



# ASX Limited 2019 Full-Year Results

**Investor Presentation**

15 August 2019

# Agenda

Results overview

Dominic Stevens – CEO

Strategic update

Dominic Stevens

FY19 financial performance

Gillian Larkins – CFO

Summary and outlook

Dominic Stevens

Q&A – analysts followed by media

Dominic Stevens and Gillian Larkins

# FY19 highlights

## Continued solid growth in NPAT, up 10.5% on a statutory basis

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- Performance driven by strong market activity, growth in technical services and net interest income
- Total ordinary dividends of 228.7cps, as per 90% payout ratio plus a special dividend of 129.1cps

## Building enduring trust, integrity and resilience through people, processes and technology enhancements

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- Stronger Foundations program in place and initiatives transitioning to business-as-usual over FY20
- Continued investment in a flexible, contemporary technology platform remains on track

## Enhancing core businesses through technology-driven, customer-focused initiatives

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- Trading Services, Derivatives and OTC Markets, and Post-Trade Services improving customer efficiency
- Foreign and technology listings providing diversity for investors and expanded opportunities for capital markets

## Advancing growth opportunities by developing industry-wide solutions

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- Progressing rollout of data science platform ASX DataSphere
- Developing efficiency and innovation opportunities with DLT infrastructure

# FY19 results

Strong performance from all businesses while continuing to invest in resilience and growth

|                                   |                 |                  |  |
|-----------------------------------|-----------------|------------------|--|
| <b>Revenue</b>                    | <b>\$863.8m</b> | <b>+\$52.9m</b>  | <ul style="list-style-type: none"><li>Up 6.5% on a like-for-like accounting basis</li></ul>                      |
| <b>Expenses</b>                   | <b>\$214.8m</b> | <b>(\$19.3m)</b> | <ul style="list-style-type: none"><li>Increased 9.9% due to investing for resilience and growth</li></ul>        |
| <b>EBITDA</b>                     | <b>\$649.0m</b> | <b>+\$33.6m</b>  | <ul style="list-style-type: none"><li>Up 5.5% on a like-for-like accounting basis</li></ul>                      |
| <b>Underlying NPAT</b>            | <b>\$492.0m</b> | <b>+\$35.0m</b>  | <ul style="list-style-type: none"><li>Up 7.7% on a like-for-like accounting basis</li></ul>                      |
| <b>Statutory NPAT</b>             | <b>\$492.0m</b> | <b>+\$55.2m</b>  | <ul style="list-style-type: none"><li>Up 12.6% on a like-for-like accounting basis</li></ul>                     |
| <b>Earnings per share</b>         | <b>254.1cps</b> | <b>+24.1cps</b>  | <ul style="list-style-type: none"><li>Up 10.5% on a statutory basis</li></ul>                                    |
| <b>Dividends per share</b>        | <b>228.7cps</b> | <b>+12.4cps</b>  | <ul style="list-style-type: none"><li>Total ordinary dividends up 5.7% on pcp, final dividend 114.3cps</li></ul> |
| <b>Special dividend per share</b> | <b>129.1cps</b> | <b>-</b>         | <ul style="list-style-type: none"><li>100% franked, from the IRESS sale proceeds</li></ul>                       |

Dominic Stevens – CEO

Strategic update

# ASX has a history of enhancing the flow of information and capital

Using technology to create efficiencies and opportunities for customers

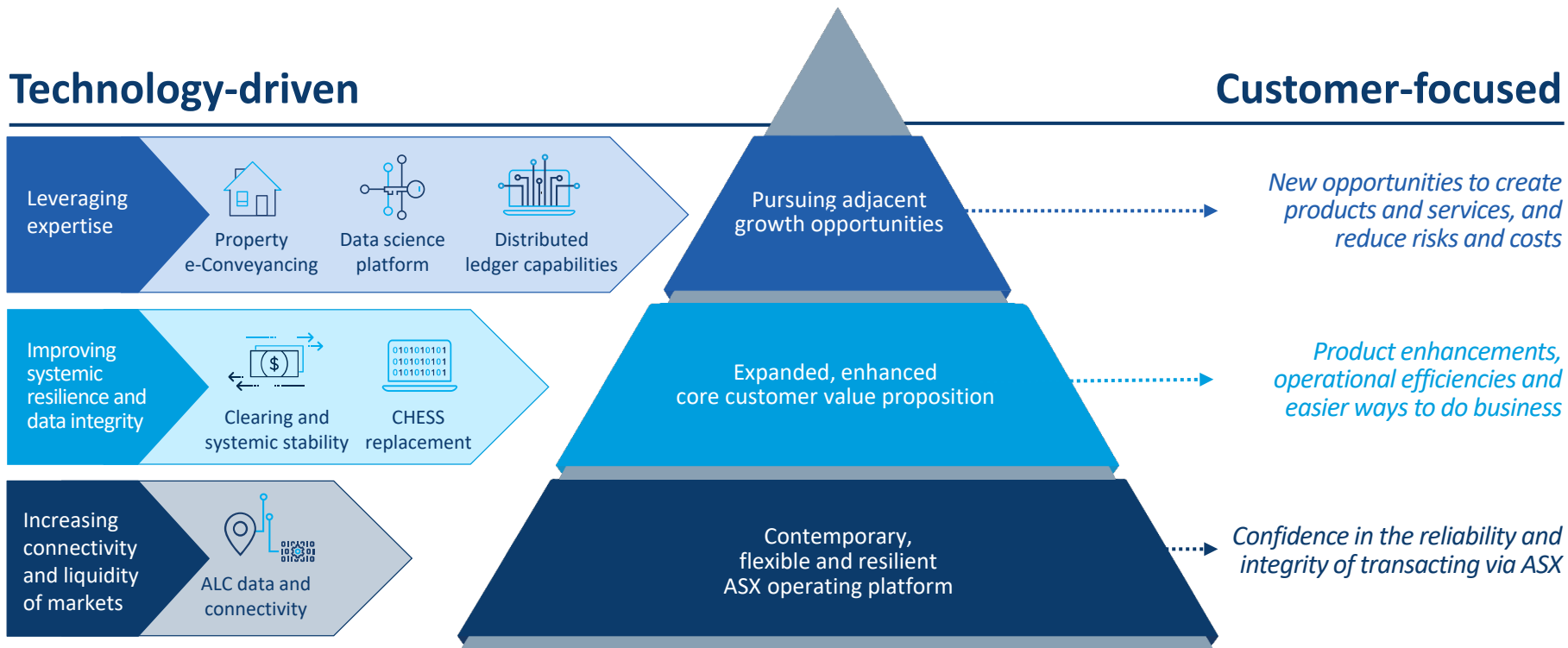


# Our multi-layered growth strategy

Building an exchange for the future

## Technology-driven

## Customer-focused



# Preserving and strengthening trust, integrity and resilience

## Stronger Foundations program transitioning to business-as-usual

### Clearing risk

- Enhanced default resilience in both clearing houses
- Deploying unified risk framework
- Making data-driven decisions in real-time through risk visualisation

### Market oversight

- Restructured and expanded Listings Compliance team
- Tightened admission process for exchange-traded products
- Introduced 4<sup>th</sup> edition of Corporate Governance Principles and Recommendations



### Enterprise and technology risk

- Accelerated investment program in hardware replacements and updates
- Increased use of data and analytics in decision-making
- Strengthened IT service management capabilities

### People and culture

- Increased resources particularly in technology, risk and compliance
  - Building a risk-aware and speak-up culture
- Employees engaged and aligned with ASX's vision and strategy



# Building contemporary technology infrastructure

## Accelerated technology investment program on track

### FY20 completion

- ASX Net upgrade
- New secondary data centre

### FY20 progression

- CHES replacement
- ASX Trade refresh
- Equities infrastructure upgrade

### Ongoing BAU investment

- Digital refresh
- Cyber resilience enhancements

The screenshot shows the ASX website homepage. At the top, there is a navigation bar with the ASX logo and menu items: MARKETS, REVISIONS, REGULATIONAL, PLATFORMS/TOOLS, LISTINGS, ISSUES, and ABOUT. The main header features a large image of Earth from space with the text 'Welcome to ASX's new home' and a 'LEARN MORE' button. Below this, there is a 'Markets' section with a sub-header 'Top 3 S&P/ASX 200 gains' and a small line chart showing an upward trend. The top 3 gains are listed as follows:

| Company           | Gain (%) | Current Price |
|-------------------|----------|---------------|
| JBS HI-FI LIMITED | 9.87%    | JBH \$30.72   |
| NEWS CORPORATION  | 7.29%    | NWS \$21.35   |
| REA GROUP LTD     | 6.30%    | REA \$102.73  |

This section is titled 'Investor Update' and includes a sub-header 'View the latest news and industry insights from our panel of expert contributors'. There is a 'Read more' link and a background image of people walking in a modern office setting.

This section is titled 'Listed@ASX' and includes a sub-header 'Meet the team behind ASX and the future of the platform and sustainability'. There is a 'Read more' link and a portrait of a woman in a white shirt.

This section is titled 'ASX opens its doors to DLT' and includes a sub-header 'ASX and quality float-traded CMTI holders enter a fully Fin-Group-owned DLT and/or partnership with Digital Asset'. There is a 'Read more' link and an icon of a box with a globe inside.

This section is titled 'Top 5 reasons for portfolio diversification' and includes a sub-header 'Investors Chris Brydell and Steve Bury, Senior Manager of Investment Products, discuss the importance of diversification'. There is a 'Read more' link and a background image of a person's face.

