

Overview of Earnings for Q2 FY2023

Japan Exchange Group, Inc.

October 27, 2023



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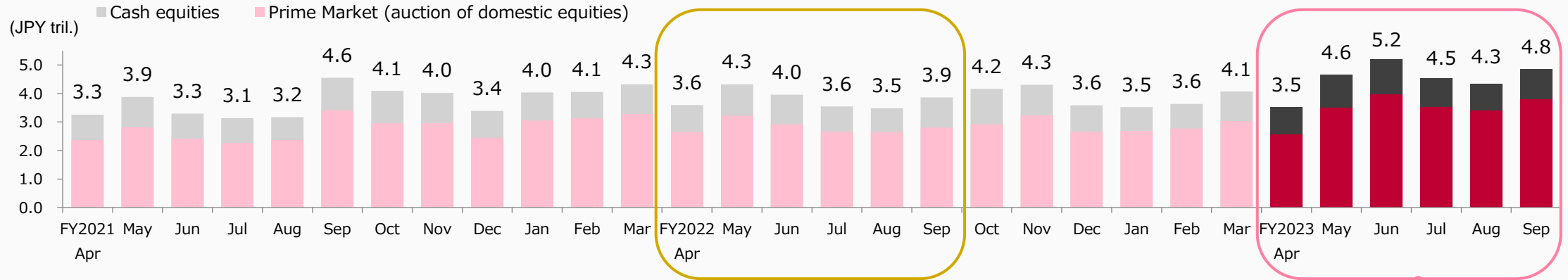
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Overview of Earnings for Q2 FY2023 [IFRS]

(April 1, 2023 – September 30, 2023)

* This document is not subject to the review procedures required under the Financial Instruments and Exchange Act.
Please note that its contents have not been reviewed on a consolidated basis in accordance with the Act as of the time of disclosure.

Cash Equities Average Daily Trading Value (April 2021 – September 2023)



Daily Average Trading Value by Market Division (JPY)

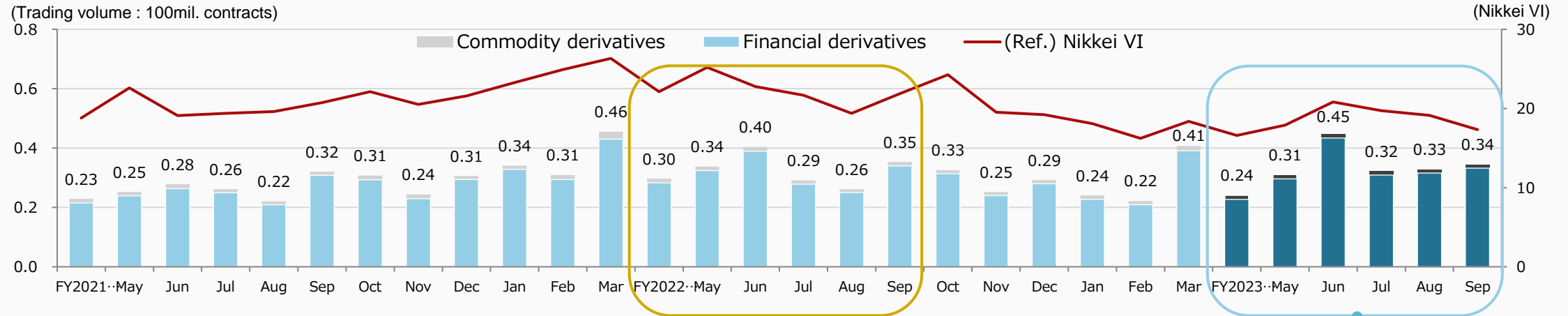
| | | FY2021 | FY2022 | FY2023 | | |
|---|---|-------------|-------------|-------------------|----------------|-----------------|
| | | Annual Ave. | Annual Ave. | Q2 Ave. | Q2 FY2022 Ave. | y/y |
| Auction | Prime Market (prev. 1st Sec.) Domestic Stocks* ¹ | 2.78 tril. | 2.85 tril. | 3.46 tril. | 2.81 tril. | +23.2 % |
| | Standard Market (prev. 2nd Sec. + JQ Standard) * ¹ | 77.2 bil. | 85.1 bil. | 124.6 bil. | 82.6 bil. | +50.9 % |
| | Growth Market (prev. Mothers + JQ Growth) * ¹ | 160.9 bil. | 142.5 bil. | 164.8 bil. | 122.1 bil. | +35.0 % |
| | ETFs / ETNs | 261.1 bil. | 251.9 bil. | 226.7 bil. | 268.3 bil. | (15.5 %) |
| Off-auction | | 425.4 bil. | 463.8 bil. | 500.6 bil. | 459.9 bil. | +8.8 % |
| Cash Equities (auction/off-auction) Total* ² | | 3.76 tril. | 3.84 tril. | 4.52 tril. | 3.79 tril. | +19.3 % |

*1 Trading value from before April 1, 2022 has been reclassified to match the new market segments.

