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11 June 2013

Australian Securities and Investments Commission  
Mr Oliver Harvey  
Senior Executive Leader, Financial Market Infrastructure  
Level 5, 100 Market Street  
SYDNEY NSW 2000

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

## \$553 Million Entitlement Offer Announcement

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Attached is a copy of ASX's Announcement: "ASX Announces \$553 Million Pro Rata Accelerated Renounceable Entitlement Offer and Increased Investment in its Clearing Houses".

A handwritten signature in black ink, appearing to read 'A Harkness', is positioned above the name and title of the signatory.

**Amanda J Harkness**  
Group General Counsel & Company Secretary

For further inquiries, contact:

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## **ASX ANNOUNCES \$553 MILLION PRO RATA ACCELERATED RENOUNCEABLE ENTITLEMENT OFFER AND INCREASED INVESTMENT IN ITS CLEARING HOUSES**

**Sydney, 11 June 2013** - ASX Limited (ASX) today announced that it is undertaking a fully underwritten 2 for 19 pro rata accelerated renounceable entitlement offer (with retail entitlements trading) of new ASX ordinary shares to raise gross proceeds of approximately \$553 million at a price of \$30.00 per share.

ASX will use the proceeds from the Entitlement Offer to:

- contribute \$200 million additional equity to ASX Clear (Futures) – the clearing facility and central counterparty for all futures, options on futures and ASX listed CFDs;
- replace the existing \$250 million unsecured, non-recourse debt facility of ASX Clearing Corporation (a wholly owned subsidiary of ASX) with equity capital; and
- fund current and future growth initiatives and support other licensed subsidiaries of ASX.

ASX expects that the investment of additional equity in ASX Clear (Futures) will enable it to meet emerging international capital standards for central clearing counterparties, which are anticipated to be higher than previous standards. Investment in ASX's clearing houses will provide Australia's financial markets with a robust infrastructure and strengthen the position of ASX to compete on a global basis. Furthermore, the repayment of the debt facility will eliminate any potential refinancing risk.

Following the Entitlement Offer, ASX will have no external debt facilities and the total equity capital contributed by ASX to its clearing houses will reach \$700 million, including \$250 million in ASX Clear and \$450 million in ASX Clear (Futures).

Currently, ASX Clear (Futures) participants contribute commitments of a further \$120 million to the default fund. This will increase to approximately \$200 million following the launch of the ASX clearing service for OTC derivatives targeted for late 2013. ASX expects that the target total capital commitments of \$650 million will enable ASX Clear (Futures) to meet emerging international capital standards for central clearing counterparties.

ASX Chairman Rick Holliday-Smith said: "ASX is committed to providing Australia's financial markets with a robust risk management infrastructure. By increasing the level of equity capital in our futures clearing house, we expect to meet emerging international capital standards for central clearing counterparties which are anticipated to be higher than previous standards. Furthermore, by proactively increasing the level of equity capital, we are strengthening ASX's position in the evolving clearing and exchange landscape."

ASX Managing Director and CEO Elmer Funke Kupper said: "ASX is one of the leading exchanges in the world and is making significant investments in Australia's financial market infrastructure. These investments support our ambition to be globally competitive."

## **EARNINGS GUIDANCE**

ASX has provided unaudited financial results for the 11 months to 31 May 2013. Statutory and underlying net profit after tax for the 11 months to 31 May 2013 was \$318.7 million.

ASX expects its FY2013 statutory and underlying net profit after tax to be approximately \$346 million.

There will be no change to ASX's existing policy to pay out 90% of underlying net profit after tax in dividends in respect of the FY2013 final dividend. Based on the expected underlying net profit after tax for 2H FY2013 and the expanded number of shares on issue, ASX expects to pay a FY2013 final dividend of approximately \$0.81 per share.

This guidance assumes no material change in market activity levels and no material counterparty defaults or other material adverse events in ASX's business activities for the remainder of the financial year.

## **ENTITLEMENT OFFER**

The Entitlement Offer comprises a pro rata accelerated institutional entitlement offer and a retail entitlement offer, which includes the ability for eligible retail shareholders to trade retail entitlements on market.

