



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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2016

25 April 2016

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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2016

RM'000	Note	Quarter ended	
		31.03.2016	31.03.2015
		Reviewed	Reviewed
Operating revenue	8	126,129	119,790
Other income	9	7,804	7,304
		133,933	127,094
Staff costs		(33,295)	(31,604)
Depreciation and amortisation		(6,060)	(5,676)
Other operating expenses	10	(23,985)	(22,964)
Profit before tax		70,593	66,850
Income tax expense	25	(18,006)	(17,691)
Profit for the period		52,587	49,159
Profit attributable to:			
Owners of the Company		49,936	47,055
Non-controlling interest		2,651	2,104
		52,587	49,159
Earnings per share (EPS) attributable to owners of the Company (sen per share):			
Basic EPS	31(a)	9.3	8.8
Diluted EPS	31(b)	9.3	8.8

The above condensed consolidated income statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2016

RM'000	Quarter ended	
	31.03.2016	31.03.2015
	Reviewed	Reviewed
Profit for the period	52,587	49,159
Other comprehensive income:		
Items that may be subsequently reclassified to profit or loss:		
(Loss)/Gain on foreign currency translation	(251)	120
Net fair value changes in Available-For-Sale (AFS) financial assets	-	15,289
Net fair value changes in unquoted bonds at Fair Value through Other Comprehensive Income (FVOCI)	147	-
Income tax effects relating to AFS financial assets	-	4
Income tax effects relating to unquoted bonds at FVOCI	(6)	-
	(110)	15,413
Item that will not be subsequently reclassified to profit or loss:		
Net fair value changes in quoted shares at FVOCI	(4,419)	-
	(4,419)	-
Total other comprehensive income, net of income tax	(4,529)	15,413
Total comprehensive income	48,058	64,572
Total comprehensive income attributable to:		
Owners of the Company	45,407	62,468
Non-controlling interest	2,651	2,104
	48,058	64,572

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

RM'000	Note	As at 31.03.2016 Reviewed	As at 31.12.2015 Audited
Assets			
Property, plant and equipment		188,863	191,214
Computer software		50,348	52,873
Goodwill		42,957	42,957
Investment securities		199,097	203,401
Staff loans receivable		4,192	4,392
Deferred tax assets		1,986	2,307
Non-current assets		487,443	497,144
Trade receivables		56,870	48,674
Other receivables		17,874	23,042
Tax recoverable		5,406	3,327
Investment securities		30,053	30,048
Cash for trading margins, security deposits and eDividend distributions	13	1,368,088	1,087,526
Cash and bank balances of Clearing Funds	14	125,655	125,568
Cash and bank balances of the Group	15	338,115	271,126
Current assets		1,942,061	1,589,311
Total assets		2,429,504	2,086,455
Equity and liabilities			
Share capital		267,307	267,307
Share premium		107,443	107,443
Other reserves		108,790	109,875
Retained earnings	26	271,866	318,825
Equity attributable to owners of the Company		755,406	803,450
Non-controlling interest		11,911	16,018
Total equity		767,317	819,468
Retirement benefit obligations		25,669	26,112
Deferred grants		3,802	4,087
Deferred tax liabilities		2,629	3,333
Non-current liabilities		32,100	33,532
Trade payables	13	1,365,666	1,083,886
Participants' contributions to Clearing Funds	14	35,655	35,568
Other payables		124,802	107,297
Dividend payable		96,276	-
Tax payable		7,688	6,704
Current liabilities		1,630,087	1,233,455
Total liabilities		1,662,187	1,266,987
Total equity and liabilities		2,429,504	2,086,455
Net assets per share attributable to owners of the Company (RM)		1.41	1.50

The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2016

RM'000	Attributable to owners of the Company										Non-controlling interest	Total equity
	Non-distributable				Distributable							
	Share capital	Share premium	Capital redemption reserve	Foreign currency translation reserve	Share grant reserve	Clearing fund reserves	AFS reserve	FVOCI reserve	Retained earnings	Total		
At 1 January 2016	267,307	107,443	5,250	710	10,049	30,000	63,866	-	318,825	803,450	16,018	819,468
Effects of MFRS 9 <i>Financial Instruments</i> adoption (Note 2.1 (ii)(a))	-	-	-	-	-	-	(63,866)	64,041	(619)	(444)	(8)	(452)
At 1 January 2016 (restated)	267,307	107,443	5,250	710	10,049	30,000	-	64,041	318,206	803,006	16,010	819,016
Profit for the period	-	-	-	-	-	-	-	-	49,936	49,936	2,651	52,587
Other comprehensive income, net of income tax	-	-	-	(251)	-	-	-	(4,278)	-	(4,529)	-	(4,529)
Total comprehensive income	-	-	-	(251)	-	-	-	(4,278)	49,936	45,407	2,651	48,058
Transactions with owners of the Company:												
Share Grant Plan (SGP) expense	-	-	-	-	3,269	-	-	-	-	3,269	-	3,269
Dividend payable (Note 30)	-	-	-	-	-	-	-	-	(96,276)	(96,276)	-	(96,276)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(6,750)	(6,750)
At 31 March 2016	267,307	107,443	5,250	459	13,318	30,000	-	59,763	271,866	755,406	11,911	767,317
At 1 January 2015	266,760	100,064	5,250	204	7,496	30,000	33,708	-	305,218	748,700	14,001	762,701
Profit for the period	-	-	-	-	-	-	-	-	47,055	47,055	2,104	49,159
Other comprehensive income, net of income tax	-	-	-	120	-	-	15,293	-	-	15,413	-	15,413
Total comprehensive income	-	-	-	120	-	-	15,293	-	47,055	62,468	2,104	64,572
Transactions with owners of the Company:												
SGP expense	-	-	-	-	3,088	-	-	-	-	3,088	-	3,088
Dividend payable (Note 30)	-	-	-	-	-	-	-	-	(96,079)	(96,079)	-	(96,079)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(5,825)	(5,825)
At 31 March 2015	266,760	100,064	5,250	324	10,584	30,000	49,001	-	256,194	718,177	10,280	728,457

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.

