
Investor Day Presentation

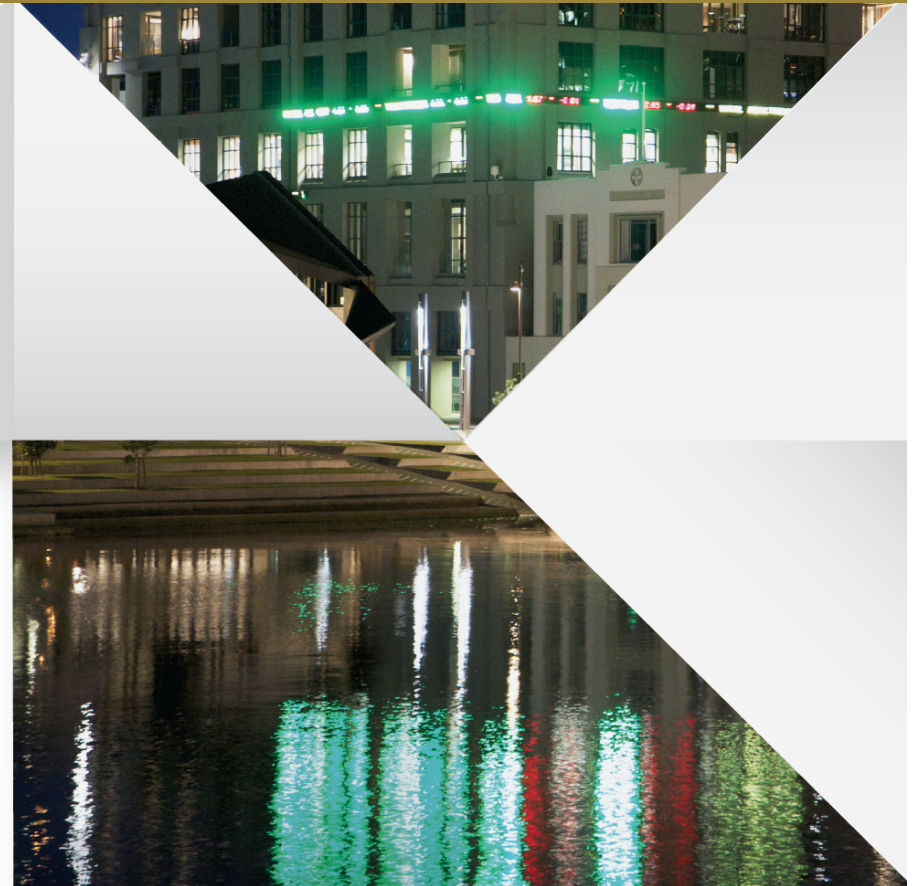
6 December 2012



Agenda

- ▶ Welcome Andrew Harnos
- ▶ Introduction Tim Bennett
- ▶ Capital markets
- ▶ Private Market Operations
- ▶ Agriculture
 - Information Tony Leggett
 - Markets
 - Dairy Kathryn Jaggard
 - Grain Ron Storey
- ▶ Conclusion Tim Bennett
- ▶ Q&A

Introduction



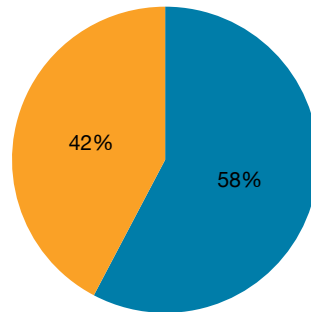
Overall summary

- ▶ NZX has a portfolio of integrated information, markets and infrastructure businesses poised to benefit from structural shifts in New Zealand's and the regions' economies
 - Combines stable annuity businesses, growth businesses and capital market exposure
 - Direct and indirect exposure to increased savings and investment in NZ and growth in demand for soft commodities in Asia
- ▶ The last six months have been focused on strengthening the business; an effort that will continue into 2013
 - Internally: people, systems and processes
 - Externally: market engagement, IPO pipeline, delivering for key customers
 - Good progress made, but more investment required to realise the potential inherent in the business
- ▶ Outlook for 2013 varies across our businesses
 - **Capital markets:** market momentum potentially offset by the global headwinds, lack of supply
 - **Private market operations:** incremental growth as Electricity Authority ('EA') contracts are rolled over at lower margin offset by the start of the market operator contract for FSM
 - **Agriculture:** historic growth expected to continue
- ▶ Medium-term outlook remains attractive
 - Structural shifts in savings and investment behaviour provides 'generational' opportunity to reinvigorate the equity market
 - Market development capability, FSM provides an attractive model for other similar businesses
 - Agri businesses will continue to benefit from the underlying agricultural sector growth, increasing sophistication of industry participants and price volatility

NZX is an integrated, Information, Markets, and Infrastructure business

Revenues Q1-Q3 2012

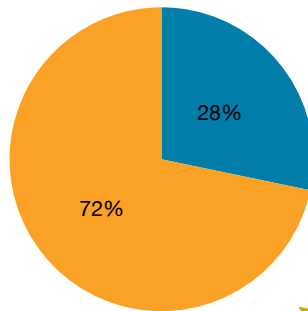
Information – \$16.0M
(up 3% on pcp)



High quality securities market and soft commodity market information

■ Agri ■ Securities

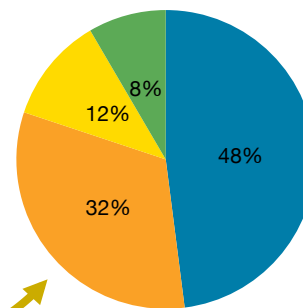
■ Securities Clearing
■ Private Market Ops



Infrastructure – \$9.5M
(up 5% on pcp)

Clearing and settlement platforms in securities, build and operate private markets

■ Listings
■ Trading
■ Fund Svcs
■ Commodities



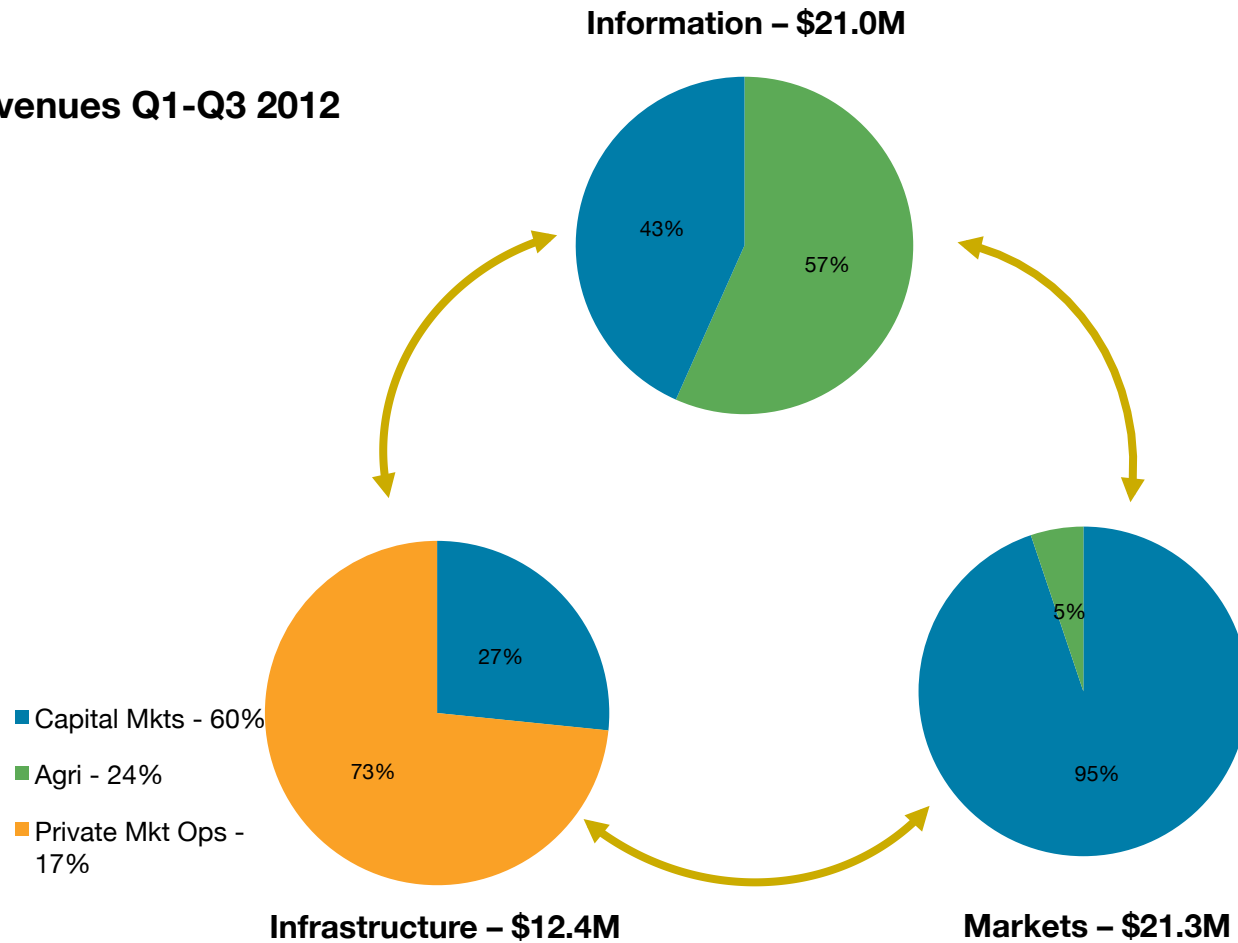
Markets – \$14.8M
(down 3% on pcp)

Cash equities, bonds, derivatives, and spot commodities markets



Capital Markets, Private Market Operations, Agriculture

Revenues Q1-Q3 2012



Management

Strong senior team

▶ **Tony Leggett - Head of Agri Information**

Livestock agent, journalist, editor with twenty five years in agri media

▶ **Ron Storey - Head of Australian Commodities**

Two decades in grain marketing, founded and ran Australian Crop Forecasters for ten years

▶ **Amelia Wong - Head of Cash Markets**

Capital markets experience at Morgan Stanley, Barclays Capital and Sanford Bernstein

▶ **Kathryn Jaggard - Head of Derivatives**

Ten years senior sales experience, London Futures Exchange

▶ **Sam Stanley - Head of Sales**

Extensive sales and forex market experience

▶ **Erich Livengood - Head of Energy**

MCo, KEA3 Consulting, Booz Allen, in the US and South America

▶ **Mandy Simpson - Head of Operations**

Fifteen years finance and operational experience, CFO at Fronde

▶ **David Godfrey - Head of Technology**

Two decades' experience in UK and NZ IT networks, technology and operations

▶ **Bevan Miller - Chief Financial Officer**

CFO at Acurity Health Group, senior finance and audit experience at Telecom and KPMG

▶ **Robyn Dey - Head of Regulation**

Two decades Simpson Grierson, specialist in M&A, securities legislation, and commercial law

