4 May 2016

ASX LIMITED – PRESENTATION TO INVESTORS

Attached is a copy of an ASX presentation to investors that will be delivered at the Australian Macquarie Securities Conference held in Sydney on 4 and 5 May 2016.

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The forward-looking statements included in this document speak only as of the date of this document. The ASX Group does not intend to update the forward-looking statements in this document in the future.
Positive revenue growth of 7.0%

- Growth in all major categories compared to pcp supported by robust trading activity
- Impact of futures fee reductions $11.2m vs $10.5m pcp, continued growth in OTC clearing
- Lower average listings activity in the third quarter of FY16 compared to 1H16

Expense growth of 6.1%

- Acceleration of investment in post-trade services
- CEO transition arrangements
- FY16 guidance expense growth of approximately 6%

Capital expenditure $30.6 million

- FY16 guidance unchanged at approximately $50 million
- Q4 expenditure in line with scheduled technology transformation investments

Unaudited result
Operating revenues and operating expenses as per the Group segment reporting
Variance expressed favourable / (unfavourable)
Financial Results – 9 Months to 31 March 2016 (continued)

CEO Renewal

- Elmer Funke Kupper resigned 21 March after 4.5 years in the role
- CEO renewal progressing at accelerated pace
- Rick Holliday-Smith, Chairman with executive oversight in the interim
- Peter Hiom and Amanda Harkness managing the business, commercial/regulatory separation maintained

Regulatory

- Greater certainty on market structure for equities clearing following Treasurer’s announcement
- ASX ownership restrictions to be made consistent with banks and insurers

Continued investment in strategic positioning

- Implementation of strategy and initiatives broadly on track
- Expected delivery of the new trading platform: futures in July - November 2016, equities in 2017
- Assessment of distributed ledger technology underway

Unaudited result
Operating revenues and operating expenses as per the Group segment reporting
Variance expressed favourable / (unfavourable)
## Income Statement – 9 Months to 31 March 2016

<table>
<thead>
<tr>
<th></th>
<th>YTD March 16 $m</th>
<th>YTD March 15 $m</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues</td>
<td>552.8</td>
<td>516.8</td>
<td>7.0%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>127.5</td>
<td>120.2</td>
<td>(6.1%)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>425.3</td>
<td>396.6</td>
<td>7.2%</td>
</tr>
<tr>
<td>Depreciation and Amortisation</td>
<td>31.3</td>
<td>28.2</td>
<td>(11.1%)</td>
</tr>
<tr>
<td>EBIT</td>
<td>394.0</td>
<td>368.4</td>
<td>6.9%</td>
</tr>
<tr>
<td>Interest and Dividend Income</td>
<td>56.7</td>
<td>57.9</td>
<td>(2.0%)</td>
</tr>
<tr>
<td>Profit Before Tax</td>
<td>450.7</td>
<td>426.3</td>
<td>5.7%</td>
</tr>
<tr>
<td>Income Tax Expense</td>
<td>(133.3)</td>
<td>(126.5)</td>
<td>(5.4%)</td>
</tr>
<tr>
<td>Underlying Profit after Tax</td>
<td>317.4</td>
<td>299.8</td>
<td>5.9%</td>
</tr>
<tr>
<td>Significant Items after Tax</td>
<td>-</td>
<td>(1.1)</td>
<td>n/a</td>
</tr>
<tr>
<td>Statutory Profit After Tax</td>
<td>317.4</td>
<td>298.7</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

Unaudited result
Operating revenues and operating expenses as per the Group segment reporting
Variance expressed favourable / (unfavourable)
Revenue Movement – 9 Months to 31 March 2016 ($ Million)

