

Letter to Shareholders

Full-Year 2016

ASX Limited ABN 98 008 624 691



Dominic Stevens
Managing Director and CEO

Rick Holliday-Smith
Chairman

ASX continues to invest in the infrastructure critical to Australia's financial markets.

Dear ASX Shareholder

On 18 August 2016, ASX Limited (ASX) announced a strong full-year result for the 12 months to 30 June 2016 (FY16). There was growth in all key business areas, supported by higher activity levels and continued business initiatives that give customers greater choice and control.

Market activity was driven by a rise in secondary capital raisings, particularly within the financial sector, and heightened volatility in interest rate markets, culminating with the surprise of Brexit. The average value traded on ASX's equity market rose almost 10% to \$4.2 billion per day, futures and options turnover grew more than 8% across the period, and there were 124 new listings, the most in five years.

Based on the Group's segment reporting the key results for FY16 were:

-  Statutory profit after tax \$426.2 million, up \$28.4 million or 7.1% on FY15
-  Operating revenue \$746.3 million, up \$45.6 million or 6.5%
-  Operating expenses \$170.6 million, up \$10.5 million or 6.5%
-  Earnings per share 220.4 cents, up 7.1% on a statutory basis.

Dividend advice

ASX is paying a final dividend of 99.0 cents per share fully franked, up 4.1%. Total FY16 dividends were 198.1 cents per share, up 5.7%. ASX maintained a payout ratio of 90% of underlying profit. The ratio is reviewed by the Board each year. The Dividend Reinvestment Plan will not operate for the final dividend.

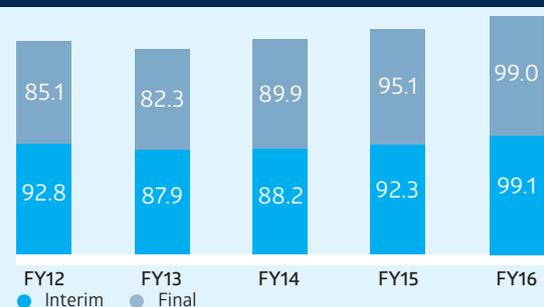
Operating revenue (\$million)



Statutory profit after tax (\$million)



Dividend (cents per share)





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Investing in the future

In FY16, ASX invested in the infrastructure critical to Australia's financial markets. This included the introduction of T+2 settlement in March 2016, progress on the delivery of a new futures trading platform, and continued evaluation of distributed ledger technology or 'blockchain' as a potential post-trade solution for the equity market. These initiatives aim to improve market efficiency and reduce risk and complexity for investors, intermediaries and other market stakeholders. They help keep Australia at the forefront globally of innovative market developments.

ASX also strengthened its attractiveness as a venue on which to list, raise capital and build long-term wealth. We proposed new admission requirements for listing, which provide enhanced guidance about the standards expected of an ASX-listed company. We also expanded the 'investment supermarket' for investors by growing the size of the ASX-listed technology sector, the number of dual-listed New Zealand companies and the range of exchange-traded products, such as ETFs. Throughout the period, ASX worked hard to retain its position as the global leader in A\$ and NZ\$ financial markets.

Leadership and Board renewal

On 1 August 2016, ASX welcomed Dominic Stevens as the company's new Managing Director and CEO. Dominic is an experienced and highly-regarded industry leader, ideally qualified to build on ASX's achievements. Having been a past CEO of a listed financial services company and served on the ASX Board for almost three years, Dominic has a good understanding of the challenges and opportunities ahead of ASX, as well as the complex global regulatory environment in which we operate.

ASX also welcomed Melinda Conrad to the Board as a non-executive director on 1 August 2016. Melinda brings skills and insights from a range of industries, with particular expertise in strategy and marketing. She will stand for election at ASX's Annual General Meeting on 28 September 2016.

This is an exciting time for ASX. We look forward to working under new leadership and with new energy for the future.

- Complete full-year results and the 2016 Annual Report are available at: www.asx.com.au/about/investor-relations.htm
- If you would like to ask questions of the ASX Board or management please email: company.secretariat@asx.com.au
- A webcast of ASX's 2016 AGM to be held on 28 September 2016 will be available at: www.asx.com.au/about/annual-general-meeting.htm

ASX is in good shape. We are investing in the future and optimistic about 2017. Thank you for your support and confidence.

Yours sincerely,

Rick Holliday-Smith
Chairman

Dominic Stevens
Managing Director and CEO

ShareGift Australia: ASX is proud to continue to give its shareholders the chance to support ShareGift Australia. ShareGift is a not-for-profit organisation that allows shareholders to sell shares in any listed company free of brokerage costs and donate the proceeds to charity.

ASX has been a supporter since ShareGift Australia began operations in 2007. ASX reimburses to brokers all ASX exchange fees on ShareGift transactions and prints details about ShareGift on every CHESS statement. As at 30 June 2016, ShareGift Australia had donated over \$1.35 million to almost 450 Australian charities across the spectrum of causes, thanks to the generosity of over 7,600 shareholders.

More information on ShareGift Australia can be found at: www.sharegiftaustralia.org.au. If you are interested, a ShareGift Share Sale Donation Form is enclosed for your consideration and should be returned to ShareGift at the address shown on the form. Please contact ShareGift if you have any queries on: 1300 731 632 or: info@sharegiftaustralia.org.au.

This is a voluntary initiative for those who wish to sell their shares and donate the proceeds to charity. It is not a recommendation to sell shares or a recommendation regarding a normal share sale facility. If you do not wish to participate, you do not need to do anything.