ASX
AUSTRALIAN STOCK EXCHANGE

MARKET ANNOUNCEMENT

29 September 2005

Addresses by the Chairman and Managing Director/CEO at ASX AGM

Chairman's Address

This has been a year of significant change for ASX, starting last October when Tony D'Aloisio succeeded Richard Humphry as Managing Director and Chief Executive Officer. Those shareholders who attended the 2004 Annual General Meeting had the chance to meet him. This year, we are holding our AGM in Melbourne to give Victorian-based shareholders the same opportunity. Importantly, ASX is a national organisation and, it is right and fitting that we allow as many of our shareholders as reasonably can, the ability to meet in person, directors and management. You can also ask questions and hear directly how your company is progressing.

Melbourne is very important to ASX. It is the home to many of our largest listed companies – no fewer than five out of the top- eight still call Victoria home – and two of them, BHP and NAB, have been listed continuously since before Federation. Overall, from a market weight perspective, the proportion of Victorian-based listings has increased from 33% of the national market capitalisation 20 years ago to 37% in 2005.

There was a stock exchange established here in 1861, and only 23 years later (1884) the Stock Exchange of Melbourne was established. This, of course, eventually merged with the five other major exchanges to form your company, the ASX, in 1986. Therefore, we are always pleased to be here and look forward to meeting you following the formal proceedings.

A new Chief Executive Officer is a significant event for any company, no less ASX. Richard Humphry had successfully led your company for ten years, so that Tony D'Aloisio's arrival was awaited with great interest, inside and outside ASX.

I am pleased to report that he hit the ground running and that the transition has been seamless and productive.

Our results for 2004/05 were outstanding, featuring a 31% increase in net profit (our total profit exceeded $100m for the first time), increased activity and revenue across the board, improved control of expenses and a range of measures introduced to build on this impressive platform. We have conducted a far-reaching, review of all our operations to see that this success continues and I will leave it to Tony to take you through that in more detail. Suffice to say the Board fully endorses his and senior management's efforts. They have already yielded significant results.

Amid the necessary adjustments and reforms that from time to time have to be made, it is important to remember one fundamental which will not change – that is ASX's over-arching commitment to maintaining the integrity of our markets. Yes, it is a legal requirement, one imposed on us through our licence under the Corporations Act, but it is also a practical, commercial necessity. To lessen that commitment to market integrity would be to damage the business. It is a fundamental driver of our success.

One of the keys to our performance in the market integrity role is our emphasis on disclosure. Whether it is the performance of a listed company's operations, or its corporate governance arrangements, or the proper separations between various divisions of a stockbroker's activities – the bias in our rules is always towards transparency and disclosure. It is central to our markets' success, that is, it underpins the confidence investors have in trading on our markets.

ASX has this year received a significant volume of reporting by listed companies under the Corporate Governance Guidelines regime. Under this "if not, why not" framework, shareholders must decide the adequacy and acceptability of the explanations they receive.

As Chair of the Corporate Governance Council, we acknowledge the support of the reporting companies and the twenty industry organisations who comprise the Council.

This emphasis on disclosure is not new, and nor is it always fully appreciated. However, as the Australian Financial Review editorialised earlier this month, (and I quote): "Continuous disclosure is one of the great reforms of the Australian investment markets, putting them among world's best practice." (AFR Editorial, 12 September 2005). Quite so.

The market capitalisation for our domestic companies increased from $282 billion in 1994, to $975 billion at 30 June 2005. Shortly thereafter, it reached the $1 trillion mark for the first time, and has continued to increase, reflecting the strong profit season we have just seen. Earlier this month we also passed the 1,800 mark in the number of listed entities, one of the highest in the world.

Reflecting growing interest in the market, on 7th July we recorded 150,000 trades, a new high, thanks in large part to the listing of Tattersall's here in Melbourne. These levels continue with SEATS averaging around 100,000 trades a day for the first three months of the new financial year. We have also seen some 53 new listings since 1 July 2005 – a very strong start. Options have continued their strong performance and warrants experienced a record month in August. And, most importantly, this extraordinary level of activity has been handled with 99.9 per cent market up-time and the integrity of supervision fully maintained.

Over the same time, the stock market indices have consistently broken new ground. From around 2,000 points back in 1994, the S&P/ASX-200 has now exceeded 4,500 points. Where it is headed I shall leave others to predict. Shareholder returns have been excellent, and I am pleased to note that the small to medium-sized companies have also participated strongly in this success. We believe it important that ASX remains a market of value for those companies not yet dominating the headlines and analyst reports, but which also need to access low cost capital from time to time.

The market's performance in recent years has been well documented, and shareholders have enjoyed an unprecedented succession of good years. The Australian component of the S&P/Citigroup Broad Market Index has revealed an annual average return on investment (combining price gains and dividends) of around 13% per annum over the last 10 years. This is superior to most major markets including the United States (10%), the United Kingdom (10%) and the overall world average (8%).

Accordingly, our market has been one of the world's most active for raising capital. Australia ranked fourth globally for capital-raised in the last calendar year 2004 – US$7.8 billion via 166 IPOs. This year has continued that run, and of course there is still the remainder of Telstra to look forward to.

Indeed, markets everywhere have been busy, including activity surrounding the markets themselves. The New York Stock Exchange (NYSE) this year announced its plans to merge with Archipelago Holding Inc, a Chicago-based electronic trading platform, to become a listed, for profit, fully automated exchange, while NASDAQ paid US$1.9 billion for Instinet, a similar platform, which trades about 10 per cent of US equities.

