2014 HALF-YEAR Financial Statements

ASX Limited ABN 98 008 624 691 and its controlled entities

ASX

Contents

Directors' report

The directors present their report together with the financial statements of ASX Limited (ASX or the Company) and its subsidiaries (together referred to as the Group), for the half-year ended 31 December 2013 and the auditor's report thereon. The financial statements have been reviewed and approved by the directors on the recommendation of the ASX Audit and Risk Committee.

The consolidated net profit after tax for the half-year ended 31 December 2013 attributable to the owners of ASX was $189.6 million (31 December 2012: $171.1 million).

Directors

The directors of ASX in office during the half-year and at the date of this report (unless otherwise stated) were as follows:

Mr R Holliday-Smith
(Chairman)
Director since 2006*

Mr E Funke Kupper
(Managing Director and CEO)
Director since 2011

Dr KR Henry AC
Appointed 1 February 2013

Mr PR Marriott
Director since 2009

Ms HM Ridout
Director since 2012

Ms JS Segal AM
Director since 2003

Mr DJ Stevens
Appointed 19 December 2013

Mr PH Warne
Director since 2006**

* Chairman of SFE Corporation Limited from 1998 to 2008.

** Director of SFE Corporation Limited from 2000 to 2008.

Mr RA Aboud was a director from 2005 until his retirement on 19 September 2013.

Mr SD Finemore was a director from 2007 until his retirement on 19 September 2013.

Results of operations

The Group's profit after tax for the half-year ended 31 December 2013 (1H14) increased 10.8% to $189.6 million from the prior comparable period (pcp). With a generally more stable global economy, most activity levels in the current period improved compared to the pcp resulting in 8.0% revenue growth. Many of the activity level drivers in cash and derivative markets were however lower than those experienced in the second-half of FY13 (2H13).

All major revenue categories were up on the pcp, with the exception of exchange traded equity options, where both volumes traded and revenue declined.

A summary income statement in line with the Group's segment reporting is provided below:

$ million	1H14	1H13	Variance %
Operating revenue	329.3	304.8	8.0%
Operating expenses	77.2	71.3	(8.3%)
EBITDA	**252.1**	**233.5**	**8.0%**
Depreciation and amortisation	16.3	15.4	(6.1%)
EBIT	**235.8**	**218.1**	**8.1%**
Interest and dividend expense	34.2	25.2	36.0%
Profit before tax	**270.0**	**243.3**	**11.0%**
Tax expense	(80.4)	(72.2)	(11.4%)
Profit after tax	**189.6**	**171.1**	**10.8%**

Interest income in 1H14 benefited from a higher level of cash following the additional equity issued by the Group in June/July 2013.

Earnings per share (EPS)

The Group's earnings per share in 1H14 was 98.3 cents compared to 96.2 cents in the pcp. EPS in the current period was impacted by the issue of new shares from the equity raising undertaken by ASX in June/July 2013.

In order to provide a comparison to the previous half-year, the pcp EPS has been restated to adjust for the bonus element of the equity raising. The EPS increase of 2.2% from the pcp is due to the increase in profitability offset by the higher weighted average number of shares on issue.

Dividends

The Group's dividend policy is to pay 90% of underlying earnings after tax. This policy remained unchanged in the current half-year.

The Board determined to pay an FY14 interim dividend of 88.2 cents per share on 26 March 2014, compared to 87.9 cents per share paid in the pcp. The slight increase in the dividend reflects the effect of the higher earnings offset by the additional shares on issue. ASX paid a final dividend of 82.3 cents per share for FY13 in 1H14.

Operating revenue

Group operating revenue increased 8.0% to $329.3 million in 1H14 compared to the pcp. The growth was due to higher activity levels in most revenue categories. Listings and issuer services, up $7.9 million, benefited from significantly higher initial public offerings (IPOs), while cash market activity levels were higher than the subdued levels in the pcp. An increase in futures activity levels as well as the acquisition of an electricity derivatives business in May 2013, resulted in a $5.4 million increase in revenue from these services. Revenue from information and technical services, Austraclear and other were also higher than the pcp.

The table below depicts the contribution to operating revenue from ASX's various business activities. Derivatives and OTC markets is ASX's largest business contributing 30% to total Group revenue during 1H14, down 2% from FY13.

Revenue Category	$ Million	%
Listings and issuer services	81.5	25%
Cash market trading	16.6	5%
Cash market clearing	21.7	7%
Cash market settlement	20.9	6%
Information services	33.9	10%
Technical services	26.2	8%
Derivatives and OTC markets	99.8	30%
Austraclear	20.5	6%
Other revenue	8.2	3%
Total operating revenue	**329.3**	**100%**

A discussion of operating revenue contributed by the various business activities is detailed below.

Listings and issuer services – $81.5 million, up 10.7%

Activity drivers across primary markets were stronger than the pcp with significantly more new listings and an increase in equity holding statements. These increases were partly offset by lower levels of subsequent capital issuances from listed entities.

- Initial listing revenue – up 230% to $11.2 million. There were 69 IPOs compared to 41 in the pcp. Capital raised from these new listings amounted to $17.8 billion, up from $3.7 billion in the pcp. While IPOs in the pcp were dominated by resource companies, the 1H14 IPOs were across many different industry sectors.
- Annual listing revenue – up 2.6% to $30.7 million. There were 2,195 entities on the ASX official list of companies at 31 December 2013 compared to 2,188 a year earlier. An increase in market capitalisation combined with fee increases led to the increase in revenue compared to pcp.
- Secondary capital raisings revenue – down 10.1% to $20.5 million. The decrease in revenue is due to a 16.1% reduction in the amount of secondary capital raised of $18.9 billion, compared to $22.5 billion in the pcp.
- Structured products revenue – up 12.6% to $4.4 million as a result of higher turnover activity. There were 4,450 warrants listed at 31 December 2013, a decrease of 13.4% since 30 June 2013.

Directors' report continued

- Issuer services revenue – up 7.8% to $14.7 million. The increase in revenue resulted primarily from the growth in the number of equity holding statements from the pcp following an increase in IPOs and equity trading activity, both of which lead to holding statement issuance.

