

Appendix 4E (rule 4.3A)

Preliminary Final Report
Financial Year Ended 30 June 2016
(previous corresponding period is for the year ended 30 June 2015)

CONTENTS

	Page
Results For Announcement To The Market	2
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Explanatory Notes	10
Statement of Compliance	17

NSX Limited

ABN: 33 089 447 058

Results For Announcement To The Market

				\$A'000
Revenues from ordinary activities <i>(Appendix 4E Item 2.1)</i>	Up	16%	To	1,946
Net loss for the period attributable to members <i>(Appendix 4E item 2.2)</i>	Up	6%	To	(1,484)
Net loss from ordinary activities after tax attributable to members <i>(Appendix 4E item 2.3)</i>	Up	6%	To	(1,484)

Dividends/distributions <i>(Appendix 4E item 2.4)</i>	Amount per security	Franked Amount per security
Final dividend	Nil	Nil
Previous corresponding period	Nil	Nil

Record date for determining entitlements to dividends. <i>(Appendix 4E item 2.5)</i>	N/A
--	------------

<p>Explanation of Result <i>(Appendix 4E item 2.6)</i></p> <p>CONSOLIDATED SUMMARY</p> <p>The operating loss for the Group was \$1.484 million for the period (6% increase on the previous period's operating loss). After excluding restructuring costs of \$0.4 million, the underlying performance of the operations of the business improved by 23% or \$0.3 million to a loss of \$1.069 million.</p> <p>Factors leading to this result are explained in the revenue and expense analysis sections below. The Group maintains a cash balance of \$6.6 million at the end of the period. Of the cash held, \$2.2 million is held as part of the Stock Exchange market compensation arrangements and other general guarantees leaving \$4.4 million as working capital for the NSX Group as at 30 June.</p> <p>Earnings per share (EPS) increased from (1.3) cents per share to (1.1) cents per share or an increase of 21% based on a weighted average number of shares of 140,582,000. Net tangible asset backing per share improved from 2.0 cents to 4.9 cents or 152%.</p> <p>The NSX Group successfully completed a placement during the year to provide further working capital.</p>
--

NSX Limited

ABN: 33 089 447 058

Continued next page

The following table provides summary of the group results.

30 June	2016	2015	Change
Summary	\$'000	\$'000	%
Revenue	1,946	1,673	16
Expenses excluding restructuring costs	3,015	3,070	-2
Operating loss	(1,069)	(1,397)	-23
Expenses including restructuring costs	3,430	3,070	12
Net loss after tax	(1,484)	(1,397)	6
Key Statistics	2016	2015	Change
Earnings per share (cents)	(1.1)	(1.3)	21
Net tangible asset backing (cents)	4.91	1.95	152
Share price at end of period (cents)	22.0	8.1	172
Shares on Issue at end of period (mil)	147.9	131.4	13
Market capitalisation (\$'mil)	32.5	10.6	206
Cash at bank (\$'000)	6,634	2,434	173
Cash held for statutory purposes (\$'000)	2,200	2,200	0
Working Capital (\$'000)	4,434	234	1,795

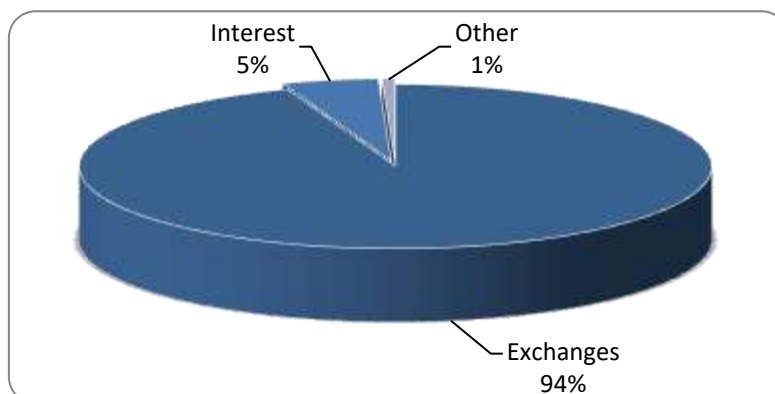
REVENUE

Out of total revenue, receipts associated with the operation of the stock exchange business accounts for 94% of total revenue.

Gross revenue has increased by 16% due to the increased number of companies applying and successfully listing during the financial year and an increase in annual listing fee rates from 1 July 2015.

Interest received increased by 13% due to higher cash balances held within the NSX Group.

Other revenue has increased by \$12,700 for other exchange services.



