



ASX Limited
ABN 98 008 624 691
and its controlled entities

HALF-YEAR FINANCIAL STATEMENTS

31 DECEMBER 2009

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**Consolidated pro-forma income statement for the
half-year ended 31 December 2009**

	DEC 09 \$'000 (1H10)	JUN 09 \$'000 (2H09)	DEC 08 \$'000 (1H09)	JUN 08 \$'000 (2H08)
REVENUE				
Listings	65,264	48,172	55,908	53,646
Cash market	94,334	73,779	89,263	92,544
Derivatives	71,927	63,625	70,149	83,761
Information services	35,303	34,051	36,974	34,677
Technology infrastructure	14,676	14,247	14,378	14,459
Austraclear services	14,806	12,924	11,754	10,855
Other revenue	6,448	5,323	7,878	10,091
Operating revenue	302,758	252,121	286,304	300,033
EXPENSES				
Staff	39,610	40,097	41,646	39,898
Occupancy	6,661	6,239	6,520	5,975
Equipment	11,320	11,690	11,006	11,588
Administration	7,626	7,798	8,245	8,554
Variable	2,936	2,299	2,718	2,428
Cash operating expenses	68,153	68,123	70,135	68,443
EBITDA	234,605	183,998	216,169	231,590
Depreciation and amortisation	9,207	7,850	7,192	8,629
EBIT	225,398	176,148	208,977	222,961
Net interest income	5,880	5,741	13,966	13,247
Net interest on participant balances	8,272	13,883	18,956	12,557
Dividend revenue	3,087	4,513	2,514	3,352
Interest and dividend income	17,239	24,137	35,436	29,156
Normal net profit before income tax	242,637	200,285	244,413	252,117
Income tax expense	(72,029)	(58,594)	(72,494)	(73,545)
Normal net profit after income tax	170,608	141,691	171,919	178,572
Less significant items after tax	(2,565)	-	-	-
Statutory net profit after tax as reported	168,043	141,691	171,919	178,572

MANAGING DIRECTOR AND CEO'S REPORT

INTRODUCTION

The Australian Securities Exchange (ASX) group performed well during the first half of FY10. Whilst normal net profit after tax of \$170.6 million was down a modest 1 percent over the prior comparable period (pcp), cash earnings (EBITDA) were up 8.5 percent. Lower interest income derived from lower average interest rates applying to the group's cash-backed capital and reduced net interest spreads on lower levels of cash collateral held by the group's central counterparty (CCP) subsidiaries, broadly explain the overall modest reduction in net profit. The first half of FY09 included abnormally high net interest income associated with the extremely volatile market conditions of just over a year ago.

The interim, fully franked dividend for FY10 of 89.1 cents per share is slightly below the prior comparable interim dividend for FY09 of 90.4 cents per share, but higher than the final dividend for FY09 (74.5 cents per share) paid in September of last year. Shareholders can elect to participate in the dividend reinvestment plan for the interim dividend.

A 5.7 percent increase in operating revenues for the first half of FY10 (relative to the pcp) was attributable to all four activity streams: capital raisings, secondary market trade execution, derivatives markets (for stock option, index, interest rate and commodity futures) and over-the-counter (OTC) market services. Cash operating expenses were 2.8 percent lower than the pcp, while non-cash (depreciation and amortisation) charges increased in response to a number of business, technology and supervisory project deliveries just prior to and during the first half of FY10.

A detailed explanation of revenue and expense line items, including guidance on some non-recurring costs likely to be incurred in FY10, as well as balance sheet movements and the group's capital position, is provided in the CFO's report accompanying this commentary.

DISCUSSION AND ANALYSIS

Notwithstanding the spectre of sovereign debt default risk triggered late in the half by Dubai World's requested moratorium and the downgrading of Greece's debt rating, the first half of FY10 saw a rebound in financial market confidence, generally lower volatility and signs of modest risk appetite returning to financial intermediaries and the wider investment community. Australia's real economy appeared to weather the storm of the global financial crisis better than most of its peer economies, due in no small part to the Federal Government's fiscal initiatives and the Reserve Bank's conduct of monetary policy. It was also underpinned by a regulatory regime and financial economy which responded well to extreme global turbulence for a sustained period.

Primary market (capital raising) activity rebounded in the second quarter of FY10. Initial public offering (IPO) sentiment took advantage of a 50 percent increase in the value of the S&P/ASX 200 index between its March 2009 low of 3,145 points and its end of September 2009 value of 4,743 points, with renewed interest in resource listings, particularly from Western Australia. Secondary capital raising activity maintained its

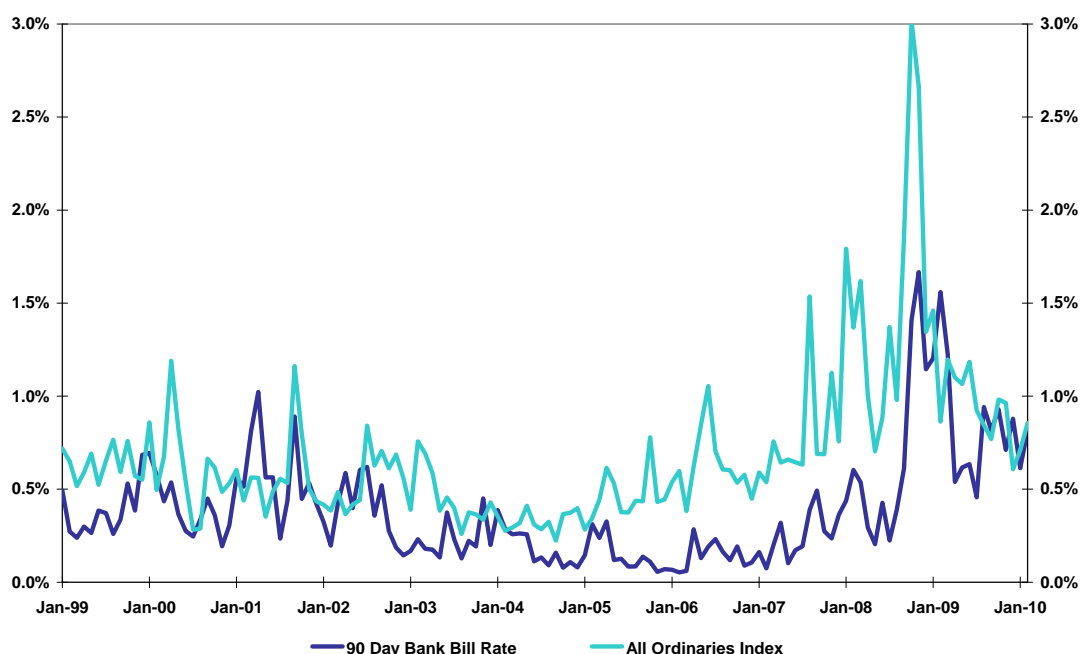
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FY09 momentum with a menu of placements, rights issues, dividend reinvestment and share purchase plans utilised, firmly supported by both institutional and retail investors. The total number of entities listed on ASX at the end of December 2009 (2,181) was only 2 percent down on the number (2,223) at the end of the previous year. This is despite the delisting of 103 entities during calendar 2009, attributable to business conditions, corporate actions and, in some cases, listing requirement compliance failures.

Trade execution activity levels in both secondary and derivative markets began to recover from their second and third quarter of FY09 lows, improving liquidity, market depth and bid/offer spreads. Volatility returned to more historically normal levels in both equity and fixed income markets, but this did not give rise to any noticeable expansion of 'open positions' in either equity or fixed income derivative markets. This was in keeping with generally tight credit market conditions, lower risk limits and more constrained proprietary trading activity levels.

Derivative market expiry processes in both single stock option and futures markets were orderly throughout the half. Late in the half a strengthening in interest rate futures volumes was observable, mirrored in overnight trading sessions, particularly in cash rate and 3 year treasury bond futures contracts. This was consistent with a number of official cash rate increases, a strong Australian dollar and widening interest rate differentials with other key currencies during the half.

Australian Equity and Interest Rate Market Volatility
Average absolute daily percentage change in the month



While broadly mirroring trade execution fundamentals, clearing activity levels were of lower order intensity than for the pcp. Average daily risk margin collateral held in cash and fixed interest securities by ASX's CCP subsidiaries was \$2.9 billion during the half, substantially lower than the prior period average of \$5.1 billion. Intraday and concentrated position margining activity during the half was much reduced by

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comparison with the fourth quarter of calendar 2008, in the aftermath of the collapse of Lehman Brothers in that year.

This was reflective of generally lower volatility and risk positions; with the exception of price volatility and risk transfer activity in the electricity market, which was impacted by spring temperature extremes and longer term price uncertainty associated with the attempted (and failed) passage of carbon reform legislation through the Federal parliament late in the half.

Activity in the equities settlement system (CHES) during the half reflected holdings levels that broadly matched the pcp, including increased retail investor participation and ongoing improvement in already global best practice settlement delivery 'fail' rates across the t+3 settlement cycle. Late in the half an upgrade to CHES enabled the introduction of real-time tagging and aggregated publishing of all securities loan-related transactions submitted to CHES. The daily publication by ASX of outstanding securities lending positions in ASX-listed securities improves transparency and strengthens the robustness of the daily settlement process.

Fixed income settlement system (Austraclear) holdings rose from \$1.07 trillion at the end of December 2008 to \$1.11 trillion at the end of December 2009. By comparison with the first half of FY09, the mix of instruments held within the depository changed significantly. Short-dated issuance of discount securities made way for term issuance of medium and longer term private debt securities, as well as for an uplift in issuance of Commonwealth Government Securities (CGS) orchestrated by the Australian Office of Financial Management.

Operational performance throughout the first half of FY10 was strong. Timeliness of both equities and fixed income settlements was at the upper quartile of international benchmark standards. Service availability levels across all of the group's trading, clearing and settlement technology platforms were at, or very close to, 100 percent. Capacity headroom for each of those platforms remained well within foreseeable growth in transaction volumes. The company announcements platform processed a single day record of 1,407 lodgements on 30 October 2009.

During the half ASIC and, separately, RBA issued compliance assessments in favour of ASX's satisfaction of its licence obligations and conformance with Financial Stability Standards. At the end of September 2009, ASX released for the first time a Group Activities Report for FY09 that highlighted its supervisory, operational and technology activities during that prior year, designed to complement the more shareholder focussed Annual Report released a month earlier. ASX is well advanced in implementing 'agreed actions' and completing areas of review emerging from its most recent ASIC compliance assessment. One of those areas included the publication in early February 2010 of a comprehensive review of the state of play of algorithmic trading in Australia and the implications of future trends.

In conducting that review, ASX benefited from examining the experiences of other jurisdictions, including the difficulty regulators in North America and Europe have had in keeping up with competition for market services reforms of recent years. The task of undertaking effective whole-of-market oversight in environments where poorly scrutinised OTC 'dark pools' flourish alongside high frequency trading, coinciding with

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an increasing number of trade execution venues, has been particularly challenging. The combination of these has tended to overwhelm regulators offshore, producing exponential growth in order-to-trade ratios and clouding the compilation of accurate, real-time whole-of-market order books and post-trade audit trails - aspects of the Australian market that are currently taken for granted.

The US Securities and Exchange Commission's (SEC) January 2010 concept release on US equity market structure highlights the rapid evolution of market structure in recent years, and hints at possible regulatory responses to reverse the detrimental impact of certain elements of those reforms on market fairness and efficiency, particularly for institutional and retail investors.

ASX's markets supervision subsidiary, ASXMS, continued to release quarterly activity reports and published its first annual report in October 2009, which provided further transparency and insights into its workings and referral activity to ASIC. In the first half of FY10 ASX provided assistance to enable the transfer of participant supervisory responsibilities for real-time market surveillance, investigations and enforcement (of participants) to ASIC later in 2010, as signalled by the Government in its 24 August 2009 announcement.

Since ASX will retain oversight of trading participant admissions and the operational aspects of trading, for clearing and settlement participants, as well as supervision of listed entities' compliance with listing rules, a preliminary estimate is that ASXMS headcount (currently 106) may reduce by between 10 to 20 percent after the transfer to ASIC, dependant upon transitional arrangements. Precise guidance will be provided at the end of FY10, when those transfer arrangements are due to complete and there is greater clarity about the evolution of the regulatory framework.

The first half of FY10 was particularly busy from a policy and market structure development perspective. ASX's regulatory policy unit was involved in several new initiatives that rely on a combination of ASX listing rule amendments and recommendations adopted by the ASX Corporate Governance Council to continue to raise Australian corporate governance standards. This is consistent with a view that cooperation between ASX and the widely representative (21) member organisations that comprise the Council, often produces better targeted, principle-based governance outcomes than is sometimes achievable through prescriptive legislation.

Examples of this during the first half of FY10 included:

- corporate policies around periods when directors of listed companies are precluded from dealing in their own shares ('blackout periods') – a subject on which ASX released draft listing rule amendments for public comment in December 2009;
- the composition and conduct of remuneration committees of boards – a subject on which both ASX and the ASX Corporate Governance Council made consistent recommendations to the Productivity Commission review into Executive Remuneration in Australia; and
- gender diversity – a subject on which the ASX Corporate Governance Council took a lead with its proposal, announced in December 2009, to improve gender diversity

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outcomes via reporting requirements under the Council's Principles and Recommendations.

The regulatory policy unit authored submissions into two ASIC consultations during the half relating to *Exempt Professional Financial Markets* and, separately, *Operations of Clearing and Settlement (a Regulatory Guide)*. The same unit provided input into the exposure draft and consultation paper released by the Minister for Financial Services, Superannuation and Corporate Law in early December 2009, relating to the Minister's earlier announcement of changes to supervision of trading activity on Australia's financial markets.

At the end of October 2009 ASX released a market consultation paper to equity market clearing participants covering enhancements to the risk controls of its equity market CCP subsidiary (ACH). This focused on the potential introduction of routine margining of cash equities, following an earlier announced raising of core minimum capital requirements for ACH clearing participants. In mid December ASX released a market consultation paper to futures market clearing participants aimed at improving the integrity of open interest reporting.

Also in mid December 2009, ASX published a description of a new service being developed by ASX's equity market clearing and settlement subsidiaries. The initiative will entail the provision of a trade acceptance service for eligible ASX-listed securities transacted by third party approved market operators. This was followed by the publication in late January 2010 of a draft of the technical and operational standards for the provision of the service, and the technical specifications for the development work already underway.

Subject to the required regulatory clearance and state of participant, technology, and operational readiness, the trade acceptance service will be available during the third calendar quarter of 2010 for approved market operators. This will be in accordance with the Government's announced timetable for its consideration of licensing arrangements for such operators, and ASIC's meeting of its widened supervisory responsibilities. Clearing participant readiness, in terms of both understanding and addressing of the operational risk implications of a more complex market structure, are also relevant considerations for regulators in the context of systemic risk.

In late January 2010 ASX published a review of capital raising in the public market in Australia during the period of the global financial crisis. Part of the review referenced the SEC's comments at the time of its concept release on US equity market structure; namely, that policy focus on market structure should be driven by how it serves long-term investors and companies that need to raise capital to invest in the real economy. Liquidity fragmentation in a market of Australia's modest scale, in the pursuit of competition for market services, needs to be reconcilable with that policy focus, particularly from the point of view of the degree of complexity fragmentation introduces for whole-of-market surveillance of market manipulation and insider trading risks.

The policy challenge for Government is not, as some commentators portray, whether it should or should not licence alternative market operators. The challenge is whether the prerequisite regulatory framework (with appropriate checks and balances) and adequate whole-of-market surveillance infrastructure are in place to ensure that the interests of

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issuers of capital and long-term and retail investors are not compromised to the primary benefit of the high frequency trading community. The challenge includes ensuring that the costs associated with those prerequisites do not exceed the benefits.

An independent review process would best meet that challenge to guarantee the optimal public policy outcome. It should also take into consideration the learnings from the recent global financial crisis relating to the robustness of capital raising activity in Australia during the crisis, and the applicability (to the Australian environment) of the SEC's concerns for traditional institutional and retail investors, which have triggered the market structure review in the US.

