



NEW ZEALAND'S EXCHANGE

Welcome to NZX's Annual Meeting

13 April 2018



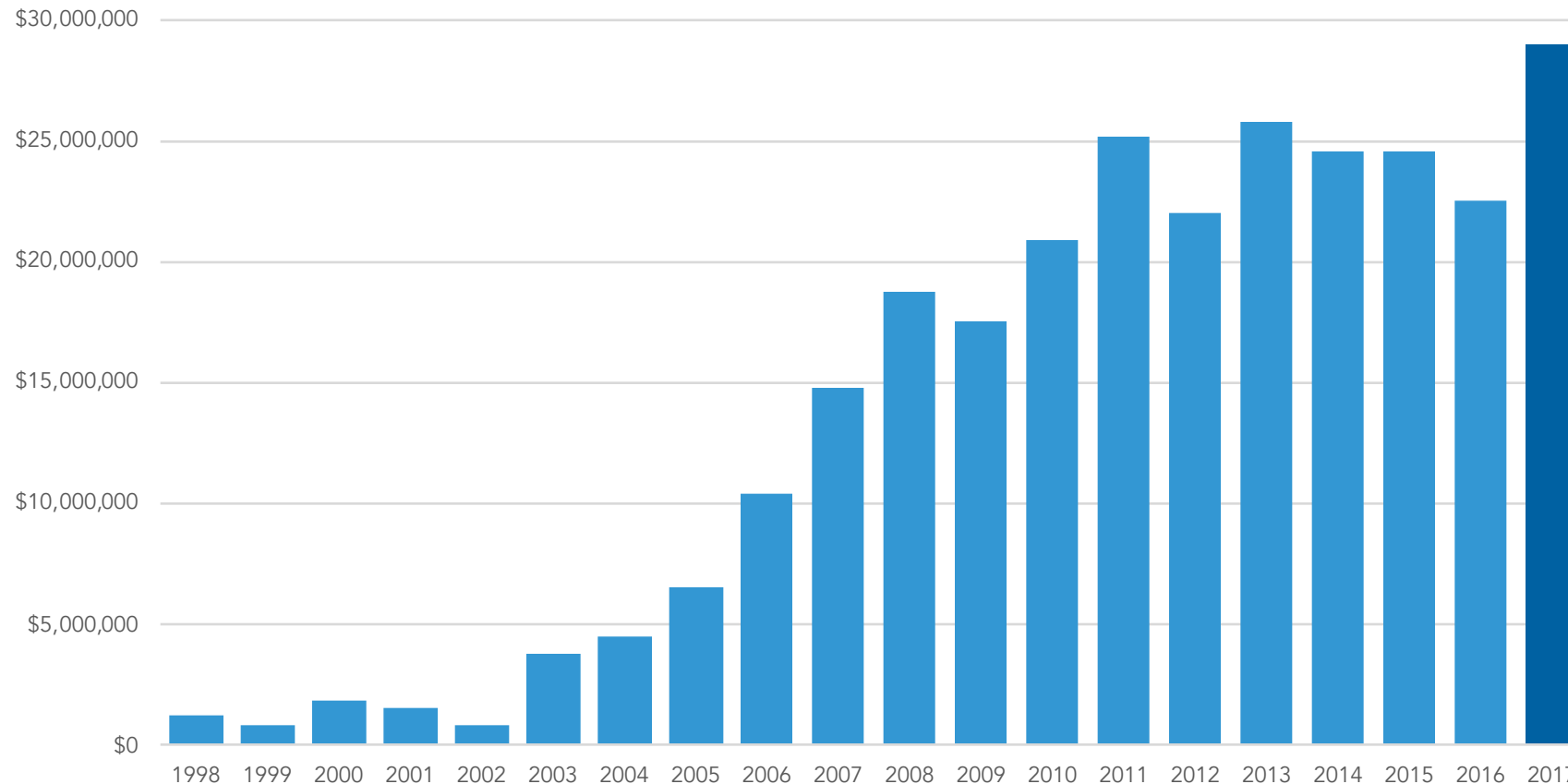
Address from Chairman James Miller



NZX

James Miller
13 April 2018

Operating Earnings of \$29 million in 2017



Highlights include:

