

Date: February 14, 2017

The Manager,
Listing Department

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1

G Block, Bandra-Kurla Complex, Bandra (E)

Mumbai – 400 051

Scrip Code: BSE

ISIN: INE118H01025

Dear Sir/Madam,

Sub: Investor Presentation – February 2017

With reference to captioned subject, please find attached Investor presentation.

Kindly note that this has not been shared with any specific class of investors and is meant for dissemination to the shareholders of the Company at large.

This is for your information and records.

For **BSE Limited**



Prajakta Powle
Company Secretary & Compliance Officer

BSE Limited

[formerly Bombay Stock Exchange Ltd.]

Q3FY17 Investor Presentation

February 14, 2017



Disclaimer

This presentation and the discussion may contain certain words or phrases that are forward - looking statements, which are tentative, based on current expectations of the management of BSE Limited or any of its subsidiaries and associate companies (“BSE”). Actual results may vary significantly from the forward-looking statements contained in this presentations due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and outside India, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the businesses of BSE as well as the ability to implement its strategy.

The information contained herein is as of the date referenced and BSE does not undertake any obligation to update these statements. BSE has obtained all market data and other information from sources believed to be reliable or are its internal estimates, although its accuracy or completeness cannot be guaranteed. The presentation relating to financial performance herein is reclassified/regrouped based on Management estimates and may not directly correspond to published data. The numbers have also been rounded off in the interest of easier understanding. Prior period figures have been regrouped/reclassified wherever necessary. All information in this presentation has been prepared solely by the company and has not been independently verified by anyone else.

This presentation is for information purposes only and does not constitute an offer or recommendation to buy or sell any securities of BSE. Any action taken by you on the basis of the information contained herein is your responsibility alone and BSE or its directors or employees will not be liable in any manner for the consequences of such action taken by you.

The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about, and observe, any such restrictions.

Highlights



Consolidated Financial Results - Nine Month Period ended December 31, 2016 (9MFY17)

- Total Revenue increased by 19% from ₹ 479.78 crore in 9MFY16 to ₹ 569.62 crore in 9MFY17, mainly due to increase in Income from Securities Services which increased by 35% from ₹ 171.32 crore in 9MFY16 to ₹ 230.86 crore in 9MFY17.
- Net Profit increased by 32% from ₹ 121.61 crore in 9MFY16 to ₹ 160.46 crore in 9MFY17.
- EBITDA Margin increased by 4% from 46 % in 9MFY16 to 50 % to 9MFY17.
- Net Margin increased by 3% from 25% in 9MFY16 to 28% in 9MFY17.
- EPS (non-annualized) increased from ₹ 22.28 per share to ₹ 29.39 per share.
- Exceptional items have impacted profit before tax in 9MFY17 compared to 9MFY16 negatively by ₹ 27.55 crore. Exceptional items (net) in 9MFY16 were ₹ -6.76 crore due to reversal of regulatory costs of CDSL offset by certain exceptional expenses. Exceptional item in 9MFY17 was ₹ 20.79 crore representing provision towards transfer of 25% of profits to Settlement Guarantee Fund. The said regulatory requirement done away with effect from 29th August, 2016.

Consolidated Financial Results – Quarter ended December 31, 2016 (Q3FY17)

- Total Revenue increased by 9% from ₹ 168.36 crore in Q3FY16 to ₹ 183.71 crore in Q3FY17, mainly due to increase in Income from Securities Services which increased by 33% from ₹ 61.69 crore in Q3FY16 to ₹ 81.81 crore in Q3FY17.
- Net Profit decreased by 5% from ₹ 55.36 crore in Q3FY16 to ₹ 52.77 crore in Q3FY17.
- EBITDA Margin decreased by 4% from 50% in Q3FY16 to 46% to Q3FY17.
- Net Margin decreased by 4% from 33% in Q3FY16 to 29% in Q3FY17.
- EPS (non-annualized) decreased from ₹ 10.14 per share to ₹ 9.67 per share.
- Decrease in profit mainly due to one-time reversal of regulatory costs of CDSL of ₹ 33.10 crore in Q3FY16.
- Exceptional items have impacted profit before tax in Q3FY17 compared to Q3FY16 negatively by ₹ 30.10 crore. Exceptional items (net) in Q3FY16 were ₹ -30.10 crore due to reversal of regulatory costs of CDSL offset by certain exceptional expenses. There was no exceptional item in Q3FY17.

