

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2008

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2008

RM'000	Note	3 months ended		6 months ended	
		30.6.2008	30.6.2007	30.6.2008	30.6.2007
		Unaudited	Unaudited	Unaudited	Unaudited
Operating revenue	9	75,206	114,869	164,092	239,150
Other income	10	10,466	15,498	22,836	27,310
		85,672	130,367	186,928	266,460
Staff costs		(20,540)	(23,589)	(43,100)	(41,802)
Depreciation and amortisation		(4,807)	(3,667)	(9,313)	(6,955)
Other operating expenses	11	(21,142)	(13,549)	(37,869)	(31,417)
Profit from operations		39,183	89,562	96,646	186,286
Finance costs		(158)	(164)	(315)	(320)
Profit before tax		39,025	89,398	96,331	185,966
Income tax expense	23	(10,386)	(24,392)	(25,621)	(50,810)
Profit for the period attributable to equity holders of the Company		28,639	65,006	70,710	135,156
Earnings per share (EPS) attributable to equity holders of the Company (sen):					
Basic EPS	31(a)	5.5	12.5	13.5	26.0
Diluted EPS	31(b)	5.2	11.8	12.8	24.6

The above consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2008

RM'000	Note	As at 30.6.2008 Unaudited	As at 31.12.2007 Audited
ASSETS			
Property, plant and equipment		259,100	267,531
Computer software		75,345	64,541
Goodwill		44,720	44,720
Other investments		65,244	80,580
Staff loans receivable		21,729	22,926
Deferred tax assets		7,627	9,687
Non-current Assets		473,765	489,985
Trade receivables		24,180	28,062
Other receivables		22,523	12,621
Tax recoverable		16,543	50
Short term investments		73,429	74,953
Cash and bank balances		1,006,533	841,325
Current Assets		1,143,208	957,011
TOTAL ASSETS		1,616,973	1,446,996
EQUITY AND LIABILITIES			
Share capital		262,650	261,825
Share premium		69,451	65,254
Other reserves		48,807	47,380
Retained earnings		379,344	405,770
Equity Attributable to Equity Holders of the Company		760,252	780,229
Retirement benefit obligations		21,767	20,771
Deferred income		11,942	2,477
Long term borrowings	27	219	219
Deferred tax liabilities		8,086	4,636
Non-current Liabilities		42,014	28,103
Trade payables	13	712,570	524,915
Other payables		85,684	85,661
Trading Clearing Participants' (TCPs') contributions to Clearing Guarantee Fund (CGF)	14	9,703	9,011
Tax payable		6,280	18,857
Short term borrowings	27	470	220
Current Liabilities		814,707	638,664
Total Liabilities		856,721	666,767
TOTAL EQUITY AND LIABILITIES		1,616,973	1,446,996
Net assets per share attributable to equity holders of the Company (RM)		1.45	1.49

The above consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2008

RM'000	←——— Attributable to equity holders of the Company ———→									Minority interest	Total equity
	←——— Non-distributable ———→					Distributable					
	Share capital	Share premium	Capital reserve	Capital redemption reserve	Foreign currency exchange reserve	Share option reserve	Clearing Guarantee Fund reserve	Retained earnings	Total		
At 1 January 2007											
As previously stated	259,801	51,500	12,600	5,250	(512)	8,269	25,000	447,515	809,423	*	809,423
Issuance of ordinary shares pursuant to ESOS (Note 3)	-	2,718	-	-	-	(2,718)	-	-	-	-	-
At 1 January 2007 (restated)	<u>259,801</u>	<u>54,218</u>	<u>12,600</u>	<u>5,250</u>	<u>(512)</u>	<u>5,551</u>	<u>25,000</u>	<u>447,515</u>	<u>809,423</u>	<u>*</u>	<u>809,423</u>
Issuance of ordinary shares pursuant to ESOS (Note 3)	1,232	5,962	-	-	-	(1,227)	-	-	5,967	-	5,967
Issuance of preference shares by a subsidiary	-	-	200	-	-	-	-	-	200	**	200
Foreign currency translation, representing net expense recognised directly in equity	-	-	-	-	(148)	-	-	-	(148)	-	(148)
Share options granted under ESOS	-	-	-	-	-	142	-	-	142	-	142
Dividends paid	-	-	-	-	-	-	-	(53,304)	(53,304)	-	(53,304)
Profit for the period	-	-	-	-	-	-	-	135,156	135,156	-	135,156
At 30 June 2007 (restated)	<u>261,033</u>	<u>60,180</u>	<u>12,800</u>	<u>5,250</u>	<u>(660)</u>	<u>4,466</u>	<u>25,000</u>	<u>529,367</u>	<u>897,436</u>	<u>***</u>	<u>897,436</u>

Note a

BURSA MALAYSIA BERHAD (30632-P)
(Incorporated in Malaysia)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2008 (CONTD.)