Updated look, feel and functionality of [asx.com.au](https://www.asx.com.au)

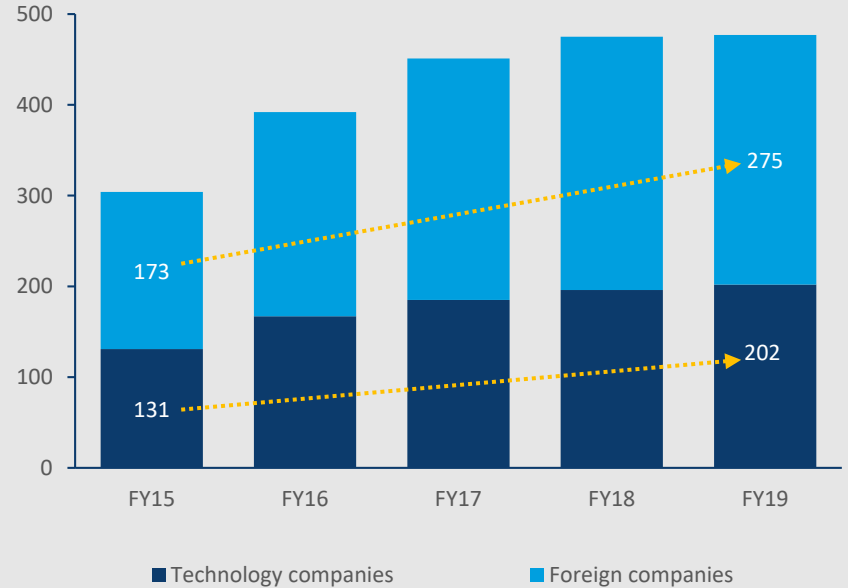
# Listings and Issuer Services

Focus on foreign and technology listings has expanded opportunities for all Australians

### Number of ASX listed companies and their market capitalisation as a % of GDP



### Foreign and technology companies listed on ASX



# Derivatives and OTC Markets

Supporting deep and liquid markets via new products and providing opportunities to drive efficiencies



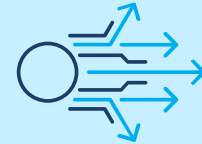
## Deep, liquid and efficient markets

- Strong growth in interest rate futures and OTC clearing driven by market sentiment
- 24 hour futures and OTC in a single clearing house optimises margin - FY19 average customer saving 30%
- Significant amount of ASX capital protects the market and delivers customers capital efficiencies
- Continued focus on global distribution



## New products

- S&P/ASX 200 gross total return futures contract
- ASX Benchmarks in full operation, including BBSW and Realised AONIA\* benchmark
- Consulting with customers on ways to deepen liquidity



## Broadening our footprint

- Austraclear registry issuance up 6.1% to \$1.8 trillion
- USD cash added to Austraclear payment capabilities
- ASX Collateral now represents 35% of open market operations
- Strong focus on customer acquisition for our expanded offering (ASX OTC and Collateral)

# Trading Services

Industry-wide solutions, supporting customer success

## Customer benefits

## FY19 performance

### Cash market trading



- Liquidity
- Price discovery
- Execution choice



- ASX total value traded +11.7%
- Growth in execution services
- On-market share has averaged 88% last 5 years

### Technical services



- Connectivity to ASX markets and services
- Data centre and infrastructure services
- Cross-customer connectivity



- Growth in trading community
- Increased access to ASX markets
- Cabinet sales +7.6% and customer-to-customer connections +8.5%

### Information services



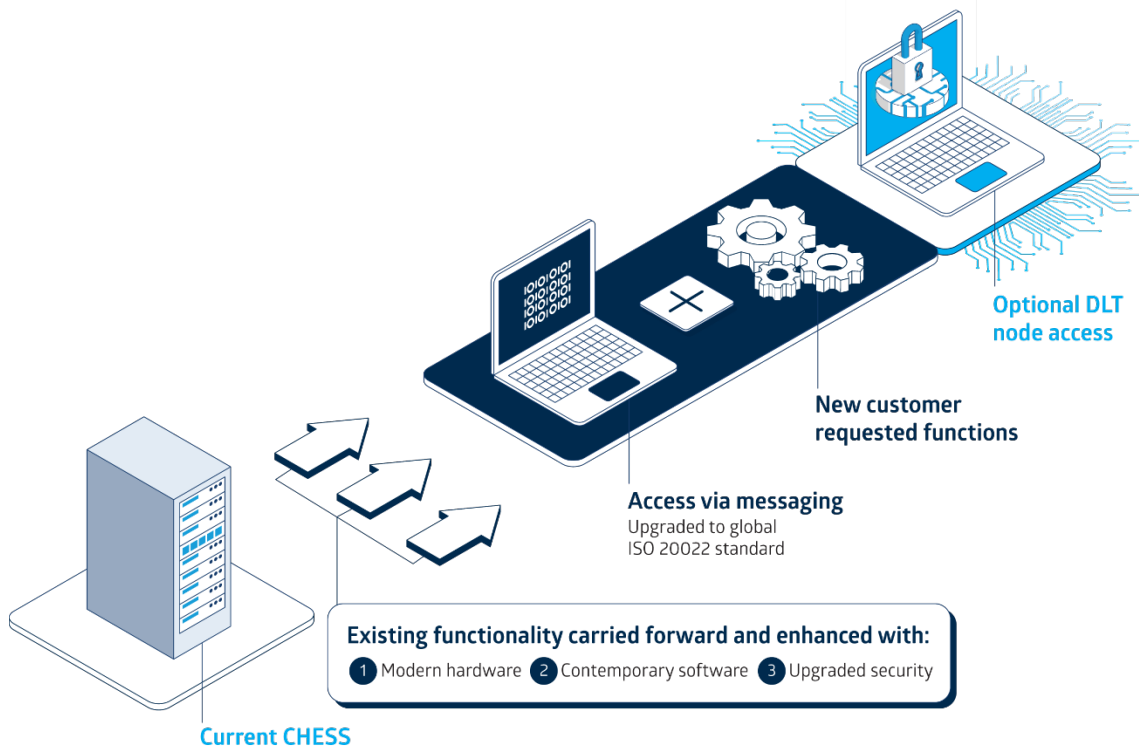
- Broad range of market data solutions
- Leading benchmark and index solutions
- Primary source of asset price discovery



- Expanded customer base
- Market data revenue growth
- Increased demand for benchmarks and indices

# Equity Post-Trade Services

The CHES replacement system will deliver upgraded security, resilience and performance



## Customer benefits

The new system will provide:

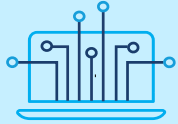
- Upgraded performance, resilience and security
- New functions and ability to implement enhancements easily and quickly
- New messaging ISO 20022 protocol that aligns with local and global standards

Optional DLT node access will offer:

- Perfectly synchronised and standardised data across multiple permissioned parties
- Capability for the market to build new, innovative applications
- Advanced audit trail and ability to perform data analytics

# Pursuing adjacent growth opportunities

In distributed ledger technology, data science and property e-Conveyancing



## DLT SOLUTIONS

- Exploring application use cases with multiple parties related to equities and other areas
- ASX skill sets aligned with operating distributed ledger infrastructure:
  - ✓ Trust and neutrality
  - ✓ Reliability and operational experience
  - ✓ Expertise creating and maintaining rule books and standards



## ASX DATASPHERE

- A data science and machine learning platform with leading data governance and security capabilities
- Available as a commercial channel for third-party data providers. Data partner proof of concept completed
- First products available October 2019



## SYMPLI

- Core platform built, with additional functionality reflecting industry feedback
- Approvals in place with NSW, VIC, QLD registrars (~80% of Australia's residential market)
- Launch with first major bank in the coming months

Gillian Larkins - CFO

FY19 financial performance

# Financial results

## Strong customer activity delivering record returns to shareholders

|   | FY19<br>\$m  | 2H19<br>\$m  | 1H19<br>\$m  | FY18<br>\$m  | FY19 v<br>FY18 |
|---|--------------|--------------|--------------|--------------|----------------|
| Operating revenue                           | 863.8        | 439.1        | 424.7        | 810.9        | 6.5%           |
| Operating expenses                          | 214.8        | 109.6        | 105.2        | 195.5        | (9.9%)         |
| <b>EBITDA</b>                               | <b>649.0</b> | <b>329.5</b> | <b>319.5</b> | <b>615.4</b> | <b>5.5%</b>    |
| Depreciation and amortisation               | 47.8         | 25.7         | 22.1         | 47.6         | (0.5%)         |
| Interest and dividend income                | 103.9        | 49.0         | 54.9         | 82.7         | 25.7%          |
| Income tax expense                          | 213.1        | 106.9        | 106.2        | 193.5        | (10.2%)        |
| <b>Underlying profit after tax</b>          | <b>492.0</b> | <b>245.9</b> | <b>246.1</b> | <b>457.0</b> | <b>7.7%</b>    |
| <b>Statutory profit after tax</b>           | <b>492.0</b> | <b>245.9</b> | <b>246.1</b> | <b>436.8</b> | <b>12.6%</b>   |
| EBITDA margin                               | 75.1%        | 75.0%        | 75.2%        | 75.9%        | (0.8%)         |
| Statutory earnings per share (EPS) (cents)* | 254.1        | 127.0        | 127.1        | 230.0        | 10.5%          |
| Dividends per share (DPS) (cents)           | 228.7        | 114.3        | 114.4        | 216.3        | 5.7%           |
| Special dividend per share (cents)          | 129.1        | -            | -            | -            | n/a            |

- Revenue up 6.5% due to market activity
- Expenses up 9.9%, slightly above guidance
- Interest and dividend income up 25.7% due to higher collateral balances
- Statutory profit after tax up 12.6%

16 | Revenue and expenses as per the Group segment reporting. For the purpose of the management discussion, FY18 comparative has been restated for the impact of AASB 15 to provide a like-for-like comparison. Refer to appendix on page 31 for details. This has not been audited or reviewed in accordance with Australian auditing standards. Variance relative to the prior comparative period (FY18 pcp) expressed favourable/(unfavourable).

\* Statutory earnings per share FY18 comparative is on a statutory basis and has not been restated.

