



2015 YEAR-END RESULTS PRESENTATION

February 2016

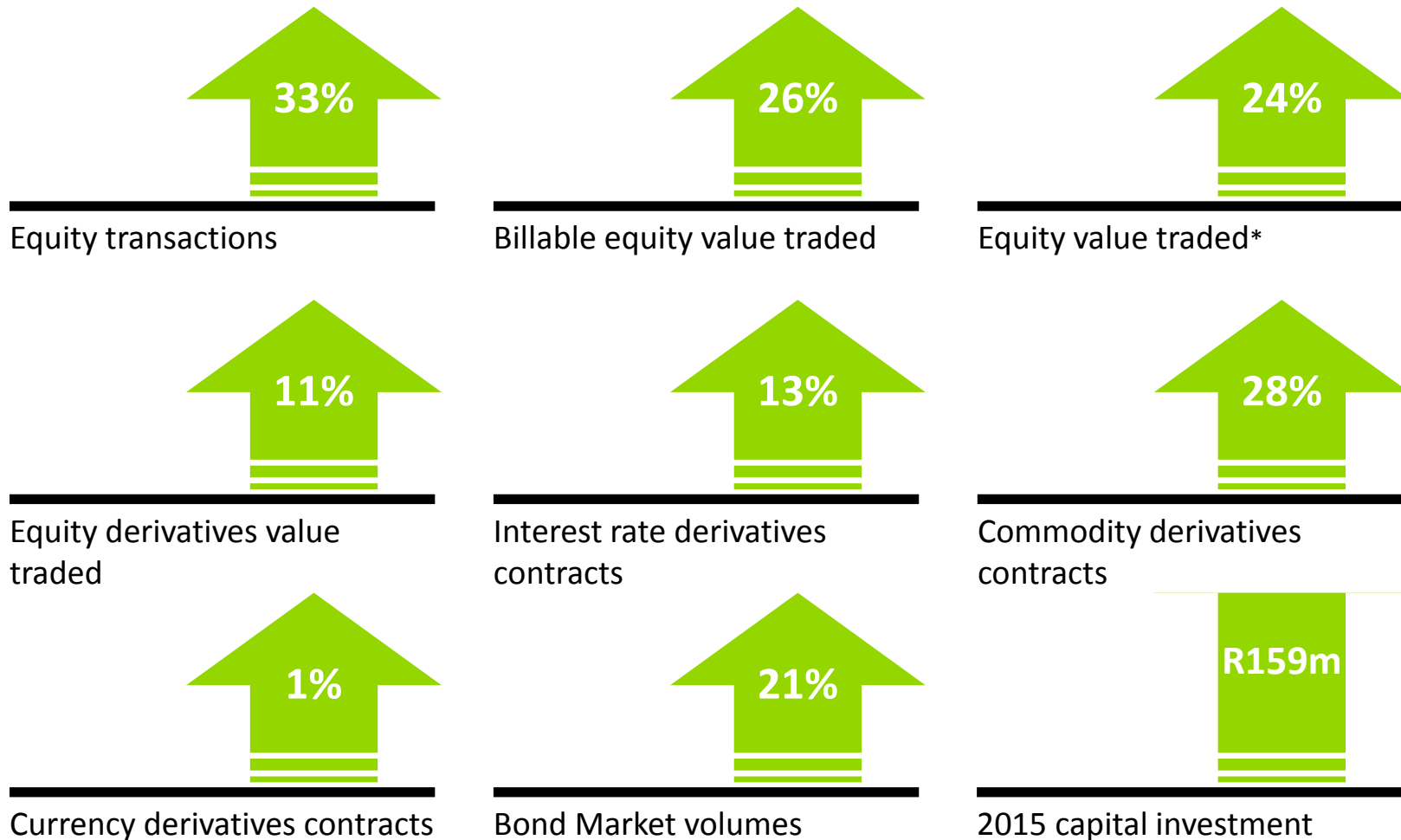
Operating environment 2015

- Operating environment more challenging and uncertain
 - Retreat in world economic growth
 - Refugee crisis, terrorism, Greece – heightened instability
 - Delayed US economic lift-off
 - Slow SA growth – increased unemployment and social tensions
 - Commodity prices under severe pressure
- SA policymakers battled to balance fiscal conditions and social challenges
- Q4 replacing of Finance Minister Nene – added uncertainty
- Global and domestic volatility on JSE
 - Higher trading values and volumes across most markets
- Pace of change in regulatory landscape continued unabated

