

Announcement of Triggered Stocks for Short Selling Price Test

September 4, 2013

Tokyo Stock Exchange, Inc.

1. Outline

Under the comprehensive revision to short selling regulations to be implemented on November 5, 2013 (Tues.), the current short selling price restriction (price test) framework which is applied to all stocks at all times will be revised to a trigger-based framework which only applies restrictions to stocks meeting certain conditions¹.

Because it is important for investors to know whether or not the stocks they are trading are under price restrictions, TSE will announce which stocks have triggered price restrictions in real-time via the market information system (FLEX Data Feed)², in addition to releasing a list of all stocks which triggered price restrictions in a single Excel file on a daily basis via the TSE website.

For details regarding the announcement method and format, please refer to 2 below. For the implementation schedule, please refer to 3 below.

2. Announcement of Triggered Stocks

(1) Price Restriction Framework following Revision

Following the implementation of the comprehensive revision to short selling regulations, price restrictions will be applied if an execution occurs at a price at least 10% below the base price calculated using the preceding day's closing price of such stock³ (hereinafter "cases where price restrictions are triggered," etc.), pursuant to Article 26-4, Paragraph 1, Item 1 of the Cabinet Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321, 1965; hereinafter "FIEA Enforcement Order") and Article 12, Paragraph 5 of the Cabinet Office Ordinance on Restrictions on Securities Transactions (Cabinet Office Ordinance No. 59, 2007; hereinafter "Transaction Restriction Ordinance").

The application of price restrictions on the following day will be determined according to trigger conditions in the primary listing market on such day, pursuant to Article 26-4, Paragraph 1, Item 2 of the FIEA Enforcement Order. In cases where price restrictions are triggered in its primary listing market on such date, price restrictions will be applied to all markets in which such stock is traded (including proprietary trading systems; hereinafter "PTS") on the following day (regardless of whether price restrictions were triggered in each other market). On the other hand, in cases where price restrictions are not triggered in its primary listing market on such date, price restrictions will not be applied at the start of

¹ For details regarding the comprehensive revision to short selling regulations, please refer to the Financial Services Agency website (<http://www.fsa.go.jp/news/25/syouken/20130821-3.html>).

² For details, please refer to 2 (12) of the Annex of "Response to Comprehensive Revision to Short Selling Regulations" released on May 17, 2013 (TSE Equity Strategic Planning No. 145) and "Disclosure of Connection Specifications (Amended) pertaining to Comprehensive Revision to Short Selling Regulations" released on May 17, 2013 (TSE Market Information System No. 28).

³ TSE uses the same price as the "base price for daily price limits" on such date for this base price (the same shall apply hereinafter). For details, please refer to 2(2) of "Response to Comprehensive Revision to Short Selling Regulations" released on May 17, 2013 (TSE Equity Strategic Planning No. 145).

(Reference Translation)

trading in any markets in which such stock is traded (including PTS) on the following day (regardless of whether price restrictions were triggered in each other market).

(2) Method of Announcement

Along with the revision of the price restriction framework in (1) above, TSE will compile a list of stocks which triggered price restrictions on a daily basis and release such list as a single Excel file on its website at approximately 4:30 p.m. each day⁴.

Information regarding Triggered Stocks for Short Selling Price Test

<http://www.tse.or.jp/market/trigger/index.html> (Japanese)

<http://www.tse.or.jp/english/market/trigger/index.html> (English)

(3) Announcement Format

The announcement format of the list of stocks which triggered price restrictions will be available for download on the TSE website below.

As the announcement format contains both English and Japanese in a single file, the files provided on the Japanese and English pages are identical.

Announcement Format for List of Triggered Stocks for Short Selling Price Test

<http://www.tse.or.jp/market/trigger/announce.html> (Japanese)

<http://www.tse.or.jp/english/market/trigger/announce.html> (English)

(4) Information in the Announcement Format

空売り価格規制トリガー銘柄銘柄一覧

List of Triggered Stocks for Short Selling Price Test

※ 下表における「トリガー銘柄時刻」は、東京証券取引所の市場における銘柄時刻を示しております。

Note: "Triggered Time" indicated below shows a triggered time in the Tokyo Stock Exchange's market.

取引年月日 Date of Trading	①		
銘柄コード Code of Stock	銘柄名 (日本語/英語) Name of Stock (Japanese / English)	トリガー銘柄時刻 Triggered Time	主たる市場 (日本語/英語) Primary Listing Market (Japanese / English)
②	③	④	⑤

①取引年月日 / Date of Trading

This item indicates the date of trading for the file.

⁴ While access to the website is possible at present, please be aware that the information will not be updated until the release of the list of stocks which triggered price restrictions.

(Reference Translation)

②銘柄コード / Code of Stock

This column indicates the codes of stocks which triggered price restrictions on such date.

③銘柄名 / Name of Stock

This column indicates the name of stocks which triggered price restrictions on such date. Names will be included in both Japanese and English.

④トリガー抵触時刻 / Triggered Time

This column indicates the time up to the second at which price restrictions were triggered on such date. For example, for a TSE-listed stock which triggered price restrictions at 1:14:31 p.m., it would be indicated "13:14:31."

This column indicates "the time of the first execution occurred at a price at least 10% below the base price calculated using the preceding day's closing price," and does not necessarily mean the time at which price restrictions were applied on such date. For example, if a stock whose primary listing market is TSE⁵ triggered the price restrictions on the preceding day and begins a day trading with price restrictions, and price restrictions are triggered again on such day (due to an execution at a price at least 10% below the preceding day's closing price), the time of such trigger would be indicated.

Please note that price restrictions do not necessarily apply for the entire following day for stocks included in this list. The application of price restrictions on the following day will be determined according to whether or not price restrictions was triggered in its primary listing market on such day. As such, for stocks appearing on this list whose primary listing market is not TSE, please confirm whether or not price restrictions were triggered in their primary listing market.

⑤主たる市場 / Primary Listing Market

This column indicates the primary listing market of the stock which triggered price restrictions on such date. Primary listing markets will be indicated by the name of the exchange. For example, the TSE market will be indicated using "Tokyo," the NSE market will be indicated using "Nagoya," the FSE market will be indicated using "Fukuoka," and the SSE market will be indicated using "Sapporo."

(5) Notes on File Release

- ✓ The release of the List of Triggered Stocks for Short Selling Price Test will begin from the implementation date. Retrospective compilation will not be conducted and past information will not be released.
- ✓ Stocks listed on TSE (both those only listed on TSE and listed on multiple exchanges) will be included in the list.

⁵ For the practical handling of primary listing markets, please refer to Annex 2 "Handling and Announcement of Primary Listing Market pertaining to Short Selling Regulations" of "Handling of Short Selling Position Reporting in accordance with Comprehensive Revision to Short Selling Regulations" released on September 4, 2013 (TSE Equity Strategic Planning No. 211).

(Reference Translation)

3. Implementation

Release of the List of Triggered Stocks for Short Selling Price Test will begin on November 1, 2013 (Fri.)⁶.

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese document. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail.

⁶ Release of the List of Triggered Stocks for Short Selling Price Test will begin on the business day preceding the implementation date of November 1, 2013 (Fri.), pursuant to Article 26-4, Paragraph 1, Item 2 of the FIEA Enforcement Order. For details, please refer to Annex 4 "Application of Short Selling Price Test on the Date of Implementation" of "Handling of Short Selling Position Reporting in accordance with Comprehensive Revision to Short Selling Regulations" released on September 4, 2013 (TSE Equity Strategic Planning No. 211).