OUTLOOK

As foreshadowed in my address to shareholders at the Annual General Meeting last September, during the second quarter of FY10 cash (EBITDA) earnings resumed a growth trajectory. This was broadly attributable to:

- stronger foreign inflows of capital attracted to widening interest differentials, and upbeat commentary for Australia and China's economic fortunes as global growth slowly recovers;
- listings activities recovering somewhat in an economy experiencing stronger growth than anticipated during the second half of FY09;
- cash market trade execution values rising on signs of renewed confidence from investors, ongoing corporate actions, and an absence of the regulatory interventions which adversely impacted market liquidity in the prior period;
- derivative markets echoing that renewed cash market confidence in the wake of lower volatility and improved underlying (exchange-traded and OTC) market liquidity; and
- fixed income markets generally being more buoyant as credit spreads in money markets normalised, usage of government guarantees on bank borrowings receded and longer dated bond issuance resumed.

Early 2010 activity levels point to full-year cash earnings growth translating into full-year net profit growth (ie sufficient cash earnings growth to offset lower FY10 net interest income), as long as global 'headwinds' don't dampen the recovery strength of the domestic economy or trigger a second round of aftershocks in the global banking system.

The group's capital position is being further reinforced by the combination of the recently introduced dividend reinvestment plan at an ASX Limited level (which was well supported by shareholders when it was introduced last September) and financing activity conducted by ASX Clearing Corporation (ASXCC) just prior to the end of the half.

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ASXCC refinanced a combination of an existing ACH term loan and contingent (insurance) capital (available to SFE Clearing Corporation) with fully drawn, non-recourse term funding dedicated to boosting both the liquidity and quality of the fixed capital financial resources available to each of the CCPs' clearing guarantee fund arrangements.

Against this backdrop of recovering externalities and an improving financial position, ASX has committed to a range of new initiatives to broaden its trade execution service offering in the equity (and futures) market.

These include:

- implementation of a next generation, low latency trading platform, ASX Trade, in the second quarter of FY11. ASX Trade will be based upon the Genium platform developed by Nasdaq OMX but will retain all of the core functionality of the current equities trading platform, as well as similar infrastructure and access arrangements (thereby minimising demand on participant technology resources and reducing the potential for participant connectivity disruption during the transition from the current to the next generation platform);
- in addition to providing a full functionality trade execution offering for all ASX-quoted securities (TradeMatch) and, prospectively, an offering designed to meet demand for large order matching (VolumeMatch), ASX will extend its trade execution service offering to include an adjacent ultra-low latency execution capability (PureMatch) for top 200 ASX-listed securities, aimed at servicing higher frequency trading activity;
- the initiation of an ASX smart order routing service, ASX BEST¹, enabling ASX participants to route orders to ASX for execution within the expanded ASX trade execution offering or, potentially, to other market operators in the future. ASX BEST will allow ASX participants to minimise compliance and technology cost increases within a multi-execution (or multi-market operator) environment; and
- expansion of the existing co-location service offering (in the second half of FY11) to the new ASX Trade execution environment, as well as, subsequently, for that service to extend to the upgrade to ASX's futures trading platform, ASX Trade 24, which is scheduled for implementation late in 2010.

These initiatives broaden the range, and seek to lower the direct and indirect costs, of ASX trade execution services. They are designed to provide tailored service offerings to users with diverse trade execution needs.

Progress has already been made on some relatively minor but important aspects of ASX's equity market microstructure. These include removal of the 10 second delay for on-market crossings as well as an expansion of portfolio crossing rules to accommodate Australian equities held in international portfolios. In addition, market data latency will be significantly reduced to match current performance on order entry latency achievable from co-located technology services.

¹ ASX Best Execution Services and Technology

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The best current estimate of capital expenditure in FY11, as a consequence of platform upgrade and other project commitments, is in the \$25-\$30 million guidance range applicable to the current (FY10) year. Cash operating expenditure will remain under tight control during FY11, despite a heavy project workload and ongoing investment in our human resources.

Based on a healthy enquiry pipeline for IPO activity, little prospect of abatement in secondary capital raising activity, a strengthening of futures market transaction volumes and monetary policy settings anticipating a recovery in economic growth in Australia, ASX is optimistic about the outlook for its business growth prospects for the balance of FY10.

Whilst the outlook for FY11 is subject to a degree of uncertainty - about public policy outcomes for equity market microstructure in Australia, tax changes emerging from the Henry Review, and the broader consequences for financial services of regulatory reforms impacting the global banking sector over the next year or so - ASX's contribution to the smooth workings of the Australian financial system is much less uncertain.

Global equity, bond and currency markets are likely to remain challenged by the balancing act between recovering global growth and fully digesting the cost of the global financial crisis, which has translated into fragile public finance positions in the US, UK and much of the euro zone. Australia is not immune from 'second round' contagion effects of the crisis, or from having its own significant policy challenges as successive intergenerational reports have highlighted. However, we are very well placed to learn from the experiences of other jurisdictions and to avoid policy adoption purely for alignment reasons, without regard for local conditions or considerations.

Given the group's long-term commitment to a transparent disclosure and information dissemination regime, efficient market operation based on reliable technology infrastructure, robust risk management processes, and a wide ranging product and service offering, I look forward to a strong supervisory, operational and financial performance for the balance of FY10 and beyond from ASX. I also look forward to providing a further update to shareholders in the Annual Report to be released in August 2010.

Robert G Elstone
Managing Director and CEO

Sydney, 18th February 2010

CHIEF FINANCIAL OFFICER'S REPORT

The consolidated pro-forma income statement on page 3 sets out the results for the ASX group for the past four half-year periods. The pro-forma income statement is not audited, but is based upon underlying externally reviewed accounts. Certain revenues and expenses have been reclassified in the pro-forma income statement and a reconciliation is provided to reported statutory net profit after tax. There were no significant changes in the group's accounting policies during 1H10.

The following commentary is based on the pro-forma income statement and, unless otherwise stated, analysis of the half-year ending 31 December 2009 (1H10) is based on a comparison to the prior comparable period (pcp), being the half-year ended 31 December 2008 (1H09).

1H10 Results Highlights

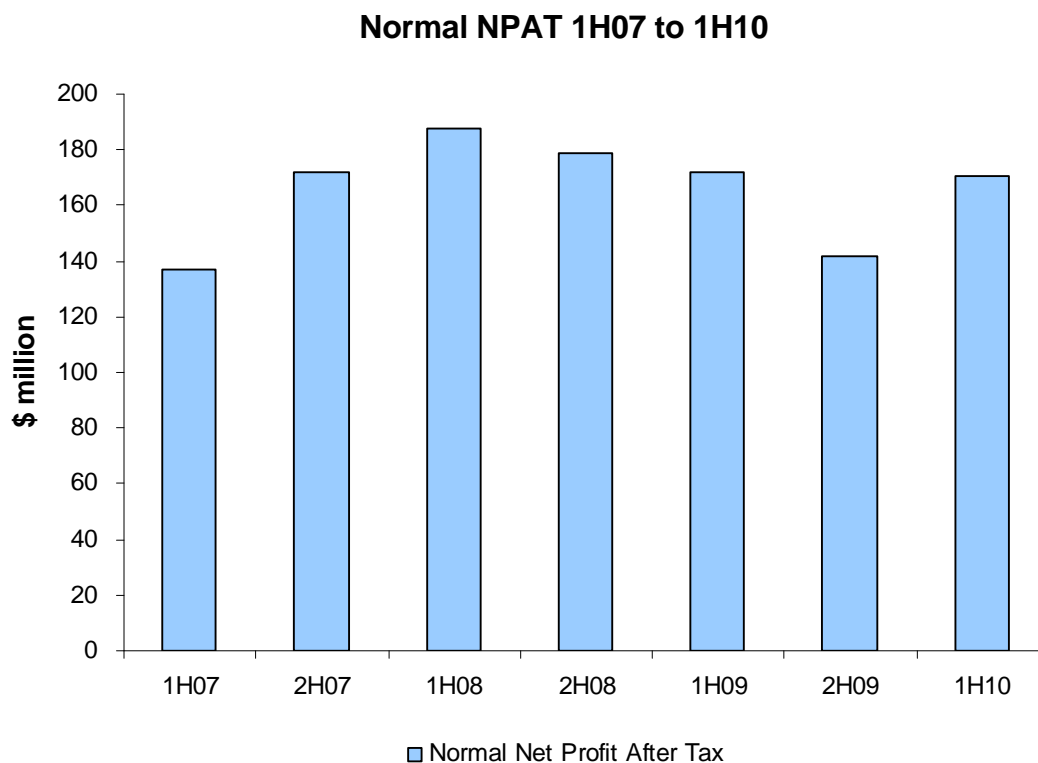
A summary of the group's performance in 1H10 compared to pcp follows:

- Normal net profit after tax (NPAT) of \$170.6 million, down 0.8% (Statutory NPAT of 168.0 million, down 2.3%);
- Normal earnings per share (EPS) of 99.3 cents per share (cps), down 1.1% (Statutory EPS of 97.8 cps, down 2.6%);
- Operating revenue excluding interest and dividends of \$302.8 million, up 5.7%;
- Earnings before interest, tax, depreciation and amortisation (EBITDA) of \$234.6 million, up 8.5%;
- Net interest and dividend revenue of \$17.2 million, down 51.4%;
- Cash operating expenses of \$68.2 million, down 2.8%;
- Significant items before tax of \$3.7 million (\$2.6 million after tax), representing non-recurring costs associated with the proposed transfer of certain market supervisory activities to ASIC and other non-recurring restructuring costs associated with implementation of an improved trade execution service offering;
- An interim, fully franked, dividend for 1H10 of 89.1 cents per share (cps), down 1.4%.

Key financial ratios are available on page 37.

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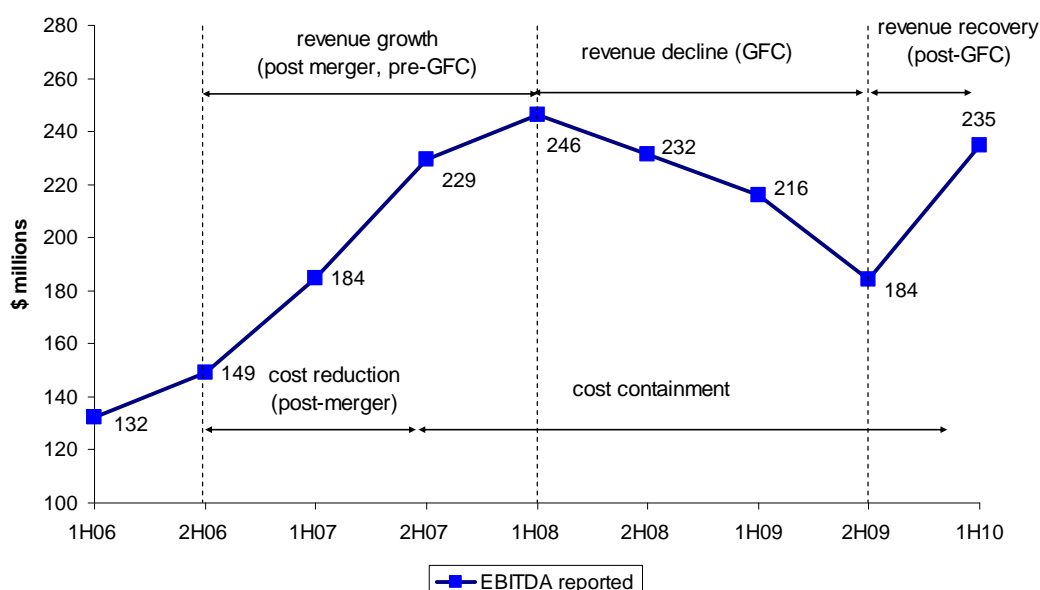
The following graph portrays the group's normal NPAT divisible into half-year reporting periods since July 2006 (the time of the merger between ASX and SFE).



Normal Net Profit – Down 0.8%

Normal net profit after tax for 1H10 was \$170.6 million (\$171.9 million pcp). The 0.8% decrease in profitability was due to a reduction in net interest income attributable to a lower official cash rate environment for most of the half-year and lower average participant margin balances held. Conversely, EBITDA increased by 8.5% from \$216.2 million in 1H09 to \$234.6 million in 1H10. The chart on the following page shows EBITDA by half-year periods since 1H06. It illustrates that the 1H10 EBITDA performance exceeded the then peak result recorded in 2H07, just before the onset of the sub-prime mortgage market issues in the US that triggered the global financial crisis.

EBITDA 1H06 to 1H10

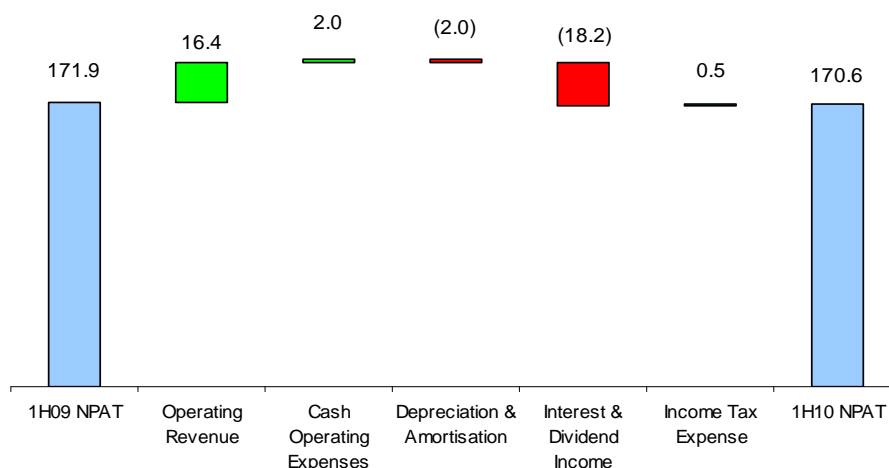


Operating revenue was higher than for the pcp for all product and service categories, with the exception of information services and ‘other’ revenues, which declined 4.5% and 18.2%, respectively. Cash operating costs were 2.8% lower than 1H09, reflecting a continuation of ASX’s expense and efficiency focus. While slightly down on pcp, NPAT in 1H10 was 20.4% higher than the \$141.7m earned in 2H09 as activity levels in cash and derivatives markets steadily improved and listings activity levels rebounded.

The normal net profit after tax represents a 12.2% annualised return on equity (12.6% pcp) based on average capital in 1H10.

The following graph shows the movement in normal NPAT in 1H10 by income statement line item.

Normal NPAT Highlights 1H10 (\$ million)



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Normal Earnings Per Share – Down 1.1%

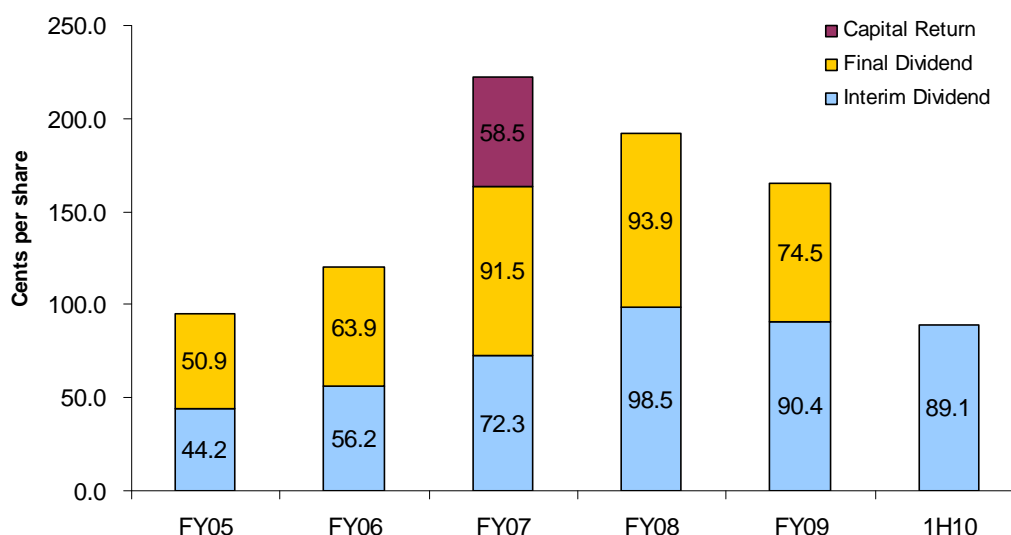
Normal earnings per share of 99.3 cents (100.4 cps pcp) was achieved in 1H10 based on 171,747,132 weighted average ordinary shares on issue.

