



# Overview of Earnings for Q2 FY2017

**JPX**  
JAPAN EXCHANGE  
GROUP

**Your Exchange of Choice**

**October 31, 2017**



# I. Business Developments

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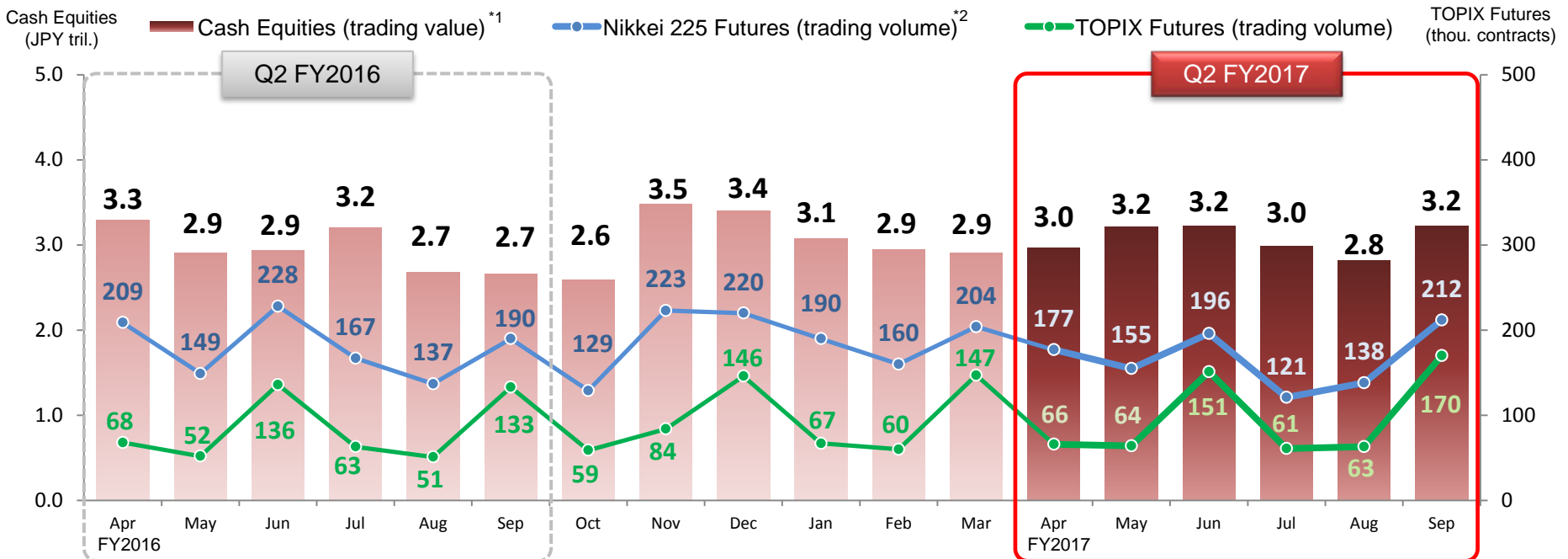
\* This document is not subject to the audit procedures required under the Financial Instruments and Exchange Act. Please note that its contents have not been audited on a consolidated basis in accordance with the Act as of the time of disclosure.



# Market Trend

- Average daily trading value in cash equities over Q2 of FY2017 increased 5% year on year to approx. JPY 3 trillion, despite a dip in trading activity during July and August.
- Derivatives trading volumes were affected by reduced volatility in cash equities. Though trading in flagship product Nikkei 225 Futures dropped 8% year on year to approx. 167,000 contracts, TOPIX Futures and 10-year JGB Futures both saw rises of 14% year on year nearing 96,000 and 32,000 contracts, respectively.

## ➤ Average daily trading volume/value of major products



\*1 Total value of daily averages of auction and off-auction trading of common stocks on 1st/2nd Sections, Mothers, JASDAQ, TOKYO PRO Market, and ETFs/ETNs, REITs etc.

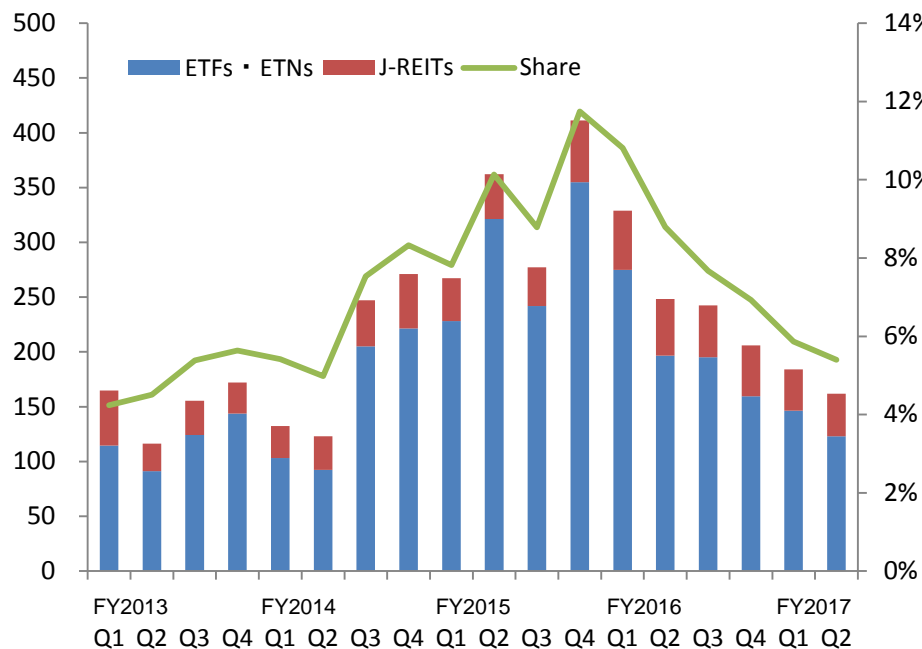
\*2 Contracts of Nikkei 225 mini are calculated using a factor of 1/10.

