



30 April 2019

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### 2019 MACQUARIE AUSTRALIA CONFERENCE PRESENTATION

Attached is the presentation that ASX Managing Director and CEO Dominic Stevens will deliver to investors at 4.00pm today at the Macquarie Australia Conference in Sydney.

Mr Stevens' speaking notes will be released on the Market Announcements Platform later today and prior to the presentation.

The presentation provides an update on operational and strategic matters disclosed at ASX's 2019 interim financial results and in the March 2019 activity report. ASX is not providing the unaudited, pro-forma financial results for the 9 months to 31 March 2019, discontinuing the practice of recent years.

Daniel Csillag  
Company Secretary

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30 April 2019

# ASX Limited

## 2019 Macquarie Equities Conference, Sydney

Operational and strategic update

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Dominic Stevens

Managing Director & CEO

# Agenda

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01

## FY19 update

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- Volume and activity as at end of Q3

02

## Major projects update

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- CHES replacement
- ASX Net, Secondary Data Centre, DataSphere, Sympli
- Stronger Foundations program

03

## Open infrastructure solutions that help our customers

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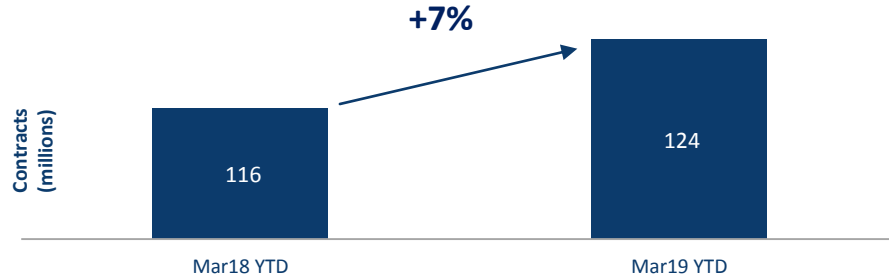
- Create new products and services
- Improve operational efficiency
- Reduce risks and costs

# FY19 update

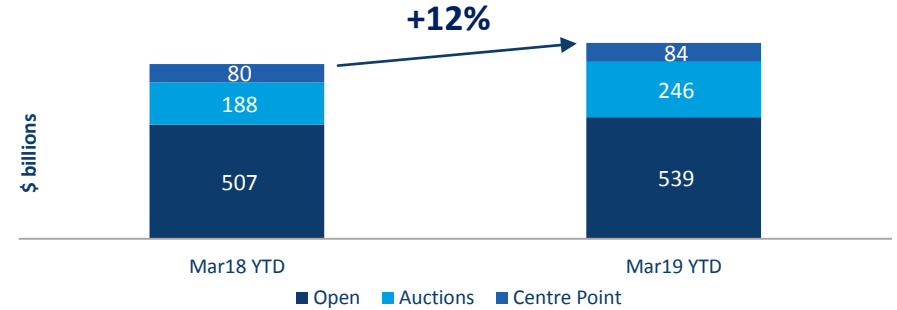
# FY19 update

## Strong 9 months for futures and equities trading

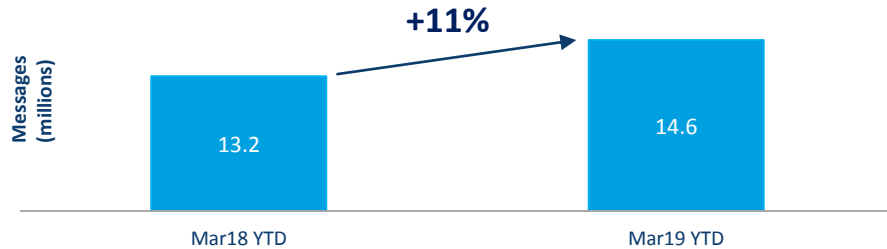
### Futures and options on futures contracts