The key details of the Entitlement Offer are:

- fully underwritten 2 for 19 pro rata accelerated renounceable entitlement offer to raise gross proceeds of approximately \$553 million
- Offer Price of \$30.00 per share
- retail entitlements may be traded on market from Friday 14 June 2013 to Friday 28 June 2013

The Offer Price of \$30.00 per share represents a discount of:

- 15.0% to the Theoretical Ex-Rights Price (TERP)<sup>1</sup>; or
- 16.3% to ASX's last closing share price on Friday 7 June 2013, being the last trading day prior to this announcement.

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 2 new ASX ordinary shares (New Shares) for every 19 existing ASX shares (Entitlement) held as at 7pm (Sydney time) on Friday, 14 June 2013 (Record Date).

New Shares will be fully paid and rank equally in all respects with existing ASX ordinary shares from allotment and will be entitled to dividends on the same basis as existing shares, including the FY2013 final dividend.

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<sup>1</sup> TERP is the theoretical price at which ASX shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which ASX Shares will trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to ASX's closing price on Friday, 7 June 2013.

### **Institutional Entitlement Offer**

Eligible institutional shareholders will be invited to participate in the institutional entitlement offer, which will take place from 9am (Sydney time), Tuesday 11 June 2013 to 11am (Sydney time), Wednesday 12 June 2013 (Institutional Entitlement Offer). Eligible institutional shareholders can choose to take up all, part or none of their Entitlement. Institutional Entitlements cannot be traded on market.

Institutional Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and institutional Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be sold through an institutional shortfall bookbuild from 4.30pm (Sydney time), Wednesday 12 June 2013 to 11am (Sydney time), Thursday 13 June 2013. Any proceeds from the sale of institutional Entitlements under the institutional shortfall bookbuild will be remitted proportionally to those institutional shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those institutional shareholders.

### **Retail Entitlement Offer**

Eligible retail shareholders will be invited to participate in the retail entitlement offer at the same Offer Price and offer ratio as the Institutional Entitlement Offer (Retail Entitlement Offer). The Retail Entitlement Offer will open on Monday 17 June 2013 and close at 5pm (Sydney time) on Friday 5 July 2013.

Eligible retail shareholders will be allotted Entitlements. If they do not wish to take up all or part of their Entitlements, they can seek to sell all or part of their Entitlements on market or by transferring it directly to another person in order to realise value for those Entitlements ahead of the retail shortfall bookbuild. Retail Entitlements can be traded on market from Friday 14 June 2013 to Thursday 20 June 2013 on a deferred settlement basis and from Friday 21 June 2013 to Friday 28 June 2013 on a normal settlement basis.

Retail Entitlements that are not taken up by the close of the Retail Entitlement Offer and Entitlements that would otherwise have been offered to ineligible retail shareholders will be sold through the retail shortfall bookbuild on Wednesday 10 July 2013.

Any proceeds from the sale of Entitlements under the retail shortfall bookbuild will be remitted proportionally to those retail shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those retail shareholders.

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the retail offer booklet and an accompanying personalised entitlement and acceptance form, which are expected to be despatched on Thursday 20 June 2013. Copies of the retail offer booklet will be available on the ASX website at [www.asxgroup.com.au](http://www.asxgroup.com.au) from Monday 17 June 2013.

The retail Entitlements may only be exercised by eligible shareholders, persons with addresses in Australia or New Zealand and certain categories of investors in Canada, France,

Germany, Hong Kong, China, Ireland, Japan, Korea, the Netherlands, Norway, Singapore, Sweden, Denmark, Luxembourg, Belgium, Switzerland, United Arab Emirates and the United Kingdom. Persons in the United States and persons acting for the account or benefit of a person in the United States will not be eligible to purchase or trade Entitlements on market, or take up or exercise Entitlements purchased on market or transferred from another person.

It is the responsibility of purchasers of Entitlements to inform themselves of the eligibility criteria for exercise. If holders of entitlements after the end of the trading period do not meet the eligibility criteria, they will not be able to exercise the Entitlements. In the event that holders are not able to take up their Entitlements, those Entitlements will be sold into the retail shortfall bookbuild and holders may receive no value for them.

Further details on restrictions on eligibility criteria to exercise entitlements will be included in the investor presentation which ASX has filed with ASIC today and the retail offer booklet.

#### **ENTITLEMENT OFFER TIMETABLE**

The timetable below is indicative only and may be subject to change. ASX Limited reserves the right to amend any or all of these dates and times without notice subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws. In particular, ASX Limited reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares.

The commencement of quotation of Entitlements and New Shares is subject to confirmation from ASIC acting in place of the ASX in its role as operator of a securities exchange.