# ETF / ETN and REIT Trends

- Trading in leveraged ETFs decreased on the back of low volatility, and trading value of ETFs/ETNs shrank by 43% year on year.
- ETF AUM, mainly for ETFs tracking TOPIX, experienced steady increases.

## ➤ ADV of ETFs/ETNs and REITs

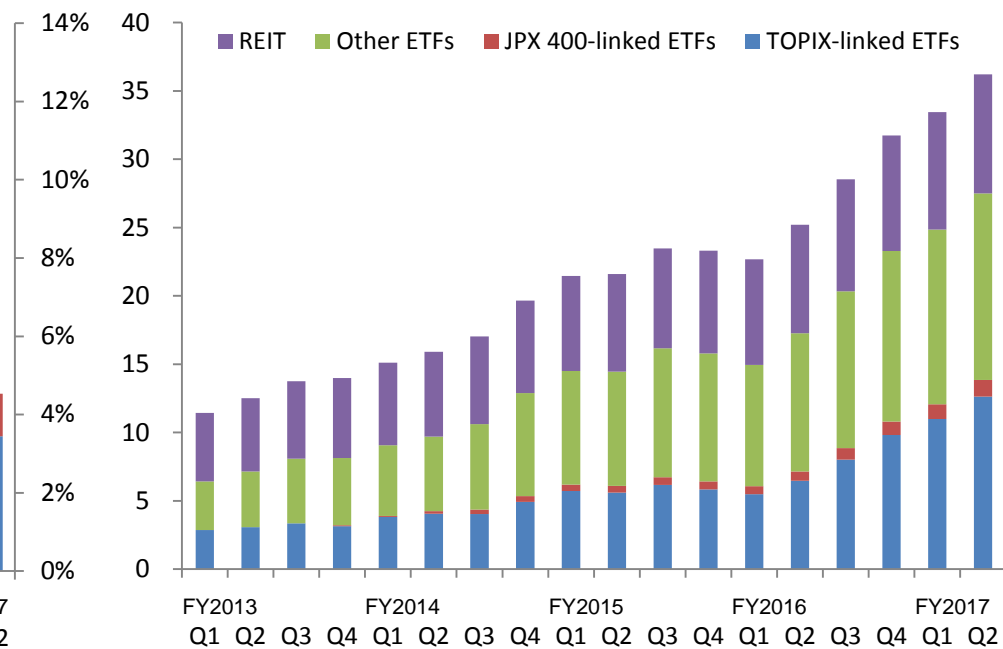
(JPY bil.)



Share indicates trading value of ETFs, ETNs, and REITs of overall cash equity trading value.

## ➤ ETF / REIT AUM

(JPY tril.)

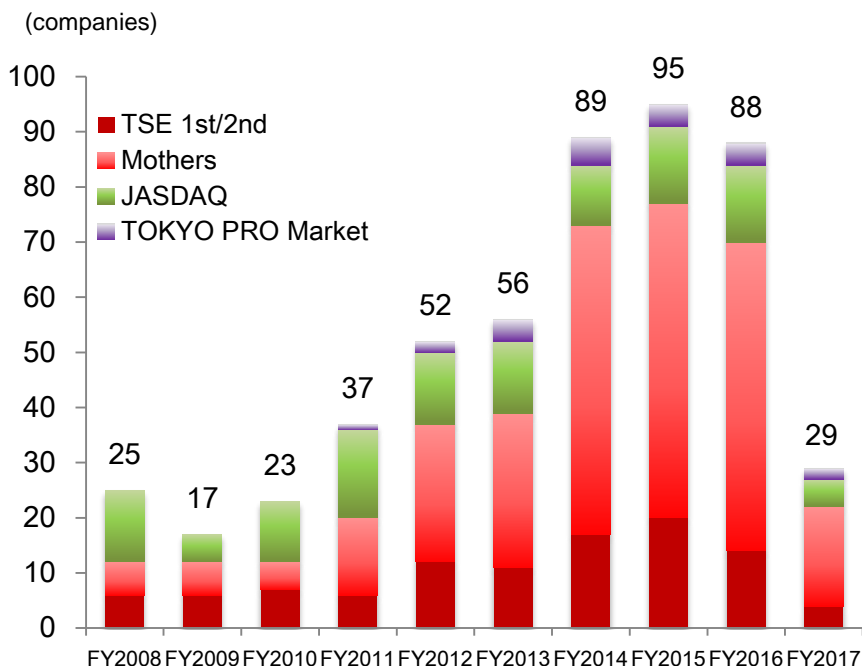


\* Excludes foreign ETFs and REITs, as well as certain ETFs of different construction.