Operating environment 2016

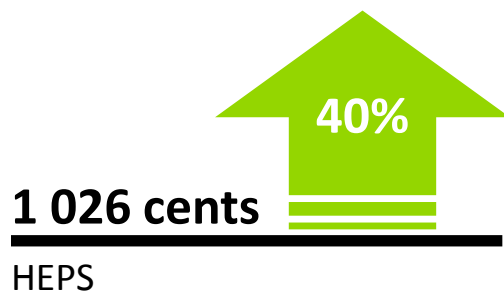
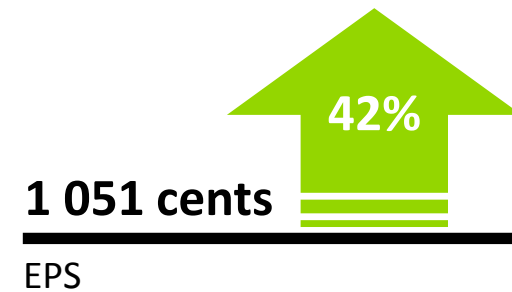
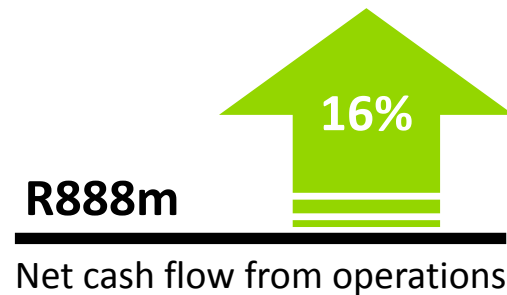
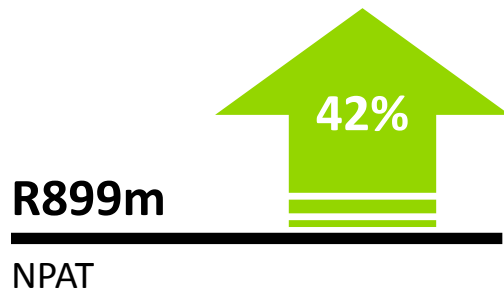
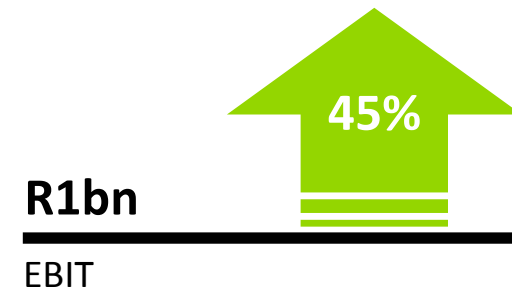
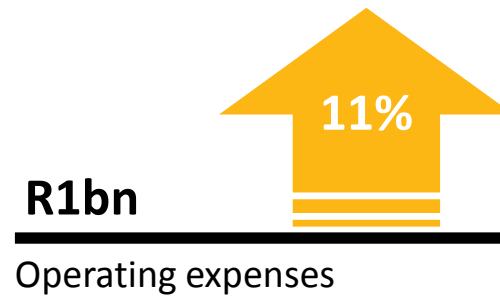
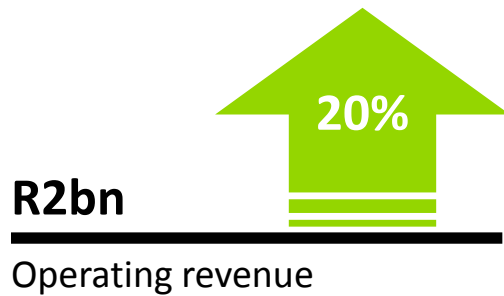
- Still challenging
 - Growing disconnect between economic reality and capital market activity
 - Policy makers face difficult choices
 - Stable macroeconomic conditions critical
 - Targeted and swift action required
 - Inclusive growth, fiscal prudence, investor sentiment
- Policy changes across financial sector will continue
 - Aim: better regulatory environment under twin peaks framework
- Technology arms race in exchange sector out of spotlight
 - But here to stay: low-latency trading; associated electronic trading approaches
- Clearing and risk management growing in importance

What 2015 meant for our stakeholders



* Equity value traded refers to central order book published statistics

How this translated in our business



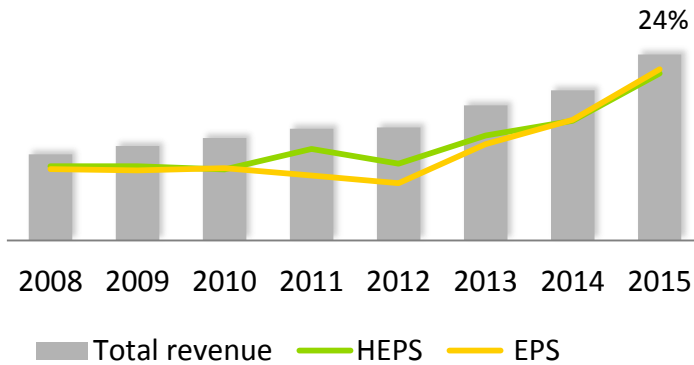
- Dividend declared 625 cents per share (2014: 480 cents)