*2 Average daily trading value of auction and off-auction trades of common stock on the Prime, Standard, and Growth Markets (1st/2nd Sections, Mothers, and JASDAQ up to FY2021) and TOKYO PRO Market, as well as ETFs/ETNs/REITs, etc.

Monthly Trading Volume (April 2021 - September 2023)

(Trading volume : 100mil. contracts)



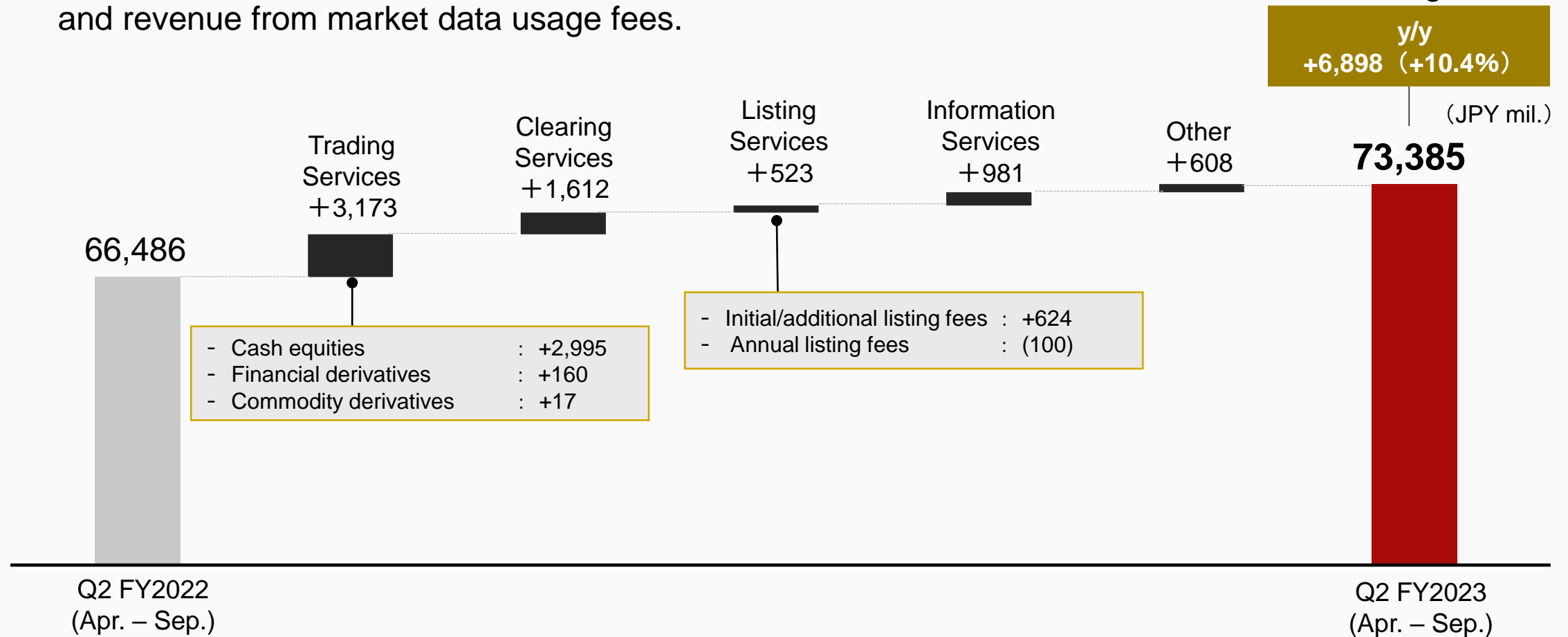
Average daily trading volume/value of major products