RM'000	←——— Attributable to equity holders of the Company ———→									Minority interest	Total equity
	←——— Non-distributable ———→						Distributable				
	Share capital	Share premium	Capital reserve	Capital redemption reserve	Foreign currency exchange reserve	Share option reserve	Clearing Guarantee Fund reserve	Retained earnings	Total		
At 1 January 2008											
As previously stated	261,825	60,260	13,500	5,250	(933)	9,557	25,000	405,770	780,229	****	780,229
Issuance of ordinary shares pursuant to ESOS (Note 3)	-	4,994	-	-	-	(4,994)	-	-	-	-	-
At 1 January 2008 (restated)	261,825	65,254	13,500	5,250	(933)	4,563	25,000	405,770	780,229	****	780,229
Issuance of ordinary shares pursuant to ESOS	825	4,197	-	-	-	(886)	-	-	4,136	-	4,136
Issuance of preference share by a subsidiary	-	-	200	-	-	-	-	-	200	**	200
Foreign currency translation, representing net expense recognised directly in equity	-	-	-	-	(95)	-	-	-	(95)	-	(95)
Share options granted under ESOS	-	-	-	-	-	2,208	-	-	2,208	-	2,208
Dividends paid	-	-	-	-	-	-	-	(97,136)	(97,136)	-	(97,136)
Profit for the period	-	-	-	-	-	-	-	70,710	70,710	-	70,710
At 30 June 2008	262,650	69,451	13,700	5,250	(1,028)	5,885	25,000	379,344	760,252	*****	760,252

Note a

BURSA MALAYSIA BERHAD (30632-P)
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2008 (CONTD.)

Note a

Minority interest of the Group relates to subscriptions in the non-cumulative preference shares of RM1 each in Bursa Malaysia Derivatives Berhad (Bursa Malaysia Derivatives), a wholly-owned subsidiary, for registration as Trading Participants, at a subscription price determined by Bursa Malaysia Derivatives. The preference shareholders are not entitled to a refund of any part of the premium paid for the preference shares.

- * Denotes RM79
- ** Denotes RM1
- *** Denotes RM80
- **** Denotes RM82
- ***** Denotes RM83

The above consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
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CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2008

RM'000	6 months ended	
	30.6.2008	30.6.2007
	Unaudited	Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	96,331	185,966
Adjustments for:		
Amortisation of premium less accretion of discount	(76)	(11)
Depreciation and amortisation	9,313	6,955
Grant released	(406)	(352)
Interest expense	5	3
Interest income	(14,977)	(16,533)
Net gain on disposal of investments	(26)	(5,124)
Net gain on disposal of property, plant and equipment	(34)	-
Net impairment loss on investments	3,545	137
Net (reversal of provision)/provision for bad and doubtful debts	(280)	60
Net unrealised loss/(gain) on foreign exchange differences	18	(12)
Provision for retirement benefits	1,302	1,405
Provision for short term accumulating compensated unutilised leave	155	637
Share options granted under ESOS	2,208	142
Operating profit before working capital changes	97,078	173,273
Decrease/(increase) in receivables	3,890	(13,093)
Increase in trade margins	205,907	160,719
(Decrease)/increase in SBL collaterals	(18,270)	19,103
Increase in TCP contributions to CGF	692	31
Increase in other payables	5,516	5,847
Cash generated from operations	294,813	345,880
Retirement benefits paid	(306)	(493)
Interest paid	(5)	(3)
Taxes paid net of refund	(49,181)	(16,512)
Net cash generated from operating activities	245,321	328,872

BURSA MALAYSIA BERHAD (30632-P)
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CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2008 (CONTD.)

RM'000	6 months ended	
	30.6.2008	30.6.2007
	Unaudited	Unaudited
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	14,071	16,214
Proceeds from disposal of investments, net of purchases	13,560	15,553
Purchases of property, plant and equipment and computer software, net of proceeds	(17,296)	(12,060)
Staff loans repaid, net of disbursements	2,201	2,905
Net cash generated from investing activities	12,536	22,612
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid (Note 8)	(97,136)	(53,304)
Preference shares issued by a subsidiary	200	200
Drawdown of revolving credit	250	-
Proceeds from exercise of ESOS	4,136	5,967
Net cash used in financing activities	(92,550)	(47,137)
Net increase in cash and cash equivalents	165,307	304,347
Effects of exchange rate changes	(99)	(148)
Cash and cash equivalents at beginning of year	841,325	719,773
Cash and cash equivalents at end of year	1,006,533	1,023,972
COMPOSITION OF CASH AND CASH EQUIVALENTS		
Short term deposits	926,225	1,016,624
Cash and bank balances	80,308	7,348
Cash and cash equivalents at end of year	Note A 1,006,533	1,023,972

The above consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

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CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2008 (CONTD.)