Excellent financial performance

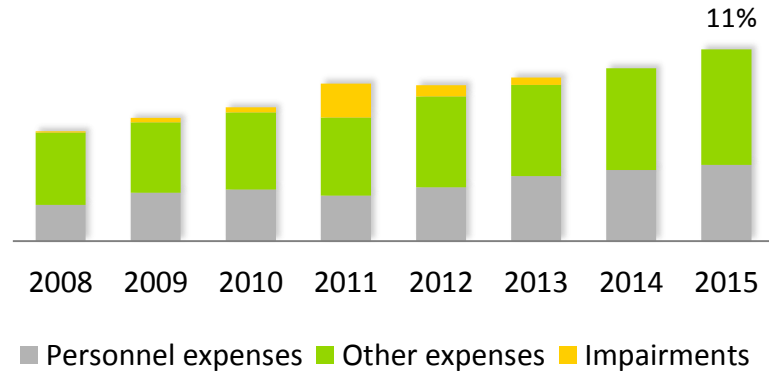
(Rm)	2015	2014
Revenue	2 133	1 779
Other income	146	61
Total revenue	2 279	1 840
Personnel expenses	(496)	(467)
Other expenses	(761)	(669)
Total expenses	(1 257)	(1 136)
EBIT	1 022	704
EBIT %	45%	38%
Net finance income	166	127
Share of profit of equity-accounted investee	47	37
Profit before income tax	1 235	868
Income tax expense	(336)	(233)
NPAT	899	634
NPAT %	39%	34%
EPS (cents)	1 051.0	742.4
HEPS (cents)	1 026.3	735.0