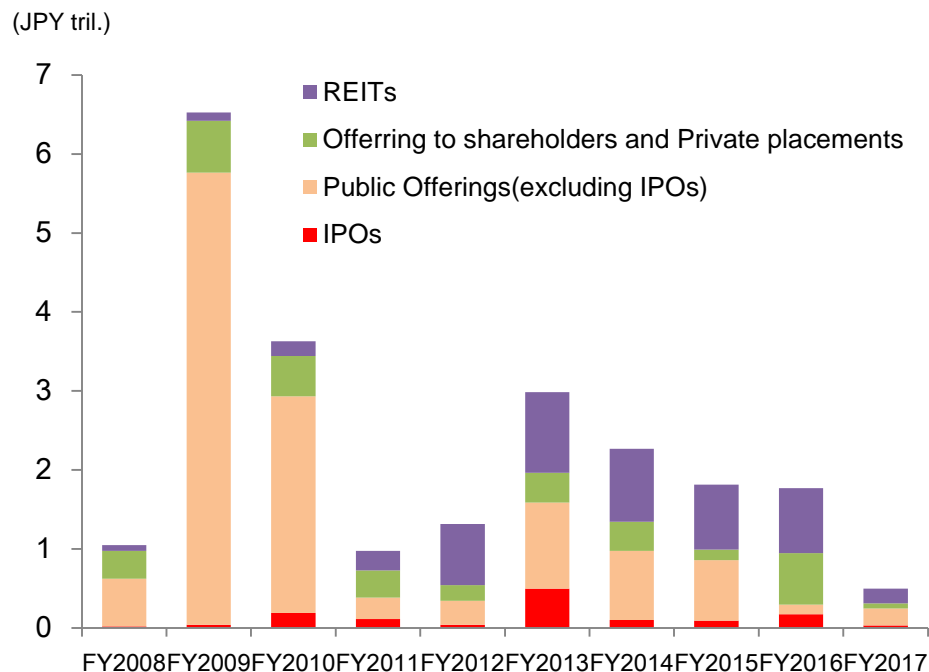
# IPO / PO Trends

- The number of IPOs on TSE fell to 29 from 35 for the same period last year.
- The amount raised by listed companies and REITs decreased to just under JPY 500 billion from approximately JPY 900 billion year-on-year.

## ➤ IPOs on TSE markets



## ➤ Financing by Listed Companies and REITs



Compiled by JPX based on data from TSE's Monthly Statistics Report and The Association for Real Estate Securitization's ARES J-REIT Databook

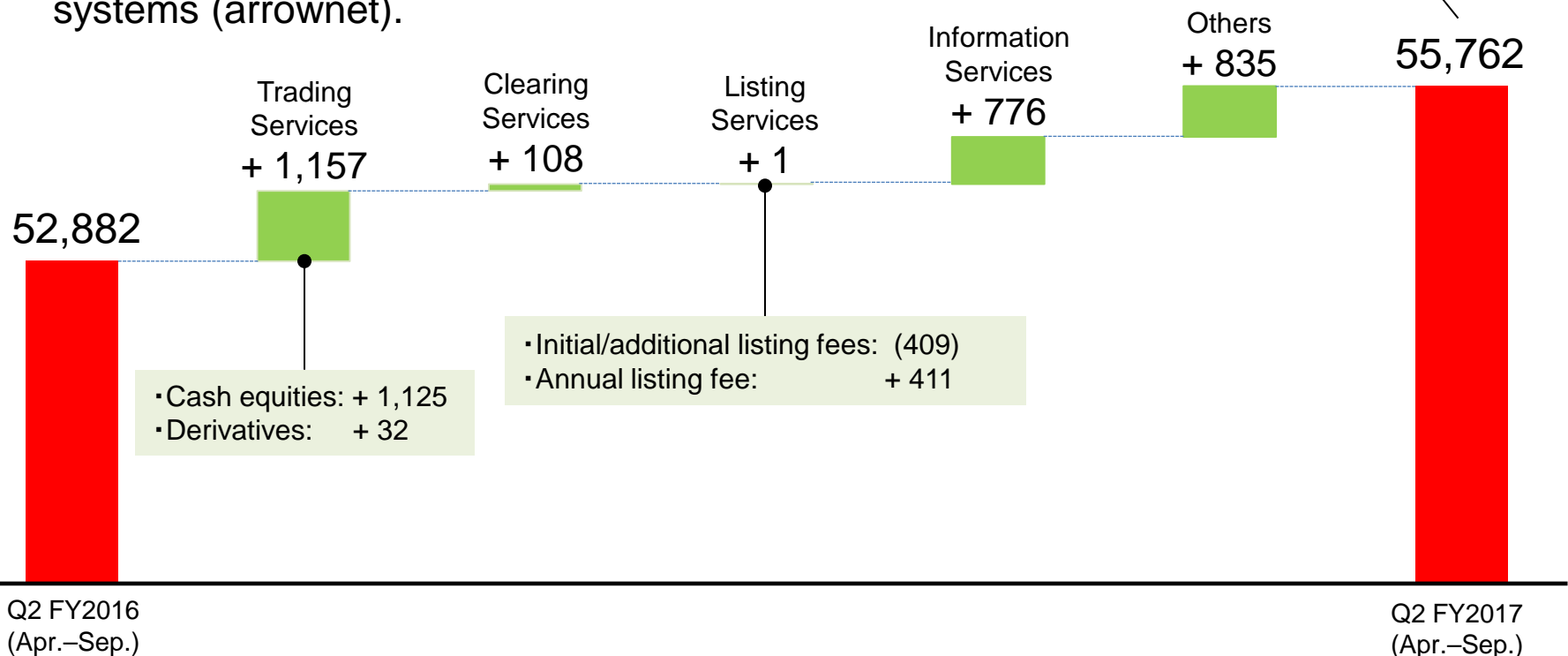
## II. Overview of Earnings for Q2 FY2017 [IFRS] (April 1, 2017 – September 30, 2017)

