17 August 2023

Australian Securities and Investments Commission
Mr Nathan Bourne
Senior Executive Leader, Market Infrastructure
Level 5, 100 Market Street
SYDNEY NSW 2000

ASX Market Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

ASX LIMITED – 2023 FULL-YEAR RESULTS PRESENTATION AND SPEAKING NOTES

Attached is a copy of the speaking notes and slides for the 2023 Full-Year Financial Results presentation.

Release of market announcement authorised by:
Johanna O'Rourke
Group General Counsel and Company Secretary

Further enquiries:

Media
David Park
Senior Adviser, Media and Communications
T +61 2 9227 0010
M +61 429 595 788
E david.park@asx.com.au

Analysts and Investors
Simon Starr
GM, Investor Relations and Sustainability
T +61 2 9227 0623
M +61 416 836 550
E simon.starr@asx.com.au

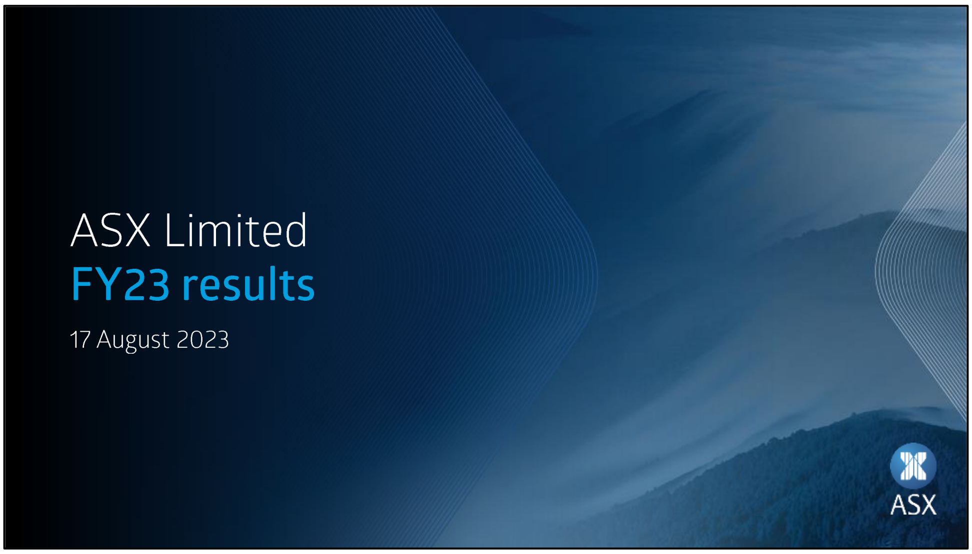
ASX Limited FY23 results

Helen Lofthouse, Managing Director and CEO
Andrew Tobin, Chief Financial Officer

Presentation and speaking notes

17 August 2023

(Check against delivery)



Good morning and welcome to ASX's financial results briefing for the financial year ending 30 June 2023.

Thank you for taking part in this virtual presentation. I hope you are safe and well wherever you are joining us.

My name is Helen Lofthouse, and I am the Managing Director and CEO of ASX. I am delighted to be presenting these results, and joining me today is ASX's Chief Financial Officer Andrew Tobin.

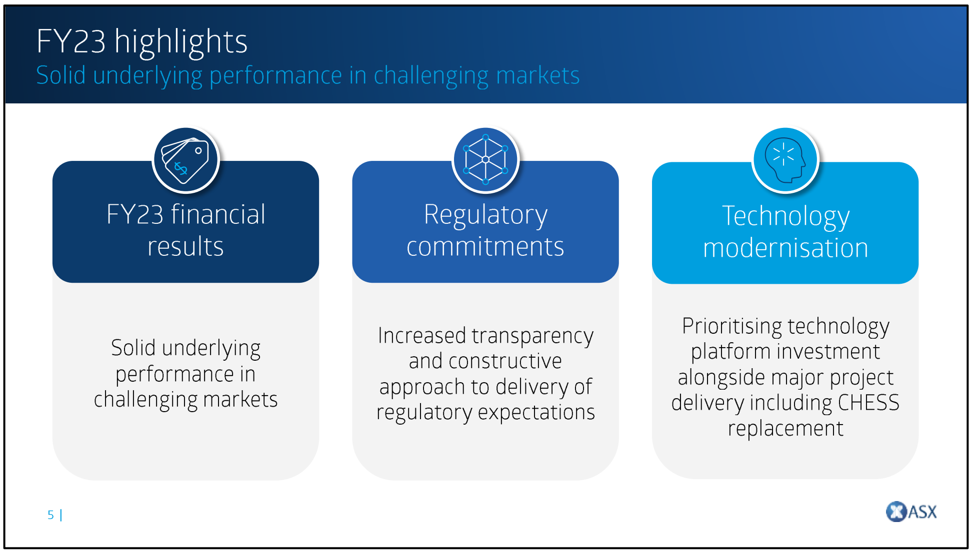
I would like to acknowledge the Gadigal People of the Eora Nation, who are the traditional custodians of the country where I am speaking today. We recognise their continuing connection to the land and waters, and thank them for protecting this coastline and its ecosystems. We pay our respects to elders past and present, and extend that respect to any First Nations people with us today.

Today's presentation will cover four topics, and Andrew and I will take your questions at the end.

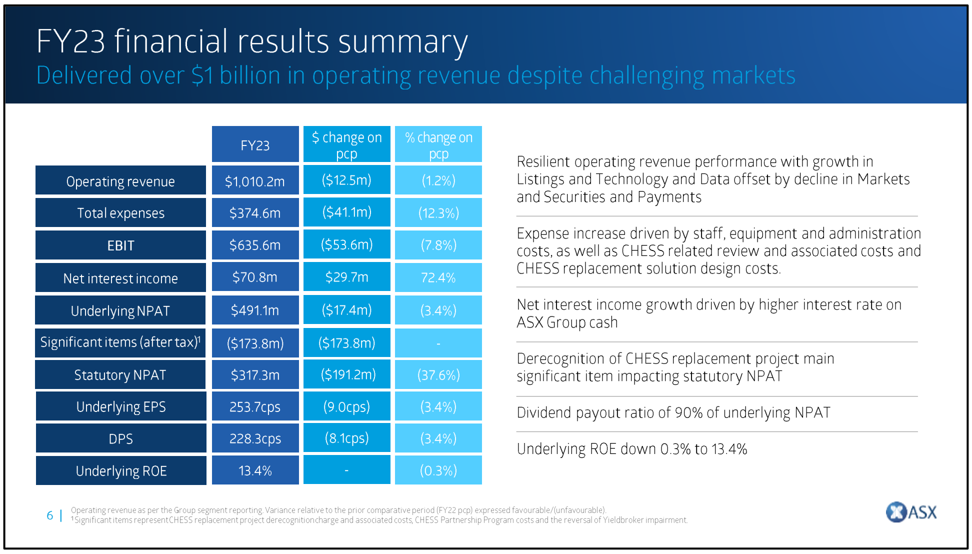
I'll begin with an overview of the FY23 results and our near term focus areas. Andrew will then provide a detailed view of our FY23 financial performance, including a view of each line of business.

Following that I will update you on how we are tracking on our strategic pillars, and I'll provide some observations on the market outlook and its implications for ASX.

We will finish with Q&A.



You will hear about three key themes at the start of today's presentation. I will provide some commentary and highlights of our FY23 results and also give an update on our two near term focus areas of regulatory commitments and technology modernisation. You will recall from our Investor Day in June that these two focus areas sit under our strategic pillar of Great Fundamentals and we will need to get these right to ensure that we continue to rebuild confidence with our stakeholders.



Turning now to our financial highlights.

ASX demonstrated a solid underlying performance in FY23 with operating revenue over $1 billion for the second period in a row, which was down just 1.2% compared to last year. This was achieved against a backdrop of challenging market conditions.

This result again showed the strength of our diversified business model with revenue growth in Listings and Technology and Data offset by a decline in our Markets and Securities and Payments businesses.