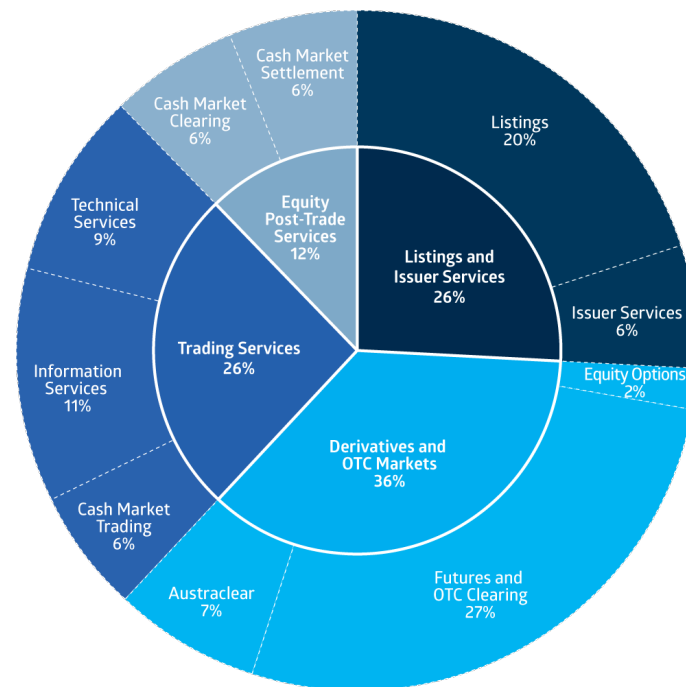


# Revenue

Up 6.5% with all businesses delivering solid results

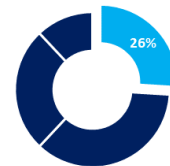
|                              | FY19<br>\$m  | 2H19<br>\$m  | 1H19<br>\$m  | FY18<br>\$m  | FY19 v<br>FY18 |
|------------------------------|--------------|--------------|--------------|--------------|----------------|
| Listings and Issuer Services | 220.2        | 108.7        | 111.5        | 208.8        | 5.5%           |
| Derivatives & OTC Markets    | 308.6        | 161.8        | 146.8        | 286.4        | 7.8%           |
| Trading Services             | 229.6        | 116.1        | 113.5        | 209.9        | 9.4%           |
| Equity Post-Trade Services   | 108.4        | 53.7         | 54.7         | 104.8        | 3.5%           |
| Other                        | (3.0)        | (1.2)        | (1.8)        | 1.0          | n/a            |
| <b>Operating revenue</b>     | <b>863.8</b> | <b>439.1</b> | <b>424.7</b> | <b>810.9</b> | <b>6.5%</b>    |

Revenue contribution by business



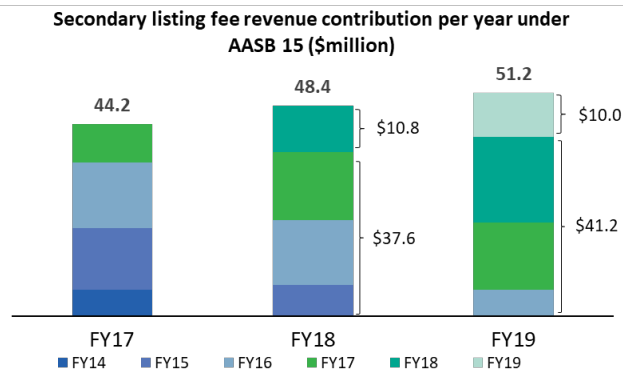
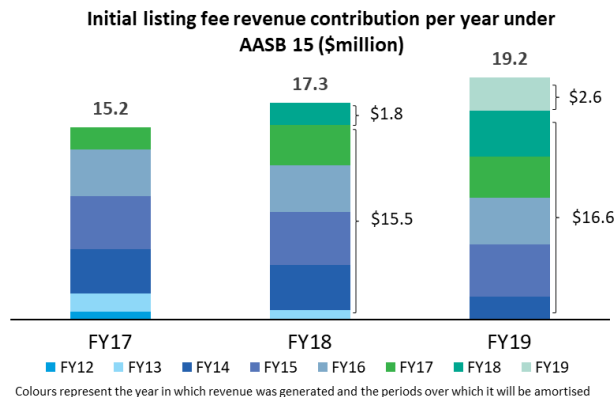
# Listings and Issuer Services

## First year adopting AASB 15 revenue standard



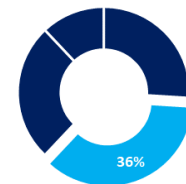
|  | FY19         | 2H19         | 1H19         | FY18         | FY19 v FY18 |
|--|--------------|--------------|--------------|--------------|-------------|
| <b>Revenue (\$million)</b>             | <b>220.2</b> | <b>108.7</b> | <b>111.5</b> | <b>208.8</b> | <b>5.5%</b> |
| Listings                               | 171.1        | 86.1         | 85.0         | 159.6        | 7.3%        |
| Issuer services                        | 49.1         | 22.6         | 26.5         | 49.2         | (0.2%)      |
| <b>Key drivers</b>                     |              |              |              |              |             |
| New listings (number)                  | 111          | 39           | 72           | 137          | (19.0%)     |
| Market cap of new listings (\$billion) | 37.4         | 5.3          | 32.1         | 25.7         | 45.6%       |
| Secondary capital (\$billion)          | 48.6         | 18.9         | 29.7         | 56.0         | (13.2%)     |

- Annual listing fee revenue up 9.3% to \$93.8 million
- 202 technology listings at 30 June 2019
- Exchange-traded products (ETPs) – 33 new listings in FY19, 244 ETPs listed overall, total market value \$50.9 billion, up 30.0% on pcp
- New Zealand office opened in June



# Derivatives and OTC Markets

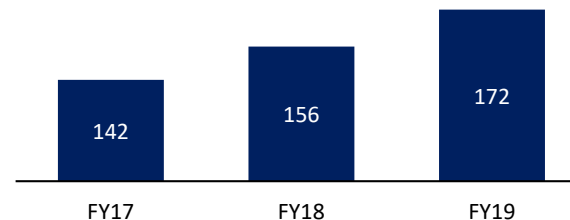
## Increased futures activity with market volatility



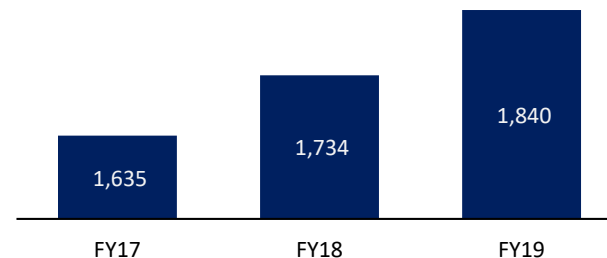
|   | FY19         | 2H19         | 1H19         | FY18         | FY19 v FY18 |
|---|--------------|--------------|--------------|--------------|-------------|
| <b>Revenue (\$million)</b>                      | <b>308.6</b> | <b>161.8</b> | <b>146.8</b> | <b>286.4</b> | <b>7.8%</b> |
| Futures and OTC                                 | 232.9        | 123.6        | 109.3        | 212.5        | 9.6%        |
| Equity options                                  | 19.9         | 9.7          | 10.2         | 21.9         | (9.2%)      |
| Austraclear                                     | 55.8         | 28.5         | 27.3         | 52.0         | 7.4%        |
| <b>Key drivers</b>                              |              |              |              |              |             |
| Futures volume (million)                        | 171.8        | 93.4         | 78.4         | 156.4        | 9.9%        |
| OTC cleared value (\$billion)                   | 9,710.6      | 7,674.1      | 2,036.5      | 6,314.3      | 53.8%       |
| Single stock options volume (million)           | 73.8         | 37.2         | 36.6         | 80.1         | (7.8%)      |
| Austraclear registry issuance value (\$billion) | 1,839.6      | 1,839.6      | 1,784.8      | 1,733.5      | 6.1%        |
| Collateral average balance (\$billion)          | 21.9         | 20.2         | 23.6         | 19.9         | 9.9%        |

- Futures volumes up 9.9% driven by changes in interest rate expectations
- Single stock and index option volumes down 7.8% and 9.5% respectively
- Austraclear registry revenue driven by a 6.1% increase in the value of issuances

ASX futures and options on futures contract volume (million)

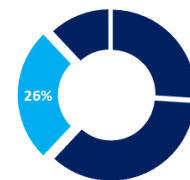


Austraclear registry value of issuances as at 30 June (\$billion)

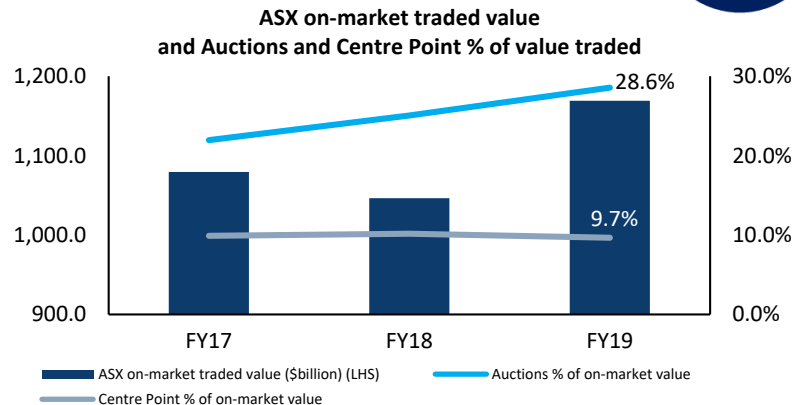


# Trading Services

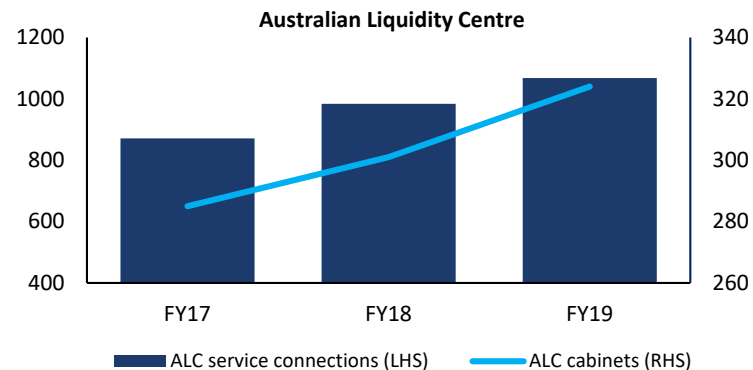
## Strong market activity and continued growth in the ALC



|                                       | FY19         | 2H19         | 1H19         | FY18         | FY19 v FY18 |
|---------------------------------------|--------------|--------------|--------------|--------------|-------------|
| <b>Revenue (\$million)</b>            | <b>229.6</b> | <b>116.1</b> | <b>113.5</b> | <b>209.9</b> | <b>9.4%</b> |
| Cash market trading                   | 51.7         | 25.7         | 26.0         | 45.7         | 12.9%       |
| Information services                  | 96.3         | 49.1         | 47.2         | 90.1         | 6.9%        |
| Technical services                    | 81.6         | 41.3         | 40.3         | 74.1         | 10.3%       |
| <b>Key drivers</b>                    |              |              |              |              |             |
| Total ASX on-market value (\$billion) | 1,169.1      | 582.4        | 586.7        | 1,046.5      | 11.7%       |
| Number of ALC cabinets (spot)         | 324          | 324          | 310          | 301          | 7.6%        |
| Number of ALC customers (spot)        | 134          | 134          | 130          | 123          | 8.9%        |

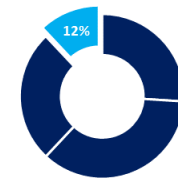


- On-market trading market share 88.6% (86.6% pcp)
- Continued growth in ALC customers, up 8.9%, driving the increase in ALC service connections and cabinets
- Customers continue to seek deep liquidity through Auctions and Centre Point



