

## Tokyo Stock Exchange Group, Inc. and Consolidated Subsidiaries

### Consolidated financial results for the first quarter of FY2008 (unaudited)

## 1. Results of operations

(figures less than a million yen are omitted)

	Operating revenues		Operating profit		Ordinary profit	
	Million Yen	%	Million Yen	%	Million Yen	%
Three months ended June 30, 2008	21,637	( - )	6,094	( - )	6,581	( - )
Three months ended June 30, 2007	19,035	( 1.2)	8,413	( 9.3)	8,922	( 6.7)

	Net income		Net income per share
	Million Yen	%	Yen
Three months ended June 30, 2008	3,769	( - )	1,657.68
Three months ended June 30, 2007	5,349	( 4.6)	2,352.89

Tokyo Stock Exchange Group, Inc. was established on August 1, 2007. The consolidated financial results for the previous term are those of Tokyo Stock Exchange, Inc. that became a wholly owned subsidiary of Tokyo Stock Exchange Group, Inc. on August 1, 2007.

## 2. Financial position

	Total assets	Net assets	Ratio of equity capital	Net assets per share
	Million Yen	Million Yen	%	Yen
As of June 30, 2008	541,949 ( 1142,972 )	118,072 ( 2 100,704 )	21.4 ( 3 68.9)	50,932.42 ( 2 43,294.00 )
As of March 31, 2008	717,676 ( 1149,488 )	117,776 ( 2 100,408 )	16.1 ( 3 65.7)	50,859.77 ( 2 43,221.35 )

- Figures in parenthesis on "Total assets" are calculated excluding "Margin funds for derivatives and when-issued transactions," "Deposits for clearing fund," "Deposits as collateral for facilitating settlement," "Legal guarantee funds" and "Special assets for default compensation reserve funds" from Total assets.
- Figures in parenthesis on "Net assets" and "Net assets per share" are calculated excluding "Default compensation reserve funds" from Net assets.
- Figures in parenthesis on "Ratio of equity capital" are calculated excluding "Margin funds received for derivatives and when-issued transactions," "Deposits received for clearing fund," "Deposits received as collateral for facilitating settlement" and "Returnable legal guarantee funds" from Liabilities and excluding "Default compensation reserve funds" from Net assets.
- Equity capital:  
Three months ended June 30, 2008: ¥115,807 million    Year ended March 31, 2008: ¥115,641 million

## 3. Dividends

(Record date)	Dividend per share				
	First quarter	Second quarter	Third quarter	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2008	-	-	-	2,400.00	2,400.00
Year ended March 31, 2009	-	-	-	-	-

#### 4. Others

- (1) Material changes in subsidiaries during this period (Changes in scope of consolidations resulting from change in subsidiaries) : None
- (2) Applying of simplified method of accounting and specific accounting of the consolidated quarterly financial statements : None
- (3) Changes in accounting principles, procedures and the presentation of the consolidated financial statements
- The TSE Group and its subsidiaries adopted "Accounting Standard for Quarterly Financial Reporting (ASBJ Statement No. 12)" and "Guidance on Accounting Standard for Quarterly Financial Reporting (ASBJ Guidance No. 14)" from this period. The TSE Group prepared its Quarterly Consolidated Financial Statements in accordance with "Rules for Quarterly Consolidated Financial Reporting".
- Change in measurement method of inventories
- Inventories for sales were valued using the specific cost method in the previous periods. The TSE Group and its subsidiaries adopted "Accounting Standard for Measurement of Inventories (ASBJ Statement No. 9)" and used lower-of-cost-or-market method from this period. The adoption of this standard has no impact on the consolidated operating results.
- Accounting Standard for Lease Transactions
- Finance leases which do not transfer titles to lessees were accounted for as operating leases in the previous periods. The TSE Group and its subsidiaries adopted "Accounting Standard for Lease Transactions" and "Guidance on Accounting Standard for Lease Transactions" and these finance leases were accounted for as sales transaction from this period. The depreciation of the leased assets of finance leases which do not transfer titles to lessees is computed using the straight-line method based on the initial lease term with no estimated residual value. The adoption of this standard has no impact on operating result of the company.
- (4) Number of issued and outstanding shares(common stock)
- Number of issued and outstanding shares at the end of term(including treasury stock):
- As of June 30, 2008: 2,300,000 shares    As of March 31, 2008: 2,300,000 shares
- Number of treasury stock at the end of term:
- As of June 30, 2008: 26,260 shares    As of March 31, 2008: 26,260 shares
- Average number of shares:
- As of June 30, 2008: 2,237,740 shares    As of March 31, 2008: 2,273,740 shares
- The figure for the 3 months ended July 31, 2007 is that of Tokyo Stock Exchange, Inc. , which became a wholly owned subsidiary of Tokyo Stock Exchange Group, Inc. on August 1, 2007.