Changes in Revenue Categories from 30 June 2016 vs. 30 June 2015 (Table 1)

30 June		2016	2015	Change
Revenue Category	Notes	\$'000	\$'000	%
Exchange Revenue	2	1,836.0	1,586.6	16
Interest Received	2	97.1	85.7	13
Other Revenue	2	12.7	0.6	2,017
Total Revenue		1,945.8	1,672.9	16

NSX Limited

ABN: 33 089 447 058

Continued next page

EXPENSES

Gross operating expenses increased by 13% from \$3.0 million to \$3.4 million. The following is an explanation of major movements within each expense category that led to the above result.

Depreciation, amortisation and impairments increased by 75% due to the purchase of property, plant and equipment and a resulting increase in depreciation.

Employee benefits expense increased by 2% due to the employment of a new CEO in SIMVSE as well as a new director in SIMVSE.

Consultancy expenses includes contractor payments, external advisers and payments to Financial and Energy Exchange for the services of Ann Bowering as CEO of the SIMVSE Joint Venture up until March 2016. This expense decreased by 13% due to unwinding of the CEO arrangements for SIMVSE joint venture.

Compliance expense includes any activities associated with the external committees for the Exchanges such as the Listing and Admission Committee and the Compliance Committee. It also includes any other compliance related expenses not classified elsewhere in the accounts. This expense decreased by 13% due to decreased activities.

Legal and professional expenses includes any payments to outside legal and professional representation. This expense decreased by 30% due to the professional due to reduced requirements during the year.

Market trading expenses encompasses any costs associated with running the trading and settlement activities of the exchanges, including trading systems, websites, fees to regulators and key service provider costs that can be identified as contributing to the operation of the markets. This expense also includes fees associated with NSX participation in the ASX Settlement Facilitation Service as well as ASIC annual fees for the Stock Exchanges' Market Licences. This expense increased by 2% during the year due to a CPI increase in fees.

Marketing and promotion includes any costs associated with external promotion of the Exchanges such as sales activities at exhibitor conferences, business development related travel and rental of external venues to hold listing ceremonies. Expenditure has decreased by 67% due to decreased promotional activities performed by management during the period.

Occupancy expense includes any expense related to the three offices maintained by NSX in Sydney, Melbourne and Newcastle during the year. This expense has decreased by 16% due to the relocation of the Melbourne and Sydney offices to less expensive locations.

General administration and other expenses have decreased by 0.3%.

Restructuring costs of \$415,000 as provision for the costs associated with the closure of Melbourne and Newcastle offices and staff redundancy entitlements.

NSX Limited

ABN: 33 089 447 058

30 June	2016	2015	Change
Expense Category	\$'000	\$'000	%
Employee benefits expense	1,231.7	1,209.4	1.8
Depreciation, amortisation and impairments	15.6	9.0	73.3
Consultancy expenses	203.1	233.3	-12.9
Compliance expenses	54.5	62.5	-12.8
Legal expenses	18.9	27.3	-31.0
Market trading expenses	883.3	864.9	2.1
Marketing and promotion expenses	15.5	46.7	-66.8
Occupancy expenses	120.4	143.8	-16.3
Administration and other expenses	471.9	473.3	-0.3
Restructuring costs	415.0	-	0.0
Total Expenses	3,429.9	3,070.2	12

ANNUAL GENERAL MEETING

The NSX Limited Annual General Meeting is expected to be held at 3.30pm (AEST) on Thursday, 10 November 2016, in Sydney, New South Wales.

This report is based on the consolidated financial statements which are in the process of being audited.

NSX Limited

ABN: 33 089 447 058

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	2	1,945,784	1,672,913
Employee benefits expense		(1,231,735)	(1,209,422)
Depreciation, amortisation and impairments		(15,653)	(9,003)
Consultancy fees		(203,132)	(233,273)
Compliance expenses		(54,470)	(62,498)
Legal expenses		(18,858)	(27,312)
Market trading expenses		(883,305)	(864,957)
Marketing and promotion		(15,492)	(46,702)
Occupancy expenses		(120,453)	(143,769)
Administration expenses		(371,466)	(400,170)
Other expenses		(100,406)	(73,183)
Restructuring costs		(415,000)	-
Loss before income tax		(1,484,186)	(1,397,376)
Income tax expense		-	-
Loss after tax attributable to members from continuing operations		(1,484,186)	(1,397,376)
Loss Attributable to:			
Non controlling equity interest		(364,141)	(278,541)
Members of the parent entity		(1,120,045)	(1,118,835)
		(1,484,186)	(1,397,376)
Total comprehensive income attributable to:			
Non controlling equity interest		(364,141)	(278,541)
Members of the parent entity		(1,120,045)	(1,118,835)
		(1,484,186)	(1,397,376)
Earnings per share		Cents	Cents
<i>Basic earnings per share</i>			
earnings from continuing operations		(1.1)	(1.33)
<i>Diluted earnings per share</i>			
earnings from continuing operations		(1.1)	(1.33)

