



# Half-Year 2016 Results Presentation

ASX Limited

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Peter Hiom

11 February 2016



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Forward-looking statements may be identified by words such as "aim", "anticipate", "assume", "continue", "could", "estimate", "expect", "intend", "may", "plan", "predict", "should", "will", or "would" or the negative of such terms or other similar expressions that are predictions of or otherwise indicate future events or trends.

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# Financial Results 1H16

Revenues \$376.2m 7.9%	Expenses \$85.1m (4.4%)	EBITDA \$291.1m 8.9%	NPAT \$213.1m 7.3%	EPS 110.2c 7.3%	DPS 99.1c 7.4%
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## Positive revenue growth of 7.9%

- Growth in Listings, Trading Services and Post-Trade Services
- Derivatives and OTC Markets flat with fee reductions in futures offsetting volume growth
- Revenue reporting aligned to four main businesses under new ASX management structure

## Expense growth of 4.4%

- Acceleration of investment in post-trade services
- FY16 guidance expense growth approximately 5.5%

## Capital expenditure \$18.7 million

- FY16 capital expenditure guidance approximately \$50 million
- Trading and risk management platform projects underway with delivery targeted for CY16
- Next phase will focus on post-trade services, including potential use of distributed ledger technology
- Initial investment in Digital Asset Holdings of \$14.9 million – 5% holding and warrant

# Financial Results 1H16 (Continued)

Revenues \$376.2m 7.9%	Expenses \$85.1m (4.4%)	EBITDA \$291.1m 8.9%	NPAT \$213.1m 7.3%	EPS 110.2c 7.3%	DPS 99.1c 7.4%
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## Balance sheet and regulatory settings

- Strong balance sheet; AA- long-term credit rating from S&P
- Compliance with Financial Stability Standards on track
- Distributed ledger technology could materially change the clearing and settlement processes in the equity market, delivering significant benefits to users and avoiding investment in legacy infrastructure

## Investment in strategic positioning

- Significant investment in infrastructure – opportunity for innovation in trading and post-trade services
- Products and services that give investors flexibility and choice
- Higher customer engagement and improved service delivery
- Management responsibilities aligned with business priorities

# Income Statement

	1H16 \$m	1H15 \$m	% Variance
Operating Revenues	376.2	348.7	7.9%
Operating Expenses	85.1	81.4	(4.4%)
<b>EBITDA</b>	<b>291.1</b>	<b>267.3</b>	<b>8.9%</b>
Depreciation and Amortisation	20.8	18.6	(12.2%)
<b>EBIT</b>	<b>270.3</b>	<b>248.7</b>	<b>8.7%</b>
Interest and Dividend Income	33.7	34.4	(2.0%)
<b>Profit Before Tax</b>	<b>304.0</b>	<b>283.1</b>	<b>7.4%</b>
Income Tax Expense	(90.9)	(84.5)	(7.6%)
<b>Profit After Tax</b>	<b>213.1</b>	<b>198.6</b>	<b>7.3%</b>
<b>EBITDA Margin</b>	<b>77.4%</b>	<b>76.6%</b>	

Operating revenues and operating expenses as per the Group segment reporting  
Variance expressed favourable / (unfavourable)

# Business Structure from 1 July 2015

Deputy CEO (Peter Hiom)<sup>1</sup>

Listings and Issuer Services (Max Cunningham)	Trading Services (David Raper) <sup>1</sup>	Equities Post-Trade (Cliff Richards)	Derivatives and OTC Markets (Helen Lofthouse) <sup>1</sup>
<p><b>Scope</b></p> <ul style="list-style-type: none"> <li>Listings</li> <li>Issuer Services</li> </ul>	<p><b>Scope</b></p> <ul style="list-style-type: none"> <li>Equities trading</li> <li>Information Services</li> <li>Technical Services</li> </ul>	<p><b>Scope</b></p> <ul style="list-style-type: none"> <li>Equities Clearing</li> <li>Equities Settlement</li> <li>Post-trade innovation/ distributed ledger technology</li> </ul>	<p><b>Scope</b></p> <ul style="list-style-type: none"> <li>Futures</li> <li>Exchange Traded Options</li> <li>OTC Clearing</li> <li>Collateral Management</li> <li>Austraclear</li> </ul>
<p><b>Position</b></p> <ul style="list-style-type: none"> <li>Leading listings and capital raising venue</li> <li>‘Investment Supermarket’</li> <li>Investor relations services for listed companies</li> </ul>	<p><b>Position</b></p> <ul style="list-style-type: none"> <li>Trade execution services (lit market, Centre Point)</li> <li>Technical and co-location services</li> <li>Information and data analytic services</li> </ul>	<p><b>Position</b></p> <ul style="list-style-type: none"> <li>Central clearing of cash equity products</li> <li>Netting and settlement of cash equities</li> <li>Sub-register for equity products</li> </ul>	<p><b>Position</b></p> <ul style="list-style-type: none"> <li>Futures and options across interest rate, equity, energy markets</li> <li>Clearing of exchange traded and OTC products</li> <li>Settlement and depository for debt products</li> </ul>
<b>1H16 Revenue \$105.6m</b>	<b>1H16 Revenue \$91.4m</b>	<b>1H16 Revenue \$51.0m</b>	<b>1H16 Revenue \$126.8m</b>

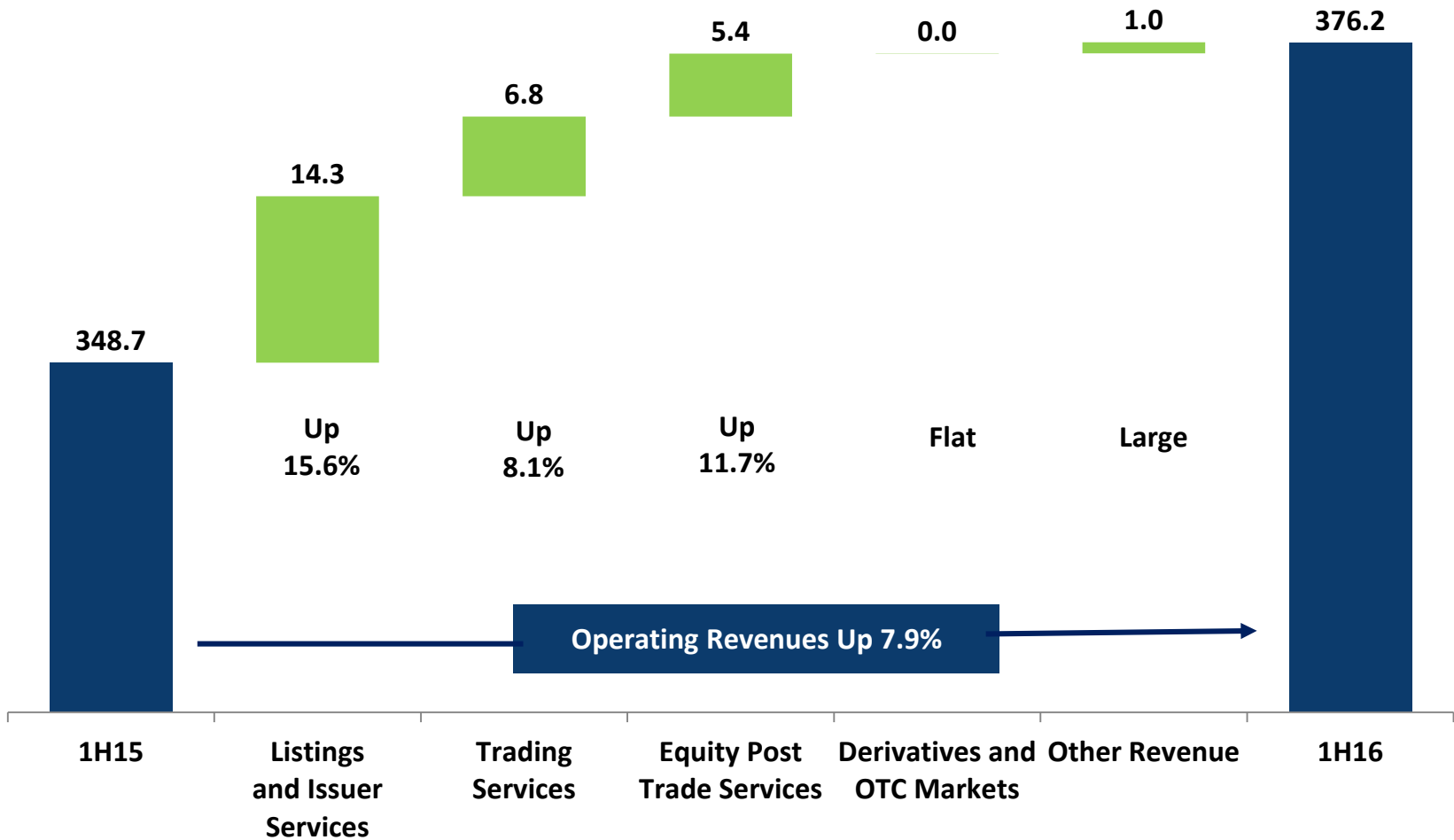
1. Members of Group Executive Committee

# Revenue Performance

	1H16 \$m	1H15 \$m	% Variance	% of Group Revenue
<b>Listings and Issuer Services</b>	<b>105.6</b>	<b>91.3</b>	<b>15.6%</b>	<b>28%</b>
Listings	82.4	70.9	16.3%	
Issuer Services	23.2	20.4	13.2%	
<b>Trading Services</b>	<b>91.4</b>	<b>84.6</b>	<b>8.1%</b>	<b>24%</b>
Cash Market Trading	20.3	17.7	14.9%	
Information Services	40.6	36.7	10.8%	
Technical Services	30.5	30.2	1.0%	
<b>Equity Post-Trade Services</b>	<b>51.0</b>	<b>45.6</b>	<b>11.7%</b>	<b>14%</b>
Cash Market Clearing	27.2	23.1	17.3%	
Cash Market Settlement	23.8	22.5	6.0%	
<b>Derivatives and OTC Markets</b>	<b>126.8</b>	<b>126.8</b>	<b>-</b>	<b>34%</b>
Equity Options	11.3	12.8	(11.4%)	
Futures and OTC Clearing	91.6	90.4	1.3%	
Austraclear	23.9	23.6	1.5%	
<b>Other Revenue</b>	<b>1.4</b>	<b>0.4</b>	<b>185.2%</b>	
<b>Operating Revenues</b>	<b>376.2</b>	<b>348.7</b>	<b>7.9%</b>	

