



MARKET ANNOUNCEMENT

26 August 2011

ASX Managing Director and CEO

ASX Limited (ASX) announces that Mr Elmer Funke Kupper is to be appointed as its next Managing Director and CEO.

Mr Funke Kupper is expected to start with ASX on 6 October 2011. A summary of his key terms of employment is attached.

ASX's Chairman, David Gonski AC, welcomed Mr Funke Kupper to ASX and said: "The ASX Board is delighted with Elmer's appointment and believes he is the right candidate to lead ASX into a new era. Elmer has enormous experience as a CEO of a major Australian listed company, and extensive involvement in the financial services industry as well as in industries that are highly regulated with important and diverse stakeholders. We also believe he has the personal qualities and vision to ensure that ASX continues to embrace and benefit from the dynamic developments occurring in financial markets, both in Australia and overseas."

Mr Funke Kupper said: "I am delighted to join the ASX team. I will inherit a business that is in good shape and has been performing well. The company is now facing significant and complex changes to the regulatory and competitive environment. It has put itself in a good position to compete effectively and continue to grow."

On behalf of the Board, Mr Gonski congratulated and thanked Mr Robert Elstone for his successful tenure as an exchange Managing Director and CEO over 11 years – five years at ASX since the merger with SFE Corporation (SFE) in July 2006 and six years at SFE before that.

"Robert has been an outstanding steward of ASX. During a period of substantial change in global markets, Robert's financial and operational skills, coupled with his judgment and personal discipline were critical to ensuring ASX's strong day-to-day performance.

"Robert hands over a company in robust shape and ready to continue to play an integral role in the Australian economy. We thank him for his leadership and wish him the very best for the future."

Amanda J Harkness
Group General Counsel & Company Secretary

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Summary of the Key Terms of the Executive Service Agreement between ASX Limited and Mr Elmer Funke Kupper

1. Commencement Date

ASX will employ Mr Funke Kupper in the position of Managing Director and CEO. He will be appointed to the board of directors of ASX and other ASX Group companies.

Mr Funke Kupper's employment will commence on 6 October 2011 or such other date as he and ASX may agree.

2. Term

Mr Funke Kupper will be appointed for an ongoing term subject to termination by either party (see section 4 below).

3. Remuneration

(a) Fixed Remuneration

Mr Funke Kupper will be entitled to a salary of \$1,750,000 (inclusive of superannuation) per annum. This will be subject to annual review.

(b) Short-Term Incentive

Mr Funke Kupper will be entitled to a maximum potential short-term incentive of \$1,500,000 per annum subject to financial and non-financial performance of the Group, Mr Funke Kupper's performance and relevant market information against performance targets and priorities set by the Board in consultation with Mr Funke Kupper. ASX may defer payment of up to 50% of the short-term incentive for two years.

Mr Funke Kupper will forfeit any deferred short-term incentive if his employment is terminated by his resignation, due to his misconduct or poor performance, or if ASX determines that such action is necessary to protect the financial soundness of ASX or where adverse outcomes have arisen during the deferral period that reduce the original assessment of the performance generating the deferred allocation.

If ASX or Mr Funke Kupper terminates Mr Funke Kupper's employment on notice, ASX has a discretion whether to make a payment to Mr Funke Kupper for short-term incentive in the year when termination occurs.

(c) Long-Term Incentive

Subject to any approval ASX considers necessary or appropriate, Mr Funke Kupper will be entitled to participate in the ASX executive share-based long-term incentive scheme in accordance with the rules of the scheme and any applicable ASX policy. Mr Funke Kupper will be entitled to an annual long-term incentive grant valued at \$750,000 subject to the achievement of Earnings Per Share (as to 70% of the benefit) and Total Shareholder Return (as to 30% of the benefit) hurdles.

If approval of Mr Funke Kupper's participation in the ASX long-term incentive scheme is sought but not obtained, he will be entitled to receive a cash payment equivalent in value to the long-term incentive that would have been granted had shareholder approval been obtained, subject to the same performance hurdles and timing for vesting (payment).

Mr Funke Kupper will forfeit any cash long-term incentive if his employment is terminated by his resignation, due to his misconduct or poor performance, or if ASX determines that such action is necessary to protect the financial soundness of ASX or where adverse outcomes have arisen that reduce the original assessment of the performance generating the provision of the benefit.

3. Remuneration

(c) Long-Term Incentive (Continued)

If Mr Funke Kupper's employment is terminated by the provision of notice by ASX, at ASX's discretion he will forfeit either all or a pro rata portion of the cash long-term incentive based on his employment period as a portion of the performance period for the incentive.

4. Termination

ASX may terminate Mr Funke Kupper's employment at any time on 12 months' notice or payment in lieu of notice.

Mr Funke Kupper may terminate his employment with ASX at any time on six months' notice or, at ASX's election, payment in lieu of notice.

Mr Funke Kupper's employment may also be terminated by ASX in circumstances of his misconduct, illness or poor performance.

5. Restrictive Covenant

Mr Funke Kupper will be restrained for up to six months after termination of his employment with ASX from being engaged in competition with ASX, and for up to 12 months after termination of his employment with ASX from soliciting ASX employees or persuading people who do business with ASX to cease or reduce their business with ASX.

6. Tabcorp Holdings Limited

Mr Funke Kupper will be permitted to be a director of Tabcorp Holdings Limited, as his commitment to do so predates the entry into this agreement, but only for so long as this does not conflict with the interests of ASX or compromise Mr Funke Kupper's ability to perform his role.