Contact: Tokyo Stock Exchange Group, Inc. Corporate Communications.

1. Consolidated Balance Sheets as of June 30, 2008

(Millions of Yen)

	As of June 30, 2008	Summary Consolidated Balance Sheet as of March 31, 2008
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and bank deposits	28,331	36,561
Accounts receivable-trade	7,988	5,853
Marketable securities	11,699	11,805
Inventories	261	3,493
Margin funds for derivatives and when-issued transactions	209,295	280,416
Deposits for clearing funds	144,445	222,630
Deposits as collateral for facilitating settlement	27,511	47,411
Other current assets	1,777	2,065
Allowance for doubtful accounts	4	4
<b>Total current assets</b>	<b>431,304</b>	<b>610,233</b>
<b>FIXED ASSETS :</b>		
Property and equipment	14,159	14,665
Intangible fixed assets	18,059	16,748
Investments and other assets		
Investments in securities	37,394	33,771
Legal guarantee funds	357	361
Special assets for default compensation reserve funds	17,367	17,367
Others	23,632	24,853
Allowance for doubtful accounts	327	326
Total investments and other assets	78,425	76,028
<b>Total fixed assets</b>	<b>110,644</b>	<b>107,442</b>
<b>Total assets</b>	<b>541,949</b>	<b>717,676</b>

(Mi Is. Yen)

	As of June 30,2008	Summary Consolidated Balance Sheet as of March 31, 2008
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable-trade	2,480	3,587
Short-term debt	17,570	19,570
Income taxes payable	1,904	6,239
Accrued bonuses	290	1,151
Accrued bonuses for directors	58	266
Margin funds received for derivatives and when-issued transactions	209,295	280,416
Deposits received for clearing funds	144,445	222,630
Deposits received as collateral for facilitating settlement	27,511	47,411
Deposits received as trading participants' guarantee	4,769	4,450
Other current liabilities	4,730	3,267
<b>Total current liabilities</b>	<b>413,055</b>	<b>588,990</b>
<b>NON-CURRENT LIABILITIES:</b>		
Liability for retirement benefits for employees	5,213	5,210
Allowance for loss on real estate rental contract	3,784	3,895
Returnable legal guarantee funds	357	361
Other non-current liabilities	1,464	1,441
<b>Total non-current liabilities</b>	<b>10,821</b>	<b>10,908</b>
<b>Total liabilities</b>	<b>423,877</b>	<b>599,899</b>
<b>EQUITY</b>		
<b>SHAREHOLDERS' EQUITY:</b>		
Common stock	11,500	11,500
Capital surplus	25,358	25,358
Retained earnings	87,175	88,863
Treasury stock, at cost	4,332	4,332
<b>Total shareholders' equity</b>	<b>119,701</b>	<b>121,388</b>
<b>Revaluation and translation adjustments</b>		
Unrealized gain on available-for-sale securities	3,894	5,747
<b>Total revaluation and translation adjustments</b>	<b>3,894</b>	<b>5,747</b>
<b>Minority interest</b>	<b>2,264</b>	<b>2,134</b>
<b>Total equity</b>	<b>118,072</b>	<b>117,776</b>
<b>Total liabilities and equity</b>	<b>541,949</b>	<b>717,676</b>