# Equity Post-Trade Services

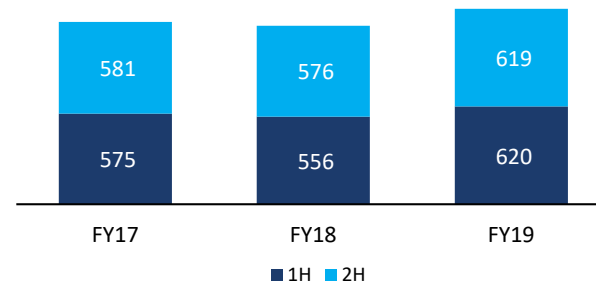
## Higher cash market and settlement activity



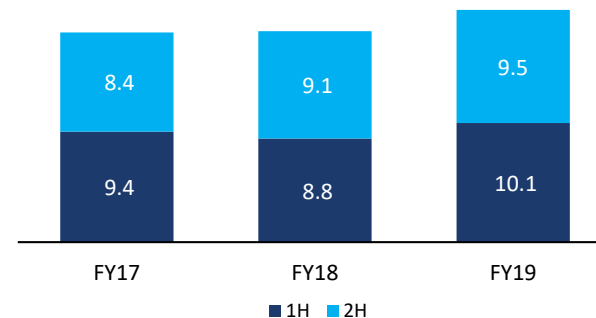
|                                     | FY19         | 2H19        | 1H19        | FY18         | FY19 v FY18 |
|-------------------------------------|--------------|-------------|-------------|--------------|-------------|
| <b>Revenue (\$million)</b>          | <b>108.4</b> | <b>53.7</b> | <b>54.7</b> | <b>104.8</b> | <b>3.5%</b> |
| Cash market clearing                | 54.4         | 27.1        | 27.3        | 51.9         | 4.9%        |
| Cash market settlement              | 54.0         | 26.6        | 27.4        | 52.9         | 2.1%        |
| <b>Key drivers</b>                  |              |             |             |              |             |
| On-market value cleared (\$billion) | 1,238.6      | 618.8       | 619.8       | 1,131.7      | 9.4%        |
| Main settlement messages (million)  | 19.6         | 9.5         | 10.1        | 17.9         | 10.1%       |
| Average trades per day (million)    | 1.4          | 1.5         | 1.3         | 1.2          | 23.1%       |

- On-market value cleared up 9.4% in line with higher traded value
- Growth in the main settlement message offset by a decrease in other settlement activities

On-market value cleared (\$billion)



Main settlement messages (million)



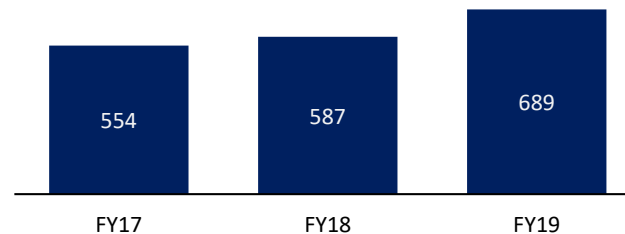
# Operating expenses

## Investment in resilience and growth initiatives as per guidance

|                                      | FY19<br>\$m  | 2H19<br>\$m  | 1H19<br>\$m  | FY18<br>\$m  | FY19 v<br>FY18 |
|--------------------------------------|--------------|--------------|--------------|--------------|----------------|
| Staff                                | 127.7        | 64.5         | 63.2         | 114.6        | (11.5%)        |
| Occupancy                            | 17.9         | 9.3          | 8.6          | 16.4         | (9.5%)         |
| Equipment                            | 30.7         | 15.4         | 15.3         | 27.9         | (10.2%)        |
| Administration                       | 22.5         | 12.0         | 10.5         | 22.4         | (0.4%)         |
| Variable                             | 8.4          | 4.0          | 4.4          | 7.9          | (5.6%)         |
| Supervision levy                     | 7.6          | 4.4          | 3.2          | 6.3          | (19.3%)        |
| <b>Operating expenses</b>            | <b>214.8</b> | <b>109.6</b> | <b>105.2</b> | <b>195.5</b> | <b>(9.9%)</b>  |
| <b>Depreciation and amortisation</b> | <b>47.8</b>  | <b>25.7</b>  | <b>22.1</b>  | <b>47.6</b>  | <b>(0.5%)</b>  |

- Expense uplift mainly due to additional resources for licence to operate activities and growth initiatives
- AASB 16 lease standard become effective from 1 July 2019
- FY20 expense guidance between 6-8% (inclusive of operating expenses and depreciation and amortisation)

Total full-time employees



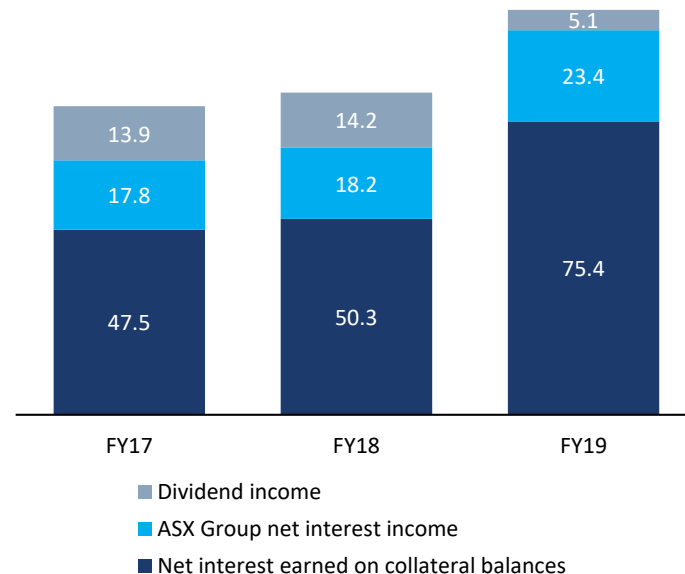
# Interest and dividend income

## Increased investment earnings from higher collateral balances

|                                     | FY19         | 2H19        | 1H19        | FY18        | FY19 v FY18  |
|-------------------------------------|--------------|-------------|-------------|-------------|--------------|
| ASX Group net interest income       | 23.4         | 12.5        | 10.9        | 18.2        | 28.7%        |
| Net interest on collateral balances | 75.4         | 36.5        | 38.9        | 50.3        | 49.7%        |
| <b>Total net interest income</b>    | <b>98.8</b>  | <b>49.0</b> | <b>49.8</b> | <b>68.5</b> | <b>44.1%</b> |
| Dividend income                     | 5.1          | -           | 5.1         | 14.2        | (63.6)%      |
| <b>Interest and dividend income</b> | <b>103.9</b> | <b>49.0</b> | <b>54.9</b> | <b>82.7</b> | <b>25.7%</b> |

- ASX Group net interest income up 28.7% reflecting higher average cash reserves and investment returns
- Net interest earned on collateral balances up 49.7%
  - Average collateral balances (including commitments) up 18.4% to \$8.2 billion
  - Investment spread 51 bps, up on pcp (34 bps) due to elevated BBSW and repo rates
- No dividends were received in 2H19 due to the sale of IRESS shareholding

Interest and dividend income (\$million)



# Balance sheet

## Financially strong with record levels of participant margins

|                                  | June 19<br>\$m  | June 18<br>\$m  |
|----------------------------------|-----------------|-----------------|
| Cash and other financial assets  | 12,270.3        | 9,570.1         |
| Intangibles (excluding software) | 2,326.1         | 2,326.3         |
| Investments                      | 76.3            | 469.5           |
| Other assets                     | 657.6           | 557.1           |
| <b>Total assets</b>              | <b>15,330.3</b> | <b>12,923.0</b> |
| Amounts owing to participants    | 10,801.0        | 8,495.8         |
| Other liabilities                | 612.9           | 481.7           |
| <b>Total liabilities</b>         | <b>11,413.9</b> | <b>8,977.5</b>  |
| <b>Total equity</b>              | <b>3,916.4</b>  | <b>3,945.5</b>  |
| Long-term credit rating from S&P | AA-             | AA-             |

- Total cash and financial assets elevated due to record participant balances and IRESS sale proceeds
- Investments decrease due to the sale of IRESS holding
- Total equity impacted by AASB 15 revenue standard adjustment to retained earnings



# Investments in infrastructure and adjacencies

## Strong balance sheet with strategic investments

### Capital expenditure

- **Capital expenditure \$75.1 million in FY19**
  - Ongoing investment in upgrading technology for BAU and growth opportunities, including
    - CHES replacement and related infrastructure
    - Secondary data centre
    - ASX Net communications infrastructure
    - Data analytics platform (ASX DataSphere)
    - Corporate actions straight-through-processing
- **FY20 capital expenditure guidance is \$75-80 million**



### Investments in adjacencies

- **Sympli**
  - 49% shareholding
  - \$11 million invested to date
- **IRESS**
  - Sold February 2019
  - \$311.8 million net proceeds after tax
  - Majority of sale proceeds returned to shareholders via a special dividend of \$250.0 million
- **Digital Asset**
  - 7% shareholding
- **Yieldbroker**
  - 46% shareholding

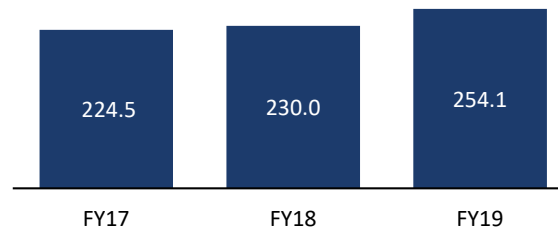
# Delivering to shareholders

## Special dividend post sale of IRESS shareholding

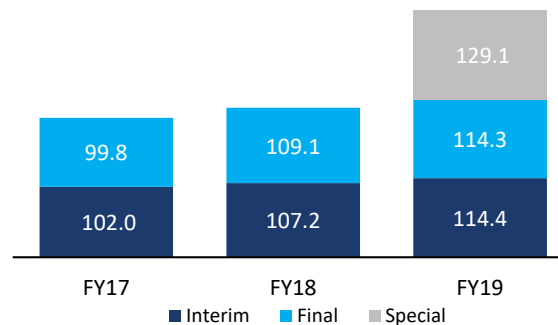
|                                      | FY19  | 2H19  | 1H19  | FY18  | FY19 v FY18 |
|--------------------------------------|-------|-------|-------|-------|-------------|
| Statutory earnings per share (cents) | 254.1 | 127.0 | 127.1 | 230.0 | 10.5%       |
| Dividends per share (cents)          | 228.7 | 114.3 | 114.4 | 216.3 | 5.7%        |
| % of underlying profit paid out      | 90%   | 90%   | 90%   | 90%   | -           |
| Special dividend per share (cents)   | 129.1 | -     | -     | -     | n/a         |