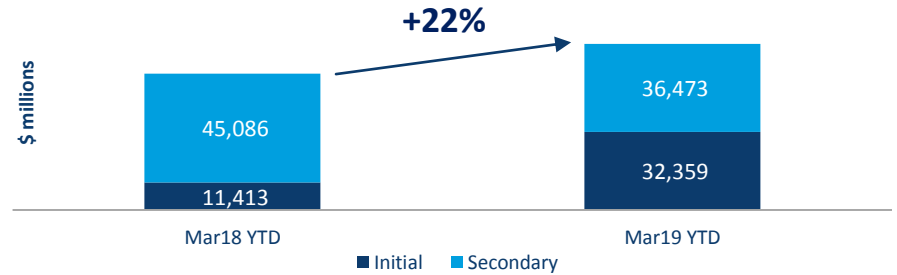
### ASX cash on-market value



### Dominant settlement messages



### Capital raised



# FY19 update

## Costs and capital expenditure on track

### Moderation of heightened interest revenue in March 2019 quarter

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- Money market spreads remained elevated albeit moderating
- Average end-of-month collateral balances were lower than 1H19

### On-track to meet expense and capital expenditure guidance for FY19

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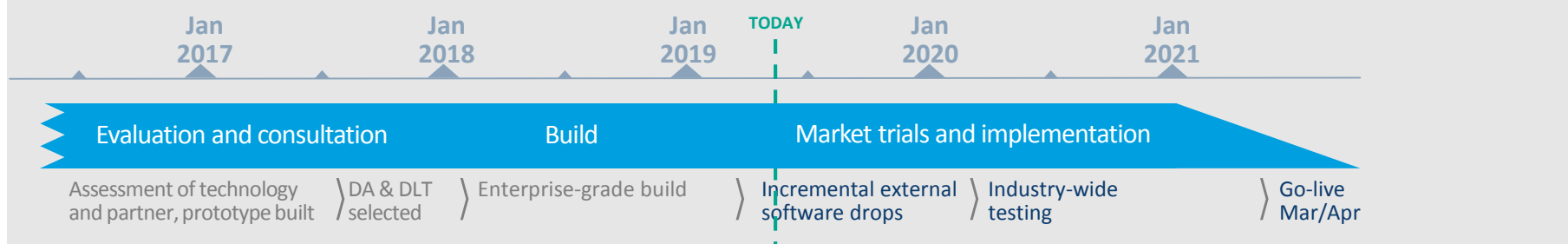
- Operating expenses expected to grow at approximately 9%
- Capital expenditure expected to be approximately \$70-\$75 million

# Major projects update

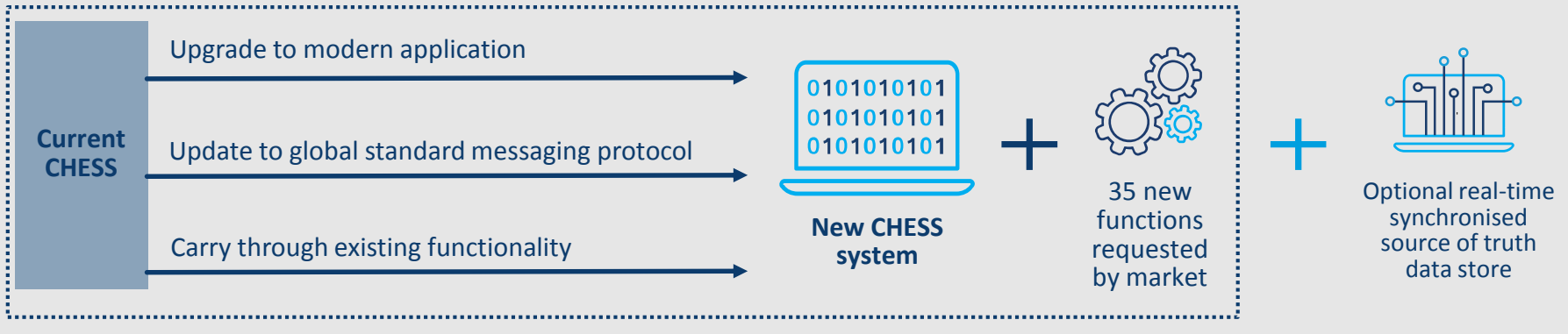
# CHES replacement on-track

Delivering an updated equities clearing and settlement system with new functions and optionality