NSX Limited

ABN: 33 089 447 058

Statement of Financial Position As At 30 June 2016

	Note	Consolidated	
		2016	2015
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		5,251,497	206,525
Trade and other receivables		157,479	145,494
Financial assets		2,215,000	2,228,000
Other current assets		63,312	108,833
Total current assets		7,687,288	2,688,852
Non-current assets			
Property, plant and equipment		65,958	9,892
Other financial assets		120,000	120,000
Total non-current assets		185,958	129,892
TOTAL ASSETS		7,873,246	2,818,744
LIABILITIES			
Current liabilities			
Trade and other payables		271,938	380,487
Borrowings		-	112,281
Short-term provisions	3	700,445	276,048
Total current liabilities		972,383	768,816
Non-current liabilities			
Other long-term provisions		-	4,761
Total non-current liabilities		-	4,761
TOTAL LIABILITIES		972,383	773,577
NET ASSETS		6,900,863	2,045,167
EQUITY			
Issued capital	4	44,251,385	38,914,870
Retained earnings		(39,134,350)	(38,014,304)
Non-controlling interest		1,783,828	1,144,601
TOTAL EQUITY		6,900,863	2,045,167
Net Tangible Assets per share:			
NTA			
(Cents per share)		4.91	1.95

The accompanying notes form part of these financial statements.

NSX Limited

ABN: 33 089 447 058

Statement of Changes in Equity For the Year Ended 30 June 2016

	Consolidated			Total \$
	Issued Capital \$	Non- Controlling Interests \$	Retained Earnings \$	
Balance at 1 July 2015	38,914,870	1,144,601	(38,014,304)	2,045,167
Loss for the year	-	-	(1,120,046)	(1,120,046)
Shares issued	5,733,945	-	-	5,733,945
Transaction costs on share issue	(397,430)	-	-	(397,430)
Share issues by subsidiaries	-	1,003,368	-	1,003,368
Loss attributable to non-controlling interest	-	(364,141)	-	(364,141)
Balance at 30 June 2016	44,251,385	1,783,828	(39,134,350)	6,900,863
Balance at 1 July 2014	36,018,761	1,423,142	(36,895,469)	546,434
Loss for the year	-	-	(1,118,835)	(1,118,835)
Shares issued	2,896,109	-	-	2,896,109
Share issues by subsidiaries	-	-	-	-
Non-cash share based payments	-	-	-	-
Loss attributable to non-controlling interest	-	(278,541)	-	(278,541)
Balance at 30 June 2015	38,914,870	1,144,601	(38,014,304)	2,045,167

The accompanying notes form part of these financial statements.

NSX Limited

ABN: 33 089 447 058

Statement of Cash Flows For the Year Ended 30 June 2016

	Consolidated	
	2016	2015
Note	\$	\$
Cash from operating activities:		
Receipts from customers	2,033,705	1,731,513
Payments to suppliers and employees	(3,254,832)	(2,941,668)
Interest received	97,054	85,707
Finance Costs	-	-
Net cash provided by (used in) operating activities	(1,124,073)	(1,124,448)
Cash flows from investing activities:		
Proceeds from sale of property, plant and equipment	-	-
Acquisition of property, plant and equipment	(75,930)	(3,533)
Payments for investments	-	-
Payment of loan	(120,465)	-
Net cash provided by (used in) investing activities	(196,395)	(3,533)
Cash flows from financing activities:		
Proceeds from issue of shares	6,749,870	154,900
Costs of issue of shares	(397,430)	-
Proceeds from borrowings	-	1,076,357
Repayment of borrowings	-	-
Net cash provided by (used in) financing activities	6,352,440	1,231,257
Net increase (decreases) in cash held	5,031,972	103,276
Cash at beginning of financial year	2,434,525	2,331,249
Cash at end of financial year	7,466,497	2,434,525

The accompanying notes form part of these financial statements.

NSX Limited

ABN: 33 089 447 058

Explanatory Notes

Note 1: Summary of Significant Accounting Policies

Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.

Basis of Preparation of Preliminary Final Report

The preliminary final report has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The preliminary final report has also been prepared on a historical cost basis.

The preliminary final report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the last annual report and any public announcements to the market made by the Company during the reporting period in accordance with the continuous disclosure requirement of the Corporations Act 2001 and the listing rules of the Australian Stock Exchange.