In addition, the Chicago Board of Trade (CBOT) and the New York Mercantile Exchange (Nymex), the second and third largest US futures markets respectively, announced their intentions to become for-profit, listed entities. The Philadelphia Stock Exchange, and the Pacific Exchange also became for-profit public companies, while in a defensive move, a number of Wall Street firms took stakes in these Exchanges as well as the Boston and American Stock Exchanges.

The Tokyo Stock Exchange has demutualised and is planning an IPO this year.

These developments are on top of renewed attempts by the Deutsche Borse and Euronext to acquire the London Stock Exchange (LSE). Macquarie Bank has also announced its interest in acquiring LSE.

Also this year, Copenhagen Exchange merged with the Nordic OMX Group, which now includes, Stockholm and Helsinki, and integrates the stock and derivative exchanges of Tallinn, Riga and Vilnius.

In Korea, the Korean Stock Exchange, KOSDAQ and the Korean Futures Exchanges also merged.

Scale is the driver of these developments. Fixed costs, particularly IT costs, need to be expensed and the greater the volumes handled, the lower the unit cost of each transaction. Becoming a for-profit public company, as ASX did back in 1998, gives exchanges more flexibility and allows professional managers to become more efficient and competitive.

While these overseas developments have no immediate impact on ASX, we are watchful, because they send a message to us that we must constantly look to our own efficiencies and maintain our relative scale.

Australia's sustained economic expansion, which underpins this growth in our markets, can be credited to sound Government policies and reform and prudent money supply management by the Reserve Bank of Australia (RBA). And with that in mind, I should acknowledge the support of the Government, Commonwealth Treasury and RBA in our restructure of the National Guarantee Fund (NGF), which was completed during the year. It is an important feature of our markets that we have in have in place a well-capitalised Australian Clearing House which is constantly monitored by us and the RBA.

We also compliment the Government on its willingness to listen to the market's concerns about the Financial Sector Reform Act (FSRA). Its preparedness to refine and make appropriate changes in the interests of efficiency and a better informed public is to be applauded.

For the last few years I have been concerned with potential clouds over the world economy, particularly when one looks at the US. Yet, the sun has continued to shine and US and world economic growth has picked up, in spite of the occasional cloudy day. That was until Hurricanes Katrina and Rita, which have the potential to blow those clouds right over us.

The fact is, America has long been living on borrowed money and its economy is on borrowed time. Unprecedented fiscal and monetary stimulus has provided the sunshine, but all the while costs have been steadily mounting. The balance of payments deficits have been climbing and unsustainable budget deficits have been scarcely contained. After Katrina and Rita they can be expected to grow even more. This combined stimulus has given US consumers, who account for 70% of GDP, the ability to borrow against their ever appreciating homes to maintain their spending habits. Even rising oil prices have so far failed to crimp consumption. Although US saving is now almost zero and, post the Hurricanes, probably negative, foreign, especially Asian, central banks have kept these deficits funded. In the process the United States has become the world's largest deficit country and debtor.

We are in uncharted waters, so it is difficult to know how this situation will play out. However, at some time in the foreseeable future it would seem some form of global rebalancing is inevitable.

In the meantime, the Australian stockmarket continues to outperform. This is not by accident and no doubt reflects an appreciation by local and international investors of the fundamental soundness of our economy and the liquidity of our markets. That strength will be important in helping us ride out any global rebalancing.

For the time being then, the sun continues to shine but we at ASX have taken and, continue to take, appropriate measures to ensure we are prepared for all seasons. We remain vigilant and ready to take opportunities.

In fact, change creates opportunities.

With regard to your Board, the process of refreshment continues, as it must, and since our last meeting we have appointed two new directors: Tony D'Aloisio, of course, and more recently, a new non-executive director Russell Aboud. Following our usual practice, Russell shortly will have an opportunity to speak and to introduce himself to you, and I am sure you will make him welcome. You will find he brings to the Board a great deal of practical experience within Australia and overseas. As with the senior management team, I believe that Board succession must be on-going, and it is vital that the right blend of experience and expertise be maintained. Over the next three years there are likely to be further changes.

For the first time, you will shortly have an opportunity to comment on our Remuneration Report, which will be presented to this meeting for adoption. As of this year, all public companies are required to disclose their policies, following recent reforms to the Corporations Act.

Giving a voice to shareholders in this way has been criticised by some companies because they are concerned that the opportunity may be misused with negative consequences for staff morale and operational competitiveness. It is a risk. However, I am confident that the overwhelming body of shareholders will consider the issues and comment responsibly in the best interests of their companies.

For our part, we have embraced the spirit of this requirement and have made every effort to provide as much detail and clarity as possible. We have also sought to highlight our underlying remuneration policy of linking demonstrable outcome to reward. Not only do we compensate fairly, but we devote considerable time and energy to reinforcing a culture which encourages values based behaviour as part of performance assessment.

Our people are critical to our success and to enable us to retain and recruit the best available talent, we must be the employer of choice.

For achieving this year's outstanding results and for the work which has gone into preparing ASX for the future, I would like to say thank you to Tony and his team for their efforts. It has been a demanding year, but we are stronger and better positioned because of it.

In closing, may I also thank you, our shareholders, for your continued support, especially those from Victoria who have attended today. Perhaps you may also be able to attend another significant ASX event, here in this theatre, on November 22nd . This will be the annual awards ceremony for winners of the ASX Schools Share Market Game. It is a great occasion and I do hope you can join us.

Address by Managing Director & CEO

It is a pleasure to stand here before you today and to report on my first year as Managing Director and CEO of ASX. Although I spoke at last year's AGM, I had not yet taken up my role. I took it up a couple of weeks after that on 11 October.