Customer development environment (CDE) opened today, on-track for March/April 2021 go-live



DLT-based CHES will offer existing functionality, new features and an option to connect to real-time source of truth data





# Other projects on-track

## Adding resiliency and capability across the group

### ASX Net Communications network

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- Completed network upgrade
- Migrating customers and services in 1H20

### Secondary Data Centre

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- Building hardware for new facility
- Commencing technical migration in Q1 FY20 with commissioning in Q2 FY20

### DataSphere – ASX's data analytics capability

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- Completed the build of DataSphere's technology and governance capabilities
- Rolled-out internally and will be made progressively available to customers

### Sympli joint-venture technology build

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- Demonstrating efficiency gains
- On-track to begin financial transactions before end of FY19

### Stronger Foundations

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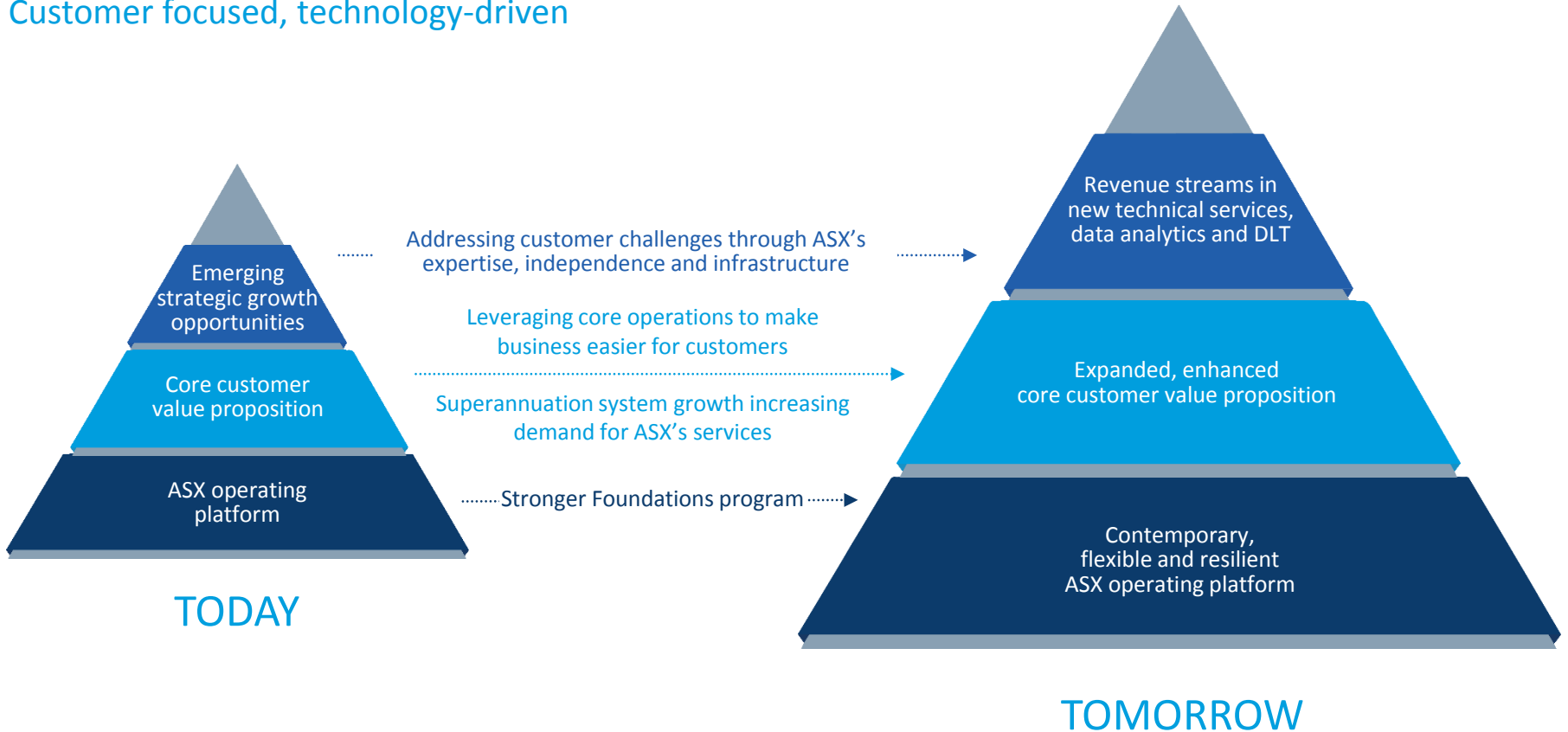
- Completing program investment by end FY19
- Transitioning into business-as-usual activities from early CY2020