BURSA MALAYSIA BERHAD (30632-P)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2016

RM'000	Note	Quarter ended	
		31.03.2016 Reviewed	31.03.2015 Reviewed
Cash flows from operating activities			
Profit before tax		70,593	66,850
Adjustments for:			
Depreciation and amortisation		6,060	5,676
Dividend income from investment securities	9	(681)	(486)
Grant income	9	(285)	(444)
Interest income	9	(5,281)	(4,744)
Net amortisation of premiums/(accretion of discounts)		15	(6)
Net gain on disposal of investment securities	9	-	(71)
Net impairment loss/(reversal of impairment loss) on:			
Investment securities	10	12	-
Trade and other receivables	10	64	(136)
Retirement benefit obligations		330	342
SGP expense		3,269	3,088
Unrealised loss/(gain) on foreign exchange differences		37	(215)
Operating profit before working capital changes		74,133	69,854
Increase in receivables		(10,489)	(4,750)
Increase/(Decrease) in other payables		19,307	(3,271)
Cash generated from operations		82,951	61,833
Staff loans repaid, net of disbursements		155	311
Retirement benefits paid		(773)	(1,223)
Net tax paid		(19,291)	(16,705)
Net cash from operating activities		63,042	44,216
Cash flows from investing activities			
Dividends received		6,319	451
Increase in deposits not for short-term funding requirements		(8,811)	-
Interest received		6,378	4,746
Proceeds from disposal of investment securities		5,000	27,428
Purchases of investment securities		(5,000)	(11,439)
Purchases of property, plant and equipment and computer software		(1,743)	(2,846)
Net cash from investing activities		2,143	18,340
Cash flows from financing activity			
Dividend paid by a subsidiary to non-controlling interest		(6,750)	(5,825)
Net cash used in financing activity		(6,750)	(5,825)
Net increase in cash and cash equivalents		58,435	56,731
Effect of exchange rate changes		(257)	115
Cash and cash equivalents at beginning of period		264,058	214,367
Cash and cash equivalents at end of period	15	322,236	271,213

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to these interim financial statements.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. BASIS OF PREPARATION

This condensed consolidated interim financial statements (Condensed Report), other than for financial instruments and retirement benefit obligations, have been prepared under the historical cost convention. Certain financial instruments are carried at fair value in accordance with the Malaysian Financial Reporting Standard (MFRS) 9 *Financial Instruments* and MFRS 139 *Financial Instruments: Recognition and Measurement*, and the retirement benefit obligations include actuarial gains and losses in accordance with MFRS 119 *Employee Benefits*.

This Condensed Report has also been prepared in accordance with the requirements of MFRS 134 *Interim Financial Reporting*, International Accounting Standard (IAS) 34 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015. The explanatory notes attached to the Condensed Report 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 financial year ended 31 December 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Adoption of Standards, Amendments and Annual Improvements to Standards

The accounting policies adopted in the preparation of the Condensed Report are consistent with those used in the preparation of the Group's audited financial statements for the financial year ended 31 December 2015, except for the following:

(i) Standards, Amendments and Annual Improvements to Standards effective for the financial periods beginning on or after 1 January 2016

MFRS 14 Regulatory Deferral Accounts
Amendments to MFRS 11 Joint Arrangements - *Accounting for Acquisitions of Interests in Joint Operations*
Amendments to MFRS 101 Presentation of Financial Statements - *Disclosure Initiative*
Amendments to MFRS 127 Separate Financial Statements - *Equity Method in Separate Financial Statements*
Amendments to MFRS 116 Property, Plant and Equipment and MFRS 138 Intangible Assets - *Clarification of Acceptable Methods of Depreciation and Amortisation*
Amendments to MFRS 116 Property, Plant and Equipment and MFRS 141 Agriculture - *Agriculture: Bearer Plants*
Annual Improvements to MFRSs 2012 - 2014 Cycle

The above pronouncements are either not relevant or do not impact the financial statements of the Group.

(ii) Early adoption of Standards effective for the financial periods beginning on or after 1 January 2018

MFRS 9 Financial Instruments
MFRS 15 Revenue from Contracts with Customers

The Group has elected to early adopt MFRS 9 *Financial Instruments* and MFRS 15 *Revenue from Contracts with Customers*, which are mandatory for the financial periods beginning on or after 1 January 2018. The impact of the adoption of these Standards in the Group's financial statements are as follows:

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.1 Adoption of Standards, Amendments and Annual Improvements to Standards (Cont'd.)

(ii) Early adoption of Standards effective for the financial periods beginning on or after 1 January 2018 (Cont'd.)

(a) MFRS 9 Financial Instruments

The Group has elected to early adopt MFRS 9 *Financial Instruments* which is applied retrospectively from 1 January 2016. The adoption of MFRS 9 *Financial Instruments* resulted in changes in accounting policies and adjustments to the financial statements. The accounting policies that relate to the recognition, classification, measurement and derecognition of financial instruments and impairment of financial assets were amended to comply with MFRS 9 *Financial Instruments*. The hedge accounting requirements under MFRS 9 *Financial Instruments* are not relevant to the Group. In accordance with the transition requirements under MFRS 9 *Financial Instruments*, paragraph 7.2.15, comparatives are not restated and the financial impact on the adoption of this Standard is recognised in retained earnings as at 1 January 2016.

i. Changes in accounting policies

Financial assets

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value either through other comprehensive income or through profit or loss; and
- those to be measured at amortised cost.

The classification above depends on the Group's business model for managing the financial assets and the contractual terms of cash flows. The following summarises the key changes:

- The Available For Sale ("AFS") and loans and receivables financial asset categories were removed.
- A new asset category measured at Fair Value through Other Comprehensive Income ("FVOCI") was introduced. This applies to debt instruments with contractual cash flow characteristics that are solely payments of principal and interests and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The new asset category for non-traded equity investments measured at FVOCI was introduced.
- A new asset category measured at amortised cost was introduced. This applies to financial assets with contractual cash flow characteristics that are solely payments of principal and interests and held in a business model whose objective is achieved by collecting contractual cash flows only.

Financial liabilities

There is no impact on the classification and measurement of the Group's financial liabilities.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.1 Adoption of Standards, Amendments and Annual Improvements to Standards (Cont'd.)

(ii) Early adoption of Standards effective for the financial periods beginning on or after 1 January 2018 (Cont'd.)

(a) MFRS 9 Financial Instruments (Cont'd.)

i. Changes in accounting policies (Cont'd.)

Impairment of financial assets

MFRS 9 *Financial Instruments* requires impairment assessments to be based on an Expected Credit Loss ("ECL") model, replacing the incurred loss model under MFRS 139. The key changes in the Group's accounting policies for impairment of financial assets are as follows:

a. Unquoted bonds and staff loans receivable

The amount of ECL is measured as the probability-weighted present value of all cash shortfalls over the expected life of the financial asset discounted at its original effective interest rate. The cash shortfall is the difference between all contractual cash flows that are due to the Group and all the cash flows that the Group expects to receive.

The Group applies a two-step approach to measure the ECL on unquoted bonds and staff loans receivable:

(i) 12-months ECL

For a financial asset for which there is no significant increase in credit risk since initial recognition, the Group shall measure the loss allowance for that financial asset at an amount equal to the probability of default events occurring within the next 12 months and considering the loss given default of that financial asset.

(ii) Lifetime ECL

For a financial asset for which there is a significant increase in credit risk since initial recognition, a lifetime ECL for that financial asset is recognised as loss allowance by the Group. If in a subsequent period, the lifetime ECL is no longer met, the Group shall revert the loss allowance measurement from lifetime ECL to 12-months ECL.