- Statutory earnings per share up 10.5% on pcp
- Total ordinary dividends of 228.7 cents per share, up 5.7% on pcp
- Special dividend of 129.1 cents per share fully franked from the proceeds of ASX's shareholding in IRESS

Statutory earnings per share (cents)



Dividends per share (cents)



Dominic Stevens – CEO

Summary and outlook

# Summary and outlook

- Delivered a strong FY19 financial result, record full-year dividend plus a special dividend
- Made significant progress on multi-year initiatives to strengthen, enhance and grow ASX
- Continue to see elevated volatility given geopolitical situation and changing interest rate expectations
- Early weeks of FY20 have seen a continuation of strong volumes in futures and equities
- FY20 we will progress our technology-driven, customer-focused strategy
  - Investing in contemporary technology foundations for resilience and growth
  - Enhancing core activities to make business easier for customers
  - Developing adjacent opportunities that offer industry-wide solutions

# Q&A

# Appendices

1. Income statement (prior periods restated)
2. Income statement (as previously reported for prior periods)
3. Balance sheet
4. Key financial ratios
5. Transaction and activity levels
6. ASX Group own cash movement
7. Accounting policy change

# 1. AASB 15 – Revenue from Contracts with Customers

| FY18<br>\$million                   | Revenue (as per<br>statutory reporting) | AASB 15<br>deferral adjustment | Restated revenue<br>(revised for AASB 15) |
|-------------------------------------|---|--------------------------------|---|
| <i>Annual listing</i>               | 85.8                                    | -                              | 85.8                                      |
| <i>Initial listing</i>              | 18.6                                    | (1.3)                          | 17.3                                      |
| <i>Subsequent raisings</i>          | 58.9                                    | (10.5)                         | 48.4                                      |
| <i>Other listing</i>                | 8.1                                     | -                              | 8.1                                       |
| Listings                            | 171.4                                   | (11.8)                         | 159.6                                     |
| Issuer services                     | 49.2                                    | -                              | 49.2                                      |
| <b>Listings and Issuer Services</b> | <b>220.6</b>                            | <b>(11.8)</b>                  | <b>208.8</b>                              |
| <b>Derivatives and OTC Markets</b>  | <b>286.4</b>                            | -                              | <b>286.4</b>                              |
| <b>Trading Services</b>             | <b>209.9</b>                            | -                              | <b>209.9</b>                              |
| <b>Equity Post-Trade Services</b>   | <b>104.8</b>                            | -                              | <b>104.8</b>                              |
| Other revenue                       | 1.0                                     | -                              | 1.0                                       |
| <b>Operating revenue</b>            | <b>822.7</b>                            | <b>(11.8)</b>                  | <b>810.9</b>                              |
| <b>Operating expenses</b>           | <b>195.5</b>                            | -                              | <b>195.5</b>                              |
| <b>EBITDA</b>                       | <b>627.2</b>                            | <b>(11.8)</b>                  | <b>615.4</b>                              |
| Depreciation and amortisation       | 47.6                                    | -                              | 47.6                                      |
| <b>EBIT</b>                         | <b>579.6</b>                            | <b>(11.8)</b>                  | <b>567.8</b>                              |
| <b>Interest and dividend income</b> | <b>82.7</b>                             | -                              | <b>82.7</b>                               |
| <b>Underlying profit before tax</b> | <b>662.3</b>                            | <b>(11.8)</b>                  | <b>650.5</b>                              |
| Income tax expense                  | (197.0)                                 | 3.5                            | (193.5)                                   |
| <b>Underlying profit after tax</b>  | <b>465.3</b>                            | <b>(8.3)</b>                   | <b>457.0</b>                              |
| Significant items (net of tax)      | (20.2)                                  | -                              | (20.2)                                    |
| <b>Statutory profit after tax</b>   | <b>445.1</b>                            | <b>(8.3)</b>                   | <b>436.8</b>                              |

## New accounting standard AASB 15 Revenue from Contracts with Customers effective 1 July 2018

- ASX has adopted AASB 15 Revenue from Contracts with Customers on initial and subsequent listing fee revenue
- These fees were previously recognised on the date of admission or quotation of the shares
- Upon adoption of AASB 15, these listing fees are now deferred and recognised over the period in which it is estimated that the listing service will be provided
- ASX has determined that revenue will be deferred and recognised over the following periods - initial listing fees 5 years and subsequent listings fees 3 years

### Key Points:

- Adoption of AASB 15 impacts the Listings and Issuer Services line only
- The table presents a view of the income statement for FY18 on a reported and restated basis to provide like-for-like comparison
- This means on a like-for-like accounting basis that underlying NPAT in 2019 increased by 7.7% over 2018

# 1. Income statement (prior periods restated\*)

|   | FY15<br>\$million | FY16<br>\$million | FY17<br>\$million | FY18<br>\$million | FY19<br>\$million |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| <i>Annual listing</i>                       | 70.7              | 75.2              | 79.3              | 85.8              | 93.8              |
| <i>Initial listing</i>                      | 11.7              | 13.8              | 15.2              | 17.3              | 19.2              |
| <i>Subsequent raisings</i>                  | 38.0              | 41.3              | 44.2              | 48.4              | 51.2              |
| <i>Other listing</i>                        | 9.0               | 10.5              | 8.5               | 8.1               | 6.9               |
| Listings                                    | 129.4             | 140.8             | 147.2             | 159.6             | 171.1             |
| Issuer services                             | 40.2              | 43.3              | 42.4              | 49.2              | 49.1              |
| <b>Listings and Issuer Services</b>         | <b>169.6</b>      | <b>184.1</b>      | <b>189.6</b>      | <b>208.8</b>      | <b>220.2</b>      |
| <b>Derivatives and OTC Markets</b>          | <b>253.9</b>      | <b>265.8</b>      | <b>269.1</b>      | <b>286.4</b>      | <b>308.6</b>      |
| <b>Trading Services</b>                     | <b>169.9</b>      | <b>182.8</b>      | <b>196.0</b>      | <b>209.9</b>      | <b>229.6</b>      |
| <b>Equity Post-Trade Services</b>           | <b>91.8</b>       | <b>102.0</b>      | <b>104.4</b>      | <b>104.8</b>      | <b>108.4</b>      |
| Other revenue                               | 1.6               | 3.0               | 1.9               | 1.0               | (3.0)             |
| <b>Operating revenue</b>                    | <b>686.8</b>      | <b>737.7</b>      | <b>761.0</b>      | <b>810.9</b>      | <b>863.8</b>      |
| <b>Operating expenses</b>                   | <b>160.1</b>      | <b>170.6</b>      | <b>180.9</b>      | <b>195.5</b>      | <b>214.8</b>      |
| <b>EBITDA</b>                               | <b>526.7</b>      | <b>567.1</b>      | <b>580.1</b>      | <b>615.4</b>      | <b>649.0</b>      |
| Depreciation and amortisation               | 38.6              | 42.7              | 46.0              | 47.6              | 47.8              |
| <b>EBIT</b>                                 | <b>488.1</b>      | <b>524.4</b>      | <b>534.1</b>      | <b>567.8</b>      | <b>601.2</b>      |
| <b>Interest and dividend income</b>         | <b>71.9</b>       | <b>73.1</b>       | <b>79.2</b>       | <b>82.7</b>       | <b>103.9</b>      |
| <b>Underlying profit before tax</b>         | <b>560.0</b>      | <b>597.5</b>      | <b>613.3</b>      | <b>650.5</b>      | <b>705.1</b>      |
| Income tax expense                          | (166.5)           | (177.3)           | (181.4)           | (193.5)           | (213.1)           |
| <b>Underlying profit after tax</b>          | <b>393.5</b>      | <b>420.2</b>      | <b>431.9</b>      | <b>457.0</b>      | <b>492.0</b>      |
| Significant items (net of tax) <sup>1</sup> | (5.4)             | -                 | -                 | (20.2)            | -                 |
| <b>Statutory profit after tax</b>           | <b>388.1</b>      | <b>420.2</b>      | <b>431.9</b>      | <b>436.8</b>      | <b>492.0</b>      |



## 2. Income statement (as previously reported for prior periods)

|                                     | Pre-AASB 15       |                   |                   | AASB 15           |                   |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                     | FY15<br>\$million | FY16<br>\$million | FY17<br>\$million | FY18<br>\$million | FY19<br>\$million |
| <i>Annual listing</i>               | 70.7              | 75.2              | 79.3              | 85.8              | 93.8              |
| <i>Initial listing</i>              | 20.9              | 18.6              | 16.0              | 18.6              | 19.2              |
| <i>Subsequent raisings</i>          | 42.7              | 45.1              | 46.5              | 58.9              | 51.2              |
| <i>Other listing</i>                | 9.0               | 10.5              | 8.5               | 8.1               | 6.9               |
| Listings                            | 143.3             | 149.4             | 150.3             | 171.4             | 171.1             |
| Issuer services                     | 40.2              | 43.3              | 42.4              | 49.2              | 49.1              |
| <b>Listings and Issuer Services</b> | <b>183.5</b>      | <b>192.7</b>      | <b>192.7</b>      | <b>220.6</b>      | <b>220.2</b>      |
| <i>Equity options</i>               | 24.6              | 23.1              | 21.7              | 21.9              | 19.9              |
| <i>Futures and OTC clearing</i>     | 181.6             | 194.3             | 197.4             | 212.5             | 232.9             |
| <i>Austraclear</i>                  | 47.7              | 48.4              | 50.0              | 52.0              | 55.8              |
| <b>Derivatives and OTC Markets</b>  | <b>253.9</b>      | <b>265.8</b>      | <b>269.1</b>      | <b>286.4</b>      | <b>308.6</b>      |
| <i>Cash market trading</i>          | 36.1              | 40.7              | 46.3              | 45.7              | 51.7              |
| <i>Information services</i>         | 73.7              | 80.1              | 82.5              | 90.1              | 96.3              |
| <i>Technical services</i>           | 60.1              | 62.0              | 67.2              | 74.1              | 81.6              |
| <b>Trading Services</b>             | <b>169.9</b>      | <b>182.8</b>      | <b>196.0</b>      | <b>209.9</b>      | <b>229.6</b>      |
| <i>Cash market clearing</i>         | 47.3              | 54.1              | 53.3              | 51.9              | 54.4              |
| <i>Cash market settlement</i>       | 44.5              | 47.9              | 51.1              | 52.9              | 54.0              |
| <b>Equity Post-Trade Services</b>   | <b>91.8</b>       | <b>102.0</b>      | <b>104.4</b>      | <b>104.8</b>      | <b>108.4</b>      |
| Other revenue                       | 1.6               | 3.0               | 1.9               | 1.0               | (3.0)             |
| <b>Operating revenue</b>            | <b>700.7</b>      | <b>746.3</b>      | <b>764.1</b>      | <b>822.7</b>      | <b>863.8</b>      |

