------|-------------|------------------|
| <b>ASSETS AND LIABILITIES</b>        |                      |                       |                    |                         |                     |        |             |                  |
| <b>AS AT 30 JUNE 2009</b>            |                      |                       |                    |                         |                     |        |             |                  |
| Assets that belong to the Group      | 282,597              | 117,485               | 6,761              | 9,478                   | 440,907             | 22,754 | -           | 879,982          |
| Cash collaterals and contributions   | 30,775               | 639,205               | -                  | -                       | -                   | -      | -           | 669,980          |
| Segment assets                       | 313,372              | 756,690               | 6,761              | 9,478                   | 440,907             | 22,754 | -           | 1,549,962        |
| Corporate assets                     |                      |                       |                    |                         |                     |        |             | 35,527           |
| <b>Total assets</b>                  |                      |                       |                    |                         |                     |        |             | <b>1,585,489</b> |
| Liabilities that belong to the Group | 24,982               | 3,435                 | 219                | 2,400                   | 92,985              | 10,381 | -           | 134,402          |
| Cash collaterals and contributions   | 30,775               | 639,205               | -                  | -                       | -                   | -      | -           | 669,980          |
| Segment liabilities                  | 55,757               | 642,640               | 219                | 2,400                   | 92,985              | 10,381 | -           | 804,382          |
| Corporate liabilities                |                      |                       |                    |                         |                     |        |             | 25,588           |
| <b>Total liabilities</b>             |                      |                       |                    |                         |                     |        |             | <b>829,970</b>   |



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

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

**12. SEGMENTAL INFORMATION (CONTD.)**

**(b) Business Units**

| RM'000   | Exchanges          | Clearing,<br>settlement<br>and depository | Information<br>services | Exchange<br>holding | Others | Elimination        | Consolidated       |
|--|--------------------|---|-------------------------|---------------------|--------|--------------------|--------------------|
| <b>RESULTS FOR 3 MONTHS ENDED 30 JUNE 2009</b> |                    |   |                         |                     |        |                    |                    |
| External operating revenue                     | 48,460             | 32,145                                    | 6,195                   | -                   | -      | -                  | 86,800             |
| Inter-segment revenue                          | -                  | 20  | 235                     | 63,500              | -      | (63,755)           | -                  |
| Total operating revenue                        | 48,460             | 32,165                                    | 6,430                   | 63,500              | -      | (63,755)           | 86,800             |
| Other income                                   | 3,008              | 1,467                                     | 21                      | 3,283               | -      | -                  | 7,779              |
| Operating expenses                             | 51,468<br>(25,716) | 33,632<br>(12,757)                        | 6,451<br>(2,643)        | 66,783<br>(41,305)  | -      | (63,755)<br>37,574 | 94,579<br>(44,847) |
| <b>Segment results</b>                         | <b>25,752</b>      | <b>20,875</b>                             | <b>3,808</b>            | <b>25,478</b>       | -      | (26,181)           | <b>49,732</b>      |
| <b>Segment margins</b>                         | <b>50%</b>         | <b>62%</b>                                | <b>59%</b>              |                     |        |                    |                    |
| Corporate expenses                             |                    |   |                         |                     |        |                    | (1,236)            |
| Finance costs                                  |                    |   |                         |                     |        |                    | (157)              |
| <b>Profit before tax</b>                       |                    |   |                         |                     |        |                    | <b>48,339</b>      |
| <b>RESULTS FOR 3 MONTHS ENDED 30 JUNE 2008</b> |                    |   |                         |                     |        |                    |                    |
| External operating revenue                     | 42,026             | 29,243                                    | 6,258                   | -                   | -      | -                  | 77,527             |
| Inter-segment revenue                          | -                  | 20  | 243                     | 89,226              | -      | (89,489)           | -                  |
| Total operating revenue                        | 42,026             | 29,263                                    | 6,501                   | 89,226              | -      | (89,489)           | 77,527             |
| Other income                                   | 1,734              | 2,242                                     | 34                      | 4,093               | -      | 42                 | 8,145              |
| Operating expenses                             | 43,760<br>(23,958) | 31,505<br>(15,324)                        | 6,535<br>(3,104)        | 93,319<br>(42,609)  | -      | (89,447)<br>39,742 | 85,672<br>(45,253) |
| <b>Segment results</b>                         | <b>19,802</b>      | <b>16,181</b>                             | <b>3,431</b>            | <b>50,710</b>       | -      | (49,705)           | <b>40,419</b>      |
| <b>Segment margins</b>                         | <b>45%</b>         | <b>51%</b>                                | <b>53%</b>              |                     |        |                    |                    |
| Corporate expenses                             |                    |   |                         |                     |        |                    | (1,236)            |
| Finance costs                                  |                    |   |                         |                     |        |                    | (158)              |
| <b>Profit before tax</b>                       |                    |   |                         |                     |        |                    | <b>39,025</b>      |