Cash market – $59.2 million, up 7.8%

Cash market revenue includes fees for trading, clearing and settlement of ASX-quoted securities including equities, debt securities and exchange-traded funds.

Total cash market value, traded and reported on ASX was up 5.3% from the pcp with the All Ordinaries index increasing 14.8% to close at 5,353 on 31 December 2013. Activity levels in 1H14, while up on the subdued levels of the pcp, were lower than those in 2H13 the immediately preceding half-year period.

- Trading revenue – up 5.0% to $16.6 million. The increase resulted primarily from an increase in the on-market value traded on ASX, which was up 8.8% on a daily average basis. Trade reporting (ie trades executed off-market and reported to ASX) daily average value on ASX declined 10.9%. This service attracts lower fees than on-market trading. ASX's market share of on-market trading averaged 91% in 1H14 compared to 96% in the pcp.

- Cash market clearing – up 10.3% to $21.7 million. The total valued cleared increased 7.6% to $448.3 billion reflecting the increase in on-market trading across all venues in Australia. ASX centrally clears these trades through a central counterparty clearing subsidiary.

- Cash market settlement – up 7.5% to $20.9 million. Higher on-market trading activity levels and higher levels of retail activity led to higher volume of settlement messages.

In January 2013, ASX introduced new revenue sharing arrangements for each of the above services to improve alignment with its cash market customers. In 1H14 ASX provided for rebates which will be payable at the end of the financial year should gross revenue for each of the above services exceed the prior year.

Derivatives and OTC markets – $99.8 million, up 5.9%

Derivatives revenue includes revenue for trading and clearing of options, futures and contracts-for-difference (CFDs) on ASX and ASX 24 markets and clearing of over-the-counter (OTC) derivatives.

- ASX – down 30.5% to $10.0 million. ASX derivatives include single stock equity and index options. The reduction in revenue is due to a 21.6% decrease in the number of contracts traded and increased rebates in 1H14 compared to the pcp. ASX is introducing a number of initiatives including improved crossing rules and an enhanced margin simulator tool to promote liquidity and market making.

- ASX 24 – up 12.4% to $89.8 million. ASX 24 derivatives include exchange traded futures and options on interest rate, ASX SPI 200 index, commodity and energy as well as CFDs and OTC interest rate swaps. The increase in revenue was driven by a 14.5% increase in futures and options contract volumes traded to 58.9 million. In 1H14, the Group introduced a number of new products and services including VIX and sector futures and OTC interest rate swap clearing. Following the introduction of the OTC clearing service in July, ASX has eight OTC clearing participants.

Information services – $33.9 million, up 10.9%

Information services includes the provision of real-time market information for the cash and derivative markets, company news and index and other reference data. The increase in revenue resulted from increased retail and professional subscribers in cash markets. The monthly average subscriber terminal numbers increased 22.6% compared to the pcp. In 1H14, ASX adjusted the pricing for information services to better align with user profiles.

Technical services – $26.2 million up 6.6%

Technical services facilitate market connectivity and access for customers to ASX and third-party services. They include liquidity access, community and connectivity, application services and hosting of customer infrastructure. Revenue from technical services increased following previous significant investment in ASX's data centre and communications network. The increase in revenue is attributed to the growth in users of ASX technical services provided by the Group's primary data centre and expanding communication services provided by ASX Net and ASX Net Global. The number of cabinets hosted in the data centre increased from 111 to 133, and the number of liquidity cross connects increased from 272 to 320.

Austraclear – $20.5 million, up 7.4%

Austraclear revenue represents fees earned from settlement, depository and registry services for debt securities and cash transactions.

- Transaction revenue – up 3.4% to $8.2 million. Transaction revenue is generated from the real-time delivery versus payment settlement for securities and the real-time gross settlement of cash transactions. The increase in revenue is primarily due to a 5.5% increase in transaction volumes.

- Holdings revenue – down 3.2% to $3.1 million. As a central securities depository, Austraclear generates revenue for holding third party, predominantly fixed income securities. The value of securities held increased 6.8% compared to the pcp to $1.5 trillion. Rebates for large users, and a change in the billing methodology resulted in the revenue decline.

- Registry revenue – up 15.5% to $9.2 million. Registry revenue is predominantly driven by the value of new and existing securities registered.

Directors' report continued

Operating expenses

The Group's operating expenses (excluding finance costs and depreciation and amortisation) increased by 8.3% to $77.2 million compared to the pcp. The increase resulted mainly from higher staffing levels and equipment costs to support a number of new service developments as well as the inclusion of operating expenses of ASX Energy, an energy derivative business acquired by ASX in May 2013 (formerly d-cypha).

Staff costs increased 9.4% to $47.2 million. The average full-time equivalent headcount of 532 increased from 511 in the pcp with an FTE of 533 at 31 December 2013 compared to 518 a year earlier. The higher staff numbers mostly support the new post-trade service developments including OTC clearing, client clearing and ASX Collateral.

Equipment costs increased 10.8% to $11.6 million due to higher maintenance charges on expanded infrastructure mainly supporting new service developments.

Slightly higher occupancy costs resulted from the expansion of the data centre services and infrastructure noted above. Variable costs increased 16.0% reflecting the direct processing costs related to the increased production of equity holding statements. Administration costs were 2.2% lower than pcp reflecting continued management focus on discretionary expenses.

The Group's operating expenses are expected to increase approximately 5% for the full year (FY14).

Depreciation and amortisation expenses increased 6.1% to $16.3 million. This was due to the increased capital investment in new services as well as ongoing technology maintenance and refresh of existing platforms. In particular, depreciation expense is now being incurred on the OTC clearing service which was introduced in July 2013.

Capital expenditure

The Group incurred $18.6 million on capital expenditure during the half-year, compared to $15.4 million in the pcp. Approximately $13 million of the expenditure related to the development of new services supporting the Group's clearing and post-trade services business initiatives. These included the development of the OTC clearing service launched in July 2013, ASX Collateral, and client clearing services which will be launched in 2014. Other capital expenditure related to a range of business initiatives including the continued development of the cash market trading platform and associated network infrastructure and normal maintenance programs.