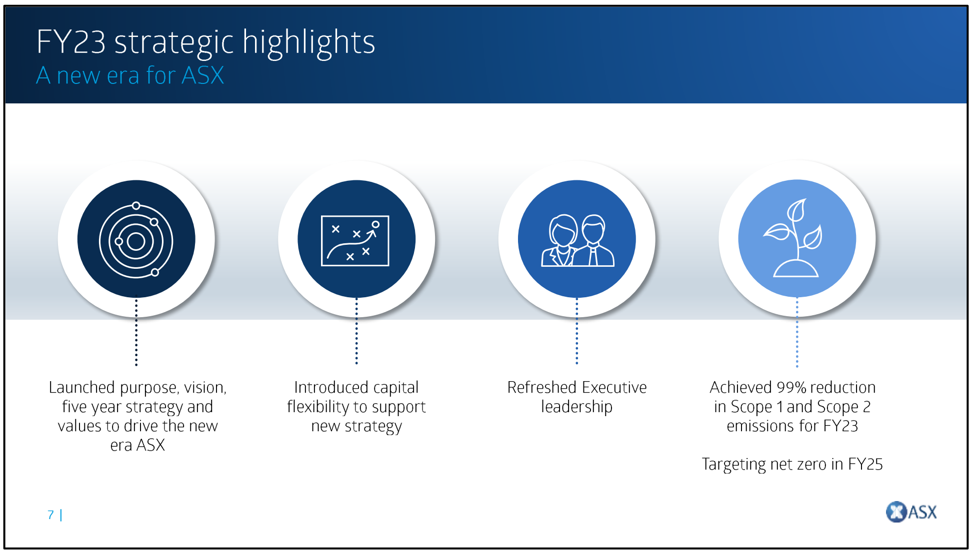
Total expenses were up 12.3%. This was primarily driven by increased investment in risk management and technology activities, including assurance and solution design activities related to CHESS.

EBIT was down by 7.8% but our net interest income had a significant boost from higher interest income on ASX Group cash balances.

Underlying net profit after tax decreased by 3.4% while statutory NPAT had a much steeper fall of 37.6% mostly due to the derecognition of capitalised software assets when we paused CHESS replacement last November.

ASX maintained its dividend payout ratio this year of 90% of underlying NPAT taking total dividends for the year to 228.3 cents per share.

You'll recall from our Investor Day in June that we are increasing our focus on underlying return on equity as a key performance metric and have medium term guidance ranging between 13% and 14.5%. In FY23 underlying return on equity was 13.4%.



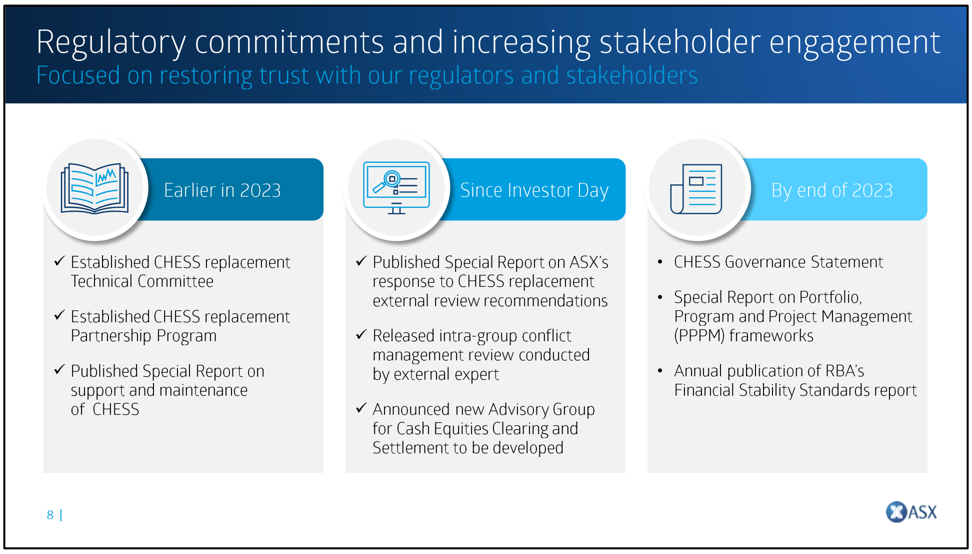
This year marked a period of reset and change for ASX.

We launched our purpose, defined a new vision, developed a five year strategy and refreshed our values. I'll be speaking more about these later in today's presentation. This demonstrates the considerable amount of work and thought that has taken place to reframe ASX, and set out the right framework for delivering value to our stakeholders.

We're privileged to have leading positions in a number of markets and structural tailwinds to support our businesses going forward. And many of you have heard Andrew and I speak about the new capital management settings that will give us the flexibility to make the right investments to drive long term sustainability and growth.

This month marks one year since I became CEO of ASX and a focus for me has been ensuring that we continue to bring the capabilities and skills to deliver against our new strategy. There have been a number of Executive Team changes over the course of the year, and just a couple of weeks ago I appointed Diona Rae into the position of Chief Operating Officer. Our new Group Executive for Securities and Payments, Clive Triance, started his role a few days ago after relocating from London. With these, there have been eight new appointments in my Executive Team, reflecting a valuable balance of experience from within ASX moving to new roles and leaders from outside the organisation. Having the support of this thoughtful, talented and experienced team of people is gratifying and I know their leadership is already having a positive impact across ASX.

And we continue to make progress against our sustainability goals. This year we met our commitment to reach at least an 85% reduction in Scope 1 and Scope 2 emissions. With a 99% reduction achieved, we are well progressed on the journey towards our target of net zero emissions in FY25. And work is underway to identify our next set of priorities for sustainability.



The next series of slides will provide an update on the two near term focus areas for ASX of regulatory commitments and technology modernisation.

Since taking the difficult but necessary decision to pause CHESS replacement last November, we acknowledge that confidence in ASX has been tested. It is a key priority for me and my Executive Team to ensure we're taking action that will restore trust amongst our stakeholders, including our regulatory agencies. Part of this has been publishing important reports that provide additional transparency on our existing arrangements and how we are changing and improving.

We've been very focused on increasing engagement with our stakeholders, particularly in relation to CHESS replacement. During the year we've put in place the CHESS replacement Technical Committee and we also launched the CHESS replacement Partnership Program. Both initiatives demonstrate our desire to collaborate with industry more closely to progress the successful completion of the project.

In early June we published a special report which details our arrangements on the supportability and maintenance of CHESS, and this includes a forward workplan for ongoing investment in CHESS. This comprehensive document clearly articulated a roadmap that showed how we will support and maintain this critical system for a number of years to come.

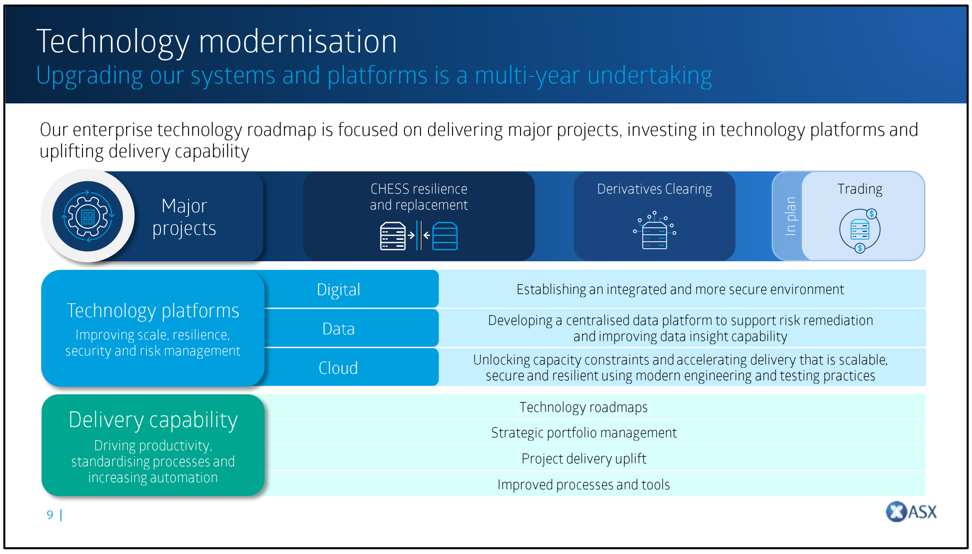
Since I last spoke at our Investor Day, we have published two further reports. The first of these was an expert report prepared by law firm Herbert Smith Freehills (HSF) on ASX's arrangements to identify and manage conflicts between the commercial interests of ASX Group and the licence obligations of ASX Clear and ASX Settlement. The report, which focused on governance of current CHESS and CHESS replacement, found that the current framework for conflict identification and management within ASX Group is sophisticated and consistent with what would be expected of an organisation with the complexity and scope of ASX. Of course, continuous improvement in this area is a given and we expect to complete the majority of the report's recommendations for further enhancements in the coming months. Our public release of this document underscores our ongoing commitment to transparency and these important findings should provide further confidence that ASX has appropriate conflict management arrangements in place.

The other special report is in response to the external review into aspects of CHESS replacement which was published last November. ASX confirmed at the time that it would implement all 45 recommendations from this review and would extend many of these to apply on an enterprise-wide basis. The special report, which ASX published today, outlines our plan and progress on implementing the recommendations and we expect to reach completion of this work by June next year. ASX had already been undertaking work to uplift delivery capability across the organisation and these actions will lead to further improvement in de-risking project delivery, and enhancing arrangements for predictable change, high-quality delivery and better alignment between ASX and its vendors.

The special report was subject to an independent audit by EY which found it had satisfied the requirements of ASIC's notice. The actions to address the 45 recommendations will also be independently reviewed on completion to ensure ASX meets all the requirements.

