



ASX Limited Overview

World-leading, globally connected,
internationally competitive, customer-driven

November 2018

About ASX

ASX is at the heart of the globally attractive, deep and liquid Australian financial markets, helping companies grow and investors build wealth. As an integrated exchange, ASX offers listings, trading, technology, data and post-trade services for a wide range of asset classes, including equities, fixed income, commodities and energy.

Recognised as world-leading and innovative, we are a top ten listed global securities exchange and the largest interest rate derivatives market in Asia.

Issuers and corporates from Australia and around the world engage with ASX to manage risk and to raise capital to grow. ASX operates liquid, transparent and reliable markets of integrity. The certainty of our clearing and settlement activities underpins systemic stability.

ASX also provides data and technology services to intermediaries, banks, information vendors and software developers to help them make informed decisions, offer services to their customers and connect with one another.

With a proud history as an early and successful adopter of new technology, ASX continues to embrace innovative solutions to make business easier for customers, create value for shareholders and contribute to the growth of the Australian economy.

Through the expertise and passion of our people, ASX works to maintain that its activities are built on the strong foundations of quality, security, resilience and trust.

Vision, strategy, execution



Our long-term vision provides clarity of purpose to employees and reflects that we compete globally. It recognises the importance of balancing what we achieve, with how we go about it, so that we earn the respect of our stakeholders.

ASX is working towards achieving its vision through the pursuit of five strategic elements. These strategies work together, aligning the outcomes we want to deliver with the approach we want to take.

We are executing our strategy through two groups of initiatives. This distinction reiterates the importance of focusing equally on core operations and growth opportunities.

Our shareholder value proposition

Attractive margins and strong cash flow generation

- 5 year average EBITDA to sales margin 76.7%
- Strong cash generation underpins 90% payout ratio

Growing dividends from sustainable earnings

- 5 year dividend CAGR 4.9%
- 90% dividend payout policy
- Earnings growth 9 of the last 10 years

Market-leading position

- Primary Australian listings venue with a global franchise
- 4th largest interest rate derivatives market in the world and the largest in Asia
- Australia's clearing and settlement provider

Benefits from macro-economic growth drivers

- Australia's superannuation system forecast to grow at above annual GDP rates as it expands from \$2.6 trillion today to \$9.5 trillion in 2035*
- Increased demand for diversified products traded on ASX platforms
- Customers seeking capital and operational efficiency

Pursuing new revenue growth opportunities enabled through ASX's trusted independent market position and technological developments

- Leveraging ASX's distributed ledger technology capability and expertise beyond equity clearing and settlement
- Data analytics platform enabling customers to create new data products and improve decision-making
- Innovation in products and services utilising ASX's brand, infrastructure and trusted independent market position