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

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

**12. SEGMENTAL INFORMATION (CONTD.)**

**(b) Business Units (Contd.)**

| RM'000   | Exchanges          | Clearing,<br>settlement<br>and depository | Information<br>services | Exchange<br>holding | Others | Elimination         | Consolidated        |
|--|--------------------|---|-------------------------|---------------------|--------|---------------------|---------------------|
| <b>RESULTS FOR 6 MONTHS ENDED 30 JUNE 2009</b> |                    |   |                         |                     |        |                     |                     |
| External operating revenue                     | 76,976             | 51,920                                    | 12,312                  | -                   | -      | -                   | 141,208             |
| Inter-segment revenue                          | -                  | 43  | 474                     | 101,255             | -      | (101,772)           | -                   |
| Total operating revenue                        | 76,976             | 51,963                                    | 12,786                  | 101,255             | -      | (101,772)           | 141,208             |
| Other income                                   | 4,528              | 3,129                                     | 44                      | 9,822               | -      | -                   | 17,523              |
| Operating expenses                             | 81,504<br>(50,804) | 55,092<br>(25,240)                        | 12,830<br>(5,165)       | 111,077<br>(80,311) | -      | (101,772)<br>75,591 | 158,731<br>(85,929) |
| <b>Segment results</b>                         | <b>30,700</b>      | <b>29,852</b>                             | <b>7,665</b>            | <b>30,766</b>       | -      | (26,181)            | <b>72,802</b>       |
| <b>Segment margins</b>                         | <b>38%</b>         | <b>54%</b>                                | <b>60%</b>              |                     |        |                     |                     |
| Corporate expenses                             |                    |   |                         |                     |        |                     | (2,322)             |
| Finance costs                                  |                    |   |                         |                     |        |                     | (310)               |
| <b>Profit before tax</b>                       |                    |   |                         |                     |        |                     | <b>70,170</b>       |
| <b>RESULTS FOR 6 MONTHS ENDED 30 JUNE 2008</b> |                    |   |                         |                     |        |                     |                     |
| External operating revenue                     | 93,946             | 62,580                                    | 11,977                  | -                   | -      | -                   | 168,503             |
| Inter-segment revenue                          | -                  | 29  | 486                     | 253,289             | -      | (253,804)           | -                   |
| Total operating revenue                        | 93,946             | 62,609                                    | 12,463                  | 253,289             | -      | (253,804)           | 168,503             |
| Other income                                   | 3,247              | 4,545                                     | 67                      | 10,524              | -      | 42                  | 18,425              |
| Operating expenses                             | 97,193<br>(47,965) | 67,154<br>(29,837)                        | 12,530<br>(6,280)       | 263,813<br>(84,058) | -      | (253,762)<br>80,272 | 186,928<br>(87,868) |
| <b>Segment results</b>                         | <b>49,228</b>      | <b>37,317</b>                             | <b>6,250</b>            | <b>179,755</b>      | -      | (173,490)           | <b>99,060</b>       |
| <b>Segment margins</b>                         | <b>51%</b>         | <b>56%</b>                                | <b>50%</b>              |                     |        |                     |                     |
| Corporate expenses                             |                    |   |                         |                     |        |                     | (2,414)             |
| Finance costs                                  |                    |   |                         |                     |        |                     | (315)               |
| <b>Profit before tax</b>                       |                    |   |                         |                     |        |                     | <b>96,331</b>       |