The other key milestone on engagement that we have recently announced is the development of a new Cash Equities Clearing and Settlement Advisory Group. This Group will provide input to the Boards of ASX Clear and ASX Settlement on strategic clearing and settlement matters. Two weeks ago, we announced the appointment of governance expert and former ASIC Chair Alan Cameron to the role of Independent Chair for the Advisory Group.

ASX will also release its CHESS Governance Statement later this year. It is intended to help stakeholders understand the role and responsibilities of the different ASX governance forums relevant to CHESS, including the delivery of the CHESS Roadmap and CHESS replacement.



The next two slides outline the work we're doing on technology modernisation, including a deeper look at engagement for CHESS replacement.

Our enterprise technology roadmap operates at three concurrent levels: delivery of our major projects; investment into technology platforms and uplifting our delivery capability.

At our Investor Day, our Chief Information Officer, Tim Whiteley, spoke about our technology delivery strategy, and how we are shifting our approach to ensure that we're not just concentrating capabilities within individual projects, but taking an enterprise view by investing in technology platforms. By investing in platforms such as digital, data and cloud, we can significantly increase automation and reuse between business lines, improving the speed of implementation and ultimately managing our underlying risks more effectively.

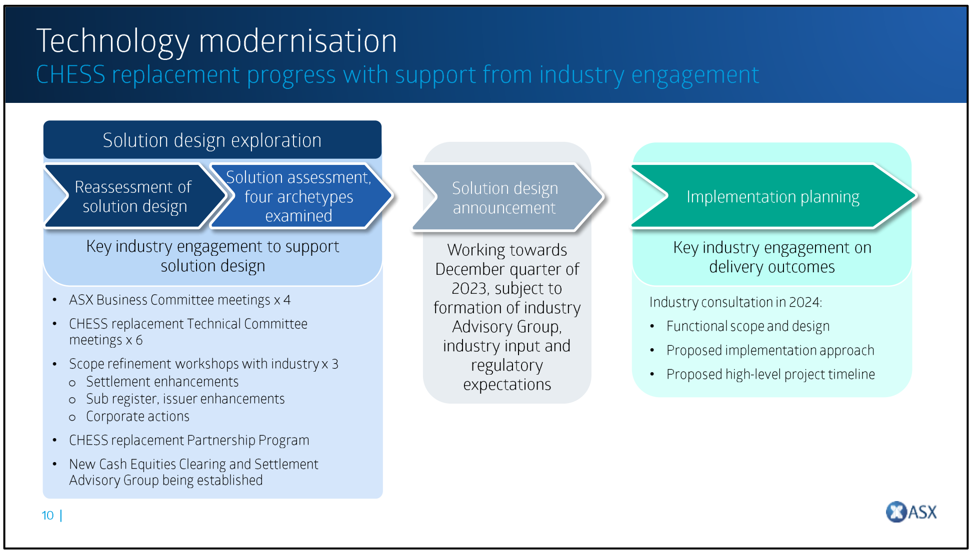
I'll take the work we're doing on Cloud as an example. Our strategy here aims to harness the transformative potential of cloud technologies and modern engineering practices. By adopting an expanded role for cloud services, ASX aims to more effectively address present and emerging challenges such as the need to deliver scaled infrastructure and rapid software development for ongoing technology programs. The benefits from our technology platforms and improved delivery capability will accrue to many of our projects.

In our Derivatives Clearing project the key initial focus will be the upgrade of our OTC clearing platform, and preparing for the futures clearing platform replacement. We will also undertake a program of stakeholder engagement as we progress these milestones.

As you'll be aware, we published a comprehensive special report on the maintenance and support of CHESS in May, and we continue to progress well against our published roadmap. And CHESS replacement is of course a major project within our enterprise technology roadmap and I'll speak more about that in a moment.

We've done a lot of work over the last year on improving our delivery capabilities with uplifts such as quality engineering and testing, delivery approaches, staff training, and integrated planning. There is more work to do and we continue to focus on these capabilities, which will help us to simplify and standardise our technology.

Our technology modernisation approach shows that we continue to have a strong focus on addressing risks associated with legacy technology assets. ASX conducts operational risk assessments across key systems and we are prioritising efforts to mitigate risk in areas such as software currency and ageing hardware. We also continue to invest to support consistency, reusability and standardisation. We understand the responsibility of operating critical market infrastructure and, while we are undertaking remediation activity in some areas, we continue to perform strongly in terms of system resilience. ASX continues to deliver an increasing number of system changes while we have seen a pattern of decreasing material technology incidents. We remain committed to continuing to deliver resilient, secure, and operationally reliable services that can meet market and regulator expectations.



Turning now to CHESS replacement.

We continue to work towards announcing the solution design in the final quarter of this calendar year. This will be subject to the formation of the industry Advisory Group, industry input and regulator expectations.

We have previously spoken about how we are assessing four solution archetypes. We are now refining those against a solution decision framework and gathering further industry input on items such as scope and implementation approaches.

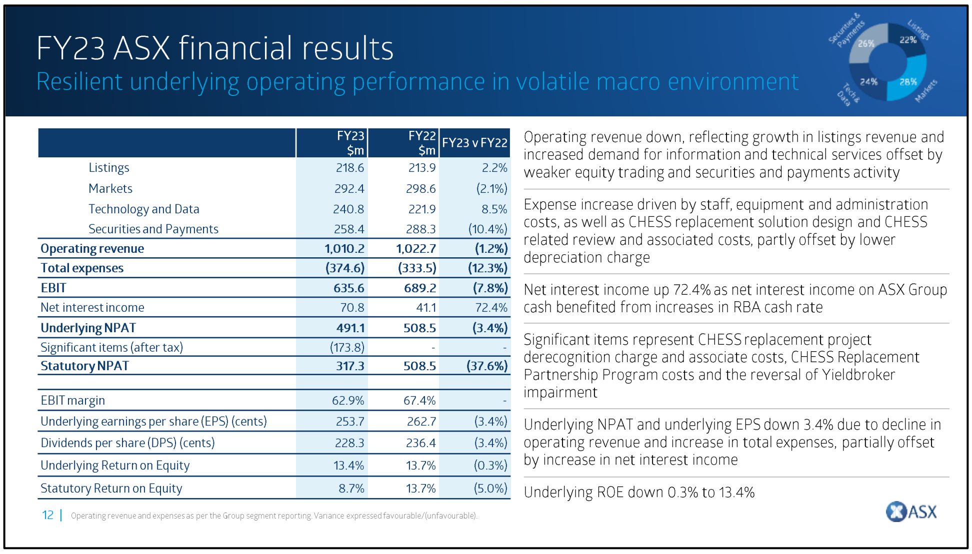
As you can see from the information to the left of the slide, we have lifted our engagement across this year and are committed to providing several pathways for stakeholders to provide input to the new solution design. For example, the new Advisory Group that is being established will contemplate matters from a high-level, strategic perspective, aiming to provide a consensus view on the best interests of the market as a whole. Meanwhile, the CHESS replacement Technical Committee is more focused on industry impact and detailed scoping and design, and has helped with this through several scope workshops with participants and relevant CHESS users. These forums work alongside the Business Committee which has broad industry representation on market matters.

Importantly, it is worth repeating that even once the solution design is determined there will be continued requirement for industry input in the next phase of the project, and that will be a key focus in 2024. This will include refining and finalising the scope of releases, agreeing the implementation approach and industry-wide project planning.

So as you can see, ASX continues to take action on our strategic priorities. We are focused on executing well and addressing risk areas while engaging effectively with our stakeholders to restore confidence and trust.

I will now hand over to Andrew to talk through the detailed financials for our FY23 result.

Thanks Helen and good morning.



FY23 ASX financial results

Resilient underlying operating performance in volatile macro environment

	FY23 $m	FY22 $m	FY23 v FY22
Listings	218.6	213.9	2.2%
Markets	292.4	298.6	(2.1%)
Technology and Data	240.8	221.9	8.5%
Securities and Payments	258.4	288.3	(10.4%)
Operating revenue	**1,010.2**	**1,022.7**	**(1.2%)**
Total expenses	**(374.6)**	**(333.5)**	**(12.3%)**
EBIT	**635.6**	**689.2**	**(7.8%)**
Net interest income	70.8	41.1	72.4%
Underlying NPAT	**491.1**	**508.5**	**(3.4%)**
Significant items (after tax)	(173.8)	-	-
Statutory NPAT	**317.3**	**508.5**	**(37.6%)**
EBIT margin	62.9%	67.4%	-
Underlying earnings per share (EPS) (cents)	253.7	262.7	(3.4%)
Dividends per share (DPS) (cents)	228.3	236.4	(3.4%)
Underlying Return on Equity	13.4%	13.7%	(0.3%)
Statutory Return on Equity	8.7%	13.7%	(5.0%)

Operating revenue down, reflecting growth in listings revenue and increased demand for information and technical services offset by weaker equity trading and securities and payments activity

Expense increase driven by staff, equipment and administration costs, as well as CHESS replacement solution design and CHESS related review and associated costs, partly offset by lower depreciation charge

Net interest income up 72.4% as net interest income on ASX Group cash benefited from increases in RBA cash rate

Significant items represent CHESS replacement project derecognition charge and associate costs, CHESS Replacement Partnership Program costs and the reversal of Yieldbroker impairment

Underlying NPAT and underlying EPS down 3.4% due to decline in operating revenue and increase in total expenses, partially offset by increase in net interest income

Underlying ROE down 0.3% to 13.4%

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

ASX

As Helen has already mentioned, our 2023 operating result demonstrates the resilience of ASX's diversified business model, in what has been a volatile and uncertain macro environment over the past year.