Consolidation of face value of equity shares of BSE Limited

- BSE has consolidated its equity shares from face value ₹ 1 each to face value ₹ 2 each during Q3FY17. Post consolidation, the issued equity capital stands at 5,45,88,172 shares of face value ₹ 2 each.

Highlights (cont'd)

Sale of BSE's equity stake in Central Depository Services (India) Limited ("CDSL")

- Completed sale of 4.15 % Equity Stake in Central Depository Services (India) Limited ("CDSL") to Life Insurance Corporation of India during Q3FY17. As the divestment has not resulted in a loss of control, the profit on divestment amounting to ₹ 10.57 crore has been credited to Other Equity in consolidated financials.
- BSE Limited has tendered 26.05% equity stake in CDSL in the CDSL's Initial Public Offering through Offer for Sale to bring down the stake of BSE Limited in CDSL to 24% in accordance with regulatory requirements.

Commencement of operation of India International Exchange (IFSC) Limited

- BSE promoted India International Exchange (IFSC) Limited ("India INX") at GIFT City, Gandhinagar was inaugurated by Hon'ble Prime Minister of India, Shri Narendra Modi and has commenced operations on January 16, 2017. India INX provides a state of the art electronic platform to facilitate trading, clearing and settlement of the widest range of global benchmark products across all major asset classes, including securities, equity derivatives, precious metals, base metals, energy, agricultural commodities, interest rates, currencies etc. from time to time subject to necessary approvals and operating guidelines from the regulators. Currently, Equity and Index Futures are traded on the Exchange.

BSE's Initial Public Offer

- BSE's Initial Public Offer in January 2017 was oversubscribed over 51 times and BSE's shares have been listed on National Stock Exchange since February 3, 2017.

Interim Dividend

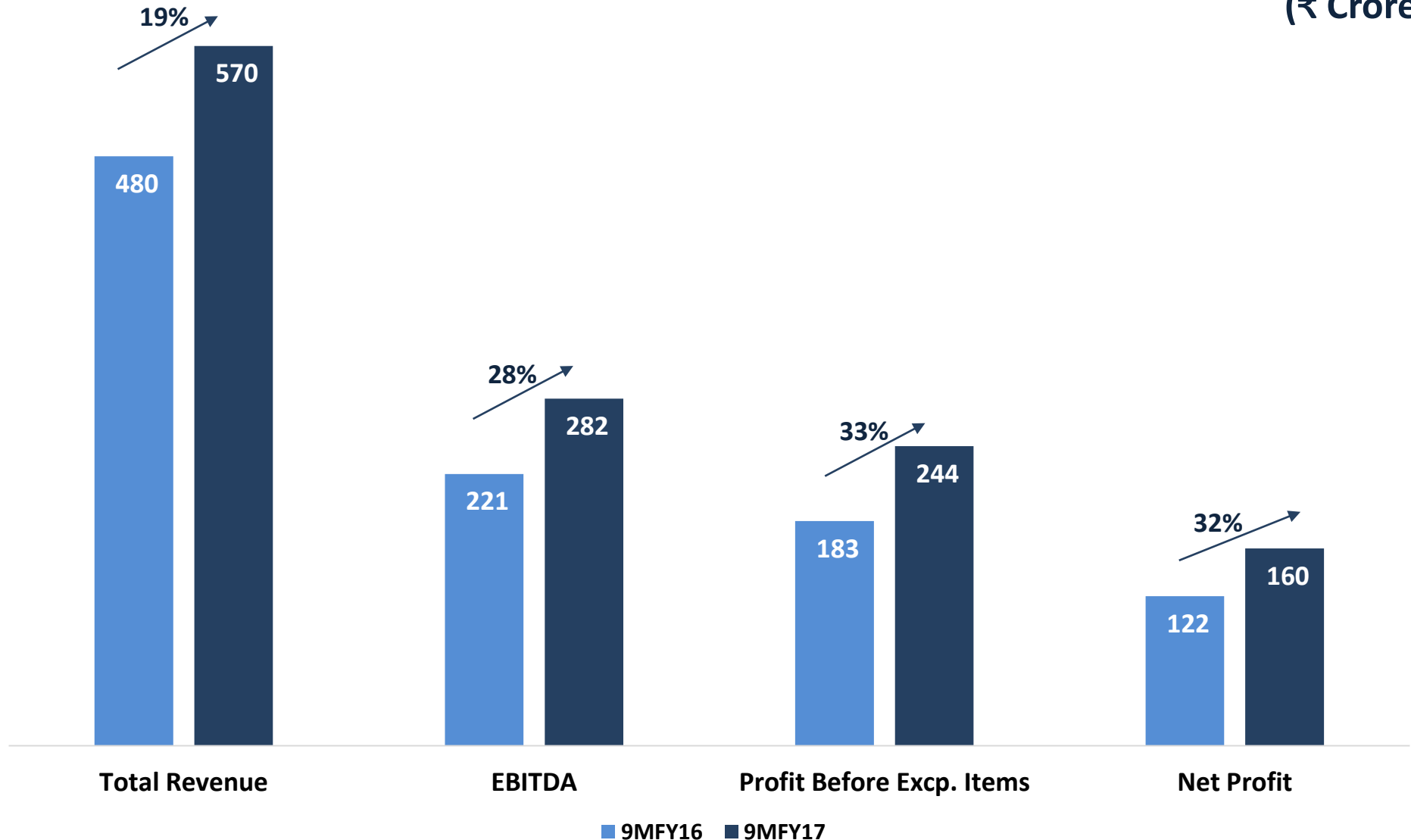
- The Board of Directors at its meeting held on February 14, 2017, have recommended a payment of interim dividend of ₹ 5 per equity share.