Operating revenues as per the Group segment reporting  
Variance expressed favourable / (unfavourable)

# Revenue Movement (\$ Million)

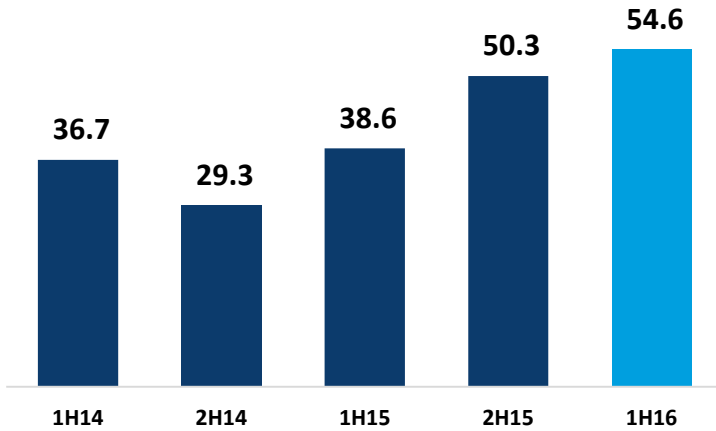


Operating revenues as per the Group segment reporting  
 Variance expressed favourable / (unfavourable)

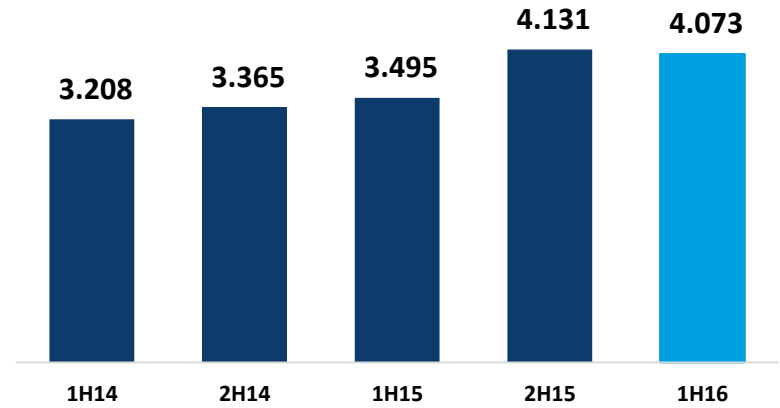


# Activity Levels

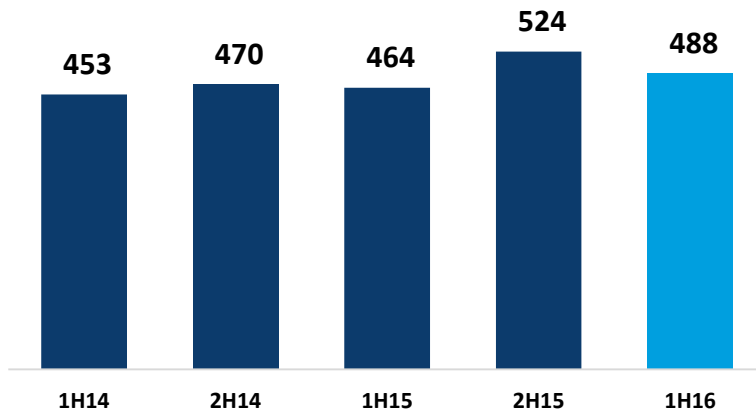
Total Capital Raised (\$ Billion)



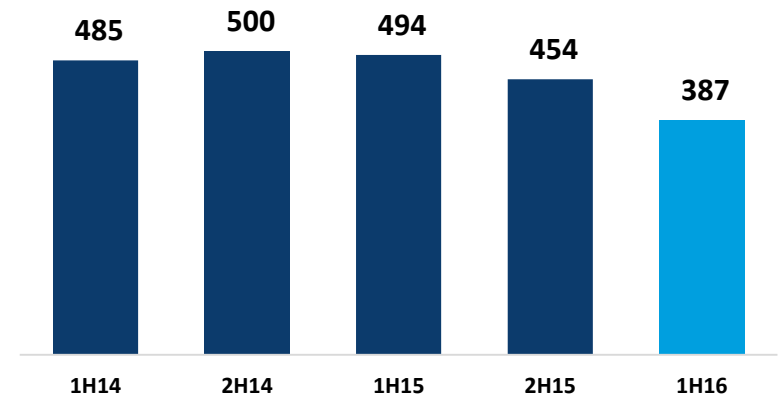
Cash Market Trading  
ASX Average Daily Value On-Market (\$ Billion)



Futures - Average Daily Contracts ('000)



Equity Options - Average Daily Contracts ('000)



# ASX Group Priorities

## Global Leader in A\$ and NZ\$

- Innovate in fragmented equity market
- Build on leadership in A\$ and NZ\$ derivatives markets

## Investment Supermarket

- Grow listings franchise
- Extend suite of investment options – equities, debt, funds

## World-Class Infrastructure

- Upgrade technology infrastructure, including multi-currency
- Be global leader in post-trade innovation
- Build global connectivity – Chicago, London, Singapore, HK

## Outstanding Experience

- Deepen customer engagement across all services
- Deliver 24 hour service to local and global clients
- Strengthen alignment through fee reductions and rebates

## Regulatory Settings

## Employer of Choice

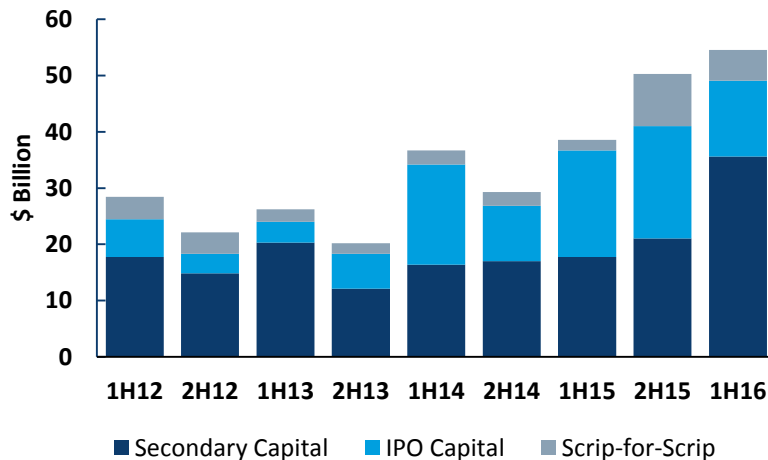
# Listings and Issuer Services

## Highlights

### Revenue \$105.6 million, up 15.6%

- 77 IPOs; IPO capital \$13.5 billion, down 28.9%
- Secondary capital \$41.1 billion, up 109.6%, including \$18.1 billion from 'big four' Australian banks
- Number of holding statements up 10% on pcp

Total Capital Raised



## Areas of Focus

### Grow Listings Franchise

- New Zealand – simplified dual listings process implemented; 42 NZ entities listed
- Tech sector – 22 listings<sup>1</sup> in 1H16, 146 entities listed
- Exchange-traded products (ETPs) – 171 ETPs listed totalling \$21.4 billion

### Expand 'Investment Supermarket'

- Domestic equities
- International equities
- Government bonds
- Corporate bonds
- ETFs and listed investment companies
- Unlisted managed funds through mFund service – 41 fund managers offering 133 funds via 15 brokers; NAB connected in December 2015

1. Includes IPOs and backdoor listings

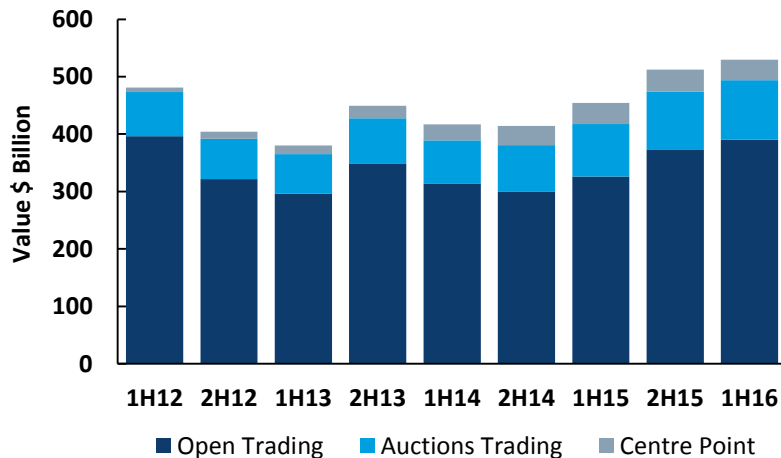
# Trading Services (1/2)