At each reporting date, the Group assesses whether there is a significant increase in credit risk for unquoted bonds and staff loans receivable since initial recognition by comparing the risk of default on these financial assets as at the reporting date with the risk of default as at the date of initial recognition. The Group considers external credit rating and other supportive information to assess deterioration in credit quality of these financial assets.

b. Trade and other receivables which are financial assets

The Group applies the simplified approach prescribed by MFRS 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the trade and other receivables which are financial assets.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.1 Adoption of Standards, Amendments and Annual Improvements to Standards (Cont'd.)

(ii) Early adoption of Standards effective for the financial periods beginning on or after 1 January 2018 (Cont'd.)

(a) MFRS 9 Financial Instruments (Cont'd.)

ii. Classification and measurement of financial instruments

The following table summarises the reclassification and measurement of the Group's financial assets on 1 January 2016:

	Note	Measurement category		Carrying amount as at 1 January 2016	
		Original (MFRS 139)	New (MFRS 9)	Original (MFRS 139) RM'000	New (MFRS 9) RM'000
Financial assets:					
Investments securities					
- Quoted shares	(1)	AFS	FVOCI	148,667	148,667
- Unquoted bonds	(1)	AFS	FVOCI	84,782	84,782
Staff loans receivable	(2)	Loans and receivables	Amortised cost	5,026	5,026
Trade receivables	(2)	Loans and receivables	Amortised cost	48,674	48,024
Other receivables which are financial assets	(2)	Loans and receivables	Amortised cost	14,662	14,662
Cash for trading margins, security deposits and eDividend distributions	(2)	Loans and receivables	Amortised cost	1,087,526	1,087,526
Cash and bank balances of Clearing Funds	(2)	Loans and receivables	Amortised cost	125,568	125,568
Cash and bank balances of the Group	(2)	Loans and receivables	Amortised cost	271,126	271,126

(1) The Group elected to present in other comprehensive income changes in the fair value of its quoted shares (outside Malaysia) previously classified as AFS, as this investment is not held for trading. For debt instruments, unquoted bonds that have previously been classified as AFS are now reclassified to FVOCI. The Group's business model for unquoted bonds is achieved both by collecting contractual cash flows and selling of these assets. The contractual cash flows of these investments are solely principal and interest.

(2) Staff loans receivable, trade receivables, other receivables which are financial assets, cash and bank balances and cash for trading margins, security deposits and eDividend distributions that have previously been classified as loan and receivables are now classified as amortised cost. The Group intends to hold the assets to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

Financial liabilities at amortised cost consist of trade payables, participants' contributions to Clearing Funds and other payables which are financial liabilities. There is no impact on the classification and measurement of the Group's financial liabilities.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.1 Adoption of Standards, Amendments and Annual Improvements to Standards (Cont'd.)

(ii) Early adoption of Standards effective for the financial periods beginning on or after 1 January 2018 (Cont'd.)

(a) MFRS 9 Financial Instruments (Cont'd.)

ii. Classification and measurement of financial instruments (Cont'd.)

The following table is a reconciliation of the carrying amount of the Group's statement of financial position from MFRS 139 *Financial Instruments* to MFRS 9 *Financial Instruments* as at 1 January 2016:

	<u>Original (MFRS 139)</u>			<u>New (MFRS 9)</u>
	Carrying amount as at 31 December 2015 RM'000	Reclassification RM'000	Remeasurement RM'000	Carrying amount as at 1 January 2016 RM'000
Investment securities - AFS	233,449	(233,449)	-	-
Investment securities - FVOCI	-	233,449	-	233,449
Deferred tax assets:				
Opening balance	2,307	-	-	2,307
Deferred tax relating to loss allowance	-	-	198	198
Total deferred tax assets	2,307	-	198	2,505
Trade receivables:				
Opening balance	48,674	-	-	48,674
Increase in loss allowance*	-	-	(650)	(650)
Total trade receivables	48,674	-	(650)	48,024
Retained earnings:				
Opening balance	318,825	-	-	318,825
Increase in loss allowance for:				
- unquoted bonds at FVOCI**	-	-	(175)	(175)
- trade receivables*	-	-	(640)	(640)
Deferred tax relating to loss allowance	-	-	196	196
Total retained earnings	318,825	-	(619)	318,206
AFS reserve	63,866	(63,866)	-	-
FVOCI reserve:				
Opening balance	-	63,866	-	63,866
Fair value changes arising from the increase in loss allowance	-	-	175	175
Total FVOCI reserve	-	63,866	175	64,041
Non-controlling interest:				
Opening balance	16,018	-	-	16,018
Increase in loss allowance for trade receivables	-	-	(10)	(10)
Deferred tax relating to loss allowance	-	-	2	2
Total non-controlling interest	16,018	-	(8)	16,010

* The Group applies the simplified approach in providing for ECL.

** No significant credit risk for unquoted bonds at FVOCI. Thus, the Group applies 12-months ECL.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

2.1 Adoption of Standards, Amendments and Annual Improvements to Standards (Cont'd.)

(ii) Early adoption of Standards effective for the financial periods beginning on or after 1 January 2018 (Cont'd.)

(b) MFRS 15 Revenue from Contracts with Customers

The Group has elected to early adopt MFRS 15 *Revenue from Contracts with Customers* which is applied retrospectively from 1 January 2016. This Standard establishes a five-step model that will apply to recognition of revenue arising from contracts with customers, and provide a more structured approach in measuring and recognising revenue. Under this Standard, revenue will be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The adoption of this Standard results in changes in accounting policies for revenue recognition, and has no impact other than the disclosures in the Group's financial statements.

2.2 Standards issued but not yet effective

As at the date of authorisation of the Condensed Report, the Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* were issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not been adopted by the Group. The effective dates of these Standards have been deferred, and are yet to be announced by MASB. The Group will adopt these Standards when they become effective.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

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

4. 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 quarter ended 31 March 2016.

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There were no changes in estimates other than as disclosed in Note 2.1 (ii)(a), that have had any material effect during the quarter ended 31 March 2016.

6. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases and repayments of debt and equity securities during the quarter ended 31 March 2016.

7. DIVIDENDS PAID

There was no dividend paid during the quarter ended 31 March 2016.

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

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

8. OPERATING REVENUE

RM'000	Quarter ended	
	31.03.2016	31.03.2015
Clearing fees	45,463	45,832
Trade fees	5,943	6,139
Others	5,691	5,503
Total Securities trading revenue	57,097	57,474
Clearing fees	4,952	4,697
Trade fees	12,433	12,323
Others	5,085	3,479
Total Derivatives trading revenue	22,470	20,499
Bursa Suq Al-Sila (BSAS) trading revenue	4,733	3,766
Listing and issuer services	13,284	10,851
Depository services	9,360	8,423
Market data	8,131	8,161
Member services and connectivity	5,358	4,954
Others	5,696	5,662
	46,562	41,817
Total operating revenue	126,129	119,790

(a) Disaggregation of revenue

In the following table, the Group's revenue is disaggregated by major products or services and the timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's four major market segments as disclosed in Note 11.