The first six months

Internal – Strengthen foundation

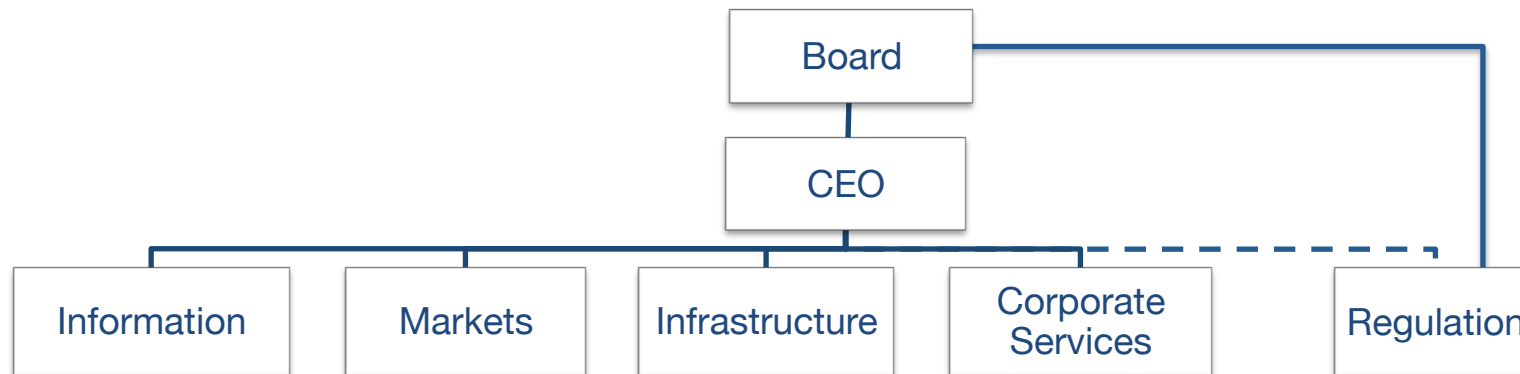
- ▶ People
 - New management structure and team in place
 - Sharp reduction in staff turnover
 - Cultural change process commenced
- ▶ Systems
 - Trading system upgrade successfully completed
 - Online functionality being upgraded
- ▶ Processes; Focus on
 - Service delivery
 - Reduction in error rates

External – Institutionalise NZX

- ▶ Market engagement
 - Issuers
 - Market participants
 - Fund managers
 - Regulators
- ▶ Understanding and building the IPO pipeline
- ▶ Delivering to key customers
 - FSM launched
 - EA contracts renewed

Management team

New structure and people in place



Agri
(Tony Leggett)

Cash
(Amelia Wong)

Operations
(Mandy Simpson)

CFO
(Bevan Miller)

Regulation
(Robyn Dey)

Australia
(Ron Storey)

Derivatives
(Kathryn Jaggard)

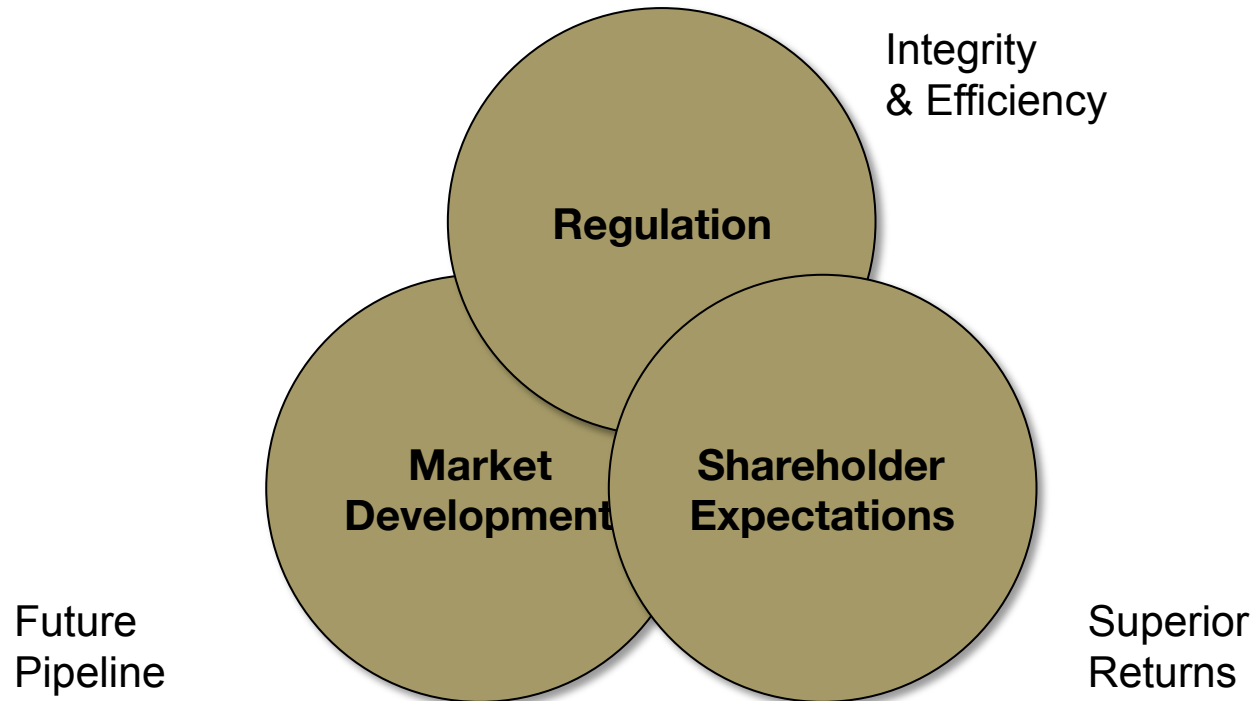
Technology
(David Godfrey)

Sales
(Sam Stanley)

Energy
(Erich Livengood)

Shifted emphasis going forward

Commercial, regulatory roles complimentary, not trade-offs



Capital Markets



Capital Markets - Summary

Domestic momentum, global headwinds

- ▶ Significant demand-driven momentum evident in the past six months
 - Market up more than 23% in the year through to November 30
 - \$1.3B capital raised and sell-downs in second half to date

- ▶ Exchanges globally facing a challenging operating environment
 - Trade volumes and values declined sharply since 2007/8
 - Market structure changing to the detriment of the market and the exchange; dark pools, internalisation, high frequency and algo trading
 - Regulatory and compliance costs increasing
 - Affecting exchange and industry economics

- ▶ While the New Zealand market has lagged global trends, potential to impact the local market in 2013

- ▶ Two challenges to building on the momentum
 - Delivering a product pipeline
 - Maintaining market integrity

Current momentum result of structural shifts in the market

Demand

- ▶ NZer's are saving more
 - Kiwisaver assets \$12B and expected to grow to \$50B over the next 10 years
 - Retail bank deposits have grown by \$20B since the financial crisis
- ▶ Relative attractiveness of NZ equities increased relative to
 - Fixed income
 - Other markets

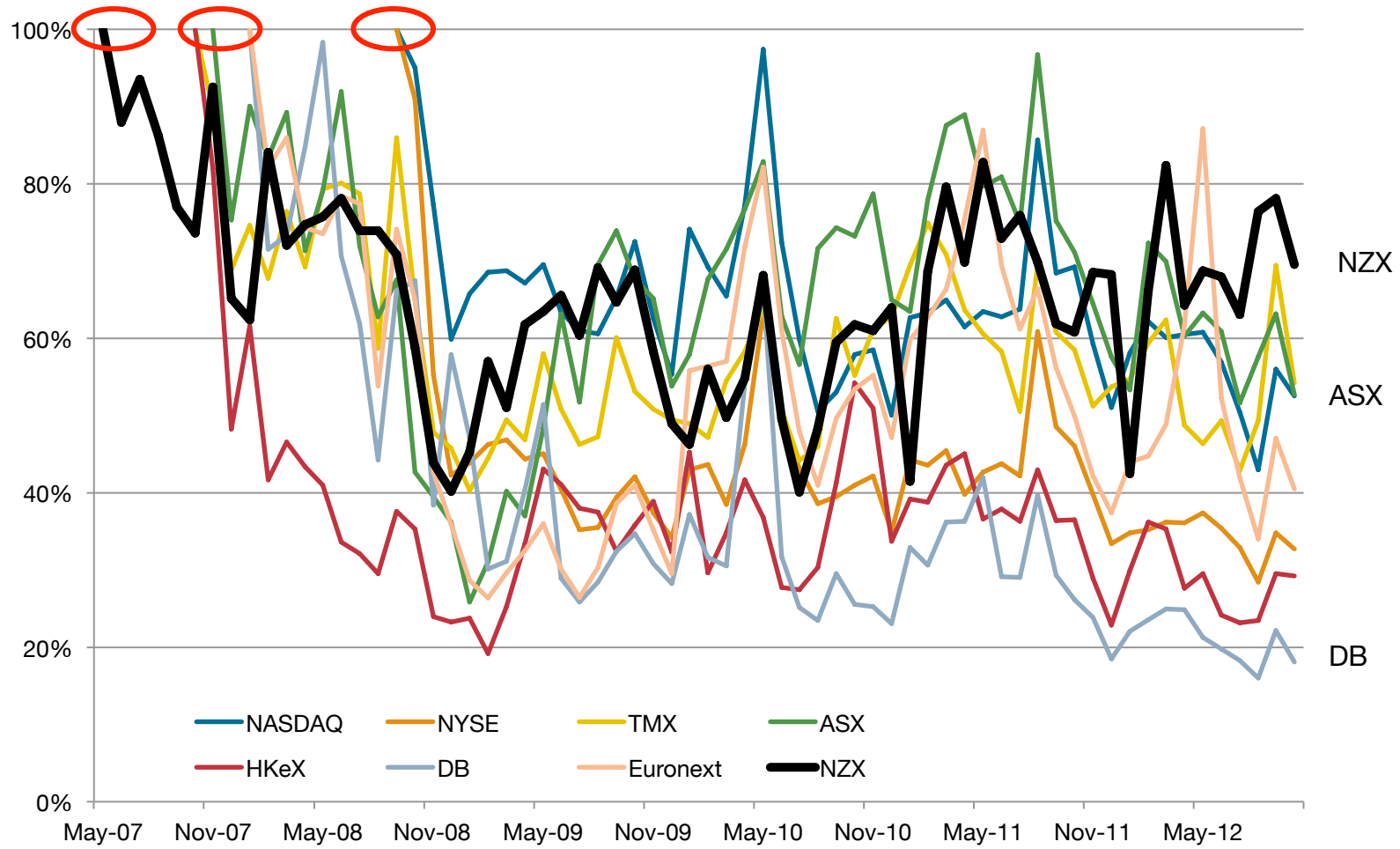
Supply

- ▶ Large number of NZ companies that could benefit from expansion capital
 - NZTE fast 500
 - 200+ companies with over \$25M in exports
- ▶ ... but they are seeking equity from the public market
 - 68% of the top 100 NZ companies are private vs. 35% in Australia
 - NZ equity market capitalisation / GDP is 1/3 of Australia