NOTE A

Included in cash and cash equivalents as at balance sheet date are the following:

- (i) Cash collected by the following wholly-owned subsidiaries from:

RM'000	As at 30.6.2008	As at 30.6.2007
Clearing participants of Bursa Malaysia Derivatives Clearing Berhad (Bursa Malaysia Derivatives Clearing) for security deposits and cash margins	689,225	596,897
TCPs of Bursa Malaysia Securities Clearing Sdn. Bhd. (Bursa Malaysia Securities Clearing) as collateral for Securities Borrowing and Lending (SBL)	23,275	19,132
TCPs of Bursa Malaysia Securities Clearing being contribution to the CGF	9,699	8,554
	722,199	624,583

- (ii) An amount of RM25,000,000 (30.6.2007: RM25,000,000) which has been set aside in respect of Bursa Malaysia Securities Clearing's contribution to the CGF.
- (iii) An amount of RM10,288,000 (30.6.2007: RM12,562,000) which has been set aside to meet or secure the claims of creditors and certain lease payments pursuant to the High Court orders issued in relation to the reduction of capital of the Company on 27 January 2005 and of its wholly-owned subsidiary, Bursa Malaysia Securities Clearing, on 30 August 2007.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2007.

2. ADOPTION OF REVISED FINANCIAL REPORTING STANDARDS

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2007 except for the adoption of the following revised Financial Reporting Standards (FRSs) and new Interpretations effective for financial periods beginning on or after 1 January 2008:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 12 ₂₀₀₄ - Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

FRS 139 Financial Instruments: Recognition and Measurement has been deferred and has not been adopted by the Group.

The adoption of the abovementioned FRSs does not result in significant changes in accounting policies of the Group.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

3. COMPARATIVES

The following comparative amounts have been restated following clarification of accounting treatment from Malaysian Institute of Certified Public Accountants (MICPA) on employee share options exercised:

RM'000	Previously stated	Adjustments FRS2	Restated
At 1 January 2007			
Share option reserve	8,269	(2,718)	5,551
Share premium	51,500	2,718	54,218
At 30 June 2007			
Share option reserve	8,411	(3,945)	4,466
Share premium	56,235	3,945	60,180
At 31 December 2007			
Share option reserve	9,557	(4,994)	4,563
Share premium	60,260	4,994	65,254

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The Group's performance is not affected by any seasonal or cyclical factors but is affected by the level of activities in the securities and derivatives market.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date.

6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates that have any material effect on the current quarter and financial year-to-date results.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

7. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases and repayments of debt and equity securities during the financial year-to-date ended 30 June 2008 other than the issuance of 1,650,000 new ordinary shares of RM0.50 each pursuant to the exercise of the ESOS at the following option prices:

Exercise price	(RM)	2.06	2.28	3.41	3.78	4.86	7.96	8.82
No. of shares issued	('000)	151	1,382	1	6	80	6	24

8. DIVIDENDS PAID

The following dividend was paid during the current and previous corresponding quarter:

	30.6.2008	30.6.2007
Final dividend for the financial year	2007	2006
Approved and declared on	3 April 2008	6 April 2007
Date paid	30 April 2008	7 May 2007
Number of ordinary shares on which dividends were paid ('000)	525,061	521,564
Amount per share	25 sen less 26 per cent taxation	14 sen less 27 per cent taxation
Net dividend paid (RM'000)	97,136	53,304

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

9. OPERATING REVENUE

RM'000	3 months ended		6 months ended	
	30.6.2008	30.6.2007	30.6.2008	30.6.2007
Clearing fees	29,487	67,150	69,980	142,650
SCORE fees (equity trade fees)	3,737	7,140	9,268	14,971
Institutional Settlement Service (ISS) fees	2,480	2,923	5,221	5,756
Buying-in commissions	193	541	373	1,132
Trading revenue from equity market	35,897	77,754	84,842	164,509
Clearing fees	2,010	2,426	4,668	4,932
Trade fees	6,458	7,509	14,869	17,292
Guarantee / tender fees	1,370	897	2,483	1,509
Trading revenue from derivatives market	9,838	10,832	22,020	23,733
Total trading revenue	45,735	88,586	106,862	188,242
Listing fees	9,563	6,682	19,082	13,129
Depository services	7,021	7,751	13,896	14,542
Information services	6,349	4,839	12,223	9,533
Broker services	3,469	3,508	6,874	7,515
Participants' fees	751	1,042	1,453	2,103
Total stable revenue	27,153	23,822	53,528	46,822
Other operating income	2,318	2,461	3,702	4,086
Total operating revenue	75,206	114,869	164,092	239,150

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

10. OTHER INCOME

RM'000	3 months ended		6 months ended	
	30.6.2008	30.6.2007	30.6.2008	30.6.2007
Conference fees and exhibition related income	598	1,173	3,638	3,207
Fines income	162	634	414	743
Interest income	7,453	8,226	14,977	16,533
Net gain on disposal of investments	64	4,362	26	5,124
Net gain on disposal of property, plant and equipment	34	-	34	-
Rental income	1,102	8	2,117	17
Miscellaneous income	1,053	1,095	1,630	1,686
	10,466	15,498	22,836	27,310

