11 February 2021

Australian Securities and Investments Commission
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ASX LIMITED – 2021 HALF-YEAR RESULTS PRESENTATION AND SPEAKING NOTES

Attached is a copy of the speaking notes and slides for the 2021 Half-Year Financial Results presentation.

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2021 ASX Limited Half-Year Results

Dominic Stevens, Managing Director and CEO
Gillian Larkins, Chief Financial Officer

Presentation and Speaking Notes

11 February 2021

(Check against delivery)

Good morning and welcome to ASX's FY21 half-year results.

Thank you for taking part in this virtual presentation.

My name is Dominic Stevens, Managing Director and CEO of ASX. Joining me is Gillian Larkins, ASX's Chief Financial Officer.

To begin, I would like to acknowledge that this briefing is being held on the traditional lands of the Gadigal people. I pay my respects to elders past and present.

This morning I will begin with an overview of the financial results and take you through some of the initiatives being worked on in the business. I will then talk to progress on strategy over the period.

Gillian will then take you through the detail of the results.

I'll then conclude with some outlook comments and summarise before opening up for Q&A – first from analysts, then from media.

So, let's begin.

It has been an eventful first six months of FY21 for the world, Australia, business in general and for ASX. We have seen global political upheaval, dramatic economic changes brought on by the COVID pandemic, a domestic recession for the first time in close to 30 years, and interest rates fall to almost zero or below in Australia and around the world.

We have also seen ongoing volatility and volume in the equity market due to COVID and, conversely, stability in the interest rate market due to yield curve control. And post the reporting period, we witnessed the 'short squeeze' of certain US equities driven by retail day traders, which has prompted significant global debate.

1H21 highlights

Solid operating result in mixed conditions while continuing to progress strategic initiatives

- Solid operating result highlights strength of ASX's diversified business
- Advancing product and service initiatives
- Increasing long-term operational resilience across the organisation, despite ASX Trade outage in November 2020
- Continuing with technology contemporisation program; CHESS replacement re-plan completed and 'go-live' confirmed for April 2023
- Progressing plan for staff to be back in the office at least 60% of the week
- Remain well positioned to continue to deliver resilient earnings and dividends while investing in future growth and innovation

4 | ASX

Notwithstanding this backdrop, our results today reflect a solid performance in mixed conditions. This highlights the value of ASX's diversified business and the commitment and resilience of our people during the pandemic. ASX also continued to make operational and strategic progress over the last six months. This includes:

- Advancing many product and service initiatives, some of which I will talk about today
- Achieving significant progress to increase operational resilience across ASX, despite the regrettable ASX Trade outage last November
- Continuing to contemporise our technology, which sets ASX up for the long-term
- Progressively returning to the office while retaining the benefits of greater flexibility.

As a result, ASX remains well positioned to deliver resilient earnings and dividends, while investing in future growth and innovation.

1H21 financial results

Solid operating result reflects strength of diversification; NPAT impacted by lower interest income

	1H21	Change on pcp	% change on pcp	
Operating revenue	$470.5m	$15.6m	3.4%	• Growth in equity market and related services offset lower futures volumes
Total expenses	$151.4m	($11.6m)	(8.2%)	• Increased costs to support initiatives and variable market-related activity costs
EBIT	$319.1m	$4.0m	1.3%	• Solid result given mixed conditions
Net interest income	$26.7m	($17.4m)	(39.5%)	• Primarily due to the prevailing low interest rate environment
NPAT	$241.8m	($8.6m)	(3.4%)	• Highlights strength of ASX's diversified business
EPS	124.9cps	(4.4cps)	(3.4%)	• In line with net profit after tax
DPS	112.4cps	(4.0cps)	(3.4%)	• Reflects unchanged 90% dividend payout policy

5 | Operating revenue and expenses as per the Group segment reporting. Variance relative to the prior comparative period (1H20 pcp) expressed favourable/(unfavourable). ASX

Let me now move to the financials, which show a solid operating performance. This reflects the diversified nature of our business across markets that have responded differently to the events of the past 12 months.

Operating revenue increased $15.6 million over the previous corresponding period (pcp) to $470.5 million. This was an increase of 3.4% and reflected growth in our listings business and our equity trading, clearing and settlement businesses. It was offset somewhat by the revenue reduction in our derivatives business, driven by the expected weakness in short-term interest rate futures volumes due to yield curve control.

Total expenses increased by $11.6 million over pcp to $151.4 million. This was a rise of 8.2%, a touch higher than the run rate of our full-year forecast, with the difference mainly due to variable market-related activity costs and initiatives. I will leave it to Gillian to elaborate.

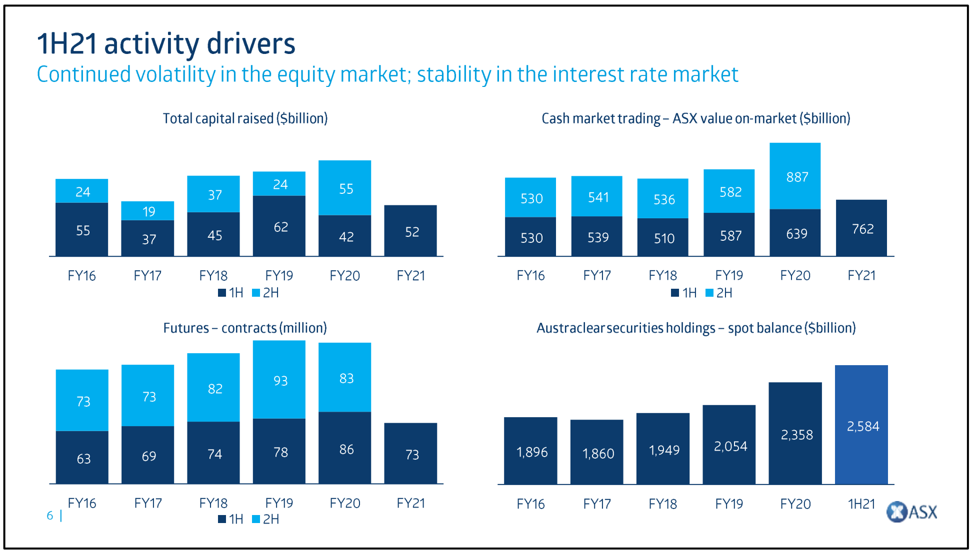
This left EBIT pleasingly up $4 million in a mixed half to $319.1 million, which was a rise of 1.3%.

With the collapse of short-term interest rates to effectively zero, net interest income was significantly lower, falling $17.4 million on pcp to $26.7 million. This was a drop of 39.5%.

The effect of the lower interest income results in our NPAT being lower by $8.6 million on pcp at $241.8 million, a drop of 3.4%.

Consistent with this, our EPS for the half is also 3.4% lower at 124.9 cps.

Our interim dividend maintains our policy of distributing 90% of underlying earnings and is 112.4 cents per share (cps), a reduction of 3.4%.



I'll now address some of the market drivers of our result.