Open  
infrastructure  
solutions

# Multi-layered growth strategy

Customer focused, technology-driven



# Australian Liquidity Centre and ASX Net

An open infrastructure solution delivering customers cost effectiveness and connectivity

## ASX OPTIONALITY

In 2010 → 3 options

- i) Outsource
- ii) Build just for ASX
- iii) Provide open infrastructure solution

## CUSTOMER CHALLENGE



Manage data centre investment and expenses

## ASX SOLUTION



AUSTRALIAN LIQUIDITY CENTRE (ALC)

Tier-3 data centre offering to market participants

## CUSTOMER BENEFITS

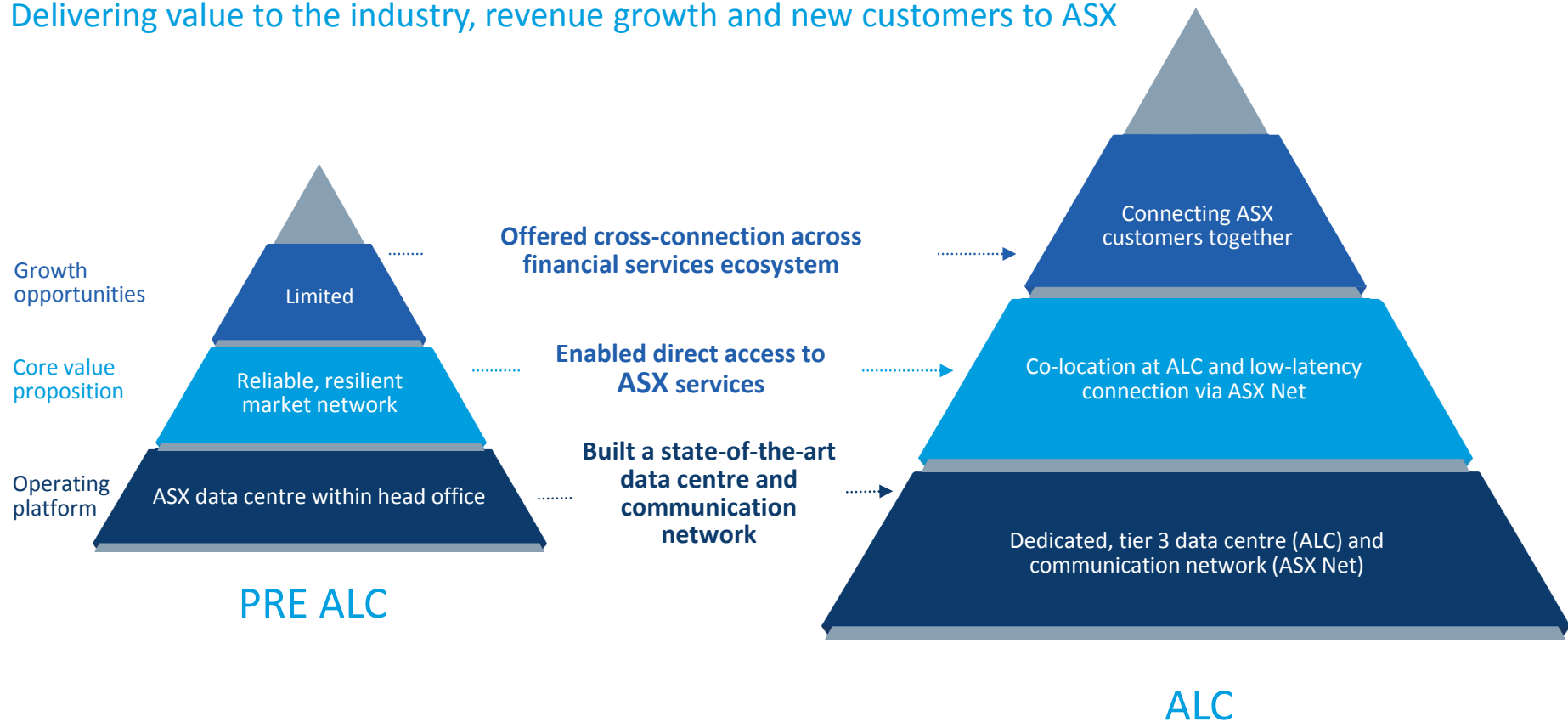


Competitive data centre services

Connectivity with financial community

# Australian Liquidity Centre and ASX Net

Delivering value to the industry, revenue growth and new customers to ASX



# DataSphere – ASX’s data analytics capability

An open infrastructure solution offering new services

## ASX OPTIONALITY

In 2018 → 3 options

- i) Outsource
- ii) Build just for ASX
- iii) Provide open infrastructure solution

## CUSTOMER CHALLENGE



### Data and analytical availability

Access to curated and standardised financial markets data

Limited access to big data and data science capabilities

Limited ability to commercialise and distribute data solutions

## ASX SOLUTION



### ASX DATA PLATFORM

An open ecosystem platform providing technology, governance, datasets and analytical tools

## CUSTOMER BENEFITS



### Access, solutions, distribution

Access to a range of data, enabling development of new products

Access governed data platform without upfront investment costs

Access to distribution channel for customer-developed products

# DataSphere

Open infrastructure, offering big data as a service

## Data sets supplied by ASX and external customers

ASX data sets available

3<sup>rd</sup> party data sets available

BYO data for exclusive use



## Data products demanded by a range of users, e.g.

ASX participants

Compliance officers

Asset managers

Listed companies

Risk managers

ASX internal

## DataSphere

Storage and Compute

Data Science

Data Management

Governance

Support

Commercial Management

# DLT solutions

Open infrastructure enabling realisation of efficiencies and innovation with source of truth information

## ASX OPTIONALITY

In 2017 → 3 options

- i) Build updated CHES with new messaging
- ii) Build i) with updated functionality for CHES users
- iii) Build i) and ii) plus real-time source of truth data for those permitted to view

## CUSTOMER CHALLENGE



Costs and inefficiencies

Cost of multiple reconciliations, data inaccuracies, developing bespoke solutions

## ASX SOLUTION



DLT SOLUTIONS

Enterprise-grade technology infrastructure and smart-contract software, safely and securely delivering real-time, synchronised source of truth data and mutualised rules