<table>
<thead>
<tr>
<th>Service Type</th>
<th>July 14 to March 15</th>
<th>Up</th>
<th>July 15 to March 16</th>
<th>Up</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listings and Issuer Services</td>
<td>$144.6</td>
<td>Up 10.5%</td>
<td>$159.5</td>
<td>Up 11.3%</td>
</tr>
<tr>
<td>Trading Services</td>
<td>$136.7</td>
<td>Up 7.7%</td>
<td>$146.8</td>
<td>Up 7.7%</td>
</tr>
<tr>
<td>Equity Post-Trade Services</td>
<td>$76.0</td>
<td>Up 11.3%</td>
<td>$84.7</td>
<td>Up 12.2%</td>
</tr>
<tr>
<td>Derivatives and OTC Markets</td>
<td>$193.8</td>
<td>Up 2.2%</td>
<td>$200.0</td>
<td>Up 74.8%</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>$1.7</td>
<td>Up 74.8%</td>
<td>$1.7</td>
<td>Up 74.8%</td>
</tr>
<tr>
<td><strong>Operating Revenues Up 7.0%</strong></td>
<td><strong>516.8</strong></td>
<td></td>
<td><strong>552.8</strong></td>
<td></td>
</tr>
</tbody>
</table>

Unaudited result
Operating revenues as per the Group segment reporting
Variance expressed favourable / (unfavourable)
Activity Levels

Total Capital Raised ($ Billion)

FY15 FY16
1Q 13.3 26.3
2Q 25.3 28.3
3Q 11.6 11.6
4Q 8.4 38.7

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

FY15 FY16
1Q 3.434 4.254
2Q 3.557 3.887
3Q 4.021 4.241
4Q 4.246 4.241

Futures¹ - Average Daily Contracts ('000)

FY15 FY16
1Q 462 492
2Q 466 484
3Q 518 562
4Q 529 529

Equity Options - Average Daily Contracts ('000)

FY15 FY16
1Q 490 419
2Q 498 353
3Q 487 414
4Q 422 422

¹. Consists of futures and options on futures
Attractive and Diversified Business Model

YTD Mar 2016 ASX Revenues
100% = $553m

- Domestic leader in all segments, Asian leader in A$ derivatives
- Derivatives and OTC includes interest rate, equity index, electricity and commodities futures, single stock options and clearing for OTC A$ interest rate swaps
- Depositories (equities and fixed income) hold $3.4 trillion
- Cash market trading: 89% market share
- Cash market clearing and settlement conducted for entire market
## ASX Group Priorities

### Business initiatives progressing

<table>
<thead>
<tr>
<th>Category</th>
<th>initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Global Leader in A$ and NZ$</strong></td>
<td>• Innovate in fragmented equity market – Centre Point</td>
</tr>
<tr>
<td></td>
<td>• Build on leadership in A$ and NZ$ derivatives markets – OTC, Collateral</td>
</tr>
<tr>
<td><strong>Investment Supermarket</strong></td>
<td>• Grow listings franchise – NZ, Tech</td>
</tr>
<tr>
<td></td>
<td>• Extend suite of investment options – equities, debt, funds</td>
</tr>
<tr>
<td><strong>World-Class Infrastructure</strong></td>
<td>• Upgrade technology infrastructure – trading, risk, clearing</td>
</tr>
<tr>
<td></td>
<td>• Be leader in post-trade innovation – Distributed Ledger Technology</td>
</tr>
<tr>
<td></td>
<td>• Build global connectivity – Chicago, London, Singapore, HK</td>
</tr>
<tr>
<td><strong>Outstanding Experience</strong></td>
<td>• Deepen customer engagement across all services</td>
</tr>
<tr>
<td></td>
<td>• Deliver 24 hour service to local and global clients</td>
</tr>
<tr>
<td></td>
<td>• Strengthen alignment through fee reductions and rebates</td>
</tr>
<tr>
<td><strong>Regulatory Settings</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Employer of Choice</strong></td>
<td></td>
</tr>
</tbody>
</table>
Global Leader in A$ and NZ$ Markets
Growth in OTC Clearing & Collateral Management Services

OTC Notional Value Cleared ($ Billion)

- Notional value of OTC interest rate swaps cleared was $1.5 trillion March 16 YTD ($445 billion pcp)
- Six active users
- Margin optimisation service to be launched in 2016 providing institutions the ability to maximise margin offsets between Futures and OTC
- Futures and OTC fee rebates could increase by $2-3 million in 2H16 compared to 1H16

Collateral Balances ($ Billion)