(Trading volume : 10,000 contracts)

| | FY2021 | FY2022 | FY2023 | | |
|---|--------------------|--------------------|--------------------|--------------------|----------|
| | Annual Ave. | Annual Ave. | Q2 Ave. | Q2 FY2022 Ave. | y/y |
| TOPIX Futures | 9.6 | 10.4 | 11.1 | 10.6 | +4.3 % |
| Nikkei 225 Futures (Large) | 7.6 | 8.8 | 8.8 | 9.1 | (3.6 %) |
| Nikkei 225 mini | 98.9 | 104.6 | 103.6 | 111.7 | (7.3 %) |
| Nikkei 225 Options *Excluding Weekly Options. | JPY 23.6 bil. | JPY 25.7 bil. | JPY 26.7 bil. | JPY 26.2 bil. | +2.1 % |
| 10-year JGB Futures | 3.3 | 3.2 | 3.5 | 3.2 | +8.9 % |
| Total Trading Volume for Financial Derivatives | 335 mil. contracts | 352 mil. contracts | 191 mil. contracts | 186 mil. contracts | +2.7 % |
| Gold Futures (standard) | 2.7 | 2.9 | 3.0 | 2.8 | +4.6 % |
| Platts Dubai Crude Oil | 1.5 | 0.9 | 0.7 | 0.9 | (16.6 %) |
| Total Trading Volume for Commodity Derivatives | 1,692 | 1,583 | 810 | 791 | +2.4 % |

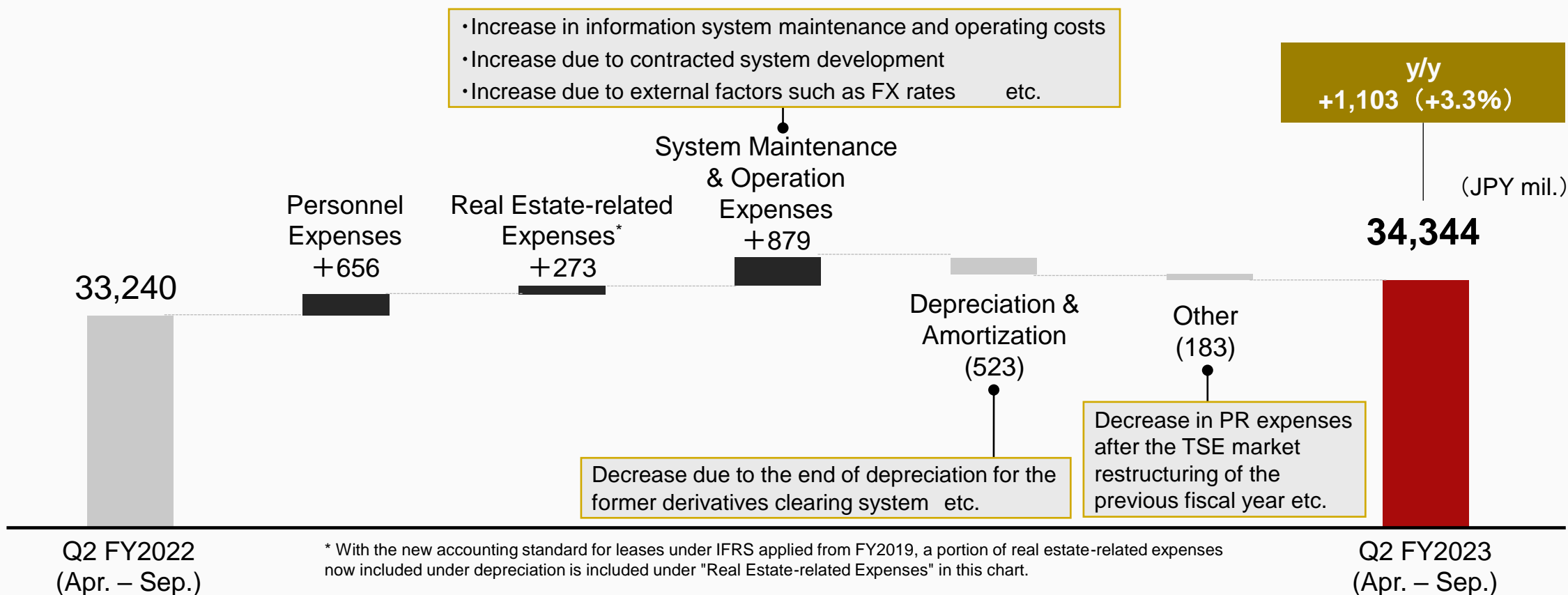
Operating Revenue

- Revenue from trading services and clearing services increased in line with a sharp increase in trading, especially of cash equities.
- Revenue from listing services increased due mainly to an increase in listed company fundraising.
- Revenue from information services increased due to increases in revenue from index licensing fees and revenue from market data usage fees.