## CUSTOMER BENEFITS



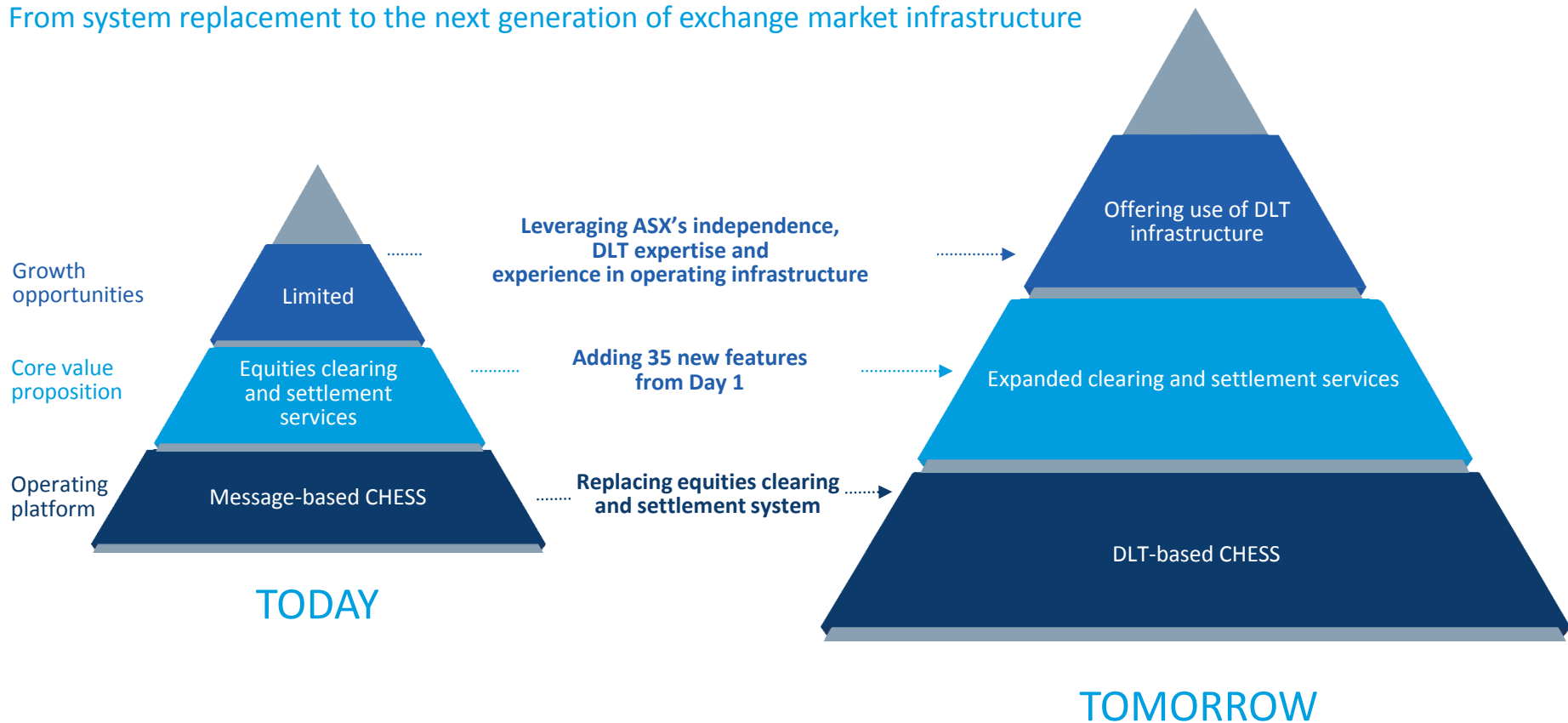
Productivity benefits and new revenue opportunities

Benefits of perfect information, cost and time savings  
Opportunity to develop more efficient work flows, and new products and services