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

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

**12. SEGMENTAL INFORMATION (CONTD.)**

**(b) Business Units (Contd.)**

| RM'000   | Exchanges | Clearing,<br>settlement<br>and depository | Information<br>services | Exchange<br>holding | Others | Elimination | Consolidated     |
|--|-----------|---|-------------------------|---------------------|--------|-------------|------------------|
| <b>ASSETS AND LIABILITIES<br/>AS AT 30 JUNE 2009</b> |           |   |                         |                     |        |             |                  |
| Assets that belong to the Group                      | 245,685   | 182,738                                   | 9,478                   | 440,907             | 1,174  | -           | 879,982          |
| Cash collaterals and contributions                   | -         | 669,980                                   | -                       | -                   | -      | -           | 669,980          |
| Segment assets                                       | 245,685   | 852,718                                   | 9,478                   | 440,907             | 1,174  | -           | 1,549,962        |
| Corporate assets                                     |           |   |                         |                     |        |             | 35,527           |
| <b>Total assets</b>                                  |           |   |                         |                     |        |             | <b>1,585,489</b> |
| Liabilities that belong to the Group                 | 26,977    | 12,037                                    | 2,400                   | 92,985              | 3      | -           | 134,402          |
| Cash collaterals and contributions                   | -         | 669,980                                   | -                       | -                   | -      | -           | 669,980          |
| Segment liabilities                                  | 26,977    | 682,017                                   | 2,400                   | 92,985              | 3      | -           | 804,382          |
| Corporate liabilities                                |           |   |                         |                     |        |             | 25,588           |
| <b>Total liabilities</b>                             |           |   |                         |                     |        |             | <b>829,970</b>   |

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

**13. SHORT TERM INVESTMENTS**

The Group's short term investments comprise unquoted securities managed by external fund managers and investments in commercial papers.

**14. DEFERRED INCOME**

**RM'000**

|                        |               |
|------------------------|---------------|
| At 1 January 2009      | 11,617        |
| Grant receivable       | 2,252         |
| Grants utilised        | (804)         |
| <b>At 30 June 2009</b> | <b>13,065</b> |

The grant receivable by the Group is in relation to the enhancement of the Electronic Trading Platform (ETP).

**15. RELATED PARTY DISCLOSURES**

Significant transactions between the Group and related parties are as follows:

| <b>RM'000</b>   | <b>3 months ended</b> |                   | <b>6 months ended</b> |                   |
|---|-----------------------|-------------------|-----------------------|-------------------|
|   | <b>30.06.2009</b>     | <b>30.06.2008</b> | <b>30.06.2009</b>     | <b>30.06.2008</b> |
| Administration fee income from Securities Compensation Fund, a fund managed by Bursa Malaysia Berhad          | 216                   | 212               | 428                   | 421               |
| Administration fee income from Derivatives Fidelity Fund, a fund managed by Bursa Malaysia Derivatives Berhad | 30                    | 30                | 60                    | 60                |

The Directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

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

**16. TRADE PAYABLES AND CONTRIBUTIONS TO CLEARING FUNDS**

| RM'000   | As at 30.06.2009 |          |           |
|--|------------------|----------|-----------|
|  | Cash             | Non-Cash | Total     |
| From CPs of Bursa Malaysia Derivatives Clearing:                         |                  |          |           |
| Trade margins and collaterals ( <b>Note b</b> )                          | 601,380          | 337,100  | 938,480   |
| Security deposits  | 16,397           | -        | 16,397    |
|  | 617,777          | 337,100  | 954,877   |
| SBL collaterals from TCPs of Bursa Malaysia Securities Clearing          | 20,056           | -        | 20,056    |
| <b>Total trade payables</b>  | 637,833          | 337,100  | 974,933   |
| Contribution from CPs of Bursa Malaysia Derivatives Clearing to the DCF  | 21,428           | -        | 21,428    |
| Contributions from TCPs of Bursa Malaysia Securities Clearing to the CGF | 10,719           | 6,242    | 16,961    |
| <b>Total contributions to Clearing Funds</b>                             | 32,147           | 6,242    | 38,389    |
| <b>Total cash and non-cash from CPs and TCPs</b>                         | 669,980          | 343,342  | 1,013,322 |

