

ASX Limited ASX

ASX Limited (ASX) operates Australia's primary national exchanges. It also provides market data services and investor education courses. ASX merged with SFE Corporation, Australia's major exchange for commodity and non-equity derivatives, in July 2006.

Chairman

CEO/MD RG Elstone
 Secretary A Harkness, K Chambers
 Auditor PricewaterhouseCoopers
 Telephone: (02) 9227 0000
 Website: www.asx.com.au
 Address: 20 Bridge St
 Sydney NSW 2000

Registry Website: www.linkmarketservices.com.au

Strategy Analysis as at 27.07.2009

ASX says its goals are to build the franchise and reputation of the group by leveraging its platforms, growing international distribution and diversifying its revenue streams, all while preserving the regulatory soundness of the markets and facilities it operates. The strategy is to balance efficiency and effectiveness in internal business and regulatory processes, without confusing a strong cost management culture with the need to reinvest. ASX aims to invest in and remunerate its most valuable assets - its people - while administering and upgrading its technology so that service to customers remains operationally robust and internationally comparable in terms of functionality, latency, capacity and reliability. ASX sees market supervision as a core business. With government approval for alternative trading platforms imminent, ASX will soon roll out its competitive response.

Financial Position

	06-08 \$Mil	06-09 \$Mil
Cash	414	1433
Inventories	0	0
Receivables	308	240
Current Assets	4324	4267
Fixed Assets	18	29
Intangibles	2319	2319
Total Assets	6792	6787
Payables	301	205
Short-Term Debt	0	0
Current Liabilities	3930	3795
Long-Term Debt	0	100
Total Liabilities	4038	4013
Total Equity	2754	2773

Consensus out of 14 analysts

	Current	2010E	2011E
Price/Earnings	18.31	17.98	16.38
Dividend Yield %	4.92	4.99	5.47
EPS	1.83	1.86	2.05
DPS	1.65	1.67	1.83