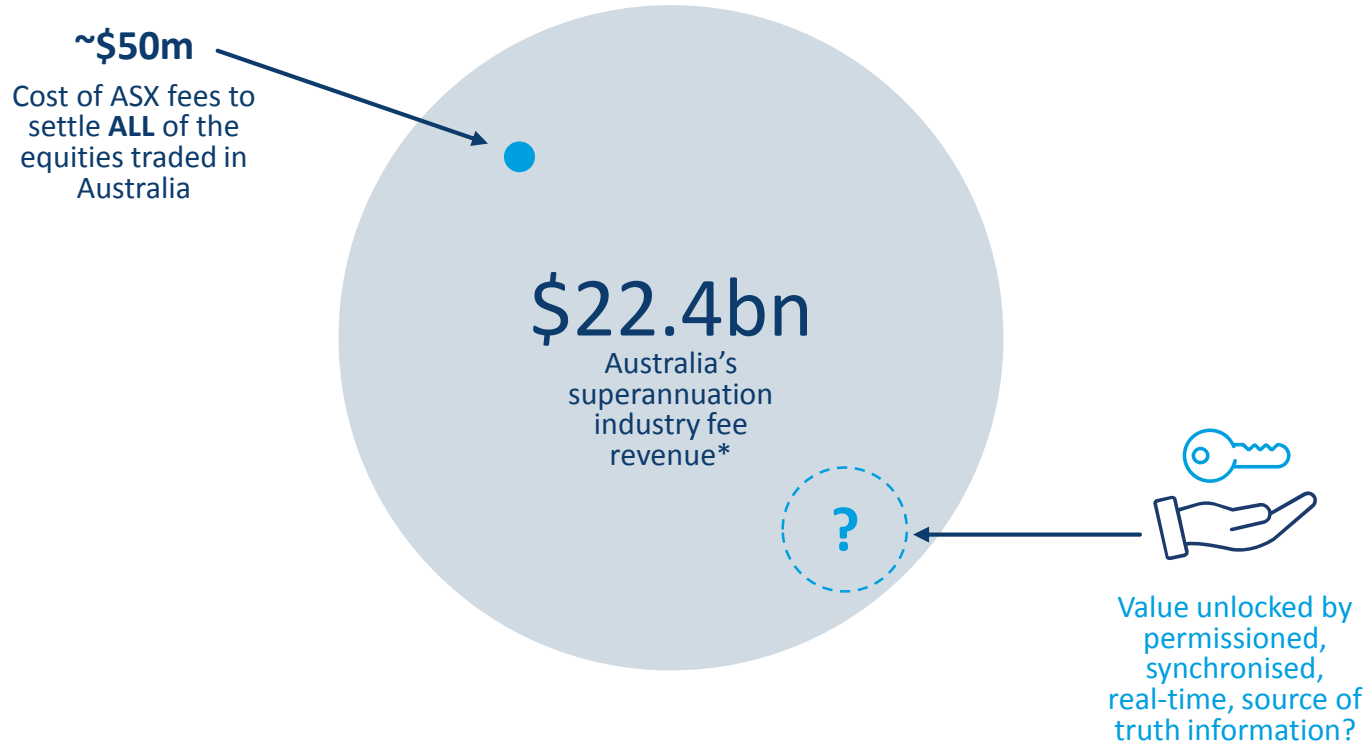
# DLT solutions

From system replacement to the next generation of exchange market infrastructure



# DLT solutions

An opportunity for the Australian financial services industry to unlock value and reduce costs



# Summary

## On-track for FY19 and beyond

- > On-track to meet expense and capital expenditure guidance for FY19
- > Progressing major projects in-line with management expectations
- > Expect Sympli to complete first financial transaction by end of FY19
- > Continuing to develop open infrastructure solutions that help customers create new products and services, improve operational efficiency, and reduce risks and costs



# Questions & Discussion

Thank you.

# Disclaimer

The material contained in this document is a presentation of general information about the ASX Group's activities current as at the date of this presentation (30 April 2019). It is provided in summary and does not purport to be complete. You should not rely upon it as advice for investment purposes, as it does not take into account your investment objectives, financial position or needs. These factors should be considered, with or without professional advice, when deciding if an investment is appropriate.

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