It has been a year of record activity on ASX markets and record performance by ASX. Importantly it has also been a year of change at ASX, change which we believe will better position ASX to continue to be successful in the times ahead.
I have been very pleased to have been given the opportunity to lead such a great company. I have been delighted with the support I have received from our Chairman and our Board and from our senior management and staff at ASX.

Over the last year, I have met many of our customers – market participants and listed companies – and many of our shareholders and many of our investors and industry groups. I have been pleased with their support for what we are doing and how we are going about it.

I am happy to report to you that, challenged as I am in the role, I am enjoying the role very much.

Today I would like to brief you on 3 things:

- First, our key achievements over the last 12 months
- Second, our key priorities for the coming 12 months
- Third, I would like to elaborate on "our scorecard" that we unveiled in the Annual Report

In covering these 3 subjects, each of which is covered in more detail in our Annual Report and our May market announcement, I hope to provide you (our shareholders and owners) with a better appreciation and understanding of the strength of ASX's operations and how we are meeting the challenges of maintaining and improving our position in the markets in which we operate.
Let me turn to the key achievements in the last 12 months.

When I stood before you last year, I outlined 6 priorities which, at the time, we saw as important for ASX. We are very pleased to report to you that we have done or substantially done what we said we would do. As we spell out in the Annual Report, we delivered, or are well on the way to delivering, on all 6 of these priorities.

Key Achievements over the last 12 months

1. Profit and Loss Drivers Review completed and implementation well under way
2. Decisions on adjacent businesses with sale of interest in APRL
3. Split of National Guarantee Fund
4. Excellent Senior Leadership team

Today I will just touch on a few of those priorities and achievements. The most important was the completion of what we called our profit and loss drivers review – casting a "fresh set of eyes" over our operations.

The outcome of this review was for us to:

- focus primarily on our core business for revenue growth – I'll say a little more on this later;
- Improve management of our costs. We have targeted (and announced to the market) expense reductions of some $15m to $20m prior to inflationary growth over 3 years. ASX, as with other companies, will be impacted by inflationary cost increases, and will seek to keep the impact to a minimum. The review has involved all areas of the commercial side of our business. We are now well on the way to implementing the outcome of that review.
- Review capital management which saw us increase our dividend payout ratio from 70% to 90% of Normal Profit.

Second, we reviewed our adjacent businesses, and decided to retain our investment in IRESS and retain our subsidiary Orient Capital. We concluded (after a thorough analysis of all strategic options) that the best course for us was to sell our 50% joint venture interest in ASX Perpetual Registrars

(APRL). Along with our joint venture partner Perpetual we sold APRL to Pacific Equity Partners. This has led to an after tax accounting profit of some $9m for ASX.

Third, we completed the split of the National Guarantee Fund. This took place on 31 March 2005 with a payment of $71.5 m from the National Guarantee Fund to our clearing house subsidiary (ACH). This amount, together with $38.5 m from ASX, has capitalised ACH to $110m. This important reform now means that ACH meets the RBA stability standard.

Our achievement on these 6 priorities during the past year reflect very well on the talent and efforts at ASX and particularly the talent and efforts of the senior management team. The full senior team, this year, appears in the Annual Report (p31). You will see that our Group Executive Committee has experience and depth, consisting of long serving ASX senior people who have been joined by 2 new members bringing an external perspective. This team, together with a group of general managers below it and a flatter management structure is an excellent group to be leading ASX. They (we) are all working very well together.

Our priorities in the next 12 months

1. Continue to implement outcomes of profit and loss drivers review
2. Complete pricing review
3. Complete review of supervision area
4. Improve staff engagement and customer satisfaction
5. Continue to review longer term strategy
6. Complete major projects (e.g. Integrated Trading System)

ASX

Let me move from what we have achieved to the priorities for the coming 12 months. This year, we have set, as with last year, 6 priorities . . .

The first is to continue to implement what has come out of the profit and loss drivers review. This involves initiatives:

- to grow our core revenues in areas such as DMA (Direct Market Access) and options. It also involves pursuing growth in listings, in our derivatives and structured product areas, and in clearing - as well as seeking to improve liquidity in the mid cap listed companies.
- to deliver on the cost management program which I mentioned earlier ($15m to $20m over 3 years). Principal areas of focus this next 12 months will be premises costs and efficiency savings through better systems and processes.

The second priority is to complete the review of our pricing policies which we have announced. Our objective is to have a pricing structure with fewer pricing points and which is more internationally benchmarked. Our current pricing system has worked well for us for a long time, but we feel that the complexity can be reduced, with benefits both to us and participants; we also feel, as we compete more globally, that our pricing policies and incentives should be benchmarked against international standards.

The third priority for the coming year is to complete the review of our supervision area. This review is well under way. We are examining where we may need more resources and where we can be more efficient, for example by removing duplication and cutting any "red tape" which adds unnecessary costs to business. As part of the review, we have to date, added resources to create a Regulatory Policy Unit to better handle a range of policy issues concerning our listing rules and other regulatory issues. We have also added resources to support the work of the ASX Corporate Governance Council.