## Highlights

**Revenue \$91.4 million, up 8.1%**

- Cash Market Trading \$20.3 million, up 14.9%
  - Total on-market value traded per day up 18.6%
  - ASX on-market trading up 16.6%
  - Revenue sharing scheme \$1.0 million, pcp \$0.8m

**ASX On-Market Value Traded**

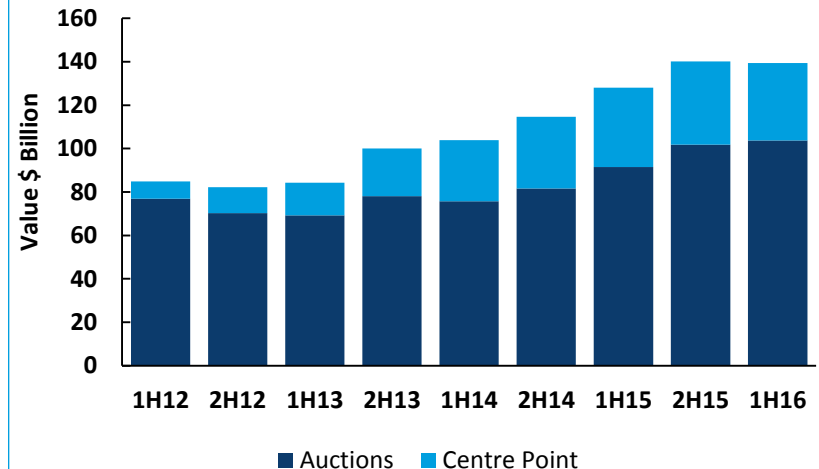


## Areas of Focus

### Cash Market Trading

- On-market trading market share 88.4% (89.9% pcp)
- ASX Auctions and Centre Point accounted for 26.3% of ASX on-market value, 43.9% of trading revenue
- Trading platform replacement

**Auctions and Centre Point Value Traded**



# Trading Services (2/2)

## Highlights

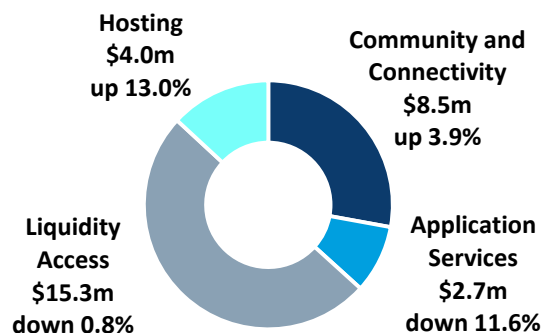
### Information Services \$40.6 million, up 10.8%

- Fee changes and higher index royalties

### Technical Services \$30.5 million, up 1.0%

- Hosting: 219 cabinets (179 pc)
- Community and Connectivity: 8.3% increase in ALC connections offset by decrease in ASX Net connections
- Liquidity Access: Higher low latency data and order entry access, offset by lower futures cross connections and ASX sessions

### Revenue Mix Technical Services



## Areas of Focus

### Information Services

- Expansion of data and analytic services; appointment of dedicated development team in 2H16

### Technical Services

- Application services revenue impacted by introduction of minimum 3 month period for futures cross connections and ASX gateways
- Growth in hosting as customers utilise ALC as a primary data centre
- ASX Net global Hong Kong hub established
- New order entry terminal development will be aligned to new trading platform in CY16

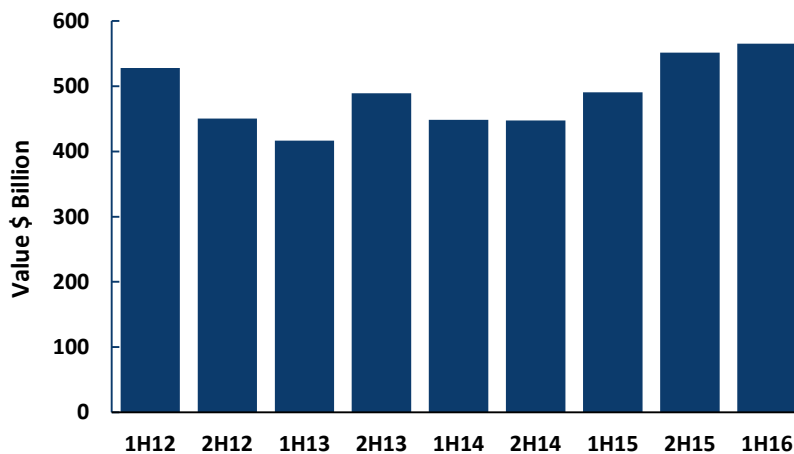
# Equity Post-Trade Services

## Highlights

### Revenue \$51.0 million, up 11.7%

- Clearing \$27.2 million, up 17.3%
  - Value cleared up 18.4%
  - Revenue sharing scheme \$1.7 million, pcp \$1.1m
- Settlement \$23.8 million up 6.0%
  - Dominant settlement messages up 6.7%
  - Revenue sharing scheme \$0.8 million, pcp \$0.3m

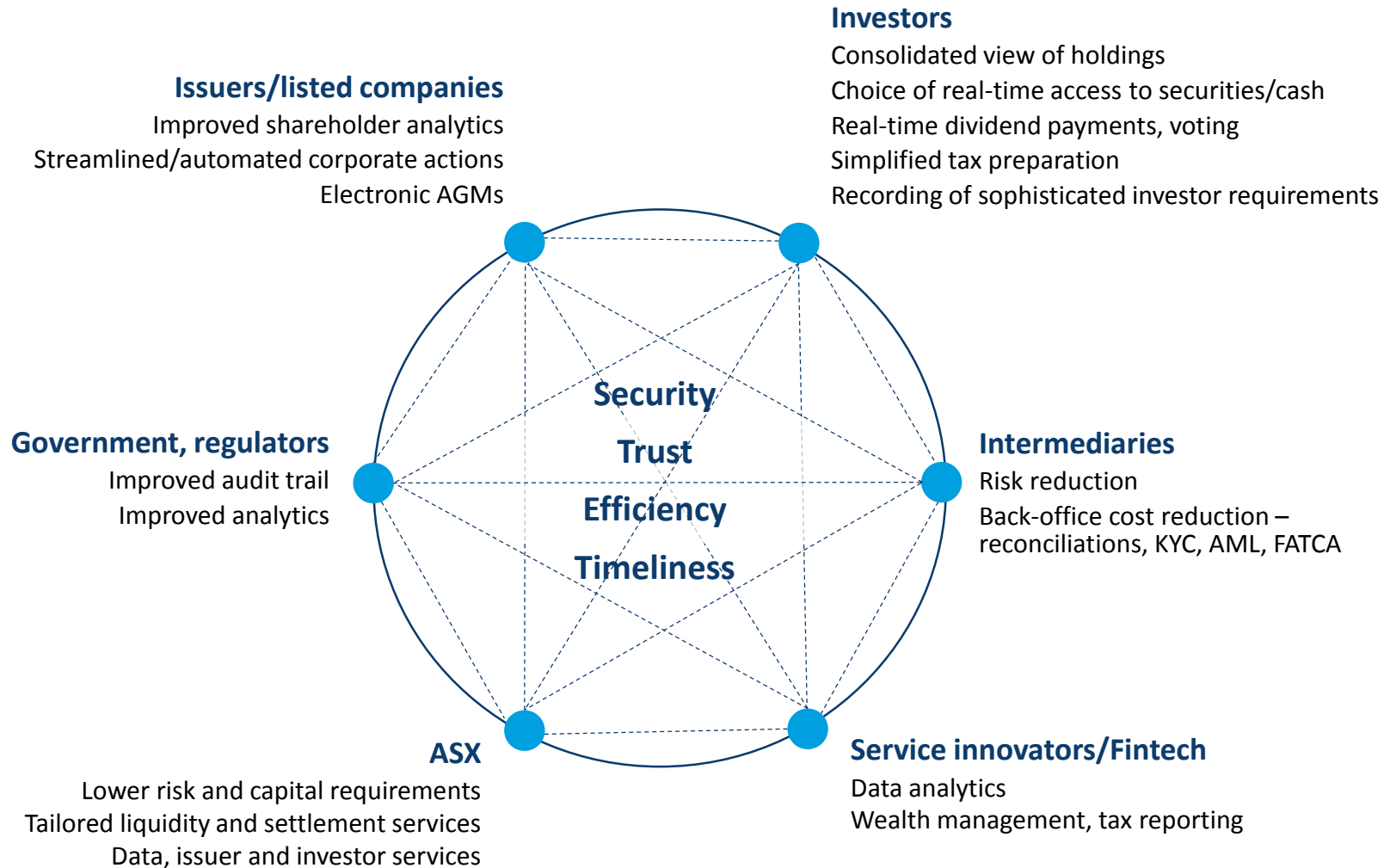
Billable Value Cleared



## Areas of Focus

- T+2 settlement on track for March 2016 delivery
- Investment in distributed ledger technology
  - Significant potential benefits to issuers, investors, intermediaries and regulators
  - Investment in Digital Asset Holdings
- During development phase ASX will
  - Operate CHES as normal
  - Retain revenue sharing scheme for clearing and settlement
  - Reduce clearing fees by 10% from 1 July 2016 (impact approximately \$5 million pa)