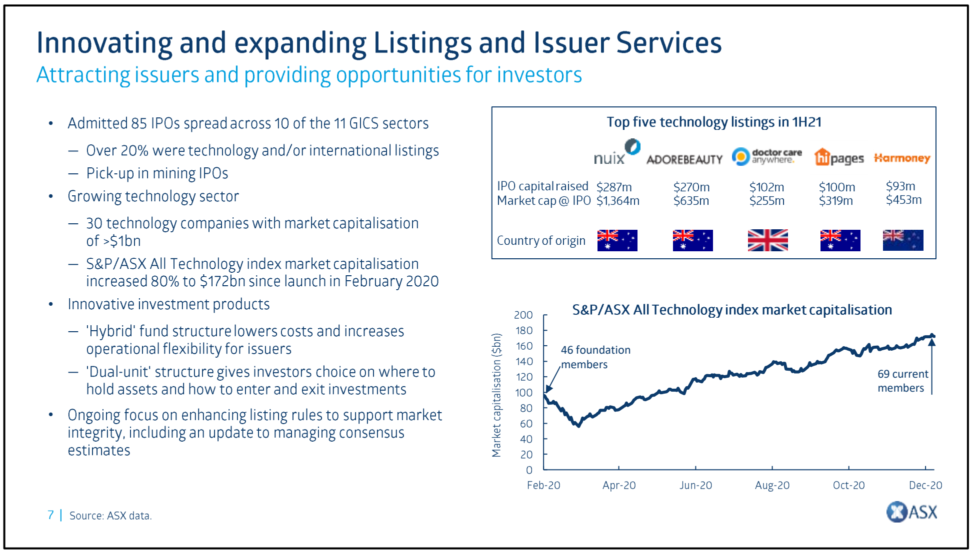
The pandemic has affected our markets in different ways.

The equity capital markets had a dynamic 2020, with IPOs stalling after the pandemic started, alongside a significant increase in secondary raisings as companies impacted sought to recapitalise. Late in 2020, the IPO market came back strongly, with one of the busiest three months ever seen at ASX. As evident from the charts, $52 billion of capital raised was an exceptional performance during the pandemic. Pipelines remain strong and it will be interesting to see what the second half of the financial year brings.

Cash market trading had another strong six months, with $762 billion in total on-market value for the half. Although not as strong as the second half of FY20, which was driven by the massive volatility of March last year, value was up more than 19% on pcp. This increased turnover flowed through to clearing, settlement and issuer services revenue.

As mentioned earlier, yield curve control resulted in lower volumes in the short end of our interest rate derivatives market. At the longer end of the yield curve, government bond issuance contributed to a significant increase in 10-year futures volumes. We also saw continuing growth in our electricity derivatives complex.

Finally, government bond issuance also drove activity levels in Austraclear, with higher holdings, higher transactions and higher registrations.



Today's result showcases the benefit of ASX's diversified business. It also reflects how we are expanding and enhancing the customer value proposition through strategic initiatives.

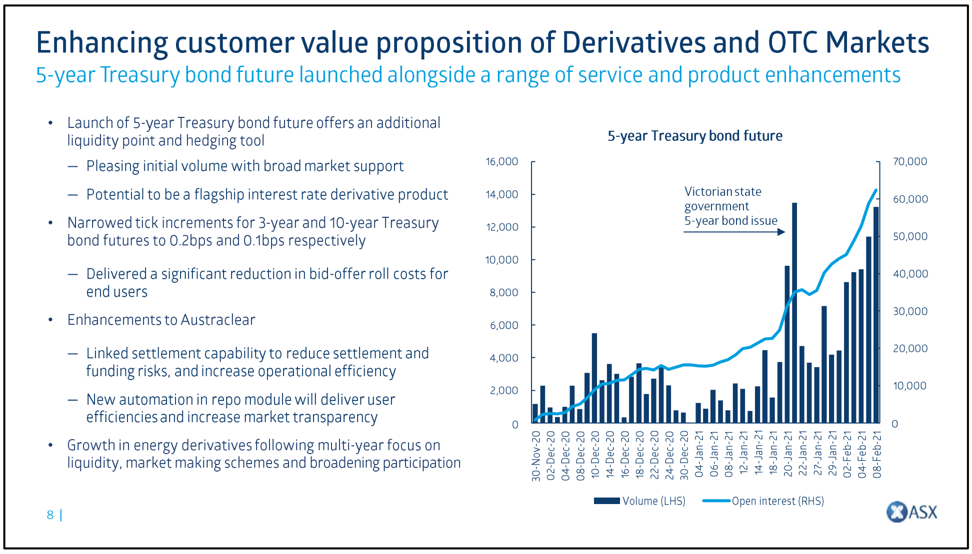
We are doing this in Listings and Issuer Services by growing our listings franchise, with benefits for both issuers and investors.

The most notable initiative here is the work we've done to increase the breadth and depth of the listed technology sector, and to grow the number of international companies listed on ASX. During the half, over 20% of the IPOs were technology and/or international listings. Our listed technology sector includes 30 companies that have a $1 billion market cap or more. Five years ago there were only five tech companies of this size. The growth of listed tech in Australia is not only good for ASX, but also good for the economy and for the growing technology ecosystem in Australia. A number of the international listings during the half came out of New Zealand, which underscores the importance of the dedicated New Zealand office we opened at the end of 2019.

During the half, we have also seen the introduction of innovative investment products on our market.

- Firstly, a hybrid fund structure where the underlying trust can issue both open and closed ended units, which lowers costs for the issuer.
- Secondly, a dual unit structure where investors have the option of transferring from the register of an unlisted to a listed equivalent and vice versa.

These structures are a great example of how ASX is working with issuers to help them reduce costs, while at the same time working for investors by increasing the flexibility of how they can trade and hold assets.



It was also a busy half for the Derivatives and OTC Markets business.

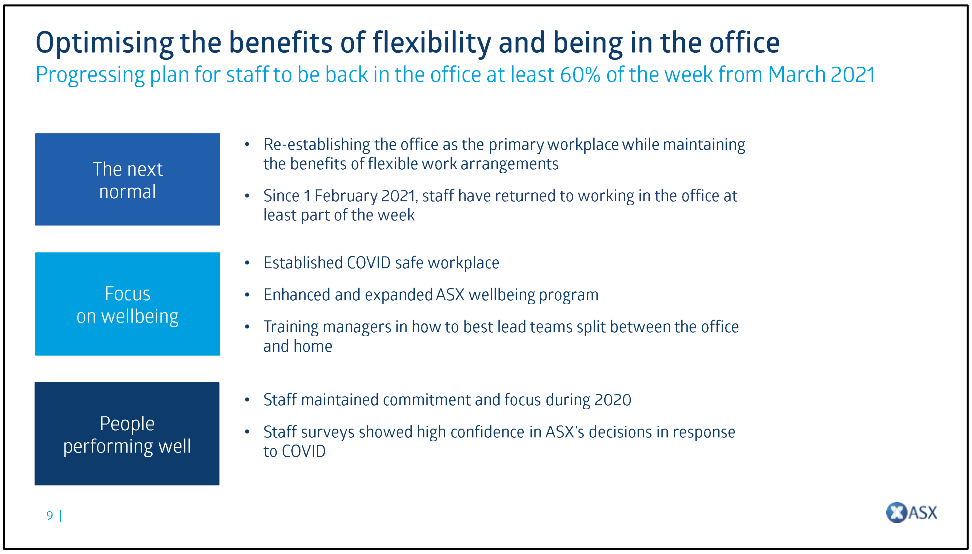
Despite lower overall volume in the half, the team has worked hard on product launches and enhancements.

