



6 June 2023

Australian Securities and Investments Commission
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INVESTOR DAY MARKET RELEASE

Attached is a market release relating to the ASX investor day briefing being held today.

The briefing will commence at 10am (Sydney time) and will be webcast live. Register to view the briefing [here](#).

The webcast will be archived on [ASX's website](#) for viewing after the live event.

Release of market announcement authorised by:

Johanna O'Rourke

Group General Counsel and Company Secretary

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Market Release

6 June 2023

ASX releases new five year strategy and updates financial guidance at first Investor Day

Today ASX will hold its first Investor Day, releasing a new five year strategy and providing updated financial guidance. Managing Director and CEO Helen Lofthouse, along with other key ASX executives, will cover the Group's current position, opportunities, focus areas and strategy. The five year strategy includes a near term focus on an expanded technology modernisation program and ongoing regulatory commitments.

These focus areas will require capital management flexibility which balances the investment needs of ASX while delivering long term sustainable value for our shareholders. Today's presentation contains financial guidance, including the following:

- > Total expense growth¹ guidance of approximately 12% for FY23 and 12% - 15% for FY24
 - FY23 driven by CHES related regulatory and assurance costs and CHES replacement solution design
 - FY24 to support the 'reset' horizon of the five year strategy and ongoing regulatory and technology modernisation costs
 - Expected reduction in expense growth rate in FY25.
- > Capital expenditure guidance of approximately \$95m for FY23 and \$110 - \$140m for FY24
 - FY23 below guidance range previously provided
 - FY24 supporting technology modernisation, and regulatory and risk plans through delivery capability and program governance uplift work.
- > Changes in capital management settings including:
 - FY23 dividend payout ratio policy maintained at 90% of underlying net profit after tax (NPAT)²
 - From FY24, dividend payout ratio policy revised to a range of between 80 - 90% of underlying NPAT
 - 1H24 issue of corporate bond with a value likely in the range of \$200 - \$300 million (subject to market conditions and Board approval).
- > Introduction of medium-term target range for underlying return on equity (ROE) of 13.0% - 14.5%.

Ms Lofthouse said: "With a strong balance sheet, leading positions in key markets and structural tailwinds, ASX has an attractive core business and we must continue to invest in order to grow and to support the financial markets effectively. We recognise there are near term, situational challenges that we must address, including our regulatory commitments and our expanded technology modernisation program."

"This is a multi-year investment to secure the foundations for ASX to achieve our full potential and deliver long-term sustainable value for our shareholders, customers and people. Having the right financial settings will support our new five year strategy, which is designed to ensure ASX can deliver on its purpose of enabling a fair and dynamic marketplace for all."

¹ Excluding significant items.

² Determination of a dividend is subject to Board approval.

TIMING AND WEBCAST DETAILS

- > The slides and selected speaking notes will be released separately.
- > The briefing commences at 10am (Sydney time) and will be webcast live. Register to view the briefing [here](#).
- > The webcast will be archived on [ASX's website](#).

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