Net interest and dividend income

Net interest and dividend income increased 36.0% to $34.2 million. Net interest consists of two components, interest earned on ASX's cash balances and net interest earned from the investment of participant collateral balances.

Interest income on ASX's own cash balances increased 94.0% to $14.5 million primarily due to the $553 million capital raising undertaken in June and July 2013 and the repayment of the previous $250 million debt facility supporting the clearing activities. The average interest rate earned by ASX on its cash balances declined to 2.8% during the half-year compared to 3.6% in the pcp following decreases in market interest rates.

Net interest earned from the investment of collateral balances increased 14.2% to $16.4 million. This increase was primarily due to higher average collateral balances. Collateral balances averaged $3,919.7 million in 1H14 up 20.0% as ASX 24 derivative open positions increased. Collateral held supporting cash markets, which commenced in June 2013, averaged $183.3 million a day in 1H14 and did not have a material impact on the interest income earned. The Group's net earning rate on the collateral invested averaged 44 basis points, down from 46 basis points the pcp.

Dividend income from ASX's shareholding in IRESS was consistent with the pcp at $3.3 million.

Financial position

During 1H14, the net assets of the Group increased by $354.4 million to $3,676.2 million. The increase in net assets was primarily attributable to the additional equity of $280.8 million received in July 2013 from the retail component of the pro-rata entitlement offer launched in June 2013.

In addition to the above, retained earnings increased by $30.4 million during the half-year, net of dividends paid.

A summary balance sheet is presented on the following page.

Directors' report continued

	31 Dec 2013 $m	30 Jun 2013 $m	Variance $m
Assets			
Cash and available-for-sale financial assets	5,071.7	4,496.2	575.5
Goodwill	2,317.6	2,317.6	-
Investments	288.7	185.6	103.1
Other assets	318.8	369.3	(50.5)
Total assets	**7,996.8**	**7,368.7**	**628.1**
Liabilities			
Amounts owing to participants	4,033.4	3,753.1	280.3
Other liabilities	287.2	293.8	(6.6)
Total liabilities	**4,320.6**	**4,046.9**	**273.7**
Equity			
Capital	3,027.2	2,746.4	280.8
Retained earnings	458.1	427.7	30.4
Reserves	190.9	147.7	43.2
Total equity	**3,676.2**	**3,321.8**	**354.4**

The following balance sheet items contributed to significant movements in assets and liabilities during the half-year:

Investments – up $103.1 million

During the half-year, the Group purchased an additional $42.2 million of shares in IRESS Limited mainly through participation in a pro-rata entitlement offering. The remaining increase of $60.9 million is attributable to the fair value revaluation of the investment recognised directly in equity.

Amounts owing to participants – up $280.3 million

The increase is primarily due to an increase in collateral lodged to cover exchange-traded derivative exposures and the introduction of OTC AUD interest rate swaps clearing. As at 31 December 2013, OTC clearing participants had lodged $43.1 million in margins and $87.5 million in participant financial backing with the Group. The majority of the margin increase for exchange-traded derivatives related to larger positions held in interest rate and equity index futures. The increase in participant balances is also reflected in a corresponding increase in cash and available-for-sale financial assets, as these balances are invested by the Group.

Share capital – up $280.8 million

Share capital increased by $280.8 million following completion of the capital raising undertaken by the Group in June and July 2013. On 16 July 2013, the final retail component of the issue was completed, resulting in the issue of 9,528,398 new shares.

Directors' report continued

Dividends

The following table includes information relating to dividends in respect of the prior and current financial years, including dividends paid or declared by the Company since the end of the previous financial year:

Type	Cents per share	Total amount $m	Date of payment	Tax rate for franking credit
In respect of the current financial year:				
Interim	88.2	170.8	26 March 2014	30%
In respect of the prior financial year:				
Interim	87.9	153.9	27 March 2013	30%
Final	82.3	159.3	25 September 2013	30%
Total	**170.2**	**313.2**		

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7.

Rounding of amounts

ASX is a company of the kind referred to in ASIC Class Order 98/100 dated 10 July 1998, as varied by Class Order 05/641 dated 28 July 2005 and Class Order 06/51 dated 31 January 2006. In accordance with those class orders, amounts in the financial statements and the directors' report have been rounded off to the nearest hundred thousand dollars, as indicated.

Signed in accordance with a resolution of the directors.

Rick Holliday-Smith
Chairman

Elmer Funke Kupper
Managing Director and CEO

Sydney, 13 February 2014

Auditor's independence declaration

As lead auditor for the review of ASX Limited for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of ASX Limited and the entities it controlled during the period.

Matthew Lunn
Partner

PricewaterhouseCoopers

Sydney
13 February 2014

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Consolidated statement of comprehensive income

For the half-year ended 31 December 2013

	Note	Half-year ended 31 Dec 2013 $m	Half-year ended 31 Dec 2012 $m
Revenue			
Listings and issuer services		82.0	73.8
Cash market		59.2	54.9
Derivatives		100.1	98.7
Information services		33.9	30.6
Technical services		26.9	25.5
Austraclear		20.5	19.1
Dividends		3.3	3.3
Interest income		70.9	74.0
Other		8.4	7.7
	2	**405.2**	**387.6**
Expenses			
Staff		(47.2)	(43.2)
Occupancy		(6.9)	(6.6)
Equipment		(12.3)	(11.1)
Administration		(12.5)	(15.9)
Depreciation and amortisation		(16.3)	(15.4)
Finance costs		(40.0)	(52.1)
	2	**(135.2)**	**(144.3)**
Profit before income tax expense		**270.0**	**243.3**
Income tax expense		(80.4)	(72.2)
Net profit for the half-year attributable to owners of the Company		**189.6**	**171.1**

	Note	Half-year ended 31 Dec 2013 $m	Half-year ended 31 Dec 2012 $m
Other comprehensive income			
Items that may be reclassified to profit or loss			
Change in the fair value of available-for-sale investments		42.6	29.3
Change in the fair value of available-for-sale financial assets		0.3	0.6
Change in the fair value of cash flow hedges		(0.3)	0.1
Total items that may be reclassified to profit or loss		**42.6**	**30.0**
Other comprehensive income for the half-year, net of tax		**42.6**	**30.0**
Total comprehensive income for the half-year attributable to owners of the Company		**232.2**	**201.1**
Earnings per share			
Basic earnings per share (cents per share)	**4**	**98.3**	**96.2***
Diluted earnings per share (cents per share)	**4**	**98.3**	**96.2***

* The prior year has been restated to reflect the impact of the bonus element of the rights issue.