- ▶ **Demand evident, supply, even if sufficient, yet to be delivered**

Global Market Conditions

Value Traded

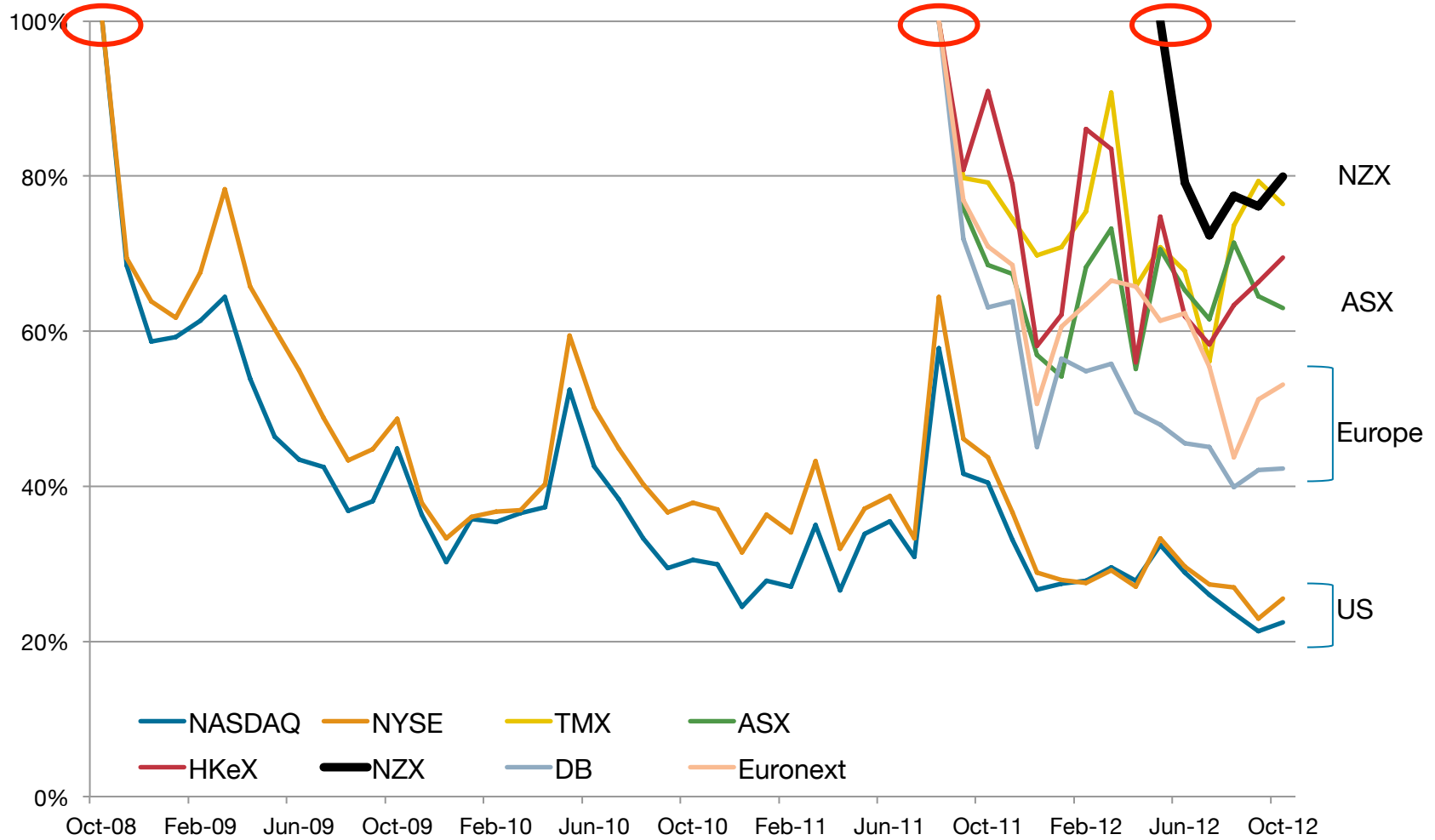


Source: WFE



Global Market Conditions

Volume Traded



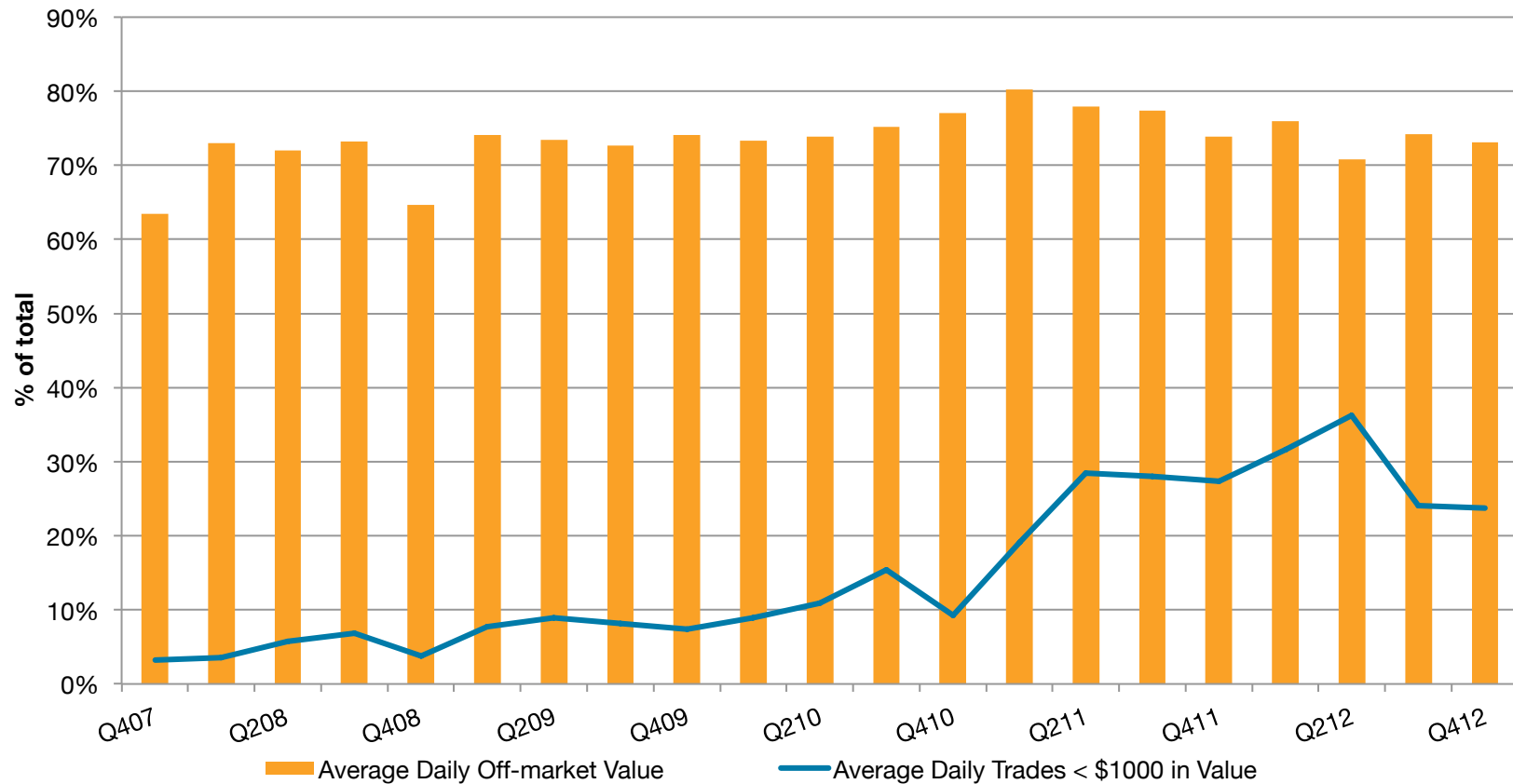
Source: WFE



Market structure changes

Increase in algo activity since early 2011

NZX



Capital Markets - Summary

2013 Initiatives and outlook

- ▶ Products – meeting demand
 - ▶ Equities
 - IPO market
 - Growth Market
 - Governemnt share offers
 - ▶ Derivatives
 - Futures
 - Options
 - ▶ ETF's
-
- ▶ Market quality
 - ▶ Pro-acitve response to global trends
-
- ▶ Regulation
 - ▶ Fair, Orderly, Transparent

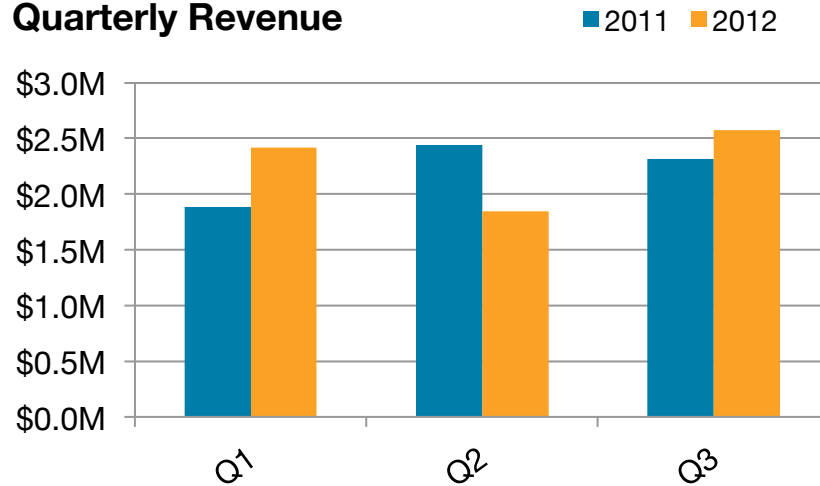
Private Market Operations



Private Market Operations

Energy and Fonterra

Quarterly Revenue



Comment

- ▶ Revenue up 11% on pcp driven by development work
- ▶ Shift from build to operate the FSM post launch
- ▶ Electricity contracts renewed in October at lower margin

2013 Initiatives and Outlook

- ▶ Low growth as impact of reduced Electricity contracts are offset by the FSM
- ▶ Medium-term potential to further expand into other markets

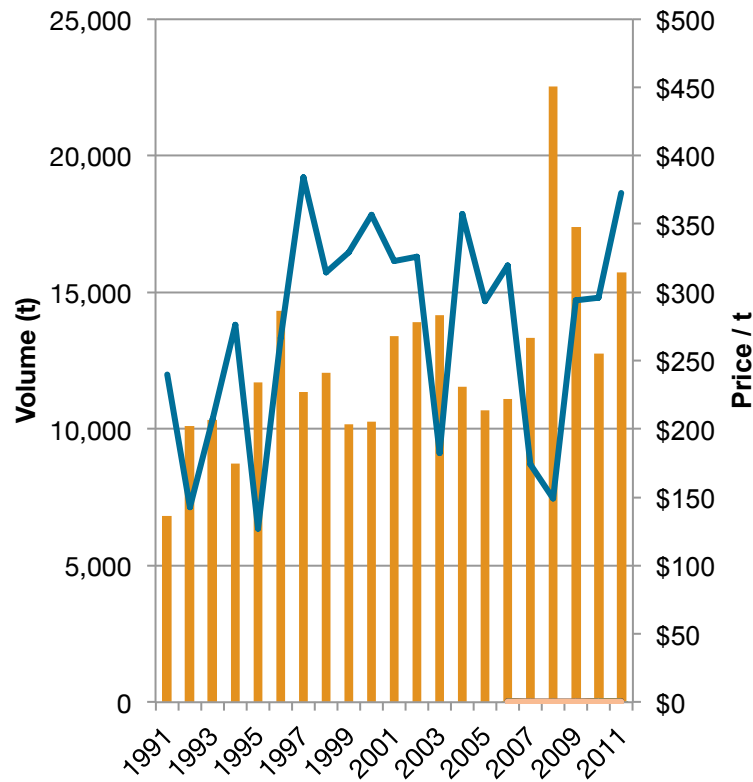
Agriculture



Structurally attractive

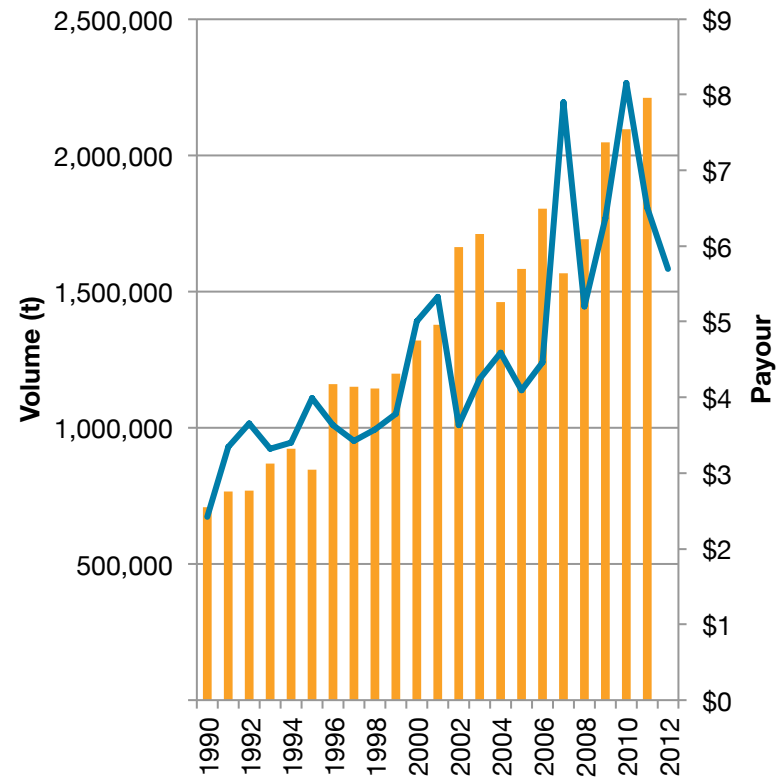
Growth in volumes, increasing price volatility