The 5-year Treasury bond future was launched at the end of November 2020. While it is still early days, initial interest has been strong and market signs are encouraging, as shown on the chart. It is true that COVID market conditions provided the impetus for launching this product. However, I believe if open interest continues to grow, liquidity in the 5-year will be sustained beyond the current environment of yield curve control. I am confident that the 5-year has the potential to become one of our flagship interest rate derivative products.

In terms of our existing exchange-traded derivatives franchise, enhancing value for customers is central to this business. Within the half, we delivered significant savings to end-users by narrowing the 3-year and 10-year tick sizes during the quarterly bond futures roll.

Austraclear had a busy half due to increased bond issuance, and new functionality was built which gives customers better automation and increased operational efficiency.

While it remains relatively small in ASX's overall product suite, the electricity futures business continues to grow strongly. We are supporting the development of this market through engagement with the energy industry, market makers and government bodies. During the half, we also announced enhancements to our offering to support the evolution of the electricity spot market.



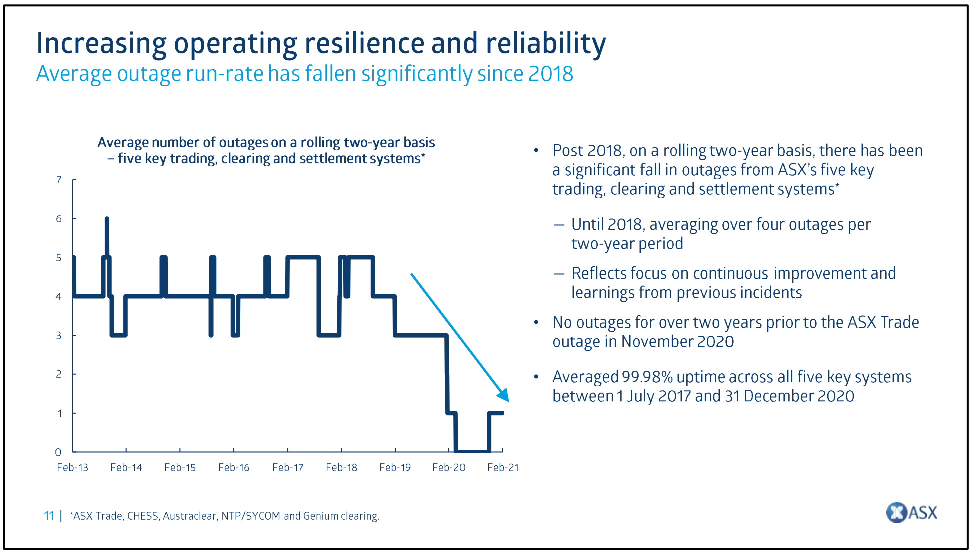
And now a quick word about COVID and the return to office.

It is clear that the pandemic is changing the way businesses think about work in Australia and around the world. We live in an increasingly virtualised world. Many firms, including ASX, are working out how to optimise the value of the collaboration and interaction of the office, with the benefits of flexible work arrangements.

At present, all staff are returning to the office for at least a part of the week and having conversations about optimal arrangements for the future.

ASX has also invested in the wellbeing of its staff during the pandemic. This has enabled the team to remain committed and resilient over the course of the past year, with staff surveys showing high confidence in the decisions ASX has made in response to COVID.

I would now like to move on from business specifics and talk about our strategy.



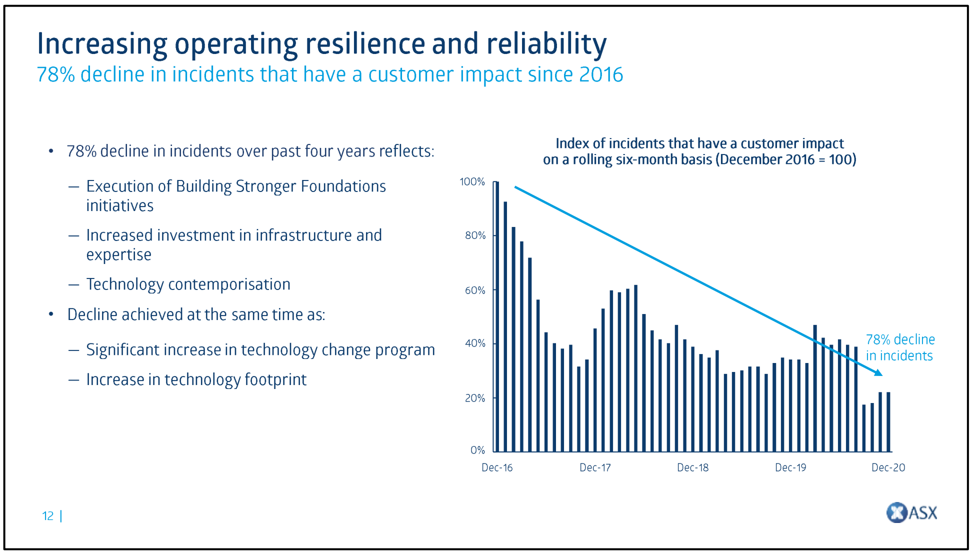
To begin, it is important to address the equity market outage last November.

Firstly, all outages are hugely disruptive and I apologise to our customers and to investors, and acknowledge the issues they had to deal with. The incident fell short of our own high standards and the standards the market expects.

The November outage was particularly disappointing because, while technology issues cannot be completely eliminated, ASX has done much in recent times to reduce the risk of their occurrence. It is important that our customers, investors and the broader market understand what we are doing to bolster reliability and resilience.

Fortunately, outages are infrequent. Given this, to get a proper perspective on performance we need to look at multi-year trends averaged across time. The chart on slide 11 covers our five main trading, clearing and settlement systems, and shows the rolling average number of outages across a two-year period, from February 2011 to today. If we look back over time, we can see that something quite fundamental has happened since early 2018. Outages have become less frequent, to the point that ASX had its longest 'no outage' period in its history pre the November issue.

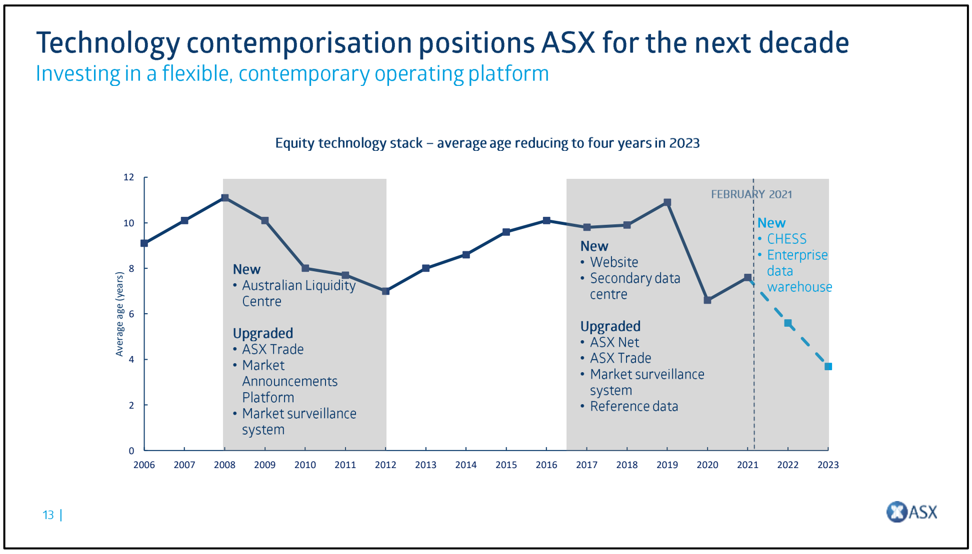
So if we look to what has driven this change, it can be traced back to the middle of 2016 when we began working on our Building Stronger Foundations program. This focused on risk management, technology governance, enterprise architecture, and incident management. It involved a significant body of work and an increase in resources and capital expenditure. This has lowered risk and increased resilience.