The consolidated statement of comprehensive income should be read in conjunction with the notes to the half-year financial statements.

Consolidated balance sheet

As at 31 December 2013

	Note	31 Dec 2013 $m	30 Jun 2013 $m
Current assets			
Cash and funds on deposit		2,961.3	3,218.6
Available-for-sale financial assets		2,110.4	1,277.6
Receivables		175.8	229.6
Other assets		9.0	8.0
Total current assets		**5,256.5**	**4,733.8**
Non-current assets			
Investments		288.7	185.6
Property, plant and equipment		52.6	56.1
Intangible assets – software		81.4	75.6
Intangible assets – goodwill		2,317.6	2,317.6
Total non-current assets		**2,740.3**	**2,634.9**
Total assets		**7,996.8**	**7,368.7**

	Note	31 Dec 2013 $m	30 Jun 2013 $m
Current liabilities			
Payables		132.2	196.1
Amounts owing to participants		3,873.9	3,678.6
Current tax liabilities		44.5	33.0
Provisions		13.4	13.4
Other current liabilities		57.7	16.8
Total current liabilities		**4,121.7**	**3,937.9**
Non-current liabilities			
Amounts owing to participants		159.5	74.5
Net deferred tax liabilities		26.6	17.9
Provisions		12.5	13.2
Other non-current liabilities		0.3	3.4
Total non-current liabilities		**198.9**	**109.0**
Total liabilities		**4,320.6**	**4,046.9**
Net assets		**3,676.2**	**3,321.8**
Equity			
Issued capital	7	3,027.2	2,746.4
Retained earnings		458.1	427.7
Restricted capital reserve		71.5	71.5
Asset revaluation reserve		110.5	67.9
Equity compensation reserve		8.9	8.3
Total equity		**3,676.2**	**3,321.8**

The consolidated balance sheet should be read in conjunction with the notes to the half-year financial statements.

Consolidated statement of changes in equity

For the half-year ended 31 December 2013	Issued capital $m	Retained earnings $m	Restricted capital reserve $m	Asset revaluation reserve $m	Equity compensation reserve $m	Total equity $m
Opening balance at 1 July 2013	**2,746.4**	**427.7**	**71.5**	**67.9**	**8.3**	**3,321.8**
Profit for the period	-	189.6	-	-	-	189.6
Other comprehensive income for the period	-	-	-	42.6	-	42.6
Total comprehensive income for the period (net of tax)	**-**	**189.6**	**-**	**42.6**	**-**	**232.2**
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs	280.8	-	-	-	-	280.8
Share-based payment	-	-	-	-	0.6	0.6
Dividends provided for or paid	-	(159.2)	-	-	-	(159.2)
Closing balance at 31 December 2013	**3,027.2**	**458.1**	**71.5**	**110.5**	**8.9**	**3,676.2**
For the half-year ended 31 December 2012						
Opening balance at 1 July 2012	**2,483.2**	**382.3**	**71.5**	**50.5**	**7.5**	**2,995.0**
Profit for the period	-	171.1	-	-	-	171.1
Other comprehensive income for the period	-	-	-	30.0	-	30.0
Total comprehensive income for the period (net of tax)	**-**	**171.1**	**-**	**30.0**	**-**	**201.1**
Transactions with owners in their capacity as owners:						
Share-based payment	-	-	-	-	0.6	0.6
Dividends provided for or paid	-	(149.0)	-	-	-	(149.0)
Closing balance at 31 December 2012	**2,483.2**	**404.4**	**71.5**	**80.5**	**8.1**	**3,047.7**

The consolidated statement of changes in equity should be read in conjunction with the notes to the half-year financial statements.

Consolidated statement of cash flows

For the half-year ended 31 December 2013

	Note	Half-year ended 31 Dec 2013 $m	Half-year ended 31 Dec 2012 $m
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		405.3	380.5
Payments to suppliers and employees (inclusive of GST)		(123.3)	(117.9)
		282.0	**262.6**
Interest received		70.4	65.5
Interest paid		(40.0)	(51.6)
Dividends received		3.3	3.3
Income taxes paid		(76.4)	(73.6)
Net cash inflow from operating activities	**8**	**239.3**	**206.2**
Cash flows from investing activities			
Increase in participants' margins and commitments		280.3	596.6
Payments for investments		(42.2)	-
Payments for other non-current assets		(20.6)	(17.1)
Net cash inflow from investing activities		**217.5**	**579.5**
Cash flows from financing activities			
Proceeds from issues of shares		277.9	-
Dividends paid		(159.2)	(149.0)
Net cash (outflow) from financing activities		**118.7**	**(149.0)**

	Note	Half-year ended 31 Dec 2013 $m	Half-year ended 31 Dec 2012 $m
Net increase in cash and cash equivalents		**575.5**	**636.7**
Increase in fair value of cash and cash equivalents		-	1.1
Cash and cash equivalents at the beginning of the financial period		**4,496.2**	**3,696.1**
Cash and cash equivalents at the end of the financial period		**5,071.7**	**4,333.9**
Cash and cash equivalents consists of:			
ASX Group funds		1,038.3	797.7
Participants' margins and commitments		4,033.4	3,536.2
Total cash and cash equivalents*		**5,071.7**	**4,333.9**

* Total cash and cash equivalents includes cash and funds on deposit and available-for-sale financial assets.

The consolidated statement of cash flows should be read in conjunction with the notes to the half-year financial statements.