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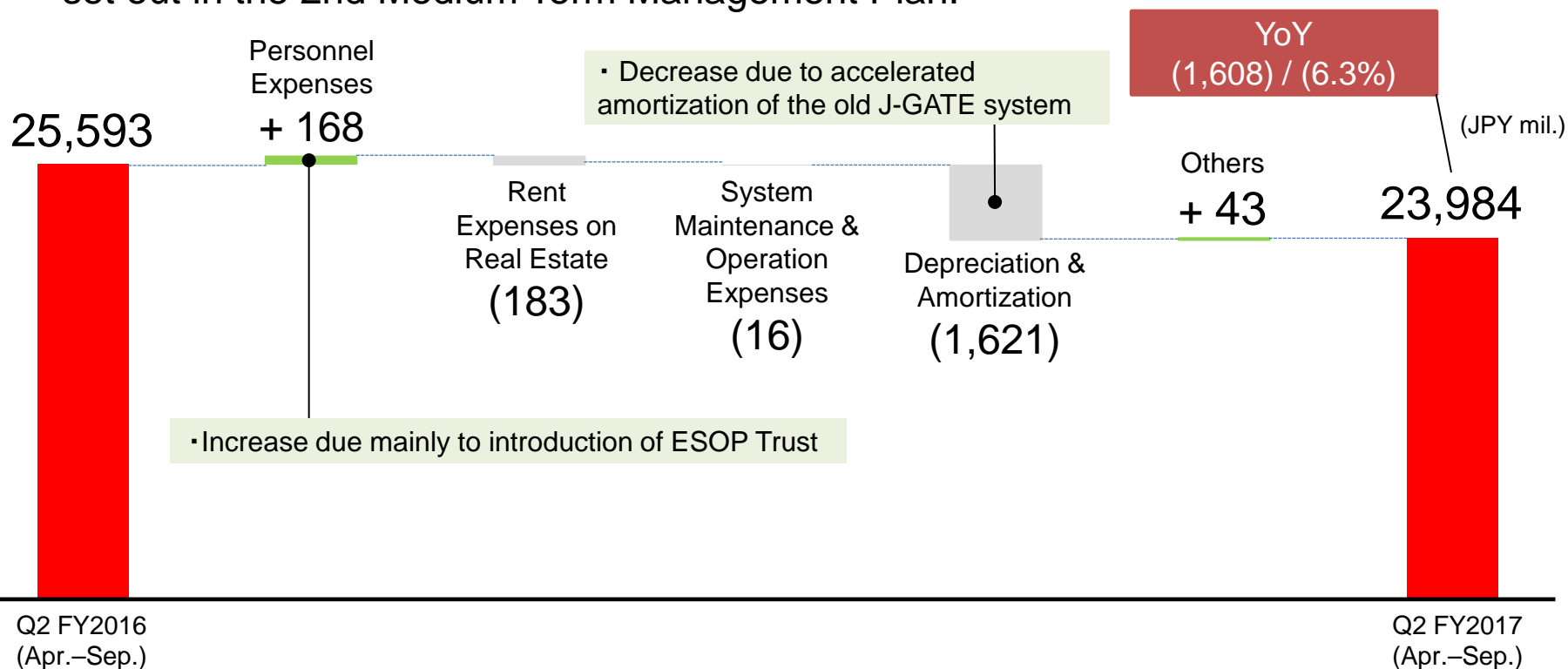
# Operating Revenue

- Trading value for cash equities grew, which led to an increase of revenues from trading services and clearing services.
- Index licensing fees increased due to increased ETF NAV. As a result, revenues from information services increased.
- Other operating revenues increased due in part to inflows from system provision to Tokyo Commodity Exchange (TOCOM) and expansion of usage of a network to connect to JPX systems (arrownet).



# Operating Expenses

- Personnel expenses increased due mainly to the introduction of the ESOP Trust system.
- Depreciation and amortization decreased, because amortization of the old J-GATE system was accelerated up to the replacement by New J-GATE in July 2016.
- Other operating expenses increased due mainly to an increase in research and promotion costs for advancement of initiatives set out in the 2nd Medium Term Management Plan.





# Highlights and FY2017 Forecast

- Revenues from trading services, information services and others increased, while system-related costs decreased. As a result, cumulative quarterly net income increased 15.8% year-on-year.
- Assumptions for full-year earnings forecasts and the operating revenue forecast were revised downward taking into account performance over Q2 of FY2017. With reduced operating expenses, however, forecasts for net income and dividend per share remain at the same levels.

(JPY mil.)

	Q2 (April – September)				Full-year (April – March)			
	Q2 FY2016	Q2 FY2017			FY2016	FY2017 (Forecast)		
		y/y	FY2017 %			(Initial)	(Revised)	y/y
Operating Revenue	52,882	55,762	+ 5.4%	50.7%	107,885	112,000	110,000	+ 2.0%
Operating Expenses	25,593	23,984	(6.3%)	47.0%	50,185	53,000	51,000	+ 1.6%
Operating Income	28,258	32,808	+ 16.1%	54.7%	59,377	60,000	60,000	+ 1.0%
Net Income* <sup>1</sup>	19,597	22,692	+ 15.8%	53.4%	42,124	42,500	42,500	+ 0.9%
EBITDA	35,248	38,197			71,595	-	-	-
Dividend per share* <sup>2</sup>	21.0yen	24.0yen			47.0yen	48.0yen	48.0yen	+ 1yen

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

\*2 Total of Q2-end and year-end figures.