As you can see from the chart on slide 12, over the past four years, customer facing technology and operational incidents at ASX have fallen by around 78%. This is a dramatic reduction in incidents and reflects the success of the program.

Importantly, the reduction in incidents has been achieved during a significant technology change program at ASX, and also when the scale and scope of what we do is expanding our technology footprint.

In the long-run, upgrading and introducing new technologies is unquestionably a positive for reducing long-term risk, delivering value to the market and strengthening the ASX franchise. However, in the short-term, all technology changes have a degree of risk after a significant deployment. Notwithstanding this, we are only as good as our recent past performance. And just like our actions from 2016 that lowered incidents and outages, I am sure the learnings from the events of late last year will enable us to lower risk even further.



In addition to these measures, we can further reduce risk and increase our strategic optionality via technology change.

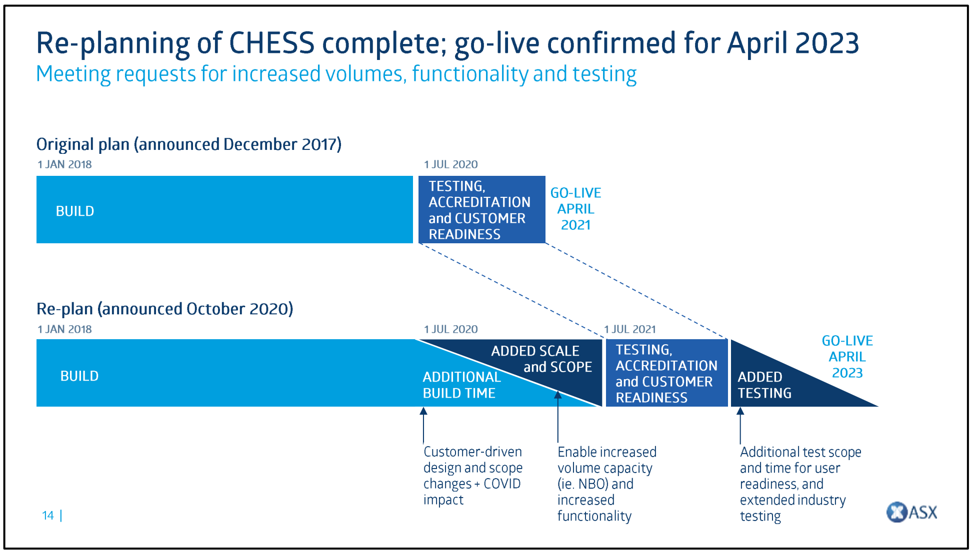
At the FY20 full-year results in August last year, I showed a chart that highlighted the contemporisation journey of our technology. This demonstrated the significant change program within ASX.

We believe it is of great value to the market to continue updating our technology to enable our customers' businesses to become more and more digitised. Australia has a unique opportunity to lead the world in the efficiency of financial services, with data analytics, digitised corporate actions, distributed ledger, cloud and contemporary technology at all levels.

With the rollout of CHESS replacement over the coming two years, ASX is well placed to have a highly contemporary end-to-end cash equity platform, with the average age of our equities technology stack, from datacentre to website, falling by more than 50%.

This is a once in 10 to 20 year change and will position ASX to lead the drive for customer and exchange efficiencies for the next decade.

This chart also shows that even though public attention is mainly focused on CHESS replacement, it is actually one part of a much broader technology transformation program. This extends from equity market upgrades, to ASX infrastructure such as the new secondary data centre and new ASX Net, and to upgrades to our derivatives technology, such as the rollout of the NTP futures trading system in 2017 that replaced SYCOM.

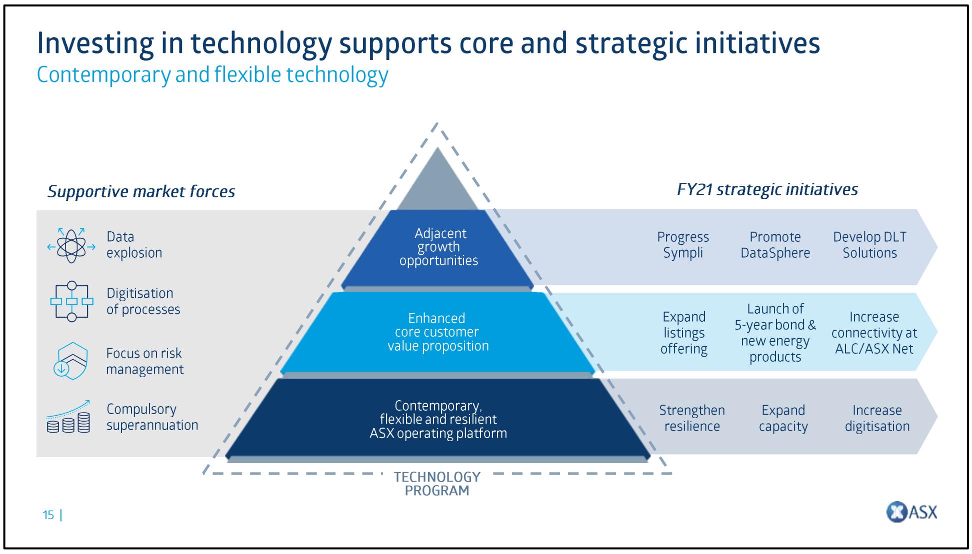


In the half just completed, ASX also finalised the replan and – importantly – the consequential re-sizing of the CHESS replacement project. As well as addressing the need for additional time to complete readiness activities, the replan and re-sizing addressed four key issues.

1. Greater scale to cover the increase in peak daily volumes, which have grown 350% since the program began.
2. Additional scope, with functionality relating to the digitisation of certain corporate actions.
3. Expanded testing and integration, to reflect the industry's desire for more comprehensive testing, particularly on transitioned data.
4. More time due to the significant effects of COVID on ASX, system vendors and participants.

Currently, the system as originally specified is mostly functionally built. The work that remains is related to non-functional features, and to changes to enable greater scale and new functionality as part of the replan. This will be complete in the middle of the year when ASX testing begins, before vendor and participant testing commences towards the end of the year.

Importantly, ASX spent significant time in the latter half of 2020 listening to stakeholders. We think we have reflected that in a plan which has received broad support.



As I have said many times, we are committed to contemporising ASX's technology stack.

This is because our technology platform enables ASX to deliver resilient earnings from its core businesses, by serving our customers and meeting the standards our industry and regulators expect of us.

There are many industry, market and technology forces that ASX can leverage to grow its value over the next decade. Across all industries, but especially in financial services, we see an explosion of data, the digitisation of processes, a focus on operational efficiencies and risk management excellence, as well as the growth in the financial services economy, driven by our compulsory superannuation system. It is therefore key that we maintain the quality of our existing business and unlock future revenue streams via an innovative and contemporary technology platform.

Technology is becoming less about how we interact 'one to one' with our customers and more about how we collaborate with them, and even more importantly, how we enable them to collaborate with each other.