**Note a**

**Note a**

The amount of non-cash collaterals and contributions held by the Group not included in the balance sheet as at 30 June 2009 comprises the following:

| RM'000  | As at<br>30.06.2009 |
|---|---------------------|
| Collaterals in the form of letters of credit            | 337,100             |
| Contributions to the CGF in the form of bank guarantees | 6,242               |
|   | 343,342             |

**Note b**

The margins per contract for the actively traded derivatives products are as follows:

| RM  | As at<br>30.06.2009 |
|---|---------------------|
| Crude Palm Oil Futures (FCPO)               | 6,000 - 6,250       |
| Kuala Lumpur Composite Index Futures (FKLI) | 3,500               |

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

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

There were no changes in the composition of the Group during the financial period except for the following:

**Acquisition of a Subsidiary**

On 1 June 2009, the Company acquired 100% equity interest in BMIS Sdn. Bhd. (BMIS) (formerly known as Komposite Prima Sdn. Bhd.), a private company limited by shares incorporated in Malaysia. BMIS will house the operations and business activities of the Islamic Capital Market.

As at the reporting date, the issued and paid-up share capital of BMIS is RM2 comprising two ordinary shares of RM1 each. BMIS has not yet commenced operations.

**18. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date.

**19. CAPITAL COMMITMENTS**

Capital commitments for the purchase of property, plant and equipment and computer software not provided for in the interim financial statements as at the balance sheet date were as follows:

| <b>RM'000</b>                    | <b>Approved<br/>and<br/>contracted<br/>for</b> | <b>Approved<br/>but not<br/>contracted<br/>for</b> |
|----------------------------------|--|--|
| Computers and office automation  | 5,809  | 2,884  |
| Renovations and office equipment | 440  | -  |
| <b>Total capital commitments</b> | <b>6,249</b>                                   | <b>2,884</b>                                       |

**20. OPERATING LEASE ARRANGEMENTS**

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

The future aggregate minimum lease payments under operating leases contracted for as at balance sheet date but not recognised as liabilities were as follows:

| <b>RM'000</b>                                 | <b>As at<br/>30.06.2009</b> |
|---|-----------------------------|
| Not later than 1 year                         | 539                         |
| Later than 1 year and not later than 2 years  | 539                         |
| Later than 2 years and not later than 5 years | 1,616                       |
| Later than 5 years                            | 41,870                      |
| <b>Total future minimum lease payments</b>    | <b>44,564</b>               |

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

The future aggregate minimum lease payments receivable under non-cancellable operating leases contracted for as at balance sheet date but not recognised as receivables are as follows:

| <b>RM'000</b>                                 | <b>As at<br/>30.06.2009</b> |
|---|-----------------------------|
| Not later than 1 year                         | 4,847                       |
| Later than 1 year and not later than 2 years  | 3,962                       |
| Later than 2 years and not later than 5 years | 4,756                       |
| <b>Total future minimum lease receivables</b> | <b>13,565</b>               |

**21. SUBSEQUENT EVENT**

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

## 22. PERFORMANCE REVIEW

### (a) Current quarter compared with previous corresponding quarter

The Group recorded a **profit attributable to equity holders of the Company** of RM35.0 million for the quarter ended 30 June 2009 (2Q09), 22 per cent higher compared to the profit of RM28.6 million for the quarter ended 30 June 2008 (2Q08). This was mainly attributed to improved investor sentiment which boosted trading revenue from the securities market.

