



MEDIA RELEASE

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ASX launches intra-day Corporate Action service

Corporate Action data to be delivered via SWIFTNet in ISO 15022 format

Recent years have seen a strong growth in the number and complexity of corporate actions, such as rights issues, bonus issues, dividends and other payments. This has placed increasing levels of pressure upon asset administrators and managers, with many relying on manual, time-consuming processes. As a result, the costs and risks that are borne by these parties are higher than ever.

In response to these challenges, Australian Stock Exchange (ASX) joined with leading Australian asset custodians and SWIFT, the global financial messaging cooperative, to work towards improving the automation of the corporate action processing cycle. The first deliverable from this industry partnership is the launch on 3 July 2006 of an intra-day corporate action service via SWIFTNet in the ISO 15022 format. It will comprise four daily distribution runs, disseminating both new corporate action announcements and updates to existing announcements. This SWIFT corporate action service forms part of the new range of reference data and corporate action services, ReferencePoint™, that was recently launched by ASX.

The foundation partners of this industry group have played a key role in developing the specification for this service. The foundation partners are ANZ Custodian Services, Citigroup Global Securities Services, HSBC Securities Services, NAB Custodian Services, and Westpac Custodian Nominees.

Mr Colin Scully, ASX Deputy CEO and Group Executive, Markets said: "ASX is pleased to introduce this new service. It reflects the benefits of engaging with leading international organisations and industry partners such as SWIFT and the custodians to provide industry leadership and deliver innovative new services to meet industry challenges."

"This initiative by ASX is the culmination of wide industry consultation by SWIFT and ASX. All along, the custodian and investment management community has cited corporate action processing as the most inefficient and highest risk part of their business. By receiving a standardised SWIFT message from ASX as a central and authoritative hub, it will significantly improve the accuracy and timeliness of investment portfolio valuations and will therefore deliver widespread benefits to both investment administrators and their end investor clients", said Adam Wilson, Securities Commercial Manager, SWIFT Services Australia.

“Corporate actions and the initial market announcement process has long been acknowledged as an area of risk and inefficiency by the Australian market, so this is a great improvement”, said Peter Snodgrass, HSBC Head of Securities Services. “The ASX/ SWIFT project clearly demonstrates the ability of an industry group to agree, commit and cooperate towards achieving positive market infrastructure change. This will not only assist in achieving greater levels of STP across the sector but also will add significant benefit to all our clients through enhanced delivery of accurate, timely and complete corporate event notifications.”

“In addition to improved STP and reducing operational risks in corporate actions, this global best practice initiative enables custodians to focus more on value-added corporate actions information and analysis services to clients,” commented Mandy Rashleigh, Head of ANZ Custodian Services. “Particularly offshore clients where the Australian market is seen as a relatively sophisticated market for corporate action announcements. Over the past few years, announcements have become more complex with a large range of options to understand coupled with a range of tax treatments. Automation of the basic announcements enables custodians to focus on research and analysis services to clients.”

Westpac's Head of Custody, Barry Dench, remarked: “Westpac has been a long-term supporter of industry changes necessary to improve the quality, timeliness and standardisation of the corporate action information available to custodians and our specific client base. We eagerly anticipate the potential straight-through-processing benefits of this service and are proud to be involved in this ground-breaking initiative being delivered by ASX.”

“NAB Custodian Services has been a partner of ASX and SWIFT in the ASX Corporate Actions automation project since inception and we are proud to have the opportunity to continue as active participants and supporters of this initiative” said Peter Kempster: General Manager of NAB Custodian Services. “NAB is committed to investing in the technology and people necessary to continually upgrade services to our customers and this is another example of that commitment.”

About ASX Ltd

Australian Stock Exchange Ltd operates Australia's primary market for equities, derivatives and interest rate securities using the best high-technology systems for trading, clearing and settlement. In October 1998, ASX became the first stock exchange in the world to simultaneously demutualise and list on its self. As a public company, it has a current market capitalisation of approximately A\$3.3 billion.

The Australian equities market is rated 8th on the Morgan Stanley Capital International global index (MSCI®) and has a market capitalisation of approximately A\$1.2 trillion. By promoting integrity, transparency and liquidity, ASX helps create a strong, confident and efficient capital market.

About ReferencePoint™

ReferencePoint™ is the new reference data and corporate action service that was recently launched by ASX. It includes a number of modules that can be combined to suit a customer's specific requirements.

The *Corporate Actions* module gives access to an enhanced and wide range of corporate actions, notably all dividend information. The *Master List* contains full reference details on issuers and securities traded on ASX. *Market Watch* has 4 discrete sub-products: Daily Official List providing end of day market snapshots, Course of Sales for daily trading information, Derivatix containing static option data and the Short Sell Summary.

About SWIFT

SWIFT is the industry-owned co-operative supplying secure, standardised messaging services and interface software to over 7,800 financial institutions in more than 200 countries. The SWIFT community includes banks, broker/dealers and investment managers, as well as their market infrastructures in payments, securities, treasury and trade.

Over the past ten years, SWIFT message prices have been reduced over 70%, and system availability approaches 5x9 reliability – 99.999% of uptime.

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