The accounting policies adopted are consistent with those of the previous year. The preliminary final report is presented in Australian dollars.

Comparative information is reclassified where appropriate to enhance comparability.

Note 2: Revenue

	Consolidated	
	2016	2015
	\$	\$
Operating Activities		
Trading & Listing fees (exchanges)	1,836,015	1,586,629
Interest received - Other persons	97,054	85,709
Other Revenue	12,715	575
Total revenue	<u>1,945,784</u>	<u>1,672,913</u>
(a) Reconciliation of Revenue		
Revenue from continuing operations	<u>1,945,784</u>	<u>1,672,913</u>
Total revenue	<u>1,945,784</u>	<u>1,672,913</u>

NSX Limited

ABN: 33 089 447 058

Explanatory Notes

Note 3: Provisions

	Consolidated	
	Employee Entitlements \$	Total \$
(a) Movements in carrying amounts		
Opening balance at 1 July 2014	267,130	267,130
Additional provisions	91,340	91,340
Amounts used	(77,661)	(77,661)
Balance at 30 June 2015	280,809	280,809
Opening balance at 1 July 2015	280,809	280,809
Additional provisions	68,958	68,958
Amounts used	(64,322)	(64,322)
Balance at 30 June 2016	285,445	285,445
(b) Analysis of total provisions		
	Consolidated	
	2016 \$	2015 \$
Current	285,445	276,048
Non-current	-	4,761
	285,445	280,809
(c) Restructure Costs		
	Consolidated	
	2016 \$	2015 \$
Opening balance at 1 July 2015	-	-
Additional provisions	415,000	-
Amounts used	-	-
Balance at 30 June 2016	415,000	-

The board announced a major restructure of the National Stock Exchange of Australia. The restructuring will involve consolidating the operations of the Exchange into a Sydney office and the closure of the Melbourne and Newcastle offices.

NSX Limited

ABN: 33 089 447 058

Explanatory Notes

Note 4: Issued Capital NSX Limited

147,905,288 (2015: 131,405,288) fully paid ordinary shares

1,500,000 (2015: 1,500,000) ordinary shares paid to 1 cent

Consolidated	
2016	2015
\$	\$
44,236,385	38,899,870
15,000	15,000
<u>44,251,385</u>	<u>38,914,870</u>

(a) Reconciliation of movements of fully paid ordinary shares

At beginning of period

Placement - 11 December 2015

11:20 Entitlement Offer - 25 May 2015

At Reporting Date

38,899,870	36,003,761
5,336,515	-
-	2,896,109
<u>44,236,385</u>	<u>38,899,870</u>

At beginning of period

Placement - 11 December 2015

11:20 Entitlement Offer - 25 May 2015

At Reporting Date

No.	No.
131,405,288	102,444,197
16,500,000	-
-	28,961,091
<u>147,905,288</u>	<u>131,405,288</u>

The company completed a placement to a new shareholder SHKL Group Limited which is listed on the National Stock Exchange of Australia.

Ordinary shares participate in dividends and the proceeds on winding up of the Economic Entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The partly paid shares are only callable at the option of the holder or on liquidation. They can be voted in proportion to the amount that is paid up.

NSX Limited

ABN: 33 089 447 058

Explanatory Notes

Note 5: Non-Controlling Interest Accounting

SIM VSE Group Holdings Ltd issued shares to Financial and Energy Exchange Limited as part of the Share Purchase Agreement (“SPA”) dated 4 March 2010 in return for working capital to develop the business.

The SPA provides for the consideration of \$3 million in return for 50% of the issued capital of SIM VSE Group Holdings Ltd (formerly BSX Group Holdings Ltd) to be paid in half yearly installments over three years. The shares are to be issued as partly paid shares until the full consideration has been received by SIM VSE Group Holdings Ltd. The capital injection is to be utilised in the promotion, development and running costs of the SIM Venture Securities Exchange Joint Venture.

Subsequent to the final tranche payment being received Financial and Energy Exchange Limited sold all of their shares to Asian Exchange Infrastructure Pty Limited in June 2016.

