

# ASX Financial Results

Six months to 31 December 2005



## Disclaimer

The material contained in this document is a presentation of general information about ASX's activities current as at the date of this presentation (17 February 2006). It is provided in summary and does not purport to be complete. You should not rely upon it as advice for investment purposes as it does not take into account your investment objectives, financial position or needs. These factors should be considered, with or without professional advice, when deciding if an investment is appropriate.

To the extent permitted by law, no responsibility for any loss arising in any way (including by way of negligence) from anyone acting or refraining from acting as a result of this material is accepted by ASX or any of its related bodies corporate.



# Results Overview and Highlights

**Tony D'Aloisio**

**Chief Executive Officer and Managing  
Director**

## ASX ... Clear Strategy

### ASX's Direction

Improved and sustained performance around ASX's core business to:

- Continue to meet domestic demand for investment and listings/raisings
- Capture more contestable global order flows
- Maintain Australia as an attractive destination for foreign investment

### Outcomes

Direction will provide now and in the longer term:

- Benefits to customers, listed companies, shareholders, investors and staff
- Best positioning for ASX to be able to respond to new opportunities and market volatility
- Best positioning for ASX to be dealt into future global plays if they occur

# ASX Results Summary

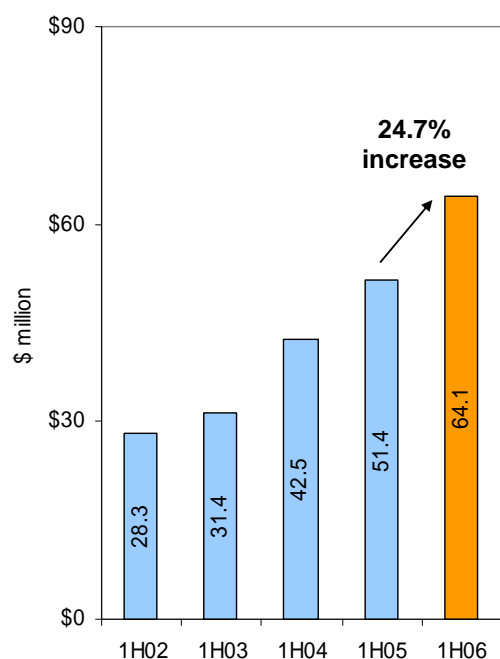
	6 mths to Dec 2005	6 mths to Dec 2004
• Normal net profit after tax up 24.7% to \$64.1m	✓	✓
• Interim dividend up 27.1% to 56.2 cps	✓	✓
• Normal EPS up 24.8% to 62.4 cents	✓	✓
• Normal revenue up 8.2% to \$148.8 million	✓	✓
• Normal expenses down 6.9% to \$66.2 million	✓	✗
• Capital expenditure within target at \$4.5 million	✓	✓
• Adjacent businesses	✓	✗
• Capital return - \$50 million	✓	✓