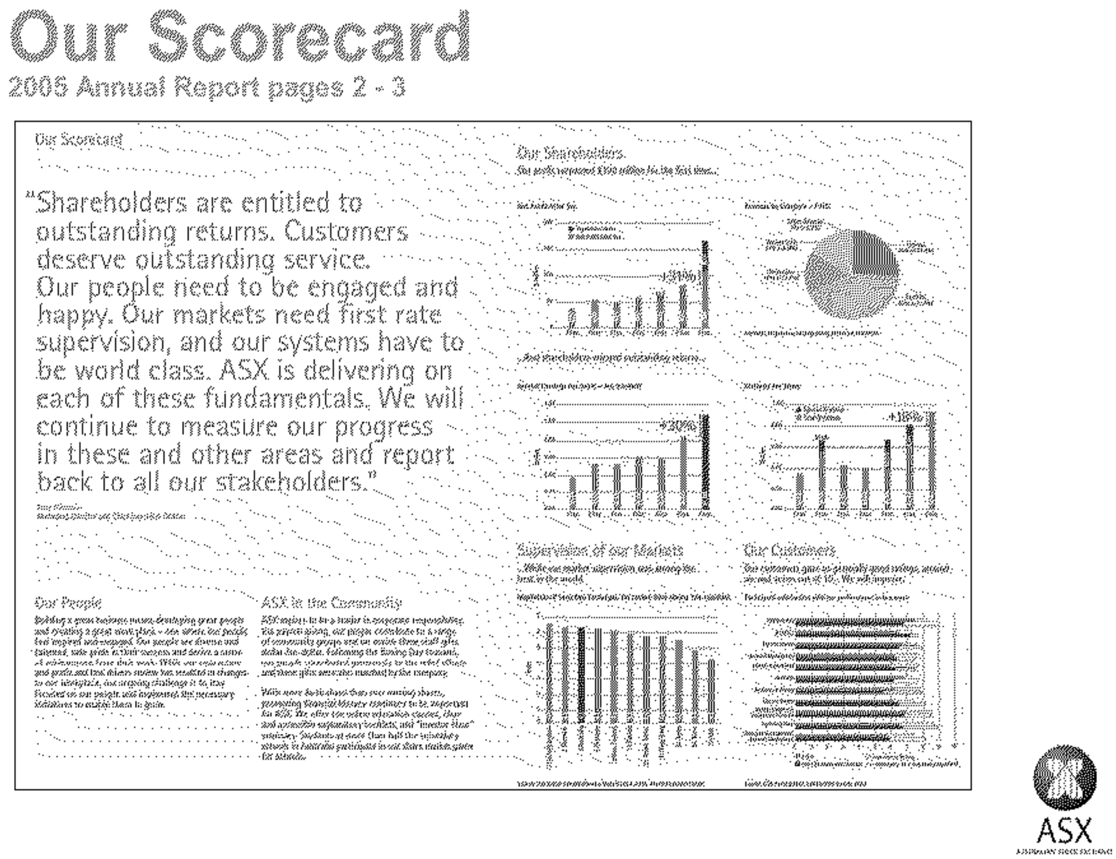
The fourth priority will be to continue to work to improve staff engagement and customer satisfaction. With the changes in staff which have occurred at ASX, continuing to build a strong and vibrant culture is very important. In the past year, we have worked on setting clearer objectives and linking our performance with our reward systems. In the coming 12 months, attention will move to development and training to better equip our people for their work.

The fifth priority is to continue to work on the longer term positioning of ASX strategy. The exchange business is changing globally, as the Chairman has mentioned. In our part of the world, we are seeing the accelerated development of the capital markets in China and India. We, senior management and the Board, are working to better understand the opportunities and threats these developments present to us and how we should respond to them.

The sixth priority is to complete major projects we have under way and to handle new issues as they arise. An important project in this regard is the introduction of our new trading platform (OMX's Click XT) to replace SEATS. As you will see in our Annual Report, ASX was an electronic pioneer with SEATS and later CHESS. But SEATS now needs to be replaced and as part of that we are taking the opportunity to integrate our equity and derivatives platforms with Click XT. This project is well advanced and due for completion before the end of the financial year.

These are the 6 priorities which are, of course, over and above continuing to run the day to day business. On that, we have experienced record trading and we have supported that trading with almost 100% up time of our systems. The 6 priorities I have outlined all go to strengthening the business so that we can make the most of the good trading conditions we have now and be better placed to handle any changes to the market.

So that completes the first 2 things I said I would cover - our achievements for the past 12 months and our priorities for the coming 12 months. The third thing I said I would cover is to elaborate on what we mean by "our scorecard" in the Annual Report.



I will start by taking a leaf (literally) out of the Annual Report that we recently published and sent to you. This is page 2 and 3 of our Annual Report.