Interestingly, today we consider our connectivity activities in Trading Services as one of our core businesses. But a decade ago, it was a growth adjacency. By taking an innovative and collaborative industry-wide approach, we built a technology business to create a more efficient ecosystem for the industry. We see similarities with DLT and with DataSphere, both technology initiatives that we hope will create a more efficient industry-wide ecosystem.

In broad terms, our technology contemporisation program is an investment in our core businesses while providing for other opportunities into the future.

I will now finish on this slide with a quick update on our growth adjacencies.

Sympli made positive progress over the last half. The Federal Government, the ACCC and all the States and Territories now support interoperability, with legislation expected during this calendar year. Sympli has also bedded down connection to the major banks, with three planned to be connected by June and the final one following soon after.

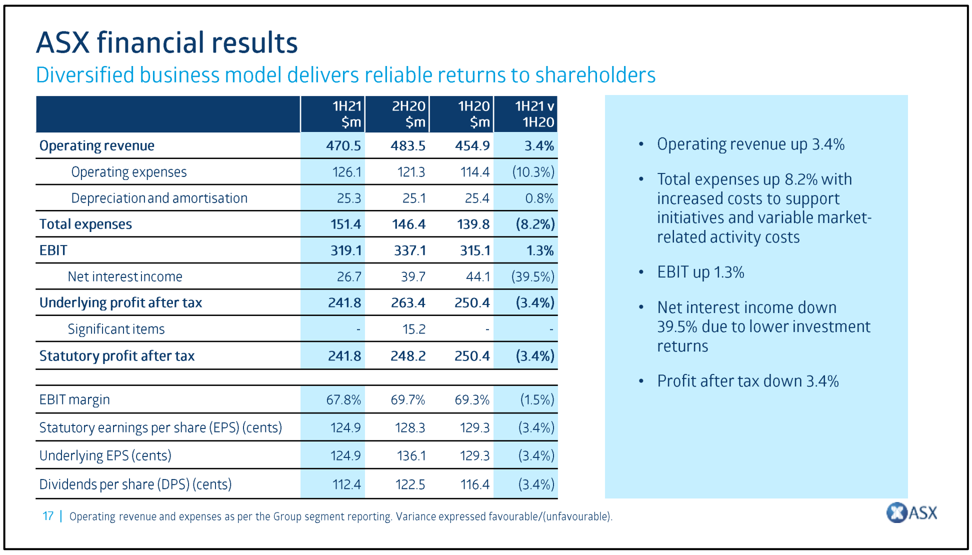
DataSphere is operational and is working with customers on some early functionality around electricity data, Austraclear corporate actions and bond liquidity functionality.

And finally DLT Solutions. As we have said previously, with respect to DLT our attention is very much focused on the CHESS replacement program. However, there are a number of opportunities being worked on with partners. To support this, a cloud-based platform for customers to enable the easy use of the DAML modelling language will be launched in the coming months.

On that note, time for me to handover to Gillian to step us through the numbers. I'll return to wrap things up.

Thanks Dom, and good morning. ASX's result for the first half of 2021 reflects the impact of a low yield environment introduced through the course of the second half of 2020. Income derived from our futures and derivatives business and from collateral balances certainly came in lower than the previous 18 months. However, it was pleasing to see the continuation of the elevated cash equities trading from the previous half and the increased capital markets activity.

This activity contributed to a better than expected revenue outcome. However, with the inclusion of heightened expenses due to additional employees, licensing of our technology applications and an increase in the costs of supporting the elevated market trading, overall profit for the business decreased against the 1H20.



Turning to the financials, and starting with the top line, revenue for the half is up 3.4% from 1H20, reflecting solid performance by our Listings and Issuer Services, cash market trading and Equity Post-Trade businesses. However, you will note this number is lower than 2H20, due to the heightened trading the markets experienced in the last half of the previous financial year and the strong performance of our Austraclear offering.

1H21 saw total expenses for the Group increase by 8.2%, with depreciation and amortisation remaining at a similar level to the last two halves.

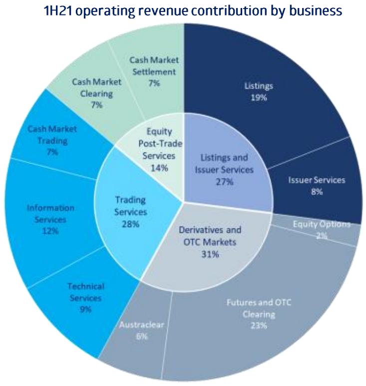
Moving through the table, the interest income line shows a significant decline from the previous half by 39.5%. This fall was through the decreased earnings rates and the full-year impact of the December 2019 reduction in charges to futures clients. The lower revenue from this income stream led to a decrease in both underlying and statutory profit after tax by 3.4%. This translated into the same decrease in EPS, with the Board declaring a dividend of 112.4 cents per share for the half.

Now to the revenue results of our key business lines.

ASX operating revenue[1]

Up 3.4% reflecting diversification across the business

	1H21 $m	2H20 $m	1H20 $m	1H21 v 1H20
Listings and Issuer Services	127.6	122.5	114.6	11.4%
Derivatives and OTC Markets	144.6	160.9	156.7	(7.7%)
Trading Services	130.2	131.4	124.9	4.2%
Equity Post-Trade Services	68.1	68.7	58.7	16.1%
Operating revenue	470.5	483.5	454.9	3.4%



18 | 1. Operating revenue classification includes the allocation of 'other revenue' into respective revenue lines (prior period comparatives have been restated accordingly). Operating revenue and expenses as per the Group segment reporting. Variance expressed favourable/(unfavourable).

ASX has a robust business model across multiple asset classes. This not only positions us as an integral component of Australia's financial market infrastructure, but also buffers us from negative economic impacts to any one of our business lines.

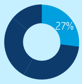
This half saw that impact in our Derivatives and OTC Markets business, with the lower volatility in interest rates leading to a 7.7% decline in revenue for the half. This decline has been evident in our monthly market reporting since April 2020. However, it has been partly offset by the strength of the registry and holdings services in our Austraclear business.

Pleasingly, this half experienced a strong increase in IPO activity and capital raisings, and on the top line, our Listings and Issuer Services business increased revenue by 11.4% on the first half 2020. The strong trading volumes that remained elevated from the end of last financial year all assisted our equity trading offerings across the sub-business areas of issuer services, cash market trading and Equity Post-Trade Services, which came in 16.1% more than 1H20. This activity helped to defray the lower revenue growth in the derivatives and technical services businesses, allowing for a 3.4% increase in revenue overall.