11. OTHER OPERATING EXPENSES

RM'000	3 months ended		6 months ended	
	30.6.2008	30.6.2007	30.6.2008	30.6.2007
Market development and promotions	3,999	2,728	7,479	6,373
Information technology (IT) upkeep and maintenance	3,923	3,654	7,580	7,400
Professional fees	2,948	690	4,137	1,076
Administrative expenses	2,287	2,026	4,285	3,954
Building management costs	2,509	2,236	4,732	4,518
CDS consumables	666	647	1,349	1,458
Conference and exhibition related expenses	43	330	2,536	2,553
Net impairment loss/(reversal of impairment) on investments	3,732	(60)	3,545	137
Miscellaneous expenses	1,035	1,298	2,226	3,948
	21,142	13,549	37,869	31,417

12. SEGMENTAL INFORMATION

Segmental information is provided in two formats, one based on market segments and the other based on business segments. Expenses, assets and liabilities which are common and cannot be meaningfully allocated to the segments are presented under unallocated expenses, assets and liabilities, respectively.

BURSA MALAYSIA BERHAD (30632-P)
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PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

12. SEGMENTAL INFORMATION (CONTD.)

(a) Market Segments

RM'000	Cash market	Derivatives market	Offshore market	Information services	Exchange holding	Others	Elimination	Consolidated
RESULTS FOR 3 MONTHS ENDED 30 JUNE 2008								
External operating revenue	58,772	10,106	70	6,258	-	-	-	75,206
Inter-segment revenue	152	-	-	243	89,226	-	(89,621)	-
Total operating revenue	58,924	10,106	70	6,501	89,226	-	(89,621)	75,206
Other income	2,926	2,937	28	34	4,499	-	42	10,466
Operating expenses	61,850 (32,238)	13,043 (6,815)	98 (133)	6,535 (3,104)	93,725 (42,609)	-	(89,579) 39,742	85,672 (45,253)
Segment results	29,612	6,228	(35)	3,431	51,116	(96)	(49,837)	40,419
Segment margins	48%	48%	-36%	53%				
Corporate expenses								(1,236)
Finance costs								(158)
Profit before tax								39,025

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PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

12. SEGMENTAL INFORMATION (CONTD.)

(a) Market Segments (Contd.)

RM'000	Cash market	Derivatives market	Offshore market	Information services	Exchange holding	Others	Elimination	Consolidated
RESULTS FOR 3 MONTHS ENDED 30 JUNE 2007								
External operating revenue	98,996	11,009	119	4,745	-	-	-	114,869
Inter-segment revenue	153	-	-	236	96,616	-	(97,005)	-
Total operating revenue	99,149	11,009	119	4,981	96,616	-	(97,005)	114,869
Other income	4,537	2,773	77	35	8,076	-	-	15,498
	103,686	13,782	196	5,016	104,692	-	(97,005)	130,367
Operating expenses	(30,027)	(6,185)	(138)	(3,165)	(38,718)	(1)	38,349	(39,885)
Segment results	73,659	7,597	58	1,851	65,974	(1)	(58,656)	90,482
Segment margins	71%	55%	30%	37%				
Corporate expenses								(920)
Finance costs								(164)
Profit before tax								89,398

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PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

12. SEGMENTAL INFORMATION (CONTD.)

(a) Market Segments (Contd.)

RM'000	Cash market	Derivatives market	Offshore market	Information services	Exchange holding	Others	Elimination	Consolidated
RESULTS FOR 6 MONTHS ENDED 30 JUNE 2008								
External operating revenue	129,506	22,442	167	11,977	-	-	-	164,092
Inter-segment revenue	339	-	-	486	253,289	-	(254,114)	-
Total operating revenue	129,845	22,442	167	12,463	253,289	-	(254,114)	164,092
Other income	6,133	5,590	74	67	10,930	-	42	22,836
Operating expenses	135,978	28,032	241	12,530	264,219	-	(254,072)	186,928
	(63,803)	(13,527)	(376)	(6,280)	(84,058)	(96)	80,272	(87,868)
Segment results	72,175	14,505	(135)	6,250	180,161	(96)	(173,800)	99,060
Segment margins	53%	52%	-56%	50%				
Corporate expenses								(2,414)
Finance costs								(315)
Profit before tax								96,331

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PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

12. SEGMENTAL INFORMATION (CONTD.)

(a) Market Segments (Contd.)

RM'000	Cash market	Derivatives market	Offshore market	Information services	Exchange holding	Others	Elimination	Consolidated
RESULTS FOR 6 MONTHS ENDED 30 JUNE 2007								
External operating revenue	205,525	24,145	152	9,328	-	-	-	239,150
Inter-segment revenue	357	-	-	470	131,134	-	(131,961)	-
Total operating revenue	205,882	24,145	152	9,798	131,134	-	(131,961)	239,150
Other income	8,215	5,378	156	106	13,348	20	87	27,310
	214,097	29,523	308	9,904	144,482	20	(131,874)	266,460
Operating expenses	(57,330)	(12,987)	(276)	(6,448)	(74,558)	(1)	73,199	(78,401)
Segment results	156,767	16,536	32	3,456	69,924	19	(58,675)	188,059
Segment margins	73%	56%	10%	35%				
Corporate expenses								(1,773)
Finance costs								(320)
Profit before tax								185,966

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PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

12. SEGMENTAL INFORMATION (CONTD.)

(a) Market Segments (Contd.)