Divisional overview

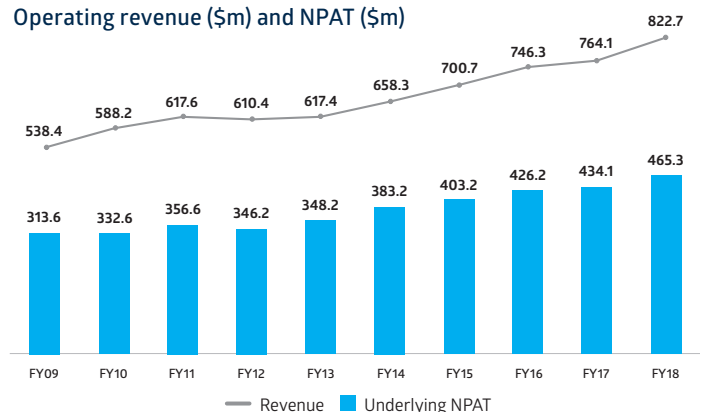
	Derivatives and OTC Markets	Listings and Issuer Services	Trading Services	Equity Post-Trade Services
OVERVIEW	Offers exchange-traded derivatives trading and clearing, OTC derivatives clearing as well as settlement, depository and registry services for debt securities and cash transactions	Provides a facility for companies to list, raise capital and have their securities publicly traded	Enabling the trading of equity securities as well as providing information and technical services offered by ASX	Provides central counterparty clearing and settlement services for equity trades
5 YEAR REVENUE CAGR	3.8%	8.6%	7.3%	4.4%
REVENUE DRIVERS	<ul style="list-style-type: none"> Number of contracts traded, registered and OTC contracts cleared Number and value of securities held in registry and turnover in the Australian physical debt market Tri-party repo – funds under management Margin balances 	<ul style="list-style-type: none"> Number and market capitalisation of listed entities Number and value of secondary capital raisings, listings for equity/debt securities Number of equity holding statements generated 	<ul style="list-style-type: none"> Value of transactions matched in ASX's execution services Volume of market access, technical infrastructure and connectivity across ASX Net and in the Australian Liquidity Centre (ALC) Number of end-users accessing market data 	<ul style="list-style-type: none"> Value of registered trades that are novated Transactional activities associated with preparation for and completion of settlement
KEY PRODUCTS	<ul style="list-style-type: none"> Short and long-term interest rate futures Equity index futures Commodity futures OTC clearing, settlement, depository, registry, tri-party repo and collateral management 	<ul style="list-style-type: none"> Initial public offering Secondary capital raising Issuer services Investment products 	<ul style="list-style-type: none"> On-market trading, Auctions and Centre Point ALC ASX Net Market data, company news, indices and reference data 	<ul style="list-style-type: none"> Clearing and settlement for cash and other transaction products, including units, warrants and ETFs

Key metrics

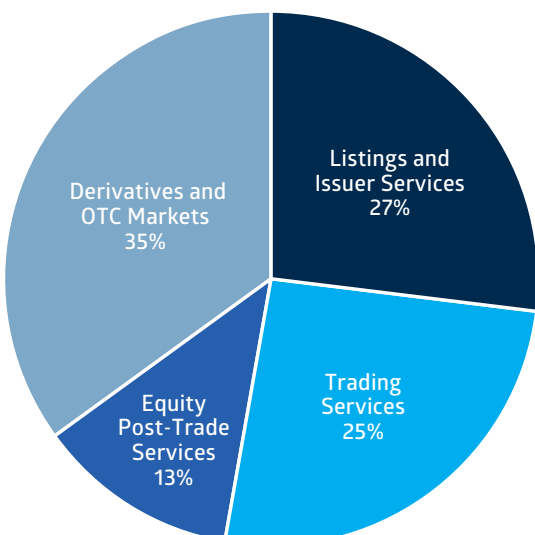
Compound annual growth rates

	5 Year
Operating revenue	5.9%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	5.9%
Underlying net profit after tax (NPAT)	6.0%
Underlying earnings per share (EPS)	4.2%
Dividends per share (DPS)	4.9%

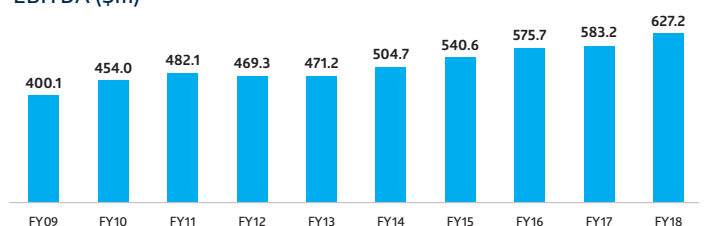
Operating revenue (\$m) and NPAT (\$m)



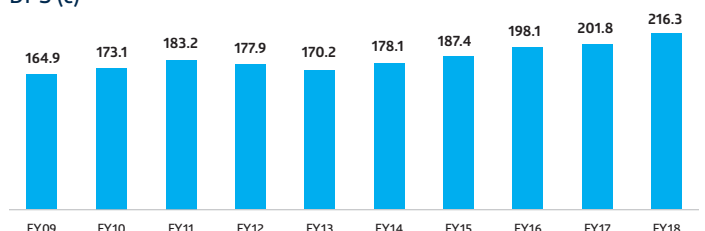
FY18 group segment percentage of operating revenue