# Opportunity for Post-Trade Innovation



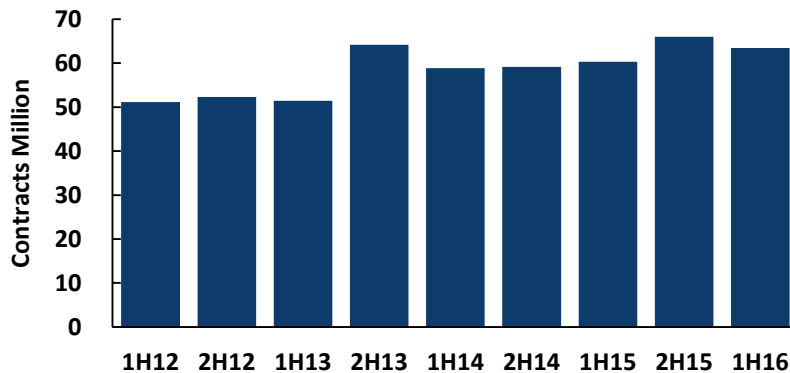
# Derivatives and OTC Markets

## Highlights

### Revenue \$126.8 million, flat

- Futures and OTC \$91.6 million, up 1.3%
  - Contracts traded up 5.1%
  - Impact of fee reduction \$4.6 million
- Equity Options \$11.3 million, down 11.4%
  - Contracts traded down 21.7%
  - Positive impact from trading and product mix
- Austraclear \$23.9 million, up 1.5%

Futures Volumes



## Areas of Focus

### Product Development

- Launched 20 Year Bond Futures, mini SPI, East Coast Wheat futures/options, Deliverable Swap Futures, and TORESS options
- Weekly/Serial ETOs CY16
- Gold futures 1H17

### Distribution

- Opened Hong Kong office focused on Asian sales
- Trading platform replacement
- Yieldbroker expansion into Asia

### Clearing and Risk Management Services

- OTC clearing \$817.4 billion in 1H16 (\$101.7 billion pcp), six active clients
- Collateral Management average balance \$4.3 billion

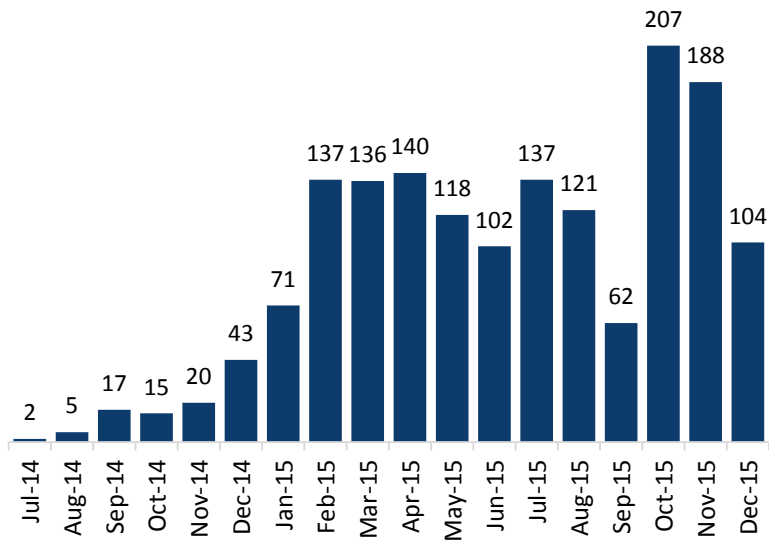
### Austraclear

- Average balances up 12.2% to \$1.8 trillion



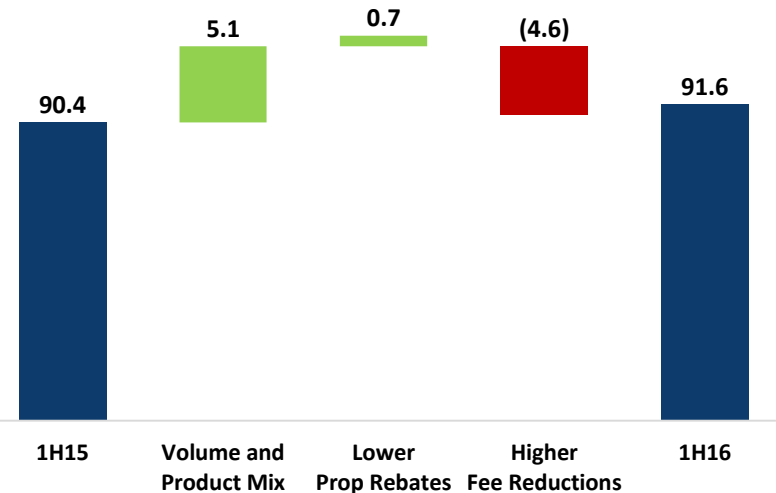
# Futures and OTC Clearing Movement

## OTC Notional Value Cleared (\$ Billion)



- Notional value of OTC interest rate derivative contracts cleared centrally was \$817.4 billion 1H16 (\$101.7 billion pcg)
- Six active users
- Margin optimisation service to be launched in CY16 providing institutions the ability to maximise margin offsets between Futures and OTC

## Revenue Movement (\$ Million)



- Tiered fee schedule introduced 1 October 2014
- Provides progressively lower fees to institutions as their OTC volumes increase
- 1H16 fee reductions \$7.6 million
- Impact in 2H16 will depend on clients reaching OTC clearing thresholds, fee discounts could increase by \$4-5 million compared to 1H16

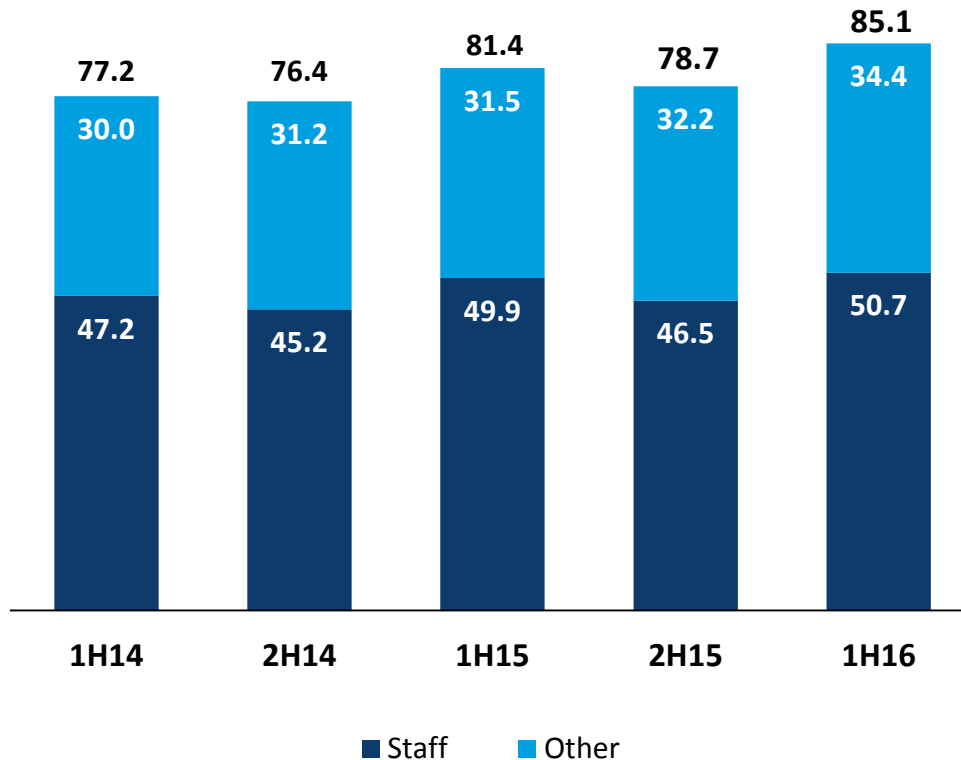
# Interest and Dividend Income

	1H16 \$m	1H15 \$m	% Variance
ASX Group Net Interest Income	11.3	14.9	(24.4%)
Net Interest Earned on Collateral Balances	17.5	14.6	20.1%
<b>Total Net Interest Income</b>	<b>28.8</b>	<b>29.5</b>	<b>(2.4%)</b>
Dividend Income	4.9	4.9	0.6%
<b>Interest and Dividend Income</b>	<b>33.7</b>	<b>34.4</b>	<b>(2.0%)</b>

## Highlights

- ASX Group net interest income down 24.4% from lower interest rates
- Net interest on collateral balances up 20.1%
  - Collateral balances average \$4.3 billion (\$3.8 billion pcg)
  - Investment spread 37 bps (40 bps pcg)
- Repositioning of portfolio in line with regulatory standards over next two years will lead to lower investment earnings
  - Impact in FY16 not expected to be material
- IRESS shareholding 19.2%