Operating revenues and operating expenses as per the Group segment reporting

## 2. Income statement (as previously reported for prior periods)

|   | Pre-AASB 15       |                   |                   | AASB 15           |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | FY15<br>\$million | FY16<br>\$million | FY17<br>\$million | FY18<br>\$million | FY19<br>\$million |
| Staff                                       | 96.4              | 101.1             | 110.6             | 114.6             | 127.7             |
| Occupancy                                   | 13.7              | 14.1              | 14.6              | 16.4              | 17.9              |
| Equipment                                   | 24.0              | 27.0              | 27.9              | 27.9              | 30.7              |
| Administration                              | 17.2              | 19.2              | 18.2              | 22.4              | 22.5              |
| Variable                                    | 5.1               | 6.3               | 6.7               | 7.9               | 8.4               |
| ASIC levy                                   | 3.7               | 2.9               | 2.9               | 6.3               | 7.6               |
| <b>Operating expenses</b>                   | <b>160.1</b>      | <b>170.6</b>      | <b>180.9</b>      | <b>195.5</b>      | <b>214.8</b>      |
| <b>EBITDA</b>                               | <b>540.6</b>      | <b>575.7</b>      | <b>583.2</b>      | <b>627.2</b>      | <b>649.0</b>      |
| Depreciation and amortisation               | 38.6              | 42.7              | 46.0              | 47.6              | 47.8              |
| <b>EBIT</b>                                 | <b>502.0</b>      | <b>533.0</b>      | <b>537.2</b>      | <b>579.6</b>      | <b>601.2</b>      |
| Net interest income                         | 26.9              | 22.3              | 17.8              | 18.2              | 23.4              |
| Net interest on participants' balances      | 32.3              | 37.7              | 47.5              | 50.3              | 75.4              |
| Dividend revenue                            | 12.7              | 13.1              | 13.9              | 14.2              | 5.1               |
| <b>Interest and dividend income</b>         | <b>71.9</b>       | <b>73.1</b>       | <b>79.2</b>       | <b>82.7</b>       | <b>103.9</b>      |
| <b>Underlying profit before tax</b>         | <b>573.9</b>      | <b>606.1</b>      | <b>616.4</b>      | <b>662.3</b>      | <b>705.1</b>      |
| Income tax expense                          | (170.7)           | (179.9)           | (182.3)           | (197.0)           | (213.1)           |
| <b>Underlying profit after tax</b>          | <b>403.2</b>      | <b>426.2</b>      | <b>434.1</b>      | <b>465.3</b>      | <b>492.0</b>      |
| Significant items (net of tax) <sup>1</sup> | (5.4)             | -                 | -                 | (20.2)            | 0.0               |
| <b>Statutory profit after tax</b>           | <b>397.8</b>      | <b>426.2</b>      | <b>434.1</b>      | <b>445.1</b>      | <b>492.0</b>      |

Operating revenues and operating expenses as per the Group segment reporting

<sup>1</sup> FY18 significant items relates to impairment of Yieldbroker

### 3. Balance sheet

|  | 30 Jun 15<br>\$million | 30 Jun 16<br>\$million | 30 Jun 17<br>\$million | 30 Jun 18<br>\$million | 30 Jun 19<br>\$million |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Assets</b>  |                        |                        |                        |                        |                        |
| Cash and other financial assets                              | 4,879.0                | 7,072.8                | 9,085.6                | 9,570.1                | 12,270.3               |
| Intangibles (excluding software)                             | 2,317.6                | 2,317.6                | 2,326.6                | 2,326.3                | 2,326.1                |
| Investments  | 376.8                  | 424.8                  | 497.8                  | 469.5                  | 76.3                   |
| Other assets   | 485.2                  | 636.4                  | 1,301.7                | 557.1                  | 657.6                  |
| <b>Total assets</b>  | <b>8,058.6</b>         | <b>10,451.6</b>        | <b>13,211.7</b>        | <b>12,923.0</b>        | <b>15,330.3</b>        |
|  |                        |                        |                        |                        |                        |
| <b>Liabilities</b>   |                        |                        |                        |                        |                        |
| Amounts owing to participants (including funded commitments) | 3,886.2                | 6,088.2                | 8,084.7                | 8,495.8                | 10,801.0               |
| Other liabilities  | 412.7                  | 539.3                  | 1,218.9                | 481.7                  | 612.9                  |
| <b>Total liabilities</b>                                     | <b>4,298.9</b>         | <b>6,627.5</b>         | <b>9,303.6</b>         | <b>8,977.5</b>         | <b>11,413.9</b>        |
|  |                        |                        |                        |                        |                        |
| <b>Equity</b>  |                        |                        |                        |                        |                        |
| Capital  | 3,027.2                | 3,027.2                | 3,027.2                | 3,027.2                | 3,027.2                |
| Retained earnings  | 526.3                  | 576.9                  | 622.2                  | 666.7                  | 801.7                  |
| Reserves   | 206.2                  | 220.0                  | 258.7                  | 251.6                  | 87.5                   |
| <b>Total equity</b>  | <b>3,759.7</b>         | <b>3,824.1</b>         | <b>3,908.1</b>         | <b>3,945.5</b>         | <b>3,916.4</b>         |

## 4. Key financial ratios

|   | FY15        | FY16        | FY17        | FY18        | FY19        |
|---|-------------|-------------|-------------|-------------|-------------|
| Basic earnings per share (EPS) <sup>1</sup>   | 205.7c      | 220.4c      | 224.5c      | 230.0c      | 254.1c      |
| Diluted EPS <sup>1</sup>  | 205.7c      | 220.4c      | 224.5c      | 230.0c      | 254.1c      |
| Underlying EPS <sup>2</sup>   | 208.4c      | 220.4c      | 224.5c      | 240.4c      | 254.1c      |
| Dividend per share – interim  | 92.3c       | 99.1c       | 102.0c      | 107.2c      | 114.4c      |
| Dividend per share – final  | 95.1c       | 99.0c       | 99.8c       | 109.1c      | 114.3c      |
| Special dividend  | -           | -           | -           | -           | 129.1c      |
| Statutory return on equity <sup>3</sup>   | 10.8%       | 11.4%       | 11.4%       | 11.5%       | 12.8%       |
| Underlying return on equity <sup>4</sup>  | 10.9%       | 11.4%       | 11.4%       | 12.0%       | 12.8%       |
| EBITDA / Operating revenue <sup>5,6</sup>   | 77.1%       | 77.1%       | 76.3%       | 76.2%       | 75.1%       |
| EBIT / Operating revenue <sup>5,6</sup>   | 71.6%       | 71.4%       | 70.3%       | 70.5%       | 69.6%       |
| Total expenses (including depreciation and amortisation) / Operating revenue <sup>5,6</sup> | 28.4%       | 28.6%       | 29.7%       | 29.5%       | 30.4%       |
| Capital expenditure (\$m)   | \$44.4      | \$50.2      | \$50.3      | \$54.1      | \$75.1      |
| Net tangible asset backing per share  | \$6.97      | \$7.25      | \$7.59      | \$7.79      | \$7.53      |
| Net asset backing per share   | \$19.42     | \$19.75     | \$20.19     | \$20.38     | \$20.23     |
| Shareholders' equity as a % of total assets (excluding participants' balances)              | 90.1%       | 87.6%       | 76.2%       | 89.1%       | 86.5%       |
| Shareholders' equity as a % of total assets (including participants' balances)              | 46.7%       | 36.6%       | 29.6%       | 30.5%       | 25.5%       |
| Share price at end of period  | \$39.90     | \$45.76     | \$53.61     | \$64.39     | \$82.37     |
| Ordinary shares on issue at end of period   | 193,595,162 | 193,595,162 | 193,595,162 | 193,595,162 | 193,595,162 |
| Weighted average number of ordinary shares (excluding treasury shares) <sup>7</sup>         | 193,413,893 | 193,413,893 | 193,415,430 | 193,507,104 | 193,576,187 |
| Market value of ordinary shares on issue at end of period (\$m)                             | \$7,724     | \$8,859     | \$10,379    | \$12,466    | \$15,946    |
| Market to book ratio at end of period   | 2.05        | 2.32        | 2.66        | 3.16        | 4.07        |
| Full-time equivalent permanent staff – number at period end                                 | 515         | 546         | 554         | 587         | 689         |
| Full-time equivalent permanent staff – average during the period                            | 524         | 534         | 556         | 560         | 650         |

Operating revenues and operating expenses as per the Group segment reporting

1. Based on statutory net profit after tax (NPAT) including significant items and weighted average number of shares.

2. Based on underlying NPAT excluding significant items and weighted average number of shares.

3. Based on statutory NPAT including significant items.

4. Based on underlying NPAT excluding significant items.

5. Operating revenue excludes interest and dividend revenue (underlying).

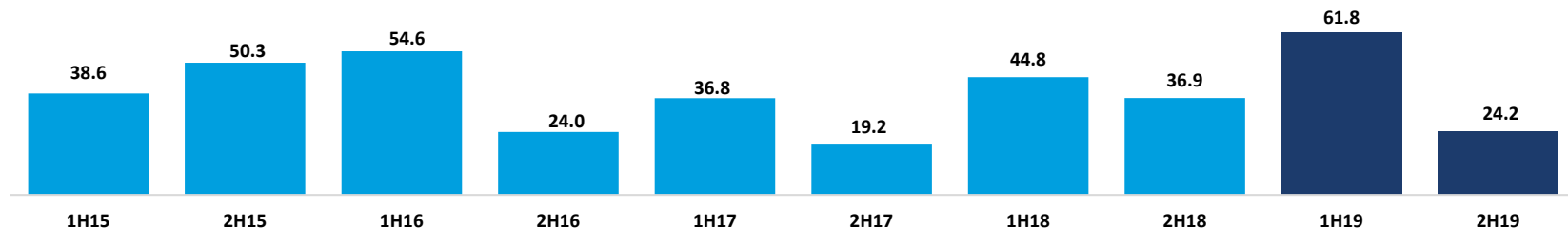
6. EBITDA – earnings before interest, tax, depreciation and amortisation; EBIT – earnings before interest and tax. These metrics along with total expenses exclude significant items.