RM'000	Cash market	Derivatives market	Offshore market	Information services	Exchange holding	Others	Elimination	Consolidated
ASSETS AND LIABILITIES AS AT 30 JUNE 2008								
Segment assets	313,405	785,123	6,414	8,181	459,979	5,826	-	1,578,928
Corporate assets								38,045
Total assets								1,616,973
Segment liabilities	55,896	694,579	228	2,367	89,281	4	-	842,355
Corporate liabilities								14,366
Total liabilities								856,721

Notes

- (i) Included in segment assets of the cash market are cash and accrued interest belonging to TCPs of Bursa Malaysia Securities Clearing in respect of SBL collaterals and CGF contributions amounting to RM32,909,000. A similar amount is included in segment liabilities of the cash market.
- (ii) Included in segment assets of the derivatives market are cash and accrued interest belonging to clearing participants of Bursa Malaysia Derivatives Clearing in respect of security deposits and cash margins amounting to RM689,364,000. A similar amount is included in segment liabilities of the derivatives market.

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PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

12. SEGMENTAL INFORMATION (CONTD.)

(b) Business Units

RM'000	Exchanges	Clearing, settlement and depository	Information services	Exchange holding	Others	Elimination	Consolidated
RESULTS FOR 3 MONTHS ENDED 30 JUNE 2008							
External operating revenue	42,026	26,922	6,258	-	-	-	75,206
Inter-segment revenue	-	20	243	89,226	-	(89,489)	-
Total operating revenue	42,026	26,942	6,501	89,226	-	(89,489)	75,206
Other income	1,328	4,563	34	4,499	-	42	10,466
Operating expenses	43,354 (23,862)	31,505 (15,324)	6,535 (3,104)	93,725 (42,609)	- (96)	(89,447) 39,742	85,672 (45,253)
Segment results	19,492	16,181	3,431	51,116	(96)	(49,705)	40,419
Segment margins	45%	51%	53%				
Corporate expenses							(1,236)
Finance costs							(158)
Profit before tax							39,025

BURSA MALAYSIA BERHAD (30632-P)
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PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

12. SEGMENTAL INFORMATION (CONTD.)

(b) Business Units (Contd.)

RM'000	Exchanges	Clearing, settlement and depository	Information services	Exchange holding	Others	Elimination	Consolidated
RESULTS FOR 3 MONTHS ENDED 30 JUNE 2007							
External operating revenue	66,016	44,108	4,745	-	-	-	114,869
Inter-segment revenue	-	9	236	96,616	-	(96,861)	-
Total operating revenue	66,016	44,117	4,981	96,616	-	(96,861)	114,869
Other income	2,279	5,108	35	8,076	-	-	15,498
	68,295	49,225	5,016	104,692	-	(96,861)	130,367
Operating expenses	(21,576)	(14,774)	(3,165)	(38,718)	(1)	38,349	(39,885)
Segment results	46,719	34,451	1,851	65,974	(1)	(58,512)	90,482
Segment margins	68%	70%	37%				
Corporate expenses							(920)
Finance costs							(164)
Profit before tax							89,398

BURSA MALAYSIA BERHAD (30632-P)
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PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

12. SEGMENTAL INFORMATION (CONTD.)

(b) Business Units

RM'000	Exchanges	Clearing, settlement and depository	Information services	Exchange holding	Others	Elimination	Consolidated
RESULTS FOR 6 MONTHS ENDED 30 JUNE 2008							
External operating revenue	93,946	58,169	11,977	-	-	-	164,092
Inter-segment revenue	-	29	486	253,289	-	(253,804)	-
Total operating revenue	93,946	58,198	12,463	253,289	-	(253,804)	164,092
Other income	2,841	8,956	67	10,930	-	42	22,836
Operating expenses	96,787 (47,869)	67,154 (29,837)	12,530 (6,280)	264,219 (84,058)	-	(253,762) 80,272	186,928 (87,868)
Segment results	48,918	37,317	6,250	180,161	(96)	(173,490)	99,060
Segment margins	51%	56%	50%				
Corporate expenses							(2,414)
Finance costs							(315)
Profit before tax							96,331

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PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

12. SEGMENTAL INFORMATION (CONTD.)

(b) Business Units

RM'000	Exchanges	Clearing, settlement and depository	Information services	Exchange holding	Others	Elimination	Consolidated
RESULTS FOR 6 MONTHS ENDED 30 JUNE 2007							
External operating revenue	138,530	91,292	9,328	-	-	-	239,150
Inter-segment revenue	15	20	470	131,134	-	(131,639)	-
Total operating revenue	138,545	91,312	9,798	131,134	-	(131,639)	239,150
Other income	3,889	9,860	106	13,348	20	87	27,310
Operating expenses	142,434 (42,393)	101,172 (28,200)	9,904 (6,448)	144,482 (74,558)	20 (1)	(131,552) 73,199	266,460 (78,401)
Segment results	100,041	72,972	3,456	69,924	19	(58,353)	188,059
Segment margins	70%	72%	35%				
Corporate expenses							(1,773)
Finance costs							(320)
Profit before tax							185,966

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PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

12. SEGMENTAL INFORMATION (CONTD.)

(b) Business Units (Contd.)