Appointment of Shareholder Directors

- The Board of Directors at its meeting held on February 14, 2017, have appointed Mr. Roland Schwinn and Mr. Kuldeep Singh Dhingra as Shareholder Directors on the Board of the Exchange subject to approval of Shareholders and SEBI.

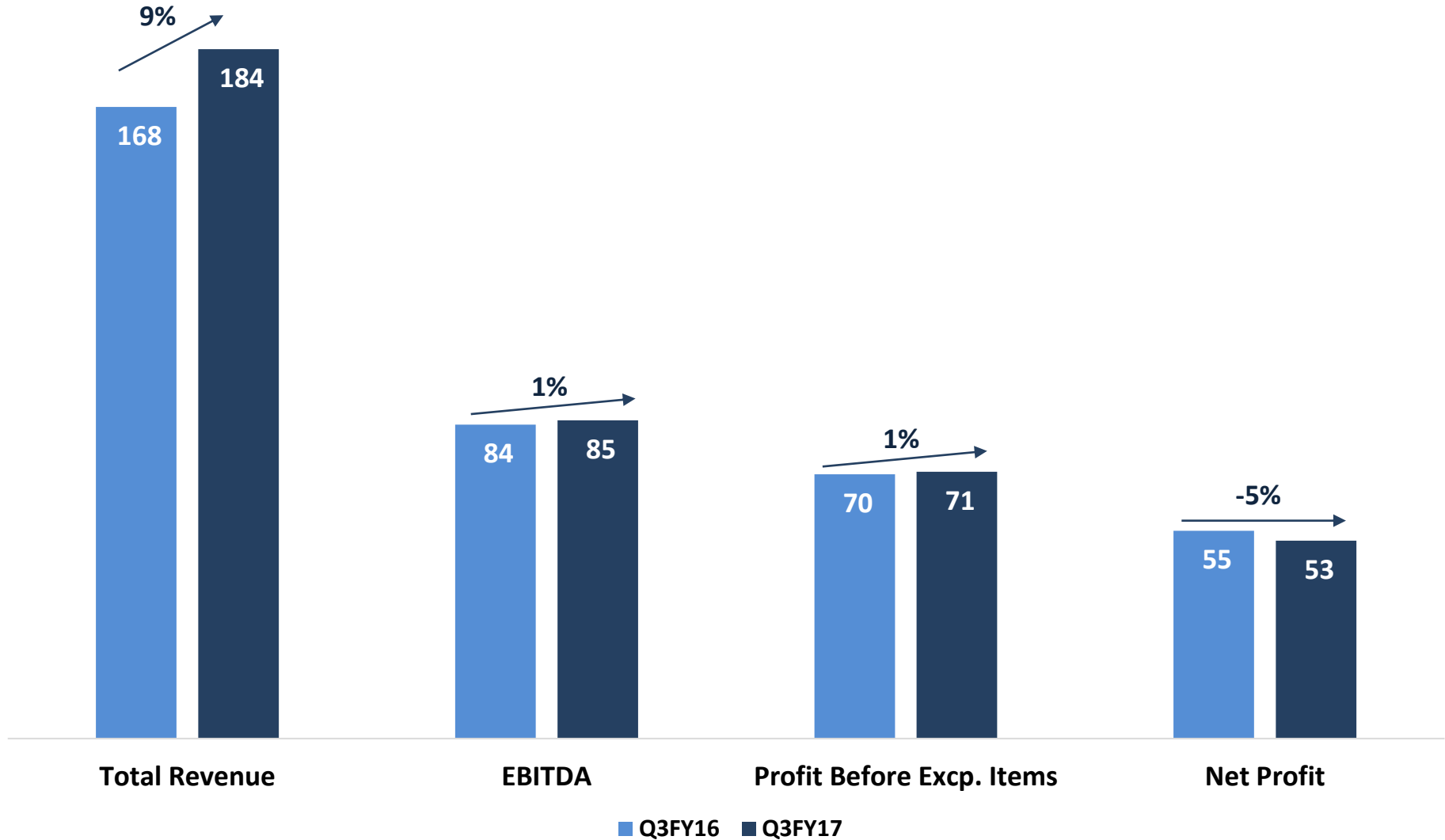
Consolidated Financials – 9 Months ended Dec 31, 2016