All amounts rounded to \$m  
Comparisons between Dec05 and Dec04 periods

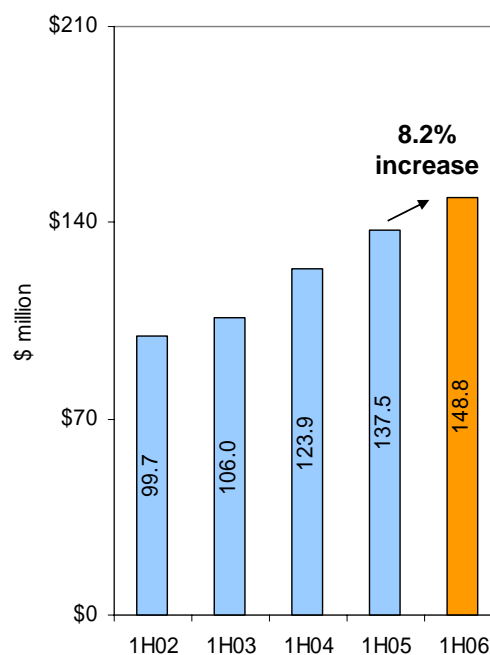


## Net Profit After Tax and Revenues

### Normal Net Profit After Tax



### Normal Revenue

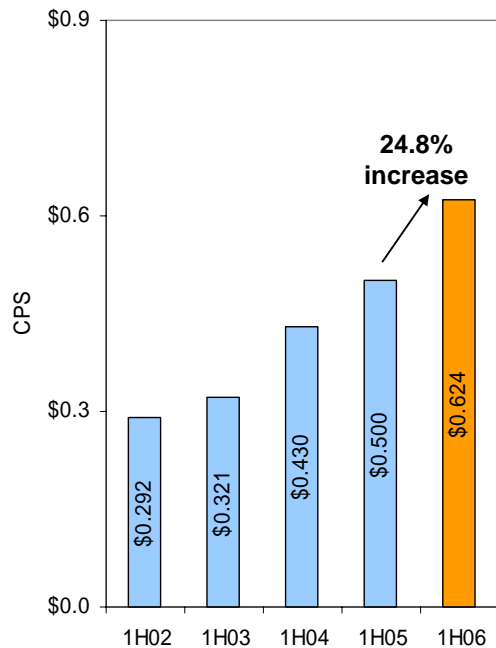


All amounts rounded to \$m

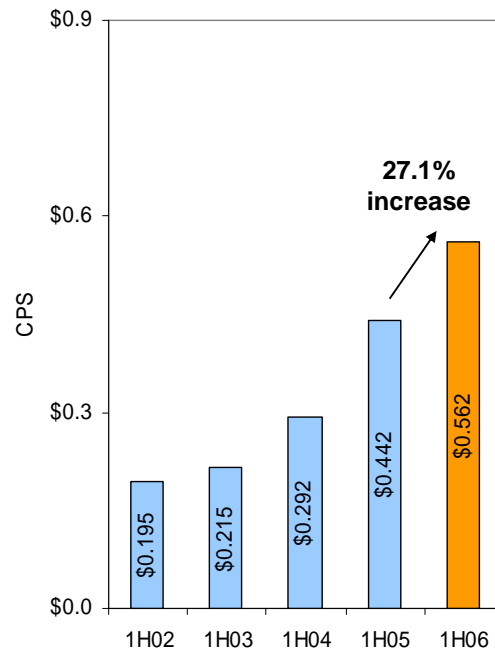


# Financial Performance

## Earnings Per Share



## Dividend Per Share



Expressed in cents per share



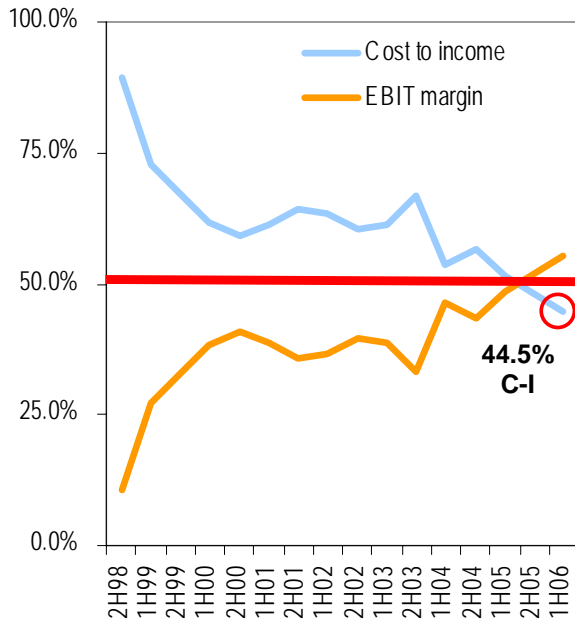
# Capital Management

- Capital above operational and investment needs will be returned to shareholders
- Dividend policy – 90% of normal net profit after tax, fully franked
- \$50 million capital reduction or on-market share-buy back
  - Surplus capital
  - Limited franking credits
- Ongoing assessment of capital position

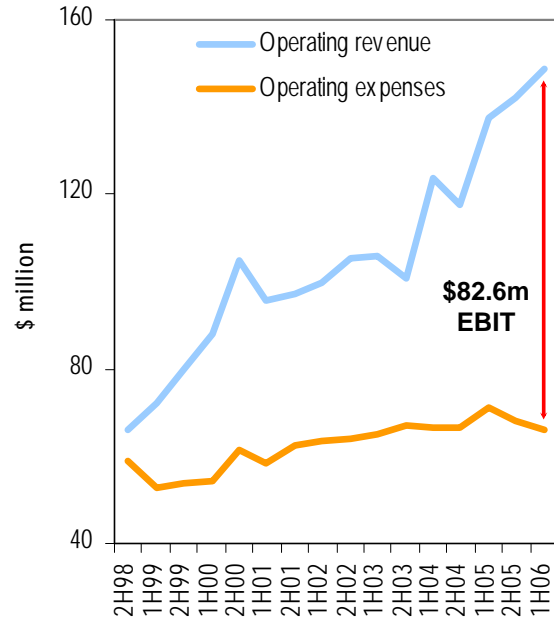


# Expense Management

## Cost to Income Margin



## Operating Leverage



Charts include ASX FundConnect write off in 2H03



# Business Highlights

- Completion of reviews
  - Profit and Loss Drivers
  - Adjacent Business
  - Pricing
  - Supervision
- Integrated Trading System (ITS)
- Record market activity