Australian Wheat Exports



Source: NZX Grain Intelligence Unit

New Zealand Dairy Exports



Source: Agrifax

Agri Overview



New Zealand

FW
THE NEW ZEALAND FARMERS WEEKLY

CountryWide

NEW ZEALAND
DairyExporter

Australia



Agrifax



Global WMP Futures



Profarmer Grain
AUSTRALIA



Clear Grain Exchange



Australian
Crop Forecasters

Agriculture Information



Agri information

NZX market leader

Information

- ▶ NZ Farmers Weekly, Country-Wide, Young Country, Dairy Exporter, Heartland Beef and Sheep and Agronomy
- ▶ Unique in content and delivery, dominant over competition and subscriber-based
- ▶ Most awarded team of agri-sector journalists in the country, Feilding Global HQ
- ▶ Reputation for leading the industry
- ▶ Move to online publishing to complement print publications

Data

- ▶ Agrifax: DairyWeek, Dairy Trader, NZ Profarmer Grain, and others
 - ▶ Agrifax business highly respected, unique data sets, independent analysis
 - ▶ Wide range of historical databases by sector, going back multiple decades
 - ▶ Uniquely positioned with minimal direct competition
 - ▶ Next step = 'value add' to data
-
- ▶ **Deep coverage: dairy, sheep, beef, forestry, wool and grain (Australia and NZ)**



Agrifax

October 2012 **NZX** Agri

SHEEP AND BEEF REPORT

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1. Editorial
2. Lamb- Overseas Market
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8. Lamb- Global Production
9. Mutton
10. Beef- US Market
11. Beef- US Market cont'd.
12. Beef- Overseas Trade
13. Beef- Australia and Canada
14. Beef- Production and schedules
15. Beef- Production and schedules cont'd.

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Forestry Market Report **NZX** Agri
November 2012

In-Market Log Prices

In-market log prices have been variable this month. Pruned logs have found further support in the Chinese market and as such have risen in price since last month, to be at US\$162.40. A grade log price has fallen by around 1% to US\$132.40. This small change is inconsequential by demand in China, and now marks 7 months in which the price for a grade log has risen rather than a US\$140.00 price.

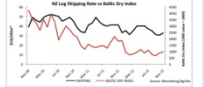

Log exports are well supported and the volumes reported to China are steady, though more price have been coming down in volume and at around 1 month's supply. At this rate prices are unsustainable and they will have to rise to offset the price. New Zealand exports that receive support from better prices through price rises may attract more competition from Pacific North-West exports to China, which have been declining of late. After working through one-supply issues, log prices have risen to meet parity with other Asian markets. The risk is that it will once again be flooded by international log looking to enter the market with favourable prices. South Korean exports are lower. K-grade logs have found in value, though the larger knotted R grade have had a price rise of around 1%.

THIS MONTH

EXPORT LOG MARKET
New Zealand exports are well placed compared with other log exporters. page 2

DOMESTIC LOG MARKET
Steady year for domestic log prices. page 3

LUMBER MARKETS
High value lumber faces competition in export markets. page 4

Foreign Exchange and Shipping

FOREIGN EXCHANGE
The New Zealand dollar has had small fluctuations throughout the month, though it has slipped above US\$0.80 cents for the month. The largest effects on the New Zealand dollar this month have come from recent employment data announcements. New Zealand unemployment rose to 7.3% for the third quarter, up 0.5% from Q2. This was a largely unexpected outcome and the New Zealand dollar dropped significantly on the news. It has now risen for interest rate cuts, though they are seen unlikely this year as the Reserve Bank must also worry about housing inflation.

The NZD/USD cross was also under pressure from the US as housing figures continue to improve and the unemployment rate has dropped lower in the US. The rise was, however, halted around the US elections as the trade markets slipped after President Obama won a second term and the US was to move cautiously around the Democrats' intentions for the economy moving forward.

SHIPPING
Shipping prices to different destinations have been mixed lately. While costs of shipping to South Korea and India have risen on a per-ADU basis, shipping costs to China have remained steady. The Baltic Dry Index has slipped a slight recovery of sorts recently to be 9% higher than one month ago. Though the Maritime Index, which often tracks the ships used in New Zealand log exports has fallen by 10% one month ago.

Shipping to some ports has been affected by overcrowding by shipping firms. This leads to carriers to around that will be to the daily rate of hire for ships.

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Agrifax Farmgate

November 27, 2012

EDITORIAL

1.4 MILLION MORE LAMBS ON THE GROUND

The 2012 lamb crop was up 5.4% this year to a national average of 120% according to the latest report from Beef + Lamb New Zealand Economic Services. Hogget lambing increased 38.6%. The means are estimated 25 million lambs have been taken this season which is 1.4 million more than last season, although it is not yet the final product figure as the last 60 weeks. The South Island alone was up 10.1% in lambing. Hogget lambing is still in a better condition of lambing and fairly favourable lambing conditions despite a few pockets of bad weather over the month. The Marlborough/Canterbury region increased 5.0% despite a 3% fall in ewes to the farm because of land use changes to farming. Otago-Southland rose 1.3% and 2.7% respectively, with the increase mainly driven by the ewes achieved on the high country farms as lambing practices shift on some properties towards crossbred ewes from Merino. Lambs in Marlborough/Canterbury were lambing for 2-3 weeks which is owing to the cooler temperatures and lack of pasture, however Otago-Southland lambs are so far in good condition, with pasture growth conditions currently more favourable than other areas.

A LATE SPRING

As at 20th of November it is a hot believe we are heading into the first official week of summer after a month of cooler temperatures and a lesser amount of sunshine hours than normal. Rainfall for the month has been near-normal, although South Canterbury and Otago have had slightly more than average, while Marlborough in the 10th in record, it is under-precipitated that lambs are an estimated 3 kg lighter than the one last year, and this trend could be extended country-wide with many in the North Island in the same boat.

FISCAL CLIFF APPROACHING

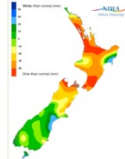
The term 'fiscal cliff' is describing a lot in headlines recently, and for good reason. This will be the first strong factor in financial markets in the run-up to the December 31 deadline and it's expected to be a bumpy ride. Fiscal tensions in the US are rising rapidly, and any sort of agreement looks a long way off. On the way out, the market has seen a 2% and 20% surging overnight, and the volatility of the market has seen the US Treasury debt offering increase, and the US Treasury debt offering increase, and the US Treasury debt offering increase.

FARM INPUTS/FOREIGN EXCHANGE

	This week	Month ago	Year ago
FX			
USD	0.803	0.801	0.811
EUR	0.834	0.834	0.856
GBP	0.813	0.809	0.818
AUD	0.986	0.979	0.982
Fuel			
91	210.8	215.8	218.9
Diesel	194.8	193	193.2
Fertiliser			
Stiver	356	356	345
Cap	362	362	362
Urea	795	795	796

WEATHER WATCH

SOL MOISTURE ANOMALY (mm)



NOVEMBER TEMPERATURES 1.2 DEGREES COOLER THAN NORMAL

The South Island is being significantly better than the North in terms of pasture growth. However, due to the South Island's temperatures have been lower, particularly in the eastern regions, where temperatures throughout November have been 1.2°C cooler than normal according to MetService. Although South Canterbury and Otago have had slightly more than average, while Marlborough is one month behind, the North Island is between normal and wetter than normal, while the upper half is 10-20mm drier than normal. FX Farm inputs 12/02

INDICATORS

4.0%	5.7%	7.0%	6.1%	9.7%	8.3%
BEAT	BEAT	BEAT	BEAT	BEAT	BEAT
BEAT	BEAT	BEAT	BEAT	BEAT	BEAT
BEAT	BEAT	BEAT	BEAT	BEAT	BEAT

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Profarmer Grain & Feed

NEW ZEALAND **NZX** Agri

www.nzxagri.com/nzxagrifax November 27, 2012 Ph: +64 6 323 1317

GRAIN MARKET SCENE

AM SURVEY

The Amie Industry Marketing Initiative (AMI) survey results that were made public this month did not reveal any major surprises. Rather, the figures from the survey confirm and reinforce the message that there is a major oversupply of feed grain in comparison to previous years. Thanks mostly to a bumper crop harvested in Canterbury this year, as well as increased planting areas, the supply of feed grain is well above demand. The area of feed wheat and barley planted for the 2012 harvest grew by 17% from the previous season, an increase of just over 15,000 hectares. National average yields per hectare that are indicated by the survey were up by 25% for feed wheat and 9% for feed barley. When combined with the increase in area planted, the total feed grain harvest being brought up by over 200,000 tonnes.

The survey illustrates that, as at October 15, lots of feed grain had been much higher than previous years. The amount of feed grain sold and delivered to buyers is an all-time high since 2011 and 2010. However, unlike last year a large proportion of grain sold remains in storage on grower's farms. 214,000 tonnes of feed grain sold remains on farms, and another 141,000 tonnes remain unsold. Slow uptake of these grains is indicative of the low demand from end users at present, mostly from dairy farmers who are experiencing good grass growth and a lower demand.

With limited grain movements, there is speculation that users may also have unsold grain in storage, as well as processed feed that's yet to be sold. If that is the case, it would certainly be supporting the uptake in demand on growers' farms. This means that right through the pipeline there is a backlog of grain in storage. With low demand and high supply there is downwards pressure on prices, which remains until demand picks up sufficiently to start working through the grain in storage.