## ➤ Average Daily Trading Volume/Value of Major Products

	Q2 FY2016	Q2 FY2017		FY2016	FY2017(Assumptions for forecasts)		
			y/y		(Initial)	(Revised)	y/y
Cash Equities (trading value) * <sup>1</sup>	JPY 2,932.5 bil.	JPY 3,070.6 bil.	+ 5%	JPY 2,998.6 bil.	JPY 3,200.0 bil.	JPY 3,000.0 bil.	+ 0%
TOPIX Futures (trading volume)	84,453 contracts	96,155 contracts	+ 14%	89,966 contracts	93,000 contracts	98,000 contracts	+ 9%
Nikkei 225 Futures (trading volume) * <sup>2</sup>	180,319 contracts	166,688 contracts	(8%)	184,250 contracts	204,000 contracts	178,000 contracts	(3%)
Nikkei 225 Options (trading value) * <sup>3</sup>	JPY 24.5 bil.	JPY 19.7 bil.	(19%)	JPY 24.8 bil.	JPY 30.0 bil.	JPY 21.5 bil.	(13%)
10-year JGB Futures (trading volume)	28,341 contracts	32,390 contracts	+ 14%	28,569 contracts	28,000 contracts	30,000 contracts	+ 5%

\*1 Total value of daily averages of auction and off-auction trading of common stocks on 1st/2nd Sections, Mothers, JASDAQ, TOKYO PRO Market, and ETFs/ETNs, REITs etc.

\*2 Contracts of Nikkei 225 mini are calculated using a factor of 1/10.

\*3 Excluding Weekly Options.

### III. Reference Materials

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# Topics for Q2 (Jul. – Sep.)

## Basic Agreement with Hokuriku Bank and Hokkaido Bank

- TSE concluded a basic agreement with Hokuriku Bank, Ltd. and Hokkaido Bank, Ltd. for cooperative relationships concerning the capital market. (Jul. 25)
- The central goals are to support the growth of and promote listings for companies in those regions.
- A cooperation system will be built via personnel exchanges for exchanging information on capital markets and sharing knowledge.



## Introduction of Flexible Options

- After the global financial crisis, under international agreements, regulators in Japan and other countries have moved forward in adopting rules for OTC derivatives, encouraging the need to trade standardized derivatives on the exchange. OSE announced the introduction of Flexible Options, which allows flexible setting of exercise dates and strike prices to satisfy said need. (Sep. 27)

### Eligible Contracts

### Securities Options

Nikkei 225 Options, TOPIX Options, JPX-Nikkei 400 Options

**(Newly introduced; Available only as Flexible Options)**

TOPIX Banks Index Options, TSE REIT Index Options

Target Implementation Date

FY2018/Q1 (Apr. to Jun.)

## Revisions to Guidelines for Preparing Corporate Governance Reports

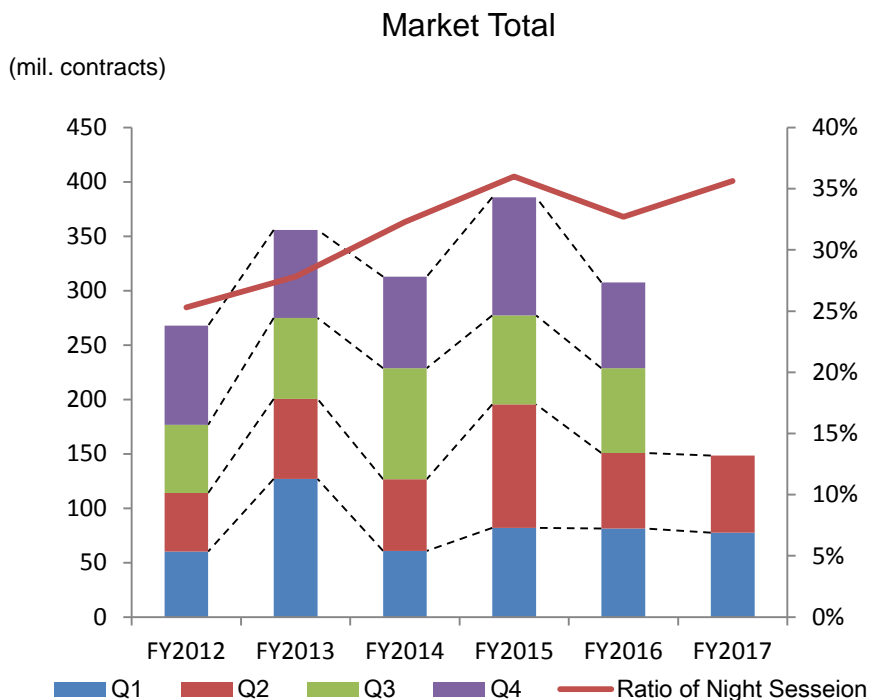
- TSE published Revisions to Guidelines for Preparing Corporate Governance Reports Concerning Information Disclosures about Retired President/CEOs Holding Advisory Positions. (Sodanyaku, Komon, etc.) (Aug. 2)
- New fields have been added to the form to allow listed companies that retain top corporate executives as sodanyaku or komon to disclose such information about said individuals as responsibilities, employment terms, and other pertinent details. (from Jan. 1, 2018)