The on-market trades (OMT) on the **securities market** recorded a velocity of 48 per cent (2Q08: 31 per cent) and a daily average trading value for OMT and direct business trades (DBT) of RM1.56 billion (2Q08: RM1.32 billion). This resulted in an increase in trading revenue from the securities market by 33 per cent to RM47.9 million in 2Q09 compared to 2Q08.

The total number of contracts traded on the **derivatives market** increased by 0.56 million contracts to 1.88 million contracts in 2Q09 (2Q08: 1.32 million), resulting in an increase in trading revenue from the derivatives market by 19 per cent to RM11.7 million in 2Q09 compared to 2Q08. The increase was mainly due to higher number of FCPO contracts traded at 1.17 million contracts in 2Q09 compared to 0.59 million contracts in 2Q08. The number of FKLI trades remained fairly stable at 0.67 million contracts in 2Q09 (2Q08: 0.66 million contracts).

The decrease in **stable revenue** by 13 per cent to RM23.5 million in 2Q09 compared to 2Q08 was primarily due to lower annual listing fees as a result of lower market capitalisation of RM0.66 trillion as at 31 December 2008 compared to RM1.11 trillion as at 31 December 2007. A reduction in the number of initial listings for the quarter as well as reduction in number of additional listings further contributed to a lower listing fees. Other factors that contributed to the drop in stable revenue include reduction in broker services income following the phasing out of older network equipment and reduction in the number of requests for records of depositors (RODs).

**Other income** decreased by 4 per cent to RM7.8 million in 2Q09 compared to 2Q08 mainly due to lower interest income as a result of a lower level of funds available for investment and lower return on investment.

**Total expenses** decreased marginally by 1 per cent to RM46.1 million in 2Q09 compared to 2Q08. This was mainly due to significant reduction in impairment of investments required on private debt securities as well as lower market development and travel expenses. These decreases were partially offset by depreciation and amortisation for Bursa Trade Securities (BTS) which went live in December 2008, higher professional fees as well as higher IT maintenance costs following the implementation of BTS and ETP.



## 22. PERFORMANCE REVIEW (CONTD.)

### (b) Current financial period compared with previous corresponding financial period

The Group recorded a **profit attributable to equity holders of the Company** of RM50.5 million for the financial period ended 30 June 2009 (1H09), 29 per cent lower compared to the profit of RM70.7 million for the financial period ended 30 June 2008 (1H08). This was mainly attributed to poor investor sentiment in the first quarter of 2009.

The **equity market** recorded a velocity for OMT of 37 per cent (1H08: 38 per cent) and a daily average trading value for OMT and DBT of RM1.15 billion (1H08: RM1.67 billion). Trading revenue from securities market decreased by 21 per cent to RM67.4 million in 1H09 compared to 1H08.

The **derivatives market** recorded a marginal decline in trading revenue by 4 per cent to RM21.1 million in 1H09 compared to 1H08. The decrease was due to a drop in the number of FKLI contracts traded to 1.19 million in 1H09 from 1.55 million in 1H08. However, the decrease was partially offset by an increase in the number of FCPO contracts traded to 1.99 million in 1H09 from 1.41 million in 1H08. Overall, the total number of contracts traded increased by 6 per cent to 3.27 million in 1H09 from 3.08 million in 1H08.

The drop in **stable revenue** by 14 per cent to RM46.2 million in 1H09 compared to 1H08 was primarily due to lower listing fees and reductions in new and additional issues, number of share transfers and number of requests for RODs. The drop was also attributed to lower broker services income following the phasing out of older network equipment.

**Other income** decreased by 5 per cent to RM17.5 million in 1H09 compared to 1H08 mainly due to lower investment income and lower conference fees as there was no Islamic Capital Market Conference (ICM) organised in 1H09. These decreases were offset by rental income from an additional floor of the Exchange Building being tenanted from June 2008 as well as commencement of food court rental at the Annexe building in January 2009.