RM'000	Securities Market	Derivatives Market	Exchange Holding Company	Others	Total
Quarter ended 31 March 2016					
Major products or services:					
- Securities trading revenue	57,092	-	-	5	57,097
- Derivatives trading revenue	-	22,470	-	-	22,470
- BSAS trading revenue	-	-	-	4,733	4,733
- Listing and issuer services	13,227	-	-	57	13,284
- Depository services	9,360	-	-	-	9,360
- Market data	6,087	1,993	-	51	8,131
- Member services and connectivity	3,398	38	1,885	37	5,358
- Others	-	5,696	-	-	5,696
	89,164	30,197	1,885	4,883	126,129
Timing of revenue recognition:					
- At a point in time	77,372	29,242	-	4,802	111,416
- Over time	11,792	955	1,885	81	14,713
	89,164	30,197	1,885	4,883	126,129

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. OTHER INCOME

RM'000	Quarter ended	
	31.03.2016	31.03.2015
Interest income from:		
- Investments	5,235	4,679
- Others	46	65
Dividend income	681	486
Grant income	285	444
Net gain on disposal of investment securities	-	71
Rental income	1,535	1,524
Miscellaneous income	22	35
Total other income	7,804	7,304

10. OTHER OPERATING EXPENSES

RM'000	Quarter ended	
	31.03.2016	31.03.2015
Marketing and development expenses	4,613	4,913
Technology charges:		
- Information technology maintenance	5,010	4,466
- Service fees	5,672	5,566
Administrative expenses	1,888	1,880
Building management expenses	2,782	2,742
Central Depository System (CDS) consumables	1,200	902
Professional fees	240	195
Net impairment loss/(reversal of impairment loss) on:		
- Investment securities	12	-
- Trade and other receivables	64	(136)
Foreign exchange loss	654	39
Miscellaneous expenses	1,850	2,397
Total other operating expenses	23,985	22,964

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

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENTAL INFORMATION

RM'000	Securities Market	Derivatives Market	Exchange Holding Company	Others	Consolidated
RESULTS FOR THE QUARTER ENDED 31 MARCH 2016					
Operating revenue	89,164	30,197	1,885	4,883	126,129
Other income	3,582	692	3,439	91	7,804
Direct costs	(23,563)	(14,382)	(7,959)	(1,610)	(47,514)
Segment profit/(loss)	69,183	16,507	(2,635)	3,364	86,419
Overheads					(15,826)
Profit/(Loss) before tax	69,183	16,507	(2,635)	3,364	70,593

RESULTS FOR THE QUARTER ENDED 31 MARCH 2015					
Operating revenue	85,998	28,119	1,737	3,936	119,790
Other income	3,454	593	3,192	65	7,304
Direct costs	(21,114)	(14,991)	(7,389)	(1,396)	(44,890)
Segment profit/(loss)	68,338	13,721	(2,460)	2,605	82,204
Overheads					(15,354)
Profit/(Loss) before tax	68,338	13,721	(2,460)	2,605	66,850

ASSETS AND LIABILITIES AS AT 31 MARCH 2016					
Assets	358,970	100,102	434,269	35,028	928,369
Clearing Funds	97,901	27,754	-	-	125,655
Cash for trading margins, security deposits and eDividend distributions	2,422	1,365,666	-	-	1,368,088
Segment assets	459,293	1,493,522	434,269	35,028	2,422,112
Unallocated corporate assets					7,392
Total assets	459,293	1,493,522	434,269	35,028	2,429,504
Liabilities	54,381	13,926	158,587	21,233	248,127
Participants' contributions to Clearing Funds	12,901	22,754	-	-	35,655
Trade margins and eDividend distributions	2,422	1,365,666	-	-	1,368,088
Segment liabilities	69,704	1,402,346	158,587	21,233	1,651,870
Unallocated corporate liabilities					10,317
Total liabilities	69,704	1,402,346	158,587	21,233	1,662,187

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

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

12. RELATED PARTY DISCLOSURES

All related party transactions within the Group had been entered into in the normal course of business and were carried out on normal commercial terms.

13. CASH FOR TRADING MARGINS, SECURITY DEPOSITS AND eDIVIDEND DISTRIBUTIONS

RM'000	As at 31.03.2016
Trading margins and security deposits, representing trade payables	1,365,666
Cash received for eDividend distributions (included in other payables)	2,422
Total cash for trading margins, security deposits and eDividend distributions	1,368,088

The amount of non-cash collaterals for trading margins, security deposits and Securities Borrowing and Lending (SBL) which is not included in the consolidated statement of financial position as at 31 March 2016 comprise the following:

RM'000	As at 31.03.2016
Collaterals in the form of letters of credit	662,350
Collaterals in the form of shares	6,719
	669,069

14. CASH AND BANK BALANCES OF CLEARING FUNDS

RM'000	Participants' contributions	Cash set aside by the Group	As at 31.03.2016
Contributions from Trading Clearing Participants (TCPs) of Bursa Malaysia Securities Clearing Sdn Bhd (BMSC)	12,901	-	12,901
Contribution from BMSC	-	25,000	25,000
Additional cash resources from BMSC	-	60,000	60,000
Clearing Guarantee Fund (CGF) contributions (Note a)	12,901	85,000	97,901
Contributions from Clearing Participants (CPs) of Bursa Malaysia Derivatives Clearing Bhd (BMDC)	22,754	-	22,754
Contribution from BMDC	-	5,000	5,000
Derivatives Clearing Fund (DCF) contributions (Note b)	22,754	5,000	27,754
Total cash and bank balances of Clearing Funds	35,655	90,000	125,655

(a) Total cash and non-cash components of the CGF are as follows:

RM'000	As at 31.03.2016
Cash and bank balances	97,901
Bank guarantees from TCPs of BMSC	4,584
Total CGF	102,485

(b) There are no non-cash collaterals from CPs of BMDC for DCF held by the Group as at 31 March 2016.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

15. CASH AND BANK BALANCES OF THE GROUP

RM'000	As at 31.03.2016
Cash and bank balances	3,564
Deposits for short-term funding requirements	318,672
Cash and cash equivalents	322,236
Deposits not for short-term funding requirements	15,879
Total cash and bank balances	338,115

Included in the cash and bank balances as at the end of the financial period is an amount of RM182,000 which has been set aside to meet or secure the claims of creditors pursuant to a High Court order issued in relation to the reduction of capital of the Company on 27 January 2005.