Notes to the financial statements

1. Basis of preparation

ASX Limited (ASX or the Company) is a company domiciled in Australia. The half-year financial statements are for the consolidated entity consisting of ASX and its subsidiaries (together referred to as the Group).

The half-year financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001. The half-year financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The half-year financial statements do not include all of the information required for full-year financial statements. Accordingly, these financial statements should be read in conjunction with the consolidated financial statements for the year ended 30 June 2013 and any public announcements made by the Company during the half-year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies applied by the Group in the consolidated financial statements for the year ended 30 June 2013 have been consistently applied in these half-year financial statements.

New and amended standards that are applicable for the first time for the December 2013 half-year report are AASB 10 *Consolidated Financial Statements*, AASB 11 *Joint Arrangements*, AASB 119 *Employee Benefits*, AASB 13 *Fair Value Measurement*, AASB 2012-2 *Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities* and AASB 2012-5 *Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*. These standards have introduced new disclosures for the interim report but did not affect the Group's accounting policies or any of the amounts recognised in the financial statements.

The half-year financial statements were authorised for issuance by the Board of Directors on 13 February 2014.

2. Segment reporting

The Managing Director and CEO, as the Chief Operating Decision Maker (CODM), assesses performance of the Group as a single segment, being a vertically integrated organisation (ie providing services to the primary and secondary financial markets as well as risk management and transfer activities) providing multi-asset class product offerings.

Vertical integration includes the:

- exchange issuer services offered to public companies and other organisations
- trading venue or exchange activities for trading
- clearing and settlement activities offered to participants
- exchange and over-the-counter products provided to other customers, and
- collateral management services.

Multi-asset class service offerings include equities, interest rate, commodity and energy products across cash and derivatives markets.

In addition to reviewing performance based on statutory profit after tax, the CODM assesses the performance of the Group based on underlying profit after tax. This measure excludes amounts regarded as significant non-recurring items of revenue and expenses such as those that may be associated with significant business restructuring or individual transactions.

Group performance as measured by earnings before interest and tax (EBIT) and earnings before interest, tax, depreciation and amortisation (EBITDA) are also reviewed by the CODM. In assessing performance, operating revenue is reclassified for arrangements where revenue is shared with external parties, doubtful debt provisions recognised against revenue and gross interest income is reclassified. Interest income and interest expense are netted and reclassified between group interest and interest earned from the investment of collateral balances. Operating expense adjustments relate to the classification of certain expenses including variable expenses. Net tangible equity, defined as total equity less goodwill, is used in strategic decision-making regarding the Group's capital management.

The information provided on a regular basis to the CODM, along with a reconciliation to statutory profit after tax for the period attributable to owners of the Company, is provided on the following page.

Notes to the financial statements continued

Half-year ended 31 December 2013	Segment information $m	Adjustments $m	Consolidated income statement $m
Revenue			
Listings and issuer services	81.5	0.5	82.0
Cash market	59.2	-	59.2
Derivatives and OTC markets	99.8	0.3	100.1
Information services	33.9	-	33.9
Technical services	26.2	0.7	26.9
Austraclear	20.5	-	20.5
Other	8.2	0.2	8.4
Operating revenue	**329.3**		
Interest income		70.9	70.9
Dividends		3.3	3.3
Total revenue		**75.9**	**405.2**
Expenses			
Staff	(47.2)	-	(47.2)
Occupancy	(6.9)	-	(6.9)
Equipment	(11.6)	(0.7)	(12.3)
Administration	(7.3)	(5.2)	(12.5)
Variable	(2.3)	2.3	-
ASIC Supervision Levy	(1.9)	1.9	-
Operating expenses	**(77.2)**		
EBITDA	**252.1**		
Finance costs		(40.0)	(40.0)
Depreciation and amortisation	(16.3)	-	(16.3)
Total expenses		**(41.7)**	**(135.2)**
EBIT	**235.8**		

Half-year ended 31 December 2013	Segment information $m	Adjustments $m	Consolidated income statement $m
Net interest and dividend income			
Net interest income	14.5	(14.5)	-
Net interest on participant balances	16.4	(16.4)	-
Dividend income	3.3	(3.3)	-
Net interest and dividend income	**34.2**	**(34.2)**	-
Underlying profit before tax	**270.0**	**-**	**270.0**
Income tax (expense)	(80.4)	-	(80.4)
Underlying profit after tax	**189.6**	**-**	**189.6**
Significant items	-	-	-
Tax on significant items	-	-	-
Profit after tax	**189.6**	**-**	**189.6**

	Segment information $m	Adjustments $m	Consolidated balance sheet $m
Net tangible equity			
Total assets	7,996.8	-	7,996.8
Less: total liabilities	(4,320.6)	-	(4,320.6)
Less: intangible assets - goodwill	(2,317.6)	-	(2,317.6)
Less: intangible assets - software	-	(81.4)	(81.4)
Net tangible equity	**1,358.6**	**(81.4)**	**1,277.2**

Notes to the financial statements continued

Half-year ended 31 December 2012	Segment information $m	Adjustments $m	Consolidated income statement $m
Revenue			
Listings and issuer services	73.6	0.2	73.8
Cash market	54.9	-	54.9
Derivatives and OTC markets	94.4	4.3	98.7
Information services	30.6	-	30.6
Technical services	24.6	0.9	25.5
Austraclear	19.1	-	19.1
Other	7.6	0.1	7.7
Operating revenue	**304.8**		
Interest income		74.0	74.0
Dividends		3.3	3.3
Total revenue		**82.8**	**387.6**
Expenses			
Staff	(43.2)	-	(43.2)
Occupancy	(6.6)	-	(6.6)
Equipment	(10.5)	(0.6)	(11.1)
Administration	(7.4)	(8.5)	(15.9)
Variable	(2.0)	2.0	-
ASIC Supervision Levy	(1.6)	1.6	-
Operating expenses	**(71.3)**		
EBITDA	**233.5**		
Finance costs		(52.1)	(52.1)
Depreciation and amortisation	(15.4)		(15.4)
Total expenses		**(57.6)**	**(144.3)**
EBIT	**218.1**		