- ✓ Performance of our funds management business and dairy derivatives market
- ✓ Underpinned by disciplined cost control and efficiency improvements

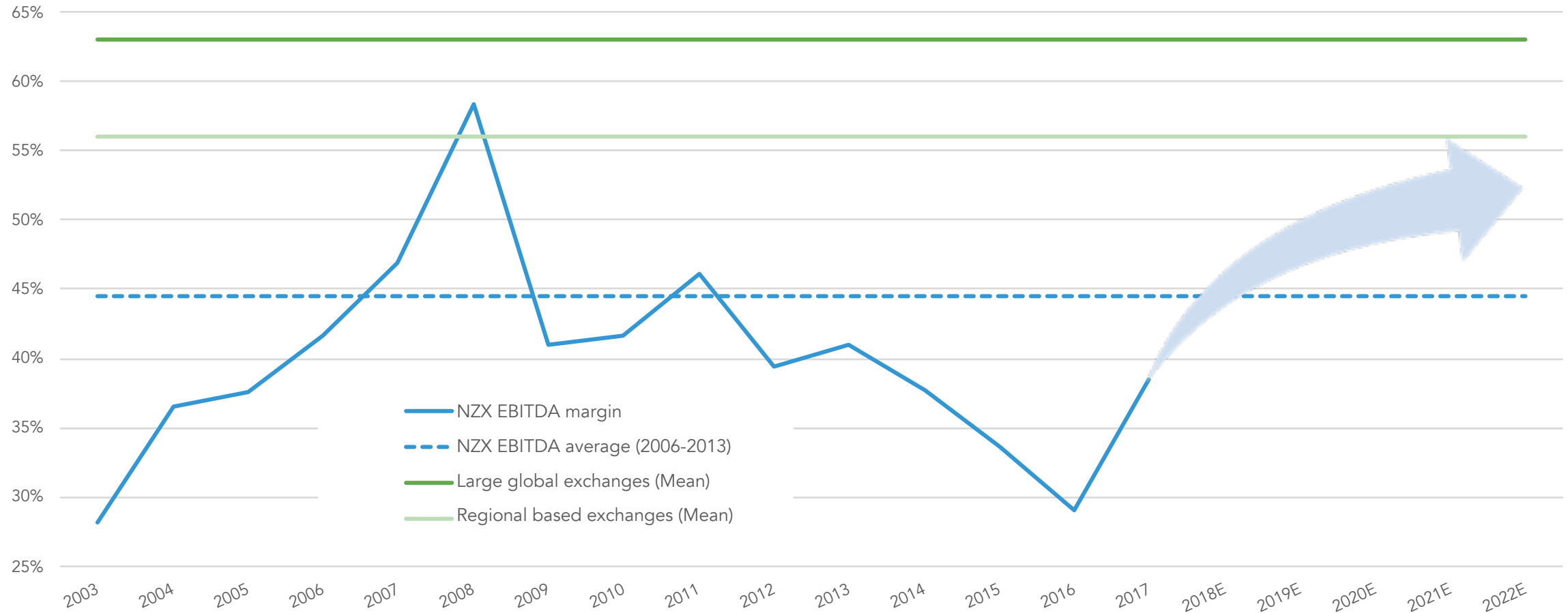
Areas of focus for the board



- Maximising shareholder returns
- Divest non-core businesses
- Reset capital structure
- Achieve scale by progressing alliances with global exchanges
- Deliver on strategy:
 - Customer engagement
 - Increase on market liquidity
 - Expand dairy derivatives global access
 - Maximise value of options businesses

Improving the quality of our business

NZX EBITDA margin and peer comparison



Accessing scale and scope with alliances



Scale and scope with alliances...