(₹ Crore)



Consolidated Financials – Quarter ended Dec 31, 2016

(₹ Crore)



Overview



Securities Services

Business Activity Q3FY17

Average Daily Turnover in ₹ Crore, y-o-y change

Equity Cash	3,042	■ 9%
Currency Futures	7,310	■ 7%
Currency Options	6,294	■ 153%

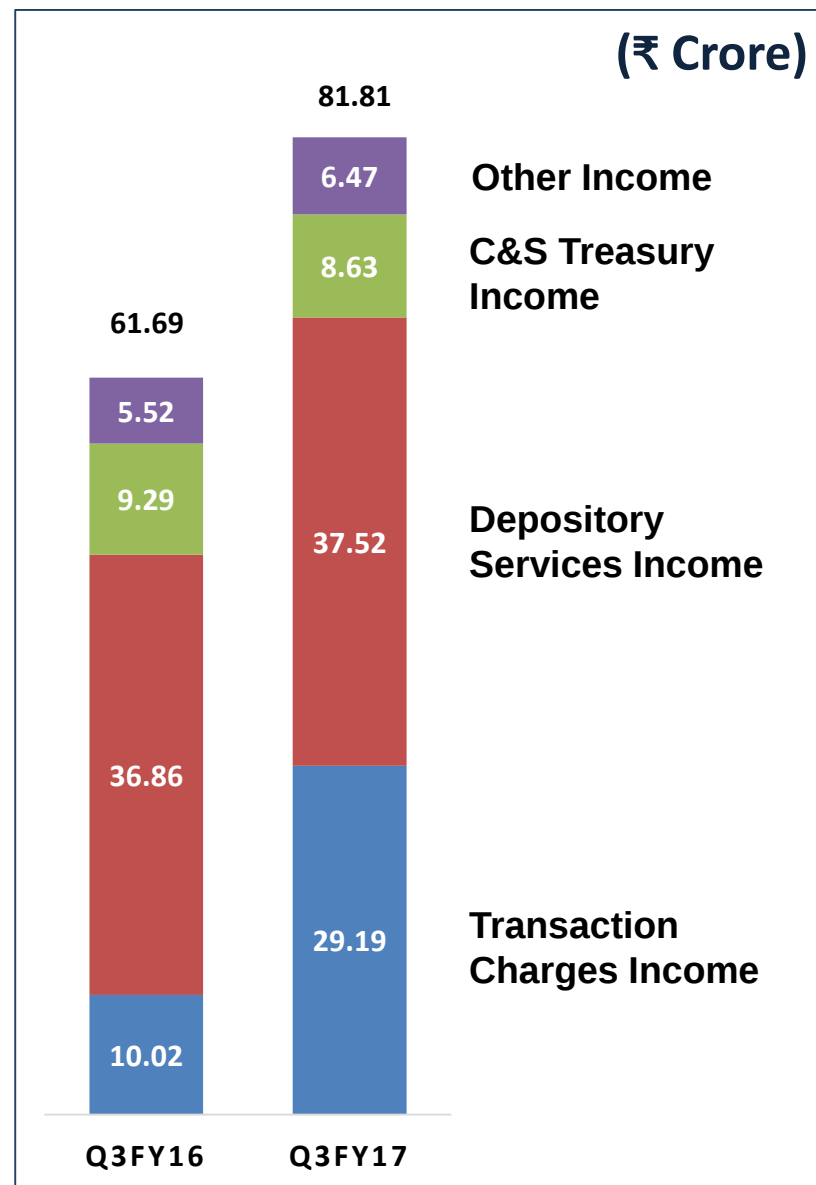
Mutual Fund

	Q3FY16	Q3FY17	Growth
Orders Recd ('000)	860	1,680	95%
Value (₹ Crore)	6,977	13,808	98%