- Notable balance growth in repo transactions
- Eight active users
- Tri-party securities lending service (bond vs bond) currently under development and expected to commence in FY17
**Investment Supermarket**

### Grow Listings Franchise (FY16 Listings)

- BuildingIQ
- LINK Group
- RWC
- Netccentric Limited
- updater
- Temple & Webster
- Vitaco
- WiseTech Global

### Areas of Focus

**Grow listings franchise**

- Attractive and flexible capital market listing rules – 25% increase in capital raised March 16 YTD
- New Zealand simplified dual listing process – 42 NZ companies
- NZ IPOs – 4 YTD
- Technology sector – 30 listings¹ YTD
- ETFs – 161 ETFs listed totaling $21.3 billion

**Investment Supermarket**

- Domestic equities
- Government bonds
- Corporate bonds
- International shares – regulatory considerations will drive service design
- mFund expansion – 48 fund managers offering 161 funds via 18 brokers

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¹ Includes IPOs and backdoor listings
Technology Transformation
Key projects progressing

**Futures Trading**
Jul to Nov 2016
Trading platforms

**Cash Market Trading**
Trading including ETOs
2017

**Derivatives Clearing**
FY17 / FY18
Clearing/settlement platforms

**Equities**
Distributed Ledger Technology Prototype Development FY17

**Market Monitoring**
2016
Market integrity and risk platforms

**Risk Management**
2016

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**Progress**

- Trading platform replacement underway
  - measures taken to de-risk implementation
  - customer engagement and readiness progressing
  - futures delivery July – November 2016, equities delivery 2017
- Market monitoring and risk management progressing, derivatives clearing on track
- Distributed Ledger Technology potential replacement for CHESS. Capability assessment throughout FY17
- Managed within Group capex, approximately $50 million in FY16
Opportunity for Post-Trade Innovation

Distributed Ledger Environment

**Issuers/listed companies**
- Improved shareholder analytics
- Streamlined/automated corporate actions
- Electronic AGMs

**Government, regulators**
- Improved audit trail
- Improved analytics

**ASX**
- Lower risk and capital requirements
- Tailored liquidity and settlement services
- Data, issuer and investor services

**Intermediaries**
- Risk reduction
- Back-office cost reduction – reconciliations, KYC, AML, FATCA

**Investors**
- Consolidated view of holdings
- Choice of real-time access to securities/cash
- Real-time dividend payments, voting
- Simplified tax preparation
- Recording of sophisticated investor requirements

**Service innovators/Fintech**
- Data analytics
- Wealth management, tax reporting

**Security**
**Trust**
**Efficiency**
**Timeliness**
### Distributed Ledger Technology

**Assessing the opportunity**

<table>
<thead>
<tr>
<th><strong>Current Focus</strong></th>
<th><strong>Digital Asset Holdings Investors</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Investment in Digital Asset Holdings (DAH) of $14.9m for a 5% stake plus rights to acquire additional 5%</td>
<td>![Investor Logos]</td>
</tr>
<tr>
<td>- ASX and DAH working together to develop a beta software system to assess the technology</td>
<td></td>
</tr>
<tr>
<td>- Engaging with regulators, stakeholders and customers</td>
<td></td>
</tr>
<tr>
<td>- 6–12 month process of initial evaluation</td>
<td></td>
</tr>
<tr>
<td>- Development alongside existing CHESS platform</td>
<td></td>
</tr>
<tr>
<td>- Final decision on post-trade technology in 2017</td>
<td></td>
</tr>
</tbody>
</table>
## Regulatory Environment

### Developments Last Three Years

**Investors**
- Equity market regulations supporting end-investors

**Systemic risk**
- Location requirements
- Global regulatory and capital standards adopted
- A$ OTC interest rate swap central clearing mandate recommended along with G4 currencies

**Global competitiveness**
- Post-trade solutions in place
- ESMA recognition received, CFTC exemption relief
- AA- long-term credit rating from S&P

### Equities Clearing Review

**Safe and effective competition**
- Treasurer announced commitment to putting in place safe and effective competition for cash equities clearing
- Minimum 18 month period to transition
- Changes to ASX’s 15% shareholder limit to bring into line with banks and insurance companies – Treasurer can act in national interest
- Confirmation of domestic location requirements