Interim Dividend – Down 1.4%

A fully franked interim dividend of 89.1 cps (90.4 cps pcp) has been declared, payable on 29 March 2010. This dividend equates to a payout ratio of 90% of normal profit after tax and is 19.6% higher than the final dividend paid in FY09 (74.5 cps). ASX has determined that the dividend reinvestment plan will operate for the interim dividend in FY10, and a discount of 1.5% will apply to the allocation price. The average annual growth rate in interim dividends since December 2005 is 12.2%.

Cash returns to shareholders over the past five years and in 1H10 are shown in the graph below.

Cash Returns to Shareholders



Operating Revenue – Up 5.7%

Total operating revenue (excluding interest and dividend revenue) in 1H10 was \$302.8 million, 5.7% up on pcp. The improvement in activity drivers in both cash and derivative markets also resulted in 1H10 revenue being 20.1% above 2H09. The All Ordinaries Index grew 23.7% during 1H10, closing at 4882.7 on 31 December 2009, reflecting a strong recovery from its low of 3111.7 in March 2009 but still some way from its 6853.6 high in November 2007.

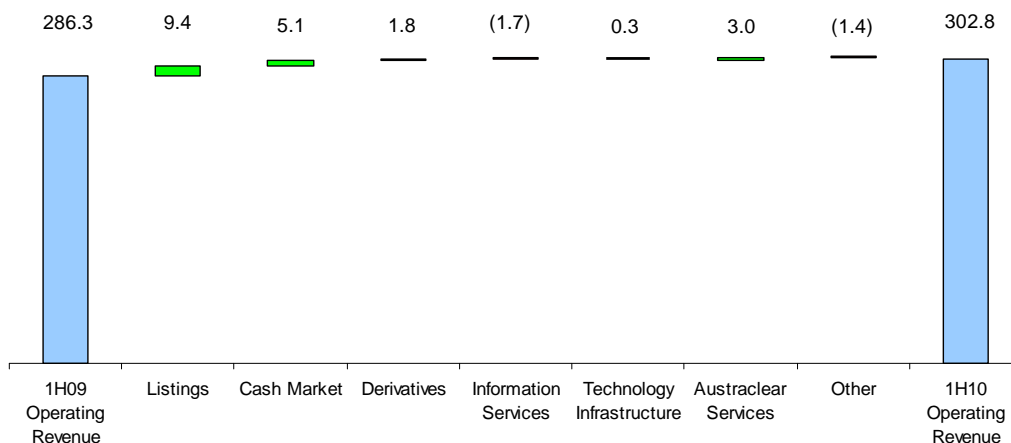
Compared to 2H09, 1H10 average daily cash market traded value of \$5.1 billion was up 29.2%, average daily derivatives volume of 344,123 were up 10.1% and secondary capital raised of \$52.0 billion was up 11.6%, all reflecting a continuation of trends observed in August 2009 at the time of the FY09 full-year results announcement. The growth in cash market and derivative revenues is net of the provision of higher transaction fee rebate pools

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than were paid last financial year, as eligible participants exceeded rebate qualification growth thresholds during the period.

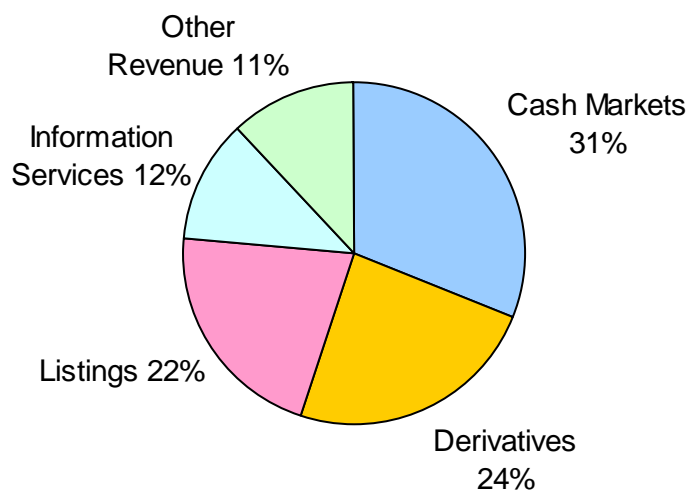
The following graph depicts the change in operating revenue by major type during the half-year.

Operating Revenue Highlights 1H10 (\$ million)

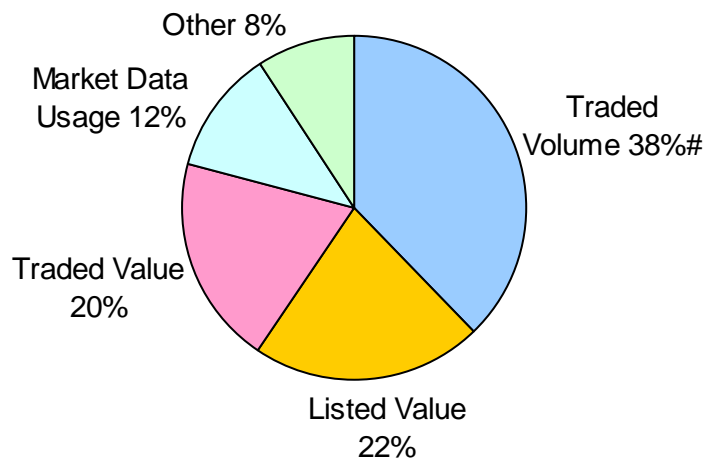


The following pie graphs provide a breakdown of operating revenue by category and key drivers for 1H10. (These are largely unchanged from the pcp.)

Operating Revenue by Category



Operating Revenue by Business Driver



Traded volume from cash markets accounted for 14% and traded volume from derivatives accounted for 24% of the total.

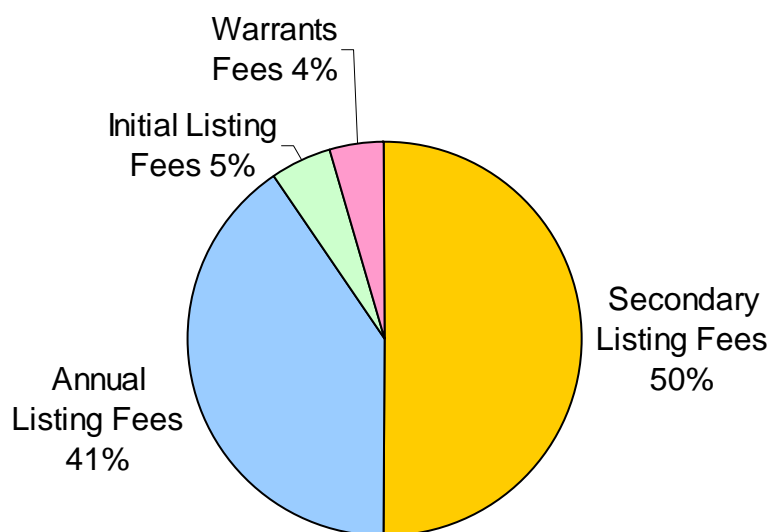
Detailed transaction statistics and key business drivers data are available on pages 38 to 40.

Listings – Up 16.7%

Total revenue from listing services in 1H10 was \$65.3 million (\$55.9 million pcp). The primary driver of listings revenue growth was the continued strong level of secondary capital raisings throughout the period, as companies took advantage of improved market conditions to raise capital, not only to continue to reduce debt but also in anticipation of growth opportunities. In terms of initial capital raising, the IPO pipeline became more active towards the end of the period. Overall in 1H10 the amount of capital raised, both initial and secondary, as well as the number of IPOs was higher than in the pcp.

The graph on the following page depicts the breakdown of listings revenue in 1H10.

Listings Revenue by Type 1H10



Annual listing fees of \$26.3 million were earned in 1H10 (\$23.4 million pcp), with a similar amount accrued in 2H10, since fees are set annually in advance in June each year. During 1H10, total domestic market capitalisation increased from \$1.1 trillion to \$1.4 trillion at 31 December 2009, a rise of 27.7%, and the All Ordinaries Index increased 23.7% in the same period. The number of listed entities as at 31 December 2009 was 2,181, slightly below the 2,198 listed as at 30 June 2009. In 1H10 there were 67 reductions to the list compared to 37 in 1H09.

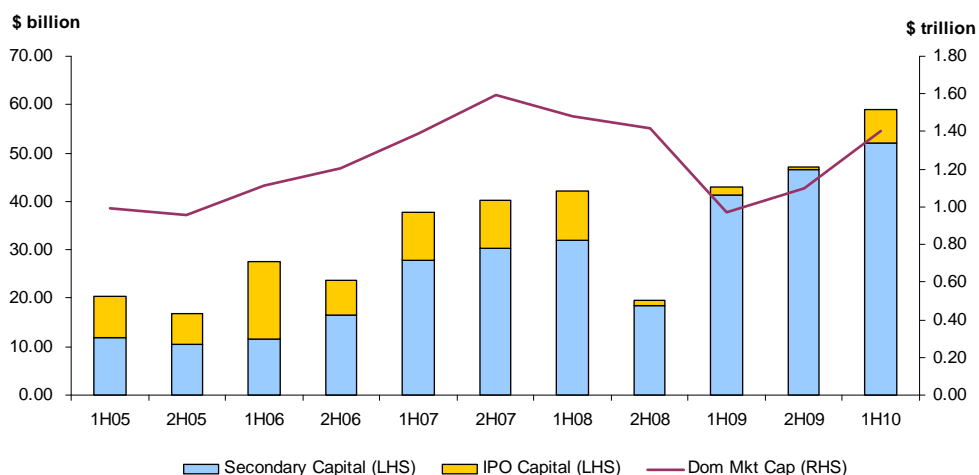
Initial listing fees of \$3.4 million were earned in 1H10 (\$1.8 million pcp). During 1H10 there were 50 new listings compared to 34 in the pcp and 11 in the prior half-year, 2H09. The amount of initial capital raised in 1H10 was \$7.0 billion, a 400% increase on the \$1.4 billion raised in the pcp.

Secondary listing fees (which include fees from subsequent capital raisings and dividend reinvestment plan issues) were \$32.7 million in 1H10 (\$26.2 million pcp). Secondary capital raised of \$52.0 billion in 1H10, up 25.4% on the \$41.5 billion raised in the pcp, is the highest half-year level recorded. The incidence of large raisings, whilst lower than in 1H09, continued to be strong with 10 individual raisings above \$1 billion in 1H10. The value of individual small raisings under \$100 million was nearly twice that of the pcp. In addition to secondary capital raised, \$2.9 billion of capital was issued in 1H10 by listed entities, primarily as consideration for acquisitions (\$30.9 billion pcp).

ASX Limited and its controlled entities

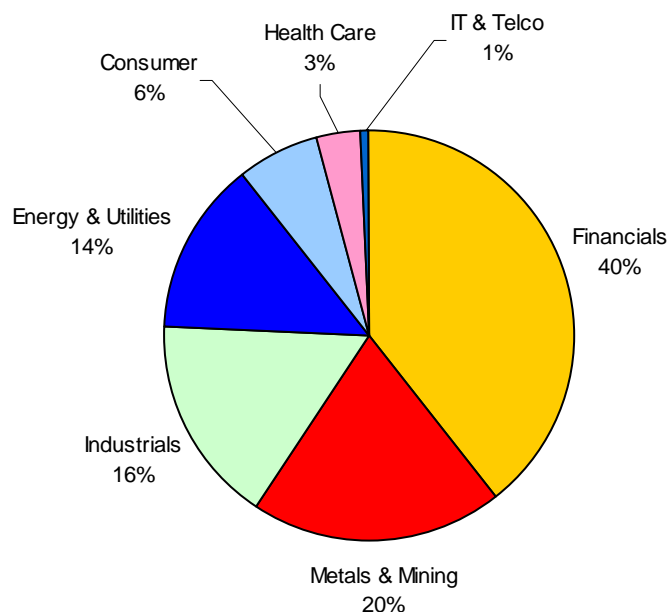
The following chart shows total capital raisings and market capitalisation over the past five years and in 1H10.

Capital Raisings and Market Capitalisation



The chart below shows the proportion of secondary capital raised by industry sector in 1H10. Financials continued to dominate the level of secondary raisings with 40% of the total raised (67% in 1H09), which is unsurprising given the tighter credit market conditions and the need for bank financing to accommodate a dramatic reduction in debt securitisation activity.

Secondary Capital Raising by Industry Sector



ASX Limited and its controlled entities

The table below shows the quantum of secondary capital raised by size of transaction in 1H10 and 1H09.

Value of Capital Raised	Secondary Capital Raised 1H10 - \$M	Secondary Capital Raised 1H09 - \$M
Less than \$100 million	12,740	6,393
\$100 million to \$500 million	15,062	12,013
\$500 million to \$1 billion	6,457	7,033
Over \$1 billion	17,766	16,036
Total	52,025	41,475

Of the total secondary capital raised, 86% was due to subsequent issues (rights, placements, employee issues, etc), while 14% was as a result of company dividend reinvestment plans (DRP). This compares to 73% for subsequent issues and 27% for DRPs in the pcp.

The average fee per million dollars of secondary capital raised (including capital issued as consideration for scrip-based acquisitions) increased to \$595 (\$362 pcp).

Warrant and debt listing fees of \$2.9 million were earned in 1H10 (\$4.5 million pcp). During 1H10, 1,174 new warrants were listed, down 42.3% on the 2,034 warrants listed in the pcp. Warrants turnover value was \$3.4 billion in 1H10, in line with the pcp.

Cash Market – Up 5.7%

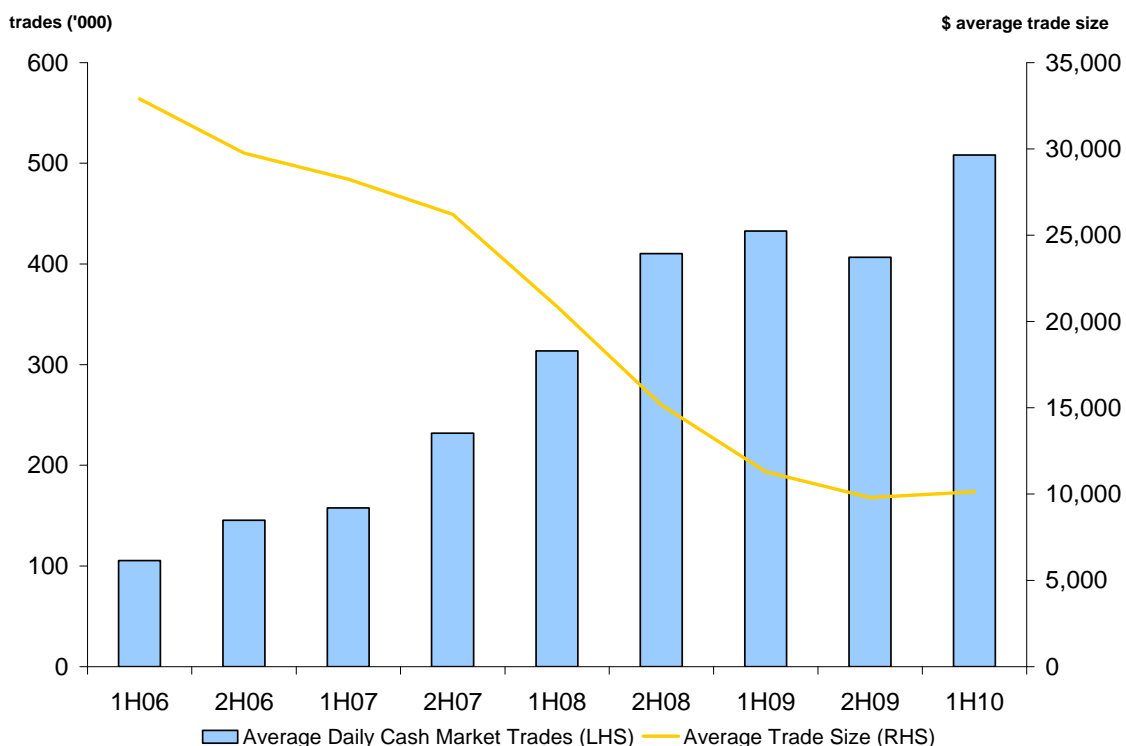
Total cash market revenue (net of rebates) for 1H10 was \$94.3 million (\$89.3 million pcp). The increase in revenue was primarily due to the 5.3% increase in daily average value traded, reflective of the general rise in the All Ordinaries Index, and the 17.4% increase in average daily trade volumes. Of the gross cash market revenue, trading revenue accounted for 30.9% (32.5% pcp), clearing revenue 25.3% (27.0% pcp) and settlement revenue 43.8% (40.5%pcp).

