



18 August 2022

Australian Securities and Investments Commission
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ASX LIMITED – 2022 FULL-YEAR RESULTS MARKET RELEASE

Attached is a market release relating to the 2022 full-year financial results.

Release of market announcement authorised by:

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Market Release

18 August 2022

ASX Limited Full-Year Results to 30 June 2022 (FY22)

Financial highlights relative to the prior comparative period (FY21) based on Group segment reporting

- Solid result with operating revenue up 7.5% to \$1,022.7m and profit after tax up 5.7% to \$508.5m
- Reflects strength of diversified business, driven by growth in listings and equity-related activities partly offset by lower futures volumes
- Higher dividend in line with increased profit – up 5.7% to 236.4cps and 90% payout ratio maintained
- Investment in technology continues, improving resilience and providing opportunities for future growth
- Renewed strategy focus on customers, technology transformation, financial system stability, sustainability, and people and culture

	FY22	Variance (pcp)
Profit after tax (NPAT)	\$508.5 million	↑\$27.6m ↑5.7%
Operating revenue <ul style="list-style-type: none"> • Growth in Listings supported by record capital raisings • Growth in Markets with higher equity trading activity and demand for commodities products, partly offset by impact of lower interest rates on futures volumes • Rise in Technology and Data with continued demand for information and technical services • Higher Securities and Payments underpinned by trading activity 	\$1,022.7 million	↑\$71.2m ↑7.5%
Total expenses (includes depreciation) <ul style="list-style-type: none"> • Increased costs inclusive of annual salary reviews, and higher costs to support technology and risk management initiatives 	\$333.5 million	↑\$23.2m ↑7.5%
Earnings before interest and tax (EBIT) <ul style="list-style-type: none"> • Solid operating result reflecting diversified business 	\$689.2 million	↑\$48.0m ↑7.5%
Interest income <ul style="list-style-type: none"> • Reduced interest earnings due to low interest rate environment 	\$41.1 million	↓\$5.6m ↓11.9%
Earnings per share <ul style="list-style-type: none"> • Increase in line with higher profit 	262.7 cents	↑14.3cps ↑5.7%
Final dividend per share <ul style="list-style-type: none"> • 90% payout ratio, fully franked 	120.0 cents	↑8.8cps ↑7.9%
Total FY22 dividends (interim and final)	236.4 cents	↑12.8cps ↑5.7%
Capital expenditure <ul style="list-style-type: none"> • Investment in long-term sustainability of business, in line with market guidance 	\$105.2 million	



Ms Helen Lofthouse, ASX Managing Director and CEO, said: “ASX has again delivered a solid full-year result, driven by revenue growth of 7.5%, up \$71.2 million to \$1,022.7 million on last year. EBIT grew by \$48.0 million, a 7.5% increase to \$689.2 million. Net profit was up 5.7%, rising by \$27.6 million to \$508.5 million. Earnings per share and dividends both increased 5.7% in line with net profit. Total dividends (interim and final) rose to 236.4 cents per share, fully franked, maintaining ASX’s 90% dividend payout policy.

“ASX continues to benefit from its diversified business model. We saw decade-high levels of listings activity, particularly in the first half, with 217 new listings in the period – the highest number since FY08. And the total amount of capital raised increased 56% to \$159.4 billion (excluding the BHP capital unification), a new record overall.

“The Markets business benefited from higher equity trading activity and demand for commodities products. However, this was partly offset by the impact of the lower interest rate environment on futures volumes. On-market equity trading increased, with a daily average value across the period of \$6.7 billion, up 15%. The increase in market activity also supported revenue growth in our Securities and Payments business. ASX’s Technology and Data business benefited too, with higher demand for market and benchmark data, and for our connectivity and data centre services.

“ASX’s expenses rose 7.5% reflecting higher costs associated with greater market activity, ongoing investments in initiatives and wage increases. Capital expenditure was \$105.2 million.”

Focus on customers and technology

Ms Lofthouse continued: “Looking ahead, a key focus area for ASX is our customers. We have a diverse customer base and it’s important we actively engage with them, including through bilateral and small group meetings, industry forums, working groups and public consultations. We aim to improve the efficiency of customer engagement with ASX, better understand their needs and make it easier for us and our customers to collaborate constructively.

“Technology is fundamental to what we do. We operate critical infrastructure that underpins both the Australian and New Zealand financial markets. It is appropriate that this comes with a high degree of regulatory scrutiny. The services we offer depend on having reliable, resilient and functional technology that meets the needs of our stakeholders. Investing in technology will remain a strong theme of our strategy.

“Contemporary technology gives us more flexibility to adapt to customer needs, allows services to interact with one another and helps make our technology easier to maintain.

“ASX updated stakeholders recently on the CHES replacement project. We have identified that more development is needed in parts of the application software to meet the market’s scalability and resilience requirements for new CHES. We have commissioned an independent review of the application by Accenture to investigate specific areas in the application that are presenting challenges, to consider possible solutions and to provide input on the timeline for implementation.