The most used plantings area underlying below the elevated stock levels became apparent. This means that there has been little effect on planting to 2013 harvest. The changes in

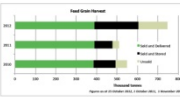
Free Price	SA	Wholesale	Wholesale Feed	Barley Feed	Oats Feed	Maize Grain	Canola
4.1%	5.7%	7.0%	6.1%	9.7%	8.3%		

NZ PRICES - week ending 23 November

Free Price	SA	Wholesale	Wholesale Feed	Barley Feed	Oats Feed	Maize Grain	Canola
4.1%	5.7%	7.0%	6.1%	9.7%	8.3%		

PAE - REGIONAL PRICES

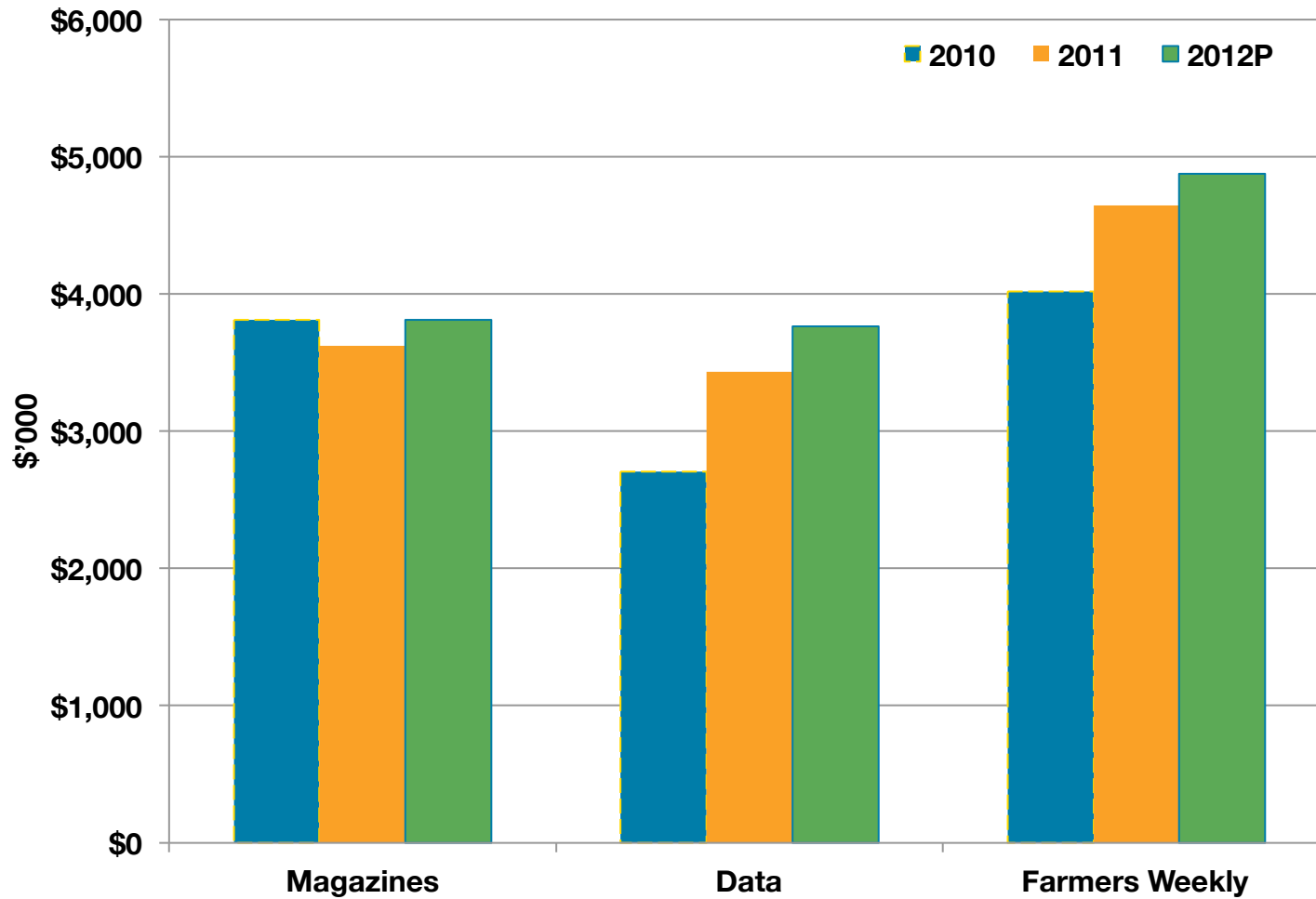
Region	Last week	2 wks ago	change	6 mths ago	1 yr ago	Average
Canterbury	297	297	0.0%	293	294	294
Manawatu	314	314	0.0%	315	275	303
Hawke	289	289	0.0%	289	248	278
Southland	297	297	0.0%	292	250	278



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Agri - Information

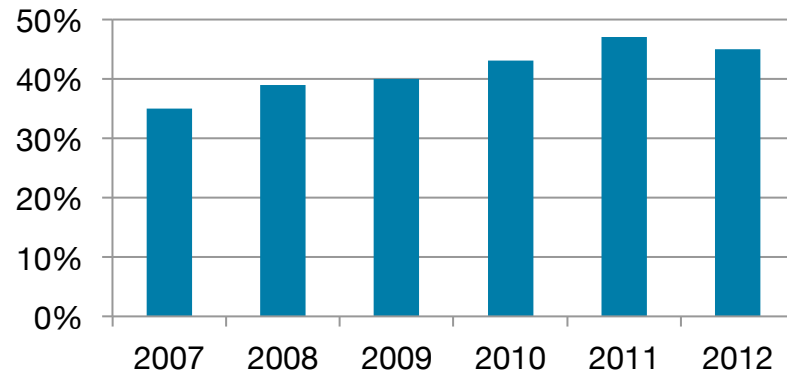
Revenue growth



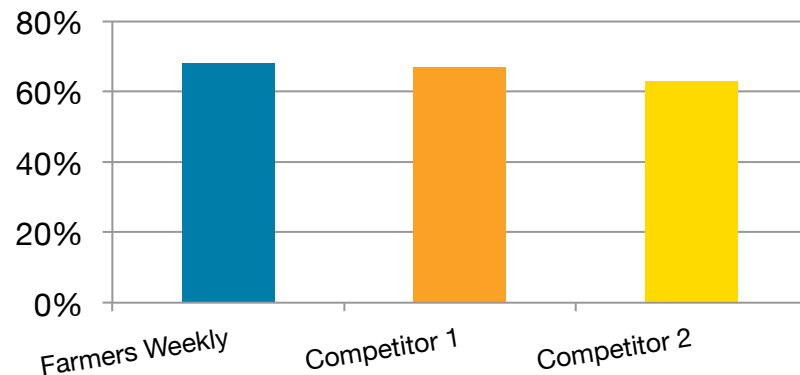
Agriculture - Information

Competitor position

Farmers Weekly Market Share



Readership



Source: Nielsen 2012 Rural Readership Report

Readership

► 2012 Nielsen Rural Readership Report:

- Farmers Weekly most read of any rural publication, and by more people in each household
- Dairy Exporter read for longer than competitor titles and by more farm owners/managers
- Country-Wide read for longer than any other monthly title

Agriculture - Information

Moving Online

Information – FWPlus.co.nz

- ▶ Responds to global trends in publishing
- ▶ NZ Government's Rural Broadband Initiative removes major access barrier
- ▶ FWPlus.co.nz launched on 3 December
- ▶ Phase one of more significant shift to online for business
- ▶ Next step to refresh existing publication sites, add more functionality, build interaction
- ▶ Agri information site www.agriHQ.co.nz due for launch early Q2 2013

Data – Dairy Dashboard

- ▶ Dairy portal site due for launch late Q2 2013
- ▶ Intention is to be primary source of dairy information for global market
- ▶ Functionality to include graphing tools, permissioned access to data sets
- ▶ Content maintained by Agrifax team, already strong global presence
- ▶ Site will support Trading Among Farmers activity, NZX Dairy Futures trading
- ▶ First phase of rollout to other commodities

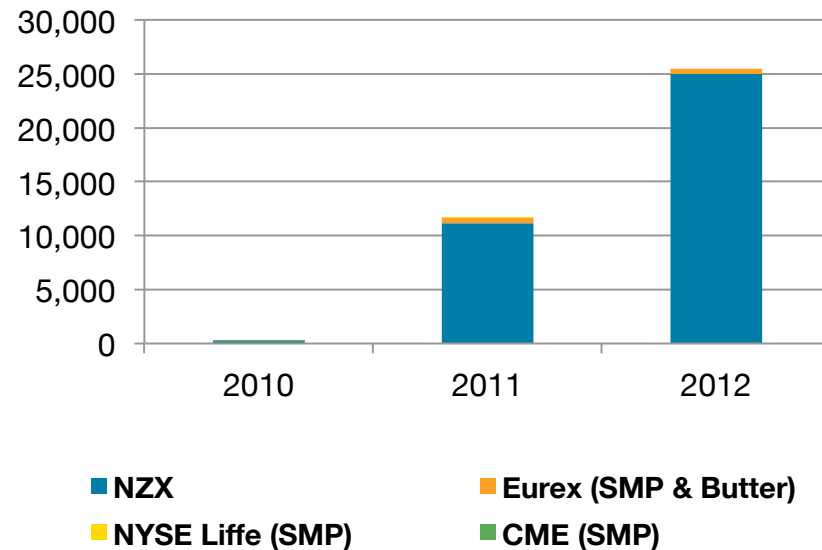
Agriculture Markets



Dairy Derivatives

Business overview

Global Dairy Futures Volume



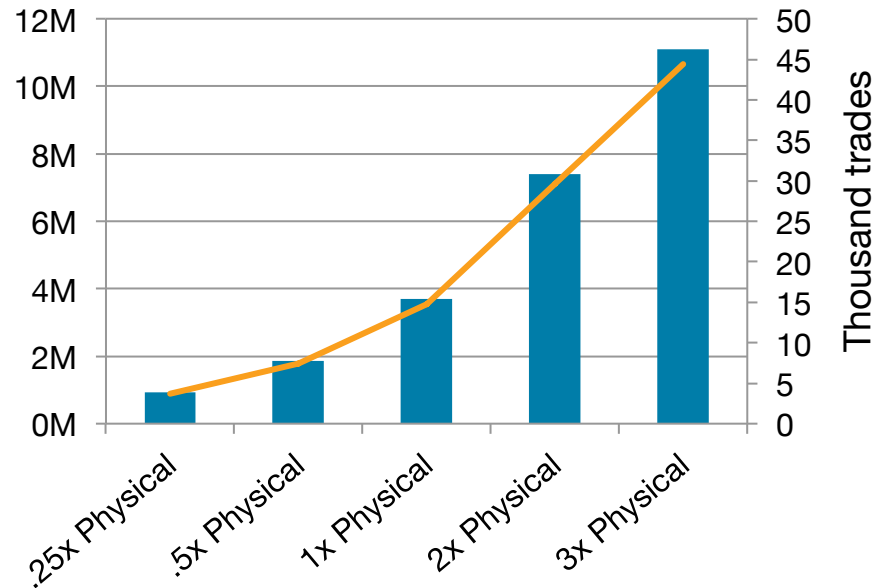
Commentary

- ▶ WMP Futures launched October 2010, SMP and AMF Futures launched February 2011
- ▶ 2012 futures volumes almost 2.5 times volumes in 2011 (F)
- ▶ Increase in participation across the board and specifically from Asia this year
- ▶ Continue to lead competitor offerings by a considerable margin