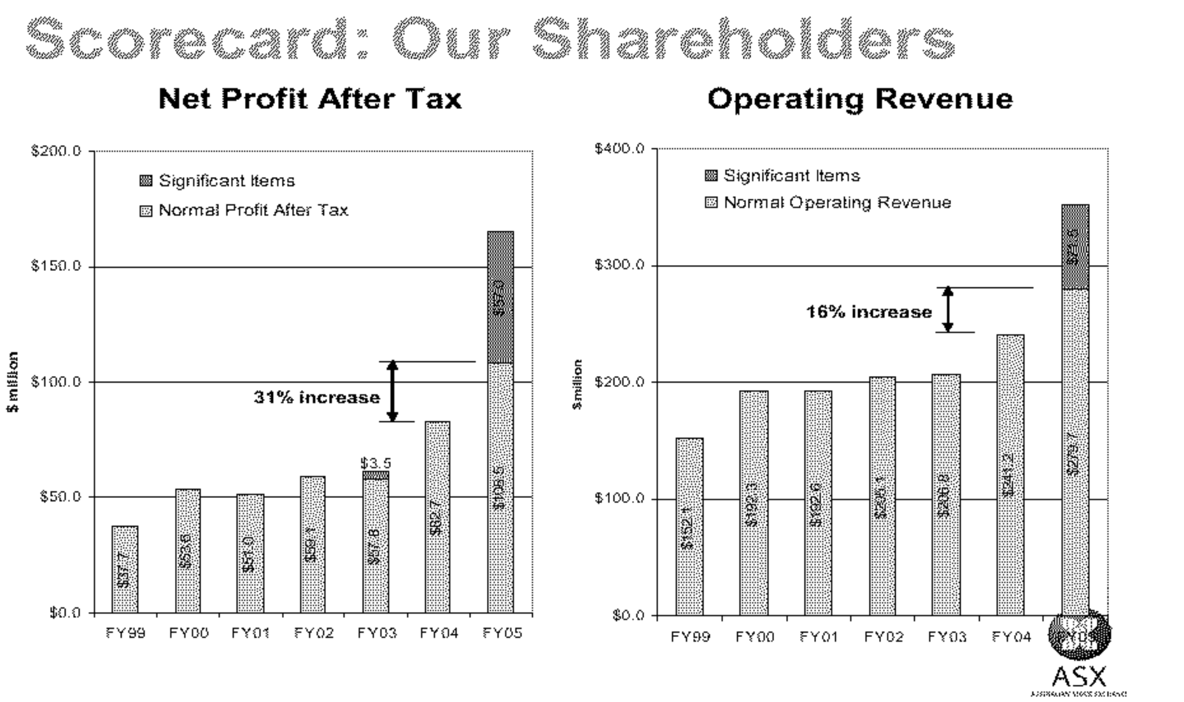
Essentially, what the scorecard does is to measure outcomes. The most important of these, for you our shareholders, are the financials.

Achieving good financial results, however, needs to be underpinned by achievements in a number of areas. In our case:

- in the technology or infrastructure which we have
- in customer satisfaction levels
- in the way we supervise our markets
- in employee engagement
- and in the way we discharge our broader corporate responsibilities.

What our scorecard does is to measure all these. We will use it when setting our objectives and when reporting to you.

Let me illustrate how our scorecard works by going through (briefly) our performance last year.



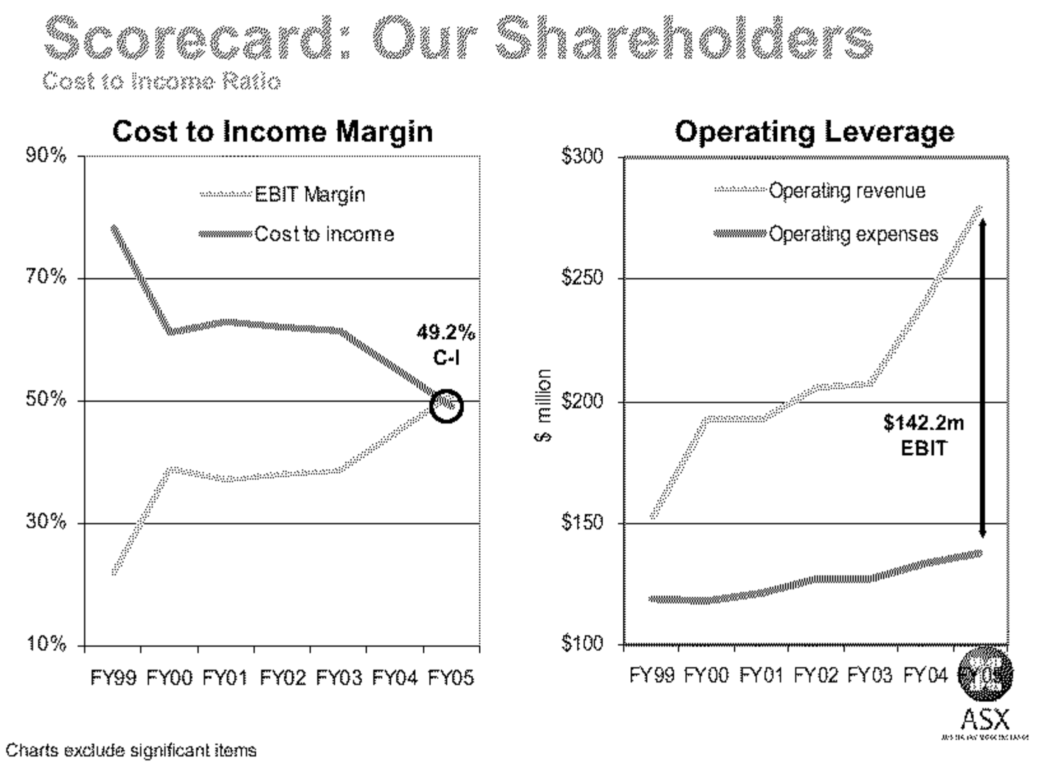
Let me start with the financial outcomes, the most important for you.

The graph on the left hand side shows that normal net profit after tax for 2005 was $108.5 million – an increase of 31% or nearly $26 million compared to 2004. Disregard the orange section – this shows the impact of abnormal items notably the payment we received into the Clearing House from the NGF.