Half-year ended 31 December 2012	Segment information $m	Adjustments $m	Consolidated income statement $m
Net interest and dividend income			
Net interest income	7.5	(7.5)	-
Net interest on participant balances	14.4	(14.4)	-
Dividend income	3.3	(3.3)	-
Net interest and dividend income	**25.2**	**(25.2)**	-
Underlying profit before tax	**243.3**	**-**	**243.3**
Income tax (expense)	(72.2)	-	(72.2)
Underlying profit after tax	**171.1**	**-**	**171.1**
Significant items	-	-	-
Tax on significant items	-	-	-
Profit after tax	**171.1**	**-**	**171.1**

	Segment information $m	Adjustments $m	Consolidated balance sheet $m
Net tangible equity			
Total assets	7,168.0	-	7,168.0
Less: total liabilities	(4,120.3)	-	(4,120.3)
Less: intangible assets – goodwill	(2,262.8)	-	(2,262.8)
Less: intangible assets – software	-	(62.5)	(62.5)
Net tangible equity	**784.9**	**(62.5)**	**722.4**

3. Fair value measurements

The Group measures and recognises its investments and available-for-sale financial assets at fair value on a recurring basis.

(a) Fair value hierarchy

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

i. quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

ii. inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2)

iii. inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities measured and recognised at fair value at 31 December 2013 and 30 June 2013 on a recurring basis:

At 31 December 2013	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Assets				
Investments	288.7	-	-	288.7
Available-for-sale financial assets				
- Bonds	-	185.1	-	185.1
- Bank bills	-	70.9	-	70.9
- Negotiable certificates of deposit	-	1,101.5	-	1,101.5
- Floating rate notes	-	752.9	-	752.9
Total assets	**288.7**	**2,110.4**	**-**	**2,399.1**
Total liabilities	**-**	**-**	**-**	**-**

At 30 June 2013	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Assets				
Investments	185.6	-	-	185.6
Available-for-sale financial assets				
- Bank bills	-	39.9	-	39.9
- Negotiable certificates of deposit	-	545.9	-	545.9
- Floating rate notes	-	691.8	-	691.8
Total assets	**185.6**	**1,277.6**	**-**	**1,463.2**
Total liabilities	**-**	**-**	**-**	**-**

There were no transfers between levels for recurring measurements during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting date.

The Group did not measure any assets or liabilities at fair value on a non-recurring basis as at 31 December 2013.

Notes to the financial statements continued

(b) Valuation techniques used to derive level 2 fair values

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Discounted cash flow analysis is used as the primary valuation technique for fair value measurement of available-for-sale financial assets. The fair value of bank bills, negotiable certificates of deposit and floating rate notes are determined by reference to money market bid rates, while the fair value of semi-government bonds and bank issued bonds are determined by reference to the respective bond yields.

(c) Fair values of other financial instruments

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. Due to their short-term nature, the carrying amounts of current receivables, current payables and other liabilities are assumed to approximate their fair value. The carrying amount of non-current payables approximates their fair value as the impact of discounting is not significant.

4. Earnings per share

	Half-year ended 31 Dec 2013	Half-year ended 31 Dec 2012*
Basic earnings per share (cents)	98.3	96.2
Diluted earnings per share (cents)	98.3	96.2
	$m	$m
Earnings used in calculating basic and diluted earnings per share	189.6	171.1
	2013 Number of shares	2012 Number of shares*
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	192,818,390	177,916,677

* The prior year has been restated to reflect the impact of the bonus element of the rights issue.

5. Contingencies

(a) Novation

The Group, through the operation of its licensed clearing subsidiaries, has contingent liabilities as detailed below. ASX Clear Pty Limited and ASX Clear (Futures) Pty Limited provide central counterparty clearing by way of novation of certain financial assets and liabilities. The effect of novation is to make these subsidiaries contractually responsible for the obligations entered into by clearing participants. ASX Clear Pty Limited and ASX Clear (Futures) Pty Limited are wholly-owned subsidiaries of ASX Clearing Corporation Limited (ASXCC) which is a wholly-owned subsidiary of ASX.

ASX Clear Pty Limited

ASX Clear Pty Limited is the counterparty to certain derivative contracts transacted on the ASX market and cash market securities, transacted on both the ASX markets and another licensed market. Derivative contracts include exchange-traded options, futures and warrants, whilst cash market securities comprise equities, listed debt securities and managed investments. Transactions between two participating organisations are replaced by novation which simultaneously offsets the contract between ASX Clear Pty Limited and the buying party with the contract between ASX Clear Pty Limited and the selling party. From ASX Clear Pty Limited's perspective, all positions are matched.

ASX Clear Pty Limited's participants are required to provide collateral on cash market and derivative positions held. As at 31 December 2013, total collateral provided by clearing participants was $4,819.2 million (30 June 2013: $4,446.2 million). This was made up of the following:

- cash of $432.7 million (30 June 2013: $561.5 million)
- bank guarantees of $15.9 million (30 June 2013: $17.5 million), and
- equity securities of $4,370.6 million (30 June 2013: $3,867.2 million).

The bank guarantees and equity securities are not recognised on balance sheet.

All net delivery and net payment obligations relating to cash market and derivative securities owing to or by participants as at 31 December 2013 were subsequently settled.

ASX Clear Pty Limited has the following financial resources available to support its central counterparty clearing activities (over and above collateral provided by participants):

Notes to the financial statements continued

	Date of report $m	31 Dec 2013 $m	30 June 2013 $m	31 Dec 2012 $m
Restricted capital reserve	71.5	71.5	71.5	71.5
Equity and subordinated debt provided by the Group	178.5	178.5	178.5	78.5
Group external borrowing	-	-	-	100.0
Paid in resources	**250.0**	**250.0**	**250.0**	**250.0**
Emergency assessments	300.0	300.0	300.0	300.0
Total financial resources	**550.0**	**550.0**	**550.0**	**550.0**

During the year ended 30 June 2013, the external non-recourse borrowing was repaid and replaced with equity capital provided by the Group.