# Operational Highlights

	1H06	1H05	Change
<b>SEATS Trades</b>	13.6 million (ave 105.3K)	10.4 million (ave 79.9K)	+31%
<b>Options Contracts</b>	11.4 million (ave 88.2K)	10.7 million (ave 82.6K)	+7%
<b>New Listings</b>	129 (total 1,873)	118 (total 1,709)	+9%
<b>Domestic Market Capitalisation</b>	AU\$1,110B	AU\$990B	+12%
<b>S&amp;P/ASX 200</b>	4763.4	4050.6	+18%

**With 99.9%+ systems up-time**

Comparisons between Dec05 and Dec04 periods  
SEATS includes equities, warrants and interest security; Listings included stapled entities



# Supervision Highlights

- Supervision Review
  - New supervision company with Chief Supervision Officer
  - Insider Trading Unit
  - Regulatory Policy Unit
- Performance
  - Processed 53,249 company announcements of which 22% were price sensitive
  - Applied 328 trading halts and 134 suspensions
  - Notified ASIC of 48 matters
  - Reviewed 343 annual reports for disclosure of corporate governance practices
  - Charged participants with 29 contraventions of ASX Rules



# Financial Result

John Hayes

Chief Financial Officer and  
Group Executive Shared Services

## Financial Performance

	6 mths to Dec 2005	6 mths to Dec 2004	vs. pcg
Normal Revenue	148.8	137.5	8.2%
Normal Expenses	66.2	71.1	-6.9%
<b>Normal EBIT</b>	<b>82.6</b>	66.4	24.4%
<b>Normal Profit After Tax</b>	<b>64.1</b>	51.4	24.7%
Significant Items after tax	6.9	0.0	n/a
<b>Net Profit After Tax</b>	<b>71.1</b>	51.4	38.3%

All amounts rounded to \$m  
Comparisons between Dec05 and Dec04 periods



## Financial Performance – Revenue

	6 mths to Dec 2005	6 mths to Dec 2004	vs. pcp	5 year CAGR
Listings	38.3	34.9	9.7%	17.8%
Equities	62.4	58.8	6.1%	6.7%
Derivatives	23.5	20.9	12.4%	5.2%
Market Data	17.3	15.7	10.2%	3.1%
Other	7.3	7.1	2.8%	10.4%
<b>Total Normal Revenue</b>	<b>148.8</b>	<b>137.5</b>	<b>8.2%</b>	<b>8.4%</b>
APRL Sale	9.8	0.0	n/a	n/a
<b>Total Revenue</b>	<b>158.6</b>	<b>137.5</b>	<b>15.4%</b>	<b>9.7%</b>