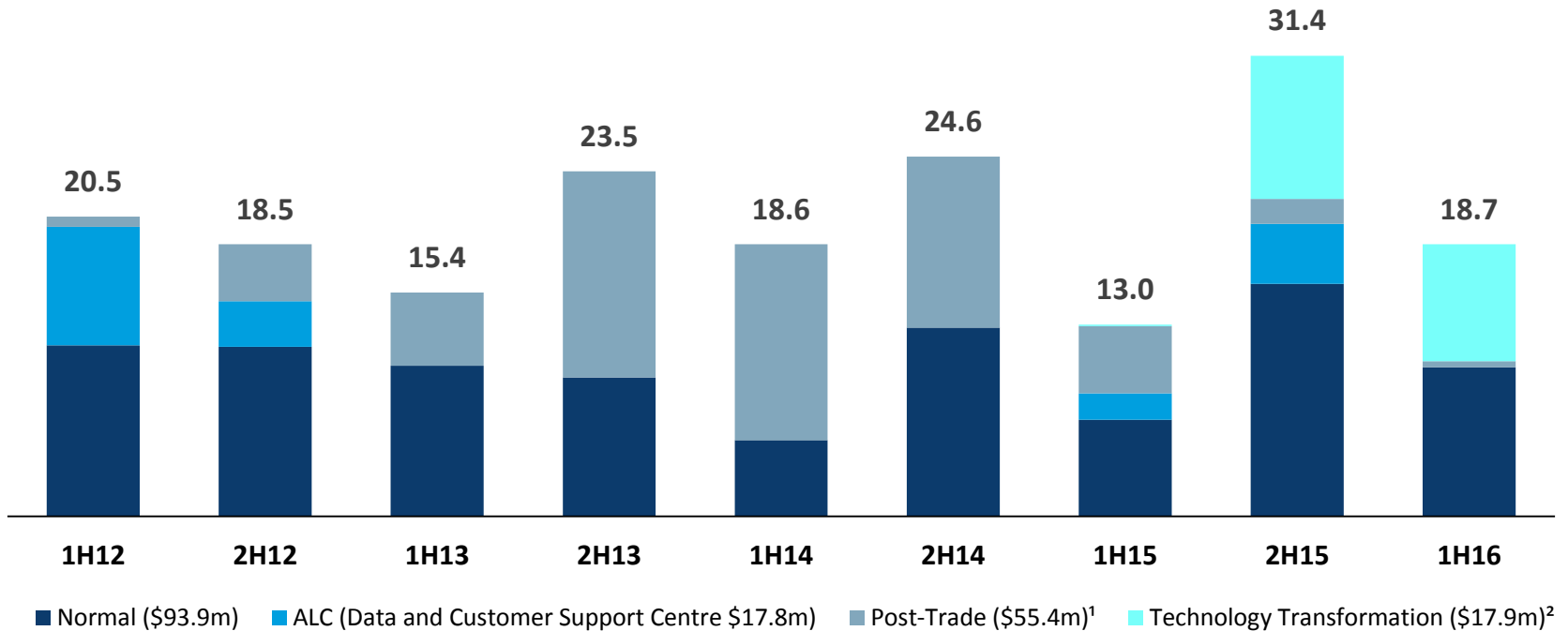
# Expenses (\$ Million)



## Highlights

- Expenses up 4.4%
- Staff costs up 1.5%
  - Higher staff and recruitment costs, partially offset by increased capitalisation
  - Average headcount down 0.6% to 523 FTEs
- Other costs up 9.0%.
  - Higher equipment and administration costs to support initiatives
  - Higher variable costs driven by increase in CHES holding statements
- FY16 operating expenses guidance approximately 5.5%
  - Investment in resources to accelerate assessment of distributed ledger technology

# Capital Expenditure (\$M)



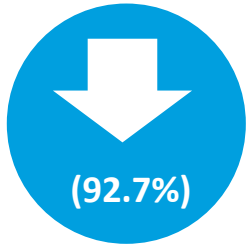
## Highlights

- Focus on technology transformation program
- Guidance FY16 approximately \$50 million

1. Post-trade \$55.4m, includes new post-trade services \$36.2 million and upgrades of existing platforms \$19.2 million

2. Technology Transformation includes new trading platform, risk management and data analytics

# Post Balance Date Activity (to 5th February)



**Total Capital raised**  
**\$0.3 billion**  
**January 2016**



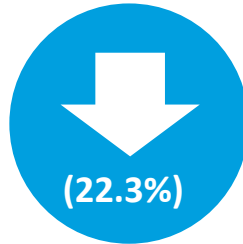
**Cash market trading**  
**(total market - all venues)**  
**\$5.3 billion**  
**Average value per day**



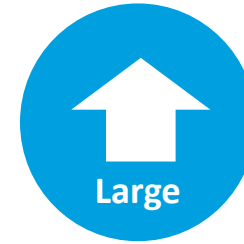
**Cash market trading**  
**(ASX on-market)**  
**\$4.0 billion**  
**Average value per day**



**Futures trading**  
**482,464**  
**Daily average volume**



**Equity options trading**  
**349,118**  
**Daily average volume**



**OTC clearing**  
**\$258.0 billion**  
**Total cleared notional value**

# Financial Results 1H16

Revenues \$376.2m 7.9%	Expenses \$85.1m (4.4%)	EBITDA \$291.1m 8.9%	NPAT \$213.1m 7.3%	EPS 110.2c 7.3%	DPS 99.1c 7.4%
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## Positive revenue performance

- Growth in Listings, Trading Services and Post-Trade Services
- Derivatives and OTC Markets flat following fee reductions in futures

## Expenses and capex

- FY16 expense guidance approximately 5.5%
- FY16 capital expenditure guidance approximately \$50 million

## Strong balance sheet and compliance with regulatory standards

- Distributed ledger technology could materially change the clearing and settlement processes in the equity market, delivering significant benefits to users and avoiding investment in legacy infrastructure

## Investment in strategic positioning

- Significant investment in infrastructure – opportunity for innovation in trading and post-trade services
- Products and services that give investors flexibility and choice
- Higher customer engagement and improved service delivery
- Management responsibilities aligned with business priorities



# Thank you



# Appendices

1. Income Statement
2. Balance Sheet
3. Key Financial Ratios
4. Transaction and Activity Levels
5. Free Cash Flow Summary
6. Capital Attribution
7. Cash Market Clearing and Settlement  
Income Statement



# 1. Income Statement

	1H14 \$ Million	2H14 \$ Million	1H15 \$ Million	2H15 \$ Million	1H16 \$ Million
<i>Annual Listing Fees</i>	30.7	31.4	34.8	35.9	36.7
<i>Initial Listing Fees</i>	11.2	6.7	11.4	9.5	11.7
<i>Subsequent Listing Fees</i>	20.5	17.9	21.2	21.5	29.0
<i>Other Listing Fees</i>	4.4	4.2	3.5	5.5	5.0
Listings	66.8	60.2	70.9	72.4	82.4
Issuer Services	17.8	16.3	20.4	19.8	23.2
<b>Listings and Issuer Services</b>	<b>84.6</b>	<b>76.5</b>	<b>91.3</b>	<b>92.2</b>	<b>105.6</b>
<i>Cash Market Trading</i>	16.8	16.8	17.7	18.4	20.3
<i>Information Services</i>	33.9	34.9	36.7	37.0	40.6
<i>Technical Services</i>	27.6	28.0	30.2	29.9	30.5
<b>Trading Services</b>	<b>78.3</b>	<b>79.7</b>	<b>84.6</b>	<b>85.3</b>	<b>91.4</b>
<i>Cash Market Clearing</i>	21.8	21.5	23.1	24.2	27.2
<i>Cash Market Settlement</i>	21.9	21.1	22.5	22.0	23.8
<b>Equity Post-Trade Services</b>	<b>43.7</b>	<b>42.6</b>	<b>45.6</b>	<b>46.2</b>	<b>51.0</b>
<i>Equity Options</i>	10.0	12.2	12.8	11.8	11.3
<i>Futures and OTC Clearing</i>	89.8	95.7	90.4	91.2	91.6
<i>Austraclear</i>	21.7	21.7	23.6	24.2	23.9
<b>Derivatives and OTC Markets</b>	<b>121.5</b>	<b>129.6</b>	<b>126.8</b>	<b>127.2</b>	<b>126.8</b>
Other Revenue	1.2	0.6	0.4	1.1	1.4
<b>Operating Revenue</b>	<b>329.3</b>	<b>329.0</b>	<b>348.7</b>	<b>352.0</b>	<b>376.2</b>

# 1. Income Statement (Continued)

	1H14 \$ Million	2H14 \$ Million	1H15 \$ Million	2H15 \$ Million	1H16 \$ Million
Staff	47.2	45.2	49.9	46.5	50.7
Occupancy	6.9	7.4	6.7	7.0	6.8
Equipment	11.6	11.4	11.8	12.2	13.1
Administration	7.3	9.0	8.4	8.8	9.9
Variable	2.3	2.0	2.8	2.3	3.1
ASIC Supervision Levy	1.9	1.4	1.8	1.9	1.5
<b>Operating Expenses</b>	<b>77.2</b>	<b>76.4</b>	<b>81.4</b>	<b>78.7</b>	<b>85.1</b>
<b>EBITDA</b>	<b>252.1</b>	<b>252.6</b>	<b>267.3</b>	<b>273.3</b>	<b>291.1</b>
Depreciation and Amortisation	16.3	17.5	18.6	20.0	20.8
<b>EBIT</b>	<b>235.8</b>	<b>235.1</b>	<b>248.7</b>	<b>253.3</b>	<b>270.3</b>
Net Interest Income	14.5	14.1	14.9	12.0	11.3
Net Interest on Participants' Balances	16.4	14.9	14.6	17.7	17.5
Dividend Revenue	3.3	7.5	4.9	7.8	4.9
<b>Interest and Dividend Income</b>	<b>34.2</b>	<b>36.5</b>	<b>34.4</b>	<b>37.5</b>	<b>33.7</b>
<b>Underlying Profit Before Tax</b>	<b>270.0</b>	<b>271.6</b>	<b>283.1</b>	<b>290.8</b>	<b>304.0</b>
Income Tax Expense	(80.4)	(78.0)	(84.5)	(86.2)	(90.9)
<b>Underlying Profit After Tax</b>	<b>189.6</b>	<b>193.6</b>	<b>198.6</b>	<b>204.6</b>	<b>213.1</b>
Significant Items (Net of Tax)	-	-	-	(5.4)	-
<b>Statutory Profit After Tax</b>	<b>189.6</b>	<b>193.6</b>	<b>198.6</b>	<b>199.2</b>	<b>213.1</b>