Underlying profit for 2023 was $491.1 million and is 3.4% lower than last year's result. However, ASX's statutory profit was $317.3 million, down 37.6% compared to the prior year, after recognising the significant item loss of $173.8 million.

The significant item loss included the CHESS replacement project derecognition charge of $176.3 million after tax that was included in the first half result as well as second half costs incurred for the CHESS replacement Partnership Program of $23.0 million after tax offset by the impairment charge reversal on sale of our minority shareholding in Yieldbroker of $25.5 million.

Operating revenue for 2023 of $1.01 billion was down marginally, by 1.2%, on last year with increased revenue from Listings and Technology and Data being offset by declines in the Markets and Securities and Payments business lines.

Expenses for the year were $374.6 million, up 12.3%, mainly reflecting increased staff and administration costs as further resources were added to our technology and risk management activities.

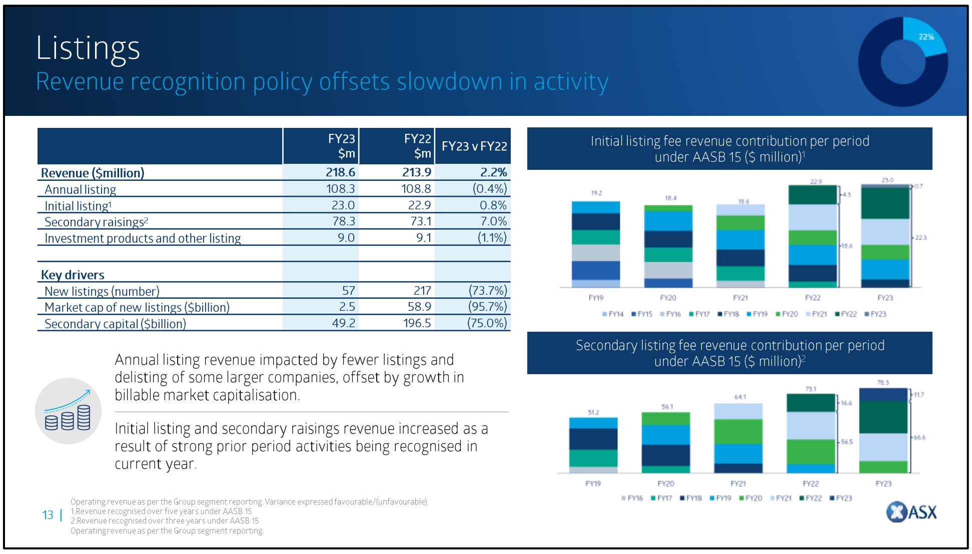
We saw a strong rebound in net interest income in the year, up 72.4% to $70.8 million, supported by RBA cash rate increases on ASX's cash balance.

The increase in expenses, relative to the revenue outcome, resulted in our EBIT margin falling from 67.4% in 2022 to 62.9% this year. And the 3.4% decline in earnings per share to 253.7 cents is consistent with the trend in underlying net profit after tax.

Reflecting this underlying earnings result the Board has determined a dividend of 228.3 cents per share for the full year including a final dividend of 112.1 cents per share, representing a payout ratio of 90% of underlying profit.

While statutory return on equity was impacted by the significant item loss, the underlying return on equity was 13.4% for the year compared to 13.7% in 2022.

Now turning to the business line revenue outcomes.



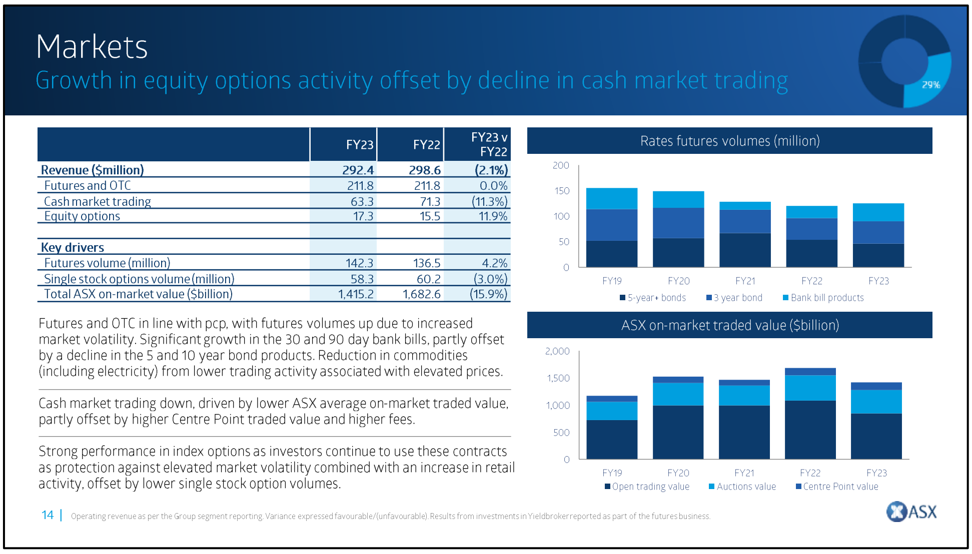
Total Listings revenue was 2.2% higher than last year at $218.6 million. The annual listing fees, which are set based on each listed company's market capitalisation, declined by 0.4% to $108.3 million and this makes up nearly half of the total Listings revenue.

As noted earlier, the uncertain macro environment has contributed to lower initial and secondary capital raising activity. There were 57 new listings, raising $2.5 billion in 2023 compared to 217 new listings, raising $58.9 billion, in 2022. Secondary market capital fell by 75% with $49.2 billion raised this year compared to $196.5 billion last year which included $95.9 billion in relation to the BHP unification event.

As you may be aware we recognise the revenue derived from initial and secondary listings over five years and three years respectively, and so, despite the lower capital raised in the current period, the revenue outcomes reported mainly reflect prior period activity. This is shown in the bar charts on the slide.

Overall then, initial listing revenue recognised in 2023 was $23.0 million, up 0.8%, and secondary revenue was $78.3 million, up 7.0%.

Moving now to the Markets business.



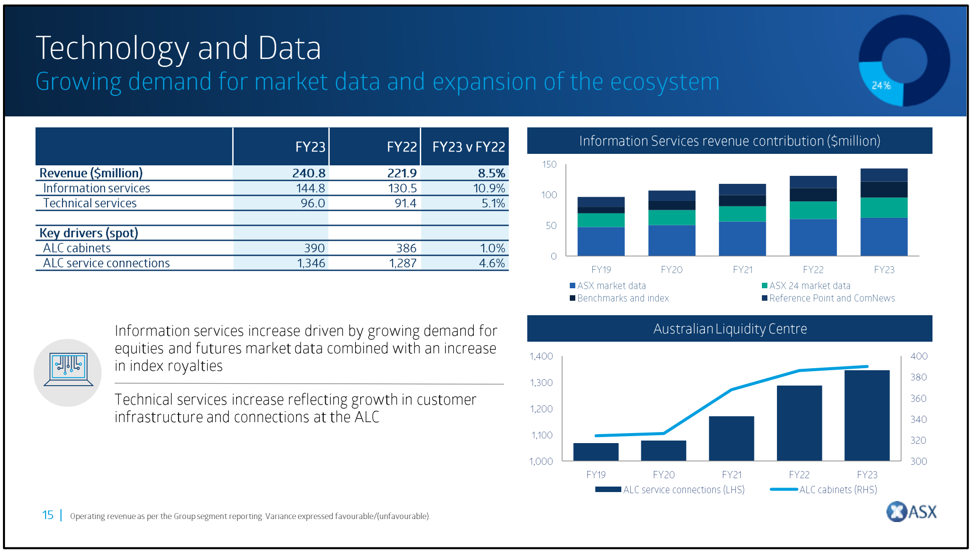
The Markets business generated revenue of $292.4 million, down 2.1% compared to last year.