- Options/paths
- Dual listings
- Stock connects
- Broader trade

...in comparison with mergers

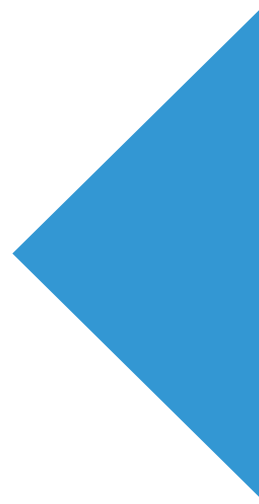
- One merger = final solution
- Closes off all paths
- Uncertain sovereignty



We have many options

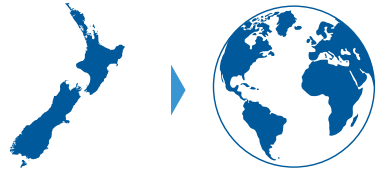


- Co-marketing
- Mutual regulatory recognition
- Automatic dual listing capability
- Technology sharing
- Standardised operating practices
- Back-end automation and integration



- We have many options. Up to us how quickly we progress
- Processes set up to discover opportunities to 'fail fast' vs 'progress to next gate'

Alliances are efficient and effective



NZ to overseas

Stock connect

Dual listings



Overseas into NZ

Regulatory
pre-clearance

Debt, Dairy,
Environmental, ETFs



Investors and
Participants



Issuers



Efficient for exchanges:

- MOUs light on resource
- Fail fast, or go deeper



Effective for investors and participants:

- comply once; access multiple markets

Your Board

James
Miller



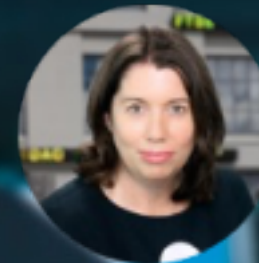
Dr Patrick
Strange



Jon
Macdonald



Lindsay
Wright



Richard
Bodman



Frank
Aldridge



Nigel
Babbage



Anna Molloy
(Future Director)



Address from CEO Mark Peterson



NZX

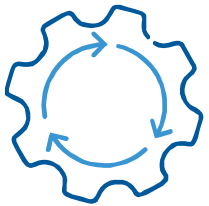

13 April 2018

Our refreshed strategy



New Zealand's Exchange

Refocus **Core**



- ✓ Issuer Relationships
- ✓ Secondary Markets
- ✓ Data & Insights

Growth Opportunities



- ✓ Dairy Derivatives
- ✓ Debt
- ✓ Environmental & Energy

Maximise **Options**



- ✓ SuperLife
- ✓ Smartshares
- ✓ Wealth Technologies

Get **Fit**



- ✓ Cost Management
- ✓ CAPEX
- ✓ Dividend

Meet the team



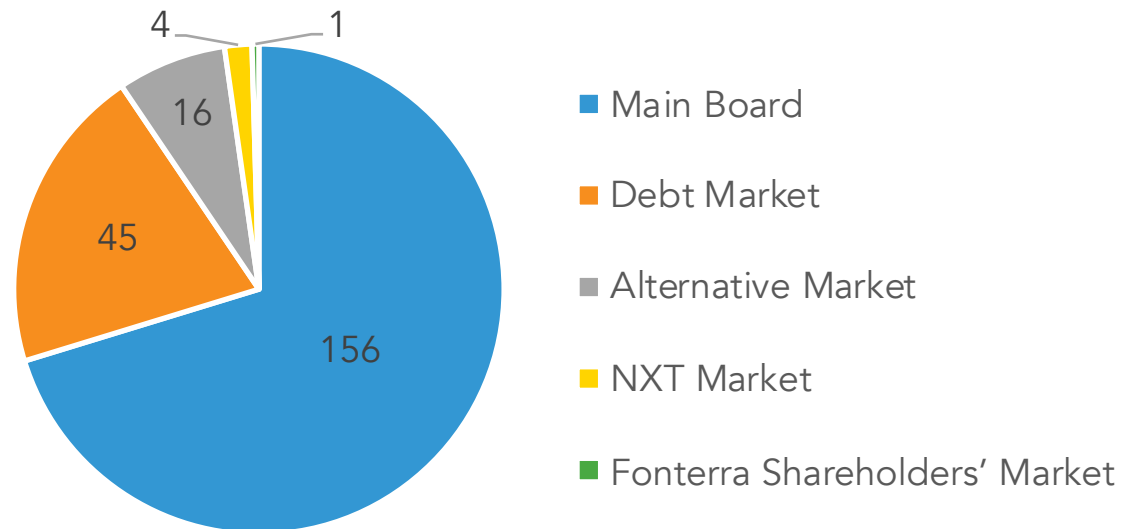
Leadership team (from left to right): Joost van Amelsfort, Hamish Macdonald, Katherine Birch, Lisa Brock, Mark Peterson, Graham Law, Jeremy Anderson, Joanna Lawn, Benjamin Phillips, David Godfrey, Hugh Stevens