In 1H10 the total secondary market value traded was \$669.3 billion, up 5.3% on the \$635.3 billion in the pcp, and the daily average traded value was \$5.1 billion, also up 5.3% on the \$4.9 billion in the pcp. This represented an average velocity (annualised traded value as a percentage of the average total market capitalisation) of 101.8% in 1H10 (112.3% pcp). The total number of trades in 1H10 was 66.1 million, up 17.4% on the 56.3 million trades in the pcp, and the daily average trade volume of 508,249 was also up 17.4% on the 432,757 in the pcp.

The average value of each trade in 1H10 was \$10,130 compared to \$11,293 in the pcp. Whilst the smaller average trade size reflects continued unbundling of trades, predominantly by algorithmic trading execution methods, the rate of decline in the average trade size slowed significantly.

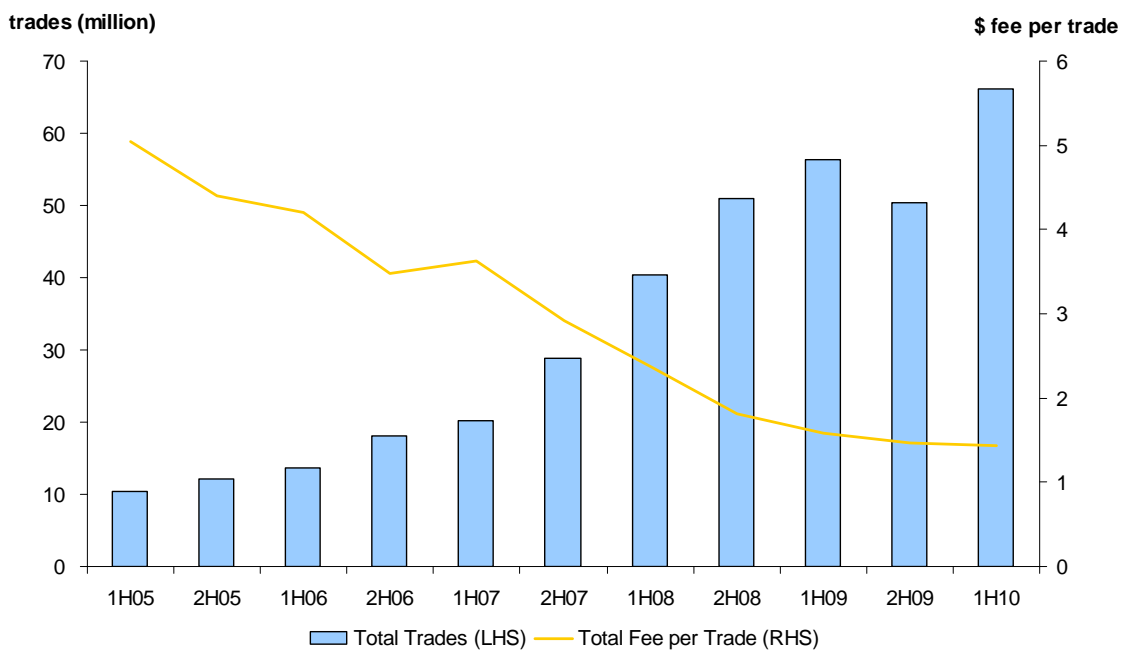
The graph overleaf shows the decline in average trade size and increase in daily average trades since 1H06.

Daily Average Cash Market Trades and Average Trade Size

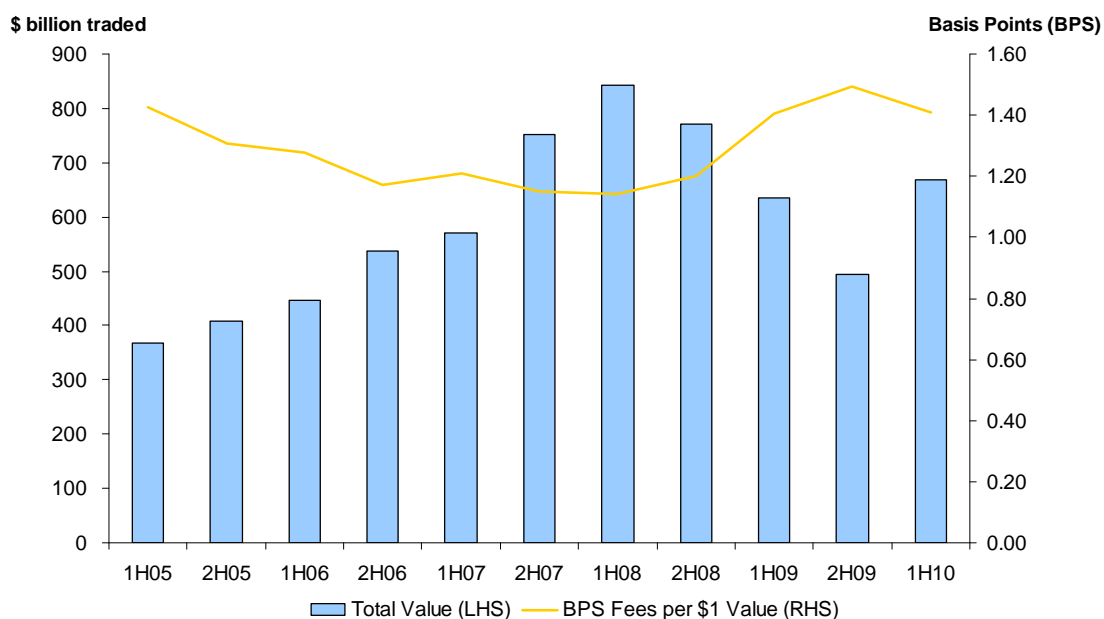


The following graphs show cash market volume and value traded, and average fees (trading, clearing and settlement) over the past five years and in 1H10.

Cash Market Trades



Cash Market Value



The gross revenue for trading and clearing activities is directly related to the quantum of value traded and value of trades cleared, respectively. In 1H10, 70.6% of traded value (74% pcp) was novated and cleared through ASX’s central counterparty clearing subsidiary, Australian Clearing House. Gross revenue (pre-rebates) from trading was \$30.3 million (\$29.5 million pcp), while clearing revenue was \$24.8 million (\$24.5 million pcp) in 1H10. Gross revenue from settlement grew to \$43.0 million in 1H10 (\$36.7 million pcp) due to higher settlement message and holding statement activity.

The growth in cash market activity levels resulted in growth in participant rebates in 1H10, with \$3.8 million of Large Participant Rebates (LPR) accrued compared to \$1.4 million in the pcp. In FY10 the LPR began to accrue at the same gross revenue level for individual participants as in FY09, initially at a 50% gain-share ratio on incremental revenues and then growing to 75% on marginal revenues exceeding 15% revenue growth. Accordingly, in 1H10 participant rebates were significantly above the pcp, as gross revenue from all participants grew 8.3% compared to pcp.

The average cost of trading, clearing and settlement on ASX’s market reduced to \$1.43 per trade (\$1.59 pcp) and the average fee per dollar of turnover remained constant at 1.41 bps (1.41 bps pcp) – that is, for every \$1,000 of value traded, the fee for each side was 7.0 cents (7.0 cents pcp).

The growth in cash market volumes was accommodated in the recent capacity upgrades to the trading system and related infrastructure, with significant headroom available for further growth. As discussed in the Managing Director and CEO’s Report, ASX has committed to implement a next generation cash market trading platform to further improve capacity, functionality and order execution latency for participants.

ASX Limited and its controlled entities

Derivatives – Up 2.5%

Total derivatives revenue for 1H10 was \$71.9 million (\$70.1 million pcp). Derivatives volume increased in 1H10 as interest rate expectations altered following three rises in the official cash rate between October and December 2009. The Australian Office of Financial Management (AOFM) continued its significant program of Commonwealth Government Securities (CGS) issuance and equity market trading activity benefited from renewed confidence.

Equity derivatives traded on ASX (consisting mainly of exchange-traded options excluding the ASX SPI 200) generated revenue of \$15.1 million in 1H10 (\$13.1 million pcp). Total contract volume traded was 10.2 million in 1H10, an increase of 4.0% on the 9.8 million in the pcp. Average daily volatility of the All Ordinaries Index was 0.9% in 1H10 compared to 1.9% in 1H09. The average fee per trade in 1H10 increased to \$1.48 from \$1.33 in the pcp, partly due to the change in the headline fee from 1 September 2009. ASX introduced a cap on transaction fees for exchange-traded options for large trades of 1,000 lots and above, effective 1 January 2010, in order to reduce the cost of transacting larger option strategies.

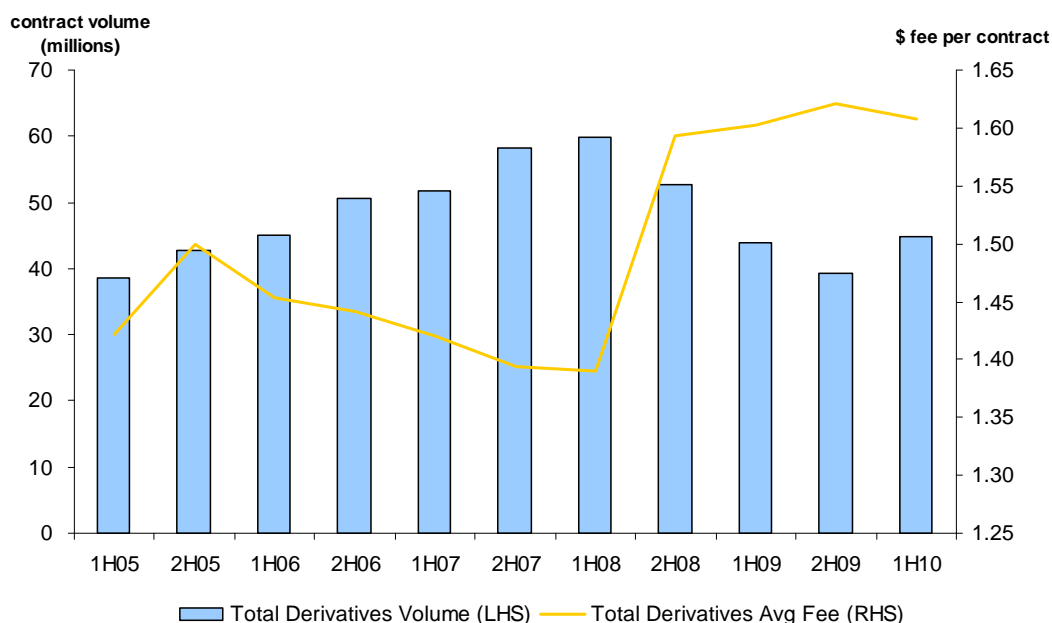
Revenue from futures and options on futures traded on the SFE (including ASX SPI 200 contracts) was \$56.8 million in 1H10 (\$57.1 million pcp). Volume traded in 1H10 totalled 34.5 million contracts, up slightly on the 34.0 million in 1H09. Of the major debt contracts, compared to pcp, the 30 day interbank cash rate futures and the 3 year bond futures contract volumes increased 17.4% and 16.8%, respectively, while the 90 day bank bill futures and 10 year bond futures contract volumes declined 9.0% and 12.5%, respectively.

Trading in the ASX SPI 200 futures contract declined 14.8% compared to the pcp, during which its usage peaked due to the imposition of a single stock short selling prohibition. Also of note, compared to pcp, total option contracts traded grew strongly by 69.2% to 1.4 million contracts. This resulted from significant growth in the 3 year bond option contracts, including overnight and intra-day option contract volumes.

ASX provided \$1.9 million in futures market transaction fee rebates in 1H10 (no rebate was payable in 1H09). This provision reflects that the Large Volume Rebate (LVR) scheme is based on traded volumes for the entire year and that 1H10 average daily contract volumes of 265,606 were 1.5% above the average for FY09. Consistent with the hurdles applicable to the LVR scheme, the LVR scheme rebates begin to accrue when traded volumes reach FY09 levels, at an incremental 50% gain-share, growing to 75% for volumes in excess of 15% growth. In addition to the LVR, proprietary full participants received monthly rebates and this group accounted for approximately 13.9% of traded volume. The average fee per trade net of all rebates reduced to \$1.65 compared to \$1.68 in the pcp, primarily due to the LVR.

The chart on the following page shows total volumes and average exchange fees for equity derivatives (traded on ASX) and futures and options on futures (traded on SFE) over the past five years and in 1H10.

**Derivatives Volume and Average Fee
(Equity Derivatives and Futures and Options)**



Information Services – Down 4.5%

Total revenue from information services in 1H10 of \$35.3 million was down 4.5% on 1H09 (\$37.0 million), but up 3.7% on 2H09 (\$34.1 million), as increased activity in cash and derivatives markets during the period caused a corresponding rebound in the number of market data terminal subscriptions. Average monthly data terminal subscriptions for 1H10 were 87,859 compared to 92,594 in 1H09 and 83,991 in 2H09. Total market data terminal subscriptions at 31 December 2009 were 81,698 compared to 86,446 at 31 December 2008 and 84,928 at 30 June 2009.

Technology Infrastructure – Up 2.1%

Technology infrastructure revenue for 1H10 was \$14.7 million (\$14.4 million pcp). Technology infrastructure fees are levied on workstations, open interfaces and networks used to access both the cash and derivatives market. Fees are also charged for co-location hosting services offered to trading participants in cash markets. The total number of devices (workstations and interfaces) as at 31 December 2009 was 2,622 compared to 2,552 at 31 December 2008 and 2,498 at 30 June 2009.

Austraclear Services – Up 26.0%

Total Austraclear services revenue for 1H10 was \$14.8 million (\$11.8 million pcp) due to revenue growth across all of Austraclear’s services that span fixed income securities depository, settlement and registry activities.

Depository holdings continued to increase and averaged \$1.09 trillion over 1H10 (\$1.02 trillion pcp). At 31 December 2009, \$1.11 trillion of securities were held by Austraclear (\$1.07 trillion at 31 December 2008).

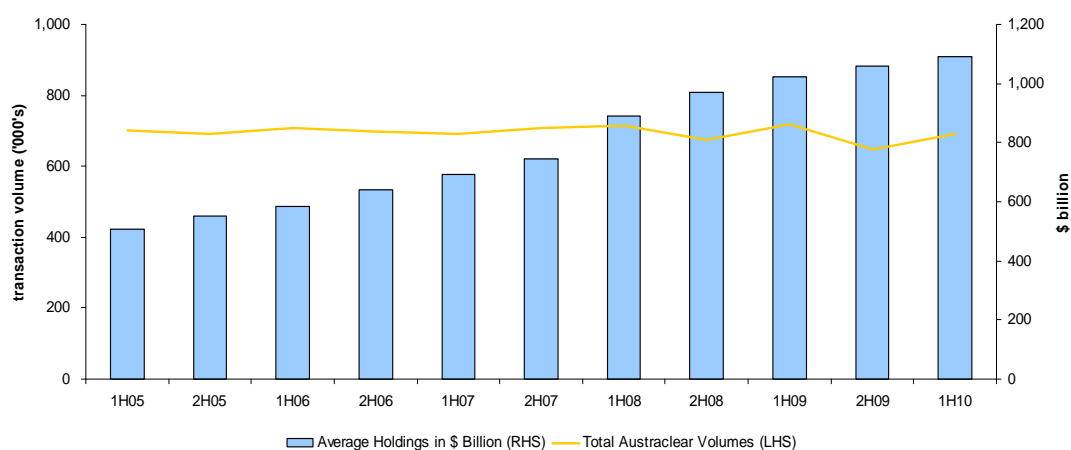
ASX Limited and its controlled entities

The volume of Austraclear transactions in 1H10 fell slightly to 692,444 (716,740 pcp), with cash transfers down 11.8%, discount securities transactions down 19.1% and fixed interest securities transactions up 30.1%. The higher 1H10 revenue also reflected the net impact of cash and fixed income transaction and other fee changes introduced in January 2009. The Austraclear depository and settlement average fee (transaction and holding) for 1H10 was \$13.60 per transaction (\$10.51 pcp).