Futures and OTC revenue of $211.8 million was flat compared to last year, however we saw a 4.2% increase in total futures volumes driven by interest rate volatility in the year. Shorter dated contract volumes increased significantly, particularly the 30 day and 90 day bank bills in response to a number of macroeconomic events during the year, such as the US regional banking collapses in March, and this was partially offset by declines in the 5 and 10 year contracts. The decline in longer duration volumes was linked to reduced issues in the physical bond market. Elevated electricity prices over the year also saw a drop in electricity contract volumes as higher margin requirements saw a numbers of traders reduce their exposures.

Cash market trading revenue was $63.3 million, down 11.3% on last year, impacted by overall ASX traded on-market value of $1.42 trillion in the year compared to $1.68 trillion in the prior year. As outlined in the chart on the lower right of the slide, we did see falls in both the Open Trading and Auctions volumes offset by a small increase in Centre Point volumes traded in the year.

With increased equity market volatility we also saw higher index option volumes leading to an 11.9% increase in equity options revenue to $17.3 million.

Now, looking at the Technology and Data business.

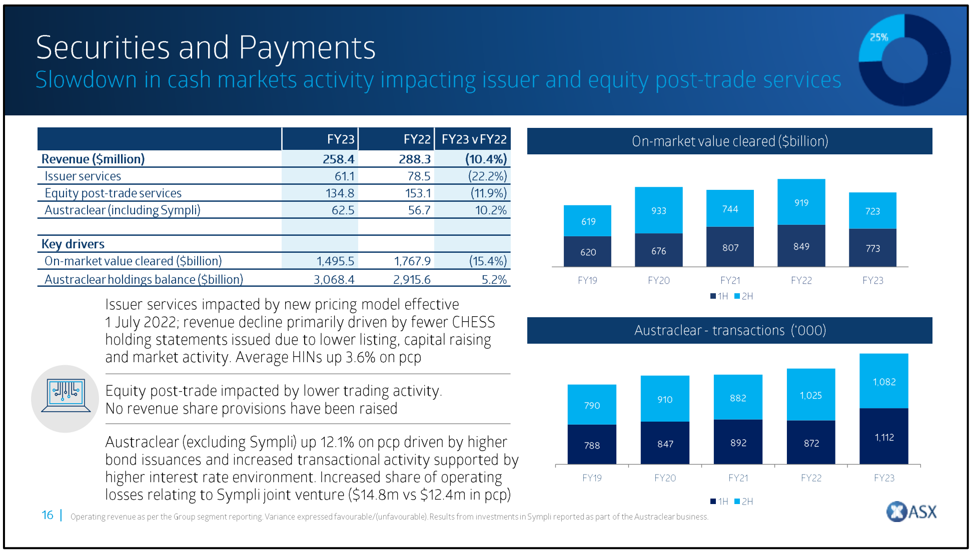


This business had another strong year with total revenue of $240.8 million, increasing by 8.5%.

Information services generated revenue of $144.8 million, up 10.9%, supported by strong growth in demand for equities and futures data as well as benchmark and index volumes.

Technical services was also up, with revenue coming in at $96.0 million, 5.1% more than last year. Growth in customer infrastructure and connections at ASX's data centre, known as the Australian Liquidity Centre, drove this revenue increase with the number of customer cabinets increasing from 386 in 2022 to 390 at the end of 2023. The number of service connections between ALC customers also increased, up 4.6% to 1,346 connections by the end of the year.

Finally, moving onto our fourth business segment, Securities and Payments.



The Securities and Payments business generated revenue of $258.4 million, down 10.4% compared to last year.

Issuer services revenue was $61.1 million, down 22.2%, impacted by a significant decline in CHESS statements issued and lower primary market facilitation activities in the year. The new subscription-based pricing model introduced this year also had a modest impact on revenue but is designed to remove pricing complexity for our customers and encourage the take up of electronic statements. The average number of Issuer Holder Identification Numbers increased by 3.6% but the decline in revenue reflected lower overall listing and market activity.

Equity post-trade services includes cash market clearing and settlement activities. Revenue from these services declined by 11.9% to $134.8 million compared to 2022. The total on-market value cleared for the year was just under $1.5 trillion compared to nearly $1.8 trillion last year, and total settlement messages, driven by the movement and settlement of securities, fell by 11.2% in the period.

Austraclear generated revenue of $62.5 million, up 10.2% compared to the prior year. Austraclear saw a 5.2% growth in holding balances to just over $3 billion at 30 June and a 15.6% increase in transaction volume reflecting the elevated interest rate environment in the year.

The Austraclear revenue outcome also includes the net operating contribution from Sympli, ASX's property settlement joint venture. Sympli continued to meet significant development and operational milestones in the year and ASX's share of Sympli's operating loss was $14.8 million compared to a loss of $12.4 million in 2022.

FY23 ASX total expenses

Operating expense growth led by higher staff, equipment and administration costs

	FY23	FY22	FY23 v FY22
Staff[1]	198.6	171.7	(15.7%)
Occupancy	9.9	8.9	(11.3%)
Equipment	52.6	47.8	(10.0%)
Administration[1]	43.7	31.6	(38.3%)
Variable	12.2	15.5	21.2%
ASIC supervision levy	7.4	7.7	3.9%
Operating expenses excl. CHESS review and associated costs and CHESS replacement solution design costs	**324.4**	**283.2**	**(14.6%)**
CHESS review and associated costs and CHESS replacement solution design costs	13.3	-	-
Cash operating expenses	**337.7**	**283.2**	**(19.3%)**
Depreciation and amortisation	36.9	50.3	26.6%
Total expenses	**374.6**	**333.5**	**(12.3%)**
Headcount (spot)[2]	**1,050**	**925**	**(13.5%)**
Capital expenditure	**98.7**	**105.2**	**(6.2%)**

Staff expense growth reflects remuneration uplift, increased headcount and higher costs to support project initiatives, offset by lower restructuring costs.

Equipment uplift largely due to annual contract increase, growth in licensing and uplift in cloud hosted services to support key initiatives and projects.

Administration increase due to spend relating to investment in technology and risk management capabilities, higher insurance premiums and increased travel costs.

Variable decreased in line with lower CHESS statement volumes.

CHESS related expenses of $13.3m consist of CHESS review and associated costs and CHESS replacement solution design costs.

Depreciation declined due to a number of assets reaching end of useful life.

17 | Expenses as per the Group segment reporting. Variance expressed favourable/(unfavourable).
1. Excludes CHESS review and associated costs and CHESS replacement solution design costs.
2. Headcount includes permanent employees and contractors.

ASX

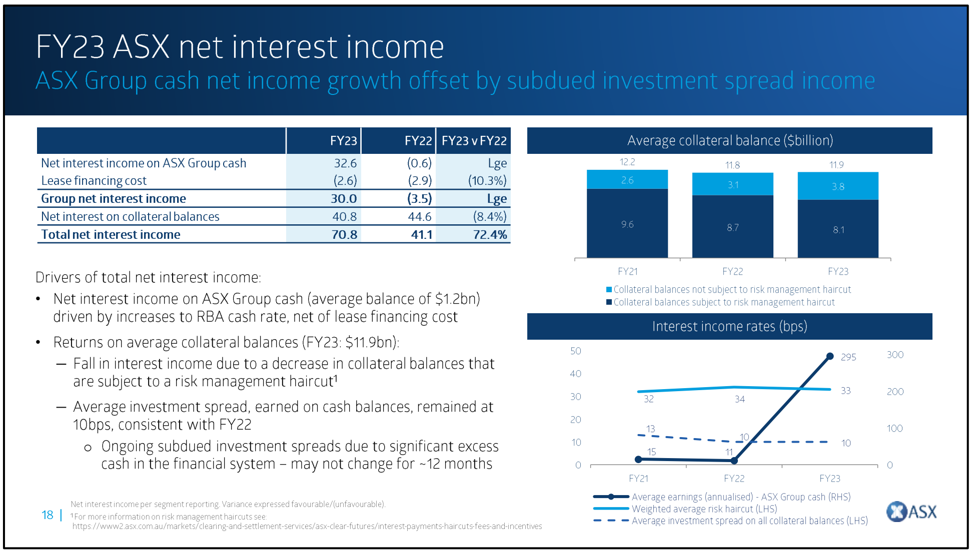
Turning now to expenses.

Total expenses for the year were $374.6 million, representing growth of $41.1 million or 12.3% compared to 2022. The FY23 expenses included $13.3 million, representing 4.0% of the expense growth, in relation to CHESS. These costs were incurred in the second half of the year and included the costs of the special report on CHESS and associated assurance and legal fees, as well as solution design costs for the next phase of the CHESS replacement project.

The largest growth in expenses was in relation to staff which was up by $26.9 million or 15.7% with permanent and contractor headcount increasing from 925 last year to 1050 in 2023. Resources were added to key areas of the business including technology and risk management with the cost growth also reflecting salary increases in the year.