Global Ranking*

2 in World in Currency Options
 # 3 in World in Currency Futures
 # 9 in World Active Exchanges by Electronic Book
 Trades in Equity Shares

* World Federation of Exchanges (December 2016)



Services to Corporates

Listing Statistics

No. of Companies with Listed Equity Capital	5,300
No. of Companies with only Debt Capital Listed	364
No. of AMCs – Mutual Fund Schemes Listed	23

Total No. of Listed Entities **5,687**

No. of Companies with Listed Equity Capital – Suspended 1,251

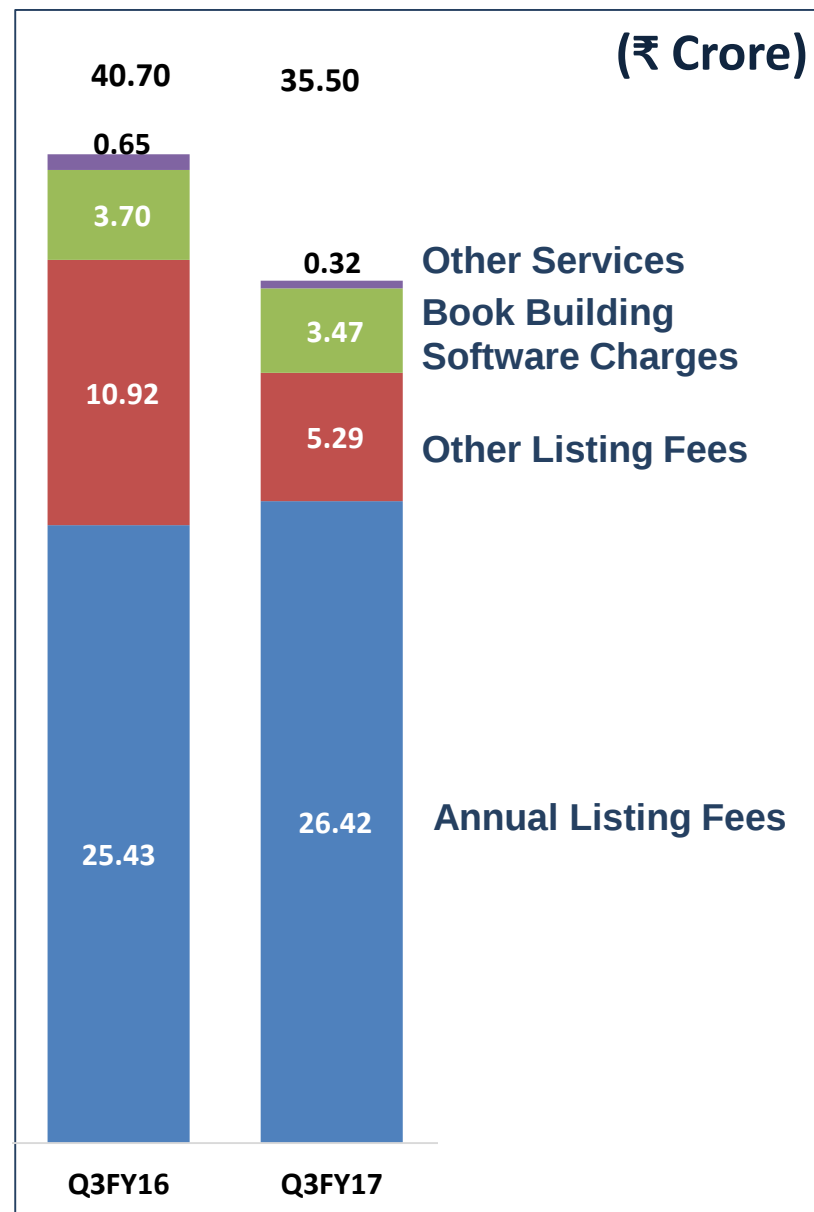
No. of Equity Companies permitted to trade (other then suspended) 67