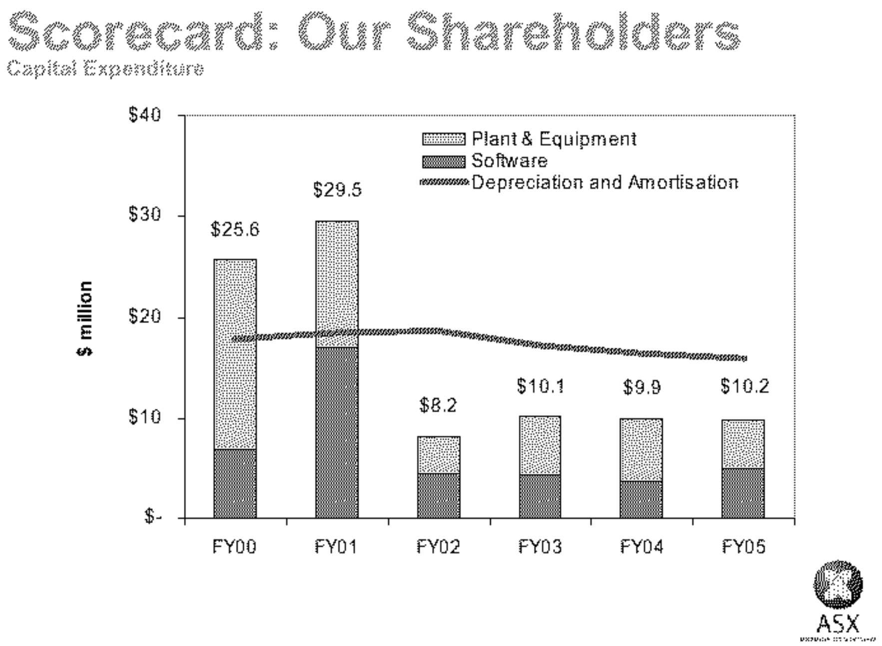
This record profit was achieved through record revenue – as the graph on the right hand side shows. Our 2005 revenue of $280 million was $38 million or 16% higher than in 2004. (Again, disregard the orange section which are abnormals).

Where did that revenue growth come from?

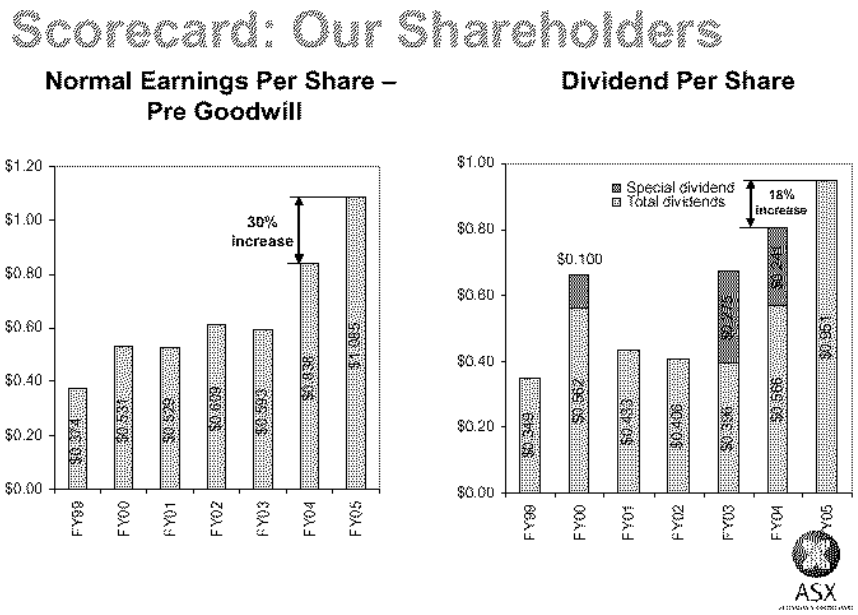
- Listings up $17.5 million, with 222 IPOs compared to 180 in 2004
- Equities up $12.4 million, with SEATS trades up 28% from an average of 70 thousand per day to 89 thousand per day
- Derivatives up $5.3 million
- Market Data up $2.9 million
- Other up $0.4 million, reflecting an improved contribution from Orient Capital



On the expenses side, our operating costs increased by 3.3 per cent. Overall, however, our cost to income ratio continues to improve as you can see from this slide. The cost to income ratio is now below 50%. Our costs management program which came out of the profit and loss drivers review is important in keeping our costs down.



On capital expenditure, we remain within the bounds of our stated capex target range each year of $10 million to $15 million. The major projects incurring capital expenditure that are underway at present are the transition from SEATS to CLICK XT, and the redevelopment of the Company Announcements Platform. We are confident that even with these projects we will remain within the target range of $10 to $15 million.



This shows how these financial results translated into returns for shareholders.

As you will see from the left hand side graph, our pre-goodwill earnings per share was 108.5 cents per share, nearly a 30% increase over the previous corresponding period.

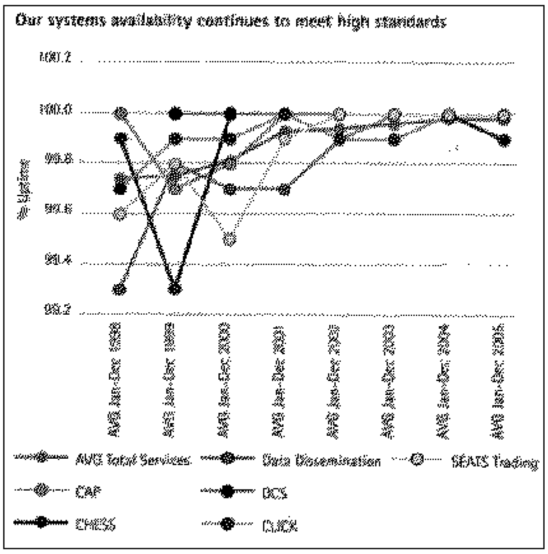
We paid a final dividend of 50.9 cents per share this half year and a total dividend of 95.1 cents per share for the year. Total dividend is 17.8% higher than last year. (See right side of graph).