16. CAPITAL COMMITMENTS

Capital commitments for the purchase of property, plant and equipment not provided for in the Condensed Report as at the end of the financial period are as follows:

RM'000	Approved and contracted for	Approved but not contracted for
Computers and office automation	1,392	5,197
Renovations	516	802
Total capital commitments	1,908	5,999

17. CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets and no changes in the contingent liability in respect of the put and call options with Chicago Mercantile Exchange Group over the ordinary shares of Bursa Malaysia Derivatives since 31 December 2015.

18. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarter ended 31 March 2016.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

19. OPERATING LEASE ARRANGEMENTS

(a) As Lessee - for the lease of land

The future aggregate minimum lease payments payable under non-cancellable operating lease contracted for as at the end of the financial period but not recognised as liabilities are as follows:

RM'000	As at 31.03.2016
Not later than 1 year	539
Later than 1 year and not later than 5 years	2,155
Later than 5 years	38,101
Total future minimum lease payments	40,795

(b) As Lessee - for the lease of equipment

The future aggregate minimum lease payments payable under operating leases contracted for as at the end of the financial period but not recognised as liabilities are as follows:

RM'000	As at 31.03.2016
Not later than 1 year	152
Later than 1 year and not later than 2 years	88
Total future minimum lease payments	240

(c) As Lessor - for the lease of office space in the building

The future aggregate minimum lease payments receivable under operating leases contracted for as at the end of the financial period but not recognised as receivables are as follows:

RM'000	As at 31.03.2016
Not later than 1 year	5,243
Later than 1 year and not later than 2 years	5,148
Later than 2 years and not later than 5 years	6,372
Total future minimum lease receivables	16,763

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

20. FINANCIAL INSTRUMENTS

20.1 Classification

The following table analyses the financial assets and financial liabilities of the Group in the condensed consolidated statement of financial position by the classes and categories of financial instruments to which they are assigned, and therefore by the measurement basis as at 31 March 2016.

RM'000	Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Total
As at 31 March 2016				
Assets				
Investments securities				
- Quoted shares	144,249	-	-	144,249
- Unquoted bonds	84,901	-	-	84,901
	<u>229,150</u>	<u>-</u>	<u>-</u>	<u>229,150</u>
Staff loans receivable	-	4,825	-	4,825
Trade receivables	-	56,870	-	56,870
Other receivables which are financial assets *	-	7,333	-	7,333
Cash for trading margins, security deposits and eDividend distributions	-	1,368,088	-	1,368,088
Cash and bank balances of Clearing Funds	-	125,655	-	125,655
Cash and bank balances of the Group	-	338,115	-	338,115
Total financial assets	229,150	1,900,886	-	2,130,036
Liabilities				
Trade payables	-	-	1,365,666	1,365,666
Participants' contributions to Clearing Funds	-	-	35,655	35,655
Other payables which are financial liabilities **	-	-	39,433	39,433
Dividend payable	-	-	96,276	96,276
Total financial liabilities	-	-	1,537,030	1,537,030

* Other receivables which are financial assets include deposits, interest receivables and sundry receivables, net of allowance for impairment.

** Other payables which are financial liabilities include amount due to Securities Commission and sundry payables.

20. FINANCIAL INSTRUMENTS (CONT'D.)

20.2 Fair Value (Cont'd.)

(a) Financial instruments that are carried at fair value (cont'd)

Financial assets at FVOCI are measured at fair value at different measurement hierarchies (i.e. Level 1, 2 and 3). The hierarchies reflect the level of objectiveness of inputs used when measuring the fair value.

(i) Level 1: Quoted prices (unadjusted) of identical assets in active markets

Quoted shares are measured at Level 1. The fair value of quoted shares is determined directly by reference to their published market bid prices as at 31 March 2016.

(ii) Level 2: Inputs other than at quoted prices included within Level 1 that are observable for the assets, either directly (prices) or indirectly (derived from prices)

Unquoted bonds are measured at Level 2. The fair value of unquoted bonds is determined by reference to the published market bid prices of unquoted fixed income securities based on information provided by Bond Pricing Agency Malaysia Sdn Bhd.

(iii) Level 3: Inputs for the assets that are not based on observable market data (unobservable inputs)

The Group does not have any financial instruments measured at Level 3 as at 31 March 2016.

RM'000	Level 1	Level 2	Total
Financial Assets at FVOCI			
Quoted shares	144,249	-	144,249
Unquoted bonds	-	84,901	84,901
	144,249	84,901	229,150

There were no transfers between Level 1 and Level 2 during the quarter ended 31 March 2016.

(b) Financial instruments that are not carried at fair value

The carrying amount of financial assets and financial liabilities at amortised cost, other than staff loans receivable, are reasonable approximation of their fair values due to their short-term nature.

The carrying amount of staff loans receivable approximates its fair value, and is estimated by discounting the expected future cash flows using the current interest rates for loans with similar risk profiles. The fair value of the staff loans receivable is measured at Level 3 under the measurement hierarchy.

21. EVENTS AFTER THE REPORTING PERIOD

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

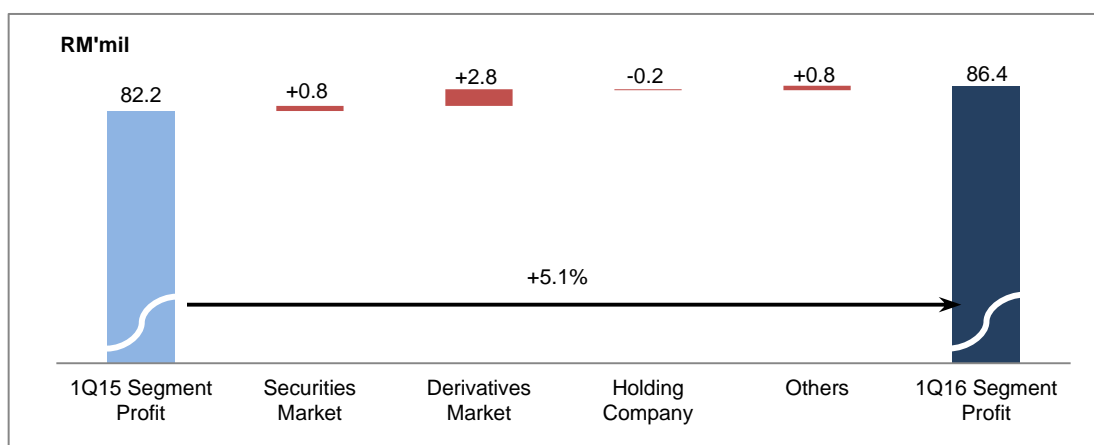
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

22. OPERATING SEGMENTS REVIEW

(a) 1Q16 vs. 1Q15

Profit before tax (PBT) for the quarter ended 31 March 2016 (1Q16) was RM70.6 million, an increase of 5.6 per cent from RM66.9 million in the quarter ended 31 March 2015 (1Q15). PBT is made up of segment profits less overheads (as depicted in Note 11).