Austraclear holdings levels are driven by the overall level of domestic Australian dollar wholesale debt market capital raising activity. Austraclear revenue from registry services increased in 1H10 due to a change in the mix of holdings within Austraclear between discount securities (short-dated securities) and fixed income securities (mainly term debt securities), with fixed income securities holdings increasing substantially as issuers moved to lengthen the duration of their funding portfolios in response to the global financial crisis.

The chart below shows Austraclear depository holdings and transaction volumes over the past five years and in 1H10.

Austraclear Holdings and Transaction Levels



Other Revenue – Down 18.2%

Total other revenue for 1H10 was \$6.4 million (\$7.9 million pcp). The primary reason for the decline was the continued drop in fees from equity trades that fail to settle within three days (initial settlement delays). During 1H10 initial settlement delays were below normal levels of 1% with an average of 0.11% (0.21% pcp). Subsequent “knock-on” (i.e. total rescheduled settlements caused by the initial delays) settlement fail rates averaged 0.53% during 1H10 (1.13% pcp). Other revenue also includes fees for ASX and Austraclear participation, the latter having been reduced for many categories of users in January 2009.

Cash Operating Expenses – Down 2.8%

Total cash operating expenses for 1H10 were \$68.2 million (\$70.1 million pcp). Staff and administration expenses were slightly lower than pcp, while equipment and occupancy were marginally higher. Variable costs displayed the only notable increase on pcp, consistent with an increase in cash markets settlement activity. The lower overall cash operating expenses are due to the continued focus on controlling all expense categories, particularly discretionary

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expenses.

Details of expenses noted as significant non-recurring items are covered later in this report.

Staff Expenses – Down 4.9%

Total staff expenses for 1H10 were \$39.6 million, down \$2.0 million compared to \$41.6 million in the pcp. In response to economic and labour market conditions prevailing at the time, there was no annual remuneration increase awarded to staff at the start of the FY10 year. The next annual review cycle has been brought forward to commence on 1 April 2010, in response to fast improving market employment conditions. This will result in an increase in staff costs in 2H10.

Full-time equivalent (FTE) headcount at 31 December 2009 was 532 compared to 553 at 30 June 2009. The average headcount during 1H10 was 545 compared to the average 554 across FY09. ASX expects to operate within a guidance headcount range of 525 to 545 during the remainder of FY10, after which it expects to reduce by between 10 to 20 staff as a direct consequence of the transfer of certain supervisory activities to ASIC in the middle of calendar 2010. Expected one-off costs associated with this transition, including any associated retention and redundancy payments, are being reported as significant non-recurring items in FY10.

Full-Time Equivalent (FTE) Headcount

	31 Dec 2009	30 June 2009	31 Dec 2008	30 June 2008
ASX (ex- Markets Supervision)	426	443	449	439
ASX Markets Supervision	106	110	105	103
Total	532	553	554	542

Occupancy Expenses – Up 2.2%

Total occupancy expenses for 1H10 were marginally up at \$6.7 million compared to \$6.5 million pcp, reflecting rising energy costs and higher interstate office rents. There were no major variances or significant changes to premises during 1H10.

Equipment Expenses – Up 2.9%

Total equipment expenses for 1H10 were \$11.3 million, up marginally from \$11.0 million in the pcp. There were no significant changes to equipment costs during 1H10. ASX has embarked on a series of new initiatives to broaden its trade execution service offering in the equity market. These include a project to implement the Genium trading platform to replace the existing ITS trading platform for cash markets and exchange-traded options. The ongoing support and maintenance arrangements associated with these initiatives, together with renegotiated and extended support and the maintenance agreement for the Austraclear (EXIGO) and futures clearing (SECUR) applications, will lead to slightly increased equipment costs in FY11.

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Administrative Expenses – Down 7.5%

Total administration expenses for 1H10 were \$7.6 million, down from \$8.2 million pcp. The reduction is due to continued containment of discretionary expenditure on items such as travel, entertainment and consulting, as well as a lower default insurance premium expense. Other more general insurance premiums will rise following recent renewals.

Variable Expenses – Up 8.0%

Total variable operating expenses for 1H10 were \$2.9 million, up 8.0% on the \$2.7 million pcp. Royalty payments associated with the ASX SPI 200 futures contract were lower due to reduced volumes, whilst equity depository holding statement production costs increased as the volume of statements was higher.

Significant Items - \$3.7 million

The 1H10 significant items total \$3.7 million pre-tax, \$2.6 million post-tax. These items will not impact any dividend distribution based upon the existing policy of paying 90% of normal profit after income tax.

In FY10, ASX expects to incur a variety of non-recurring costs associated with:

- **Markets Supervision:** Costs associated with the Government's announcement to transfer market supervision of trading participants from ASX to ASIC by 30 September 2010 covering:
 - Staff redundancy and retention costs in ASX Markets Supervision directly related to the transition;
 - Other staff redundancy and replacement costs across ASX necessary to accommodate the ASXMS changes;
 - Legal and advisory services directly related to the transition; and
 - Write-off or accelerated amortisation of Markets Supervision system applications no longer required.

1H10 significant items include \$1.2 million pre-tax related to Markets Supervision. ASX anticipates a full-year pre-tax significant expense related to Markets Supervision of between \$2 to \$4 million in FY10.

- **Business Restructure:** Costs, other than those related to the transfer of Markets Supervision, associated with implementation of improved trade execution service offerings. These include:
 - Accelerated amortisation of the ITS cash market trading system over 18 months to 31 December 2010 when it will be replaced by the next generation ASX cash market trading platform (Genium);

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- Costs associated with restructuring premises requirements to accommodate new system applications and extended co-location facilities; and
- Costs of associated staff changes.

1H10 significant items includes \$2.5 million pre-tax related to business restructure expenses. ASX anticipates a full-year pre-tax significant expense related to business restructure of between \$5 to \$7 million in FY10.

Depreciation and Amortisation – Up 28.0%

Total depreciation and amortisation for 1H10 was \$9.2 million (\$7.2 million pcp).

As foreshadowed in the 2009 Annual Report, depreciation and amortisation expense increased compared to pcp due to the completion of several capital projects, including platform capacity upgrades, risk management enhancements, supervisory improvements and new or enhanced product and service functionality. Depreciation and amortisation expense is expected to increase further in the second half as additional technology projects are completed. While depreciation and amortisation includes the normal level of amortisation of the existing ITS platform, as noted above, the amount of accelerated amortisation has been reported as a significant item commencing from 1H10 reflecting its shorter expected useful life.

Interest and Dividend Income – Down 51.4%

Total interest and dividend income for 1H10 was \$17.2 million (\$35.4 million pcp). Total interest and dividend revenue comprises:

- Interest earned on ASX's cash reserves, net of borrowing costs – \$5.9 million (\$14.0 million pcp);
- Net interest earned on funds deposited by participants with ASX – \$8.3 million (\$19.0 million pcp); and
- Dividends from ASX's investment in IRESS Market Technology – \$3.1 million (\$2.5 million pcp).

The significant reduction in net interest income in 1H10, compared to the pcp, is attributable to the lower official cash rate and the lower levels of both participant margin balances held as collateral on open derivative positions and the spread earnings derived from investing that collateral.

During 1H10 the Reserve Bank increased the official cash rate three times to reach 3.75%, from its prior period low of 3.00%. This resulted in an average earnings rate on ASX's own cash reserves portfolio of 3.47% in 1H10 compared to 6.96% earned in 1H09 during a period of much higher official cash rates. ASX's own cash reserves, net of borrowings, averaged \$380.3 million in 1H10 compared to \$355.6 million in 1H09, with a cash balance, net of borrowings, at 31 December of \$424.0 million (\$310.8 million at 30 June 2009). The increase mainly reflects net cash generated from operating activities during the half-year of \$218.7 million (\$204.9 million pcp) offset by the FY09 final dividend payment adjusted for the take-

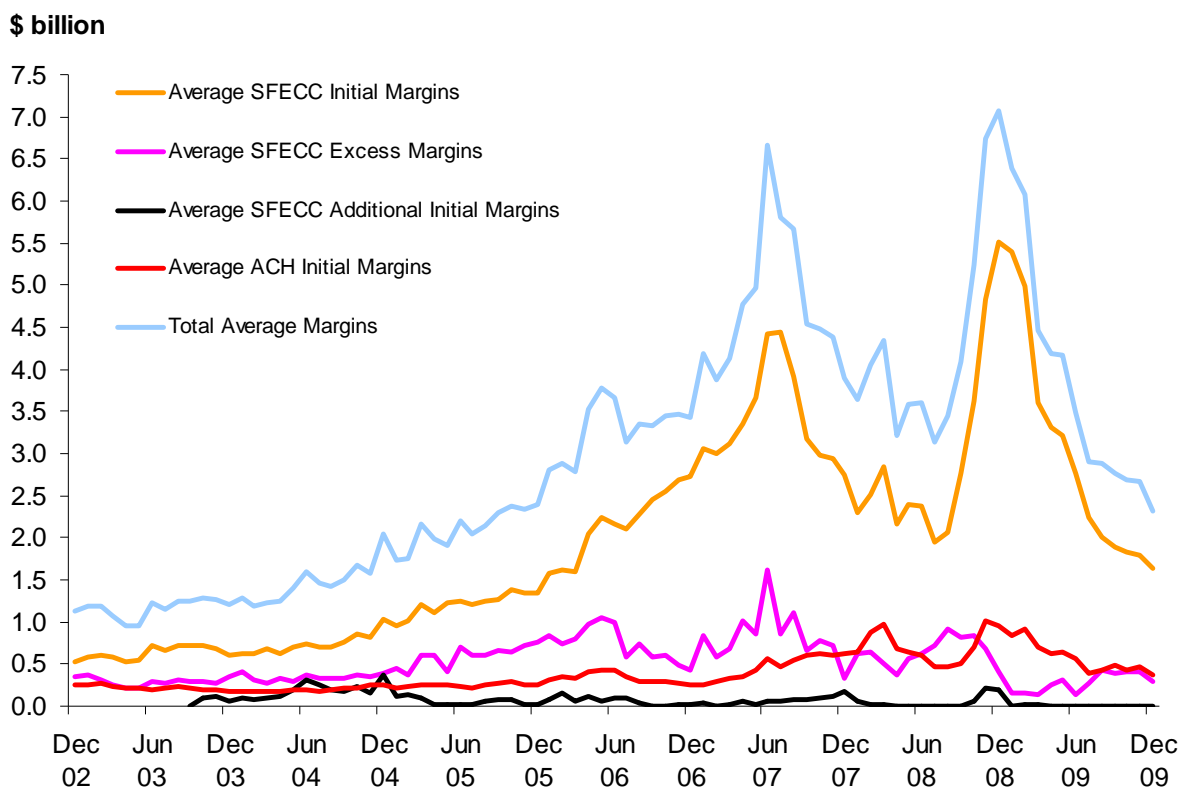
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up level (24%) of equity reinvestment provided under the dividend reinvestment plan. The liquidity management section later in this report details the uses of ASX's cash.

Average cash collateral balances during 1H10 of \$2.9 billion were 42.9% lower than the \$5.1 billion in 1H09 because of a combination of lower average open positions, particularly in the ASX SPI 200 futures contract, and lower margin rates, that reflected a return to more normal levels of volatility in both equity and interest rate markets compared to the difficult post-Lehman period of the prior year.

The graph below shows average cash margins held since 2002 by each clearing entity.

Average Monthly Cash Margin Balances



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The breakdown of margins held at 31 December 2009, 30 June 2009 and 31 December 2008 is listed in the table below.

	Margins held at 31 Dec 2009 \$ million	Margins held at 30 Jun 2009 \$ million	Margins held at 31 Dec 2008 \$ million
Cash and cash equivalents			
ACH initial margins	294.9	379.0	646.2
SFECC initial margins - House	506.2	931.1	1,770.1
SFECC initial margins - Client	1,192.4	1,526.7	3,767.4
SFECC additional initial margins	nil	nil	nil
SFECC excess margins	617.2	690.4	1,472.1
Total margins on balance sheet	2,610.7	3,527.2	7,655.8
Non-cash collateral held			
ACH – guarantees and equity collateral	4,239.8	3,497.3	2,881.4

The average investment spread earned on the participant collateral portfolio in 1H10 was 24 basis points over the official cash rate compared to 39 basis points in 1H09, a prior period where spreads were unusually high due to the tight credit and liquidity conditions at the time.

The weighted average maturity of the portfolio was 31 days at 31 December 2009 (21 days at 31 December 2008) with 93% (97% pcp) invested with Authorised Deposit Taking Institutions (ADIs) with a Standard & Poor's (S&P) short-term rating of A1+ or higher.

Dividend income of \$3.1 million was earned from the investment in IRESS, up from \$2.5 million pcp. ASX currently holds 19.2% of IRESS (19.5% at 31 December 2008).

Capital Expenditure

Capital expenditure for 1H10 was \$8.6 million, down 32.5% compared to the \$12.7 million for the pcp. Expenditure in 1H10 was incurred on several core technology platform upgrades including a next generation futures trading system, a new collateral management system and, a major functional upgrade to the EXIGO Austraclear application (all scheduled for implementation in 2010). In addition, expenditure was incurred on a number of new and enhanced product offerings and supervision-related applications, including implementation of a major upgrade to the SMARTS surveillance system and a new capital monitoring application.

As outlined in the Managing Director and CEO's report, expenditure for the remainder of the year will also be incurred on the implementation of an extended trade execution service offering. Including the expected increase in spend during 2H10, ASX expects that FY10 capital expenditure will still remain within the current guidance range of \$25 to \$30 million.

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Issued Capital

At 31 December 2009, ASX had 172,305,698 ordinary shares on issue (171,188,524 as at 30 June 2009). The increase of 1,117,174 was due to the:

- Issue of 976,404 shares under the dividend reinvestment plan in September 2009; and
- Issue of 140,770 shares under the December 2006 grant of the long-term incentive plan (including 30,000 issued to the Managing Director and CEO in August 2009).

ASX does not currently have any outstanding rights to unissued shares but has 230,725 shares held on trust related to unvested long-term incentive grants issued in December 2007 and December 2008. Vesting of these rights will be dependent on attainment of performance hurdles in 2010 and 2011 as discussed in the Remuneration Report contained in the 2009 Annual Report. No grants were made during 1H10 under the long-term incentive plan.

Balance Sheet Summary

A summary of the group balance sheet at 31 December 2009 and 30 June 2009 is included below.

	As at 31 Dec 2009 \$ million	As at 30 June 2009 \$ million
Assets		
Cash and available-for-sale financial assets	3,365.0	4,019.5
Goodwill	2,262.8	2,262.8
Other assets	506.6	504.5
Total assets	6,134.4	6,786.8
Liabilities		
Amounts owing to participants	2,691.0	3,608.6
Borrowings	250.0	100.0
Other liabilities	326.6	304.8
Total liabilities	3,267.6	4,013.4
Equity		
Capital	2,392.4	2,361.8
Retained earnings	313.0	272.6
Reserves	161.4	139.0
Total equity	2,866.8	2,773.4

The major movement in the group's balance sheet during the half-year, as outlined under Net Interest Income earlier in this report, was a decrease in participant collateral balances lodged on open derivative positions. Consequently, cash and available-for-sale financial assets, that largely reflect the investment of participant collateral, declined by similar levels.

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The carrying value of goodwill recognised at the time of the ASX/SFE merger is unchanged, and is supported by a value-in-use calculation (more fully disclosed in the 2009 Annual Report), which remains largely unaltered.