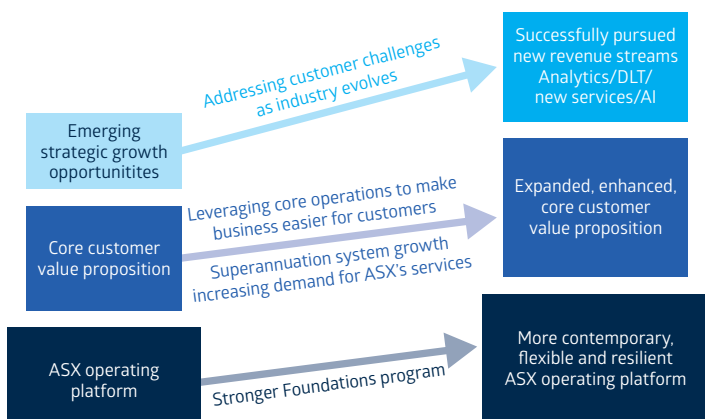
EBITDA (\$m)



DPS (c)



Strengthening, growing, pursuing



ASX is a uniquely placed business at the heart of the Australian financial markets and well positioned to deliver long-term growth to shareholders.

■ Pursuing new revenue streams

Technological developments are transforming the way exchanges and financial services operate. As a trusted and independent financial market infrastructure operator, ASX is well placed to pursue new technologies such as distributed ledger technology and artificial intelligence, and use these to address our customers' challenges and develop additional revenue streams.

■ Growing our core value proposition

We deliver a highly regarded core value proposition through our listing, trading, clearing, settlement, technical and data services. Demand for these services is growing due to a range of factors including Australia's growing superannuation industry, increased demand for product diversification, the globalisation of markets and our customers' operational efficiency goals.

■ Strengthening ASX's operating platform

Our operating platform enables us to deliver our core value proposition. As demand for our infrastructure, services and products grows, we recognise the need to enhance our operating platform, making it more contemporary, flexible and resilient through our Stronger Foundations program.

Building Stronger Foundations

Our Stronger Foundations program is focused on enhancing and strengthening our operating platform. It will enable us to meet the growing demand for our core services and pursue growth opportunities through new products and services that leverage ASX's infrastructure, capabilities, brand and trusted independent position.

The program touches all aspects of our business, including projects to refresh our risk management policies and procedures, further develop our people and upgrade our technology.

Our multi-year technology infrastructure upgrade is the largest project within the program. It includes replacing our CHES

equity clearing and settlement system with distributed ledger technology, upgrading our secondary data centre, and improving the performance of ASX Net, our external communications network.

Our technology upgrade program includes a number of projects that we have chosen to bring forward, so that we are in a position to focus on our growth opportunities. Accelerating our technology refresh program increases our capital expenditure to around \$70 to \$75 million in FY19 and FY20, up from an average spend of \$50 million between FY15 and FY18.

CHES replacement and distributed ledger technology

ASX is leading the global exchange industry by selecting distributed ledger technology (DLT) as the basis for our new equities clearing and settlement system.

CHES replacement

- Our existing equities clearing and settlement system, CHES, was world leading when it was introduced and has successfully served the Australian equity market for over 20 years.
- In December 2017, after 24 months of research and testing, ASX selected DLT as the underlying technology platform and Digital Asset as our development partner.
- A DLT-based CHES will make doing business easier for our customers by
 - Removing reconciliations
 - Liberating source of truth data
 - Improving the accuracy of data
 - Enabling more timely, richer data
 - Creating opportunities for our consumers in product and service innovation

Our DLT opportunity

As we have deepened our knowledge and understanding of DLT, it has become apparent that this technology may represent an attractive growth opportunity for ASX in the medium term.

We are confident that DLT will bring operational efficiencies and revenue opportunities to ourselves and Australian financial market participants.

Outside the equity market, we are looking at using DLT as the basis for the settlement of bonds through Austraclear, and other asset classes that financial institutions still manage on legacy technologies.

Beyond the financial services industry, we can see how a DLT based registry of any asset could benefit from the availability of real-time source of truth information.