Other key areas of expense growth included equipment and administration activities reflecting annual licence fee increases, project related consulting and assurance activities, higher insurance premiums, and a rebound in travel and entertainment costs since the end of COVID restrictions.

Capital expenditure for the year was $98.7 million down from $105.2 million in 2022 and I will make further comments on operating and capital expenditure guidance for FY24 in the upcoming slides.



Net interest income consists of interest earned on ASX's cash balances less working capital facility and lease financing costs; and net interest earned from the collateral balances lodged by participants.

Total net interest income for the year was $70.8 million representing an increase of $29.7 million, or 72.4%, compared to the prior year.

The group net interest income of $30.0 million was driven from the increase in the RBA cash rate over the year.

Net interest earned on the collateral balances was $40.8 million, down 8.4% on the prior year. The average collateral balance increased marginally from $11.8 billion in 2022 to $11.9 billion in 2023 and the investment spread on the total collateral balances remained consistent at 10bps given the significant levels of excess cash in the financial system.

However, the average participant balances subject to risk management or interest haircuts declined during the year from $8.7 billion to $8.1 billion, and this was the key driver of the overall fall in net interest earned on the collateral balances.

The excess cash in the financial system is expected to persist leading to investment spreads on collateral balances remaining at this current level of 10 bps over the next 12 months.

FY23 ASX balance sheet and shareholder returns

Stable balance sheet; 90% dividend payout ratio

Balance sheet	30 Jun 23 $m	30 Jun 22 $m
Cash	1,008.6	4,972.2
Financial assets[1]	12,448.1	9,484.8
Intangibles (excluding software)	2,325.5	2,325.5
Capitalised software and property, plant and equipment	186.0	363.5
Investments	106.4	97.6
Right-of-use assets	47.9	58.3
Other assets	710.8	935.6
Total assets	**16,833.3**	**18,237.5**
Amounts owing to participants	12,275.3	13,276.7
Lease liabilities	58.6	67.6
Other liabilities	858.8	1,087.8
Total liabilities	**13,192.7**	**14,432.1**
Capital	3,027.2	3,027.2
Retained earnings	557.8	697.8
Reserves	55.6	80.4
Total equity	**3,640.6**	**3,805.4**
Long-term credit rating from S&P	AA-	AA-

Shareholder returns	FY23	FY22	FY23 v FY22
Underlying return on equity	13.4%	13.7%	(0.3%)
Underlying earnings per share (cents)	253.7	262.7	(3.4%)
Dividend per share (cents)	228.3	236.4	(3.4%)
% of underlying profit paid out	90%	90%	-

Shareholder returns

Underlying return on equity down 0.3% on pcp, primarily driven by increase in operating expenses

Underlying earnings per share down 3.4% on pcp

Total ordinary dividends of 228.3 cents per share, down 3.4% on pcp

- Interim dividend of 116.2 cents per share
- Final dividend of 112.1 cents per share

Corporate bond of between $200 - $300 million expected to be launched in Q1 24 (subject to market conditions)

19 | 1.Includes other financial assets at amortised cost and financial assets at fair value through profit or loss.

ASX

ASX's balance sheet is strong and positioned conservatively, with the S&P long-term rating of AA- reconfirmed during the year, and a nominal amount of drawn debt for working capital purposes.

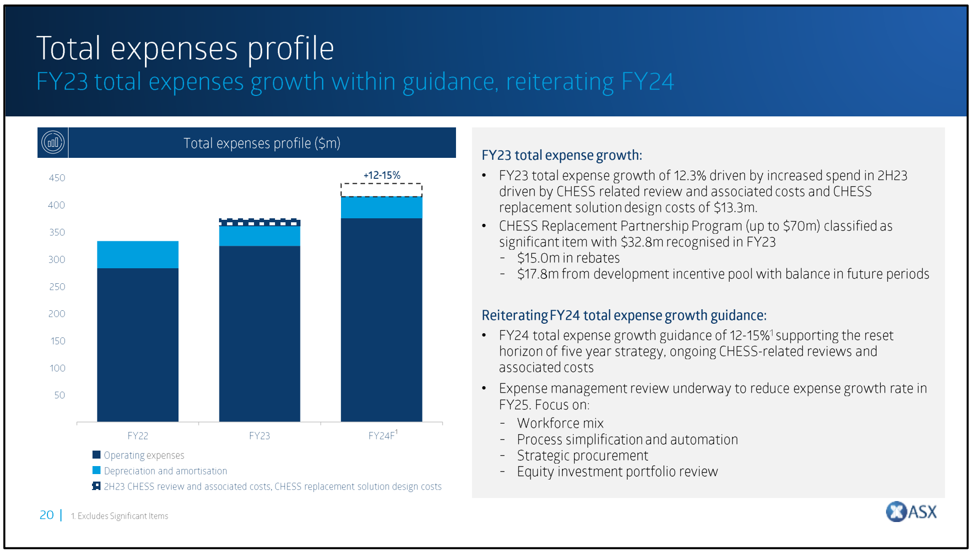
Of note, amounts owing to participants fell by approximately $1.0 billion over the past year, reflecting a decrease in excess cash lodged by participants. This decline also drives the level of cash and other financial assets held at balance date. Also of note, has been the reduction in the software balance, which mainly reflects the derecognition of CHESS capitalised software, as discussed earlier.

From a shareholder return perspective, underlying return on equity in the year was 13.4%, down 0.3% compared to 2022, mainly reflecting lower reported underlying profit in the year.

And, as I mentioned earlier, the Board has determined a final, fully franked, dividend of 112.1 cents per share in line with the current year dividend policy to payout 90% of underlying NPAT. As noted at our Investor Day on 6 June the go-forward dividend policy has been modified to a range of 80-90% of underlying NPAT. The dividend reinvestment plan will not be available for the final 2023 dividend but may be considered for future dividends.

We also announced further changes to our capital management settings on Investor Day aimed to balance the medium term investment needs of ASX with appropriate returns for our shareholders. These capital management settings include the proposed issue of a corporate bond to raise between $200 - $300 million to support the medium term capex program that underpins our technology modernisation plans. And we plan to issue this bond in the first quarter of FY24, subject to market conditions.

I would also like to reiterate the expense and capital expenditure guidance that we provided on Investor Day.

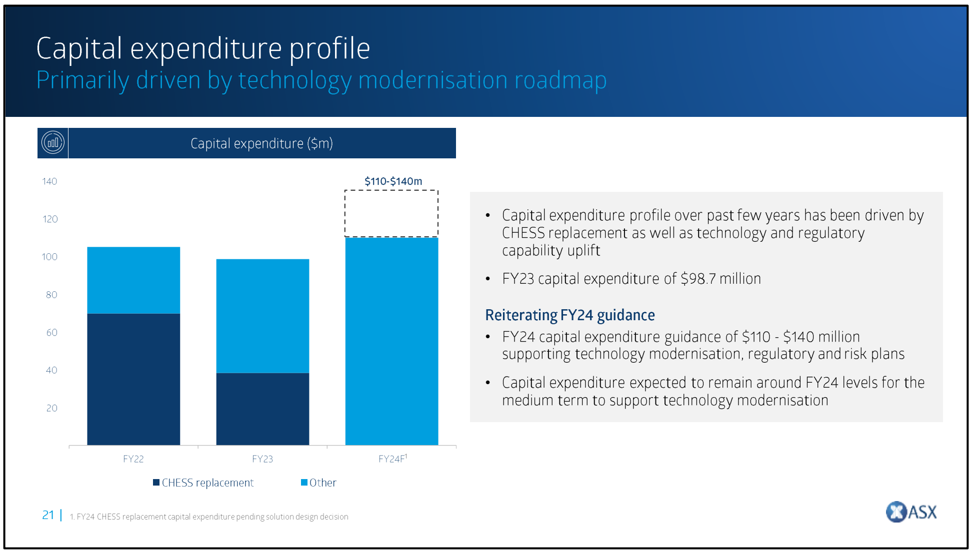


Firstly looking at total expense guidance. This slide outlines the recent actual expense profile over the past two years and the FY24 forecast noting expected growth of 12-15% for FY24. This forecast reflects resource allocation to regulatory, risk, technology and delivery activities to support the first year of our strategy reset. The growth also includes an element of costs in relation to the CHESS solution design and assurance costs.

Cost control is a key focus over the medium term and we recognise that the FY24 growth rate is not sustainable into the future. In order to mitigate the expense growth beyond FY24 we are undertaking a review of our workforce mix across consultant, contractor and permanent resources; leveraging process simplification and automation, and pursuing strategic procurement opportunities.

We will also review our equity investment portfolio to confirm the strategic alignment and value proposition of these investments. Tactical actions have begun in this area with a recent decision to reduce the FY24 expense base of Sympli.

I expect that these initiatives will lead to a reduction in the total expense growth rate in FY25 compared to our FY24 guidance.



Our capex for 2023 was $98.7 million, compared to total capex of $105.2 million last year.