Total segment profit for 1Q16 was RM86.4 million, an increase of 5.1 per cent from RM82.2 million in 1Q15. The movements in the segment profits are depicted in the graph below:

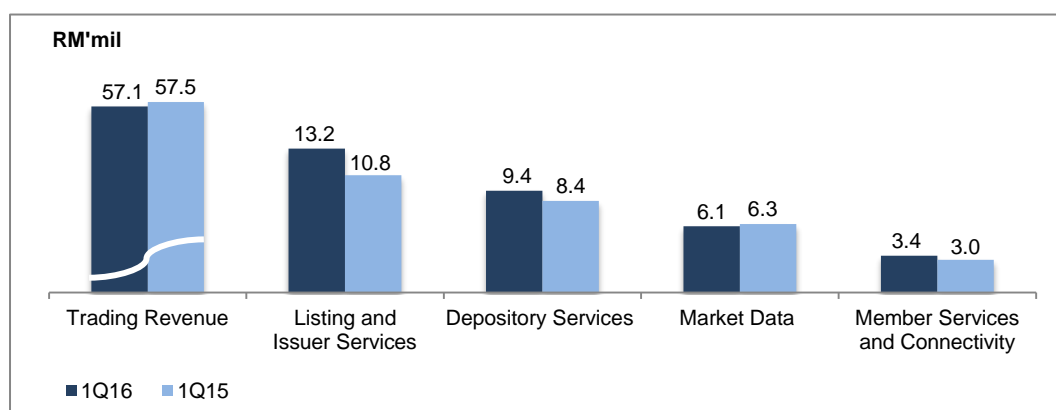


Securities Market

The Securities Market recorded a segment profit of RM69.2 million in 1Q16, an increase of 1.2 per cent compared to RM68.3 million in 1Q15.

(i) Operating Revenue

The Securities Market operating revenue for 1Q16 was RM89.2 million, representing an increase of 3.7 per cent compared to RM86.0 million in 1Q15. The details by revenue category are shown in the chart below:



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 1Q16 vs. 1Q15 (Cont'd.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Listing and issuer services revenue increased by 22.2 per cent to RM13.2 million in 1Q16 compared to 1Q15. The increase was mainly due to the higher initial and additional listing fees, as well as perusal and processing fees, earned from higher number of corporate exercises and Initial Public Offering (IPOs) in 1Q16.
- > Depository services increased by 11.9 per cent to RM9.4 million in 1Q16 compared to 1Q15. The increase was mainly due to higher CDS custody fees and Records of Depositor (ROD) fees.

Key operating drivers in the Securities Market are as follows:

		1Q16	1Q15	%
FBM KLCI	(points)	1,717.58	1,830.78	-6
Average daily trading value (On-Market Trades (OMT) and Direct Business Trades (DBT))	(RM'billion)	2.07	2.18	-5
Average daily trading volume (OMT and DBT)	(billion)	1.88	2.11	-11
Effective clearing fee rate	(basis points)	2.38	2.31	3
Velocity	(per cent)	29	30	-3
Number of IPOs		2	-	-
Number of new structured warrant listings		175	172	2
Total funds raised:				
- IPOs	(RM'billion)	0.17	-	-
- Secondary issues	(RM'billion)	1.37	6.01	-77
Market capitalisation at end of period	(RM'billion)	1,707.44	1,737.52	-2

(ii) Operating Expenses

Operating expenses increased by 11.6 per cent to RM23.6 million in 1Q16 compared to 1Q15 mainly due to higher staff costs, CDS consumables expenses and depreciation expenses following the replacement of Bursa Link system in April 2015.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

22. OPERATING SEGMENTS REVIEW (CONT'D.)

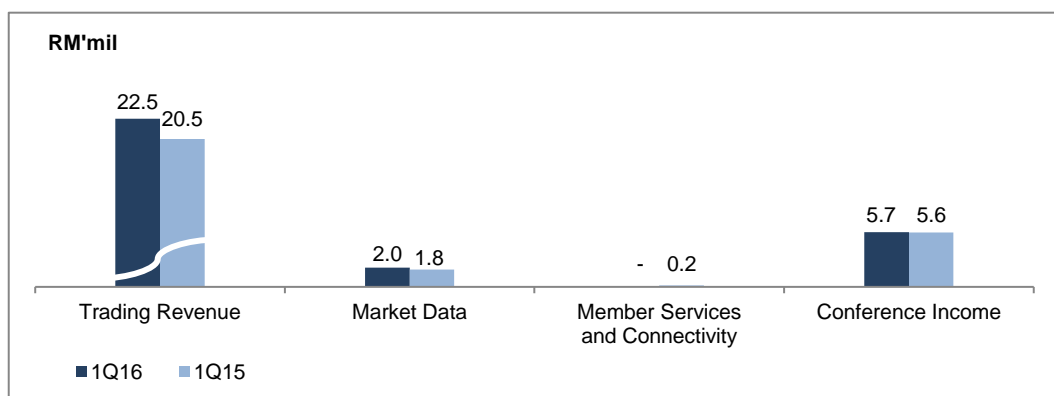
(a) 1Q16 vs. 1Q15 (Cont'd.)

Derivatives Market

The Derivatives Market recorded a segment profit of RM16.5 million in 1Q16, an increase of 20.3 per cent compared to RM13.7 million in 1Q15 due to higher guarantee fees and collateral management fees earned, all of which are part of the trading revenue.

(i) Operating Revenue

The Derivatives Market operating revenue for 1Q16 was RM30.2 million, representing an increase of 7.4 per cent compared to RM28.1 million in 1Q15. The increase was mainly from trading revenue, as shown in the chart below:



- > Trading revenue increased by 9.8 per cent to RM22.5 million in 1Q16 compared to 1Q15 as a result of higher guarantee fees and collateral management fees.

Key operating drivers in the Derivatives Market are as follows:

		1Q16	1Q15	%
FCPO contracts	(million)	2.67	2.92	-9
FKLI contracts	(million)	0.78	0.62	26
Other contracts	(million)	0.02	0.02	-
Total	(million)	3.47	3.56	-3
Daily average contracts		57,878	60,335	-4
Average number of open interest		259,565	224,926	15

(ii) Operating Expenses

Segment expenses decreased by 4.1 per cent to RM14.4 million in 1Q16 compared to 1Q15 mainly due to lower staff costs.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

22. OPERATING SEGMENTS REVIEW (CONT'D.)

(a) 1Q16 vs. 1Q15 (Cont'd.)

Exchange Holding Company

The Exchange Holding Company segment loss increased by 7.1 per cent to RM2.6 million in 1Q16 from RM2.5 million in 1Q15 due to the reversal of unrealised foreign exchange gain on dividend received in United State Dollar.