Growth trends

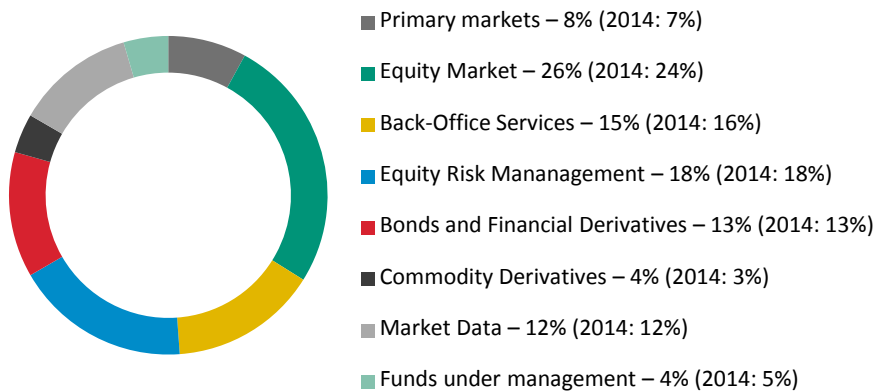
Revenue trend



Expenses trend



2015 Revenue as a % of total



Strategic imperatives

- Grow the business
- Further reduce revenue concentration risk
- Control costs

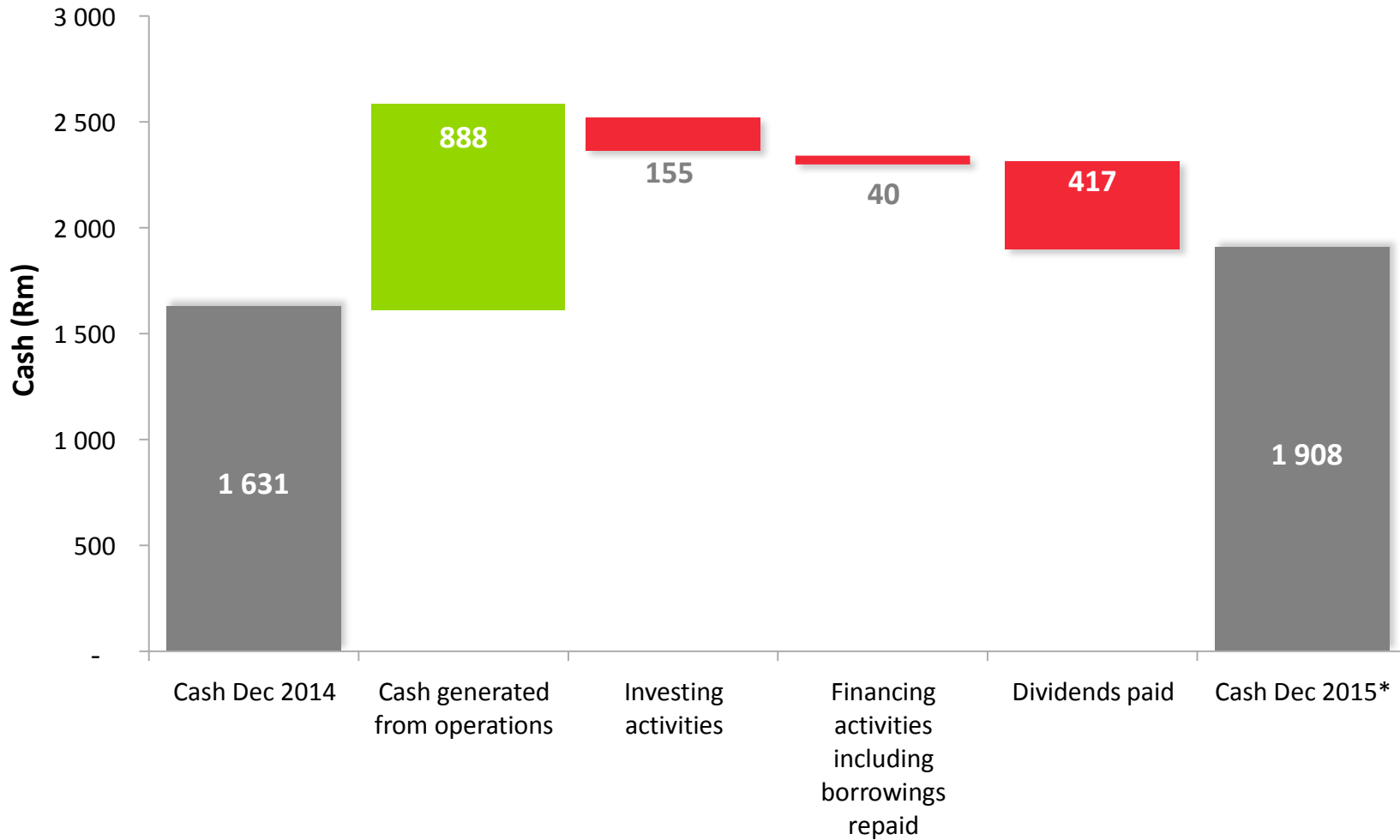
Operating expenditure



Total operating expenses ↑11% to R1.26bn (2014: 1.14bn)

- Personnel costs ↑6% to R496m (2014: R467m)
 - Gross remuneration per employee ↑ 7%. However, average headcount was 5% lower (excl 17 learners appointed in August 2015), declining from 494 to 472. This resulted in a net 2 percentage point increase in the payroll bill. Headcount at year-end was 506 (2014: 485)
 - Discretionary bonus pool ↑R19m to R82m (2014: R63m) owing to higher profits and represents a further 4 percentage point increase
 - A tertiary education bursary fund of R4 million (2014: R0 million) for children of JSE staff who are not of a senior level. This increased personnel costs by 1 percentage point
 - The accounting impact for LTIS ↑ R3 million to R30 million (2014: R27 million), contributing 1 percentage point to the total growth
 - Remuneration capitalised to projects ↑ R8 million to R18 million (2014: R10 million) as work on strategic projects accelerated. This decreased personnel cost growth by 2 percentage points
- Technology costs ↑16% to R235m (2014: R202m)
 - Planned and preventative maintenance on key technology assets
- Depreciation largely flat at R100m (2014: R99m)
 - Higher colocation and T+3 Phase 2 amortisation offset by fully depreciated assets
- General expenses ↑14% to R291m (2014: R256m), largely owing to deliberate marketing costs (launch of TFSA, Eris interest rate swap futures and hosting of ASEA conference) and placement costs for senior staff
- Strate ↑R23m or 21% from R111m to R134m on the back of higher volumes