ASX operating revenue by business

Listings and Issuer Services	1H21	2H20	1H20	1H21 v 1H20
Revenue ($million)	**127.6**	**122.5**	**114.6**	**11.4%**
Listings	88.7	88.5	87.4	1.5%
Issuer services	38.9	34.0	27.2	43.3%
Key drivers				
New listings (number)	85	28	55	54.5%
Market cap of new listings ($billion)	17.8	17.9	9.1	95.8%
Secondary capital ($billion)	34.2	37.2	33.0	3.7%
CHESS holding statements (million)	12.9	11.1	8.1	59.2%

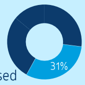
Listings and Issuer Services



- Strong increase in market cap of initial listings
- Secondary capital raised maintaining strong activity of previous half
- Issuer services growth reflects heightened activity and capital raisings

Derivatives and OTC Markets	1H21	2H20	1H20	1H21 v 1H20
Revenue ($million)	**144.6**	**160.9**	**156.7**	**(7.7%)**
Futures and OTC	106.9	122.0	120.9	(11.6%)
Equity options	7.2	9.6	8.9	(18.5%)
Austraclear	30.5	29.3	26.9	13.1%
Key drivers				
Futures volume (million)	72.8	83.0	86.2	(15.6%)
OTC cleared value ($billion)	3,779.6	5,395.1	7,059.2	(46.5%)
Single stock options volume (million)	29.1	32.0	33.9	(14.2%)
Austraclear holdings balance ($billion)	2,583.7	2,358.2	2,097.0	23.2%

Derivatives and OTC Markets



- Futures volumes down on pcp, partially offset by an increased average fee reflecting a change in product and customer mix
- Equity options down on pcp with subdued volumes
- Austraclear security holdings and registry services up on pcp
- Results from investments in Yieldbroker and Sympli are reported through this business

19 | Operating revenue as per the Group segment reporting. Variance expressed favourable/(unfavourable).

Our Listings and Issuer Services revenue is 11.4% higher than last year. The increase is through issuer services, which saw strong growth of 43.3% for the half.

The number of new listings increased by 54.5% to 85. However, the total number of listings dropped by 2% on 1H20, which contributed to our annual listing fee revenue being down 5.5 % through the lower number of billed companies and a change in the mix of entities within the fee tiering.

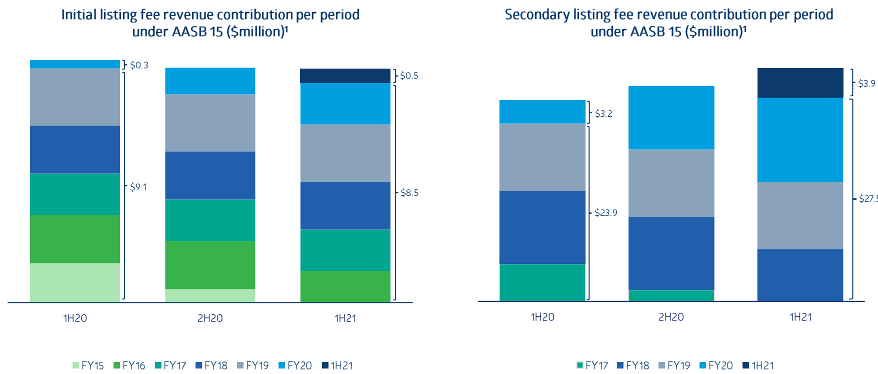
Initial capital raised increased by 95.8% from 1H20, remaining in line with 2H20, with secondary capital increasing by 3.7% on the 1H20, albeit coming off last half's all-time high.

The requirement to amortise capital raisings over five years and secondary capital raisings over three years results in the listings activity being less noticeable at the revenue line.

On the following slide, you can see the amortised 1H20 contributions in the dark blue box to the right of both charts. Initial listing fees were slightly down on the previous half due to the roll-off of historical fees from 2015 and 33 of the 85 IPOs occurring in December. Conversely, secondary listing fee revenue has increased by 15.8% on pcp.

Initial and secondary listing fees

Initial listing fees amortised over 5 years and secondary listing fees amortised over 3 years



20 | 1. Colours represent the year in which revenue was generated and the periods over which it is amortised. Operating revenue as per the Group segment reporting.

Moving now to the Derivatives and OTC Markets business.

Our Derivatives and OTC Markets business has seen a notable decline in futures volumes since the end of March 2020, as we entered a period for the medium-term of low interest rates. Futures volumes are down 15.6% from 1H20 due to anticipated lower activity in the short-end interest rate market. This was partially offset by a higher average fee due to a change in product and customer mix.

The value cleared through the OTC clearing service gradually came down in the second half of 2020, a trend we have seen continue into the first half of 2021, declining by 46.5% on 1H20.

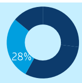
Equity options revenue has decreased by 18.5% from 1H20. Equity options volumes continue to decline, with single stock options volume down 14.2% on the same period last year and index options down 39.3%.

Austraclear saw higher registry and transaction activity, with revenue coming in 13.1% more than last year and in line with 2H20. This was firmly supported by the increase in issuance of Treasury bonds and semi-government securities, with the overall average collateral balance up 19% to $27.9 billion. Of note, this has subsequently declined to $13.4 billion at 31 Dec 2020 due to excess liquidity in the market.

ASX operating revenue by business (continued)

Trading Services	1H21	2H20	1H20	1H21 v 1H20
Revenue ($million)	**130.2**	**131.4**	**124.9**	**4.2%**
Cash market trading	31.6	36.3	27.9	12.8%
Information services	56.3	53.3	53.5	5.2%
Technical services	42.3	41.8	43.5	(2.7%)
Key drivers				
Total ASX on-market value ($billion)	761.8	886.8	638.8	19.3%
Auctions value ($billion)	178.2	223.2	186.7	(4.6%)
Number of ALC cabinets (spot)	345	326	324	6.5%

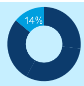
Trading Services



- Cash market trading growth due to higher ASX on-market traded value
- Information services increase in revenue driven by strength of trading activity
- Technical services decline due to lower market access revenues partly offset by growth in cabinets and connectivity

Equity Post-Trade Services	1H21	2H20	1H20	1H21 v 1H20
Revenue ($million)	**68.1**	**68.7**	**58.7**	**16.1%**
Cash market clearing	34.2	35.3	30.0	14.0%
Cash market settlement	33.9	33.4	28.7	18.2%
Key drivers				
On-market value cleared ($billion)	806.6	933.4	676.0	19.3%
Main settlement messages (million)	11.5	12.5	10.0	14.7%
Transfer and conversions (million)	19.2	18.1	11.7	64.4%

Equity Post-Trade Services



- Clearing growth broadly in line with traded value
- Increase in the main settlement messages and notable growth in transfer and conversions in line with heightened market activity
- Customer revenue share provisions raised for both clearing ($2.9m vs $1.3m in pcp) and settlement ($4.6m vs $0.4m in pcp)

21 | Operating revenue as per the Group segment reporting. Variance expressed favourable/(unfavourable).

The strong result for the Trading Services business was underpinned by the market volatility, with cash market trading revenue contributing the majority of the 4.2% growth on 1H20. Even though lower than the highs of 2H20, cash market trading revenue was up 12.8% on pcp, which offset the lower average on-market fee due to smaller contributions from the Auctions and Centre Point products.

Information services saw a strong half, contributing a 5.2% revenue increase from 1H20. This was assisted by a rise in market data royalties resulting from the higher trading activity experienced by retail brokers.

And technical services saw a decrease this half, with revenue coming in at 2.7% less. This was mainly due to lower ASX 24 market access revenue, with a decrease in liquidity cross-connect sessions by 13.2% and an average decrease in ASX 24 gateways by 22.2%. This is primarily a consequence of the changes to the bond roll tick size introduced in the September bond roll. This was negated by an increase in the number of cabinet sales in the ALC by 6.5%.

Finally, moving onto our fourth business – Equity Post-Trade Services.

Cash market clearing revenue was up 14.0% to $34.2 million, reflecting an increase of 19.3% in on-market value cleared. Revenue from cash market settlement increased by 18.2% to $33.9 million, due most notably to growth in settlement messages, and transfers and conversions.