Issuer engagement

Dedicated team improving relationships with our listed customers

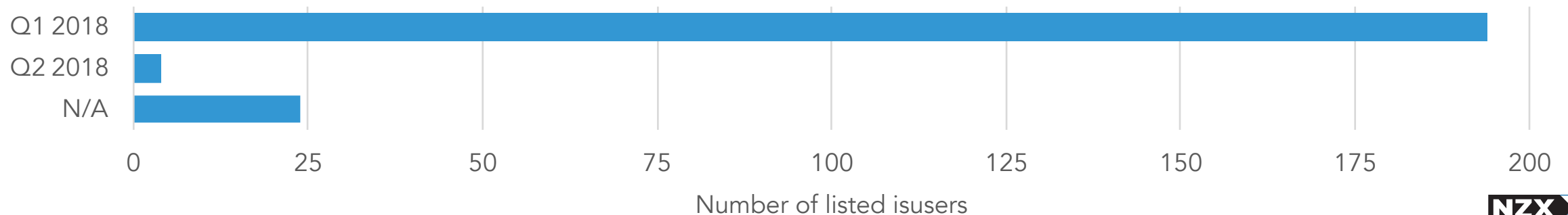


Our listed customers



- 198 listed customers (other than NZX Group listed entities)
- Issuer Relationship team contacted all in Q1 2018