## 2. Balance Sheet

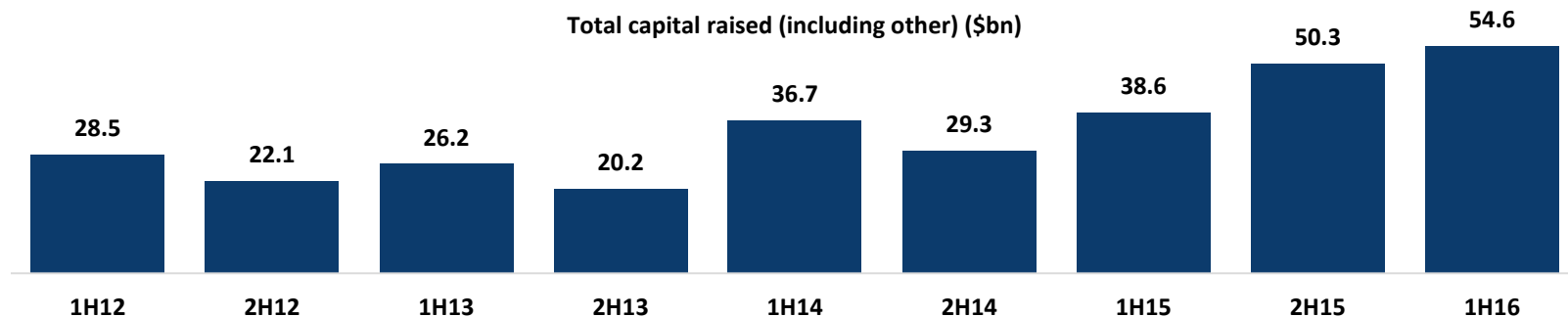
	31 Dec 13 \$ Million	30 Jun 14 \$ Million	31 Dec 14 \$ Million	30 Jun 15 \$ Million	31 Dec 15 \$ Million
<b>Assets</b>					
Cash and Available-For-Sale Financial Assets	5,071.7	5,015.6	5,027.3	4,879.0	5,356.3
Goodwill	2,317.6	2,317.6	2,317.6	2,317.6	2,317.6
Investments	288.7	250.5	394.6	376.8	373.6
Other Assets	318.8	425.1	341.5	485.2	527.9
<b>Total Assets</b>	<b>7,996.8</b>	<b>8,008.8</b>	<b>8,081.0</b>	<b>8,058.6</b>	<b>8,575.4</b>
<b>Liabilities</b>					
Amounts Owing to Participants (including Funded Commitments)	4,033.4	3,986.1	3,997.4	3,886.2	4,308.5
Other Liabilities	287.2	351.8	331.7	412.7	479.7
<b>Total Liabilities</b>	<b>4,320.6</b>	<b>4,337.9</b>	<b>4,329.1</b>	<b>4,298.9</b>	<b>4,788.2</b>
<b>Equity</b>					
Capital	3,027.2	3,027.2	3,027.2	3,027.2	3,027.2
Retained Earnings	458.1	480.9	505.6	526.3	555.5
Reserves	190.9	162.8	219.1	206.2	204.5
<b>Total Equity</b>	<b>3,676.2</b>	<b>3,670.9</b>	<b>3,751.9</b>	<b>3,759.7</b>	<b>3,787.2</b>

### 3. Key Financial Ratios

	1H14	2H14	1H15	2H15	1H16
Basic EPS (including significant items)	98.3c	100.2	102.7c	103.0	110.2c
Diluted EPS (including significant items)	98.3c	100.2	102.7c	103.0	110.2c
Underlying EPS (excluding significant items)	98.3c	100.2	102.7c	105.7	110.2c
Dividend per share – interim	88.2c	-	92.3	-	99.1
Dividend per share – final	-	89.9c	-	95.1	-
Statutory return on equity (including significant items)	10.5%	10.7%	10.8%	10.8%	11.4%
Underlying return on equity	10.5%	10.7%	10.8%	11.0%	11.4%
EBITDA / Operating revenue	76.5%	76.8%	76.6%	77.6%	77.4%
EBIT / Operating revenue	71.6%	71.5%	71.3%	71.9%	71.9%
Total expenses (including depreciation and amortisation) / Operating revenue	28.4%	28.5%	28.7%	28.1%	28.1%
Capital expenditure (\$m)	\$18.6	\$24.6	\$13.0	\$31.4	\$18.7
Net tangible asset backing per share	\$6.60	\$6.53	\$6.97	\$6.97	\$7.12
Net asset backing per share	\$18.99	\$18.96	\$19.38	\$19.42	\$19.56
Shareholders' equity as a % of total assets (excluding participants' balances)	92.8%	91.3%	91.9%	90.1%	88.8%
Shareholders' equity as a % of total assets (including participants' balances)	46.0%	45.8%	46.4%	46.7%	44.2%
Share price at end of period	\$36.76	\$35.64	\$36.74	\$39.90	\$42.46
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)	192,818,390	193,022,315	193,413,893	193,413,893	193,413,893
Market value of ordinary shares on issue (\$m)	\$7,117	\$6,900	\$7,113	\$7,724	\$8,220
Market to book ratio	1.94	1.88	1.90	2.05	2.17
Full-time equivalent permanent staff – number at period end	533	526	523	515	534
Full-time equivalent permanent staff – average during the period	532	535	526	522	523

## 4.1 Listing and Issuer Services

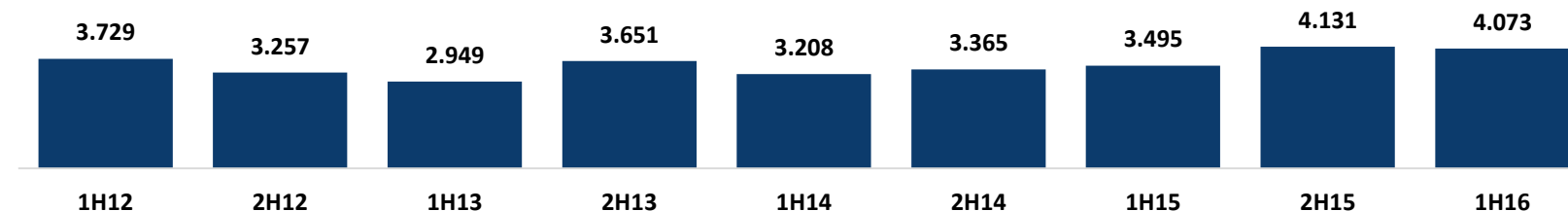
	1H14	2H14	1H15	2H15	1H16
Total domestic market capitalisation (\$bn) – period end	\$1,527	\$1,552	\$1,575	\$1,612	\$1,629
Total number of listed entities (includes all stapled entities) - period end	2,195	2,192	2,208	2,220	2,238
Number of new listings	69	38	71	49	77
Average annual listing fee	\$13,966	\$14,348	\$15,752	\$16,192	\$16,381
Average initial listing fee	\$162,261	\$175,001	\$160,588	\$193,630	\$152,508
Average fee per \$m of secondary capital	\$1,085	\$921	\$1,082	\$706	\$707
Initial capital raised (\$m)	\$17,817	\$9,842	\$18,956	\$19,960	\$13,477
Secondary capital raised (\$m)	\$16,373	\$17,005	\$17,746	\$21,041	\$35,597
Other secondary capital raised including scrip-for-scrip (\$m)	\$2,514	\$2,471	\$1,860	\$9,310	\$5,501
<b>Total capital raised (including other) (\$m)</b>	<b>\$36,704</b>	<b>\$29,318</b>	<b>\$38,562</b>	<b>\$50,311</b>	<b>\$54,575</b>
Number of new warrant series quoted	2,341	1,865	1,507	1,396	1,290
Total warrant series quoted	4,450	3,564	3,107	3,050	2,925
Number of CHESS holding statements issued (m)	6.5	5.3	6.7	6.4	7.4



## 4.2 Trading Services – Cash Market Trading

	1H14	2H14	1H15	2H15	1H16
Trading days	130	123	130	124	130
Total cash market trades ('000)	93,607	88,254	92,984	97,663	110,091
Average daily cash market trades	720,053	717,512	715,263	787,602	846,853
Open trading (\$bn)	\$313.211	\$299.280	\$326.180	\$372.135	\$390.115
Auctions trading (\$bn)	\$75.757	\$81.581	\$91.469	\$101.823	\$103.701
Centre Point (\$bn)	\$28.106	\$33.029	\$36.657	\$38.276	\$35.725
Trade reporting (\$bn)	\$94.835	\$83.098	\$72.258	\$73.651	\$75.727
<b>Total cash market value (\$bn)</b>	<b>\$511.909</b>	<b>\$496.988</b>	<b>\$526.564</b>	<b>\$585.885</b>	<b>\$605.268</b>
Average daily on-market value (\$bn)	\$3.208	\$3.365	\$3.495	\$4.131	\$4.073
Average daily value (including Trade reporting) (\$bn)	\$3.938	\$4.041	\$4.050	\$4.725	\$4.656
Average trade size (\$)	\$5,469	\$5,631	\$5,663	\$5,999	\$5,498
Total billable value (\$bn)	\$501.971	\$487.789	\$519.707	\$573.092	\$596.515
Average fee per dollar of value (bps)	1.16	1.17	1.18	1.08	1.15
Velocity (total value / average market capitalisation) <sup>1</sup>	80%	76%	80%	85%	92%

