

Market Notice

Number: 230
Date: 27 July 2011

SYSTEM REPLACEMENT PROGRAMME (SRP) UPDATE

Dear JSE Client

At a meeting of Johannesburg Stock Exchange (JSE) Equity Market Members held today, the JSE communicated the decision taken by the JSE to delay the implementation of the System Replacement Project (SRP) to give the exchange and its members additional time for the implementation. We committed to immediately informing the market should we become aware that a November go live for the market is no longer possible.

As the market knows, the JSE and its members have been working towards going live with the SRP in November 2011. The build-up to the implementation of the SRP has been accelerating and therefore the pressure has been mounting for all involved.

Over the past weeks, some members have told the JSE of issues that face the market relating to the implementation and the market readiness. These relate to concerns about the November Go Live date, as well as other matters. The challenges faced by the exchange and members include:

- The November Go Live date has not given all members sufficient time to ensure market readiness;
- Some members do not have sufficient comfort with the end-to-end processing of the Market Services System;
- Member downstream integration with the system has proved more complex than expected;
- The JSE has faced issues with replacing the existing individual solutions and integrating these solutions – both internally and with our members' solutions – and faces internal challenges concerning the November Go Live date;
- As a result, the market is concerned about the overall risk to the JSE and the market, should the JSE implement a system with which members are not comfortable.

In response to member feedback and that also from our own team, the JSE believe that a cautious approach is justified. The market agrees that this implementation is critical and that market confidence is needed about the timing. The exact timing of the new Go Live date therefore requires consultation with the market. The JSE will engage with members about this timing, including topics such as the impact of the tax year-end on member readiness, etc.

The JSE recognises that during the past weeks, there has been collaborative effort from the market in the build-up to the Go Live date and sincerely thanks all members for this. Please do not hesitate to contact me directly with any concerns or queries you may have.



JSE Limited Registration Number: 2005/022939/06
One Exchange Square, Gwen Lane, Sandown, South Africa.
Private Bag X991174, Sandton, 2146, South Africa. Telephone:
+27 11 520 7000, Facsimile: +27 11 520 8584, www.jse.co.za

Executive Directors: RM Loubser (CEO), NF Newton-King, F Evans (CFO) **Non-Executive Directors:** HJ Borkum (Chairman), AD Botha, ZL Combi, MR Johnston, DM Lawrence, A Mazwai, NS Nematswerani, N Nyembezi-Heita, N Payne
Alternate Directors: JH Burke, LV Parsons

Leanne Parsons

Designation Chief Operating Officer
Division Equity Market
Tel +27 11 520 7340
Fax +27 11 520 8340
E-mail address: LeanneP@jse.co.za

Distributed by the Company Secretariat +27 11 520 7346