“I am disappointed that we have extended the timeline for go-live for a third time, and I know that our customers are disappointed too. But we all agree that new CHES must be implemented safely and with the functionality to serve the market’s needs.”



Ms Lofthouse continued: “ASX’s technology strategy is also focused on leveraging our technology to enable growth for our customers and for ASX. The Australian Liquidity Centre (ALC) is a great example of this. The ALC has expanded from servicing ASX’s own needs, to servicing the needs of Australia’s financial services participants too.

“The ALC footprint has grown to meet this increasing client demand and we’ve seen rising levels of connectivity between different customers at the data centre, in addition to customers connecting directly to ASX. More recently, this strategy of leveraging our technology is reflected in our investments in adjacent data and distributed ledger technologies, such as DataSphere and Synfini, as well as our property eSettlements joint venture, Sympli.”

People and culture

Ms Lofthouse said: “People and culture is a key part of ASX’s strategy and a priority for me. Investing in our people enables us to achieve our goals. ASX is committed to providing a healthy, safe and inclusive working environment. Our people are encouraged to speak up about risks and compliance issues, and are comfortable doing so. I am proud that this was acknowledged in the most recent staff engagement survey. There is room for improvement. Fortunately, we start from a solid base with lots of goodwill.

“Like many organisations, ASX faces challenges attracting and retaining skilled talent in today’s tight labour market, particularly in key areas such as technology, risk and compliance. We continue to focus on providing opportunities for our people to feel valued, undertake meaningful work, develop their skills and make a difference to our markets.

“The strength of ASX’s core business has allowed us to deliver long-term growth for shareholders during a period of significant volatility and uncertainty. We are excited about the opportunities ahead and remain committed to building an exchange of the future,” concluded Ms Lofthouse.

- Please see the accompanying speaking notes and presentation slides for more detail and insights.
- Complete results materials will be available on the [ASX market announcements page](#).
- A webcast of today’s 10.30am (Sydney time) presentation will be available on the [ASX website](#) or can be viewed live [here](#).

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APPENDIX – ASX full-year results to 30 June 2022 (FY22) based on the Group’s segment reporting

Group income statement	FY22 \$m	FY21 \$m	Variance \$m	Variance %
Operating revenue	1,022.7	951.5	71.2	7.5%
Operating expenses	(283.2)	(256.8)	(26.4)	(10.3%)
EBITDA	739.5	694.7	44.8	6.4%
Depreciation and amortisation	(50.3)	(53.5)	3.2	6.1%
Total expenses	(333.5)	(310.3)	(23.2)	(7.5%)
EBIT	689.2	641.2	48.0	7.5%
Interest income	41.1	46.7	(5.6)	(11.9%)
Profit before tax	730.3	687.9	42.4	6.2%
Income tax expense	(221.8)	(207.0)	(14.8)	(7.1%)
Profit after tax	508.5	480.9	27.6	5.7%

Operating revenue	FY22 \$m	FY21 \$m	Variance \$m	Variance %
Annual listing	108.8	89.9	18.9	21.1%
Initial listing	22.9	18.6	4.3	22.9%
Subsequent raisings	73.1	64.1	9.0	14.0%
Investment products and other listing	9.1	10.3	(1.2)	(12.2%)
Listings	213.9	182.9	31.0	16.9%
Equity options	15.5	11.6	3.9	33.4%
Futures and OTC clearing	211.8	214.4	(2.6)	(1.2%)
Cash market trading	71.3	61.0	10.3	16.8%
Markets	298.6	287.0	11.6	4.1%
Information services	130.5	118.0	12.5	10.6%
Technical services	91.4	86.0	5.4	6.3%
Technology and Data	221.9	204.0	17.9	8.8%
Issuer services	78.5	75.3	3.2	4.4%
Cash market clearing	76.0	71.0	5.0	7.0%
Cash market settlement	77.1	72.7	4.4	6.0%
Austraclear	56.7	58.6	(1.9)	(3.3%)
Securities and Payments	288.3	277.6	10.7	3.9%
Operating revenue	1,022.7	951.5	71.2	7.5%

Key activity indicators	FY22	FY21	Variance	Variance %
All Ordinaries Index (end of period)	6,746.5	7,585.0	(838.5)	(11.1%)
Number of new listed entities (IPOs)	217	176	41	23.3%
New and secondary capital raised	\$255.3 billion	\$102.5 billion	\$152.8 billion	149.1%
Daily average cash on-market value	\$6.7 billion	\$5.8 billion	\$0.9 billion	15.4%
Futures daily average contracts traded	533,197	561,720	(28,523)	(5.1%)
OTC cleared notional value	\$4,638.6 billion	\$5,200.1 billion	(\$561.5 billion)	(10.8%)

Variances expressed favourable/(unfavourable).