RM'000	Exchanges	Clearing, settlement and depository	Information services	Exchange holding	Others	Elimination	Consolidated
ASSETS AND LIABILITIES AS AT 30 JUNE 2008							
Segment assets	205,121	899,821	8,181	459,979	5,826	-	1,578,928
Corporate assets							38,045
Total assets							1,616,973
Segment liabilities	18,412	732,291	2,367	89,281	4	-	842,355
Corporate liabilities							14,366
Total liabilities							856,721

Note

Included in segment assets of the clearing, settlement and depository unit are cash and accrued interest belonging to clearing participants of Bursa Malaysia Derivatives Clearing in respect of security deposits and cash margins and TCPs of Bursa Malaysia Securities Clearing in respect of SBL collaterals and CGF contributions amounting to RM722,273,000. A similar amount is included in segment liabilities of the cash market.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

13. TRADE PAYABLES

RM'000	As at 30.6.2008
<hr/>	
Trade margins from clearing participants of Bursa Malaysia	
Derivatives Clearing, including accrued interest:	
Margin and excess cash on derivatives contracts	654,895
Security deposits and clearing fund contributions	34,469
Total trade margins	689,364
<hr/>	
SBL collaterals from TCPs of Bursa Malaysia Securities Clearing:	
Cash collaterals	23,206
Total trade payables	712,570

The amount of **non-cash collaterals** held by the Group not included in the balance sheet were as follows:

RM'000	As at 30.6.2008
<hr/>	
Trade margins from clearing participants of Bursa Malaysia	
Derivatives Clearing:	
Letters of credit	360,470
Shares *	34
Total non-cash collaterals	360,504

* This represents the fair value of shares held as margins as at 30 June 2008.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

14. TCPS' CONTRIBUTIONS TO CGF

RM'000	As at 30.6.2008
Contributions from TCPs of Bursa Malaysia Securities Clearing, including accrued interest, are in the form of:	
Cash	9,703
Bank guarantees	6,369
	16,072

15. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter and financial year-to-date.

16. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date.

17. CAPITAL COMMITMENTS

The amount of commitments for the purchase of property, plant and equipment and computer software not provided for in the interim financial statements as at the balance sheet date were as follows:

RM'000	Approved and contracted for	Approved but not contracted for
Trading systems	10,644	12,235
Other information technology systems	5,077	820
Total for computers and office automation	15,721	13,055
Renovations and office equipment	152	-
	15,873	13,055

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

18. OPERATING LEASE ARRANGEMENTS

(a) As Lessee

Following the implementation of FRS 117, leasehold land and the corresponding liability arising from lease arrangements with remaining lease periods of 85 and 88 years each have been removed from the balance sheet. The future aggregate minimum lease payments under operating leases contracted for as at balance sheet date but not recognised as liabilities were as follows:

RM'000	As at 30.6.2008
Not later than 1 year	539
Later than 1 year and not later than 2 years	539
Later than 2 years and not later than 5 years	1,616
Later than 5 years	42,409
Total future minimum lease payments	45,103

(b) As Lessor

During the year, the Company entered into non-cancellable operating lease agreements for the rental of parts of the building. The leases have lives of 3 years and have a fixed rental rate in the said lease period.

The future aggregate minimum lease payments receivable under non-cancellable operating leases contracted for as at balance sheet date but not recognised as receivables are as follows:

RM'000	As at 30.6.2008
Not later than 1 year	4,904
Later than one year and not later than two years	4,826
Later than two years and not later than five years	8,718
Total future minimum lease receivables	18,448

19. SUBSEQUENT EVENT

There was no material event subsequent to the end of the current quarter.

20. PERFORMANCE REVIEW

(a) Current quarter compared with previous corresponding quarter

The Group recorded a **profit attributable to equity holders of the Company** of RM28.6 million for the quarter ended 30 June 2008 (2Q08), 56 per cent lower compared to the profit of RM65.0 million for the quarter ended 30 June 2007 (2Q07). This was mainly attributed to a decrease in trading revenue from the equity market as a result of continuing global and domestic uncertainties and inflationary pressures in 2Q08.