Given our strategic focus on technology modernisation and the ongoing need to replace the CHESS system alongside other major projects, we are reiterating guidance of a step up in expected capex for FY24 to a range of $110 - $140 million. Increased project governance and delivery capability will be made available to support this heightened level of activity.

The medium term capex profile is also expected to be similar to the FY24 level. This investment is vital for the long-term sustainability of ASX and is expected to support opportunities for emerging growth.

In summary, the 2023 result reflects the strength of ASX's diversified business. ASX has delivered a resilient financial performance against a backdrop of an uncertain and volatile macro environment.

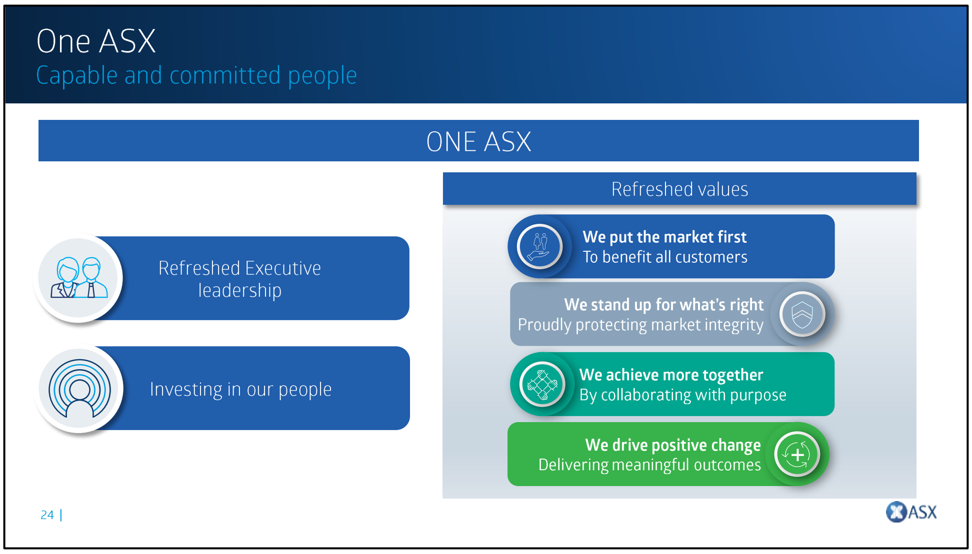
With that, I will hand back to Helen.

Thank you.

Thanks Andrew.

We announced our new five year strategy at our Investor Day in June. This strategy is key in guiding our path forward and ensuring that we reach our full potential.

We are focused on the first Horizon of our strategy, which is delivering on our regulatory commitments and technology modernisation under the Great Fundamentals pillar. We are also making progress against our other strategic pillars, including our people-focused One ASX pillar and I'll also provide some highlights of our customer driven activities.



It is the capable and committed people in this organisation that live our purpose and deliver on our vision and strategy. One ASX is about building a vibrant culture where our people are empowered with clear accountability to deliver great outcomes for our markets.

I am proud of our diverse workforce with people from 25 cultural backgrounds including 36% from non-English speaking backgrounds. They are being led by a refreshed and committed Executive Team who are instrumental in driving cultural change. Part of this is a renewed accountability framework for our most senior leaders which has been in place for a year, and adds further clarity around ownership and responsibility in our organisation.

This is part of a broader capability uplift. We are investing in our people to align our key skills with our capability framework. This will ensure that we have the right skills in place to allow our people to respond swiftly to our organisation and customer's needs.

Our values are a vital part of our culture as our people live them every day. We have refreshed our values which are closely linked to our purpose and we are in the process of sharing and embedding them across ASX. Our values have been developed in close consultation with our people and you have heard me talk about these concepts before as they reflect what we are passionate about as an organisation.

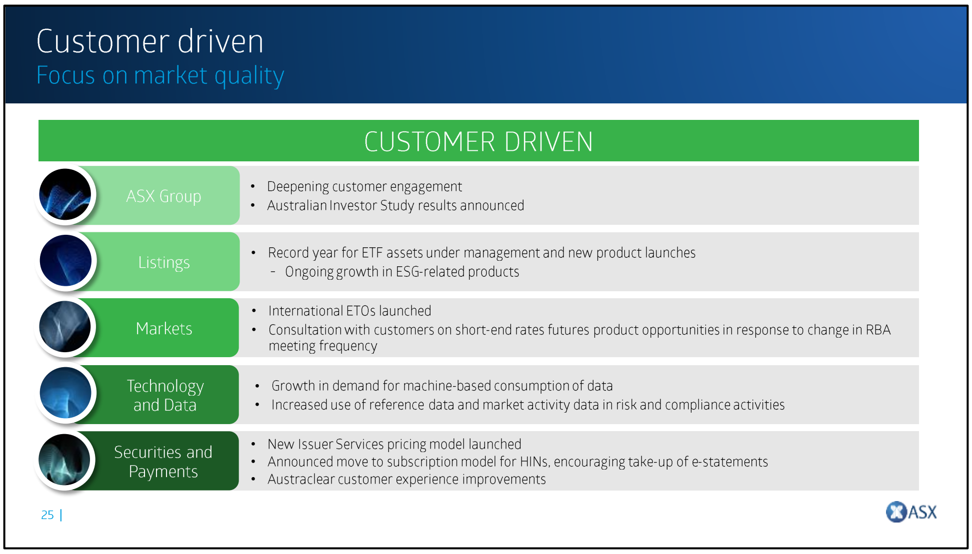
Putting the market first reflects our commitment to be a proactive partner, listening carefully and ensuring that we understand what matters to a broad range of market participants.

Standing up for what's right is about acting decisively, and having the courage to speak honestly. It's about protecting market integrity and supporting financial system stability.

Achieving more together reflects our desire to harness the power of the ecosystem to ensure robust outcomes come from a diverse range of views. It's about empowering and supporting others around our shared purpose and common goals.

Drive positive change recognises the changes we, together with the industry, need to make and our commitment to look to the future while continuously improving and achieving new standards.

As part of the new era ASX, our values will shape our ways of working to create a consistent, aligned culture to deliver our strategy, achieve our vision and fulfil our purpose.



The market is our primary customer and we want to work effectively with multiple groups of customers, solving challenges and delivering outcomes to improve market quality. Success here will be measured by consistently high levels of customer satisfaction which should in turn drive revenue growth. We are making progress but still have more work do to increase and deepen our customer engagement.

To that end, I personally met with many of our key customers throughout the year to discuss ways that we can further enhance our partnerships. This type of two-way communication with our customers is vital for effective ASX operations and their feedback was an important contribution to the development of our purpose and strategy.

As part of our broader community engagement, we recently announced the results of our 2023 Australian Investor Study which surveyed over 5,500 people regarding their investment goals. We saw an increase in the number of investors who hold on-exchange products from 6.6 to 7.7 million people which is the highest number in over a decade, with ETFs making up a significant portion of this growth. Another key finding was an increase in the participation of young Australians starting to invest for the first time, with 55% of them being female.

Although it was a particularly quiet period for corporate listings, ETFs had a record year in terms of assets under management. We also saw record new product launches with 47 new ETFs admitted in the financial year. ESG-related funds continued to be a key driver, accounting for nearly a third of those new listings and demonstrating ASX's key role in supporting the sustainability efforts of our economy.

In Markets we launched our options over international ETFs in April this year. This is in response to growing customer demand for trading products in international markets, and we have seen activity across all contracts with over 20,000 traded to date.

In response to the planned reduction in the frequency of RBA meetings from 11 per year to eight, the Markets team is considering what new products or adjustments to existing products may be needed at the short end of the rates curve. As part of this process, the team has recently published a consultation paper to get feedback on market needs. This has been a very active part of the market in FY23, given the sharp rise in interest rates, and we want to ensure that we continue to provide the right products to meet customer needs.

Our engagement with customers is wide-ranging. For example, we have been working with our institutional equity market participants in response to ASIC's Report 708, which outlines the regulator's expectations for the industry in managing any future market outage. And, for the retail market, we recently launched our Equity Options trading game to increase engagement and education on these products, alongside the popular ASX share market game.