Others

The Others segment is made up of Bursa Suq Al-Sila (BSAS) business, bonds trading and offshore exchange. The Others segment profit increased by 29.1 per cent to RM3.4 million in 1Q16 from RM2.6 million in 1Q15 due to the increasing usage of BSAS following the adoption of the Murabaha concept.

Overheads

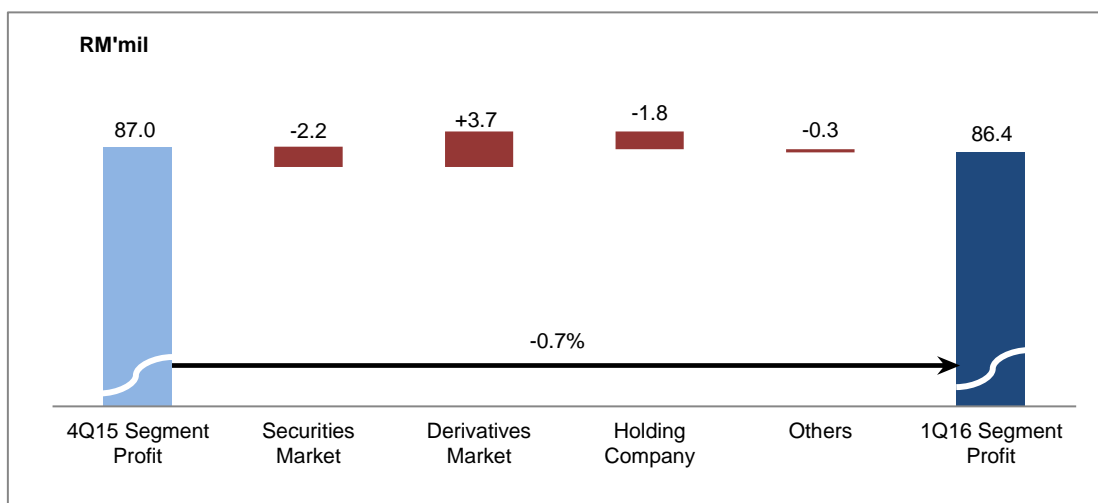
Overheads increased by 3.1 per cent to RM15.8 million in 1Q16 compared to RM15.4 million in 1Q15 mainly due to higher staff costs.

PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

PBT remained stable at RM70.6 million in 1Q16 and in the quarter ended 31 December 2015 (4Q15). PBT is made up of segment profits less overheads.

Total segment profit for 1Q16 was RM86.4 million, a decrease of 0.7 per cent from RM87.0 million in 4Q15. The quarter on quarter movements in the segment profits are depicted in the graph below:

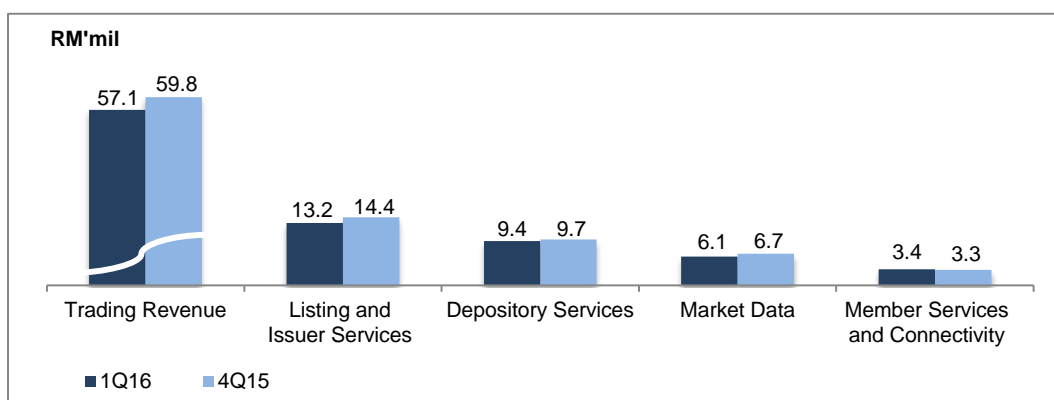


Securities Market

The Securities Market recorded a segment profit of RM69.2 million in 1Q16, a decrease of 3.1 per cent compared to RM71.4 million in 4Q15. The lower profit was mainly due to lower operating revenue in 1Q16.

(i) Operating Revenue

The Securities Market operating revenue for 1Q16 was RM89.2 million, representing a decrease of 5.1 per cent compared to RM93.9 million in 4Q15. The details by revenue category are shown in the chart below:



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER (CONT'D.)

Securities Market (Cont'd.)

(i) Operating Revenue (Cont'd.)

- > Trading revenue decreased by 4.5 per cent to RM57.1 million in 1Q16 compared to 4Q15. 1Q16 saw a lower average daily value for OMT and DBT of RM2.07 billion compared to RM2.15 billion in 4Q15.
- > Listing and issuer services revenue decreased by 8.3 per cent to RM13.2 million in 1Q16 compared to 4Q15. The decrease was mainly due to lower additional listing fees and perusal and processing fees earned as a result of fewer number of corporate exercises in 1Q16.
- > Market data revenue decreased by 9.0 per cent to RM6.1 million in 1Q16 compared to 4Q15 as a result of the waiver of corporate announcement charges in 1Q16.

Key operating drivers in the Securities Market are as follows:

		1Q16	4Q15	%
FBM KLCI	(points)	1,717.58	1,692.51	1
Average daily trading value (OMT and DBT)	(RM'billion)	2.07	2.15	-4
Average daily trading volume (OMT and DBT)	(billion)	1.88	2.23	-16
Effective clearing fee rate	(basis points)	2.38	2.34	2
Velocity	(per cent)	29	30	-3
Number of IPOs		2	2	0
Number of new structured warrant listings		175	166	5
Total funds raised:				
- IPOs	(RM'billion)	0.17	0.42	-60
- Secondary issues	(RM'billion)	1.37	7.75	-82
Market capitalisation at end of period	(RM'billion)	1,707.44	1,695.15	1

(ii) Operating Expenses

Segment expenses decreased by 7.9 per cent to RM23.6 million in 1Q16 compared to 4Q15 mainly due to lower staff costs in 1Q16.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

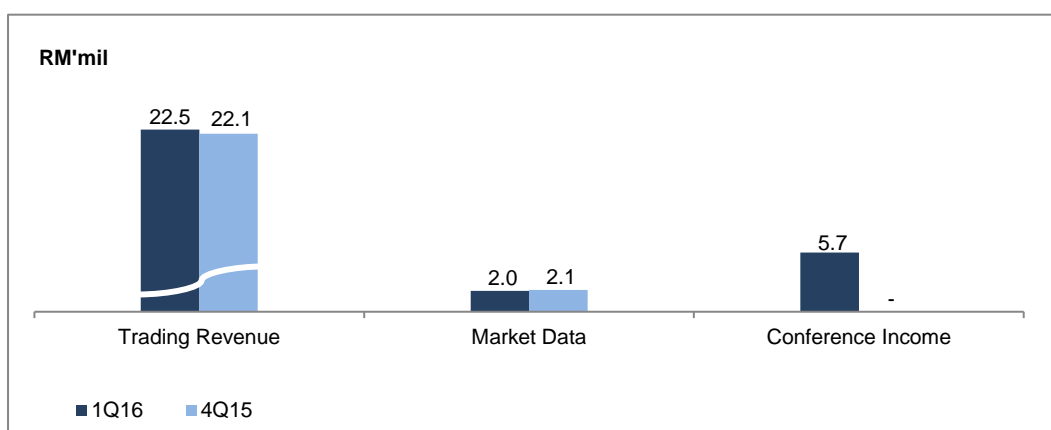
23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER (CONT'D.)