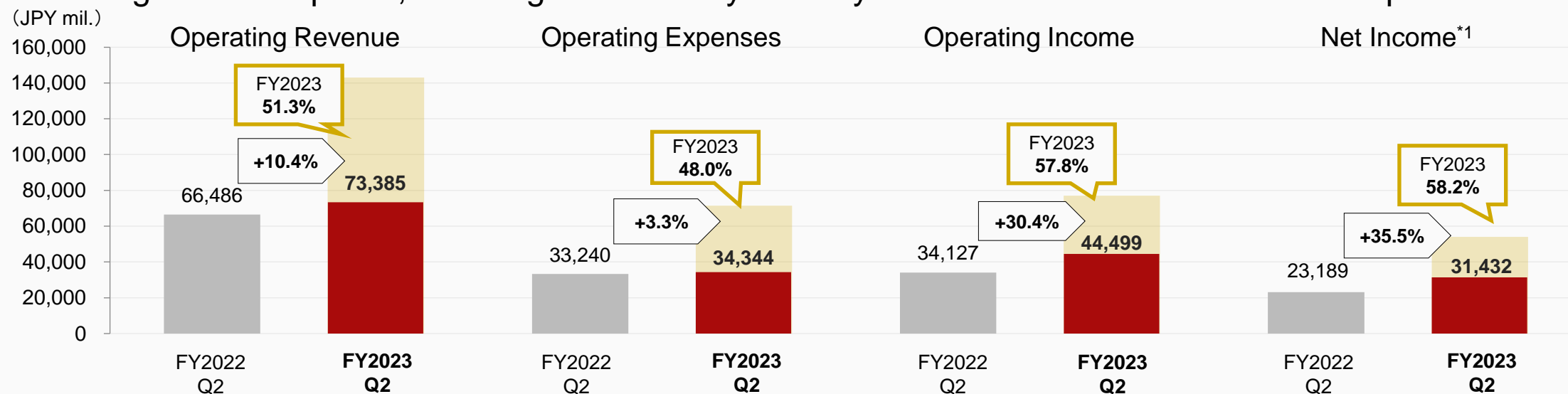


Operating Expenses

- System maintenance and operation expenses increased due to an increase in maintenance and operation expenses for information systems, as well as contracted system development and external factors such as FX rates.
- On the other hand, depreciation & amortization decreased due to the end of depreciation for the former derivatives clearing system.



- While there was an increase in operating expenses such as system maintenance and operation expenses, this was more than offset by an increase in operating revenue due mainly to increases in trading of cash equities, resulting in a 35.5% year-on-year increase in net income for the period.



*1 Net Income attributable to owners of the parent company.

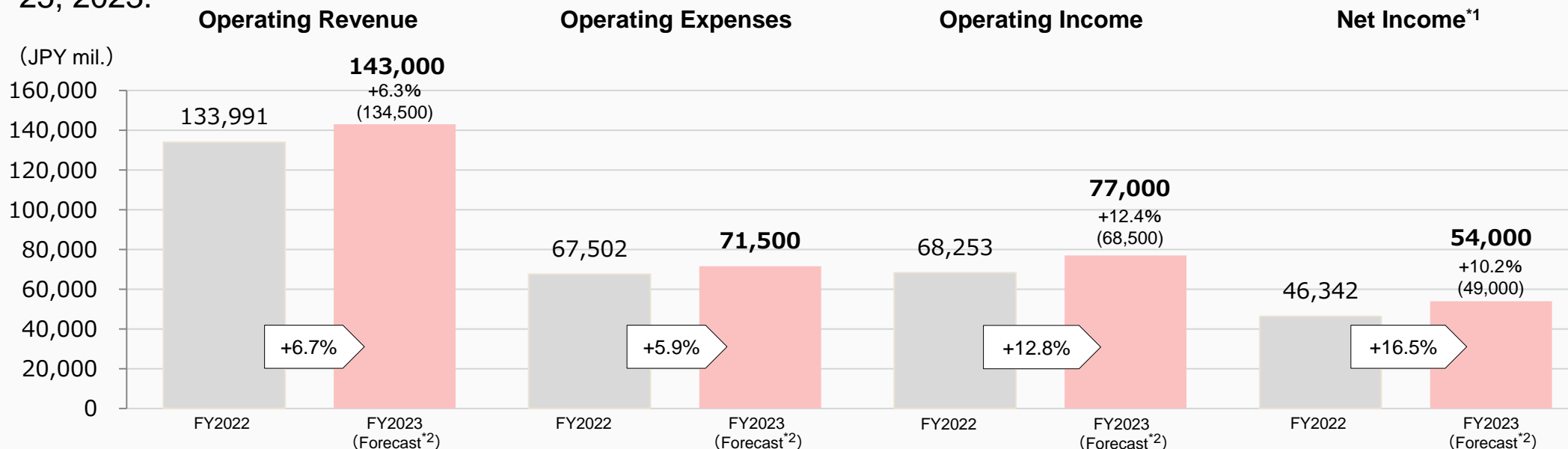
■ Average Daily Trading Volume/Value of Major Products