Borrowings have increased by \$150 million due to the repayment of the \$100 million ACH term loan facility (which replaced ACH's default insurance in May 2009) and simultaneous drawdown on a new three year \$250 million non-recourse, subordinated loan facility provided to ASXCC. These funds have in turn been provided by ASXCC to its two licensed central counterparty clearing subsidiaries (ACH \$100 million, SFECC \$150 million) on the same terms and conditions.

The ASXCC facility considerably strengthens the quality of financial resources available to the central counterparties, given its non-recourse features.

Equity Capital

Total ASX group equity capital at 31 December 2009 was \$2,866.8 million. Net tangible equity, defined as total equity less goodwill of \$2,262.8 million, was \$604.0 million and net asset backing per share increased to \$16.64 at 31 December 2009 compared to \$16.20 at 30 June 2009. The components of ASX's equity capital at 31 December 2009 were:

- \$2,392.4 million of issued capital (\$129.7 million excluding goodwill), up \$30.6 million from 30 June 2009 due to the issuance of ordinary shares under the dividend reinvestment plan for the final FY09 dividend;
- \$313.0 million of retained earnings, up \$40.5 million from 30 June 2009 reflecting 1H10 statutory profit after income tax earnings offset by the payment of the final FY09 dividend. \$153.5 million (90% of normal profit after income tax) will be utilised for the interim dividend payable on 29 March 2010;
- \$71.5 million of restricted capital reserves, unchanged from 30 June 2009;
- \$83.6 million of asset revaluation reserves, up \$21.7 million from 30 June 2009 primarily due to the appreciation in value of ASX's 19.2% investment in IRESS; and
- \$6.3 million of equity compensation reserve arising from the share-based long-term incentive plan, up \$0.7 million from 30 June 2009.

Capital Management

ASX continues to manage its capital efficiently by assessing risk-based capital requirements while providing sufficient flexibility to meet potential capital needs.

At 31 December 2009, ASX attributes a risk-based capital requirement of \$348.1 million against available net tangible equity of \$604.0 million to derive non-attributed capital of \$255.9 million. Adjustment for the proposed interim dividend and potential dividend reinvestment reduces the non-attributed capital to \$133.1 million. The level of non-attributed capital is deemed adequate and appropriate given current market and operating conditions. It also provides a suitable buffer that can be utilised to meet any potential fluctuations in capital requirements, with particular reference to the ongoing capital needs of the central

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counterparty clearing subsidiaries.

ASX Group Equity

	31 December 2009 \$ million	30 June 2009 \$ million
Shareholders equity	2,866.8	2,773.4
Less goodwill	(2,262.8)	(2,262.8)
Net tangible equity	604.0	510.6
Risk-based capital attribution:		
Clearing participant default risk	250.0	250.0
Investment, operational and fixed asset risk	98.1	110.3
Total risk-based capital attribution	348.1	360.3
Non-attributed capital at 31 December 2009	255.9	150.3
Less interim dividend payable	(153.5)	(127.5)
Add dividend reinvestment plan*	30.7	30.6
Non-attributed capital after provision for dividend	133.1	53.4

* Actual reinvestment for final FY09 dividend, forecast for interim 1H10.

As the above analysis indicates, the primary risk affecting the ASX group from a capital perspective relates to potential clearing participant default. This capital attribution reflects the level of ASX group equity and subordinated debt provided to ACH and SFECC to form part of their clearing guarantee funds that are available, after using any defaulting participant margins, to absorb any shortfalls from a clearing participant default.

The table overleaf sets out the composition of the clearing guarantee funds for SFECC and ACH at 31 December 2009 compared to 30 June 2009 and 31 December 2008.

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SFECC Clearing Guarantee Fund – composition

	As at 31 Dec 2009 \$ million	As at 30 June 2009 \$ million	As at 31 Dec 2008 \$ million
Capital contributed by ASX group	30.0	30.0	30.0
Subordinated debt provided by ASX group	70.0	70.0	70.0
Sub-total ASX group provided resources	100.0	100.0	100.0
Clearing participant commitments - lodged	120.0	120.0	120.0
Clearing participant commitments - uncalled	30.0	30.0	30.0
Third-party provided insurance	-	150.0	150.0
Non-recourse subordinated debt (external)	150.0	-	-
Total SFECC clearing guarantee fund	400.0	400.0	400.0

ACH Clearing Guarantee Fund – composition

	As at 31 Dec 2009 \$ million	As at 30 June 2009 \$ million	As at 31 Dec 2008 \$ million
Restricted capital reserve	71.5	71.5	71.5
Capital contributed by ASX group	3.5	3.5	3.5
Subordinated debt provided by ASX group	75.0	75.0	75.0
Sub-total ASX group provided resources	150.0	150.0	150.0
Third-party provided insurance	-	-	100.0
Subordinated debt (external)	-	100.0	-
Non-recourse subordinated debt (external)	100.0	-	-
Clearing participant commitments - uncalled	300.0	300.0	300.0
Total ACH clearing guarantee fund	550.0	550.0	550.0

As discussed in more detail under the preceding Balance Sheet Summary, the significant change in the composition of the clearing guarantee funds since last year has been the replacement of the third-party provided default insurance with third-party provided non-recourse subordinated debt facilities. There is no recourse to ASX Limited with respect to the debt facility. In the event that a funding shortfall is suffered by ACH or SFECC as a result of a participant default, and the amount of the shortfall exceeds prior ranking funds held within the clearing guarantee funds, as detailed above, the principal amount of the loan is

ASX Limited and its controlled entities

reduced by a corresponding amount without obligation to repay at maturity.

Liquidity Management

ASX seeks to manage liquidity efficiently so that free cash flow is always available to meet obligations as they fall due. In deriving free cash flow ASX excludes from its liquid balances (cash and available-for-sale securities) any balance representing margins or clearing guarantee funds because these are required for financial stability purposes to be available at all times to provide liquidity to meet any shortfalls from a clearing participant default. Also excluded is the cash required to back Austraclear's capital.

The following table shows the derivation of ASX's free cash balance at 31 December 2009 and 30 June 2009. The total cash and short-term money market investments balance of ASX group at 31 December 2009 was \$3,365.0 million. Cash and fixed income securities collateral provided by participants of \$2,610.7 million and participant commitments provided in cash to the SFECC clearing guarantee fund of \$80.3 million are then deducted to derive ASX's own cash balance of \$674.0 million. Cash totalling \$500 million supporting ASX provided equity and both ASX and externally provided debt to the clearing guarantee funds as well as the \$8.3 million cash-backed ASX equity in Austraclear are deducted to derive period-end free cash flow of \$165.7 million. Free cash flow varies during each period depending upon the timing of payments and receipts. The lowest month-end free cash surplus balance during the period was \$88.9 million.

ASX Group Cash

	As at 31 Dec 2009 \$ million	As at 30 June 2009 \$ million
Total cash and short-term investments	3,365.0	4,019.4
Less participant's margins and commitments	(2,691.0)	(3,608.6)
ASX own cash reserves	674.0	410.8
Less specific own cash allocations:		
i. Clearing guarantee fund requirements		
SFECC capital and ASX subordinated debt	(100.0)	(100.0)
ACH capital and ASX subordinated debt	(150.0)	(150.0)
External borrowings supporting the CGF	(250.0)	(100.0)
Total cash-backed CGF requirements	(500.0)	(350.0)
ii. Austraclear cash capital requirement		
	(8.3)	(8.3)
Available free cash (liquidity)	165.7	52.5

The increase in available free cash during 1H10 can be attributed to both the 10% profit retention following payment of the final FY09 dividend and \$30.6 million cash generated from the reinvestment of a portion of that dividend in ASX equity. It also reflects the timing impact of dividend payments and cash earnings in the period.

Summary

The first half of FY10 has been a period of resumed growth momentum. ASX's performance has mirrored the broader Australian economy in not only weathering the storm of the global financial crisis but also showing signs of rebounding faster than most commentators would have thought possible 12 months ago. EBITDA of \$234.6 million was 8.5% up on 1H09 and 27.5% up on 2H09, and represented a return to levels reached prior to the global financial crisis.

During the period the All Ordinaries Index rose 23.7% to 4882.7, average daily cash market traded value of 5.1 billion was up 29.2% on 2H09 and average daily derivatives contract volume of 344,123 was up 10.1% on 2H09. Strong secondary capital raisings by listed entities in 2H09 were surpassed in 1H10 and there are welcome signs of a growing pipeline of initial capital raisings. Set against these factors, derivative risk appetite still appears relatively subdued and, coupled with lower volatility, is translating into lower ASX central counterparty collateral balances with consequences to net interest income.

At the end of the first half of FY10, ASX is well positioned, subject to continued economic recovery, to benefit from this earnings momentum into 2H10 and beyond, having demonstrated over several periods an ability to manage expenses effectively while achieving a flexible capital, funding and liquidity position through a combination of the dividend reinvestment plan and ASXCC financing arrangements.

ASX continues to diversify its product and service offerings, and thereby its revenue base, by proactively investing through its capital expenditure program. This will not only provide market users with an enhanced array of trade execution services, but also diversifies ASX's product and services offering across broader groups of users and asset classes.

Alan J Bardwell
Chief Financial Officer

Sydney, 18th February 2010

ASX Limited and its controlled entities

KEY FINANCIAL RATIOS HALF-YEAR ENDED 31 DECEMBER 2009

		DEC 09 1H10	JUN 09 2H09	DEC 08 1H09	JUN 08 2H08
Basic EPS (including significant items)		97.8c	82.8c	100.4c	104.3c
Diluted EPS (including significant items)		97.8c	82.7c	100.3c	104.2c
Normal EPS (excluding significant items)		99.3c	82.8c	100.4c	104.3c
Dividends per share		89.1c	74.5c	90.4c	93.9c
Return on equity (annualised)	1	12.2%	10.4%	12.6%	13.1%
EBITDA/Operating revenue	2	77.5%	73.0%	75.5%	77.2%
EBIT/Operating revenue	2	74.4%	69.9%	73.0%	74.3%
Total expenses/Operating revenue	2	25.6%	30.1%	27.0%	25.7%
Capital expenditure (\$'000)		\$8,606	\$13,044	\$12,743	\$17,646
Net tangible asset backing per share		\$3.19	\$2.66	\$2.49	\$2.54
Net asset backing per share		\$16.64	\$16.20	\$16.06	\$16.09
Shareholders' equity as a % of total assets (excluding participants' balances)		83.3%	87.3%	78.8%	87.8%
Shareholders' equity as a % of total assets (including participants' balances)		46.7%	40.9%	24.5%	40.6%
Share price at end of period		\$34.94	\$36.99	\$33.30	\$31.40
Ordinary shares on issue at end of period		172,305,698	171,188,524	171,188,524	171,148,524
Weighted average number of ordinary shares		171,747,132	171,188,524	171,155,081	171,130,756
Market value of ordinary shares on issue at end of period (\$m)		\$6,020	\$6,332	\$5,701	\$5,374
Full-time equivalent (FTE) permanent staff					
- number at end of period		532	553	554	542
- average during the period		545	554	550	534

1 Based on normal profit after tax and average capital for the period.

2 Operating revenue excludes interest and dividend revenue (pro-forma), and excludes significant items.

ASX Limited and its controlled entities

TRANSACTION LEVELS AND STATISTICS HALF-YEAR ENDED 31 DECEMBER 2009

	DEC 09 1H10	JUN 09 2H09	DEC 08 1H09	JUN 08 2H08
Cash Markets				
Trading days	130	124	130	124
Total cash market trades ('000)	66,072	50,422	56,258	50,878
Average daily cash market trades	508,249	406,629	432,757	410,304
Total cash market value traded (including crossings) (\$bn)	\$669.29 7	\$494.14 7	\$635.31 3	\$771.98 7
Average daily cash market value (including crossings) (\$bn)	\$5.148	\$3.985	\$4.887	\$6.226
Total billable value (\$bn)	\$644.41	\$480.32	\$612.90	\$747.88
Percentage of turnover crossed	5	1	5	8
Percentage of turnover over \$2.679m (where \$75 cap applies)	29.1%	26.0%	24.5%	25.83%
Average cash market trading, clearing and settlement fee	3.7%	2.8%	3.5%	3.1%
Average fee per value traded (bps)	\$1.43	\$1.46	\$1.59	\$1.82
	1.41	1.49	1.41	1.20
Listings and Capital Raisings				
Total domestic market capitalisation (\$bn)	\$1,403	\$1,098	\$969	\$1,415
Total number of listed entities (includes all stapled entities)	2,181	2,198	2,223	2,226
Number of new listings	50	11	34	59
Average annual listing fee	\$12,094	\$10,647	\$10,507	\$11,306
Average initial listing fee	\$67,743	\$59,208	\$52,625	\$26,690
Average fee per \$m of secondary capital	\$595	\$451	\$362	\$1,145
Initial capital raised (\$m)	\$7,024	\$485	\$1,400	\$1,058
Secondary capital raised (\$m)	\$52,025	\$46,604	\$41,475	\$18,543
Total capital raised (\$m)	\$59,049	\$47,089	\$42,875	\$19,601
Other secondary capital raised including scrip for scrip (\$m)	\$2,862	\$1,667	\$30,894	\$6,480
Number of new warrant series	1,174	1,160	2,034	3,491
Total warrant series	2,439	2,516	3,795	4,293
Derivatives Markets				
Trading days (ASX)	130	124	130	124
Equity derivatives (excluding ASX SPI 200)				
Total contracts ('000)	10,207	9,191	9,813	10,502
Average daily option/futures contracts	78,517	74,124	75,486	84,695
Average fee per option/futures contract	\$1.48	\$1.35	\$1.33	\$1.47

ASX Limited and its controlled entities

TRANSACTION LEVELS AND STATISTICS (cont'd)

	DEC 09 1H10	JUN 09 2H09	DEC 08 1H09	JUN 08 2H08
Trading days (SFE)	130	126	130	127
CFD markets				
Total trades	63,303	42,705	43,178	38,823
	\$1,931.	\$1,013.	\$960.6	\$1,152.5
Notional value traded (\$m)	0	4	0	0
Total open interest value (\$m) at end of period	\$107.2	\$64.7	\$34.90	\$67.40
Total contracts traded ('000)	79,735	63,164	27,166	43,106
Futures and options on futures				
TOTAL CONTRACTS - FUTURES ('000)				
ASX SPI 200	4,732	4,807	5,553	4,622
90 day bank bills	7,534	6,902	8,282	11,910
3 year bonds	13,376	10,821	11,454	14,663
10 year bonds	5,161	4,917	5,895	7,293
30 day interbank cash rate	1,415	900	1,205	1,581
Agricultural	4	6	12	11
Electricity	74	53	49	58
Other	6	1	<1	<1
NZD - 90 day bank bill	789	695	710	744
Total Futures	33,091	29,102	33,160	40,883
TOTAL CONTRACTS - OPTIONS ON FUTURES ('000)				
ASX SPI 200	153	167	231	206
90 day bank bills	19	14	118	170
3 year bonds	328	118	86	241
Overnight 3 year bonds	628	508	281	399
Intra-day 3 year bonds	301	129	123	163
10 year bonds	3	7	2	4
Overnight 10 year bonds	<1	2	N/A	2
Intra-day 10 year bonds	N/A	N/A	N/A	<1
Electricity	5	5	8	3
NZ share options	N/A	N/A	1	1
NZD - 90 day bank bill	1	2	1	1
Total Options	1,438	952	850	1,190
Total Contract Volumes ('000)	34,529	30,054	34,010	42,073
Daily average contracts - futures and options	265,606	238,524	261,620	331,283
Average fee per contract - futures and options	\$1.65	\$1.71	\$1.68	\$1.62

ASX Limited and its controlled entities

TRANSACTION LEVELS AND STATISTICS (cont'd)

	DEC 09 1H10	JUN 09 2H09	DEC 08 1H09	JUN 08 2H08
Austraclear Settlement and Depository				
Trading days	130	124	128	124
Transactions ('000)				
Cash transfers	307	319	348	322
Fixed interest securities	221	160	170	149
Discount securities	144	148	178	183
Foreign exchange	15	15	13	11
Interest rate swaps	1	2	4	4
Forward rate agreements	4	4	3	3
Audit certificates	<1	1	<1	<1
Total Transactions	692	648	716	672
Average daily settlement volume	5,320	5,229	5,594	5,420
Securities holdings (average \$bn)	\$1,091.6	\$1,059.4	\$1,024.6	\$970.6
Average settlement and depository fee (including portfolio holdings)	\$13.60	\$12.01	\$10.51	\$10.55
Technology Infrastructure				
No. of ITS Workstations	771	771	864	938
No. of ITS Interfaces	1,455	1,339	1,265	1,173
No. of SYCOM® Workstations	32	37	40	206
No. of SYCOM® Interfaces	364	351	383	354
Information Services				
ASX market data terminals - period end	64,100	67,715	67,289	77,905
SFE market data terminals - period end	17,598	17,213	19,157	23,319
ASX market data terminals - monthly average	70,345	65,672	73,747	76,909
SFE market data terminals - monthly average	17,514	18,319	18,847	23,251
System Uptime (Period Average)				
ITS	100.00%	100.00 %	100.00%	100.00 %
CHESS	100.00%	100.00 %	100.00%	100.00 %
SYCOM®	99.96%	99.98% 100.00	99.89%	100.00 %
SECUR	100.00%	%	100.00%	%
EXIGO	99.95%	99.86%	99.96%	99.94%

DIRECTORS' REPORT

The directors are pleased to present their report together with the consolidated financial statements of the consolidated entity (also referred to hereafter as the 'Group') consisting of ASX Limited (the 'Company' or 'ASXL') and its controlled entities, for the half-year ended 31 December 2009 and the review report thereon.