## 2. Consolidated Statement of Income for three months ended on June 30, 2008

(Mills.Yen)

	Three months ended on June 30, 2008
<b>OPERATING REVENUES:</b>	
Trading participant fees	7,860
Listing fees	2,111
Income from information services	2,803
Income from securities settlement	3,143
Income from system development & operations	4,792
Other operating income	926
<b>Total</b>	<b>21,637</b>
<b>OPERATING EXPENSES:</b>	
Salaries and compensation	3,181
Real estate rental fees	1,594
System maintainance & operation costs	2,453
Depreciation	2,028
System development costs	4,070
Other operating expenses	2,214
<b>Total</b>	<b>15,542</b>
<b>Operating profit</b>	<b>6,094</b>
<b>NON-OPERATING REVENUES:</b>	
Interest and dividends income	190
Rent income	74
Equity in earnings of affiliated companies	250
Other non-operating revenues	86
<b>Total</b>	<b>601</b>
<b>NON-OPERATING EXPENSES:</b>	
Interest expense	34
Rent expense	67
Other non-operating expenses	12
<b>Total</b>	<b>114</b>
<b>Ordinary profit</b>	<b>6,581</b>
<b>EXTRAORDINARY PROFITS:</b>	
Gain on sale of investments in securities	0
<b>Total</b>	<b>0</b>
<b>EXTRAORDINARY LOSSES:</b>	
Loss on disposal of property and equipment, and intangible fixed assets	7
Restoration costs	14
Other extraordinary losses	3
<b>Total</b>	<b>25</b>
<b>INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS</b>	<b>6,556</b>
Income taxes-current	1,849
Income taxes-deferred	807
<b>Total</b>	<b>2,657</b>
<b>MINORITY INTERESTS</b>	<b>130</b>
<b>NET INCOME</b>	<b>3,769</b>

## 3. Consolidated Statements of Cash Flows for three months ended on June 30, 2008

(Millions of Yen)

	Three months ended on June 30, 2008
<b>OPERATING ACTIVITIES:</b>	
Income before income taxes and minority interests	6,556
Depreciation	2,037
Increase (Decrease) in allowance for doubtful accounts	0
Increase (Decrease) in accrued bonuses	861
Increase (Decrease) in accrued bonuses for directors	207
Increase (Decrease) in liability for retirement benefits for employees	3
Increase (Decrease) in allowance for loss on real estate rental contract	110
Interest and dividends income	190
Interest expense	34
Equity in earnings of affiliated companies	250
Loss on disposal of property and equipment and intangible fixed assets	7
(Increase) Decrease in accounts receivable	2,134
(Increase) Decrease in inventories	3,486
Increase (Decrease) in accounts payable - trade	1,106
Other-net	2,654
<b>Sub-total</b>	<b>9,919</b>
Interest and dividends received	262
Interest paid	47
Income taxes paid	6,610
<b>Net cash provided by operating activities</b>	<b>3,523</b>
<b>INVESTING ACTIVITIES:</b>	
Acquisition of fixed deposits	1,800
Proceeds from refund of fixed deposits	2,800
Acquisition of marketable securities	8,287
Proceeds from sales and maturities of marketable securities	8,507
Acquisition of investments in securities	497
Acquisition of property and equipment	545
Acquisition of intangible fixed assets	3,452
Collection of loan receivables	0
Others	73
<b>Net cash used in investing activities</b>	<b>3,202</b>
<b>FINANCING ACTIVITIES:</b>	
Repayment of short-term debt	2,000
Dividends paid	5,456
<b>Net cash used in financing activities</b>	<b>7,456</b>
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	<b>7</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>7,128</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>35,567</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>28,439</b>