7. Weighted average number of ordinary shares used to calculate EPS.

## 5.1 Listings and Issuer Services

|  | FY15            | FY16            | FY17            | FY18            | FY19            |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Total domestic market capitalisation (\$bn) – period end                     | \$1,612         | \$1,620         | \$1,777         | \$1,957         | \$2,069         |
| Total number of listed entities (includes all stapled entities) – period end | 2,220           | 2,204           | 2,239           | 2,285           | 2,269           |
| Number of new listings   | 120             | 124             | 152             | 137             | 111             |
| Average annual listing fee   | \$31,859        | \$34,101        | \$35,419        | \$37,569        | \$41,356        |
| Initial capital raised (\$m)   | \$38,916        | \$23,587        | \$14,652        | \$25,693        | \$37,402        |
| Secondary capital raised (\$m)   | \$38,787        | \$45,299        | \$37,160        | \$43,022        | \$38,830        |
| Other secondary capital raised including scrip-for-scrip (\$m)               | \$11,170        | \$9,704         | \$4,156         | \$12,998        | \$9,783         |
| <b>Total capital raised (including other) (\$m)</b>                          | <b>\$88,873</b> | <b>\$78,590</b> | <b>\$55,968</b> | <b>\$81,713</b> | <b>\$86,015</b> |
| Number of new warrant series quoted  | 2,903           | 2,959           | 1,828           | 1,967           | 1,849           |
| Total warrant series quoted  | 3,050           | 2,886           | 2,827           | 2,976           | 2,789           |

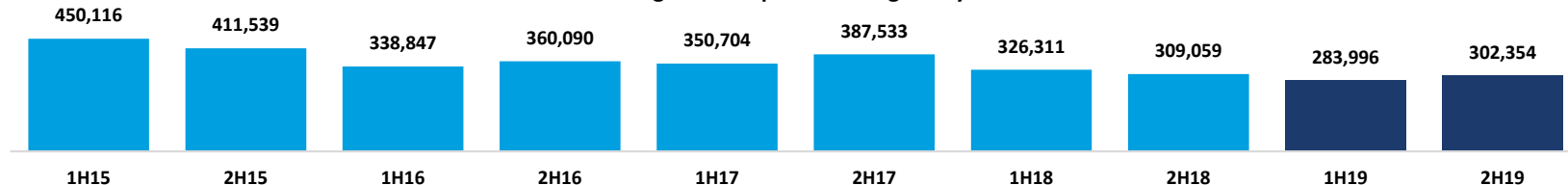
Total capital raised (including other) (\$bn)



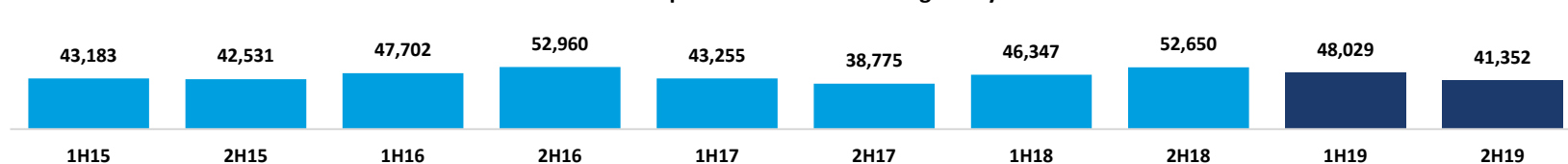
## 5.2 Derivatives and OTC Markets: Equity Options

|   | FY15    | FY16    | FY17    | FY18    | FY19    |
|---|---------|---------|---------|---------|---------|
| Trading days                                      | 254     | 254     | 253     | 252     | 252     |
| Single stock options ('000)                       | 109,546 | 88,701  | 93,295  | 80,091  | 73,825  |
| Index options and futures ('000)                  | 10,958  | 12,768  | 10,388  | 12,461  | 11,282  |
| Average daily single stock options contracts      | 431,283 | 349,218 | 368,755 | 317,822 | 292,957 |
| Average daily index options and futures contracts | 43,143  | 50,269  | 41,060  | 49,449  | 44,770  |
| Average fee per derivatives contract              | \$0.20  | \$0.23  | \$0.21  | \$0.24  | \$0.23  |

Single stock options average daily contracts



Index options and futures average daily contracts



## 5.2 Derivatives and OTC Markets: Futures and OTC

|  | FY15           | FY16           | FY17           | FY18           | FY19           |
|--|----------------|----------------|----------------|----------------|----------------|
| <i>Trading days</i>                            | 256            | 257            | 256            | 255            | 255            |
| <b>Total contracts traded – futures ('000)</b> |                |                |                |                |                |
| ASX SPI 200                                    | 10,301         | 12,105         | 12,255         | 13,782         | 15,994         |
| 90 day bank bills                              | 28,706         | 29,567         | 28,931         | 33,226         | 34,698         |
| 3 year bonds                                   | 49,717         | 50,105         | 53,233         | 56,041         | 60,488         |
| 10 year bonds                                  | 29,498         | 36,079         | 41,697         | 47,729         | 51,883         |
| 20 year bonds <sup>1</sup>                     | -              | 423            | 545            | 383            | 256            |
| 30 day interbank cash rate                     | 3,678          | 4,112          | 2,455          | 1,952          | 4,268          |
| Agricultural                                   | 135            | 132            | 91             | 84             | 93             |
| Electricity                                    | 224            | 257            | 344            | 371            | 413            |
| Other <sup>2</sup>                             | 107            | 137            | 102            | 149            | 112            |
| NZD 90 day bank bills                          | 1,394          | 1,915          | 1,422          | 1,697          | 2,329          |
| <b>Total futures</b>                           | <b>123,760</b> | <b>134,832</b> | <b>141,075</b> | <b>155,414</b> | <b>170,534</b> |

<sup>1</sup> Introduced 21 September 2015

<sup>2</sup> Other includes VIX and sector futures

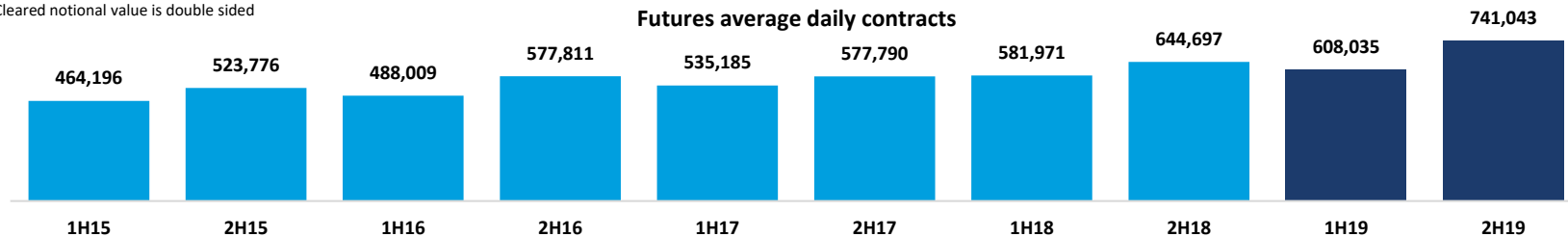
## 5.2 Derivatives and OTC Markets: Futures and OTC (continued)

|  | FY15           | FY16           | FY17           | FY18           | FY19           |
|--|----------------|----------------|----------------|----------------|----------------|
| <b>Total contracts traded – options on futures ('000)</b>          |                |                |                |                |                |
| ASX SPI 200  | 454            | 363            | 202            | 140            | 98             |
| 3 year bonds   | 245            | 356            | 152            | 85             | 227            |
| Overnight 3 year bonds   | 896            | 579            | 478            | 314            | 279            |
| Intra-day 3 year bonds   | 927            | 660            | 460            | 344            | 610            |
| 10 year bonds <sup>1</sup>   | 24             | 4              | 19             | 36             | 4              |
| Electricity  | 27             | 23             | 27             | 36             | 56             |
| Other <sup>2</sup>   | 8              | 6              | 5              | 0              | 0              |
| <b>Total options on futures</b>                                    | <b>2,581</b>   | <b>1,991</b>   | <b>1,343</b>   | <b>955</b>     | <b>1,274</b>   |
| <b>Total futures and options on futures contract volume ('000)</b> | <b>126,341</b> | <b>136,823</b> | <b>142,418</b> | <b>156,369</b> | <b>171,808</b> |
| Daily average contracts – futures and options                      | 493,520        | 532,386        | 556,321        | 613,211        | 673,757        |
| Average fee per contract – futures and options                     | \$1.44         | \$1.42         | \$1.39         | \$1.36         | \$1.36         |
| <b>OTC Markets</b>   |                |                |                |                |                |
| Total notional cleared value (\$bn) <sup>3</sup>                   | \$805.869      | \$2,742.002    | \$5,165.949    | \$6,314.322    | \$9,710.616    |
| Open notional cleared value (period end \$bn) <sup>3</sup>         | \$440.506      | \$1,600.194    | \$2,924.287    | \$3,773.703    | \$7,207.582    |

<sup>1</sup> 10 year bonds includes overnight and intraday

<sup>2</sup> Other includes options over 90 day bank bills and agricultural

<sup>3</sup> Cleared notional value is double sided

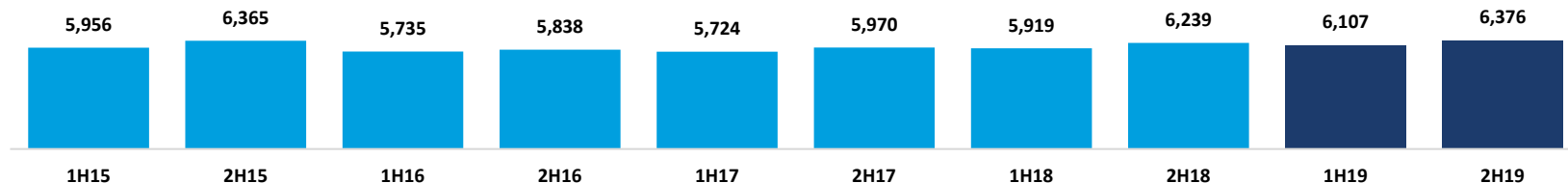




## 5.2 Derivatives and OTC Markets: Austraclear

|   | FY15         | FY16         | FY17         | FY18         | FY19         |
|---|--------------|--------------|--------------|--------------|--------------|
| Settlement days   | 254          | 254          | 253          | 252          | 253          |
| <b>Transactions ('000)</b>  |              |              |              |              |              |
| Cash transfers  | 602          | 590          | 582          | 605          | 610          |
| Fixed interest securities   | 774          | 717          | 741          | 770          | 812          |
| Discount securities   | 157          | 150          | 146          | 146          | 147          |
| Foreign exchange  | 22           | 11           | 9            | 9            | 9            |
| Other   | 9            | 2            | 1            | 1            | 0            |
| <b>Total transactions</b>   | <b>1,564</b> | <b>1,470</b> | <b>1,479</b> | <b>1,531</b> | <b>1,578</b> |
| Average daily settlement volume   | 6,156        | 5,786        | 5,844        | 6,076        | 6,239        |
| Securities holdings (average \$bn)  | \$1,671.5    | \$1,857.6    | \$1,915.4    | \$1,908.5    | \$2,003.7    |
| Securities holdings (period end \$bn)   | \$1,752.5    | \$1,895.6    | \$1,860.3    | \$1,948.8    | \$2,054.5    |
| Average settlement and depository fee (including portfolio holdings) per transaction (excludes registry services revenue) | \$14.88      | \$15.60      | \$16.34      | \$16.63      | \$16.88      |
| ASX Collateral (average \$bn)   | \$3.0        | \$4.9        | \$10.3       | \$19.9       | \$21.9       |
| ASX Collateral (period end \$bn)  | \$4.1        | \$4.9        | \$16.2       | \$23.5       | \$22.4       |