All amounts rounded to \$m  
Comparisons between Dec05 and Dec04 periods



## Financial Performance – Expenses

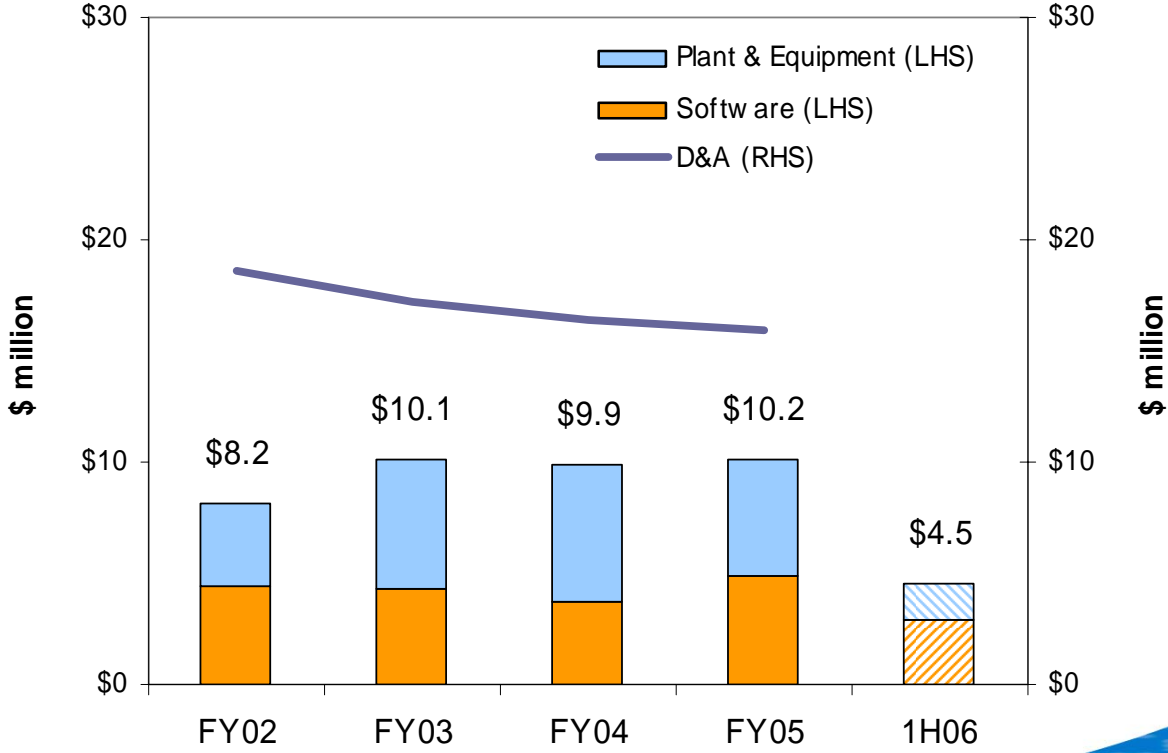
	6 mths to Dec 2005	6 mths to Dec 2004	vs. pcp
Staff	34.1	36.2	-5.8%
Occupancy	10.5	10.9	-3.7%
Equipment	10.7	14.0	-23.6%
Administration	11.0	10.0	10.0%
<b>Total Normal Expenses</b>	<b>66.2</b>	<b>71.1</b>	<b>-6.9%</b>
Restructure Costs	1.4	0	n/a
<b>Total Expenses</b>	<b>67.6</b>	<b>71.1</b>	<b>-4.9%</b>

All amounts rounded to \$m  
Comparisons between Dec05 and Dec04 periods





# Capital Expenditure



# Outlook and Summary

Tony D'Aloisio

Chief Executive Officer and Managing Director

# Outlook

- Focus on core business
  - Equities/DMA
  - Options
  - Listings
- Focus on execution
  - Profit and Loss Drivers
  - Pricing
  - Supervision
- Focus on projects
  - Integrated Trading System (CLICK XT)

## Questions

# Supplementary Information Slides

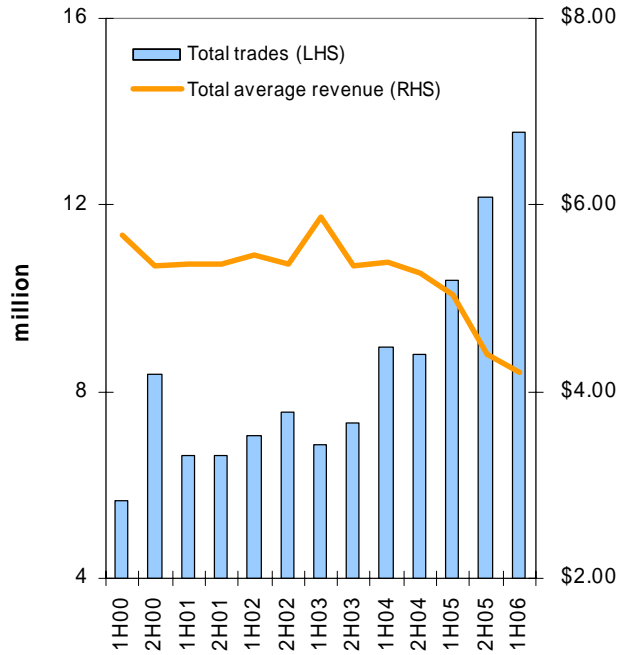
## Important AIFRS Note

ASX's accounts for 6 months to 31 December 2005 were determined based on International Financial Reporting Standards as adopted in Australia (AIFRS). This is the first period for which ASX has applied AIFRS. ASX's accounts were previously prepared based on Australian Generally Accepted Accounting Principles (AGAAP).