Mkt Cap Mil	Investment Style	Last Price	Shares Issued	GICS Industry Group						
\$5,739		33.52	171.22	Diversified Financials						
15.70 9.66	14.25 9.93	13.95 10.61	17.35 10.22	20.41 14.68	32.68 19.21	38.31 28.79	60.99 35.85	61.00 27.72	37.90 23.52	Annual Price High Low
06-01	06-02	06-03	06-04	06-05	06-06	06-07	06-08	06-09	08-09*	Performance
31.03	-3.18	-2.99	30.38	57.06	46.06	55.05	-32.72	—	0.21	Total Return %
22.19	1.33	-1.91	8.01	32.31	21.85	24.75	-20.6	—	—	+/- Market
06-01	06-02	06-03	06-04	06-05	06-06	06-07	06-08	06-09	Current	Valuation
27.47	23.22	20.49	19.35	22.03	24.51	25.82	14.7	20.2	18.25	Price/Earnings
15.54	15.59	14.8	16.49	15.82	15.67	18.36	12.18	10.74	13.26	Market P/E
7.55	6.72	6.22	6.63	8.55	10.99	14.85	8.68	11.65	10.56	Price/Sales
9.11	6.87	6	7.21	8.28	9.41	3.02	1.95	2.28	2.07	Price/Book
21.96	18.49	17.57	17.03	21.08	24.83	27.78	15.54	21.87	19.83	Price/Cash Flow
1446	1360	1277	1585	2376	3347	8320	5374	6332	5739	Market Cap \$Mil
3.04	3.03	5.36	5.19	4.11	3.69	3.36	6.13	4.46	4.96	Dividend Yield%
06-01	06-02	06-03	06-04	06-05	06-06	06-07	06-08	06-09	-	Financials
193	204	207	241	280	306	549	620	544	—	Operating Revenue \$Mil
46.85	47.49	46.64	52.2	55.08	61.54	76.77	78.43	74.88	—	EBITDA Margin %
72	78	79	109	138	178	407	467	392	—	EBIT \$Mil
37.24	38.34	38.28	45.33	49.3	58.11	74.06	75.37	72.12	—	EBIT Margin %
53	59	63	83	109	137	316	366	314	—	NPAT Before Abs \$Mil
51	59	58	83	165	136	293	366	314	—	Reported Net Profit \$Mil
51.88	57.7	61.11	80.3	104.99	132.91	188.65	213.6	183.1	—	Earnings Per Share ¢
101	101	102	102	103	103	167	171	171	—	Shares Mil
1.56	1.95	2.08	2.15	2.79	3.46	16.13	16.09	16.2	—	Book Value Per Share \$
59	76	73	109	192	293	314	349	310	—	Oper Cash Flow \$Mil
-29	-8	-10	-10	-10	-14	-15	-21	-23	—	Cap Spending \$Mil
47	53	56	95	108	128	-6	597	1207	—	Free Cash Flow \$Mil
06-01	06-02	06-03	06-04	06-05	06-06	06-07	06-08	06-09	-	Profitability
21.67	22.35	23.15	28.52	30.29	18.23	3.32	7.92	7.01	—	Return on Assets %
33.39	29.88	29.6	37.62	37.81	38.51	11.45	13.29	11.31	—	Return on Equity %
27.49	28.93	30.37	34.28	38.8	44.84	57.51	59.07	57.67	—	Net Margin %
78.82	77.18	76.06	83.22	78.07	37.58	5.77	9.12	8.01	—	Asset Turnover %
154.03	133.7	127.78	131.89	124.82	228.5	345.32	246.6	244.71	—	Financial Leverage %
06-01	06-02	06-03	06-04	06-05	06-06	06-07	06-08	06-09	-	Financial Health
-34	-22	-15	-27	-32	-39	251	-20	-961	—	Working Capital \$Mil
0	0	0	0	0	7	0	0	100	—	Long-Term Debt \$Mil
159	198	213	220	287	356	2756	2754	2773	—	Total Equity \$Mil
-27.47	-34.51	-41.19	-50.07	-69.89	-75.47	-4.31	-15.05	-48.08	—	Debt/Equity %
Key Dates										Industry peers by Market Cap
Fiscal Year End	30/06/09	Listing Date	14/10/1998	N/A						
AGM	30/09/2009	DRIP	Active							
Dividend History										Major Shareholders No. of shares [Mil]
										No Substantial Shareholders
										Final
										Interim
Dividend Ex Date	27/08/09				24/02/09					
Dividend Pay Date	24/09/09				27/03/09					
DPS (c)	74.50				90.40					
Franking %	100				100					

Key Dates

Fiscal Year End 30/06/09 Listing Date 14/10/1998
 AGM 30/09/2009 DRIP Active

Dividend History

Dividend Ex Date 27/08/09 24/02/09
 Dividend Pay Date 24/09/09 27/03/09
 DPS (c) 74.50 90.40
 Franking % 100 100

Industry peers by Market Cap

N/A

Major Shareholders

No Substantial Shareholders

*Represents financial year to date - the day after last financial year to a day before publication date.

Investment Detail Disclosure

Business Description

A brief description of the company's operations and activities. This information is updated every six months or on the release of important information about the company.

Market Capitalization \$ mil

The market value of the company's equity capital. This is calculated by multiplying the number of common shares by the current price. Other classes of equity such as preference shares are normally not included, except in certain cases where the shares are "quasi-ordinary". The most prominent example of this is News Corporation (NWS), where we do include their preferred limited voting ordinary shares in our calculation of market value.

Style

The Morningstar Style consists of nine categories that provide an overview of the investment strategy. The style is comprised of a combination of market capitalization of the security and the investment style (value, blend, or growth).

Last Price

Stock price shown represents the market price of the stock as of the most recent close of trading as at the release date noted at the top of the investment detail page.

Shares Issued

Current number of ordinary shares listed on the Australian Stock Exchange.

Sector

Based on Standard & Poor's Global Industry Classification. All companies listed on the Australian Stock Exchange are grouped into one of 24 industry sectors. This classification is used to compute sector averages and industry peers.

Performance

Total Return represents shareholders' gains from a stock over a given period of time (YTD, one month, three month, one-, three-, and five year). Total return includes both capital gains and losses and dividend payments. It is calculated by taking the change in the stock's price as of the close of trading of the respective period, assuming the reinvestment of all dividends, then dividing by the initial stock price, and expressing the result as a percentage. Returns for periods longer than one year are annualized. Returns do not include brokerage commission or the effects of taxation.