## Publication of Working Paper on DLT and Joint PoC

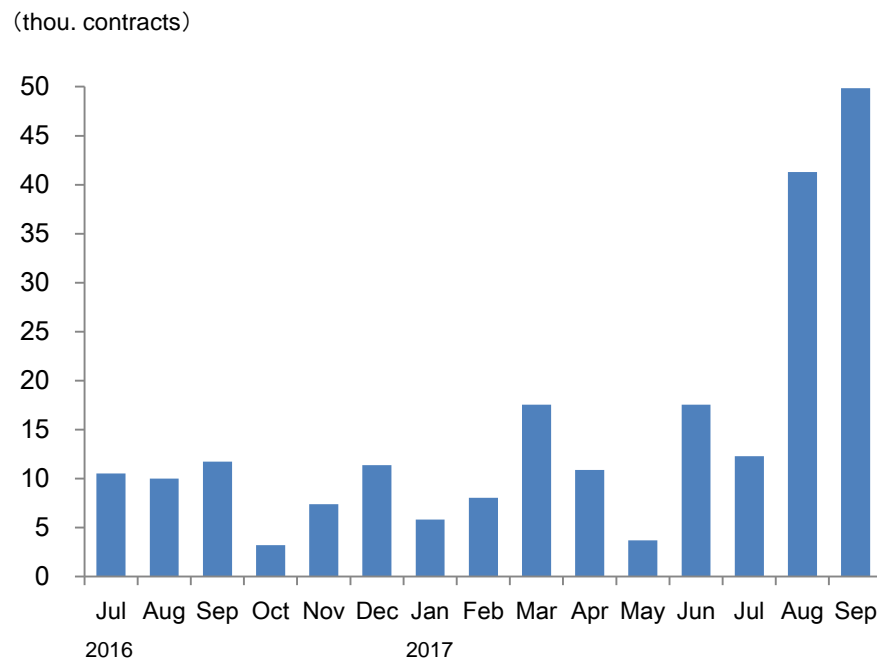
- JPX published JPX Working Paper: The Trend of Exploring the Use of Distributed Ledger Technology in the Capital Market, which was compiled from the results of research and analysis on applicability of blockchain or distributed ledger technology (DLT) to capital market infrastructure. (Sep. 14)
- A dedicated website was set up for introducing the efforts of the consortium for proof of concept (PoC) testing  
[URL] <http://www.jpx.co.jp/english/corporate/research-study/dlt/index.html>

- Although there was a drop in trading in Nikkei 225 derivatives, increased trading in TOPIX Futures and 10-year JGB Futures kept the year-on-year all-product trading volume decline at 2%. The ratio of night session trading remained high at 36%.
- Trading in TSE Mothers Index Futures reached 49,858 contracts in September to renew its record high since product launch in the last fiscal year.

➤ **Derivatives Trading Volume and Ratio of Night Session**



➤ **TSE Mothers Index Futures Trading Volume**



# Referential Financial Data

## ➤ Quarterly Business Performance

(JPY mil.)

	FY2016				FY2017	
	Q1	Q2	Q3	Q4	Q1	Q2
<b>Operating Revenue</b>	26,721	26,161	27,780	27,222	27,876	27,885
<b>Operating Expenses</b>	13,069	12,523	11,559	13,032	11,968	12,015
<b>Operating Income</b>	14,348	13,909	16,555	14,562	16,440	16,368
<b>Net Income *1</b>	9,583	10,013	12,235	10,292	10,874	11,818
<b>EBITDA</b>	17,762	17,486	19,064	17,283	18,963	19,235

## ➤ Annual Business Performance

(JPY mil.)

	FY2013	FY2014	FY2015	FY2016	FY2017 (Apr. - Sep.)
<b>Operating Revenue</b>	113,846	106,167	114,776	107,885	55,762
<b>Operating Expenses</b>	59,244	52,863	50,925	50,185	23,984
<b>Operating Income</b>	53,343	53,529	66,271	59,377	32,808
<b>Net Income *1</b>	33,304	34,427	44,877	42,124	22,692
<b>EBITDA</b>	68,296	65,743	77,791	71,595	38,197

\*1 Net income attributable to owners of the parent company. \*2 Voluntary use of IFRS applicable as of fiscal year-end settlement for FY2014 and applied retroactively to figures for FY2013.

# Referential Financial Data

## ➤ Quarterly Operating Revenue

(JPY mil.)

	FY2016				FY2017			
	Q1 (Apr.1, 2016– Jun. 30, 2016)	Q2 (Jul.1, 2016– Sep.30, 2016)	Q3 (Oct.1, 2016– Dec. 31, 2016)	Q4 (Jan.1, 2017– Mar.31, 2017)	Q1 (Apr.1, 2017– Jun. 30, 2017)	Q2 (Jul.1, 2017– Sep. 30, 2017)		
	Amount	Amount	Amount	Amount	Amount	Amount	Ratio	y/y
<b>Trading services revenue</b>	<b>11,671</b>	<b>10,843</b>	<b>11,822</b>	<b>11,365</b>	<b>11,945</b>	<b>11,727</b>	<b>42%</b>	<b>+ 8%</b>
Transaction Fees	9,338	8,569	9,535	9,080	9,626	9,416		+ 10%
Cash Equities	6,679	6,186	6,725	6,577	7,091	6,963	74%*1	+ 13%
Derivatives	2,659	2,382	2,809	2,502	2,535	2,453	26%*1	+ 3%
TOPIX Futures	438	426	497	479	491	496		+ 17%
Nikkei 225 Futures (incl. mini)	1,061	970	1,130	1,069	1,044	942		(3%)
Nikkei 225 Options *2	768	623	835	606	621	581		(7%)
10-year JGB Futures	331	330	326	340	353	409		+ 24%
Others	59	32	19	6	24	23		(26%)
Basic Fees	260	260	261	261	262	262		+ 1%
Access Fees	1,321	1,250	1,212	1,201	1,225	1,189		(5%)
Trading System Facilities Usage Fees	728	743	791	801	809	837		+ 13%
Others	23	19	21	20	20	21		+ 10%
<b>Clearing services revenue</b>	<b>5,573</b>	<b>5,292</b>	<b>5,610</b>	<b>4,977</b>	<b>5,664</b>	<b>5,311</b>	<b>19%</b>	<b>+ 0%</b>
<b>Listing services revenue</b>	<b>2,710</b>	<b>3,320</b>	<b>3,326</b>	<b>3,545</b>	<b>2,768</b>	<b>3,263</b>	<b>12%</b>	<b>(2%)</b>
Initial/Additional Listing Fees	675	1,259	1,104	1,277	520	1,005		(20%)
Annual Listing Fees	2,034	2,060	2,221	2,268	2,248	2,258		+ 10%
<b>Information services revenue</b>	<b>4,491</b>	<b>4,465</b>	<b>4,466</b>	<b>4,688</b>	<b>4,862</b>	<b>4,871</b>	<b>17%</b>	<b>+ 9%</b>
<b>Other operating revenue</b>	<b>2,274</b>	<b>2,238</b>	<b>2,554</b>	<b>2,644</b>	<b>2,635</b>	<b>2,711</b>	<b>10%</b>	<b>+ 21%</b>
arrownet Usage Fees	672	705	733	737	769	785		+ 11%
Co-location Usage Fees	873	787	783	789	841	855		+ 9%
Others*3	728	744	1,037	1,117	1,024	1,070		+ 44%
<b>Total</b>	<b>26,721</b>	<b>26,161</b>	<b>27,780</b>	<b>27,222</b>	<b>27,876</b>	<b>27,885</b>	<b>100%</b>	<b>+ 7%</b>