Share information

ASX Code: ASX

Financial year-end: 30 June

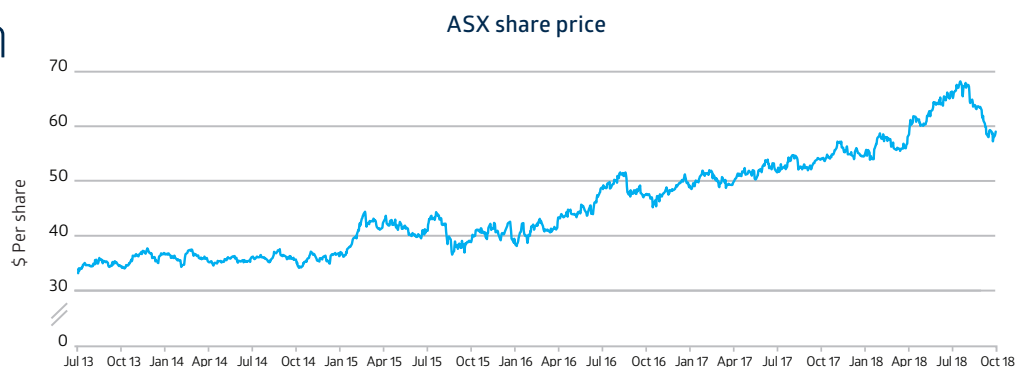
Industry sector: Diversified Financials

As at 31st October 2018:

Share price: AUD \$59.17

Market capitalisation: AUD \$11.46 billion

Shares on issue: 194 million



Remuneration incentives

ASX's remuneration structure incentivises our people to take actions aligned with the outcomes ASX wants for its customers, regulators and shareholders.

ASX awards short-term incentives in a combination of cash and ASX shares. To encourage the right behaviour over the longer term, the share component is deferred for two to four years, depending on a staff member's seniority.

Dividend policy

ASX's dividend policy is to pay 90% of underlying profit after tax.

Underlying profit reflects NPAT adjusted for any significant revenues or expenses such as those associated with major restructuring, transactions or other material items that are not commonly recurring.

Governance

Rick Holliday-Smith
Independent
Chairman

Mr Rick Holliday-Smith has served as Chairman of ASX since March 2012, and as a director since July 2006.

Independent, non-executive directors

Name	Committees			Other directorships
	Audit & Risk	Remuneration	Nomination	
Rick Holliday-Smith	✓	✓	Chair	Chairman of Cochlear Limited and Director of Servcorp Limited
Yasmin Allen	✓			Cochlear Limited, Santos Limited
Melinda Conrad				Caltex Australia Limited, OFX Group Limited, Stockland Limited
Dr Ken Henry AC	✓			Chairman of National Australia Bank Limited
Peter Marriott	Chair			Westpac Banking Corporation
Heather Ridout AO		Chair	✓	Chair of AustralianSuper
Damian Roche				
Peter Warne	✓	✓	✓	Chairman of Macquarie Group Limited

Executive team

Dominic Stevens

Managing Director and Chief Executive Officer

Mr Dominic Stevens was appointed Managing Director and CEO of ASX Limited in August 2016. He was an independent non-executive director of ASX from December 2013 until his appointment as CEO.

Mr Stevens has over 30 years' experience in financial markets. He was CEO of Challenger Limited from 2008 to 2012, before which he was the company's Deputy CEO and Head of Capital, Risk and Strategy.

Prior to Challenger, he held senior positions during a long career at Bankers Trust Australia, where he had responsibility for the Australian derivatives and global metals and agricultural commodity derivatives businesses.

Blair Beaton
Chief Strategy Officer

Dan Chesterman
Chief Information Officer

Max Cunningham
EGM, Issuer Services and Investment Products

Lisa Green
Group Executive
Human Resources

Peter Hiom
Deputy Chief Executive
Officer

Timothy Hogben
Chief Operating Officer

Gillian Larkins
Chief Financial Officer

Kevin Lewis
Chief Compliance
Officer

Helen Lofthouse
EGM, Derivatives and
OTC Markets

Daniel Moran
Group General Counsel
and Company Secretary

David Raper
EGM, Trading Services

Cliff Richards
EGM, Equity Post-Trade
Services

Hamish Treleaven
Chief Risk Officer

Eloise Wett
EGM, Operations

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