**ASX cash equities clearing and settlement**
- Key customer and stakeholder commitments on engagement, pricing, access and confidential information confirmed
- 10% reduction in clearing fees from 1 July 2016
- Retain rebate schemes in FY17
- Equities trading rebate scheme discontinued from 1 July 2016
Operating Expenses – 9 Months to 31 March 2016

<table>
<thead>
<tr>
<th></th>
<th>YTD March 16 $m</th>
<th>YTD March 15 $m</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>76.0</td>
<td>73.4</td>
<td>(3.5%)</td>
</tr>
<tr>
<td>Other</td>
<td>51.5</td>
<td>46.8</td>
<td>(10.1%)</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>127.5</strong></td>
<td><strong>120.2</strong></td>
<td><strong>(6.1%)</strong></td>
</tr>
</tbody>
</table>

• Staff costs up 3.5%
  - Average headcount up 0.8% to 530 FTEs
  - 547 FTEs at 31 March 16, up from 534 at 31 December 2015
  - CEO transition arrangements

• Other costs up 10.1%
  - Higher equipment and administration costs to support accelerated initiatives
  - Higher variable costs due to increased CHESS holding statements and postage costs

• Guidance FY16 approximately 6% expense increase
Capital Expenditure ($ Million)

<table>
<thead>
<tr>
<th></th>
<th>FY12 $39.1m</th>
<th>FY13 $38.9m</th>
<th>FY14 $43.2m</th>
<th>FY15 $44.4m</th>
<th>FY16 approx $50m</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H12</td>
<td>20.5</td>
<td>18.5</td>
<td>23.5</td>
<td>18.6</td>
<td>24.6</td>
</tr>
<tr>
<td>2H12</td>
<td>15.4</td>
<td>15.4</td>
<td>15.4</td>
<td>15.4</td>
<td>15.4</td>
</tr>
<tr>
<td>1H13</td>
<td>15.4</td>
<td>15.4</td>
<td>15.4</td>
<td>15.4</td>
<td>15.4</td>
</tr>
<tr>
<td>2H13</td>
<td>18.6</td>
<td>18.6</td>
<td>18.6</td>
<td>18.6</td>
<td>18.6</td>
</tr>
<tr>
<td>1H14</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
</tr>
<tr>
<td>2H14</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
</tr>
<tr>
<td>1H15</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
<td>13.0</td>
</tr>
<tr>
<td>2H15</td>
<td>18.7</td>
<td>18.7</td>
<td>18.7</td>
<td>18.7</td>
<td>18.7</td>
</tr>
<tr>
<td>1H16</td>
<td>18.7</td>
<td>18.7</td>
<td>18.7</td>
<td>18.7</td>
<td>18.7</td>
</tr>
<tr>
<td>2H16</td>
<td>18.7</td>
<td>18.7</td>
<td>18.7</td>
<td>18.7</td>
<td>18.7</td>
</tr>
</tbody>
</table>

Highlights

- March 16 YTD expenditure $30.6 million
- Focus on technology transformation program
  - Phase I to be complete in FY17
  - Technology transformation $15.5 million March 16 YTD
- Guidance FY16 approximately $50 million

1. Technology transformation includes new trading platform, risk management and market monitoring systems
Financial Results – 9 Months to 31 March 2016

Positive revenue growth of 7.0%
• Growth in all major categories compared to pcp supported by robust trading activity
• Impact of futures fee reductions $11.2m vs $10.5m pcp, continued growth in OTC clearing
• Lower average listings activity in the third quarter of FY16 compared to 1H16

Expense growth of 6.1%, FY16 guidance of approximately 6%
• Acceleration of investment in post-trade services
• CEO transition arrangements, renewal underway

Capital expenditure $30.6 million, FY16 guidance unchanged at approximately $50 million
• Measures taken to de-risk technology implementation

Continued investment in strategic positioning
• Implementation of strategy and initiatives broadly on track
• Greater certainty on market structure for equities clearing, assessment of Distributed Ledger Technology underway

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