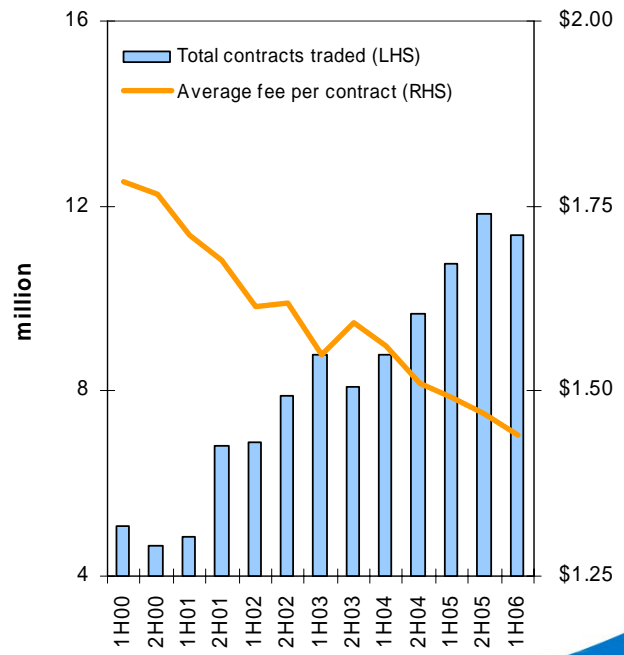
It is important to note that comparisons to previous corresponding periods are relative to prior year accounts restated to AIFRS. Caution should be applied when comparing results presented under AIFRS against results presented under AGAAP.

# Market Volumes and Average Fees

## Equities



## Options

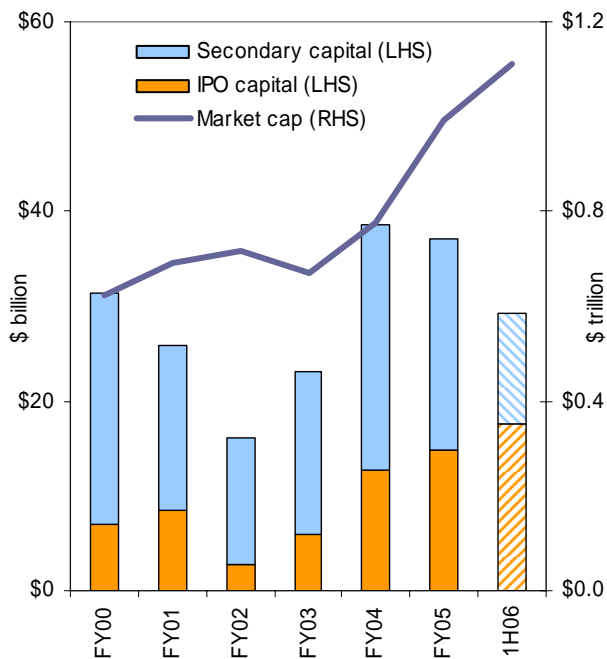


Equities includes equities, warrants and interest security trades

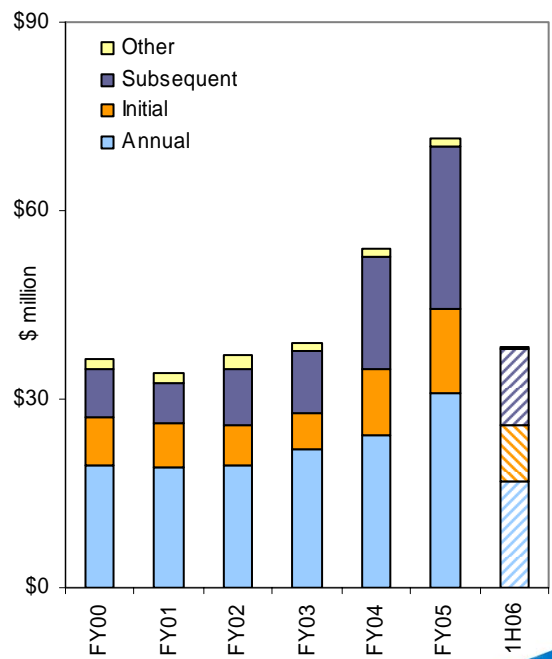


# Listings Business

## Market Capital Raised



## Listings Revenue



# ASX Financial Results

Six months to 31 December 2005