\*1 Figures are indicate percentage of Transaction Fees.

\*2 Excluding Weekly Options.

\*3 Including Proximity Usage Fees.

## ➤ Annual Operating Revenue

(JPY mil.)

	FY2013	FY2014	FY2015	FY2016	FY2017 (Apr. - Sep.)	
Trading services revenue	54,155	48,698	52,471	45,703	23,673	42%
Clearing services revenue	20,334	20,092	23,140	21,454	10,975	20%
Listing services revenue	12,308	12,249	13,250	12,903	6,032	11%
Information services revenue	16,116	16,311	17,706	18,112	9,733	17%
Other operating revenue	10,931	8,815	8,208	9,711	5,347	10%
<b>Total</b>	<b>113,846</b>	<b>106,167</b>	<b>114,776</b>	<b>107,885</b>	<b>55,762</b>	<b>100%</b>

\*1 Net income attributable to owners of the parent company.

\*2 Voluntary use of IFRS applicable as of fiscal year-end settlement for FY2014 and applied retroactively to figures for FY2013

# Referential Financial Data

## ➤ Quarterly Operating Expenses

(JPY mil.)

	FY2016				FY2017	
	Q1	Q2	Q3	Q4	Q1	Q2
Personnel expenses	3,684	3,808	3,662	4,459	3,893	3,768
System maintenance & operation expenses	3,064	2,596	2,446	2,705	2,630	3,014
Depreciation & amortization	3,180	3,043	2,301	2,458	2,312	2,289
Rent expenses on real estates	1,131	1,000	962	968	970	977
Other	2,008	2,075	2,187	2,440	2,161	1,965
<b>Total</b>	<b>13,069</b>	<b>12,523</b>	<b>11,559</b>	<b>13,032</b>	<b>11,968</b>	<b>12,015</b>

## ➤ Annual Operating Expenses

(JPY mil.)

	FY2013	FY2014	FY2015	FY2016	FY2017 (Apr. - Sep.)
Personnel expenses	15,101	15,265	16,437	15,614	7,661
System maintenance & operation expenses	11,642	9,947	11,923	10,813	5,645
Depreciation & amortization	13,413	10,803	9,973	10,983	4,601
Rent expenses on real estates	5,900	5,959	4,620	4,062	1,948
Other	13,185	10,888	7,970	8,711	4,127
<b>Total</b>	<b>59,244</b>	<b>52,863</b>	<b>50,925</b>	<b>50,185</b>	<b>23,984</b>

\*1 Voluntary use of IFRS applicable as of fiscal year-end settlement for FY2014 and applied retroactively to figures for FY2013.

\*2 From FY2015, a portion of subsidiary Tosho System Service expenses are now included under "System maintenance & operation expenses" rather than "Other".



# Referential Financial Data

## ➤ Consolidated Statement of Financial Position

(JPY mil.)

	As of Mar. 31,2017	As of Sep. 30,2017
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	73,553	46,580
Trade and other receivables	9,774	10,704
*1 Clearing business financial assets	37,555,555	38,759,584
*2 Specified assets for deposits from clearing participants	3,374,863	3,402,518
*3 Specified assets for legal guarantee funds	474	490
Income tax receivables	8,507	6,190
Other financial assets	73,800	102,600
Other current assets	1,626	2,724
<b>Total current assets</b>	<b>41,098,156</b>	<b>42,331,393</b>
<b>Non-current assets</b>		
Property and equipment	5,140	5,395
Goodwill	67,374	67,374
Intangible assets	30,596	31,153
Retirement benefit assets	5,202	5,174
Investments accounted for using the equity method	8,809	9,431
*5 Specified assets for default compensation reserve funds	27,948	27,948
Other financial assets	36,275	36,158
Other non-current assets	5,793	5,848
Deferred tax assets	3,635	3,626
<b>Total non-current assets</b>	<b>190,775</b>	<b>192,110</b>
<b>Total assets</b>	<b>41,288,932</b>	<b>42,523,504</b>