Directors

The directors of ASX Limited in office during the half-year and up to the date of this report are:

Mr D M Gonski AC (Chairman since 24 September 2008)
Director since 2007

Mr R G Elstone (Managing Director and Chief Executive Officer)
Director since 2006

Mr R A Aboud
Director since 2005

Mr S D Finemore
Director since 2007

Mr R Holliday-Smith (prior to this he was Chairman of SFE Corporation Limited since 1998)
Director since 2006

Mr P R Marriott
Appointed 1 July 2009

Mr T C Rowe AM
Director since 2002

Ms J S Segal AM
Director since 2003

Mr P H Warne (prior to this he was a Director of SFE Corporation Limited since 2000)
Director since 2006

Mr M J Sharpe AO was a director up until his retirement on 1 July 2009. He had been a director since 1995.

Ms J R Broadbent AO was appointed as a director on 1 February 2010 and remains in office at the date of this report.

ASX Limited and its controlled entities

Review of Operations

In accordance with ASIC Class Order 98/2395, this information has been transferred to the Managing Director and CEO's Report on page 4 and Chief Financial Officer's Report on page 12.

Dividend

A fully franked interim dividend of 89.1 cents per ordinary share has been declared in relation to the half-year ended 31 December 2009 as follows:

TYPE	CENTS PER SHARE	TOTAL AMOUNT \$'000	DATE OF PAYMENT	TAX RATE FOR FRANKING CREDIT
<i>In respect of the current financial period</i>				
Interim	89.1	153,524	29 March 2010	30%
<i>In respect of the prior financial period</i>				
Interim	90.4	154,754	27 March 2009	30%
Final	74.5	127,557	24 September 2009	30%
	<u>164.9</u>	<u>282,311</u>		

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the directors of ASX Limited

The lead auditor's independence declaration is set out on page 43 and forms part of the Directors' Report for the half-year ended 31 December 2009.

Rounding of Amounts

ASX Limited is a company of the kind referred to in ASIC Class Order 98/100 dated 10 July 1998, as varied by Class Order 05/641 dated 28 July 2005 and Class Order 06/51 dated 31 January 2006. In accordance with those Class Orders, amounts in the Financial Statements and the Directors' Report have been rounded off to the nearest thousand dollars or million dollars, as indicated.

Signed in accordance with a resolution of the directors.



David M Gonski AC
Chairman



Robert G Elstone
Managing Director and CEO

Sydney, 18th February 2010

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Auditor's Independence Declaration

As lead auditor for the review of ASX Limited for the half-year ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of ASX Limited and the entities it controlled during the period.



M J Codling
Partner
PricewaterhouseCoopers

Sydney
18th February 2010

ASX Limited and its controlled entities

Consolidated income statement for the half-year ended 31 December 2009

	Note	Half-year ended 31 Dec 2009 \$'000	Half-year ended 31 Dec 2008 \$'000
Revenues			
Listings		65,264	55,908
Cash market		94,334	89,263
Derivatives		75,734	72,103
Information services		35,303	36,974
Technology infrastructure		14,676	14,378
Austraclear services		14,806	11,754
Dividends		3,087	2,514
Interest income		58,609	162,797
Other		6,748	8,482
	2	368,561	454,173
Expenses			
Staff		40,736	41,646
Occupancy		6,016	6,520
Equipment		12,266	11,798
Administration		14,391	12,729
Depreciation and amortisation	7	11,723	7,192
Finance costs		44,457	129,875
	2	129,589	209,760
Profit before income tax expense		238,972	244,413
Income tax expense		(70,929)	(72,494)
Net profit for the period attributable to owners of the company		168,043	171,919
Earnings per share			
Basic earnings per share (cents per share)	3	97.8	100.4
Diluted earnings per share (cents per share)	3	97.8	100.3

The income statement should be read in conjunction with the notes to the half-year financial statements.

ASX Limited and its controlled entities

Consolidated statement of comprehensive income for the half-year ended 31 December 2009

	Half-year ended 31 Dec 2009 \$'000	Half-year ended 31 Dec 2008 \$'000
Profit for the period	168,043	171,919
Other comprehensive income		
Change in fair value of investments (net of tax)	22,278	(15,190)
Change in fair value of available-for-sale financial assets (net of tax)	(591)	294
Change in the fair value of cash flow hedges (net of tax)	44	(23)
Other comprehensive income for the period, net of tax	21,731	(14,919)
Total comprehensive income for the period attributable to owners of the Company	189,774	157,000

The statement of comprehensive income should be read in conjunction with the notes to the half-year financial statements.

ASX Limited and its controlled entities

Consolidated balance sheet as at 31 December 2009

	Note	31 Dec 2009 \$'000	30 Jun 2009 \$'000
Current assets			
Cash		1,280,259	1,433,424
Available-for-sale financial assets		2,084,704	2,586,036
Receivables		213,550	239,898
Other assets		8,165	7,721
Total current assets		3,586,678	4,267,079
Non-current assets			
Investments		204,014	172,189
Property, plant and equipment		26,525	28,544
Receivables		124	184
Intangible assets - software		54,329	56,092
Intangible assets - goodwill		2,262,759	2,262,759
Total non-current assets		2,547,751	2,519,768
Total assets		6,134,429	6,786,847
Current liabilities			
Payables		184,757	205,434
Amounts owing to participants		2,610,658	3,527,246
Current tax liabilities		40,598	40,106
Provisions		13,243	13,264
Other current liabilities		43,360	8,521
Total current liabilities		2,892,616	3,794,571
Non-current liabilities			
Amounts owing to participants	4	80,300	81,400
Borrowings	9	250,000	100,000
Net deferred tax liabilities		29,832	20,333
Provisions		10,534	12,605
Other non-current liabilities		4,300	4,500
Total non-current liabilities		374,966	218,838
Total liabilities		3,267,582	4,013,409
Net assets		2,866,847	2,773,438
Equity			
Issued capital		2,392,411	2,361,820
Retained earnings		313,040	272,554
Restricted capital reserve		71,489	71,489
Asset revaluation reserve		83,643	61,912
Equity compensation reserve		6,264	5,663
Total equity		2,866,847	2,773,438

The balance sheet should be read in conjunction with the notes to the half-year financial statements.

ASX Limited and its controlled entities

Consolidated statement of changes in equity: for the half-year ended 31 December 2009

	Issued capital	Retained earnings	Restricted capital reserve	Asset revaluation reserve	Equity compensation reserve	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance at 1 July 2009	2,361,820	272,554	71,489	61,912	5,663	2,773,438
Total comprehensive income for the period	-	168,043	-	21,731	-	189,774
<i>Transactions with owners in their capacity as owners:</i>						
Share-based payment	-	-	-	-	601	601
Dividends paid (not previously provided)	-	(127,557)	-	-	-	(127,557)
Shares issued under Dividend Reinvestment Plan	30,591	-	-	-	-	30,591
Closing balance at 31 December 2009	2,392,411	313,040	71,489	83,643	6,264	2,866,847

for the half-year ended 31 December 2008

Opening balance at 1 July 2008	2,361,820	274,394	71,489	42,456	4,087	2,754,246
Total comprehensive income for the period	-	171,919	-	(14,919)	-	157,000
<i>Transactions with owners in their capacity as owners:</i>						
Share-based payment	-	-	-	-	1,885	1,885
Purchase of treasury shares (net of tax)	-	-	-	-	(2,591)	(2,591)
Dividends paid (not previously provided)	-	(160,696)	-	-	-	(160,696)
Closing balance at 31 December 2008	2,361,820	285,617	71,489	27,537	3,381	2,749,844

The statement of changes in equity should be read in conjunction with the notes to the half-year financial statements.

ASX Limited and its controlled entities

Consolidated statement of cash flows for the half-year ended 31 December 2009	Note	Half-year ended 31 Dec 2009 \$'000	Half-year ended 31 Dec 2008 \$'000
Cash flows from operating activities			
Cash receipts in the course of operations		375,993	358,715
Cash payments in the course of operations		(103,329)	(133,653)
Cash generated from operations		272,664	225,062
Interest received		58,233	163,288
Interest paid		(45,821)	(126,092)
Dividends received		3,087	2,514
Income taxes paid		(69,470)	(59,912)
Net cash inflow from operating activities	8	218,693	204,860
Cash flows from investing activities			
(Decrease)/increase in participants' margins and commitments		(917,688)	4,086,566
Purchase of investments		-	(12,866)
Payments for other non-current assets		(8,049)	(12,743)
Net cash (outflow)/inflow from investing activities		(925,737)	4,060,957
Cash flows from financing activities			
Proceeds from borrowings		250,000	-
Repayment of borrowings		(100,000)	-
Dividends paid		(127,557)	(160,696)
Proceeds from the issue of shares under the Dividend Reinvestment Plan		30,591	-
Purchase of treasury shares		-	(2,753)
Receipts from employee share plan loans		60	74
Net cash inflow/(outflow) from financing activities		53,094	(163,375)
Net (decrease)/increase in cash and cash equivalents		(653,950)	4,102,442
Fair value (decrease)/increase of cash and cash equivalents		(547)	271
Cash and cash equivalents at the beginning of the financial period		4,019,460	4,007,825
Cash and cash equivalents at the end of the financial period		3,364,963	8,110,538
Cash and cash equivalents consists of:			
ASX own funds		674,005	370,617
Participants' margins and commitments		2,690,958	7,739,921
Total cash and cash equivalents*		3,364,963	8,110,538

* Total cash and cash equivalents includes cash and available-for-sale financial assets.

The statement of cash flows should be read in conjunction with the notes to the half-year financial statement

1. Statement of significant accounting policies

ASX Limited (the 'Company' or 'ASXL') is a company domiciled in Australia. The consolidated half-year financial statements of the Company for the six months ended 31 December 2009 comprises the Company and its subsidiaries (together referred to as the 'Group' or the 'consolidated entity'). Subsidiaries are consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases.

These financial statements must be read in conjunction with any public announcements made by the Company during the half-year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The consolidated half-year financial statements were authorised for issuance on 18 February 2010.

Basis of preparation

The half-year financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards including AASB 134 *Interim Financial Reporting*, other mandatory professional reporting requirements and the Corporations Act 2001.

The half-year financial statements do not include all of the information required for full-year annual financial statements, and should be read in conjunction with the consolidated financial statements of the consolidated entity for the year ended 30 June 2009.

The half-year financial statements have been prepared in Australian dollars on the historical cost basis except for available-for-sale financial assets and investments which have been recognised at fair value.

All the accounting policies applied by the consolidated entity in the consolidated financial statements for the year ended 30 June 2009 have been applied by the consolidated entity in these half-year financial statements, except as identified below.

Change in accounting policy

The Group has adopted AASB 8 *Operating Segments* from 1 July 2009. AASB 8 replaces AASB 114 *Segment Reporting*. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in a reduction of operating segments from two to one. In addition, information for the single segment being the consolidated entity, is presented in a manner that is consistent with the internal reporting provided to the chief operating decision maker (that is the Managing Director and CEO). The change in reportable segments has not altered the number of cash-generating units to which goodwill is allocated, which remains at two (Exchange-traded and Non-exchange-traded). There has been no resultant impairment in goodwill. There have been no other changes as a result of this change in accounting policy. Comparatives for the half-year ended 31 December 2008 have been restated.

2. Segment reporting

Business segments

The Managing Director and CEO assesses performance of the Group as a single segment, being a vertically integrated organisation (eg. primary, secondary and risk transfer) providing multi-asset class product offerings. Vertical integration includes the exchange listing activities offered to public companies, the trading venue or exchange activities for trading and associated clearing and settlement activities offered to participants, and exchange and over-the-counter products provided to other customers. Multi-asset class service offerings include equities, interest rate, commodity and energy products across cash and derivatives markets.

In addition to reviewing performance based on net profit after tax, the Managing Director and CEO assesses the performance of the Group based on normal net profit after tax. This measure excludes significant non-recurring revenue and expenses such as those that may be associated with a significant business restructuring. Group performance as measured by earnings before interest and tax (EBIT) and earnings before interest, tax, depreciation and amortisation (EBITDA) are also reviewed by the Managing Director and CEO. In assessing performance, operating revenue adjustments include derivative revenues shared with external parties, doubtful debt provisions recognised against revenue and gross interest income. Operating expense adjustments relate to the classification of certain expenses including variable expenses and gross interest expense. Net tangible equity, defined as net equity less goodwill, is used in strategic decision-making regarding the Group's capital management.

The information provided on a regular basis to the Managing Director and CEO, along with a reconciliation to net profit for the period attributable to owners of the company, is provided on the following page:

ASX Limited and its controlled entities
Notes to the financial statements

Half-year ended 31 December 2009	Segment Information \$'000	Adjustments \$'000	Consolidated income statement \$'000
Revenue			
Listings	65,264	-	65,264
Cash market	94,334	-	94,334
Derivatives - ASX	15,147	-	15,147
Derivatives - SFE	56,780	3,807	60,587
Information services	35,303	-	35,303
Technology infrastructure	14,676	-	14,676
Austraclear services	14,806	-	14,806
Other	6,448	300	6,748
Operating revenue	302,758		
Interest income		58,609	58,609
Dividends		3,087	3,087
Total revenue		65,803	368,561
Expenses			
Staff	39,610	1,126	40,736
Occupancy	6,661	(645)	6,016
Equipment	11,320	946	12,266
Administration	7,626	6,765	14,391
Variable	2,936	(2,936)	-
Cash operating expenses	68,153		
EBITDA	234,605		
Finance costs		44,457	44,457
Depreciation and amortisation	9,207	2,516	11,723
Total expenses		52,229	129,589
EBIT	225,398		
Interest income	5,880	(5,880)	-
Net interest on participant balances	8,272	(8,272)	-
Dividend income	3,087	(3,087)	-
Net interest and dividend income	17,239	(17,239)	
Normal profit before tax	242,637	(3,665)	238,972
Income tax expense	(72,029)	1,100	(70,929)
Normal net profit after tax	170,608	(2,565)	168,043
Significant items after tax	(2,565)	2,565	-
Net profit after tax	168,043	-	168,043
Total assets	6,134,429		
Total liabilities	3,267,582		
Less: goodwill	(2,262,759)		
Net tangible equity	604,088		

ASX Limited and its controlled entities
Notes to the financial statements

Half-year ended 31 December 2008	Segment Information \$'000	Adjustments \$'000	Consolidated income statement \$'000
Revenue			
Listings	55,908	-	55,908
Cash market	89,263	-	89,263
Derivatives - ASX	13,096	-	13,096
Derivatives - SFE	57,053	1,954	59,007
Information services	36,974	-	36,974
Technology infrastructure	14,378	-	14,378
Austraclear services	11,754	-	11,754
Other	7,878	604	8,482
Operating revenue	286,304		
Interest income		162,797	162,797
Dividends		2,514	2,514
Total revenue		167,869	454,173
Expenses			
Staff	41,646	-	41,646
Occupancy	6,520	-	6,520
Equipment	11,006	792	11,798
Administration	8,245	4,484	12,729
Variable	2,718	(2,718)	-
Cash operating expenses	70,135		
EBITDA	216,169		
Finance costs		129,875	129,875
Depreciation and amortisation	7,192	-	7,192
Total expenses		132,433	209,760
EBIT	208,977		
Interest income	13,966	(13,966)	-
Dividend income	2,514	(2,514)	-
Net interest on participant balances	18,956	(18,956)	-
Net interest and dividend income	35,436	(35,436)	
Normal profit before tax	244,413	-	244,413
Income tax expense	(72,494)	-	(72,494)
Normal net profit after tax	171,919	-	171,919
Significant items	-	-	-
Net profit after tax	171,919	-	171,919
Total assets	11,231,083		
Total liabilities	8,481,239		
Less: goodwill	(2,262,759)		
Net tangible equity	487,085		

ASX Limited and its controlled entities
Notes to the financial statements

3. Earnings per share

	Half-year ended 31 Dec 2009	Half-year ended 31 Dec 2008
Basic earnings per share (cents)	97.8	100.4
Diluted earnings per share (cents)	97.8	100.3

The following reflects the income and share data used in the calculation of basic and diluted earnings per share:

	\$'000	\$'000
Earnings used in calculating basic and diluted earnings per share	168,043	171,919

	2009 Number of shares	2008 Number of shares
Weighted average number of ordinary shares used in calculating basic earnings per share	171,747,132	171,155,081
Weighted average number of contingently issuable shares	-	185,717
Weighted average number of ordinary shares used in calculating diluted earnings per share	171,747,132	171,340,798

The basic and diluted earnings per share at 31 December 2009 are the same as there are no contingently issuable shares outstanding.

