



ASX

AUSTRALIAN SECURITIES EXCHANGE

MEDIA RELEASE

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ASX Limited Results for the Full-Year Ending 30 June 2007

Summary vs prior corresponding period

Based on ASX's pro-forma income statement*

- Normal net profit after tax of \$313.1 million, up 45.6%
- Operating revenue (excluding interest and dividends) of \$552.7 million, up 22.7%
- Cash operating expenses (excluding depreciation and amortisation) of \$138.8 million, down 17.8%
- Normal earnings per share of 187.7 cents, up 40.7%
- Final dividend of 91.5 cents per share fully franked, up 43.2%
- Total significant items before tax of \$32.9 million, mainly representing ASX/SFE merger restructure costs

*Although the ASX/SFE merger was effected on 11 July 2006, the pro-forma income statement is for the full 12 month period to 30 June 2007. It also reflects performance as if ASX and SFE were combined during the prior corresponding period (FY06).

ASX Announces Strong Operating and Financial Performance for FY07

ASX Limited (ASX) today announced its first full-year result since the merger of the former Australian Stock Exchange and SFE Corporation. For the year ending 30 June 2007 (FY07), normal net profit after tax of \$313.1 million was achieved, a 45.6% increase on the \$215.0 million (pro-forma result) for the prior corresponding period to 30 June 2006 (FY06).

Normal net profit was achieved on operating revenue of \$552.7 million, 22.7% higher than the \$450.4 million in revenue achieved in FY06, and a cash operating expense base of \$138.8 million, 17.8% lower than cash operating expenses in FY06.

A final dividend of 91.5 cents per share fully franked has been declared, up 43.2% on the FY06 final dividend of 63.9 cents per share. This maintains the ASX policy of paying 90% of normal net profit after tax as fully franked dividends to shareholders.

Total fully franked dividends declared in FY07 are 163.8 cents per share (120.1 cents per share in FY06). ASX also returned 58.5 cents per share (\$100 million) by way of a capital reduction in October 2006, satisfying a commitment made at the time of the announcement of the merger. Total returns to shareholders (dividends declared plus the capital return) for FY07 amount to 222.3 cents per share.

Robert Elstone, Managing Director and CEO, said:

"FY07 has been a year of satisfying achievement for the Australian Securities Exchange. The strong operating and financial performance was driven by the combination of a vibrant year for new listings and secondary capital raisings, and by healthy trading activity levels in the cash equities markets and the exchange-traded markets for interest rate and electricity derivatives.

Global equity market volatility and shifts in interest rate sentiment in Australia, particularly in the second half of FY07, triggered record trading levels in the cash equities market as well as in the equity index and interest rate futures markets. Water shortages for power generation and the growing demand and supply imbalance in electricity capacity contributed to significant rises in trading volumes and forward prices in the electricity futures markets.

Cost reductions, including savings realised by the ASX/SFE merger, have also contributed to the uplift in FY07 earnings, at the same time as being shared with qualifying market participants via transaction fee rebates. The cost base for the consolidated ASX group 12 months since the merger is a modest 15% above the pre-merger cash cost base of the stand-alone ASX in FY06.

Equally importantly, ASX's operational performance, in terms of core systems availabilities and levels of market supervision activity, continued to match global best practice throughout the year. The robustness, reliability and capacity of our systems and the dedication of our people, especially during the recent periods of heightened trading, M&A and private equity activity, contribute significantly to the efficiency and overall performance of Australia's financial economy, which, in turn, is an engine of growth for the services sector of the real economy."

Further ASX highlights for FY07:

- **Listings** revenue (21% of total revenue) was \$117.6 million, up 38.6%. There were 284 new listings compared to 227 for FY06, with a total of \$77.9 billion of new and secondary capital raised, up 51.5%.
- **Cash market** revenue (30% of total revenue) was \$164.0 million, up 31.5%. Cash market revenue includes revenue from the trading, clearing and settlement of equities, warrants and interest rate securities.
 - Cash market revenue was earned on a record 48.9 million trades, equating to an average 194,198 trades per day (up 55.3% on the daily average 125,047 trades in FY06), and a record \$1.3 trillion of turnover, equating to an average of \$5.3 billion per day (up 35.9% on the daily average \$3.9 billion in FY06).
- **Derivatives** revenue (28% of total revenue) was \$154.7 million, up 11.7%. Derivatives revenue includes revenue from both the SFE and ASX derivative markets.
 - There were 86.7 million SFE derivative contracts traded (up 19.8% on 72.4 million trades in FY06), equating to an average 340,168 contracts per day (282,929 in FY06), resulting in revenue of \$120.3 million (\$105.2 million in FY06).
 - There were 23.3 million ASX derivative contracts traded, equating to an average 92,293 per day (up 0.5% on the daily average 91,817 trades in FY06), resulting in revenue of \$34.4 million (\$33.3 million in FY06).
- **Information services** revenue (11% of total revenue) was \$61.4 million, up 37.0%.

Complete full-year result materials will be available from the ASX Media Centre (www.asx.com.au/media) and the ASX Shareholder Centre (www.asx.com.au/shareholder).

ASX's FY07 Annual Report will also be available from today: <http://www.asx.com.au/about/shareholder/publications.htm>

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