Dairy Futures

Size of the opportunity

Futures multiple to physical trade

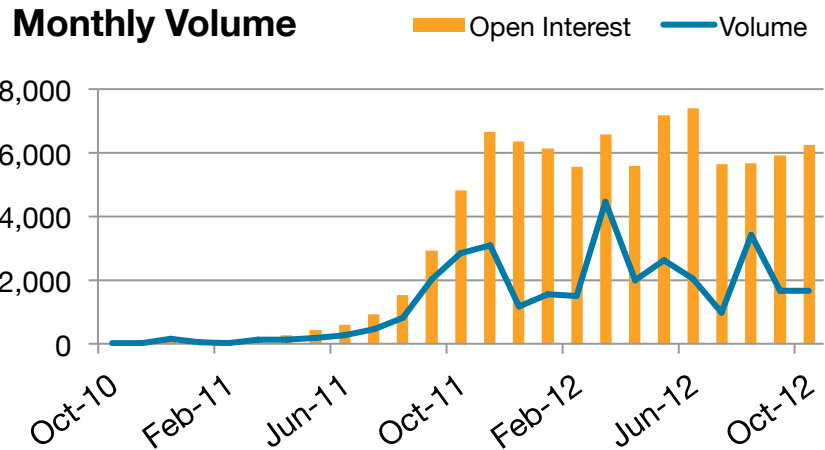


Commentary

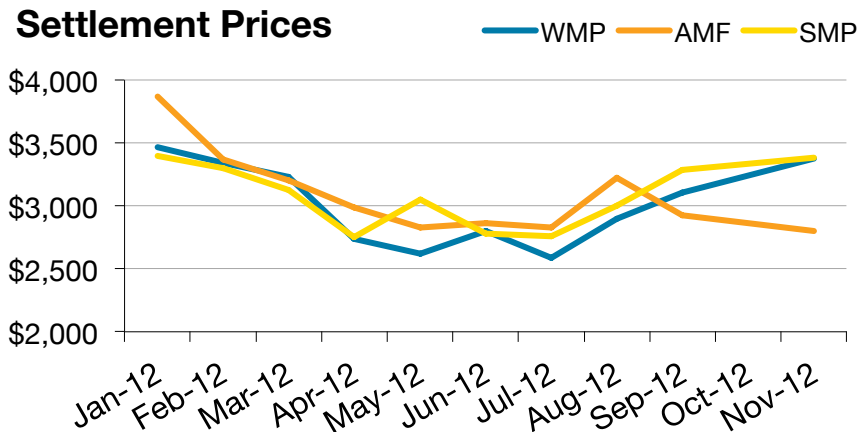
- ▶ Volume projections based on physical market of 3.7m tonnes trade annually (WMP, SMP, AMF)
- ▶ Average Daily Volume calculated according to 250 trading days and 1 tonne contract size
- ▶ Mature derivatives markets typically trade anywhere from 1 to 8 times their related physical market and reach maturity a number of years after launch

Dairy Futures

Volumes to date



Source: NZX



Source: NZX



Commentary

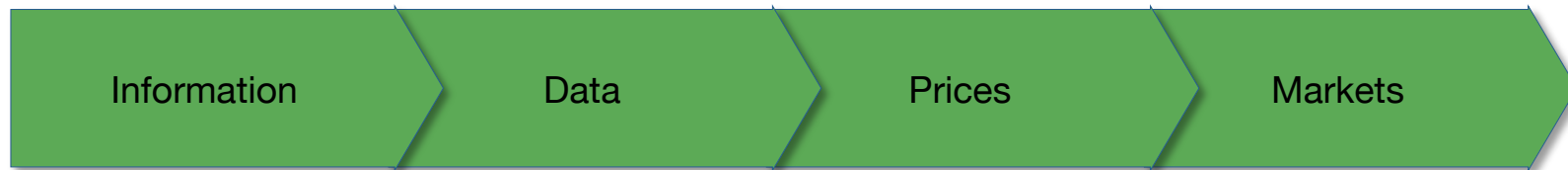
- ▶ Some quiet periods mid and end 2012, with busier periods around market events or definitive trends (March & August)
- ▶ Good uplift in the level of average monthly trades which augur well for 2013

2013 Outlook

- ▶ Further evolution of market with farmer risk management
- ▶ Expansion of clearing participation also key to continuing growth

Dairy Futures

New initiatives



- ▶ Development of supporting information and data products – Dairy Dashboard

- Interactive data tools
- Forward dairy predictors
- Availability of futures data online

- ▶ Change in final settlement price

- ▶ Reinforce GlobalDairyTrade as a global price benchmark

- ▶ Focus on New Zealand dairy farmers and milk price risk management tools

- ▶ Focus on South East Asia, buyers and distributors of product

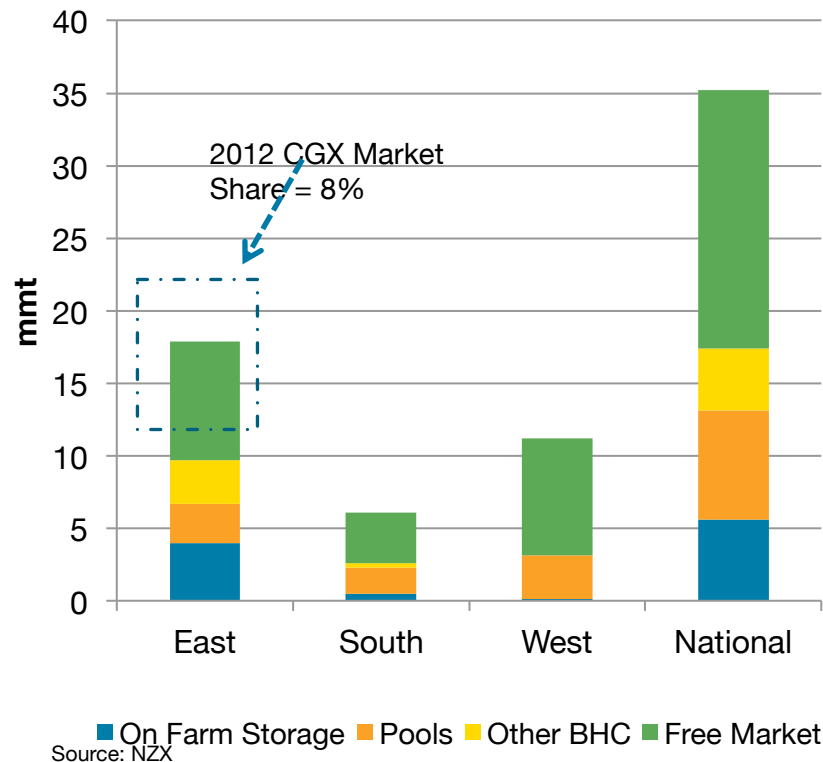
- ▶ Growth of participation from US and Europe

- ▶ Additional clearing participation

Clear Grain Exchange

Overview of Australian grain industry

Grain Available To Trade



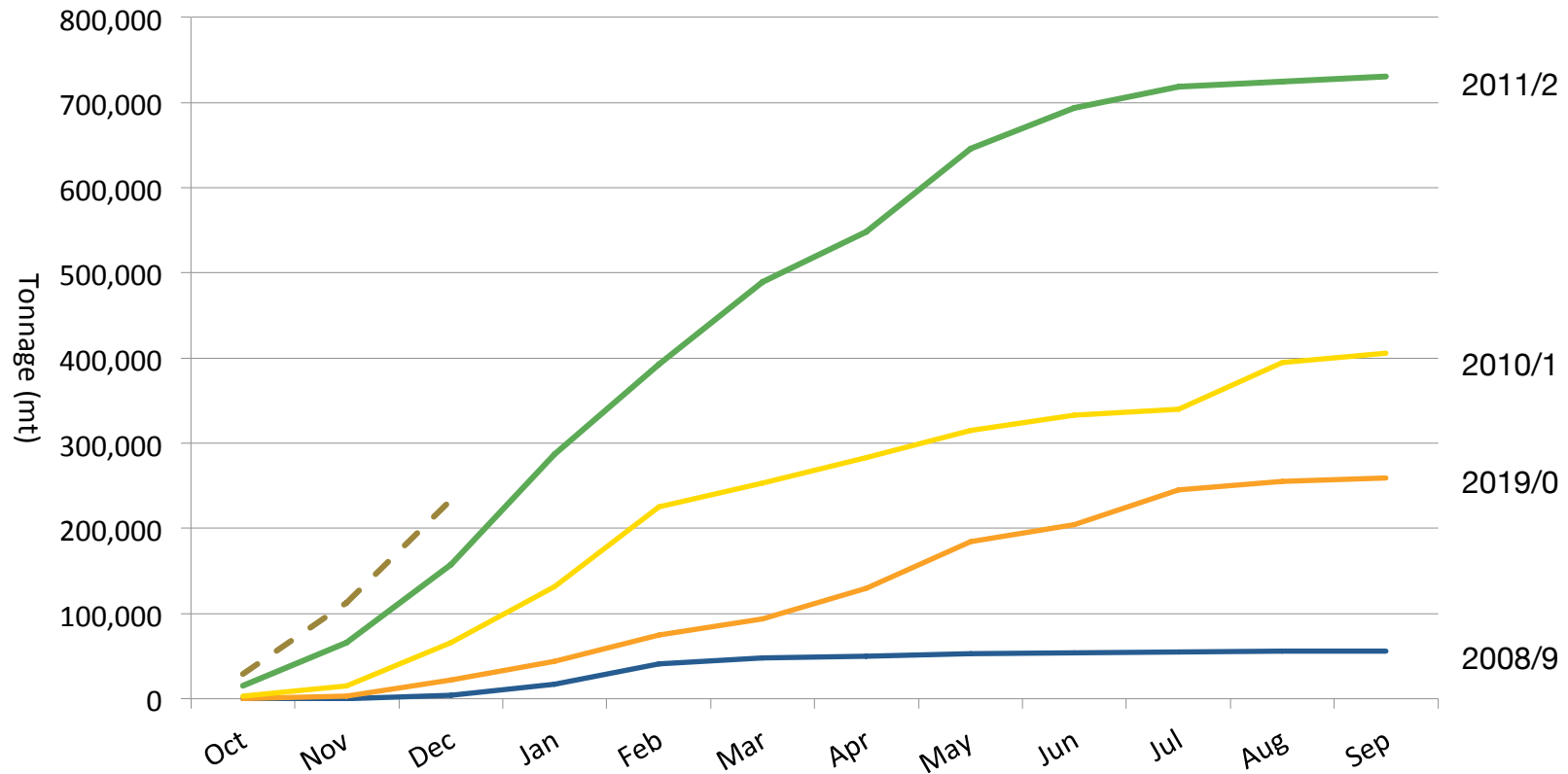
Commentary

- ▶ East coast less than 50% of grain available to “free” market
- ▶ South and West Australia 60-70% of grain available to “free” market
- ▶ National presence reduces current weather / drought risk on the East coast
- ▶ Single operators in South and West Australia