This strong 1H21 activity resulted in high customer rebates totalling $7.5 million versus $1.7 million in 1H20.

Turning now to total expenses.

ASX 1H21 total expenses

Heightened market activity, continued investment in initiatives

	1H21 $m	2H20 $m	1H20 $m	1H21 v 1H20
Staff	75.9	72.9	72.5	(4.8%)
Occupancy	4.8	5.0	4.7	(1.7%)
Equipment	21.0	19.3	16.1	(30.8%)
Administration	13.0	13.3	12.7	(2.1%)
Variable	6.8	6.1	4.6	(46.8%)
ASIC supervision levy	4.6	4.7	3.8	(21.0%)
Operating expenses	**126.1**	**121.3**	**114.4**	**(10.3%)**
Depreciation and amortisation	25.3	25.1	25.4	0.8%
Total expenses	**151.4**	**146.4**	**139.8**	**(8.2%)**
FTE (average)	**737**	**717**	**701**	**(5.1%)**

- Staff expenses uplift reflects timing of resource onboarding
- Equipment uplift due to new licensing and maintenance costs for initiatives and projects that went live in the past 12 months
- Variable and ASIC increases due to market-related activity

22 | Expenses as per the Group segment reporting. Variance expressed favourable/(unfavourable).

ASX

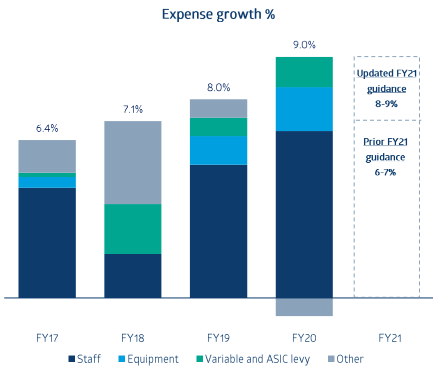
Total expenses for 1H21 were 8.2% higher than 1H20. The expense uplift was mainly through the increase in employees over the last year to support both project and 'licence to operate' initiatives, with the staff expense line being up 4.8%. Expenses also grew due to costs associated with ASX's technology upgrade, including cyber security and our digital initiatives, with equipment costs coming in at 30.8% more.

With the heightened market activity continuing into 1H21, the expenses attached to the increased transaction volumes were higher, coming in on the variable cost line 46.8% more than 1H20. However, the revenue attached to this activity has more than absorbed the expense.

The higher transaction activity over the last six months meant that the ASIC supervision levy increased by just under a million from 1H20, and was at a similar level to 2H20. With the depreciation and amortisation line remaining fairly constant over the last two halves, this has led to an overall increase in total expenses of 8.2% for 1H21.

ASX FY21 total expense guidance

Annual growth composition and updated guidance linked to heightened market activity



- Underlying BAU expense growth trend connected with general growth of the business, contractual obligations and annual salary increases
- Growth in FY17 to FY20 reflects
  - Investments in the Stronger Foundations program (both in staffing and equipment costs)
  - New ASIC cost recovery methodology (FY18)
  - Change in lease standard led to reduced occupancy costs (FY20)
  - Variable costs connected with market-related activity (FY20/21)
- The increase in FY21 expense guidance to 8-9% represents the range of growth linked to market-related activity

23 | Expenses as per the Group segment reporting, noting that for illustrative purposes depreciation, occupancy and administration expenses have been combined to form the 'Other' category and variable expenses and ASIC levy have been combined to form the 'Variable and ASIC levy' category.

ASX

Since 2017, ASX's expense composition has altered to reflect our efforts to strengthen our technology, risk and governance foundations to build an exchange for the future. This slide reflects the full-year growth composition for the last four years.

Growth was highest in FY19 and FY20 through our Building Stronger Foundations program, which increased the number of employees in key functions. This you can see in the dark blue components in the chart.

Equipment costs, in the light blue, also increased through the upgrade of operating and service capabilities at ASX, increasing software licences and costs associated with cyber security. The other notable increases have been the growth in variable costs and the ASIC levy, moving in line with the growth in activity and revenue over the last two years in particular, which you can see in the green boxes. We have combined the rest of the expenses in grey on this slide. The reason for the negative amount in the FY20 column is due to the introduction of AASB16, where a component of the occupancy expense went to the interest line and there was a reduction in the depreciation charge for the year.

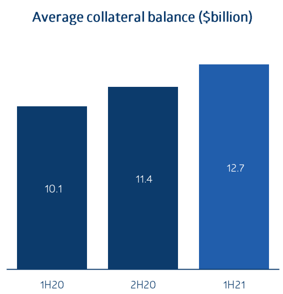
For FY21, we are now expecting higher variable costs for a longer period than we anticipated at last year's results. This number will take shape over the next six months. However, we believe the expense guidance for the end of the year is more likely to be in the range of 8-9%. Of course, with heightened activity comes further revenue, so this would create a positive NPAT outcome for the company.

ASX net interest income

Lower investment earnings slightly offset by elevated collateral balances

	1H21 $m	2H20 $m	1H20 $m	1H21 v 1H20
Group net interest income	0.2	3.2	7.8	(97.1%)
Lease financing cost	(1.7)	(1.7)	(1.7)	-
Group net interest income	**(1.5)**	**1.5**	**6.1**	**(123.9%)**
Net interest on collateral balances	28.2	38.2	38.0	(25.8%)
Total net interest income	**26.7**	**39.7**	**44.1**	**(39.5%)**

- ASX Group net interest income down, reflecting lower investment returns in the current interest rate environment
- Net interest earned on collateral balances down
  - Average investment spread down to 15bps (35bps pcp) noting that this had decreased to ~10bps by December 2020
  - Futures client charge decreased from 65bps to 45bps in December 2019
  - Average collateral balances $12.7 billion, up 25.6% on pcp



24 | Net interest income per segment reporting. Variance expressed favourable/(unfavourable).

Net interest income decreased 39.5% to $26.7 million for the half. The near-term expectation is that rates will remain low. It is clear from these results that portfolio returns have declined as maturing investments have been replaced with lower yielding investments.

Of note, because of decreased earning rates, our Group net interest income declined by 97.1%. Half-on-half, you can see the marked impact of the decrease in investment spread over the year. There is no change to the lease financing cost of $1.7million. However, this contributed to a Group net interest income loss for the half.

The average earning spread on participant balances has moved from 35bps to 15bps in the half, which, when combined with the reduction in future charges to clients from 65bps to 45bps, contributes to a decrease in overall Net interest on collateral balances of 25.8%. Although the increase in average collateral balance to $12.7 billion has negated some of this impact.