**Total expenses** decreased marginally by 2 per cent to RM88.3 million in 1H09 compared to 1H08. This was mainly due to reductions in market development and travels, reversal of impairment on investments in private debt securities and lower staff cost as a result of lower ESOS expenses and overseas training. These decreases were partially offset by depreciation and amortisation for BTS as well as higher professional fees.

### 23. MATERIAL CHANGE IN PROFIT BEFORE TAX OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

The Group recorded a higher **profit before tax** of RM48.3 million for 2Q09 compared to RM21.8 million for the quarter ended 31 March 2009 (1Q09), representing an increase of RM26.5 million or 121 per cent.

Trading revenue from the **securities market** increased by 146 per cent to RM47.9 million in 2Q09 compared to RM19.5 million in 1Q09 mainly due to the improved market sentiment.

Trading revenue from the **derivatives market** increased by 25 per cent to RM11.7 million in 2Q09 compared to RM9.4 million in 1Q09 mainly due to increase in total number of contracts traded by 36 per cent to 1.88 million in 2Q09 from 1.38 million in 1Q09. The number of FCPO contracts traded increased to 1.17 million in 2Q09 from 0.82 million in 1Q09. FKLI also recorded an increase in the number of contracts traded to 0.67 million in 2Q09 from 0.52 million in 1Q09.

**Stable revenue** increased marginally by 4 per cent to RM23.5 million in 2Q09 compared to RM22.7 million in 1Q09 mainly due to higher number of requests for RODs which resulted in higher depository fees.

**Other income** decreased by 20 per cent to RM7.8 million in 2Q09 compared to RM9.7 million in 1Q09 primarily due to conference fees from the Price Outlook Conference (POC 2009) which was held in March 2009.

**Total expenses** increased by 9 per cent to RM46.1 million in 2Q09 compared to RM42.2 million in 1Q09. The increase was mainly due to higher staff costs, professional fees and IT maintenance costs. These increases were partially offset by conference expenses incurred in March 2009 for the POC 2009 and a reversal of impairment on investments in private debt securities in 1Q09.

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

The outlook for the Group's business depends on the performance of the securities and derivatives markets. While we welcome the improvement in investor sentiment on the securities market in the second quarter of the year, we remain cautiously optimistic on the outlook for the remainder of the year. The goal to transform Malaysia into a high income economy and the series of liberalisation measures to that end indeed bode well for the future of the securities market. The measures together with the stimulus packages are expected to somewhat mitigate impact of the global crisis on the Malaysian economy.

On the derivatives front, we continue to see our FCPO and FKLI products as key revenue drivers. Amidst the volatility in CPO prices, we continue to expect FCPO volumes to hold steady. Volume for FKLI is expected to move in tandem with sentiment on the securities market. We expect the existing direct market access platform (DMA) for derivatives and the market-making framework for derivatives, which will be available in the second half of the year, to further spur liquidity and interest in the derivatives market.

Amidst the challenging market conditions, we remain focused on our efforts to enhance our market attractiveness and investor protection. Our key initiatives which have been successfully implemented include the launch of the Corporate Governance Guide, the introduction of a market-making framework for equities, the introduction of a multi-currency securities platform, the adoption of the FTSE index methodology for our benchmark index (now known as FTSE Bursa Malaysia KLCI) and the launch of the FTSE Bursa Malaysia Palm Oil Index Series. In the pipeline are unification of Main and Second Board together with the transformation of the MESDAQ Market to the ACE Market, the market-making framework for derivatives and DMA for equities. We also continue our efforts to grow the Islamic capital market and develop a commodities niche in the region.

As such, while we strengthen our resolve to be cost-disciplined, we will remain committed to our goal to develop the Malaysian capital market and will continue to invest in initiatives which will deliver long term value for the capital market.

Barring any unforeseen circumstances, the Group expects to maintain the same level of performance in the second half of the year.