Cashflow view



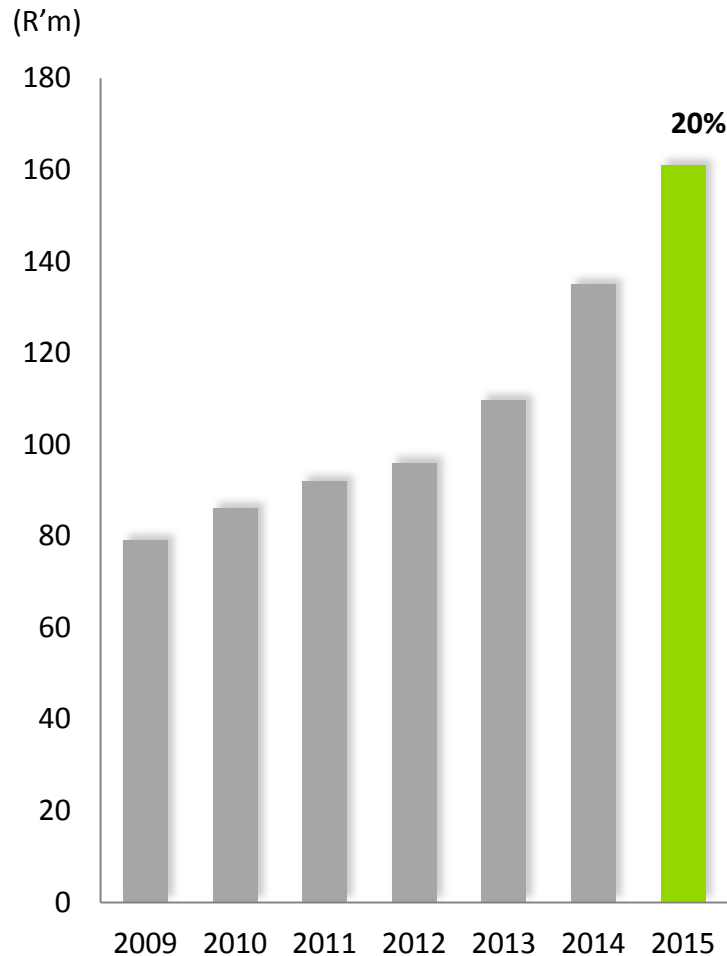
- Strong balance sheet and no debt

*Contains rounding difference

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BUSINESS
R€VIEW

Capital Markets: Primary Market



Revenue % changes calculated on unrounded figures

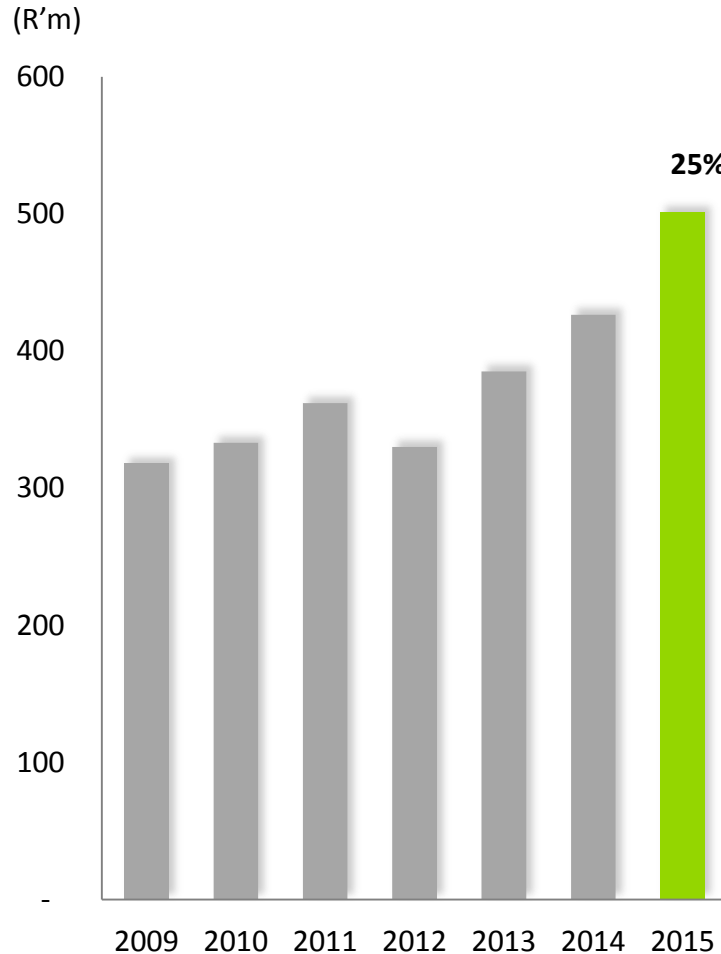
8% of total revenue

- Revenue ↑ 20% to R161m (2014: R134m), as a result of healthy listings activity and an increase in the cap on main board annual equity listing fees
 - 23 new company listings, 2 new ETFs, 1 ETN, 264 warrants and 49 structured products (2014: 24 listings; 7 ETFs; 5 ETNs; 248 warrants; 83 structured products)
 - 942 new bonds issued/listed (2014: 837). Total nominal value of listed Bonds was R2.3tr (2014: R2.0tr)

Strategic focus for 2016

- Promote inward and fast-track listings across asset classes as well as alternative risk structures
 - Using AltX's flexible listing requirements
 - Gain traction on the newly launched empowerment segment
 - Build offering in the fixed income space through a professional board and listed project bonds
- Focus on initiatives to facilitate access for entrepreneurs in sub AltX counters

Capital Markets: Equity Market



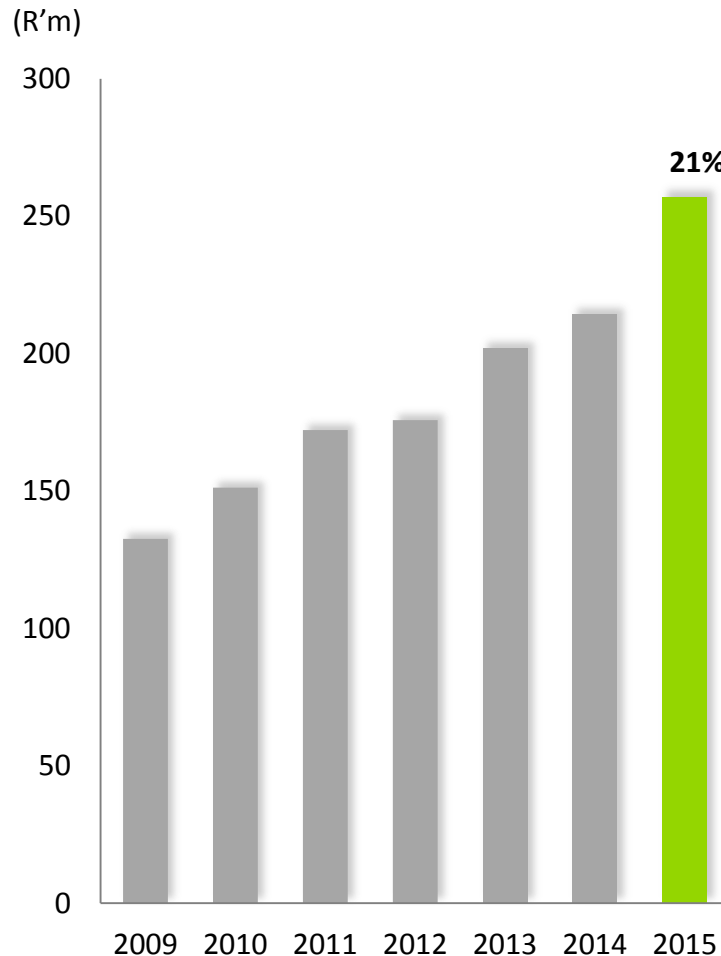
26% of total revenue

- Revenue ↑ 25% to R501m (2014: R402m)
 - Billable value traded ↑ 26%
 - Value traded ↑ 24%
 - R60.3bn value traded record on 17 December 2015 (previous record: R53.7bn)
 - Colocation trade executions – 26% of overall market