Global Ranking*

1 in World in terms of the highest number of companies listed on a stock exchange
 # 11 in World by Market Capitalization

Data as on February 12, 2017

* World Federation of Exchanges (December 2016)



Services to Corporates – Small & Medium Enterprises (SME)

SME	
No. of Companies Listed on SME	164
No. of Companies Migrated to Main Board	23
No. of Companies Suspended	1
No. of Companies Eligible for Trading on SME	140
	₹ Crore
Total Amount of Money raised	1,282
Market Cap of Companies Listed on SME till date	18,815
Market Cap of Companies Listed on SME (Eligible for Trading)	10,213

BSE SME IPO INDEX

Aug 16, 2012 (100.00) – Feb 10, 2017 (1280.57)



SME – ITP PLATFORM

No. of Companies Listed on Institutional Trading Platform (ITP)	21
Market Cap of Companies on ITP (₹ Crore)	6,442.87

Data as on February 10, 2016

Continuous Innovation, Development & Growth

October 2016 – February 2017

The Indian Clearing Corporation Limited (ICCL) granted renewal of recognition by SEBI

BSE implements artificial intelligence mechanism for rumour detection

BSE Introduces online facility CPSE ETF's FFO subscription

BSE Bond platforms crosses 200 issuances and Rs 1 lakh crore of fund raising through debt securities by Corporates in India

BSE launches mobile app for mutual fund trading

BSE Institute and GIFT city signed a pact to set up financial education centre

April 2016 – September 2016

BSE signs MoU with Stock Exchange of Mauritius

BSE Online Bidding Platform for Sovereign Gold Bond Scheme of RBI

BSE announces commencement of trading of Sovereign Gold Bonds

BSE gets SEBI approval to launch "BSE-BOND"- Electronic Book Mechanism for issuance of debt securities on private placement

Consolidated Financial Results



Unaudited Consolidated Financial Results

	9MFY16	9MFY17	%	Q3FY16	Q3FY17	%
Securities Services	171.32	230.86	35%	61.69	81.81	33%
Services to Corporates	110.96	115.69	4%	40.70	35.50	-13%
Data Dissemination	16.61	18.33	10%	5.74	6.01	5%
Investment Income	156.23	169.64	9%	52.43	51.40	-2%
Other Income	24.66	35.10	42%	7.80	8.99	15%
Total Revenue	479.78	569.62	19%	168.36	183.71	9%
Employee Costs	77.48	93.66	21%	26.78	32.46	21%
Technology Costs	62.23	77.11	24%	25.19	27.34	9%
Regulatory Costs	43.96	30.50	-31%	5.48	10.28	88%
Admin & Other Expenses	74.88	85.89	15%	27.27	28.81	6%
Total Expenses	258.55	287.16	11%	84.72	98.89	17%
EBITDA	221.23	282.46	28%	83.64	84.82	1%
EBITDA Margin	46%	50%		50%	46%	

Unaudited Consolidated Financial Results (cont'd)

	9MFY16	9MFY17	%	Q3FY16	Q3FY17	%
EBITDA	221.23	282.46	28%	83.64	84.82	1%
Depreciation & Amortization	38.16	37.88	-1%	13.06	13.47	3%
Financial Costs	0.27	0.79	193%	0.16	0.27	69%
Profit before excep. items and taxes	182.80	243.79	33%	70.42	71.08	1%
Exceptional Items	-6.76	20.79	-408%	-30.10	0.00	-100%
Profit before tax	189.56	223.00	18%	100.52	71.08	-29%
Tax Expense	34.68	31.33	-10%	24.53	7.58	-69%
Profit after tax before share of JV / Associates	154.88	191.67	24%	75.99	63.50	-16%
Share of JV / Associates	2.01	0.76	-62%	0.64	0.23	-64%
Net Profit after tax	156.89	192.43	23%	76.63	63.73	-17%
Net Profit attributable to Non Controlling Interest	35.28	31.97	-9%	21.27	10.96	-48%
Net Profit attributable to Shareholders	121.61	160.46	32%	55.36	52.77	-5%
Net Margin	25%	28%		33%	29%	

Thank You

INVESTOR RELATIONS CONTACT :

Nayan Mehta
Chief Financial Officer

☎ +91 22 2272 8167

✉ nayan.mehta@bseindia.com

Sandhya Dubey
Dy. Manager - Finance

☎ +91 22 2272 8594

✉ sandhya.dubey@bseindia.com