Strategy Analysis

Morningstar Analysts' view of the company's strategy based on the latest financial report.

Financials

Revenue and Margin line items will depend on the type of company selected – i.e. Industrial, Bank, Insurance, Property or Listed Investment Company. Net Profit \$Mil represents net operating profit after tax, minorities, preference dividends, significant, and non-recurring items (NPAT). Earnings Per Share \$ is NPAT divided by the weighted average number of ordinary shares on issue during the year. Book Value Per Share \$ is a company's common stock equity as it appears on a balance sheet divided by the number of shares outstanding. Oper Cash Flow \$Mil is net cash flow after paying suppliers, employees, interest expense and tax paid from receipts from customers, dividends and interest received. Cap

Spending \$ Mil is money spent to acquire or upgrade physical assets such as buildings and machinery. Free Cash Flow \$Mil is the amount of cash that a company has left over after it has paid all of its expenses, including investments (Oper Cash Flow minus Cap Spending and dividends).

Profitability

Return on Assets % (ROA) is the percentage a company earns on its assets in a given year. It is measured by dividing NPAT before abnormals by total assets. Return on Equity % (ROE) is the percentage a company earns on its total equity in a given year. The calculation is NPAT before abnormals divided by shareholder equity. Net Margin % is A measure of profitability and is equal to NPAT divided by revenues from the same period. Asset Turnover represents how many dollars in revenue a company has generated per each dollar of assets. It is calculated by dividing total revenues for the period by total assets for the same period. Financial leverage is calculated by dividing total assets by total shareholders' equity.

Financial Position

Contains a summary of the latest balance sheet including interim data when available.

Financial Health

Working Capital \$Mil is current assets minus current liabilities. Working capital measures how much in liquid assets a company has available to build its business. Long-Term Debt \$Mil includes loans and obligations with a maturity of longer than one year, usually accompanied by interest payments. Total Equity \$Mil is ownership interest in a corporation in the form of common stock or preferred stock. It also refers to total assets minus total liabilities, in which case it is also referred to as shareholder's equity or net worth or book value. Debt/Equity \$Mil is a measure of a company's financial leverage. Debt/equity ratio is equal to long-term debt divided by common shareholders' equity.

Valuation

Price/Earnings (PE) is the current price divided by the company's trailing 12-month earnings per share. Price/Book (PB) is the most recent stock price divided by the most recent book value per share. Price/Sales (PS) is the current price divided by the company's sales per share over the trailing 12 months. Price/Cash Flow (PC) is the most recent price divided by the cash flow per share of the latest fiscal year.

Key Dates

Fiscal Year End is the date in which the company closes its books for the previous 12-month period over which a company budgets its spending. AGM is the annual company gathering, usually held at the end of each fiscal year, at which the previous year and the outlook for the future are discussed and directors are elected by common shareholders. Listing Date defines the date the companies share price was first quoted on the stock exchange. DRP is the dividend reinvestment plan offered by some corporations enabling shareholders to automatically reinvest cash dividends and capital gains distributions, thereby accumulating more stock without paying brokerage commissions.

Industry Peers by Market Cap

This includes key stats on three of the company's peers

that operate in the same industry and have similar market capitalization.

Consensus

Forecasts are made available by Thompson First Call (© Thompson Financial). Current (latest actual) Price/Earnings, Dividend Yield, EPS and DPS are provided for reference. Forecasts are indicated by 'E' and are available for forward years only. Both actual and forecast EPS are presented on a pre-goodwill amortization basis.

Dividend History

Dividend Ex-Date is the first day of the ex-dividend period. If an investor does not own the stock before the ex-date, he or she will be ineligible for the dividend payout. Dividend Pay Date is the date on which the dividend will actually be paid to shareholders. DPS ¢ is Total dividend for the year, divided by the number of shares ranked for dividend. Franking % shows the percentage of the dividend which contains a dividend imputation credit.

Major Shareholders

The 3 largest shareholders (individuals or companies) and the percent of voting shares they are entitled to.