The **equity market** recorded a velocity for on-market trades (OMT) of 31 per cent (2Q07: 54 per cent) and a daily average trading value for OMT and direct business trades (DBT) of RM1.3 billion (2Q07: RM2.6 billion). The poorer market performance and the revision in the clearing fee structure to 0.03 per cent of transacted value subject to a cap of RM1,000 from 1 January 2008 resulted in a decrease in equity trading revenue of 54 per cent to RM35.9 million in 2Q08 compared to 2Q07.

The **derivatives market** recorded a decrease in the total number of contracts traded to 1.32 million contracts in 2Q08 from 1.68 million contracts in 2Q07, resulting in a decline in trading revenue from the derivatives market by 9 per cent to RM9.8 million in 2Q08 compared to 2Q07.

The growth in **stable revenue** by 14 per cent to RM27.2 million in 2Q08 compared to 2Q07 was primarily due to higher listing fees following the full charge of listing fees in the current year (a 50 per cent rebate on the increase in fees was given in 2007) and a higher market capitalisation of RM1.11 trillion as at 31 December 2007 compared to RM0.85 trillion as at 31 December 2006. The increase was also due to higher information services fees following the change in fee structure in October 2007. These increases were partially offset by lower depository services fees due to the reduction in transfer fees and additional issue.

Other income decreased by 32 per cent to RM10.5 million in 2Q08 compared to 2Q07 mainly due to lower gains on disposal of investments as there were few profit-taking opportunities in the current quarter. This was partially offset by higher rental income from leases which commenced only towards the end of 2Q07.

Total expenses increased by 14 per cent to RM46.5 million in 2Q08 compared to 2Q07. This was mainly due to higher professional fees, impairment on investments in private debt securities, market development expenses and higher depreciation on renovation and amortisation on IT assets. These increases were partially offset by a decrease in staff costs due to lower bonus provision.

20. PERFORMANCE REVIEW (CONTD.)

(b) Current financial period compared with previous corresponding financial period

The Group recorded a **profit attributable to equity holders of the Company** of RM70.7 million for the financial period ended 30 June 2008 (1H08), 48 per cent lower compared to the profit of RM135.2 million for the financial period ended 30 June 2007 (1H07). This was mainly attributed to a decrease in trading revenue from the equity market as a result of continuing global and domestic uncertainties and inflationary pressures.

The **equity market** recorded a velocity for OMT of 38 per cent (1H07: 61 per cent) and a daily average trading value for OMT and DBT of RM1.7 billion (1H07: RM2.7 billion). The poorer market performance and the revision in the clearing fee structure from 1 January 2008 resulted in a decrease in equity trading revenue of 48 per cent to RM84.8 million in 1H08 compared to 1H07.

The **derivatives market** recorded a decrease in the total number of contracts traded to 3.08 million contracts in 1H08 from 3.24 million contracts in 1H07, resulting in a decline in trading revenue from the derivatives market by 7 per cent to RM22.0 million in 1H08 compared to 1H07.

The growth in **stable revenue** by 14 per cent to RM53.5 million in 1H08 compared to 1H07 was primarily due to higher listing fees and information services fees.

Other income decreased by 16 per cent to RM22.8 million in 1H08 compared to 1H07 mainly due to lower investment income. This was partially offset by higher rental income.

Total expenses increased by 13 per cent to RM90.3 million in 1H08 compared to 1H07. This was mainly due to higher professional fees, depreciation and amortisation, market development expenses, impairment on investments in private debt securities and staff costs due to annual increments.

**21. MATERIAL CHANGE IN PROFIT BEFORE TAXATION OF CURRENT QUARTER
COMPARED WITH PRECEDING QUARTER**

The Group recorded a lower **profit before tax** of RM39.0 million for 2Q08 compared to RM57.3 million for the quarter ended 31 March 2008 (1Q08), representing a decrease of RM18.3 million or 32 per cent.

Trading revenue from the **equity market** decreased by 27 per cent to RM35.9 million in 2Q08 compared to RM48.9 million in 1Q08 mainly due to lower market turnover following the continuing global and domestic uncertainties and inflationary pressures. The daily average trading value for OMT and DBT decreased by 35 per cent to RM1.3 billion in 2Q08 from RM2.0 billion in 1Q08.

Trading revenue from the **derivatives market** decreased by 20 per cent to RM9.8 million in 2Q08 compared to RM12.2 million in 1Q08. This was due to the 25 per cent decrease in total number of contracts traded to 1.32 million in 2Q08 from 1.76 million in 1Q08.

Stable revenue increased marginally by 3 per cent to RM27.2 million in 2Q08 compared to RM26.4 million in 1Q08 mainly due to higher information services fees.

Other income decreased by 15 per cent to RM10.5 million in 2Q08 compared to RM12.4 million in 1Q08 primarily due to lower conference fees. This was partially offset by the recognition of grant income from Capital Market Development Fund for the Financial Market Trading Platform system.

Total expenses increased marginally by 6 per cent to RM46.5 million in 2Q08 compared to RM43.8 million in 1Q08. The increase was mainly due to higher professional fees, impairment on investments in private debt securities and market development expenses. This was partially offset by lower conference expenses and staff costs.