| | Q2 FY2022 | Q2 FY2023 | |
|--|-------------------|-------------------|---------|
| | | | y/y |
| Cash Equities *1 (trading value) | JPY 3,790.4 bil. | JPY 4,520.2 bil. | +19.3 % |
| TOPIX Futures (trading volume) | 106,354 contracts | 110,945 contracts | +4.3 % |
| Nikkei 225 Futures *2 (trading volume) | 202,975 contracts | 191,561 contracts | (5.6 %) |
| Nikkei 225 Options *3 (trading value) | JPY 26.2 bil. | JPY 26.7 bil. | +2.1 % |
| 10-year JGB Futures (trading volume) | 32,377 contracts | 35,261 contracts | +8.9 % |

*1 Average daily trading value of auction and off-auction trades of common stock on the Prime, Standard, and Growth Markets and the TOKYO PRO Market, as well as ETFs/ETNs/REITs, etc.

*2 Contracts of Nikkei 225 mini are calculated using a factor of 1/10. *3 Excluding Weekly Options.

- No change from the "Notice of Revisions to Earnings Forecast and Dividend Forecast" released on September 25, 2023.



*1 Net Income attributable to owners of the parent company.

*2 These values were modified on Sep. 25, 2023. Values in parentheses were the initial forecasts.

■ Average Daily Trading Volume/Value of Major Products

| | FY2022 | FY2023 (Forecast) | | | |
|--|-------------------|-------------------|----------------------|---------|---------------------|
| | | (Initial) | (Revised on Sep. 25) | y/y | Change from Initial |
| Cash Equities (trading value) *1 | JPY 3,836.9 bil. | JPY 3,800.0 bil. | JPY 4,300.0 bil. | +12.1 % | +13.2 % |
| TOPIX Futures (trading volume) | 104,415 contracts | 104,000 contracts | 106,000 contracts | +1.5 % | +1.9 % |
| Nikkei 225 Futures (trading volume) *2 | 192,187 contracts | 196,000 contracts | 194,000 contracts | +0.9 % | (1.0 %) |
| Nikkei 225 Options (trading value) *3 | JPY 25.7 bil. | JPY 26.5 bil. | JPY 27.0 bil. | +5.1 % | +1.9 % |
| 10-year JGB Futures (trading volume) | 32,191 contracts | 31,000 contracts | 33,000 contracts | +2.5 % | +6.5 % |

*1 Average daily trading value of auction and off-auction trades of common stock on the Prime, Standard, and Growth Markets and the TOKYO PRO Market, as well as ETFs/ETNs/REITs, etc.

*2 Contracts of Nikkei 225 mini are calculated using a factor of 1/10. *3 Excluding Weekly Options.