ASX balance sheet

Strong with high levels of participant margins

	31 Dec 20 $m	30 Jun 20 $m
Cash and other financial assets	13,753.7	13,857.0
Intangibles (excluding software)	2,325.7	2,325.9
Software	209.0	170.9
Investments	86.4	85.6
Other assets	979.0	975.4
Total assets	**17,353.8**	**17,414.8**
Amounts owing to participants	12,574.8	12,677.2
Other liabilities	1,058.3	1,017.2
Total liabilities	**13,633.1**	**13,694.4**
Total equity	**3,720.7**	**3,720.4**
Long-term credit rating from S&P	AA-	AA-

Investments

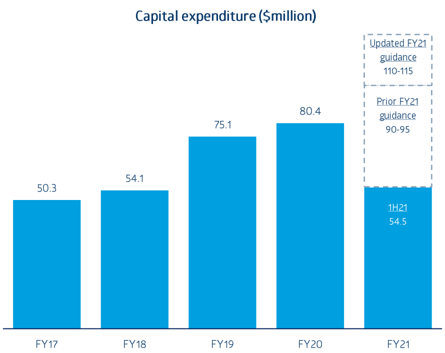
- Digital Asset
  - 8.7% shareholding
- Yieldbroker
  - 44.8% shareholding
- Sympli
  - 49.5% shareholding

25 | ASX

ASX's balance sheet is strong and positioned conservatively with very little difference in the underlying components between the two halves. We currently have an S&P long-term rating of AA-, hold a nominal amount of debt for working capital reasons, and as you can see in the table, there has been an increase in the value of our total investments by less than a combined $1 million for this half.

ASX capital expenditure

Annual profile and updated guidance linked to major projects



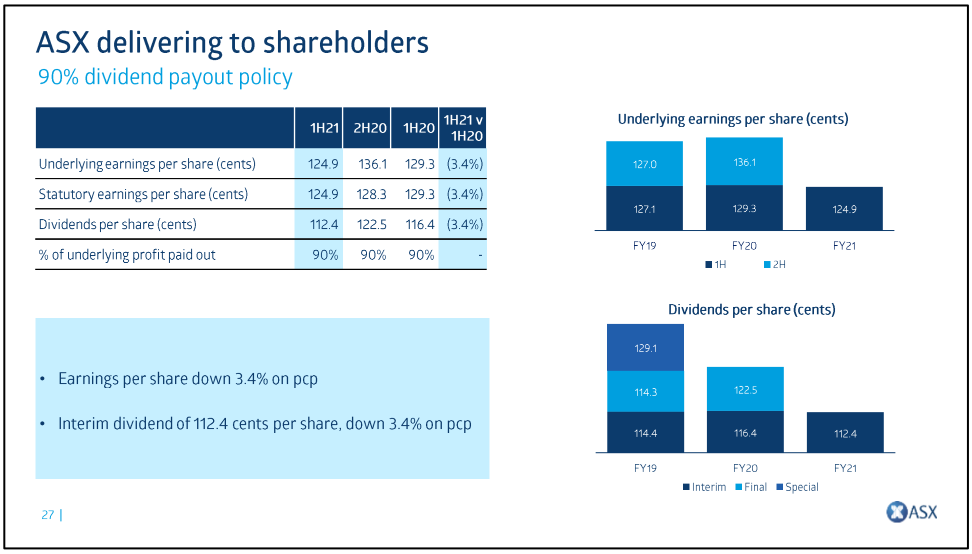
- Capital expenditure $54.5 million in 1H21
  - Ongoing investment in upgrading technology for BAU and growth opportunities, including
    - CHESS replacement and related infrastructure
    - ASX Trade refresh
    - Corporate Actions STP
    - Ongoing investments within data, cyber security, digital, infrastructure and enterprise domains
- The increase in FY21 capital expenditure guidance to $110-115 million is to accommodate the volume-driven hardware requirements, extended ASX Trade project and CHESS replacement replan

26 | ASX

Our investment in capital expenditure this half was $54.5 million. This is inclusive of our CHESS replacement, ASX Trade and other key projects.

ASX's program of work continues into this half, with 15 projects currently underway. The largest project is CHESS replacement and through the replanning exercise carried out at the end of last year, our technology work program was reprioritised and extended to fit the demand for increased volumes, functionality and testing, as Dom discussed earlier. This had a marked impact on the costings of the program, and extended the capital expenditure associated with the CHESS replacement project over a further two years from the original go-live date of April 2021.

Our guidance to market on our capex spend for FY21 is now $110-$115 million. This is increased to specifically incorporate the costs associated with the greater volume capacity and increased functionality for CHESS, and also the investment to progress our other projects. Further guidance for the remainder of the CHESS replacement program, which will include testing, accreditation and customer readiness expenditure, will be given at the full-year results.



ASX has benefitted from elevated trading activity and strong capital markets activity through the last six months. However, this was not enough to combat the lower investment spread income and high single expense growth, which led to negative earnings growth for this half.

Underlying profit after tax decreased by 3.4%, also leading to an underlying EPS decrease of the same amount. The Board has determined a 1H21 fully franked dividend of 112.4 cents per share, representing a decrease of 3.4% on 1H20. The dividend can be fully funded from retained earnings and represents a payout ratio of 90% of underlying NPAT, in line with our dividend policy guidance.

Amid the mixed outcomes of 1H21, ASX is continuing with its strategy to strengthen the foundations of our business, while investing in both core and adjacent growth opportunities for the future.

With that, I will hand back to Dom. Thank you.

Thanks Gillian.

Outlook

2H21 unlikely to experience the extreme volatility of 2H20

Mixed trading conditions expected to continue

- Cash equities continue to experience buoyant conditions, although to repeat the COVID-driven volumes of 2H20 will be challenging
- Equity capital markets commentary indicates ongoing healthy IPO activity
- Derivatives:
  - RBA monetary policy settings expected to weigh on short-term interest rate derivative volumes
  - Longer-term inflation uncertainty expected to support trading in the mid to longer dated bond futures, including the 5-year Treasury bond future
- Government bond issuance expected to remain elevated, driving Austraclear performance
- COVID-driven uncertainty to remain

29 |

Before wrapping up, let me comment about the outlook. While we may not experience the extreme volatility of March 2020, ongoing global economic and geo-political uncertainty suggests mixed trading conditions will continue.

On the equities side … cash equities continue to experience buoyant conditions, although it will be challenging to repeat the COVID-driven volumes of 2H20. And by all reports, the IPO pipeline continues to be healthy.

With derivatives … the RBA's monetary policy settings are expected to weigh on short-term interest rate derivative volumes, while inflation uncertainty should support trading in the mid to longer-dated bond futures, including the 5-year Treasury bond future. And the expected maintenance of elevated government bond issuance will continue to drive Austraclear's performance.

Summary

Focused on serving our customers, supporting our industry and delivering to our shareholders

Delivering resilient earnings and dividends

- Solid 1H21 operating result reflecting strength of diversified business
- Paid out 90% of underlying earnings in dividends, in line with dividend payout policy

Executing customer-driven, technology-focused strategy

- 5-year Treasury bond future has the potential to be a flagship product in the medium-term
- ASX's technology age and reliability metrics have improved over the long-term

Investing in a contemporary operating platform to support growth in industry capacity and innovation

- FY21 expense growth increased to 8–9%
- FY21 capital expenditure guidance increased to $110-$115 million

Well positioned to continue delivering resilient earnings while investing for the future

- Diversified business provides earnings resilience through the economic cycle
- Momentum building in growth adjacencies

30 |

So, in summary … ASX remains focused on serving our customers, supporting our industry and delivering to our shareholders.

The solid result for 1H21 reflects the strength of our diversified business, allowing ASX to maintain its 90% dividend payout ratio.

We continue to execute our customer-driven technology-focused strategy, with new products and long-term improvements in platform resilience.

We are continuing to invest in contemporising ASX's technology, increasing capacity and innovating.

And finally we are well positioned to continue delivering resilient earnings while also investing in growth opportunities.

Thank you. I will now open it up to questions. First from analysts and then from the media.