Average daily on-market value (\$bn)



1. Total value transacted on all venues

## 4.2 Trading Services – Technical Services

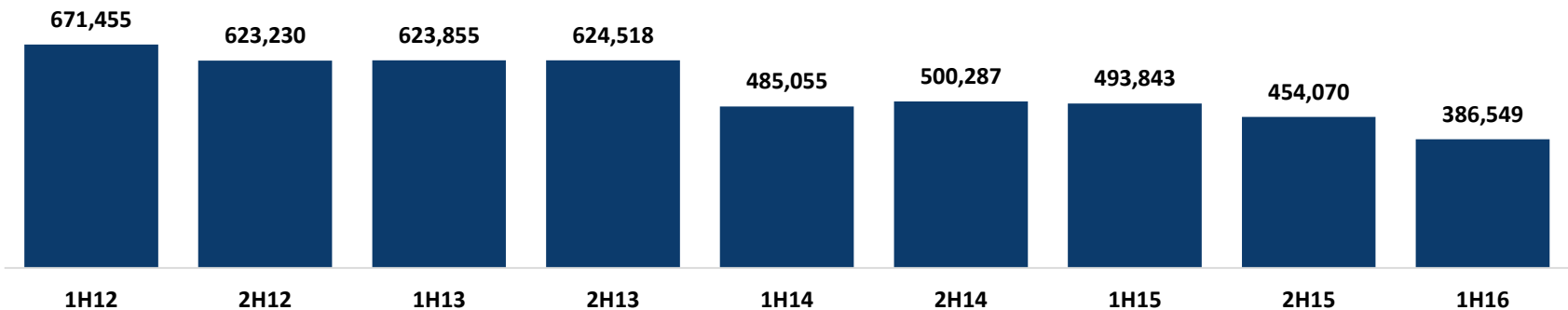
	1H14	2H14	1H15	2H15	1H16
<b>Technical Services (number at period end)</b>					
<b>Liquidity access</b>					
ASX sessions	1,423	1,431	1,277	1,185	1,141
ASX gateways	236	233	221	207	197
ASX liquidity cross connects	59	61	60	55	59
Futures gateways	249	241	230	228	222
ASX ITCH access	30	31	30	31	35
ASX OUCH access	30	31	45	44	56
Futures liquidity cross connects	261	297	353	357	288
Futures ITCH access	20	25	33	36	41
<b>Community and connectivity</b>					
ASX Net connections	144	142	135	126	122
ASX Net service feeds	352	356	363	358	370
Australian Liquidity Centre service connections	545	622	689	679	746
<b>Application services</b>					
ASX trader workstations / ASX Best terminals	393	318	283	277	268
<b>Hosting</b>					
Australian Liquidity Centre cabinets	133	142	179	188	219
Other data centre cabinets	7	7	7	8	8

Information Services terminal numbers are no longer being reported. As more customers utilise enterprise wide agreements for data, the statistic is not a meaningful driver of Information Services revenue.

## 4.3 Equity Options

	1H14	2H14	1H15	2H15	1H16
<i>Trading days</i>	130	123	130	124	130
Single stock equity options ('000)	59,170	57,173	58,515	51,031	44,050
Index options ('000)	3,887	4,362	5,685	5,273	6,201
<b>Total contracts ('000)</b>	<b>63,057</b>	<b>61,535</b>	<b>64,200</b>	<b>56,304</b>	<b>50,251</b>
Average daily options contracts	485,055	500,287	493,843	454,070	386,549
Average fee per options contract	\$0.16	\$0.20	\$0.20	\$0.21	\$0.23

Options average daily contracts





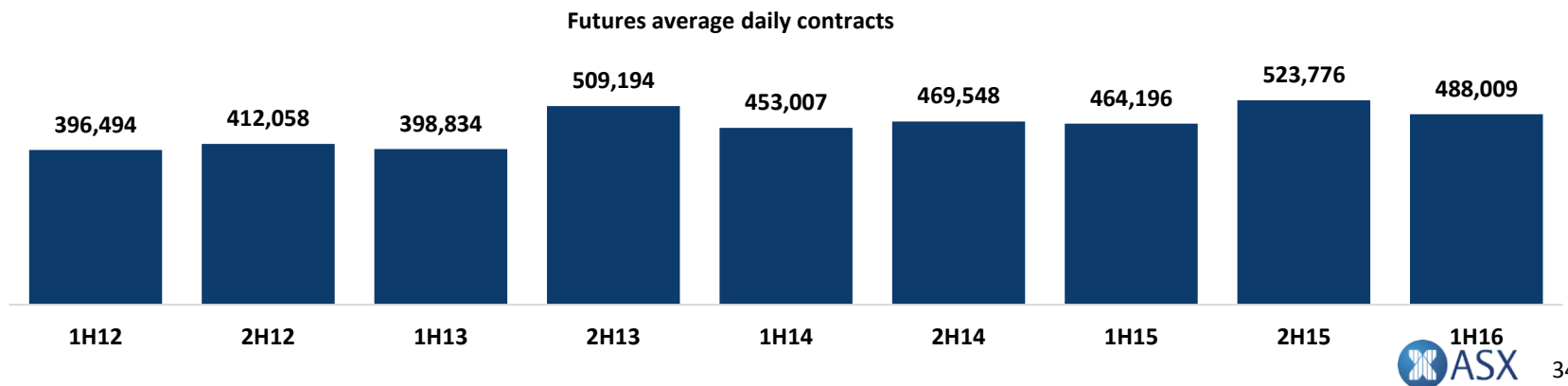
## 4.3 Futures and OTC Markets

	1H14	2H14	1H15	2H15	1H16
<i>Trading days</i>	130	126	130	126	130
<b>Total contracts - futures ('000)</b>					
ASX SPI 200	4,875	4,840	5,171	5,130	5,909
Mini-ASX SPI 200 <sup>1</sup>	-	-	-	-	10
90 day bank bills	13,453	12,450	13,942	14,764	13,728
3 year bonds	23,486	24,400	24,117	25,600	23,708
10 year bonds	12,040	13,480	13,707	15,791	15,996
20 year bonds <sup>2</sup>	-	-	-	-	192
30 day interbank cash rate	2,339	1,178	1,169	2,509	1,817
Agricultural	115	66	88	47	75
Electricity	76	89	130	94	105
Other	9	11	19	88	83
NZD 90 day bank bills	571	586	523	871	898
<b>Total futures</b>	<b>56,964</b>	<b>57,100</b>	<b>58,866</b>	<b>64,894</b>	<b>62,521</b>

1. Introduced 12 October 2015  
2. Introduced 21 September 2015

## 4.3 Futures and OTC Markets

	1H14	2H14	1H15	2H15	1H16
<b>Total contracts - options on futures ('000)</b>					
ASX SPI 200	232	241	313	141	189
3 year bonds	153	263	108	137	137
Overnight 3 year bonds	719	804	496	400	249
Intra-day 3 year bonds	804	723	523	404	329
Other	19	32	39	20	16
<b>Total options on futures</b>	<b>1,927</b>	<b>2,063</b>	<b>1,479</b>	<b>1,102</b>	<b>920</b>
<b>Total futures and options on futures contract volume ('000)</b>	<b>58,891</b>	<b>59,163</b>	<b>60,345</b>	<b>65,996</b>	<b>63,441</b>
Daily average contracts - futures and options	453,007	469,548	464,196	523,776	488,009
Average fee per contract - futures and options	\$1.53	\$1.62	\$1.50	\$1.38	\$1.44
<b>OTC Markets</b>					
Total notional cleared value (\$bn) <sup>1</sup>	\$4.277	\$120.135	\$101.671	\$704.198	\$817.445