22. COMMENTARY ON PROSPECTS AND TARGETS

The Malaysian equity market remained lacklustre during 1H08, being continually challenged by the slowing US and global economy, rising crude oil, commodity and food prices, and domestic uncertainties. While some measure of stability is expected on the local scene, investor sentiment is expected to continue to be cautious for the remainder of the year.

The Malaysian derivatives market is driven mainly by interest in two products - the Kuala Lumpur Index Futures (FKLI) and the Crude Palm Oil Futures (FCPO). Interest in FKLI contracts is expected to move in tandem with the expectations in the equity market, while interest in FCPO contracts is expected to be guided by expectations of supply and demand of CPO, price of substitute products and environmental issues.

Trades on the Financial Market Trading Platform which was launched on 10 March 2008 is not expected to bring in significant income in the current year due to certain fee waivers and the availability of over-the-counter interbank money market for bond trading.

Although the equity market is comparatively bearish and the derivatives market has remained constant and not seen the expected growth in the current year, the Group will continue its efforts to enhance the competitiveness and ensure the growth of the Malaysian equity and derivatives markets. The Group will maintain its focus to introduce infrastructure which will afford better transactional efficiency, such as Bursa Trade Securities and Direct Market Access - Derivatives. The Group will also focus on the launching the USD CPO futures (FUPO) and will continue with its education of the retail market.

The abovementioned initiatives to enhance infrastructure are expected to increase depreciation and amortisation, while the launch of FUPO and retail market education are expected to increase market development costs. Nevertheless, the Group will continue to maintain its cost-conscious approach while balancing the need for initiatives with long term benefits and a capable and motivated workforce.

The Board of Directors is cognisant of the global and domestic economic climate in which the Group is currently operating in and, as such, acknowledge that it will be very challenging for the Group to achieve its targets.

The targets which were announced on 31 January 2008 are as follows:

%	Target	Year-to-date achievement
Velocity	56	38
Annual growth in derivatives contracts	50	0

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

23. INCOME TAX EXPENSE

RM'000	3 months ended		6 months ended	
	30.6.2008	30.6.2007	30.6.2008	30.6.2007
Income tax	9,637	25,488	20,111	49,821
Deferred tax	749	(1,096)	5,510	989
	10,386	24,392	25,621	50,810

The statutory tax rate was reduced to 26 per cent from the previous year's rate of 27 per cent effective in the current year of assessment (YA). The statutory tax rate will be reduced to 25 per cent effective YA 2009. The computation of deferred tax has reflected these changes.

The effective tax rate of the Group for the current and previous corresponding quarter and financial year-to-date was marginally higher than the statutory tax rate of the relevant years principally due to certain expenses which were not deductible for tax purposes.

24. SALE OF UNQUOTED SECURITIES AND PROPERTIES

The net gain/loss on disposal of unquoted securities for the current quarter and financial year-to-date is disclosed in Note 10.

There was no sale of properties since the last annual balance sheet date.

25. QUOTED SECURITIES

The Group does not invest in quoted securities.

**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

26. CORPORATE PROPOSALS

There were no corporate proposals announced but not completed as at the reporting date.

27. BORROWINGS AND DEBT SECURITIES

RM'000	As at 30.6.2008
Short term borrowings	470
Long term borrowings	219
	689

As at the reporting date, the Group had not issued any debt securities.

28. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at the reporting date.

29. CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group as at the reporting date.

30. PROPOSED DIVIDEND

Details of the interim dividend approved and declared by the Board of Directors is as follows:

	30.6.2008	30.6.2007
Interim dividend for financial year	2008	2007
Amount per share	16.5 sen less 26 per cent taxation	32.0 sen less 27 per cent taxation
Approved and declared on	17 July 2008	17 July 2007
Entitlement to dividends based on Record of Depositors as at	4 August 2008	1 August 2007
Date payable	13 August 2008	10 August 2007

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**PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

31. EARNINGS PER SHARE (EPS)

(a) Basic EPS

	3 months ended		6 months ended	
	30.6.2008	30.6.2007	30.6.2008	30.6.2007
Profit attributable to equity holders of the Company (RM'000)	28,639	65,006	70,710	135,156
Weighted average number of ordinary shares in issue ('000)	525,009	521,498	524,360	520,685
Basic EPS (sen)	5.5	12.5	13.5	26.0

(b) Diluted EPS

	3 months ended		6 months ended	
	30.6.2008	30.6.2007	30.6.2008	30.6.2007
Profit attributable to equity holders of the Company (RM'000)	28,639	65,006	70,710	135,156
Weighted average number of ordinary shares in issue ('000)	525,009	521,498	524,360	520,685
Effect of dilution ('000)	24,656	28,527	26,772	28,579
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	549,665	550,025	551,132	549,264
Diluted EPS (sen)	5.2	11.8	12.8	24.6

32. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2007 was unqualified.

33. AUTHORISED FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 17 July 2008.