Future Initiatives Related to “Action to Implement Management that is Conscious of Cost of Capital and Stock Price”

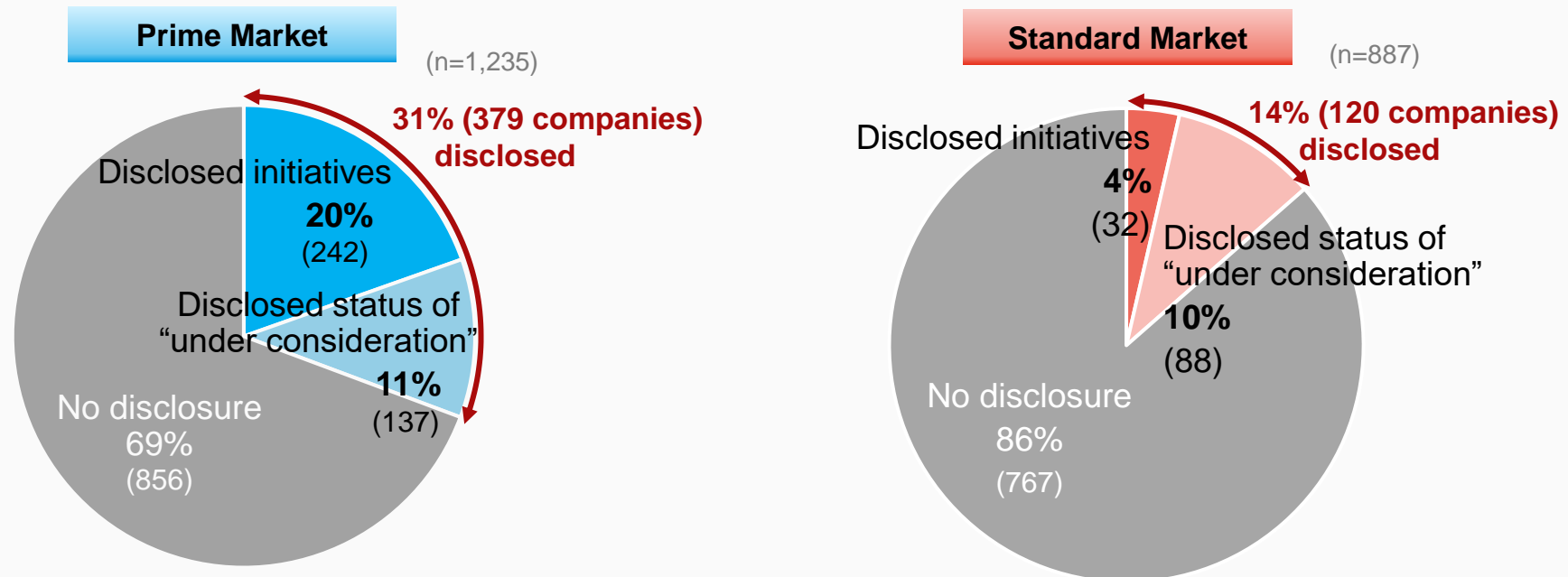
Status of Disclosure on “Action to Implement Management that is Conscious of Cost of Capital and Stock Price”

- ◆ As of mid-July, **31% (379 companies)** of Prime Market listed companies and **14% (120 companies)** of Standard Market listed companies have already disclosed information (based on data for companies whose fiscal year ends in March).

Note: Among companies with fiscal years that do not end in March, 20 companies in the Prime Market and 28 companies in the Standard Market disclosed information.

- Of these, a certain number of companies disclosed a status of "under consideration (TBA)" (about one-third in the Prime Market and two-thirds in the Standard Market of those that disclosed).

Status of disclosure in response to the request for “Action to Implement Management that is Conscious of Cost of Capital and Stock Price”



Note: Based on corporate governance reports and other information as of July 14, 2023 for Prime Market listed companies with fiscal years ending in March.

Future Initiatives Related to “Action to Implement Management that is Conscious of Cost of Capital and Stock Price”

Publication of a list of companies that have disclosed
+
Reiterating the purpose of the request

- ◆ Publish a list of companies that have disclosed information in accordance with the request to inform investors of who is taking action, thereby encouraging companies to make a proactive effort **(to be started on January 15, 2024 and updated monthly)**.
- ◆ Before publication, listed companies will be reminded of the purpose of the request and points to keep in mind, as well as the fact that the list is to be published **(notified to listed companies on October 26, 2023)**.

Publication of key points from responses/ examples of initiatives

- ◆ Compile and publish several key points based on responses from investors and examples of initiatives that have been praised by investors for companies of several different sizes and situations. **(By January 2024)**

Compilation and distribution of companies' response statuses

- ◆ Compile corporate disclosures and feedback from investors, etc., approximately once every six months. **(The next one is scheduled for January 2024)**

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