This dividend represents 90% of normal net profit after tax – In line with our decision to lift our dividend payout ratio from 70% to 90%

Other Elements of the Scorecard

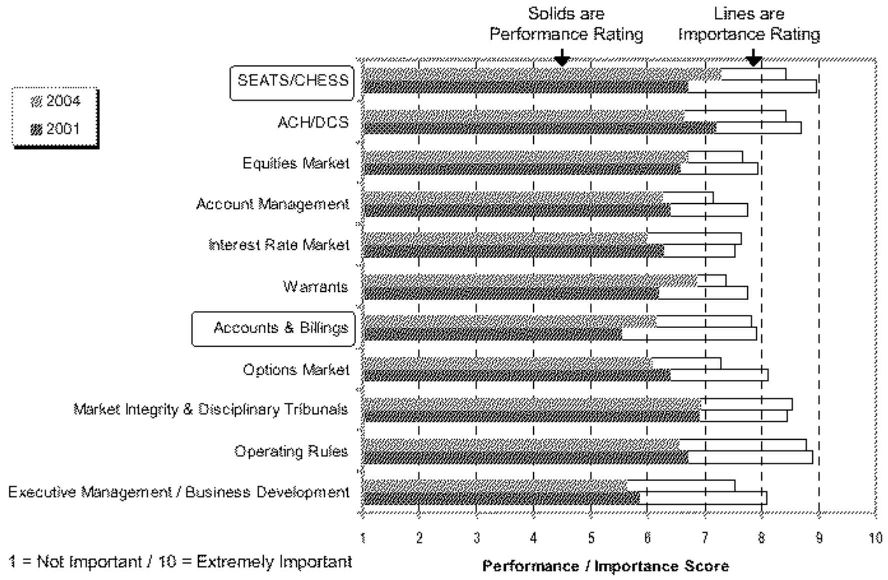
As I said earlier, achieving good financial results needs to be underpinned by achievements in a number of other areas. Let me cover a few of those ... in doing so I am not underplaying the importance of a good trading environment for our results. Even with a good trading environment, we need achievement in these other areas – areas I will now cover - to make the most of that environment.

Scorecard: Our Systems



First, we provide the infrastructure for trading, clearing and settlement. With nearly 100% system up time as this slide shows, we make the most out of a trading day.

Scorecard: Our Customers



Secondly, we focus on customer service . . . customer satisfaction. Client service is an important aspect of any business. It is axiomatic that satisfied customers help grow the business. ASX has a very wide range of customers who are important to us –listed companies, market participants, information vendors; they in turn have customers who are also important to us - notably institutional and retail investors.

To illustrate how we measure customer satisfaction, we last year conducted a survey of our participants (our brokers) to measure their satisfaction levels across all of our service offering. This was the second such survey – the first was in 2001.

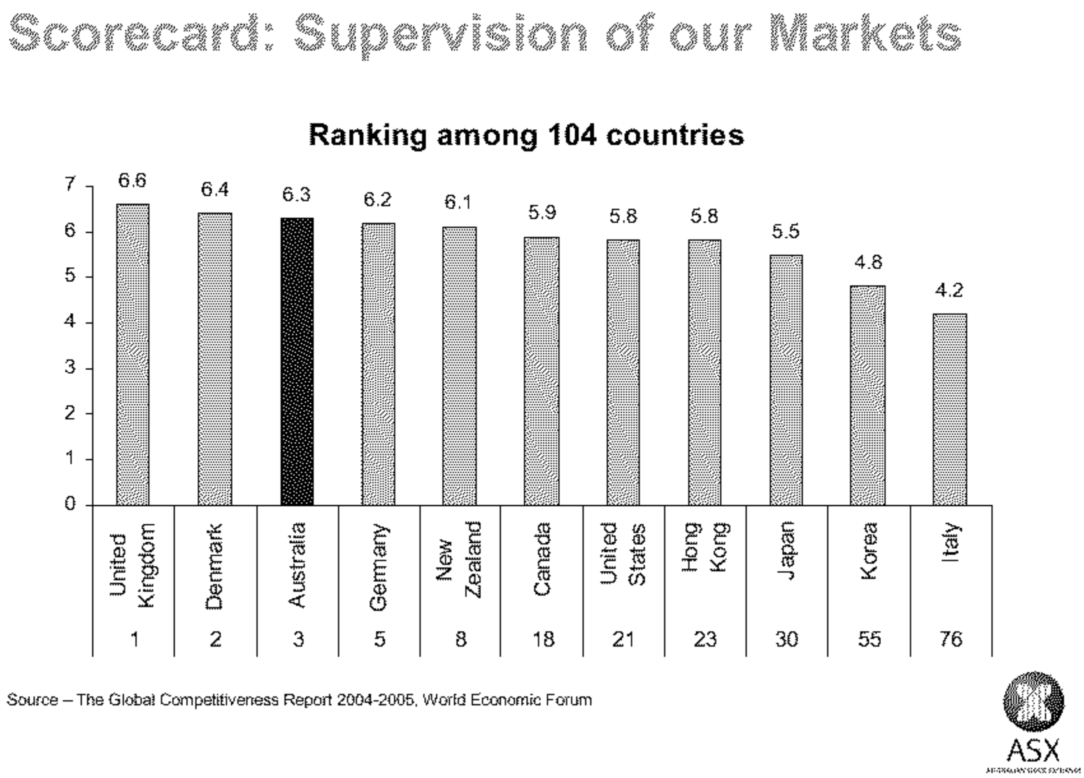
The highlight is that these customers gave us generally good ratings, around 6 or 7 out of 10. But as we have noted in our Annual Report there is room to improve.

