Media Release
14 April 2016

ASX LIMITED EARNINGS UPDATE FOR THE NINE MONTHS TO 31 MARCH 2016

The following unaudited results are relative to the prior corresponding period (pcp – nine months to 31 March 2015) and based on the Group’s segment reporting:

| Statutory profit after tax | $317.4 million | up 6.2% |
| Underlying profit after tax | $317.4 million | up 5.9% |

| Operating revenues | $552.8 million | up 7.0% |
| Operating expenses | $127.5 million | up 6.1% |

| Capital expenditure | $30.6 million |

| Strategic positioning | |
| Greater certainty on market structure for cash equities clearing |
| Assessment of distributed ledger technology (blockchain) as a potential post-trade solution for the cash equities market underway |
| CEO renewal: senior executives managing the business with Chairman oversight |
| No change in corporate strategy or initiatives, with measures taken to de-risk transition to new trading platform |

| Key market activity indicators | |
| Listings: total capital raised - $62.9 billion, up 25.4% |
| Cash equities: ASX on-market average value traded per day - $4.1 billion, up 12.7% |
| Derivatives: daily average number of futures and options contracts traded – 512,024, up 6.3% |

ASX’s financial performance for the nine months to 31 March 2016 was positive. Trading activity levels in cash and derivatives markets grew from the half-year, as did ASX’s OTC clearing service with record activity levels in February 2016. Listings and capital raising activity was lower in the third quarter of FY16 compared to the first six months of the year. Overall, revenues were up 7% to almost $553 million and profit was up 6% to more than $317 million.
T+2 settlement of sharemarket trades was successfully introduced on 7 March 2016. The reduction in the settlement period from three to two days has provided efficiencies for investors and market participants, and kept Australia at the forefront of global best practice.

ASX’s technology transformation is progressing, with measures taken to de-risk the transition to a new trading platform. The new trading platform is on target to go-live between July and November 2016 for futures, with equities (including equity options) to follow in 2017. This timeframe supports the delivery of a high-quality platform, assists the change process for customers, and paves the way for a smooth transition for the whole market.

Last month the ASX Board affirmed its commitment to the assessment of distributed ledger technology. ASX is working closely with its partner Digital Asset and collaborating with customers and industry stakeholders, including Government and regulators, to build an understanding of the benefits and implications of the technology. Any new system must meet the highest regulatory and operational standards before implementation.

ASX has greater certainty to continue this work following the Treasurer’s announcement on 30 March 2016 that approval of any new equities clearing licence applications will not be recommended until regulatory conditions are in place for safe and effective competition. The Treasurer has said this is expected to take at least 18 months. ASX supports well-regulated, open and competitive financial markets. It also welcomes the Government’s decision to make ASX’s ownership restrictions consistent with banks and insurance companies.

On 21 March 2016 the ASX Board accepted the resignation of Mr Elmer Funke Kupper as Managing Director and CEO after almost four-and-a-half years. Two senior executives have been appointed to manage the business with oversight from the Chairman while a search for a new CEO is conducted.

Mr Rick Holliday-Smith, ASX’s Chairman said: “ASX is well positioned for future opportunities. Our business is globally competitive, committed to innovation and customer service, and we are investing in the infrastructure critical to Australia’s financial markets.

“The Board is now focussed on CEO renewal. In the interim, I am overseeing the business, with day-to-day operations managed by two members of ASX’s skilled and experienced senior executive team reporting directly to me.”

Further detail about ASX’s performance for the nine months is contained in the following slides.

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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.
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%
• Acceleration of investment in post-trade services
• CEO transition arrangements
• Updated 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)
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><strong>Operating Revenues</strong></td>
<td>552.8</td>
<td>516.8</td>
<td>7.0%</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td>127.5</td>
<td>120.2</td>
<td>(6.1%)</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>425.3</td>
<td>396.6</td>
<td>7.2%</td>
</tr>
<tr>
<td><strong>Depreciation and Amortisation</strong></td>
<td>31.3</td>
<td>28.2</td>
<td>(11.1%)</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>394.0</td>
<td>368.4</td>
<td>6.9%</td>
</tr>
<tr>
<td><strong>Interest and Dividend Income</strong></td>
<td>56.7</td>
<td>57.9</td>
<td>(2.0%)</td>
</tr>
<tr>
<td><strong>Profit Before Tax</strong></td>
<td>450.7</td>
<td>426.3</td>
<td>5.7%</td>
</tr>
<tr>
<td><strong>Income Tax Expense</strong></td>
<td>(133.3)</td>
<td>(126.5)</td>
<td>(5.4%)</td>
</tr>
<tr>
<td><strong>Underlying Profit after Tax</strong></td>
<td>317.4</td>
<td>299.8</td>
<td>5.9%</td>
</tr>
<tr>
<td><strong>Significant Items after Tax</strong></td>
<td>-</td>
<td>(1.1)</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Statutory Profit After Tax</strong></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)

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

Total Capital Raised ($ Billion)

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

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

1Q 2Q 3Q 4Q
FY15 FY16

Futures¹ - Average Daily Contracts ('000)

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

Equity Options - Average Daily Contracts ('000)

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

1. Consists of futures and options on futures
Operating Expenses – 9 Months to 31 March 2016

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<th>YTD March 16 $m</th>
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<th>% Variance</th>
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<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 updated: approximately 6% expense increase
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
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Expense growth of 6.1%

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Capital expenditure $30.6 million

- FY16 guidance unchanged at approximately $50 million
- Measures taken to de-risk technology implementation

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