Austraclear average daily settlement volume

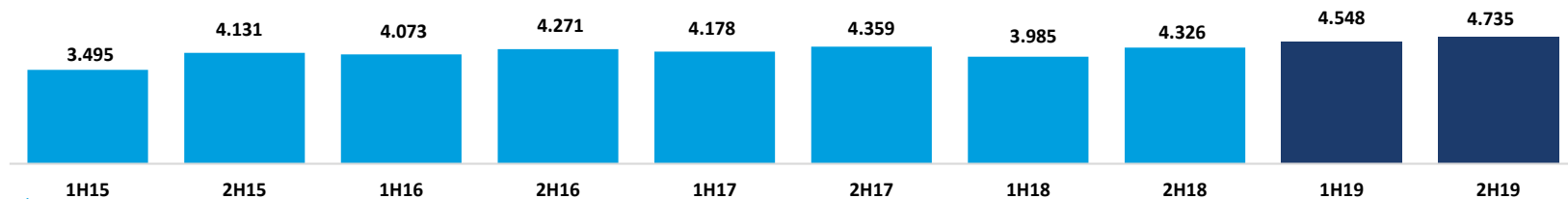


## 5.3 Trading Services: Cash Market Trading

|   | FY15               | FY16               | FY17               | FY18               | FY19               |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Trading days  | 254                | 254                | 253                | 252                | 252                |
| Total cash market trades ('000)                                     | 190,647            | 235,923            | 266,433            | 292,528            | 359,985            |
| Average daily cash market trades                                    | 750,578            | 928,829            | 1,053,096          | 1,160,826          | 1,428,512          |
| Continuous trading value (\$bn)                                     | \$698.315          | \$770.805          | \$735.447          | \$677.893          | \$722.111          |
| Auctions value (\$bn)   | \$193.292          | \$209.412          | \$236.983          | \$262.126          | \$333.979          |
| Centre Point value (\$bn)   | \$74.933           | \$78.941           | \$107.043          | \$106.481          | \$113.030          |
| <b>Total cash on-market value (\$bn)</b>                            | <b>\$966.540</b>   | <b>\$1,059.158</b> | <b>\$1,079.473</b> | <b>\$1,046.500</b> | <b>\$1,169.120</b> |
| Trade reporting value (\$bn)  | \$145.909          | \$144.991          | \$167.377          | \$185.316          | \$211.568          |
| <b>Total cash market value (\$bn)</b>                               | <b>\$1,112.449</b> | <b>\$1,204.149</b> | <b>\$1,246.850</b> | <b>\$1,231.816</b> | <b>\$1,380.688</b> |
| Average daily on-market value (\$bn)                                | \$3.805            | \$4.170            | \$4.267            | \$4.153            | \$4.639            |
| Average daily value (including Trade reporting) (\$bn)              | \$4.380            | \$4.741            | \$4.928            | \$4.888            | \$5.479            |
| Average trade size (\$)   | \$5,835            | \$5,104            | \$4,680            | \$4,211            | \$3,835            |
| Average trading fee per dollar of value (bps)                       | 0.32               | 0.33               | 0.37               | 0.37               | 0.37               |
| Velocity (total value / average market capitalisation) <sup>1</sup> | 82%                | 92%                | 88%                | 83%                | 87%                |
| Number of dominant settlement messages (m)                          | 15.7               | 17.1               | 17.8               | 17.9               | 19.6               |

<sup>1</sup> Total value transacted on all venues

Average daily on-market value (\$bn)



## 5.3 Trading Services: Technical Services

|  | FY15  | FY16  | FY17  | FY18 | FY19  |
|--|-------|-------|-------|------|-------|
| <b>Technical Services (number at period end)</b> |       |       |       |      |       |
| <b>ASX Distribution Platform</b>                 |       |       |       |      |       |
| Australian Liquidity Centre cabinets             | 188   | 231   | 285   | 301  | 324   |
| <b>Connection Services</b>                       |       |       |       |      |       |
| ASX Net connections                              | 126   | 116   | 123   | 112  | 104   |
| ASX Net service feeds                            | 358   | 382   | 437   | 444  | 447   |
| Australian Liquidity Centre service connections  | 679   | 819   | 871   | 984  | 1,068 |
| <b>ASX Service Access</b>                        |       |       |       |      |       |
| ASX ITCH access                                  | 31    | 39    | 43    | 49   | 54    |
| Futures ITCH access                              | 36    | 45    | 74    | 80   | 73    |
| <b>ASX Market Access</b>                         |       |       |       |      |       |
| ASX sessions                                     | 1,185 | 1,113 | 1,033 | 922  | 886   |
| ASX gateways                                     | 207   | 192   | 179   | 160  | 155   |
| ASX liquidity cross-connections                  | 55    | 57    | 60    | 64   | 57    |
| ASX OUCH access                                  | 44    | 58    | 73    | 82   | 75    |
| Futures gateways                                 | 228   | 208   | 199   | 251  | 329   |
| Futures liquidity cross-connections              | 357   | 306   | 334   | 381  | 482   |

## 5.4 CCP participant collateral balances

|   | FY15<br>\$million | FY16<br>\$million | FY17<br>\$million | FY18<br>\$million | FY19<br>\$million |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Balances at period end</b>                                       |                   |                   |                   |                   |                   |
| ASX Clear – initial margins   | 673.7             | 815.7             | 672.3             | 567.3             | 843.6             |
| ASX Clear (Futures) – initial margins House <sup>1</sup>            | 746.0             | 1,293.7           | 2,030.9           | 1,920.6           | 2,369.7           |
| ASX Clear (Futures) – initial margins Client                        | 2,067.7           | 3,278.6           | 4,856.1           | 4,182.7           | 5,548.9           |
| ASX Clear (Futures) – additional <sup>2</sup> and excess            | 198.8             | 500.2             | 325.4             | 1,625.2           | 1,838.8           |
| Commitments   | 200.0             | 200.0             | 200.0             | 200.0             | 200.0             |
| <b>Total margins held on balance sheet</b>                          | <b>3,886.2</b>    | <b>6,088.2</b>    | <b>8,084.7</b>    | <b>8,495.8</b>    | <b>10,801.0</b>   |
|   |                   |                   |                   |                   |                   |
| Average daily margin balance during the period                      | 4,115.5           | 4,565.9           | 6,065.8           | 6,916.7           | 8,192.6           |
|   |                   |                   |                   |                   |                   |
| ASX Clear – guarantees and equity collateral held off balance sheet | 3,641.2           | 3,400.3           | 3,398.3           | 3,333.2           | 3,351.8           |

<sup>1</sup> Includes margins held for OTC Clearing

<sup>2</sup> Increase in additional margins resulting from larger positions and enhanced capital management and margining methodology

## 6. ASX Group own cash movement

|  | FY15<br>\$million | FY16<br>\$million | FY17<br>\$million | FY18<br>\$million | FY19<br>\$million |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>ASX Group cash</b>                                |                   |                   |                   |                   |                   |
| Total cash and short-term investments                | 4,879.0           | 7,072.8           | 9,085.6           | 9,565.3           | 12,265.0          |
| Less participants' margins and commitments           | (3,886.2)         | (6,088.2)         | (8,084.7)         | (8,495.8)         | (10,801.0)        |
| <b>ASX Group own cash reserves</b>                   | <b>992.8</b>      | <b>984.6</b>      | <b>1,000.9</b>    | <b>1,069.5</b>    | <b>1,464.0</b>    |
| <b>Opening ASX Group own cash reserves</b>           | <b>1,029.5</b>    | <b>992.8</b>      | <b>984.6</b>      | <b>1,000.9</b>    | <b>1,069.5</b>    |
| Add:   |                   |                   |                   |                   |                   |
| Cash generated from business activities <sup>1</sup> | 424.1             | 440.2             | 482.3             | 529.1             | 535.1             |
| Cash from sale of investment                         | -                 | -                 | -                 | -                 | 380.7             |
| Less:  |                   |                   |                   |                   |                   |
| Cash used for payment of dividends                   | (352.4)           | (375.6)           | (388.8)           | (400.6)           | (432.7)           |
| Cash used for other non-current assets               | (41.5)            | (48.4)            | (61.0)            | (48.3)            | (84.6)            |
| Payments for investments                             | (66.9)            | (24.4)            | (16.2)            | (11.6)            | (4.0)             |
| <b>Closing ASX Group own cash reserves</b>           | <b>992.8</b>      | <b>984.6</b>      | <b>1,000.9</b>    | <b>1,069.5</b>    | <b>1,464.0</b>    |
| <b>Less specific cash allocations</b>                | <b>(768.3)</b>    | <b>(768.3)</b>    | <b>(768.3)</b>    | <b>(843.3)</b>    | <b>(1,094.4)</b>  |
| <b>Available free cash</b>                           | <b>224.5</b>      | <b>216.3</b>      | <b>232.6</b>      | <b>226.2</b>      | <b>369.6</b>      |

<sup>1</sup> Following the reclassification of 'Cash and cash equivalent' items on the balance sheet in FY19, the amount of 'Cash generated from business activities' above will not agree to the 'net cash flow from operating activities' shown in the Consolidated statement of cash flows. The former consists of cash and other short-term money market investment while the latter only relates to cash.

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