To explain this slide (taken from the Annual Report), the horizontal bars show how participants rated ASX's performance in 2004 (top and grey) compared with 2001 (blue).
The red-outlined bars indicate the level of importance participants placed on each area. For example, if we look at the first set of horizontal bars; importance of SEATS/CHESS systems is rated high around 8. In 2004 (grey) our performance is rated around 7 which was slightly better than in 2001 (blue).

Across all major areas, ASX's performance is rated between 5 and 8 out of 10. Our average was around 6.5.

There is little discrepancy in the results between 2001 and 2004. We have closed the performance gap in some areas like SEATS and CHESS. And lost some ground in others like operating rules.

The message is clear - while we are travelling reasonably well, there is room to improve.



The third important input ASX provides to make the most out of our trading conditions is to provide first rate or outstanding market supervision. As our Chairman outlined earlier, this is what underpins confidence in our markets. This is why investors like to invest on our markets.

Our performance in this area can be illustrated by this slide. As you can see out of 104 countries studied by the Global Competitiveness Report for the World Economic Forum, Australia ranked 3rd. This reflects well not only on ASX of course but on the other regulators in Australia notably ASIC.

That is an international benchmark. ASX is also reviewed and assessed domestically by ASIC. This year ASX received a positive assessment from ASIC on the way ASX supervises the market. As noted in ASIC's most recent assessment, ASX's arrangements have met and continue to meet our statutory obligations.

ASIC made suggestions for improvement which ASX welcomed and has and continues to action. Importantly, ASIC noted that "none of the suggestions for improvements ... detracts from the conclusion that ASX's arrangements have met and continue to meet their statutory obligations."

Scorecard: Supervision of our Markets

- ASIC assessment 2005
  - "ASX's arrangements have met and continue to meet their statutory obligations"
- Activities and Outcomes
  - Processed 93,562 company announcements
  - Issued 2370 queries leading to further announcements
  - Notified ASIC of 107 matters, some leading to convictions/ civil penalties
  - 50 contraventions of ASX Rules with $533,000 in fines

ASX

Let me talk a little bit about what our supervision division does to maintain and improve confidence in our markets. Probably the most important tool in our armory is the continuous disclosure requirement – a subject covered by our Chairman in his address.

During the year, we processed more than 93,000 company announcements.

Most companies do not require reminding of their obligations. In general the level of compliance with continuous disclosure is very high. However ASX is active in monitoring company behaviour and where necessary will prompt companies with follow-up queries.

To give you some measures of this during the year we issued 2370 queries of companies. These lead to follow up announcements in many cases (1764), of which 95 followed a trading halt. 21 queries resulted in suspension.

Where ASX believes it has evidence of market practices that warrant further investigation, we refer these to ASIC (as we are required to do). It is ASIC that has the ultimate power of enforcement of and conviction under the Corporations Act.

During the year we notified ASIC of 107 matters. They include allegations of insider trading or market manipulation, as well as alleged breaches of continuous disclosure.

These referrals can lead to convictions, civil penalties and a banning action against a licensed person.

In the last 6 months, there were two convictions for market manipulation; three convictions for failing to lodge Directors' Interest Notices; one conviction for insider trading; one civil penalty for insider trading; a banning action against a licensed person for market manipulation; and two infringement notices for breaches of continuous disclosure.

We also continued through the Disciplinary Tribunals to monitor and enforce compliance with ASX's Business Rules. Again, while the general level of compliance is very high, some 50 contraventions were found and these led to the Tribunals imposing just over $500,000 in fines. I might add that such fines help cover the costs of running the Tribunal.

Scorecard: Our People & Our Community

- Developing Great People and Building a Great Workplace
- Supporting our Community through Workplace Giving. (e.g. Tsunami Relief)
- Investor Education

ASX

Returning to the scorecard measures, we recognise that building a great business means developing great people and creating a great work place – one where our people feel inspired and engaged. Our people are diverse and talented, take pride in their success and derive a sense of achievement from their work.

In the past year we instituted a climate survey to measure staff engagement. This is our first such survey and the results have pointed out a number of areas where we need to improve to get more engagement and, through that, a more productive and happier workplace. One area identified for improvement is a closer link between performance and reward. As you will see from the Board's Remuneration Report we have made significant progress on linking performance and reward. As I said earlier, this continues as one of our priorities in the coming 12 months.

At the same time, ASX aspires to be a leader in corporate responsibility. Via workplace giving, our people contribute to a range of community groups and we match all these staff gifts on a dollar-for-dollar basis (subject to a limit). Following the Boxing Day tsunami, our people contributed generously to the relief efforts and these gifts were also matched by the company.

Promoting financial literacy also continues to be important for ASX. With more Australians than ever owning shares, we offer ten online education classes, clear and accessible explanatory booklets, and "Investor Hour" seminars (which initially we were going to discontinue but because of their popular demand have retained). Students at more than half of the secondary schools in Australia participate in our share market game for schools.

As I said earlier, while our financial results are heavily influenced by trading conditions, what we do to make the most out of those conditions is equally important. What we do in the areas of infrastructure, customer service, supervision of our markets and looking after our people. We will continue to report our progress on these in future Annual Reports to you our shareholders.

<u>Conclusion</u>

In conclusion, I hope that my presentation to you this morning has given you a better insight into:

- What we said we would do last year and what we have done
- What we said we will do this year - we will report on those next year
- The important things we measure with our corporate scorecard and how we will report to you against it in future Annual Reports

As shareholders, you should have every confidence in the fact that ASX has a dedicated and committed senior team and staff. Under the direction of our Chairman and Board, we will continue to meet the objectives which we set to continually improve ASX's position in the markets in which it operates or chooses to operate in.