

JSE Limited
(Incorporated in the Republic of South Africa)
Registration number 2005/022939/06
Share code: JSE
ISIN: ZAE000079711
("JSE" or "the Group")

TRADING STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2019

The JSE is currently finalising its financial results for the year ending 31 December 2019 (the "period"), which results are expected to be released on the Stock Exchange News Service on or about 24 February 2019.

In terms of the JSE Limited Listings Requirements, a listed company must publish a trading statement once it is satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on next will differ by at least 20% from the reported financial results for the previous corresponding period.

Shareholders are accordingly advised that:

- Headline earnings per share ("HEPS") for the Group for the period is expected to be between 844.96 cents and 781.58 cents. This is between 20% (211.24 cents) and 26% (274.62 cents) lower than the 1056.2 cents reported for the year ended 31 December 2018 ("the comparative period"); and
- Earnings per share ("EPS") for the Group for the period is expected to be between 845.20 cents and 781.81 cents. This is between 20% (211.30 cents) and 26% (274.69 cents) lower than the 1056.5 cents reported for the comparative period.

HEPS and EPS for the Group for the period have been impacted by several factors, including:

- A decline in H1 trading activity, and the impact of the new tiered billing model for equities trading, introduced in August 2018;
- Deliberate personnel recruitment to meet planned headcount levels compared to the low 2018 base headcount;
- Planned increases in technology investments, particularly relating to the Integrated Trading and Clearing system; and
- Once-off items.

Once-off expenditures incurred during the period relate to the JSE's executive leadership transition (2019: R37m) and to the proposed acquisition of Link Market Services (2019: R6m). The impact of the income tax credit of R31m reported in 2018 (2019: NIL) also contributed to a high base effect year-on-year, as there is no tax credit in 2019.

These results are in line with expectations. Despite the challenging economic environment in South Africa, which impacts investor appetite and activity, we remain confident in the JSE's targeted, strategic plans to grow and diversify revenues, and to invest in key technologies. These actions are necessary to maintain the long-term sustainability and competitiveness of the JSE as a critical component of the South African financial markets ecosystem.

Shareholders are advised that the information provided in this trading statement has not been reviewed and reported on by the Group's external auditors.

Sandton
20 December 2019

Sponsor
RAND MERCHANT BANK (A division of FirstRand Bank Limited)