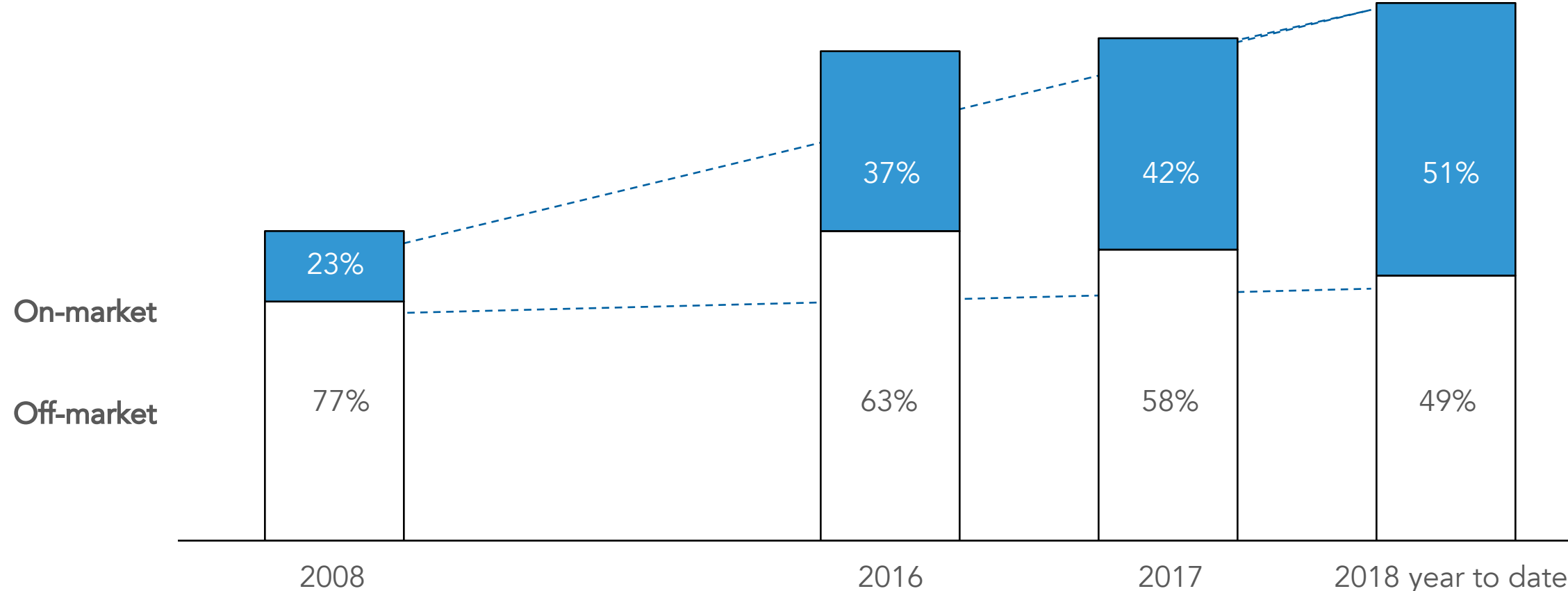
Customer engagement



Already making progress to improve liquidity



Total cash market trading



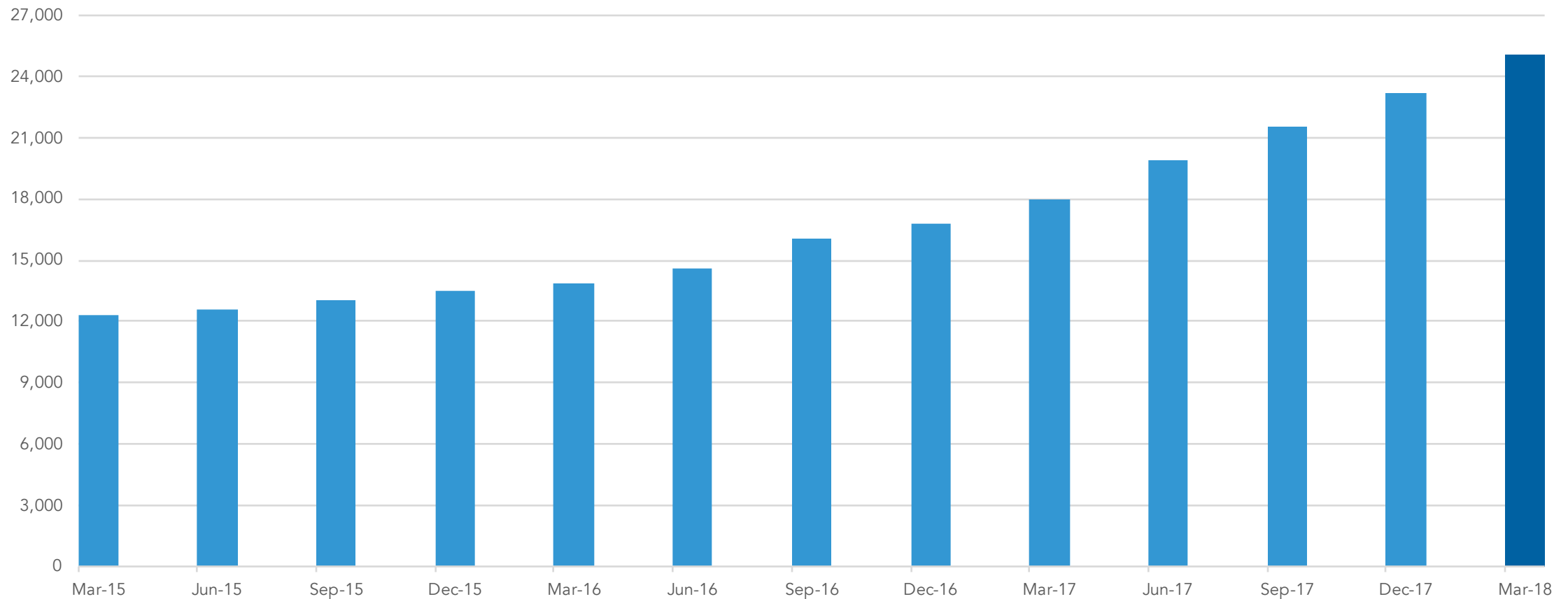
Source: NZX Data

Maximising the value

Smartshares ETFs attracting new unit holders to the market



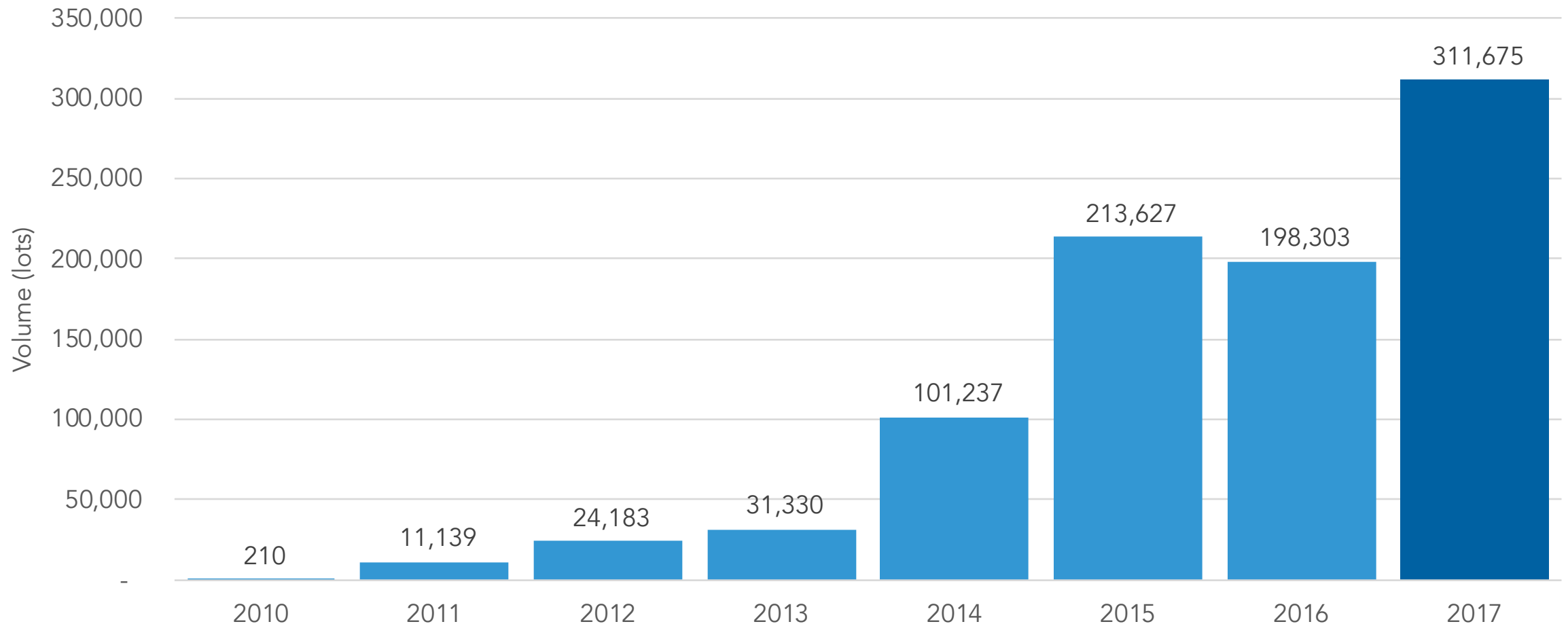
Growth in Smartshares ETFs unit holders