Strategic focus for 2016

- New trade type functionality to provide global best practice for large order management
- Extract synergies between Equity, Equity Derivatives markets and the can-do offerings
- Promote the colocation facility
- Maintain focus on new members and products
- Introduce new billing concepts to promote new trading activity

Capital Markets: Bonds and Financial Derivatives



Revenue % changes calculated on unrounded figures

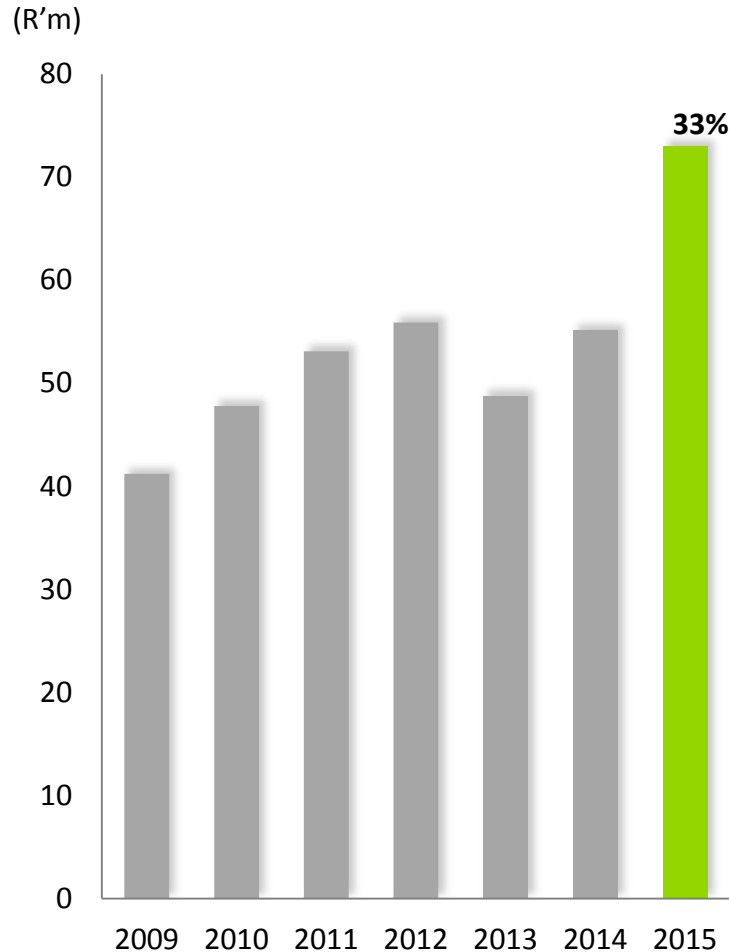
13% of total revenue

- Revenue ↑ 21% to R257m (2014: R213m)
 - Equity derivatives revenue ↑ 18% to R173m (2014: R147m). Contracts traded ↑ 78% to 448m (2014: 252.4m). Value traded rose to R6.6tr (2014: R6 tr), ↑ 11%
 - Currency derivatives revenue ↑ 48% to R34m (2014: R23m). Contracts traded ↑ 1% to 45.1m (2014: 44.6m). Value traded ↑ 17% to R604bn (2014: R516.2bn)
 - Interest Rate Market revenue ↑ 14% to R50m (2014: R44m). Bond Market volumes ↑ 21% to a nominal value of R23tr in 2015 (2014: R18.8tr). Interest rate derivatives contracts traded ↑ 13% to 5.7m (2014: 5m)

Strategic focus for 2016

- Progress multi-asset-class integrated trading requirements
- Progress implementation of ETP for government bonds
- Focus on debt capital raising in local currency from corporates and seek regulatory permission for inward bond listings
- Continue to roll out more African currency futures