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**25. INCOME TAX EXPENSE**

| RM'000                          | 3 months ended |               | 6 months ended |               |
|---------------------------------|----------------|---------------|----------------|---------------|
|                                 | 30.06.2009     | 30.06.2008    | 30.06.2009     | 30.06.2008    |
| Income tax                      | 9,507          | 9,637         | 14,784         | 20,111        |
| Deferred tax                    | 3,810          | 749           | 4,864          | 5,510         |
| <b>Total income tax expense</b> | <b>13,317</b>  | <b>10,386</b> | <b>19,648</b>  | <b>25,621</b> |

The statutory tax rate was reduced to 25 per cent from the previous year's rate of 26 per cent effective in the current year of assessment (YA). The computation of deferred tax has reflected these changes.

The effective tax rate of the Group for the current and previous corresponding quarter and financial year-to-date was higher than the statutory tax rate of that year principally due to certain expenses which were not deductible for tax purposes.

**26. SALE OF UNQUOTED SECURITIES AND PROPERTIES**

The net gain/loss on disposal of unquoted securities for the current quarter and financial year-to-date is disclosed in Note 10.

There was no sale of property since the last annual balance sheet date.

**27. QUOTED SECURITIES**

The Group does not invest in quoted securities.

**28. CORPORATE PROPOSALS**

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

**29. BORROWINGS AND DEBT SECURITIES**

As at the reporting date, the Group had short term borrowings of RM219,000 and had not issued any debt securities.

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**30. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments as at the reporting date.

**31. CHANGES IN MATERIAL LITIGATION**

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

**32. PROPOSED DIVIDEND**

Details of the interim dividend approved and declared by the Board of Directors is as follows:

|                                     | <b>30.06.2009</b>                    | <b>30.06.2008</b>                     |
|-------------------------------------|--------------------------------------|---------------------------------------|
| Interim dividend for financial year | 31 December 2009                     | 31 December 2008                      |
| Amount per share (franked)          | 5.1 sen less<br>25 per cent taxation | 16.5 sen less<br>26 per cent taxation |
| Amount per share (single-tier)      | 5 sen                                | -                                     |
| Approved and declared on            | 20 July 2009                         | 17 July 2008                          |
| Entitlement to dividends based on   |                                      |                                       |
| Record of Depositors as at          | 4 August 2009                        | 4 August 2008                         |
| Date payable                        | 18 August 2009                       | 13 August 2008                        |

**33. EPS**

**(a) Basic EPS**

|   | <b>3 months ended</b> |                   | <b>6 months ended</b> |                   |
|---|-----------------------|-------------------|-----------------------|-------------------|
|   | <b>30.06.2009</b>     | <b>30.06.2008</b> | <b>30.06.2009</b>     | <b>30.06.2008</b> |
| Profit attributable to equity holders of the Company (RM'000) | 35,022                | 28,639            | 50,522                | 70,710            |
| Weighted average number of ordinary shares in issue ('000)    | 526,368               | 525,009           | 526,138               | 524,360           |
| <b>Basic EPS (sen)</b>  | <b>6.7</b>            | <b>5.5</b>        | <b>9.6</b>            | <b>13.5</b>       |

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**33. EPS (CONTD.)**

**(b) Diluted EPS**

|  | 3 months ended |            | 6 months ended |             |
|--|----------------|------------|----------------|-------------|
|  | 30.06.2009     | 30.06.2008 | 30.06.2009     | 30.06.2008  |
| Profit attributable to equity holders of the Company (RM'000)                    | 35,022         | 28,639     | 50,522         | 70,710      |
| Weighted average number of ordinary shares in issue ('000)                       | 526,368        | 525,009    | 526,138        | 524,360     |
| Effect of dilution ('000)  | 21,756         | 24,656     | 21,154         | 26,772      |
| Adjusted weighted average number of ordinary shares in issue and issuable ('000) | 548,124        | 549,665    | 547,292        | 551,132     |
| <b>Diluted EPS (sen)</b>   | <b>6.4</b>     | <b>5.2</b> | <b>9.2</b>     | <b>12.8</b> |

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

The auditors' report on the financial statements for the financial year ended 31 December 2008 was unqualified.

**35. AUTHORISED FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20 July 2009.