Clear Grain Exchange

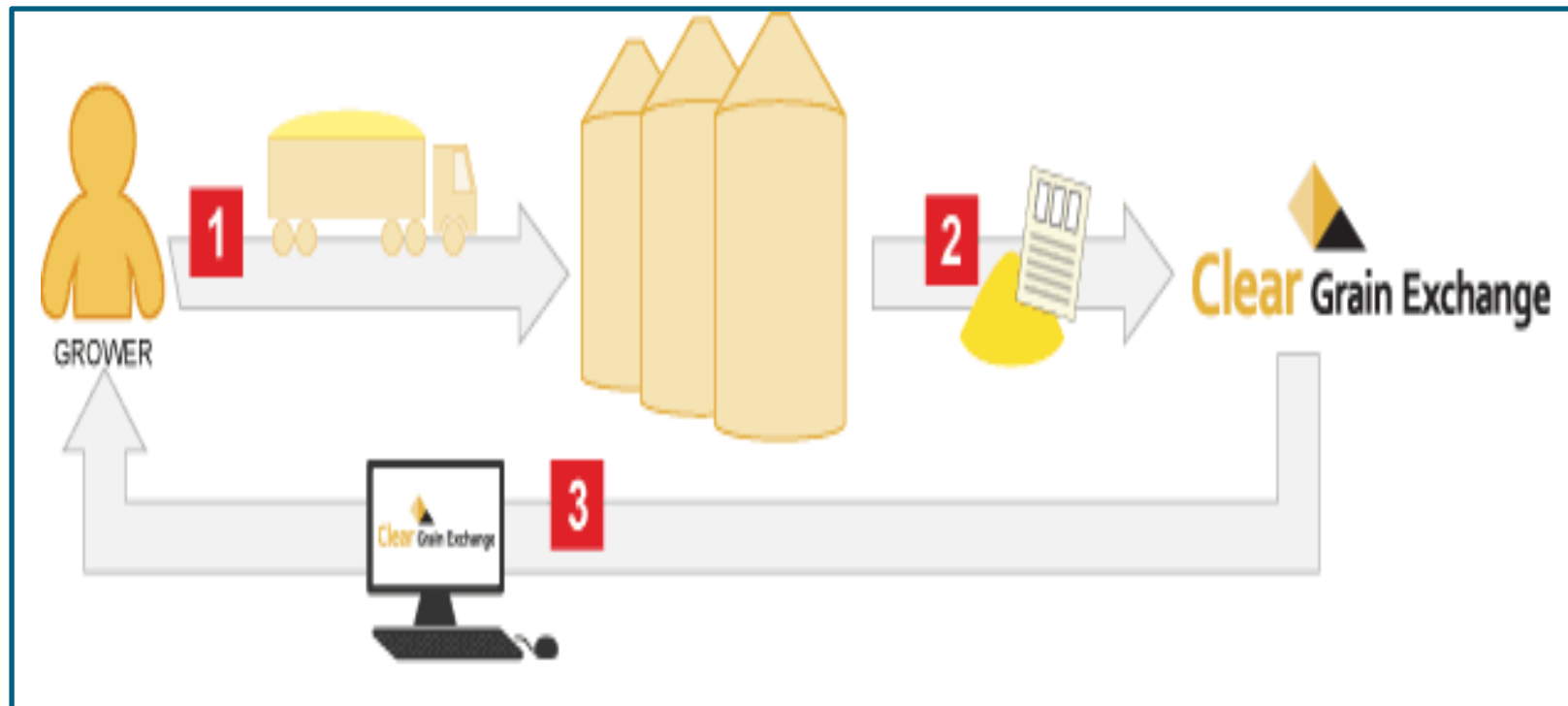
Volumes to date

Accumulated trades by Month



Clear Grain Exchange

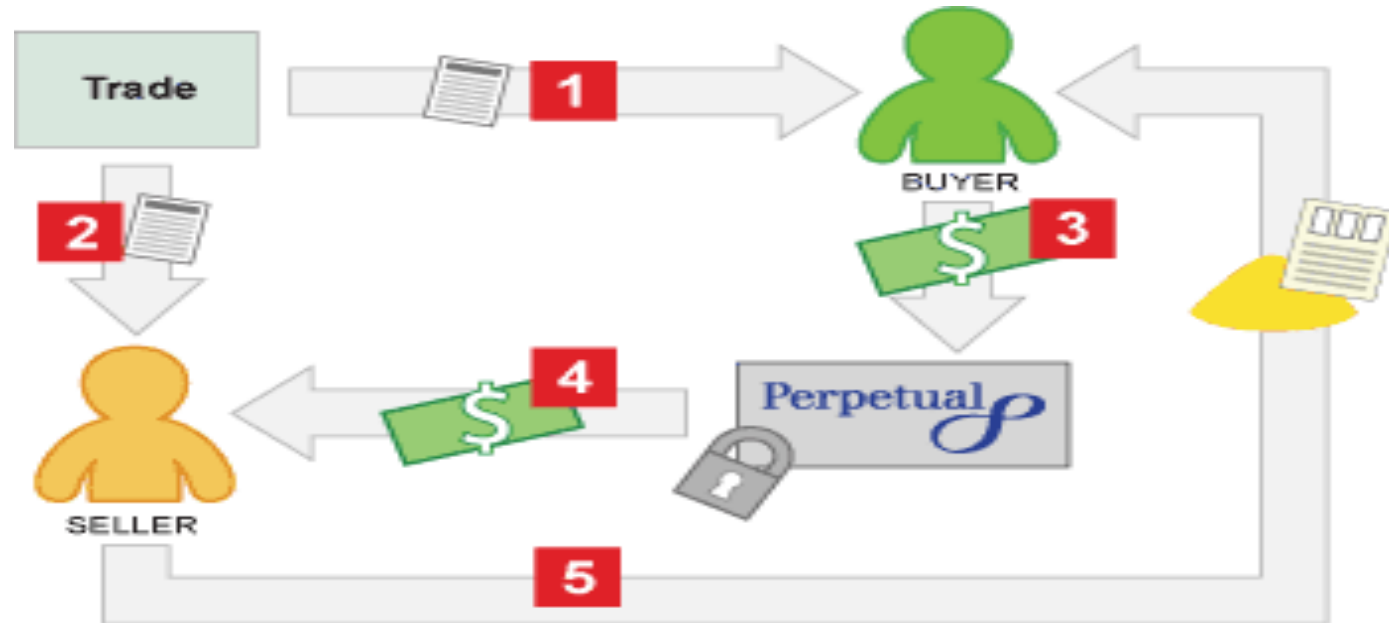
The simplicity of a “Clear” trade



1. Grain delivered to warehouse
2. Warehouse receipt/ticket transferred to Clear
3. Grower/Seller can view inventory online, and offer for sale

Clear Grain Exchange

The simplicity of a “Clear” trade



- 1&2 – Trade >> Auto contract note to buyer and seller
- 3 – Buyer funds transferred to Custodian (Perpetual)
- 4 – Funds transferred to seller
- 5 – Warehouse receipt/title released to buyer

Clear Grain Exchange

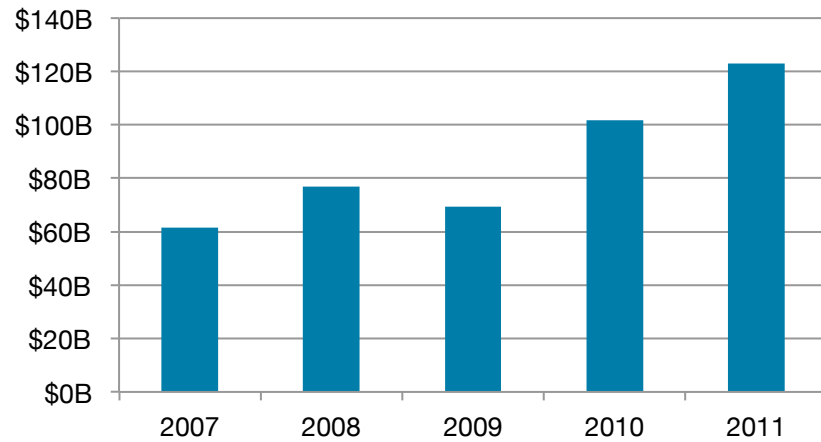
New initiatives

- ▶ Launched Trade-to-Trade late 2012; build volumes across 2013 with a target of 100,000 tonnes
- ▶ Expansion into South Australia launched December 2012 – low cost, “e-shake” versus “handshake”
- ▶ Commenced negotiations with traders for building single screen, industry utility service for online transactions: target is to introduce efficiencies and lower industry transaction costs
- ▶ Implement West Australia entry strategy for 2013/14 harvest (November 2013)
- ▶ Leverage the NZX Agri Grain Information brands into the exchange market place – increase self-directed trading
- ▶ Invest in people and processes for digital/online delivery

Summary

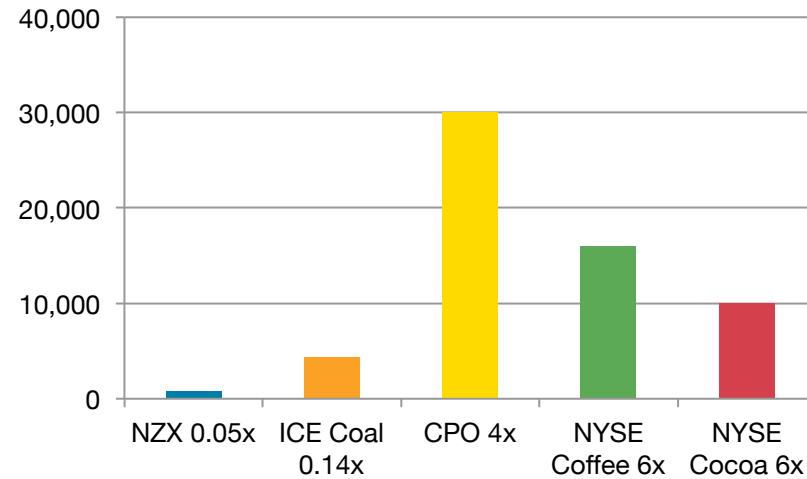
Size of the opportunity

Australia & New Zealand Agri Exports



Source: UN Comtrade

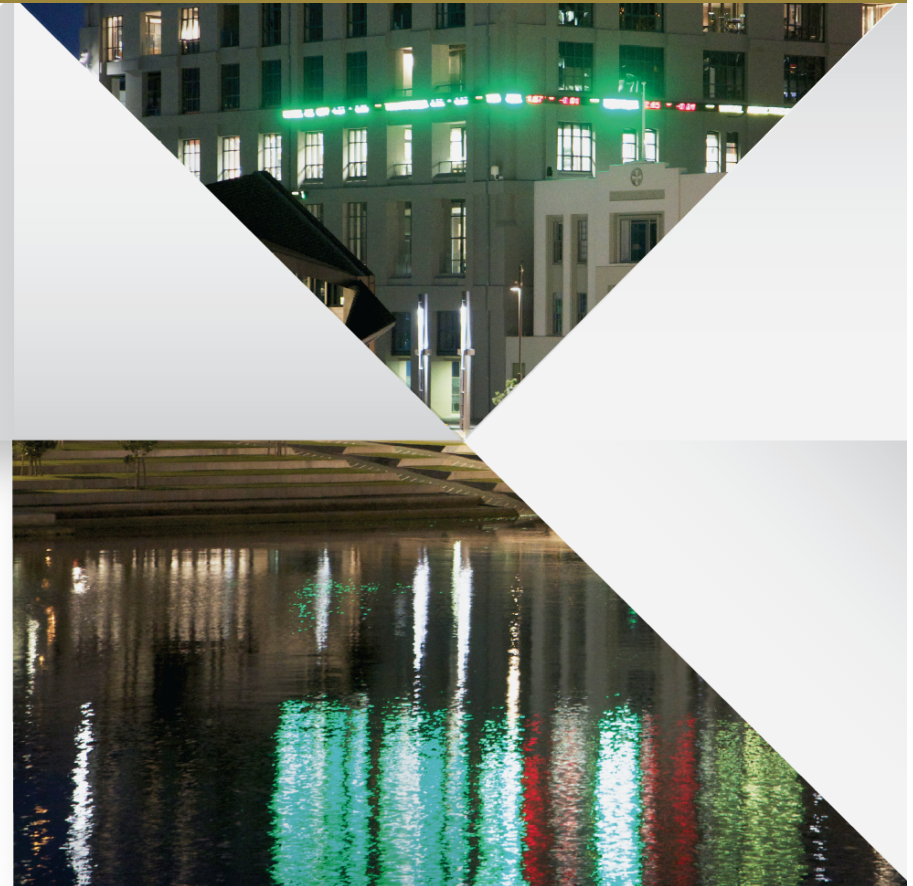
Futures Average Daily Volume



“Landcorp sold more than 70% of its export lambs under fixed price contracts ... a longer term goal is to have 80% of all red meat sales handled this way.”