The financial resources at 31 December 2013 available to ASX Clear Pty Limited in the event of a clearing default would be applied in the following order as set out in the ASX Clear Pty Limited clearing rule 8.3.1 Application of Clearing Assets:

1. collateral or other margin or contributions lodged by the defaulting participant with ASX Clear Pty Limited
2. restricted capital reserve of $71.5 million. In accordance with the terms of ASX Clear Pty Limited's Australian Clearing and Settlement Facility Licence, unless the Assistant Treasurer (the Minister) agrees otherwise, these funds can only be used by ASX Clear Pty Limited for clearing and settlement support
3. equity capital of $103.5 million and subordinated debt of $75 million provided by ASXCC. Under its licence obligations, ASX Clear Pty Limited is required to comply with the Reserve Bank of Australia's (RBA) Financial Stability Standards. ASXCC is party to a deed whereby it undertakes to replenish equity capital of $3.5 million subject to the solvency of ASX Clear Pty Limited and the occurrence of other limited and specific circumstances
4. contributions lodged by non-defaulting participants under the ASX Clear Pty Limited clearing rules. No contributions were lodged in the current or prior period
5. emergency assessments of $300 million which can be levied on participants (nil has been levied for the period ended 31 December 2013 and for the year ended 30 June 2013).

In accordance with the Financial Stability Standards, ASX Clear Pty Limited has determined the Reserve Requirement to be $150 million. As the Reserve Requirement may vary from time to time, ASX Clear Pty Limited has the obligation to provide financial resources to cover any shortfall in the Reserve Requirement. ASX Clear Pty Limited may utitlise a number of alternatives to provide these financial resources including equity, debt, participant commitments and insurance.

ASX Clear (Futures) Pty Limited

ASX Clear (Futures) Pty Limited is the counterparty to derivative contracts comprising futures, options and contracts-for-differences transacted on the ASX 24 market and Australian dollar over-the-counter (OTC) interest rate swap contracts. Transactions between two participating organisations are replaced by novation which simultaneously offsets the contract between ASX Clear (Futures) Pty Limited and the buying organisation with the contract between ASX Clear (Futures) Pty Limited and the selling organisation. From ASX Clear (Futures) Pty Limited's perspective, all positions are matched.

ASX Clear (Futures) Pty Limited is liable for the settlement of these derivative contracts traded between its clearing participants, and is supported by collateral received from clearing participants as well as by specific financial resources referred to as the Clearing Guarantee Fund.

ASX Clear (Futures) Pty Limited's participants are required to lodge collateral on positions novated to the central counterparty (CCP). As at 31 December 2013, total collateral provided by clearing participants and recognised on balance sheet was $3,441.2 million (30 June 2013: $3,117.2 million). All collateral was lodged as cash.

From January 2014, ASX Clear (Futures) started accepting collateral provided by clearing participants through a tri-party arrangement with ASX Collateral Management Services Pty Limited.

All net payment obligations relating to derivative market transactions owing to or by clearing participants of ASX Clear (Futures) Pty Limited as at 31 December 2013 were subsequently settled.

In the current period, the Group made a number of changes to the composition and amount of the Clearing Guarantee Fund available to ASX Clear (Futures) Pty Ltd. The changes relate to the following:

On 1 July 2013, ASX Clear (Futures) reduced futures participants financial backing requirements by $20 million. This resulted in repayment of $11.7 million to those participants representing the portion lodged as cash. The Group contributed $20 million of additional subordinated debt to the CCP to replace these resources.

During the current financial period OTC clearing participants contributed $87.5 million of financial backing. At the date of the report, OTC clearing participants contributed an additional $12.5 million resulting in total financial backing of $100 million.

Notes to the financial statements continued

On 16 August 2013, the Group provided additional equity of $180 million to ASX Clear (Futures) Pty Limited to increase the default fund to meet 'Cover 2' capital standards. 'Cover 2' refers to the amount of resources required to be held to withstand the potential default of the two clearing participants with the highest exposures. This is in line with the Reserve Bank of Australia's (RBA) interpretations on certain Financial Stability Standards for central counterparties providing services to clearing participants established in the European Union, such as ASX Clear (Futures). The RBA has determined that ASX Clear (Futures) must comply with these 'Cover 2' requirements.

On 1 July 2013, the obligation for clearing participants to provide secondary commitments was removed.

The above changes are shown in the following table of resources available to ASX Clear (Futures) Pty Limited to support its central counterparty clearing activities (over and above collateral deposited by participants) as follows:

	Date of report $m	31 Dec 2013 $m	30 June 2013 $m	31 Dec 2012 $m
Equity provided by the Group	30.0	30.0	30.0	30.0
Subordinated debt provided by the Group	90.0	90.0	70.0	70.0
Participant financial backing	100.0	100.0	120.0	120.0
Group external borrowing	-	-	-	150.0
Equity provided by the Group	150.0	150.0	150.0	-
Participant financial backing	100.0	87.5	-	-
Equity provided by the Group	180.0	180.0	-	-
Paid in resources	**650.0**	**637.5**	**370.0**	**370.0**
Secondary commitments	-	-	30.0	30.0
Total financial resources	**650.0**	**637.5**	**400.0**	**400.0**

During the year ended 30 June 2013, the external non-recourse borrowing was repaid and replaced with equity capital provided by the Group.

The financial resources available to ASX Clear (Futures) Pty Limited will be applied in the following order in the event of a participant default:

1. collateral and participant financial backing lodged by the defaulting participant with ASX Clear (Futures) Pty Limited

2. equity capital of $30 million and subordinated debt of $90 million provided by ASXCC, the immediate parent entity. ASXCC is party to a deed whereby it undertakes to replenish equity capital of $30 million subject to the solvency of ASX Clear (Futures) Pty Limited and the occurrence of other limited and specific circumstances

3. participant financial backing lodged by participants, totalling $100 million. Any defaulting participant's financial backing in this total will be included in amounts previously applied as part of amounts in (1) above

4. equity capital of $150 million provided by the Group

5. participant financial backing lodged by participants, totalling $100 million. Any defaulting participant's financial backing in this total will be included in amounts previously applied as part of amounts in (1) above

6. equity capital of $180 million provided by the Group.