Capital Markets: Commodity Derivatives



4% of total revenue

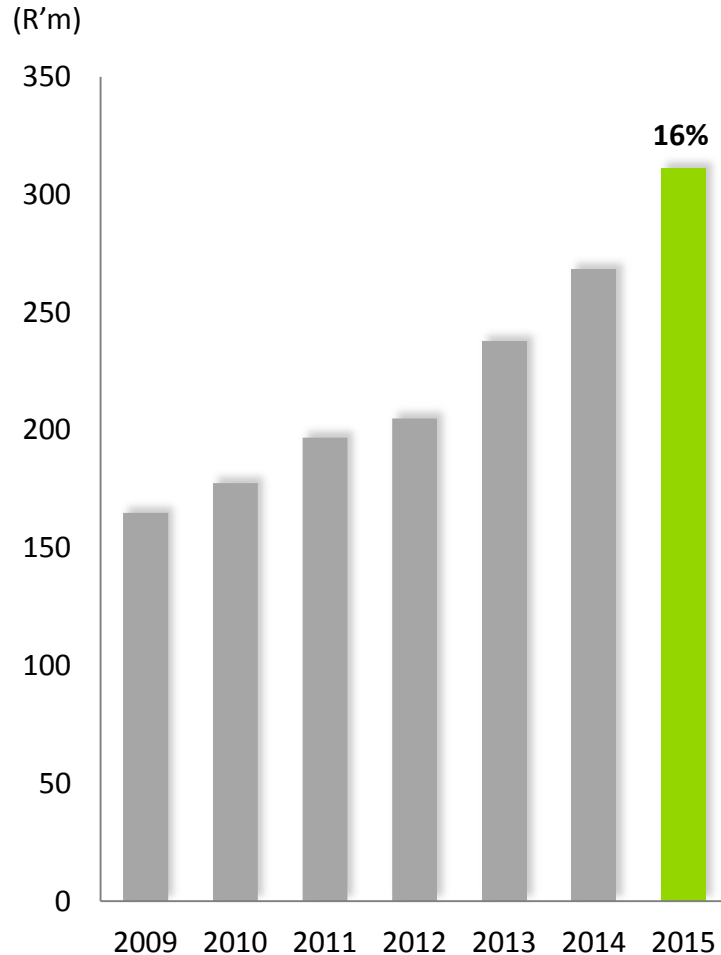
- Revenue ↑ 33% to R73m (2014: R55m)
 - Contracts traded ↑ 28% to 3.5m (2014: 2.7m)
 - Value traded ↑ 53% to R749.4bn (2014: R490.5bn)

Strategic focus for 2016

- Focus on introducing the Zambian contracts
 - deliverable white maize, wheat and soya bean contract
- Explore ways to provide financial participants with access to a South African commodity index
- Launch weather derivatives

Trading and Market Services: Back-Office Services

(BDA)



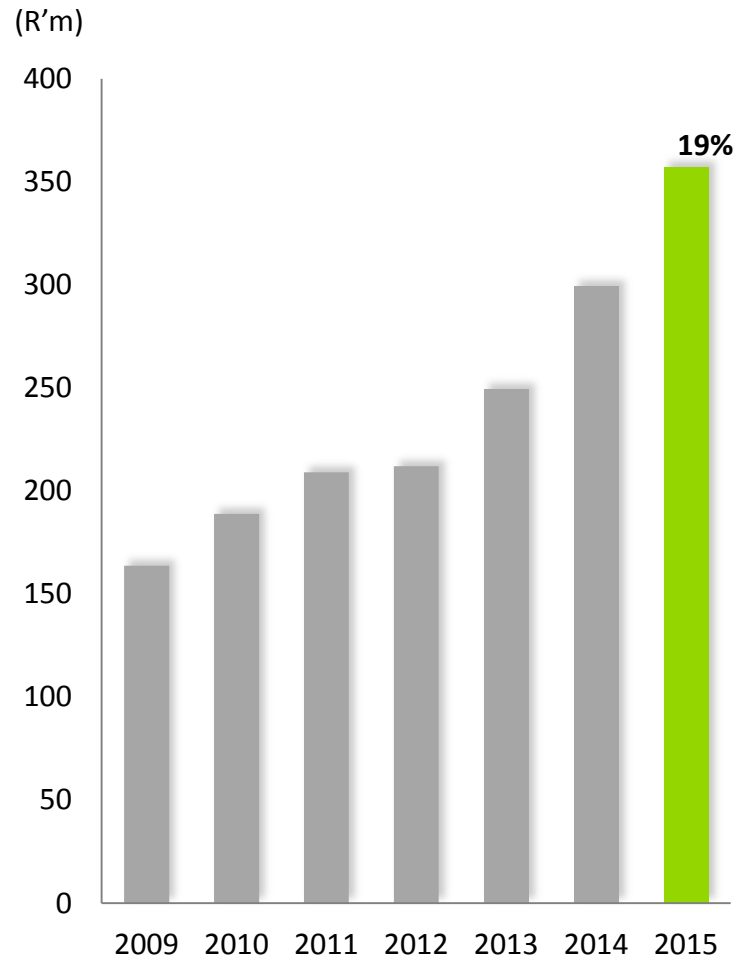
15% of total revenue

- Revenue ↑ 16% to R311m (2014: R268m)
 - Partial link to Equity Market transaction volumes
- World-class surveillance and risk management capabilities

Strategic focus for 2016

- Maintain BDA in addition to making significant changes required accommodate T+3, improve functionality and meet regulatory demands

