



Media Release

17 August 2017

ASX LIMITED FULL-YEAR RESULTS TO 30 JUNE 2017 (FY17)

- CONTINUED EARNINGS GROWTH – NPAT UP 1.9% TO \$434.1M
- MACRO FACTORS PLUS BUSINESS INITIATIVES DRIVING GROWTH

Highlights relative to the prior comparative period (FY16) based on Group segment reporting:

Profit after tax	\$434.1 million	↑\$7.9m ↑1.9%
Operating revenue <ul style="list-style-type: none"> • Growth in Derivatives and OTC Markets, Trading Services and Equity Post-Trade Services, supported by higher activity levels • Listings and Issuer Services flat, with capital raised lower but IPOs up 	\$764.1 million	↑\$17.8m ↑\$2.4%
Operating expenses <ul style="list-style-type: none"> • Higher investment in people and technology to support customer and growth-related initiatives, in line with guidance 	\$180.9 million	↑\$10.3m ↑6.0%
Earnings per share	224.5 cents	↑1.9%
Final dividend per share <ul style="list-style-type: none"> • Fully franked, 90% payout ratio 	99.8 cents	↑0.8%
Full-year dividends per share	201.8 cents	↑1.9%
Strategic initiatives progressing across all businesses <ul style="list-style-type: none"> • Expanding listing franchise with foreign and tech companies, exchange-traded products and mFund • Strong growth in the ALC community, Centre Point, OTC Clearing and ASX Collateral services • Implemented new futures trading platform in March 2017, providing improved functionality • Continuing stakeholder engagement program for upgraded equities post-trade business processes • On track to assess the suitability of distributed ledger technology by the end of 2017 • Commenced BBSW benchmark rate administration in January 2017, with new methodology set for launch in FY18 • Enhanced listings admission requirements in place from December 2016 		



Mr Dominic Stevens, ASX Managing Director and CEO, said: “ASX has built on its strong first half results with a solid performance for the full 2017 financial year. Activity and revenue levels were higher across most major areas of the business, and our strategic initiatives – both new and existing – progressed well over the period. A combination of macro-economic drivers and ASX’s own investments provide the company with growth opportunities for the future.

“Total Group revenue grew by 2.4% to \$764.1 million, an increase of \$17.8 million, and profit after tax rose 1.9% or \$7.9 million to \$434.1 million - the fifth consecutive year of profit growth. The result was underpinned by growth in cash market and derivatives trading activity, due in part to ongoing global uncertainty and pockets of volatility. The daily average cash on-market value was \$4.3 billion and the daily average number of futures contracts traded was more than 556,300. Revenue from listings was flat year-on-year. Despite the total amount of capital raised being lower, down 28.8%, there were significantly more new listings in FY17, rising from 124 to 152, the most in six years, including many foreign and technology company listings.

“ASX continues to invest in leading infrastructure that positions Australia’s financial markets for the future. Expenses rose by 6.0% to \$180.9 million and capital expenditure was \$50.3 million, both in line with market guidance. The spending relates to continued infrastructure upgrades as well ASX initiatives such as the new futures trading platform, development work associated with becoming the BBSW benchmark rate administrator, and progress on distributed ledger technology as a potential solution to replace CHES. We are on track to assess the suitability of DLT by the end of 2017.

“I have now been CEO of ASX for 12 months. The company’s diversified business model and the traction being achieved by initiatives such as Centre Point, the Australian Liquidity Centre and OTC Clearing are providing positive growth momentum. I am also excited by the opportunities emerging from other technology-based initiatives, such as DLT and data analytics. In each case, ASX is seeking to provide efficiencies for customers, greater choice for investors and improve the competitiveness of Australia’s financial markets. At the same time, the work we are doing to enhance the resilience and functionality of our systems, and ensure our rules, guidance and operating procedures remain contemporary, are keeping our standards high and strengthening the trust of all ASX stakeholders.”

Please see the accompanying presentation slides for individual business highlights.

Complete full-year results materials, including ASX’s 2017 Annual Report, will be available on the [ASX website](#).

A webcast of today’s 10.00am (Sydney time) presentation to analysts and media will be available at: <http://www.asx.com.au/fy2017webcast>

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APPENDIX – ASX full-year results to 30 June 2017 (FY17) based on the Group's segment reporting

Group income statement	FY17 \$m	FY16 \$m	Variance \$m	Variance %
Operating revenue	764.1	746.3	17.8	2.4%
Operating expenses	(180.9)	(170.6)	(10.3)	(6.0%)
EBITDA	583.2	575.7	7.5	1.3%
Depreciation and amortisation	(46.0)	(42.7)	(3.3)	(7.8%)
EBIT	537.2	533.0	4.2	0.8%
Interest and dividend income	79.2	73.1	6.1	8.4%
Profit before tax	616.4	606.1	10.3	1.7%
Income tax expense	(182.3)	(179.9)	(2.4)	(1.3%)
Profit after tax	434.1	426.2	7.9	1.9%

Operating revenue	FY17 \$m	FY16 \$m	Variance \$m	Variance %
Listings	150.3	149.4	0.9	0.6%
Issuer services	42.4	43.3	(0.9)	(2.0%)
Listings and Issuer Services	192.7	192.7	0.0	0.0%
Equity options	21.7	23.1	(1.4)	(6.4%)
Futures and OTC clearing	197.4	194.3	3.1	1.6%
Austraclear	50.0	48.4	1.6	3.4%
Derivatives and OTC Markets	269.1	265.8	3.3	1.2%
Cash market trading	46.3	40.7	5.6	13.8%
Information services	82.5	80.1	2.4	3.0%
Technical services	67.2	62.0	5.2	8.4%
Trading Services	196.0	182.8	13.2	7.2%
Cash market clearing	53.3	54.1	(0.8)	(1.6%)
Cash market settlement	51.1	47.9	3.2	6.8%
Equity Post-Trade Services	104.4	102.0	2.4	2.3%
Other	1.9	3.0	(1.1)	(36.6%)
Operating revenue	764.1	746.3	17.8	2.4%

Key activity indicators	FY17	FY16	Variance	Variance %
All Ordinaries Index (end of period)	5764.0	5310.4	453.6	8.5%
Number of new listed entities (IPOs)	152	124	28	22.6%
Capital raised, including scrip-for-scrip	\$56.0 billion	\$78.6 billion	(\$22.6 billion)	(28.8%)
Daily average cash on-market value	\$4.267 billion	\$4.170 billion	\$0.970 billion	2.3%
Equity options daily average contracts traded	409,814	399,486	10,328	2.6%
Futures daily average contracts traded	556,321	532,386	23,935	4.5%
OTC cleared notional value	\$5,166.0 billion	\$2,742.0 billion	\$2,424.0 billion	88.4%

Variations expressed favourable/(unfavourable)