With respect to items 3 and 5 above, participant financial backing refers to commitments provided by futures participants and OTC participants. A participant may be both a futures and OTC participant. The order of application in the event of a default will depend on the status of the defaulting participant. Where a participant default is only a single category (ie futures or OTC), then the non-defaulting participant commitments from the same category are utilised in item 3. The other category participants commitments are utilised in item 5. Where a defaulting participant is a participant in both futures and OTC, the other non-defaulting participants commitments are apportioned for the purposes of 3 and 5.

(b) Securities Exchanges Guarantee Corporation (SEGC) – Levy

The National Guarantee Fund (NGF), which is administered by SEGC, is maintained to provide compensation for prescribed claims arising from dealings with market participants as set out in the Corporations Act 2001. The net assets of the NGF at 31 December 2013 were $102.5 million (30 June 2013: $103.9 million). If the net assets of the NGF fall below the minimum amount, determined by the Minister in accordance with the Corporations Act 2001 (currently $76 million), SEGC may determine that ASX must pay a levy to SEGC. Where a levy becomes payable, ASX may determine that market participants must pay a levy, provided that the total amounts payable under this levy do not exceed the amount payable by ASX to SEGC. The amount in the NGF has not fallen below the applicable minimum

Notes to the financial statements continued

amount since the NGF was formed and SEGC has not imposed any levies. Failure by either ASX or a market participant to pay a levy may give rise to a civil action, but does not constitute an offence under the Corporations Act. In accordance with applicable accounting standards neither SEGC nor NGF are consolidated by ASX.

ASX is the only member of SEGC, which is a company limited by guarantee. Accordingly, ASX has a contingent liability to provide a maximum of $1,000 of capital in the event it is called on by SEGC.

6. Dividends

	Half-year ended 31 Dec 2013 $m	Half-year ended 31 Dec 2012 $m
Dividends provided or paid by the Company during the half-year	159.2	149.0

Dividends paid by the Company in the current period include amounts paid on certain shares held by the Group's Long-Term Incentive Plan Trust (LTIP). The amount of the dividends on these shares has been eliminated on consolidation.

Dividends not recognised at the end of the half-year

In addition to the above dividends, since the end of the half-year the directors have resolved to pay an interim dividend of 88.2 cents per fully paid ordinary share (2012: 87.9 cents), fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 26 March 2014 out of retained profits at 31 December 2013, but not recognised as a liability at the end of the half-year, is:

	170.8	153.9

7. Equity securities issued

	Half-year ended 31 Dec 2013 $m	Half-year ended 31 Dec 2012 $m
Reconciliation of ordinary shares for the half-year		
Opening balance at 1 July	**2,746.4**	**2,483.2**
Rights issue – retail component	285.9	-
Less: transaction costs relating to the retail rights issue	(7.2)	
Deferred tax credit recognised directly in equity	2.1	
Closing balance at 31 December	**3,027.2**	**2,483.2**

	Half-year ended 31 Dec 2013 Shares	Half-year ended 31 Dec 2012 Shares
Reconciliation of ordinary shares for the half-year		
Opening balance at 1 July	**184,066,764**	**175,136,729**
Rights issue – retail component	9,528,398	-
Closing balance at 31 December	**193,595,162**	**175,136,729**

Ordinary shares for the half-year ended 31 December 2013 included 181,269 treasury shares (2012: 192,069) with a total purchase cost of $8.0 million (2012: $8.5 million).

On 11 June 2013 the Group invited eligible shareholders to subscribe to a pro rata accelerated renounceable entitlement offer of 18,458,433 ordinary shares at an issue price of $30.00 per share on the basis of 2 shares for every 19 fully paid ordinary shares held. The rights issue was undertaken as a fully underwritten pro rata accelerated renounceable entitlement offer with both an institutional and retail component which included the ability for eligible retail shareholders to trade their entitlements.

The institutional component was completed on 24 June 2013 and resulted in the issue of 8,930,035 ordinary shares. The retail component was completed on 16 July 2013 and resulted in the issue of 9,528,398 ordinary shares as shown above.

Notes to the financial statements continued

8. Notes to the statement of cash flows

	Half-year ended 31 Dec 2013 $m	Half-year ended 31 Dec 2012 $m
Reconciliation of the operating profit after income tax to the net cash flows from operating activities:		
Net profit after tax	**189.6**	**171.1**
Add non-cash items:		
Depreciation and amortisation	16.3	15.4
Share-based payment	0.6	0.6
Changes in assets and liabilities:		
Increase/(decrease) in tax balances	4.1	(1.5)
Decrease/(increase) in current receivables	1.8	(2.4)
(Increase) in other current assets	(1.0)	(1.7)
(Decrease) in payables	(9.2)	(11.5)
Increase in other current liabilities	40.9	38.5
(Decrease)/increase in other non-current liabilities	(3.1)	0.2
(Decrease) in current provisions	-	(0.8)
(Decrease) in non-current provisions	(0.7)	(1.7)
Net cash provided by operating activities	**239.3**	**206.2**

9. Events occurring after the balance sheet date

Other than the interim dividend noted above, no matter or circumstance has arisen since the end of the half-year to the date of these financial statements which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group.

Directors' declaration

In the opinion of the directors of ASX Limited (the Company):

(a) the financial statements and notes that are contained in pages 8 to 20 are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

(ii) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(c) the financial statements also comply with International Financial Reporting Standards as disclosed in note 1.

Signed in accordance with a resolution of the directors:

Rick Holliday-Smith
Chairman

Elmer Funke Kupper
Managing Director and CEO

Sydney, 13 February 2014

Independent auditor's review report to the members of ASX Limited

Report on the half-year financial report

We have reviewed the accompanying half-year financial report of ASX Limited (the company), which comprises the balance sheet as at 31 December 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for the ASX Limited Group (the consolidated entity). The consolidated entity comprises both the company and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity' s financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of ASX Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of ASX Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date, and

(b) complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

Matthew Lunn
Partner

Sydney
13 February 2014

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