4. Contingent liabilities

The Group, through the operation of its licensed clearing subsidiaries has contingent liabilities as detailed below. The Group has two wholly owned subsidiaries, Australian Clearing House Pty Limited (ACH) and SFE Clearing Corporation Pty Limited (SFECC), which provide novation of certain financial assets and liabilities, referred to as central counterparty clearing. The effect of novation is to make these subsidiaries contractually responsible for the obligations entered into by participants on ASX markets.

(a) Australian Clearing House Pty Limited

ACH, a controlled entity of ASX Clearing Corporation Limited (ASXCC), which is a controlled entity of ASXL, is the counterparty to all on-market transactions conducted on ASX which includes: derivatives comprising exchange-traded options, futures, and warrants, and cash market securities comprising equities and managed investments. Transactions between two participating organisations are replaced by novation which simultaneously offsets the contract between ACH and the buying party with the contract between ACH and the selling party. From ACH's perspective, all positions are matched.

ASX Limited and its controlled entities
Notes to the financial statements

As at 31 December 2009, ACH had a right to receive from participants payments of \$710.2 million (2008: \$487.3 million) and a corresponding obligation to make payments of \$710.2 million (2008: \$487.3 million) relating to cash market securities. Furthermore, total collateral required by ACH to cover participants' derivatives exposures was \$965.0 million (2008: \$1,489.0 million). This was made up of cash and receivables of \$294.9 million (2008: \$646.2 million), bank guarantees of \$236.0 million (2008: \$165.1 million) and the remainder of \$434.1 million (2008: \$677.7 million) in equity securities. As at the end of the reporting period, participants had lodged non-cash collateral with ACH in the form of equity securities and bank guarantees with a market value of \$4,239.8 million (2008: \$2,881.4 million).

All net delivery and net payment obligations owing to or by participants of ACH at 31 December 2009 were settled.

ACH has the following financial resources available to it to support its central counterparty clearing activities (over and above collateral deposited by participants):

	31 Dec 2009 \$'000	30 June 2009 \$'000	31 Dec 2008 \$'000
Restricted capital reserve	71,489	71,489	71,489
Equity and subordinated debt provided by ASX Group	78,511	78,511	78,511
External insurance	-	-	100,000
External subordinated debt borrowing *	100,000	100,000	-
Emergency assessments	300,000	300,000	300,000
	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>

*External borrowing by ACH at 30 June 2009 and via ASXCC at 31 December 2009 (see Note 9).

In the event of a clearing default, the financial resources at 31 December 2009 available to ACH would be applied in the following order as set out in the ACH clearing rule 5.8.3 Application of Clearing Assets:

1. Collateral or other margin or contributions lodged by the defaulting participant with ACH;
2. Restricted capital reserve of \$71.5 million. In accordance with the terms of ACH's Australian Clearing and Settlement Facility Licence, unless the Minister for Financial Services, Superannuation and Corporate Law (the Minister) agrees otherwise, these funds can only be used by ACH for clearing and settlement support;
3. ASX Clearing Corporation Limited, a controlled entity of ASXL, provided equity capital of \$3.5 million and subordinated debt of \$75 million. Currently, ACH has determined the Reserve Requirement (RBA Stability Standard for Central Counterparties) to be \$150 million. Accordingly, ACH has met the Reserve Requirement through the combination of restricted capital, equity and subordinated debt. As the Reserve Requirement may vary from time to time, ACH has the obligation to provide financial resources to cover any shortfall in the Reserve Requirement. ACH may utilise a number of alternatives to provide

ASX Limited and its controlled entities

Notes to the financial statements

these financial resources including equity, debt, participant commitments and insurance. While ASXCC does not have a legal obligation to contribute capital to recapitalise ACH in the event of a clearing loss, it may choose, however, to provide capital. ACH may also consider other sources of financial resources if required;

4. Non-recourse subordinated debt of \$100 million received from ASXCC which borrowed the funds externally (see Note 9 for further details). At 30 June 2009, subordinated debt had been directly provided to ACH;
5. Contributions obtained from non-defaulting participants under the ACH clearing rules (Nil for periods ending 31 December 2009 and 2008); and
6. Emergency Assessments of \$300 million levied on participants (Nil has been levied for periods ending 31 December 2009 and 2008).

(b) SFE Clearing Corporation Pty Limited

SFECC, a controlled entity of ASXCC, which is a controlled entity of ASXL, is the counterparty to all transactions conducted on the Sydney Futures Exchange which includes: derivatives comprising futures, options and contracts for differences (CFD). Transactions between two participating organisations are replaced by novation which simultaneously offsets the contract between SFECC and the buying organisation with the contract between SFECC and the selling organisation. From SFECC's perspective, all positions are matched.

SFECC is liable for the settlement of all derivatives contracts traded on the Sydney Futures Exchange between clearing participants, and is supported by margins received from participants as well as by specific financial resources totalling \$400 million referred to as the Clearing Guarantee Fund.

Total collateral lodged by clearing participants at 31 December 2009 was \$2,315.7 million (31 December 2008: \$7,009.6 million). This was made up of cash \$1,759.3 million (31 December 2008: \$5,212.6 million) and debt securities \$556.4 million (31 December 2008: \$1,797.0 million).

All net payment obligations relating to derivatives market transactions owing to or by participants of SFECC as at 31 December 2009 were settled.

The Clearing Guarantee Fund available to SFECC to support its central counterparty clearing activities (over and above collateral deposited by participants) is as follows:

ASX Limited and its controlled entities
Notes to the financial statements

	31 Dec 2009 \$'000	30 June 2009 \$'000	31 Dec 2008 \$'000
Equity and subordinated debt provided by ASX Group	100,000	100,000	100,000
Participant financial backing	120,000	120,000	120,000
Emergency assessments	30,000	30,000	30,000
External insurance	-	150,000	150,000
External subordinated debt borrowing *	150,000	-	-
	400,000	400,000	400,000

* External borrowing by SFECC via ASXCC (see Note 9).

In the event of a clearing default, the financial resources at 31 December 2009 available to SFECC would be applied in the following order in accordance with the SFECC clearing rules:

1. Margins and participant financial backing lodged by the defaulting participant with SFECC ;
2. ASX Clearing Corporation Limited, a controlled entity of ASXL, provided equity capital of \$30 million and subordinated debt of \$70 million;
3. Participant financial backing lodged by participants, totalling \$120 million. Any defaulting participant's financial backing in this total will be included in amounts previously applied as part of amounts in (1) above. Participant financial backing comprises cash \$80.3 million (31 December 2008: \$84.1 million) and non-cash commitments (letters of credit drawn on major Australian licensed banks of \$39.7 million (31 December 2008: \$35.9 million));
4. Emergency Assessments of \$30 million levied on participants (Nil has been levied for periods ending 31 December 2009 and 2008);
5. Non-recourse subordinated debt of \$150 million received from ASXCC which borrowed the funds externally (see Note 9 for further details).

(c) Securities Exchanges Guarantee Corporation (SEGC) - Levy

The National Guarantee Fund (NGF), which is administered by SEGC, is maintained to provide compensation for prescribed claims arising from dealings with market participants as set out in the Corporations Act 2001. The net assets of the NGF at 31 December 2009 were \$108.0 million (2008: \$105.4 million). If the net assets of the NGF fall below the minimum amount determined by the Minister in accordance with the Corporations Act 2001 (currently \$76 million), SEGC may determine that ASXL must pay a levy to SEGC. Where a levy becomes payable, ASXL may determine that market participants must pay a levy, provided that the total amounts payable under this levy do not exceed the amount payable by ASXL to SEGC. The amount in the NGF has not fallen below the applicable minimum amount since the NGF was formed and SEGC has not imposed any levies. Failure by either ASXL or a market participant to pay a levy may give rise to a civil action, but does not constitute an offence under the

ASX Limited and its controlled entities
Notes to the financial statements

Act. In accordance with applicable accounting standards neither SEGC or NGF is consolidated by ASXL.

5. Dividends

	Half-year ended 31 Dec 2009 \$'000	Half-year ended 31 Dec 2008 \$'000
Ordinary shares		
Dividends provided or paid during the half-year	127,557	160,696

Dividends not recognised at the end of the half-year

In addition to the above dividends, since the end of the half-year the directors have resolved to pay an interim dividend of 89.1 cents per fully paid ordinary share (2008: 90.4 cents), fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 29 March 2010 out of retained profits at 31 December 2009, but not recognised as a liability at the end of the half-year, is

153,524	154,754
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6. Equity securities issued

	2009 Shares	2008 Shares	2009 \$'000	2008 \$'000
Movements in ordinary shares during the half-year				
Opening balance 1 July	171,188,524	171,148,524	2,361,820	2,361,820
Shares issued under Long-Term Incentive Plans	140,770	40,000	-	-
Shares issued under the Dividend Reinvestment Plan	976,404	-	30,591	-
Closing balance 31 December	172,305,698	171,188,524	2,392,411	2,361,820

Movement in treasury shares during the half-year

Opening balance 1 July	233,500	141,300
Shares vested under Long-Term Incentive Plans	(2,775)	-
Acquisition of shares by ASX Long-Term Incentive Plan Trust	-	92,200
Closing balance 31 December	230,725	233,500

7. Changes in estimates

During the period, the estimated useful life of the trading system that supports cash markets and derivatives trading was revised as a result of the decision to implement a new trading platform. The net effect of the changes in the current financial period was an increase in depreciation expense to the Group of \$2,273,000.

Assuming the asset is held to the end of its revised useful life, depreciation of the Group in future years in relation to this asset will be increased by the following amounts:

Year ending 30 June:	\$'000
2010	4,546
2011	2,273

Further detail in regards to the change in the estimated useful life is provided in the Chief Financial Officer's Report.

8. Notes to the Cash Flow Statement

	Half-year ended 31-Dec 2009 \$'000	Half-year ended 31-Dec 2008 \$'000
<hr/> Reconciliation of the operating profit after income tax to the net cash flows from operating activities:		
Net profit after tax	168,043	171,919
<i>Add non-cash items:</i>		
Depreciation and amortisation	11,723	7,192
Increase in equity compensation reserve	601	1,886
<i>Changes in assets and liabilities:</i>		
Increase in tax balances	443	12,660
(Increase) / Decrease in current receivables	(68)	12,261
(Increase) in other current assets	(444)	(3,609)
Increase / (Decrease) in payables	5,848	(27,154)
Increase in other liabilities	34,639	26,704
(Decrease) / Increase in current provisions	(21)	3,992
(Decrease) in non-current provisions	(2,071)	(991)
Net cash provided by operating activities	<hr/> 218,693 <hr/>	<hr/> 204,860 <hr/>

9. Borrowings

Non-current borrowings of \$250 million at 31 December 2009 represents an unsecured bank loan supporting the financial resources of the Group's two central counterparty licensed clearing subsidiaries, ACH and SFECC. The borrowing entity is ASXCC, a wholly owned subsidiary of ASX Limited. The term of the loan is three years with a variable rate of interest payable. Repayment of the loan is subordinated to all creditors of ASX Clearing Corporation Limited.

In the event that a shortfall is suffered by ACH or SFECC as a result of a participant default, and the amount of the shortfall exceeds prior ranking financial resources held by ACH and SFECC as part of their respective financial resources, the principal amount of the loan is reduced by a corresponding amount without obligation to repay at maturity. Prior ranking financial resources held by ACH are any collateral lodged by the defaulting participant, \$71.5 million of restricted capital reserve and \$78.5 million of equity and subordinated debt provided by ASX Group. Prior ranking financial resources held by SFECC are any collateral and participant financial backing lodged by the defaulting participant, \$100 million of equity and subordinated debt provided by ASX Group, \$120 million of participant financial backing (less the defaulting participant's financial backing already applied) and \$30 million of emergency assessments that may be levied on participants. (Details of the order of application of financial resources for ACH and SFECC is contained in Note 4 Contingent Liabilities.)

10. Events occurring after the balance sheet date

Other than the interim dividend noted above, no matter or circumstance has arisen since the end of the half-year to the date of these financial statements which has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity.

ASX Limited and its controlled entities

DIRECTORS' DECLARATION

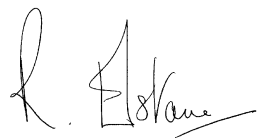
In the opinion of the directors of ASX Limited

1. the financial statements and notes, set out on pages 44 to 59, are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
 - (b) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
2. there are reasonable grounds to believe that ASX Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



David M Gonski AC
Chairman



Robert G Elstone
Managing Director and CEO

Sydney, 18th February 2010

**Independent auditor's review report to the members of
ASX Limited**

Report on the half-year financial statements

**PricewaterhouseCoopers
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We have reviewed the accompanying half-year financial statements of ASX Limited, which comprise the balance sheet as at 31 December 2009, and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the ASX Limited Group (the consolidated entity). The consolidated entity comprises both ASX Limited (the Company) and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial statements

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial statements based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial statements are not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of ASX Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

Independent auditor's review report to the members of ASX Limited (continued)

A review of half-year financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial statements to determine whether it contains any material inconsistencies with the financial statements. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial statements of ASX Limited are not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



PricewaterhouseCoopers



M J Codling
Partner

Sydney
18th February 2010

APPENDIX 4D (Rule 4.2A.3)
HALF-YEAR FINANCIAL STATEMENTS
for the half-year ended 31 December 2009

RESULTS FOR ANNOUNCEMENT TO THE MARKET

(All comparisons to half-year ended 31 December 2008)

	\$'000	up/down	% movement
Revenues from ordinary activities excluding interest income	309,952	up	6.4%
Net profit after tax from ordinary activities	168,043	down	2.3%
Normal net profit after tax (excluding significant items)	170,608	down	0.8%

Dividend information

	amount per share (cents)	franked amount per share (cents)	tax rate for franking
Final 2009 dividend per share (paid 24 September 2009)	74.5	74.5	30%
Interim 2010 dividend per share (to be paid 29 March 2010)	89.1	89.1	30%

Interim dividend dates

Ex-dividend date	1 March 2010	
Record date	5 March 2010	
Payment date	29 March 2010	
	31 Dec 2009	31 Dec 2008
Net tangible assets per security	\$3.19	\$2.49

Additional Appendix 4D disclosure requirements can be found in the notes to the half-year financial statements and the Chief Financial Officer Report attached thereto.

This report is based on the consolidated half-year financial statements which have been subject to a review by PricewaterhouseCoopers.