Spotlight on dairy derivatives

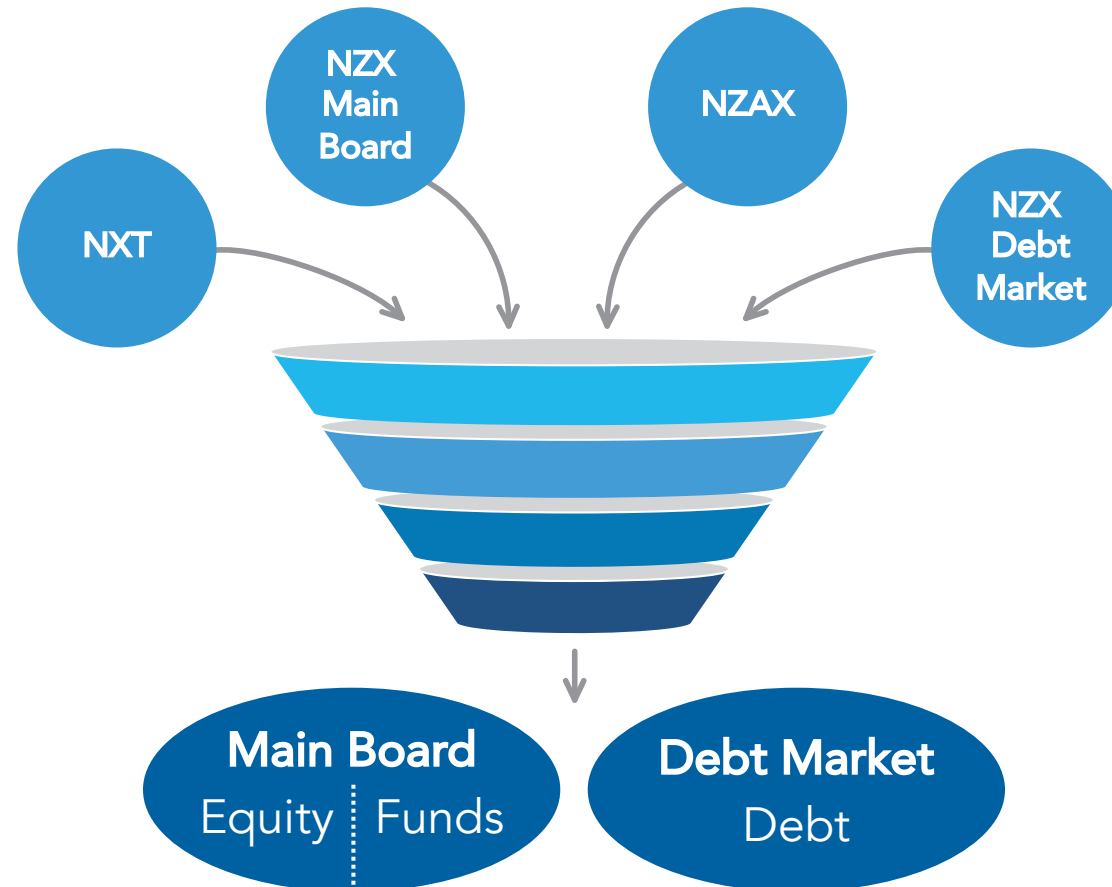


NZX dairy derivatives yearly volumes traded



Advancing the New Zealand market

Proposed updated market structure





NEW ZEALAND'S EXCHANGE

Ordinary Business



Ordinary Resolution 1

That the board be authorised to determine the auditor's fees and expenses for the 2018 financial year

NZX

Ordinary Resolution 2

To elect Nigel Babbage
as a director of NZX



Ordinary Resolution 3

To elect Lindsay Wright
as a director of NZX



Ordinary Resolution 4

To re-elect Jon Macdonald
as a director of NZX





NEW ZEALAND'S EXCHANGE

General Business



Thank you

Please join our team for refreshments