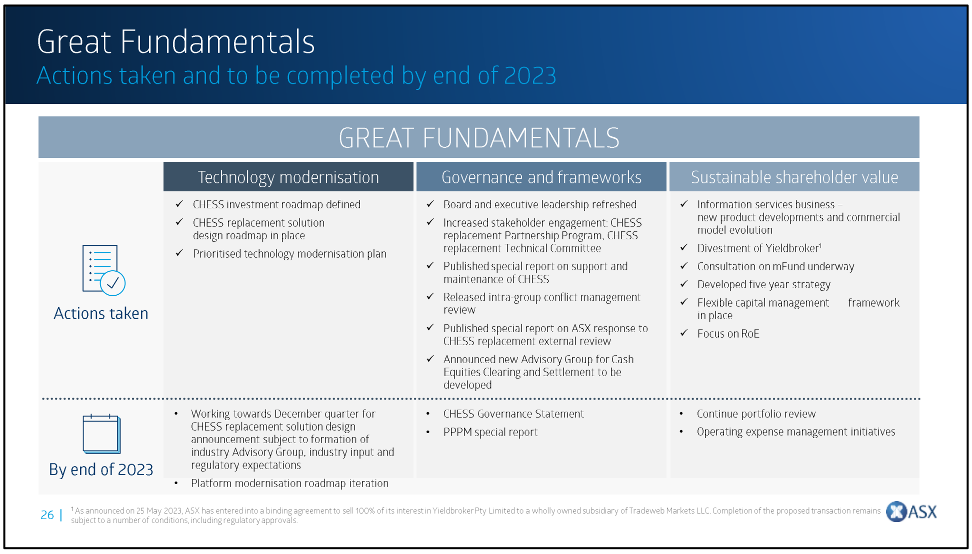
ASX is a data rich environment and we are successfully responding to the growing demand for data from our customers. In FY23, our Technology and Data business supplied data for an increasing range of financial markets use cases. Machine-based consumption of ASX data is growing rapidly as new applications emerge across financial markets workflows. For many years we have supplied machine-readable data to support customer trading functions. Today we support a broad array of pre-trade, and post-trade functions with machine readable data as our customers increasingly seek to automate the entire trading lifecycle.

ASX data continues to be a fundamental input into the way our customers analyse the Australian markets to derive insights and generate better returns. This includes the way ASX data powers the major Australian market indices as well as an array of tailored indices and benchmarks used by our customers to support their investment strategies. We are also seeing increased use of ASX reference data and market activity data within third party applications to help market participants carry out risk and compliance activities.

Securities and Payments launched a simplified Issuer Services pricing model at the start of FY23. This was developed in consultation with customers to better reflect the value that they receive and provide a more stable revenue stream for ASX.

Also in response to customer demand, we have announced that we intend to offer a subscription model for Holder Identification Numbers (or HINs). This new structure will provide increased incentive to encourage broad use of e-statements. This will also provide cost efficiency and environmental benefits for our customers and the market as a whole.

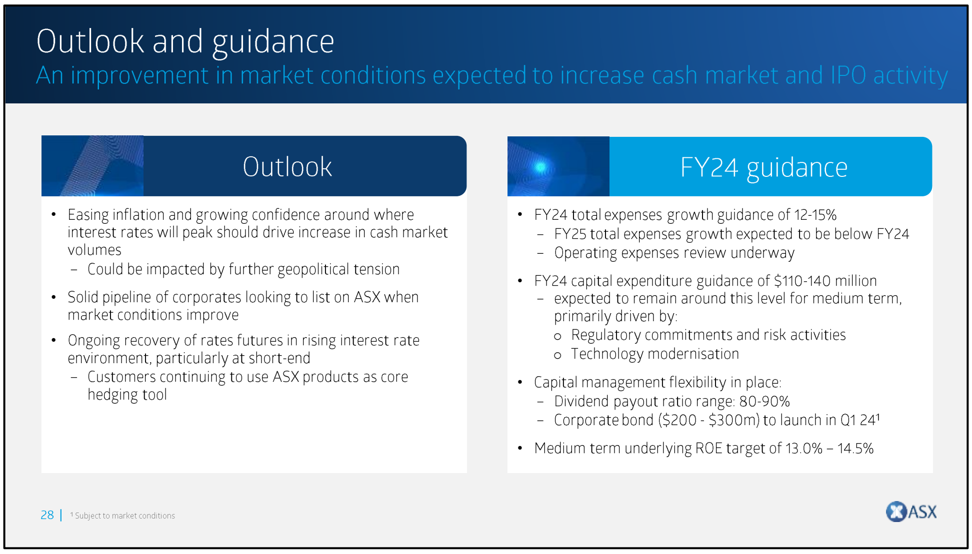
And we have been making changes to Austraclear to improve our customers' experience. We have made a series of enhancements to the repo service to improve efficiency and customer usability. And we have supported the move towards the latest ISO 20022 standard for payments, which is important to our customers given Austraclear's role as a key payments platform.



We showed you a version of this slide at our Investor Day. As you can see, we have continued momentum in the actions that we are taking to support great fundamentals in our business. And we have a series of actions to complete in the remainder of the calendar year.

We talk about these near term focus areas as this is where we are exposed to a heightened level of risk particularly regulatory risk, operational risk including our focus on modernising our technology, and reputational risk. We are taking these actions as we aim to manage and reduce these risks throughout the remainder of 2023.

We are investing in our organisation to build long term sustainable value for our shareholders. We are also undertaking a review of our investment portfolio to verify the strategic alignment and value proposition of these investments. And, as Andrew mentioned earlier, we are looking at a series of operating expense management initiatives aimed at reducing our expense growth rate in FY25.



Turning to outlook.

Recent market conditions have impacted cash market trading activity. This is consistent with what we are seeing across exchanges in other parts of the world. The rapidly rising interest rate environment and geopolitical uncertainty has seen investors redirect some activity away from cash equities into other asset classes which have become more attractive on a relative basis. This effect is also impacting retail investors, who made up 13% of trading activity in FY23 compared to 17% in FY21 during the peak of the pandemic.

Most of these elements are cyclical. Easing inflation and growing confidence around where interest rates will peak should see some growth in cash market volumes again, although this could be impacted by further geopolitical tension. It's also important to note that FY23 average daily volume is still broadly in line with pre-pandemic levels despite the decline compared to recent years, which benefited from a low interest rate environment and pandemic-related stimulus.

An improvement in these market elements would be expected to drive a recovery in the IPO market as well. Despite a particularly quiet FY23, there remains a solid pipeline of corporates looking to list on ASX as conditions improve.

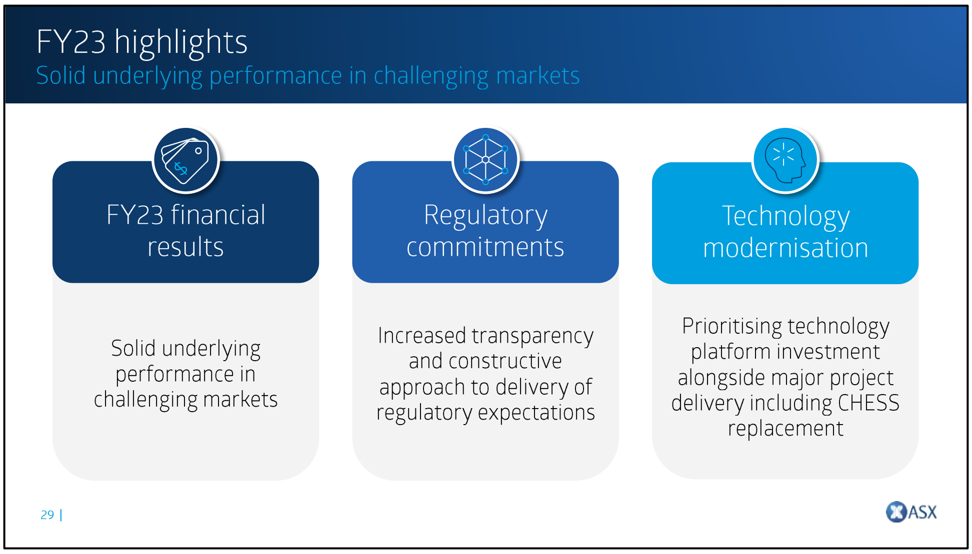
Our futures business has been a beneficiary of these recent market conditions with the sharp rise in interest rates driving a solid recovery in rate products, particularly at the short end. Pleasingly, we are continuing to see ASX products remain a key hedging tool for our customers and we are focused on market quality to ensure that this continues to be the case.

In the long term, we expect that our structural tailwinds, including the growing Australian capital base, increasing demand for technology and data and decarbonisation of the economy, will continue to provide ASX with growth opportunities.

In terms of guidance, we reiterate the key metrics provided at our Investor Day. FY24 total expense growth is expected to be between 12% and 15% with an operating expense review underway which is expected to bring this growth figure down in FY25. Our capital expenditure for FY24 will be between $110 and $140 million to support our regulatory commitments and technology modernisation programs that I updated you on today.

We have the capital management flexibility in place to support this investment including the proposed launch of a corporate bond of between $200 and $300 million in the first quarter of FY24.

Finally, we remain focused on return on equity as the performance metric driving the organisation.



To conclude, FY23 has been a year of reset for ASX. During this, we have delivered a solid underlying performance in challenging markets. And we are making good progress against our two near term focus areas of regulatory commitments and technology modernisation to continue to rebuild confidence with our stakeholders.

Thank you and I will now invite questions.


Thank you
ASX