Post-Trade and Information Services: Risk Management



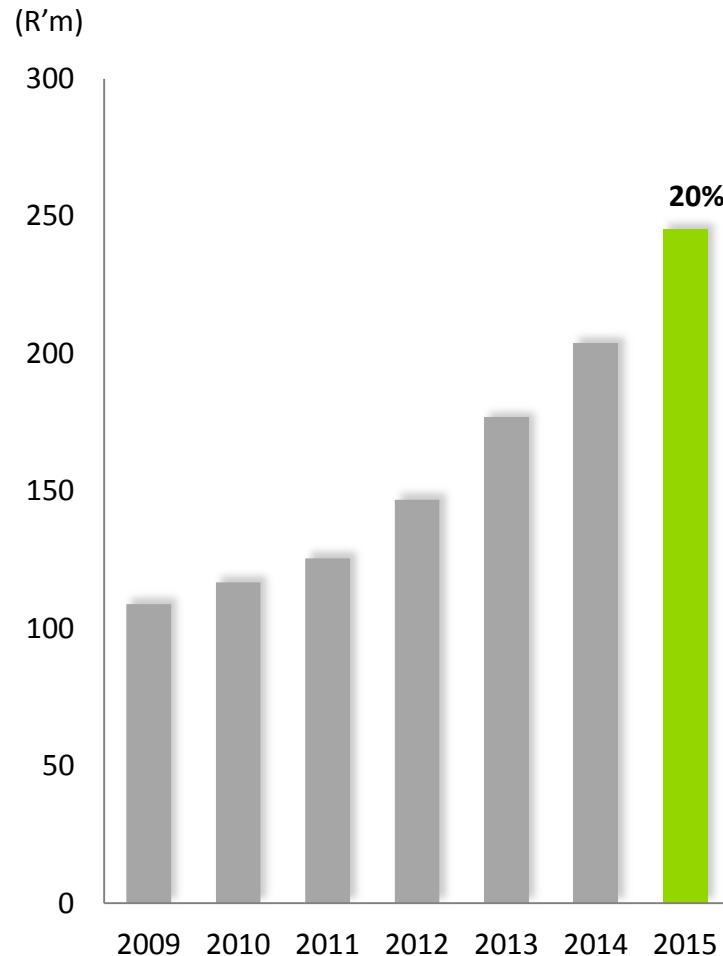
18% of total revenue

- Revenue ↑ 19% to R357m (2014: R299m)
 - Reflects only Equity Market clearing fees

Strategic focus for 2016

- Implement Phase 3 of T+3 project – 11 July 2016
- Revise the equity risk model
- Add risk enhancements to the central counterparty (CCP)
- Revise valuation services
- Progress the integrated clearing solution for all markets over the next four years
- Finalise JSE Group capital requirements

Post-Trade and Information Services: Market Data



12% of total revenue

- Revenue ↑ 20% to R245m (2014: R204m)
 - 61 new clients (31 local and 30 international)
 - Non-display clients increased by 28
 - Number of terminals to date 38 974 (local 21 778 vs international 17 196)
 - Increase in the number of international clients
 - 54% international and 46% domestic business (2014: 49% international and 51% domestic business)

Strategic focus for 2016

- Expand international client base
- Broaden product range to non-equity data products
- Launch new indices, indices data products and services
 - Responsible Investment Index

Capex – external spend

Strong change agenda evidenced by significantly higher spend year on year

Project/Initiative	2015	2016
T+3 Phase 3	21	13
Integrated trading and clearing	86	94
Customer relationship management	10	8
Business as usual	42	63
Total external capex spend	159	178

Total capex spend on integrated trading and clearing project 1 is expected to be in the order of R400m by 2017

Strategic initiatives – investments yet to be quantified and not included in 2015 results:

- ETP for government bonds
- New trade functionality
- Equity Market risk model

Changes to the Board

21 May 2015 (AGM):

- Sam Nematswerani retired as a Board member and as chairman of the Audit Committee, having been a director for 9 years and 10 months

1 July 2015:

- Suresh Kana appointed to the Board as an independent non-executive director after retiring as senior partner of PwC Africa
- Appointed to serve on the Audit Committee

14 September 2015:

- Dr Leila Fourie, executive director previously responsible for the JSE's Post-Trade and Information Services (PTIS), has indicated that she will be leaving the JSE in mid-2016

2016 Strategic priorities

- Delivering on top priorities
 - Implement T+3 – 11 July 2016
 - Enhance operational efficiency and client service through integrated trading and clearing
 - Replace derivatives trading and clearing technology
- Growing all areas of the business, particularly
 - Post-Trade and Information Services
 - Market Data
 - Derivatives
- Being a constructive part of the South African dialogue

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QUESTIONS

Financial metrics

Ratios	2015	2014	2013	2012	2011
Operating margin	45%	38%	35%	28%	27%
EPS	1 051.0	742.4	592.1	351.8	400.8
HEPS	1 026.3	735.0	644.6	473.2	562.4
PE	12.2	16.3	15.2	22.2	14.9
Dividend yield (ordinary)	4.1%	3.3%	3.9%	3.2%	2.9%
Dividend yield (total)	4.9%	4.0%	4.5%	3.2%	2.9%
EBITDA	1 123	803	669	490	436
ROE	30%	26%	23%	16%	19%