The call schedule payments and share issues (now complete) was as follows:

Actual paid up value

Call Per Share (\$)	Installment paid by the subscriber (\$)	Unpaid Amount Balance (\$)	Paid Up Value Per Share (\$)	Unpaid Value Per Share (\$)	Equivalent Fully Paid Ordinary Shares (No.)- Voting Shares	Payment Date	% Voting Power
0.0272	500,000	2,500,000	0.0272	0.1362	3,059,253	6 Oct 2010	8.33
0.0136	250,000	2,250,000	0.0409	0.1226	4,588,880	13 Jan 2012	12.50
0.0087	160,000	2,090,000	0.0496	0.1138	5,567,841	17 Jan 2012	15.17
0.0545	1,000,000	1,090,000	0.1040	0.0594	11,686,348	31 May 2012	31.83
0.0054	100,000	990,000	0.1095	0.0539	12,298,198	23 May 2013	33.50
0.0142	260,000	730,000	0.1236	0.0398	13,889,010	2 Sep 2013	37.83
0.0011	20,000	710,000	0.1247	0.0387	14,011,380	23 Jan 2014	38.17
0.0096	176,253	533,747	0.1343	0.0291	15,089,785	10 Jul 2015	41.10
0.0291	533,747	0.0	0.1634	0.0	18,355,520	20 Apr 2016	50.00

NSX Limited

ABN: 33 089 447 058

Explanatory Notes

Note 6 Segment Reporting

Primary reporting - Business segments

Major Customers

The Group has a number of customers to which it provides both products and services. During the period the NSX Group had no major customers that contributed more than 5.0% (2015: no major customers that contributed more than 5.0%) of total revenue.

Note 6 (a) Segment Performance

	Stock Exchanges	Unallocated Items	Total
	\$'000	\$'000	\$'000
12 Months Ended 30 June 2016			
Revenue			
External sales - services	1,836.1	-	1,836.1
Interest revenue	16.9	80.1	97.0
Other	-	12.7	12.7
Total segment revenue	1,853.0	92.8	1,945.8
Total group revenue			1,945.8
Results			
Segment net profit before tax	294.6	(1,778.8)	(1,484.2)
Other Items			
Depreciation and amortisation	15.6	-	15.6
12 Months Ended 30 June 2015			
Revenue			
External sales - services	1,587	-	1,587
Interest revenue	25	61	86
Other	-	-	-
Total segment revenue	1,612	61	1,673
Total group revenue			1,673
Results			
Segment net profit before tax	109	(1,506)	(1,397)
Other Items			
Depreciation and amortisation	9	-	9

NSX Limited
ABN: 33 089 447 058
Explanatory Notes

Note 6 (b) Segment Assets

	Stock Exchanges	Unallocated Items	Total
	\$'000	\$'000	\$'000
As at 30 June 2016			
Segment Assets	1,933.6	5,939.6	7,873.2
Segment asset increases for the			
- Acquisitions	76	-	76
As at 30 June 2015			
Segment Assets	924	1,894	2,818
Segment asset increases for the			
period:			
- Acquisitions	-	-	-

Note 6 (c) Segment Liabilities

	Stock Exchanges	Unallocated Items	Total
	\$'000	\$'000	\$'000
As at 30 June 2016			
Segment Liabilities	152.9	819.5	972.4
As at 30 June 2015			
Segment Liabilities	532.0	242.0	774.0

Note 6 (d) Accounting Policies

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, intangibles, property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings. Segment assets and liabilities do not include deferred income taxes.

Note 6 (e) Intersegment Transfers

Segment revenues, expenses and results include transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the Economic Entity at an arm's length. These transfers are eliminated on consolidation.

NSX Limited

ABN: 33 089 447 058

Explanatory Notes

Note 6 (f) Business and Geographical Segments

Business segments

The Economic Entity has the following business segments:

- The Stock Exchanges segment primarily includes the activities of the National Stock Exchange of Australia.

Geographic segments

The Economic Entity's business segments are located in Australia.

NSX Limited

ABN: 33 089 447 058

Compliance Statement

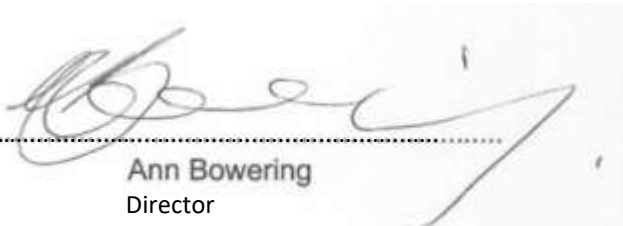
The directors of the company declare that:

1. This preliminary report, and the accounts upon which the report is based, use the same accounting policies;
2. This report does give a true and fair view of the matters disclosed;
3. The accounts are in the process of being audited and no audit report is attached. The directors expect an unqualified opinion to be issued; and
4. The entity has a formally constituted audit committee.

This declaration is made in accordance with a resolution of the Board of Directors.



.....
Michael Cox
Director



.....
Ann Bowering
Director

Dated 31 August 2016, Sydney