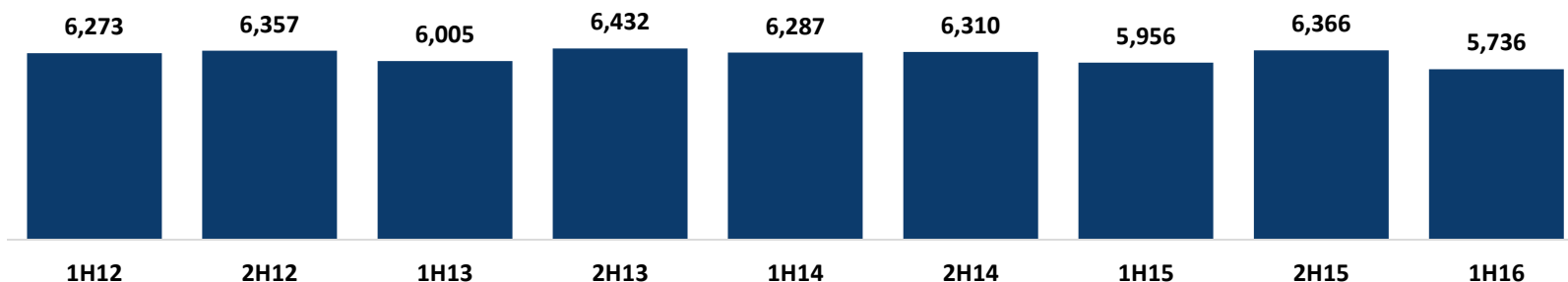


1. Cleared notional value is double-sided

## 4.3 Austraclear

	1H14	2H14	1H15	2H15	1H16
Settlement days	130	123	130	124	130
<b>Transactions ('000)</b>					
Cash transfers	312	288	299	303	300
Fixed interest securities	405	395	379	395	363
Discount securities	84	78	80	77	75
Foreign exchange	11	10	11	11	6
Other	5	5	5	4	2
<b>Total transactions</b>	<b>817</b>	<b>776</b>	<b>774</b>	<b>790</b>	<b>746</b>
Average daily settlement volume	6,287	6,310	5,956	6,366	5,736
Securities holdings (monthly average \$bn)	\$1,436.0	\$1,515.0	\$1,620.9	\$1,722.2	\$1,828.2
Securities holdings (period end \$bn)	\$1,468.9	\$1,571.8	\$1,692.8	\$1,752.5	\$1,849.0
Average settlement and depository fee (including portfolio holdings) per transaction (excludes registry services revenue)	\$13.74	\$14.64	\$14.77	\$14.98	\$15.62

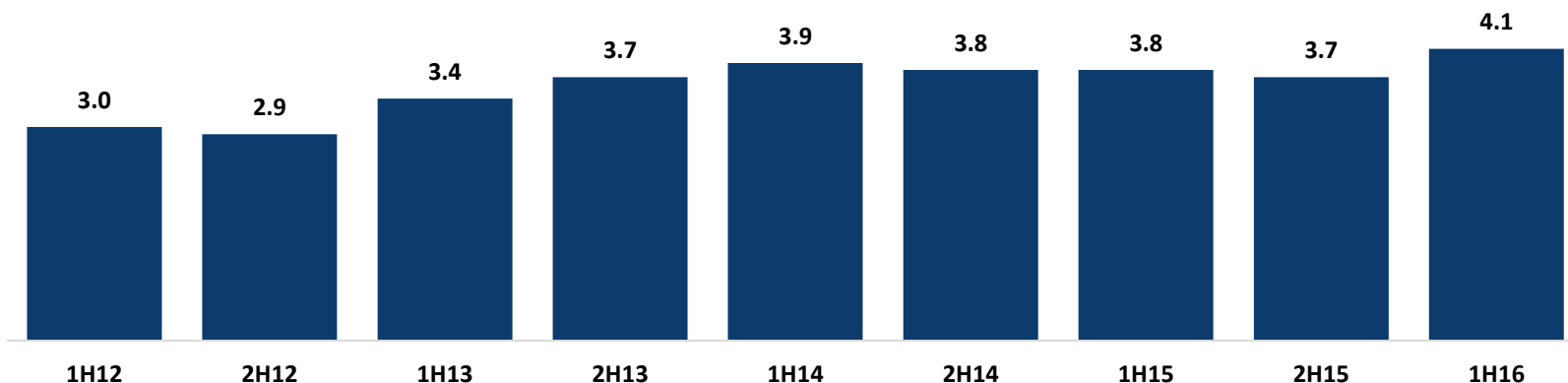
Austraclear average daily settlement volume



## 4.4 CCP Participant Collateral Balances

	1H14 \$ Million	2H14 \$ Million	1H15 \$ Million	2H15 \$ Million	1H16 \$ Million
<b>Balances at period end</b>					
ASX Clear – initial margins	432.8	549.8	450.5	673.7	583.5
ASX Clear (Futures) – initial margins House	971.4	849.3	727.3	746.0	853.3
ASX Clear (Futures) – initial margins Client	1,987.5	2,201.3	2,407.1	2,067.7	2,495.7
ASX Clear (Futures) – additional and excess	482.2	185.7	212.5	198.8	176.0
<b>Total margins held on balance sheet (excluding commitments)</b>	<b>3,873.9</b>	<b>3,786.1</b>	<b>3,797.4</b>	<b>3,686.2</b>	<b>4,108.5</b>
Average daily margin balance during the period (excluding commitments)					
	3,919.7	3,716.4	3,571.1	3,915.5	4,136.0
ASX Clear – guarantees and equity collateral held off balance sheet					
	4,386.5	4,189.7	3,901.8	3,641.2	3,508.5

Total margins held on balance sheet (\$bn) (at period end)



## 5. Free Cash Flow Summary

	1H14 \$ Million	2H14 \$ Million	1H15 \$ Million	2H15 \$ Million	1H16 \$ Million
<b>ASX Group cash</b>					
Total cash and short-term investments	5,071.7	5,015.6	5,027.3	4,879.0	5,356.3
Less participants' margins and commitments – cash backed	(4,033.4)	(3,986.1)	(3,997.4)	(3,886.2)	(4,308.5)
<b>ASX Group own cash reserves</b>	<b>1,038.3</b>	<b>1,029.5</b>	<b>1,029.9</b>	<b>992.8</b>	<b>1,047.8</b>
<b>Less specific own cash allocations</b>	<b>(758.3)</b>	<b>(768.3)</b>	<b>(768.3)</b>	<b>(768.3)</b>	<b>(768.3)</b>
<b>Available free cash</b>	<b>280.0</b>	<b>261.2</b>	<b>261.6</b>	<b>224.5</b>	<b>279.5</b>
<b>Free cash flow</b>					
<b>Free cash flow at period open</b>	<b>184.8</b>	<b>280.0</b>	<b>261.2</b>	<b>261.6</b>	<b>224.5</b>
Add:					
Cash generated from business activities (including changes in fair value)	239.3	183.7	257.6	166.5	262.9
Cash from issue of shares	277.9	-	-	-	-
Less:					
Cash used for payment of dividends	(159.2)	(170.8)	(173.9)	(178.5)	(183.9)
Cash used for capital investments	(20.6)	(21.7)	(16.4)	(25.1)	(24.0)
Additional equity designated to support the clearing default fund/CDN	(200.0)	(10.0)	-	-	-
Payments for investments	(42.2)	-	(66.9)	-	-
<b>Free cash flow at period end</b>	<b>280.0</b>	<b>261.2</b>	<b>261.6</b>	<b>224.5</b>	<b>279.5</b>

## 6. Capital Attribution

	31 Dec 13 \$ Million	30 Jun 14 \$ Million	31 Dec 14 \$ Million	30 Jun 15 \$ Million	31 Dec 15 \$ Million
<b>ASX Group shareholders' equity</b>	<b>3,676.2</b>	<b>3,670.9</b>	<b>3,751.9</b>	<b>3,759.7</b>	<b>3,787.2</b>
<b>Goodwill</b>	<b>2,317.6</b>	<b>2,317.6</b>	<b>2,317.6</b>	<b>2,317.6</b>	<b>2,317.6</b>
ASX Clear – default fund contributed by ASX (held in ASX Clear)	250.0	250.0	250.0	250.0	250.0
ASX Clear (Futures) – default fund contributed by ASX (held in ASX Clear (Futures))	450.0	450.0	450.0	450.0	450.0
Business risk capital – ASX Clear & ASX Clear (Futures)	75.0	75.0	75.0	75.0	75.0
Business risk other entities (including settlement)	281.0	279.0	317.0	337.9	339.2
<b>Total capital attribution</b>	<b>1,056.0</b>	<b>1,054.0</b>	<b>1,092.0</b>	<b>1,112.9</b>	<b>1,114.2</b>
<b>Total paid in clearing default fund</b>					
ASX Clear	250.0	250.0	250.0	250.0	250.0
ASX Clear (Futures)	650.0	650.0	650.0	650.0	650.0

## 7. Cash Market Clearing and Settlement Income Statement

	Cash Market Clearing 1H16 \$ Million	Cash Market Clearing 1H15 \$ Million	Cash Market Settlement 1H16 \$ Million	Cash Market Settlement 1H15 \$ Million
Operating Revenues	27.3	23.2	24.1	22.8
Operating Expenses	5.7	5.4	6.9	6.6
<b>EBITDA</b>	<b>21.6</b>	<b>17.8</b>	<b>17.2</b>	<b>16.2</b>
Depreciation and Amortisation	1.0	1.0	0.1	0.1
<b>EBIT</b>	<b>20.6</b>	<b>16.8</b>	<b>17.1</b>	<b>16.1</b>
Interest Income	2.0	2.5	1.2	1.5
<b>Profit Before Tax</b>	<b>22.6</b>	<b>19.3</b>	<b>18.3</b>	<b>17.6</b>
Income Tax Expense	(6.8)	(5.8)	(5.5)	(5.3)
<b>Profit After Tax</b>	<b>15.8</b>	<b>13.5</b>	<b>12.8</b>	<b>12.3</b>
<b>Economic Profit after Capital Charge</b>	<b>5.8</b>	<b>2.5</b>	<b>6.0</b>	<b>5.0</b>
<b>EBITDA Margin</b>	<b>79.1%</b>	<b>76.6%</b>	<b>71.5%</b>	<b>71.2%</b>
<b>Total Capital</b>	<b>218.1</b>	<b>218.1</b>	<b>143.2</b>	<b>140.0</b>
<b>Return on Equity</b>	<b>14.4%</b>	<b>12.3%</b>	<b>17.8%</b>	<b>17.5%</b>

Cash Market Clearing based on 'Cover 2' financial stability standard for entire period.



Thank you