Derivatives Market

The Derivatives Market recorded a segment profit of RM16.5 million for 1Q16, an increase of 29.2 per cent compared to RM12.7 million in 4Q15. The higher profit in 1Q16 was attributed to the conference income earned from Palm and Lauric Oils Price Outlook Conference & Exhibition 2016 (POC) held in 1Q16.

(i) Operating Revenue

The Derivatives Market operating revenue for 1Q16 was RM30.2 million, representing an increase of 24.5 per cent compared to RM24.2 million in 4Q15. The increase mainly arose from conference income, as shown in the chart below:



Key operating drivers in the Derivatives Market are as follows:

		1Q16	4Q15	%
FCPO contracts	(million)	2.67	2.72	-2
FKLI contracts	(million)	0.78	0.75	4
Other contracts	(million)	0.02	-	-
Total	(million)	3.47	3.47	0
Daily average contracts		57,878	55,985	3
Average number of open interests		259,565	239,749	8

(ii) Operating Expenses

Segment expenses increased by 19.1 per cent to RM14.4 million in 1Q16 compared to RM12.1 million in 4Q15 mainly due to expenses incurred for the POC conference.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER
COMPARED WITH PRECEDING QUARTER (CONT'D.)**

Exchange Holding Company

The Exchange Holding Company recorded a higher segment loss of RM2.6 million in 1Q16 compared to 4Q15. The higher segment loss was mainly due to lower dividend income earned in 1Q16.

Others

The Others segment is made up of BSAS business, bonds trading and offshore exchange. The Others segment profit decreased by 9.4 per cent to RM3.4 million in 1Q16 from RM3.7 million in 4Q15 mainly due to the lower trades on BSAS.

Overheads

Overheads decreased by 4.0 per cent to RM15.8 million in 1Q16 compared to RM16.5 million in 4Q15 mainly due to lower information technology maintenance expenses and professional fees incurred in 1Q16.

24. COMMENTARY ON PROSPECTS AND TARGETS

The global economic outlook for 2016 is expected to remain challenging as there are still uncertainties over China's growth prospects, the slower than expected US market recovery as well as financial market volatility. The International Monetary Fund is projecting a 3.2% global growth compared to its earlier forecast of 3.4% for 2016. Bank Negara Malaysia has also recently announced its economic growth forecast for the country to be in the range of 4.0% to 4.5%, which is comparable to the World Bank's revised forecast for Malaysia of 4.4%.

The recent S&P, Fitch and Moody affirmations on their stable outlook for Malaysia have stimulated foreign investors' confidence. Foreign as well as domestic institutions continue to be major market contributors, encouraged by the recovery in commodity prices as well as the delay in the US interest rate hike, which also helped strengthen the Ringgit. Nevertheless, the Exchange will continue with its initiatives to attract more retail players to the market. While the Derivatives Market activities will be further spurred by the volatility in commodity prices and FBM KLCI, transactions on Bursa Suq Al-Sila' (BSAS) are expected to be supported by wider acceptance of tenor based pricing and the continued demand for Murabaha contracts in the domestic market for liquidity management.

Given the factors mentioned above, the Exchange is cautiously optimistic that we will continue to achieve a good financial performance for the current financial year.

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

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

25. INCOME TAX EXPENSE

RM'000	Quarter ended	
	31.03.2016	31.03.2015
Income tax	18,197	17,199
Deferred tax	(191)	492
Total income tax expense	18,006	17,691

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the period (2015: 25%).

The effective tax rate of the Group for the current and previous corresponding quarters were higher than the statutory tax rate of the respective years principally due to certain expenses which were not deductible for tax purposes.

26. RETAINED EARNINGS

RM'000	As at	As at
	31.03.2016	31.12.2015
Realised	289,652	332,389
Unrealised	(561)	1,018
	289,091	333,407
Consolidation adjustments	(17,225)	(14,582)
Total retained earnings	271,866	318,825

27. CORPORATE PROPOSALS

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

28. BORROWINGS AND DEBT SECURITIES

As at the reporting date, there were no short-term borrowings and the Group has not issued any debt securities.

29. CHANGES IN MATERIAL LITIGATION

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

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

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

30. DIVIDEND PAYABLE

Details of the final dividend under the single-tier system approved by the shareholders at the Company's Annual General Meeting is as follows:

	31.03.2016	31.03.2015
Final dividend for financial year ended	31 December 2015	31 December 2014
Amount per share	18.0 sen	18.0 sen
Approved and declared on	31 March 2016	31 March 2015
Entitlement to dividends based on record of Depositors as at	5 April 2016	3 April 2015
Date payable	18 April 2016	16 April 2015

31. EARNINGS PER SHARE (EPS)

(a) Basic EPS

	Quarter ended	
	31.03.2016	31.03.2015
Profit attributable to the owners of the Company (RM'000)	49,936	47,055
Weighted average number of ordinary shares in issue ('000)	534,614	533,520
Basic EPS (sen)	9.3	8.8

(b) Diluted EPS

	Quarter ended	
	31.03.2016	31.03.2015
Profit attributable to owners of the Company (RM'000)	49,936	47,055
Weighted average number of ordinary shares in issue ('000)	534,614	533,520
Effect of dilution ('000)	2,792	2,433
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	537,406	535,953
Diluted EPS (sen)	9.3	8.8

32. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2015 were unmodified.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

33. REVIEW BY EXTERNAL AUDITORS

The Board of Directors ("Board") had engaged the external auditors to review and report on the condensed consolidated financial statements of Bursa Malaysia Berhad for the quarter ended 31 March 2016 in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*".

The external auditors reported to the Board that nothing had come to their attention to cause them to believe that the said condensed consolidated financial statements were not prepared, in all material respects, in accordance with MFRS 134 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*. The report was made to the Board in accordance to the terms of reference with the external auditors and for no other purpose.

34. AUTHORISED FOR ISSUE

The condensed consolidated financial statements were authorised for issue by the Board in accordance with a resolution of the Directors on 25 April 2016.