## Timetable

Event	Date
Trading halt commences	Tuesday, 11 June 2013
Institutional Entitlement Offer	Tuesday, 11 June 2013 (9am) – Wednesday, 12 June 2013 (11am)
Institutional shortfall bookbuild	Wednesday, 12 June 2013 (4.30pm) – Thursday, 13 June 2013 (11am)
Trading halt lifted, existing shares recommence trading	Friday, 14 June 2013
Retail entitlements commence trading on deferred settlement basis	Friday, 14 June 2013
Record date	Friday, 14 June 2013 (7pm)
Retail Entitlement Offer opens	Monday, 17 June 2013
Retail Entitlement Offer booklet despatched, retail entitlements allocated	Thursday, 20 June 2013
Retail entitlements commence trading on normal settlement basis	Friday, 21, June 2013
Settlement of Institutional Entitlement Offer	Friday, 21 June 2013
Allotment of Institutional Entitlement Offer	Monday, 24 June 2013
Retail entitlements trading on market ends	Friday, 28 June 2013
New shares under Retail Entitlement Offer commence trading on deferred settlement basis	Monday, 1 July 2013
Retail Entitlement Offer closes	Friday, 5 July 2013 (5pm)
Retail shortfall bookbuild	Wednesday, 10 July 2013
Settlement of Retail Entitlement Offer	Monday, 15 July 2013
Allotment of Retail Entitlement Offer	Tuesday, 16 July 2013
Despatch of holding statements	Tuesday, 16 July 2013
New shares under Retail Entitlement Offer commence trading on a normal settlement basis	Wednesday, 17 July 2013
Retail Premium (if any) despatched	Thursday, 18 July 2013

**For further information, please contact:**

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**ASX Limited (ASX: ASX)** is a multi-asset class, vertically integrated exchange group, and one of the world's top-10 listed exchange groups measured by market capitalisation.

ASX's activities span primary and secondary market services, central counterparty risk transfer, and securities settlement for both the equities and fixed income markets. It functions as a market operator, clearing house and payments system facilitator. It monitors and enforces compliance with its operating rules, promotes standards of corporate governance among Australia's listed companies and helps to educate retail investors.

ASX's diverse domestic and international customer base includes issuers of securities and financial products, investment and trading banks, fund managers, hedge funds, commodity trading advisers, brokers and proprietary traders, market data vendors and retail investors.

For more information, please visit [www.asx.com.au](http://www.asx.com.au)

### **Shareholder Enquiries**

Eligible retail shareholders will be sent further details about the Retail Entitlement Offer via a shareholder letter to be despatched on or around Wednesday 12 June 2013 and a retail offer booklet to be lodged with ASIC on Monday 17 June 2013 and despatched on or around Thursday 20 June 2013.

Retail shareholders who have questions relating to the Retail Entitlement Offer should call the ASX Offer Information line on 1300 724 911 (within Australia) or +61 1300 724 911 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday.

Further information in relation to the Entitlement Offer described in this announcement is set out in an investor presentation which ASX has filed with ASIC today. The investor presentation contains important information including key risks, key assumptions relating to certain forward-looking information in this announcement and foreign selling restrictions with respect to the Entitlement Offer.

### **Important information**

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

### **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

This release does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of New Shares in any jurisdiction outside Australia. In particular, neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be exercised or taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of persons in the United States unless they are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Certain statements made in this release are forward-looking statements. These forward-looking statements are not historical facts but rather are based on ASX's current expectations, estimates and projections about the industry in which ASX operates, and beliefs and assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of ASX, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. ASX cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of ASX only as of the date of this release. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. ASX will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

This release includes discussion of underlying net profit after tax, which is profit from continuing operations before significant items. Underlying net profit after tax is a non-GAAP



(AIFRS or US GAAP) financial measure that ASX uses to assist users of its financial statements in understanding the period-to-period operating performance of its business. Significant items are items of income or expense that are, either individually or in the aggregate, material to the ASX group or to the relevant business segment, and are either (i) outside the ordinary course of business or (ii) part of the ordinary activities of the business but unusual due to their size and nature. The disclosure of such non-GAAP financial measures in the manner included in the release may not be permissible in a registration statement under the Securities Act. These non-GAAP financial measures do not have a standardised meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although ASX believes these non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-GAAP financial measures included in this release.