NZ Farmers Weekly

Conclusion



Outlook

Revenues

- ▶ Capital markets
- ▶ Market Operations
- ▶ Agriculture

2013

- ▶ Trade values and volumes flat
IPO's drive upside
- ▶ Low growth as EA revenue reduction
offset by FSM revenues
- ▶ Historical growth trajectory
expected to continue

Beyond

- ▶ Benefit from structural shifts
in savings and investment
- ▶ Leverage model into new
markets
- ▶ Above sector growth

Expenses

- ▶ Staff costs
- ▶ Technology

- ▶ Growth to reflect both rebuild and
new businesses (FSM, Markets)
- ▶ Refresh of non-core systems
Virtualisation

- ▶ Revert to growth from a scalable
cost base

Summary

Key focus areas for 2013

- ▶ Capital markets
- ▶ Private market operations
- ▶ Agriculture
- ▶ Products
- ▶ Market quality
- ▶ Regulation
- ▶ Service delivery
- ▶ Online information and data
- ▶ Markets volume growth

Q&A





Appendix

Management

Strong senior team

▶ **Tony Leggett - Head of Agri Information**

Livestock agent, journalist, editor with twenty five years in agri media

▶ **Ron Storey - Head of Australian Commodities**

Two decades in grain marketing, founded and ran Australian Crop Forecasters for ten years

▶ **Amelia Wong - Head of Cash Markets**

Capital markets experience at Morgan Stanley, Barclays Capital and Sanford Bernstein

▶ **Kathryn Jaggard - Head of Derivatives**

Ten years senior sales experience, London Futures Exchange

▶ **Sam Stanley - Head of Sales**

Extensive sales and forex market experience

▶ **Erich Livengood - Head of Energy**

MCo, KEA3 Consulting, Booz Allen, in the US and South America

▶ **Mandy Simpson - Head of Operations**

Fifteen years finance and operational experience, CFO at Fronde

▶ **David Godfrey - Head of Technology**

Two decades' experience in UK and NZ IT networks, technology and operations

▶ **Bevan Miller - Chief Financial Officer**

CFO at Acurity Health Group, senior finance and audit experience at Telecom and KPMG

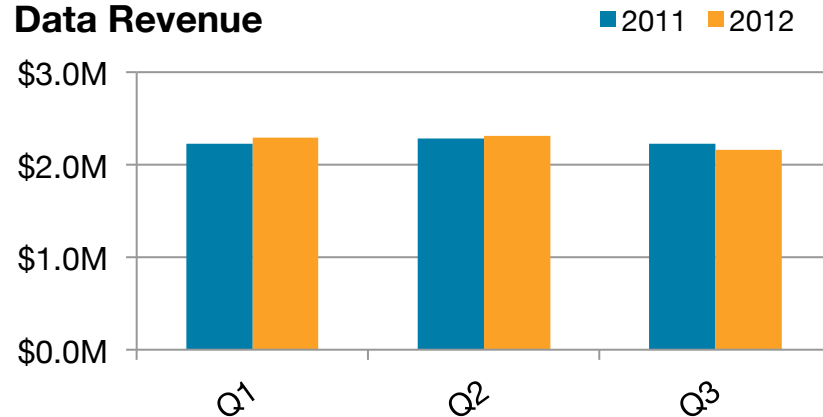
▶ **Robyn Dey - Head of Regulation**

Two decades Simpson Grierson, specialist in M&A, securities legislation, and commercial law

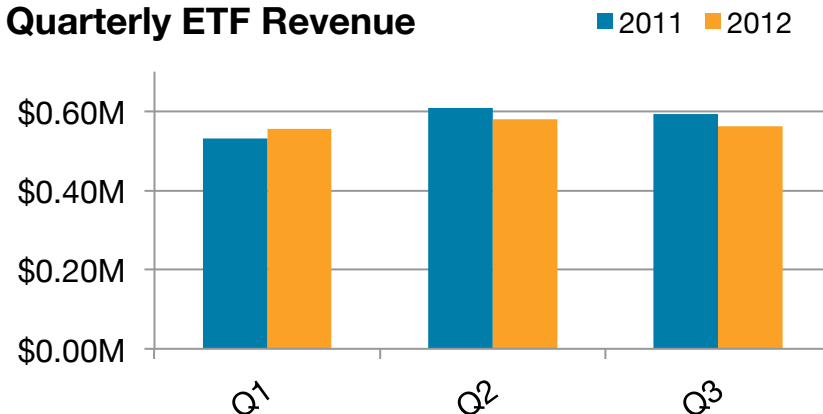
Capital Markets

Data and Products

Data Revenue



Quarterly ETF Revenue



Commentary

- ▶ First nine months data revenues flat on pcp and real time data terminals down 10.2% on pcp
- ▶ Impact of industry cost reduction efforts globally being felt
- ▶ ETF revenue down slightly on pcp as a result of lower FUM (redemption by a wholesale client)

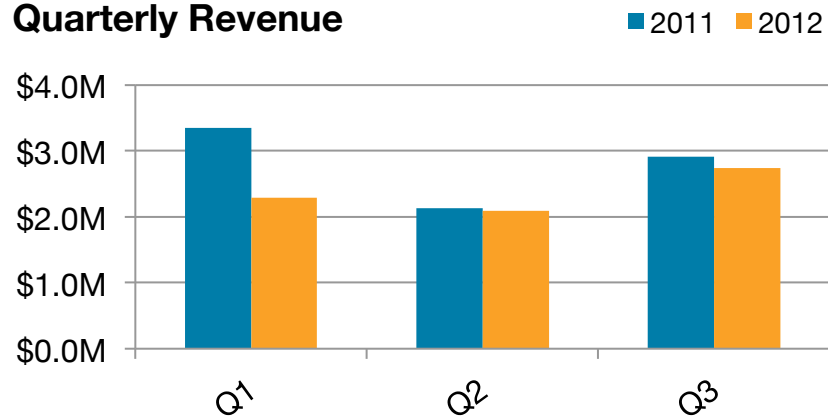
2013 Initiatives and Outlook

- ▶ Cross selling opportunities in data products
- ▶ Potential launch of new ETF products and a renewed sales focus

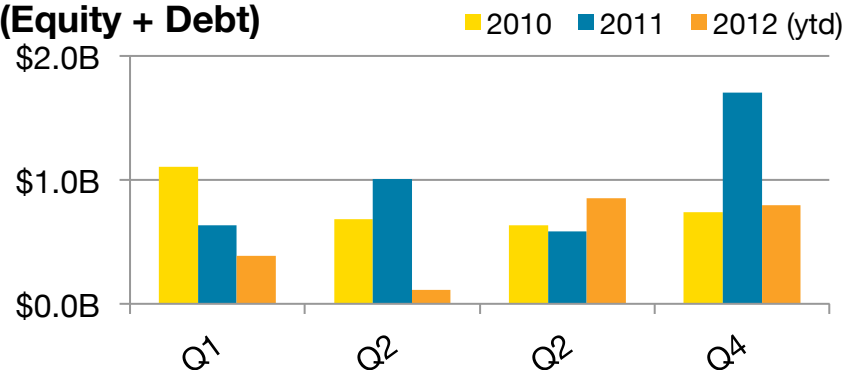
Capital Markets

Listings and issuer services

Quarterly Revenue



Total Capital Raised – Primary Listed (Equity + Debt)



Commentary

- ▶ First nine months listings and issuer services revenue down 15% on pcp
- ▶ Total number of capital raising events down 10% on pcp
- ▶ Total capital raised of \$2.9B down 69% on pcp which included a large raising by AMP in Q1 2011

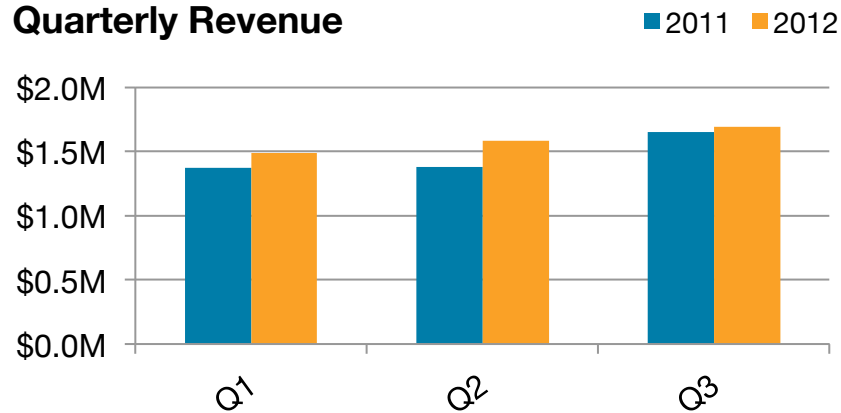
2013 Initiatives and Outlook

- ▶ Product pipeline
 - ETF launches
 - IPO's
 - Governemnt share offers
- ▶ Growth market work underway

Capital Markets

Securities trading and participant services

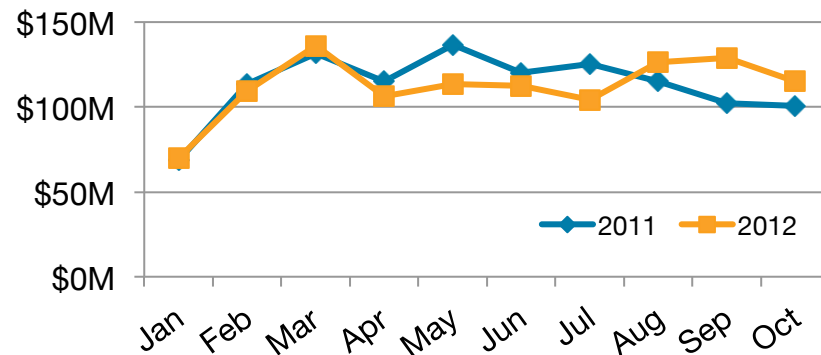
Quarterly Revenue



Commentary

- ▶ Quarterly revenue growth on pcp as a result of increased equity trading activity
 - Average daily value of \$112M down 1% on pcp
 - Average daily trades of 3,549 up 23% on pcp
- ▶ Revenue value to volume ratio ~20:80

Average Daily Value



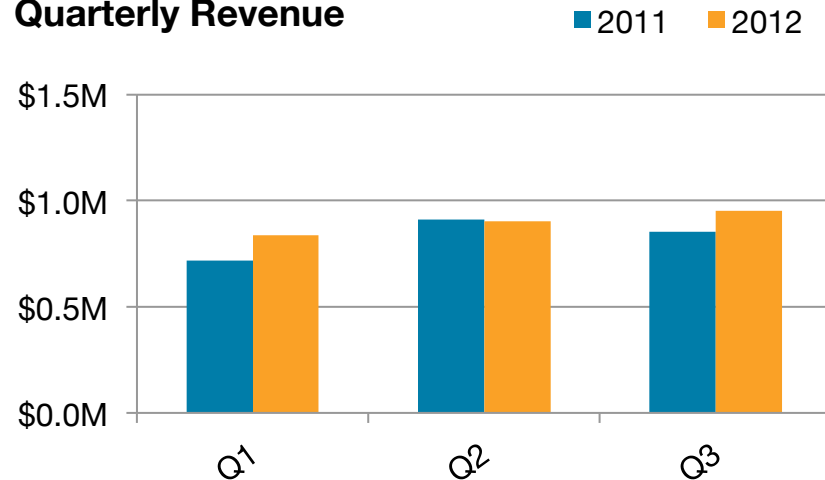
2013 Initiatives and Outlook

- ▶ Market quality review
- ▶ Launch of equity derivatives

Capital Markets

Clearing

Quarterly Revenue



Commentary

- ▶ Clearing revenue strong with first nine months up 8.7% on pcp
- ▶ Stock lending activity at \$1.6B up 72% on pcp
- ▶ Revenue value to volume ratio ~75:25

2013 Initiatives and Outlook

- ▶ Launch of Equity Derivatives along with continued growth in Dairy Futures
- ▶ One to two potential new depository participants expected
- ▶ Increased pool of stock available for lending



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