	As of Mar. 31,2017	As of Sep. 30,2017
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	3,190	4,377
Bonds and loans payable	22,500	32,500
*1 Clearing business financial liabilities	37,555,555	38,759,584
*2 Deposits from clearing participants	3,374,863	3,402,518
*3 Legal guarantee funds	474	490
*4 Trading participant security money	8,142	7,422
Income tax payables	9,210	10,281
Other current liabilities	5,339	5,510
<b>Total current liabilities</b>	<b>40,979,276</b>	<b>42,222,686</b>
<b>Non-current liabilities</b>		
Bonds and loans payable	29,933	19,936
Retirement benefit liabilities	7,357	7,520
Other non-current liabilities	3,693	3,368
Deferred tax liabilities	4,900	5,043
<b>Total non-current liabilities</b>	<b>45,884</b>	<b>35,869</b>
<b>Total liabilities</b>	<b>41,025,161</b>	<b>42,258,556</b>
<b>Equity</b>		
Share capital	11,500	11,500
Capital surplus	59,722	59,720
Treasury shares	(13,506)	(20,957)
Other components of equity	11,604	11,444
*6 Retained earnings	188,634	197,260
Total equity attributable to owners of the parent company	257,955	258,968
Non-controlling interests	5,815	5,979
<b>Total equity</b>	<b>263,770</b>	<b>264,947</b>
<b>Total liabilities and equity</b>	<b>41,288,932</b>	<b>42,523,504</b>

\*1 Japan Securities Clearing Corporation (JSCC) guarantees settlement as a clearinghouse for financial instruments transactions by assuming obligations for trades by market participants to become the counterparty for such trades, posting claims and obligations for cleared trades under clearing business financial assets and liabilities.

\*2 Deposits from clearing participants requested by JSCC for covering the risk of clearing participants defaulting on their obligations.

\*3 Deposits from trading participants requested by Tokyo Stock Exchange (TSE) and Osaka Exchange (OSE) for covering the risk at entrusting parties, etc. of trading participants defaulting on their obligations.

\*4 Deposits from trading participants requested by TSE and OSE for covering the risk of trading participants defaulting on their obligations.

\*5 Reserve funds for compensating losses incurred by JSCC in clearing operations.

\*6 Including reserve funds for compensating losses incurred by JSCC in clearing operations.

# Major Product Data

## ➤ Trading Volume/Value

	FY2016				FY2017	
	Q1 (Apr. 1, 2016– Jun. 30, 2016)	Q2 (Jul. 1, 2016– Sep. 30, 2016)	Q3 (Oct. 1, 2016– Dec. 30, 2016)	Q4 (Jan. 1, 2017– Mar. 31, 2017)	Q1 (Apr. 1, 2017– Jun. 30, 2017)	Q2 (Jul. 1, 2017– Sep. 30, 2017)
Trading Value of Cash Equities (JPY mil.)						
TSE 1st/2nd Section * <sup>1</sup>	149,927,942	151,897,987	169,767,175	158,600,881	171,062,156	164,715,133
Mothers * <sup>1</sup>	12,553,461	5,481,621	5,285,439	6,691,962	7,966,933	6,187,748
JASDAQ * <sup>1</sup>	3,007,765	2,360,710	2,892,175	3,364,573	3,989,261	5,041,366
ETFs/ETNs and REITs etc. * <sup>2</sup>	20,067,756	15,399,947	14,794,360	12,560,957	11,753,106	10,040,266
Derivatives Trading Volume (contracts) (Trading Value for Nikkei 225 Options)						
TOPIX Futures	5,356,506	5,042,339	5,914,516	5,728,191	5,923,582	5,999,667
Total Nikkei 225 Futures/mini * <sup>3</sup>	12,015,630	10,163,636	11,658,150	11,303,925	10,954,359	9,714,897
Nikkei 225 Futures	6,442,034	5,454,262	6,403,675	5,741,396	5,623,843	5,107,803
Nikkei 225 mini	55,735,969	47,093,746	52,544,759	55,625,293	53,305,166	46,070,943
Nikkei 225 Options (JPY mil.) * <sup>4</sup>	1,751,195	1,258,955	1,743,221	1,328,324	1,308,324	1,138,990
10-year JGB Futures	1,744,496	1,741,404	1,719,661	1,793,935	1,861,187	2,155,128

## ➤ Average Daily Trading Volume/Value

	FY2016				FY2017	
	Q1 (Apr. 1, 2016– Jun. 30, 2016)	Q2 (Jul. 1, 2016– Sep. 30, 2016)	Q3 (Oct. 1, 2016– Dec. 30, 2016)	Q4 (Jan. 1, 2017– Mar. 31, 2017)	Q1 (Apr. 1, 2017– Jun. 30, 2017)	Q2 (Jul. 1, 2017– Sep. 30, 2017)
Trading Value of Cash Equities (JPY mil.) * <sup>5</sup>						
	3,041,917	2,824,872	3,159,659	2,970,794	3,141,476	2,999,770
Derivatives Trading Volume (contracts) (Trading Value for Nikkei 225 Options)						
TOPIX Futures	87,812	81,328	96,959	93,905	95,542	96,769
Total Nikkei 225 Futures/mini * <sup>3</sup>	196,978	163,930	191,117	185,310	176,683	156,692
Nikkei 225 Futures	105,607	87,972	104,978	94,121	90,707	82,384
Nikkei 225 mini	913,704	759,577	861,389	911,890	859,761	743,080
Nikkei 225 Options (JPY mil.) * <sup>4</sup>	28,708	20,306	28,577	21,776	21,102	18,371
10-year JGB Futures	28,598	28,087	28,191	29,409	30,019	34,760

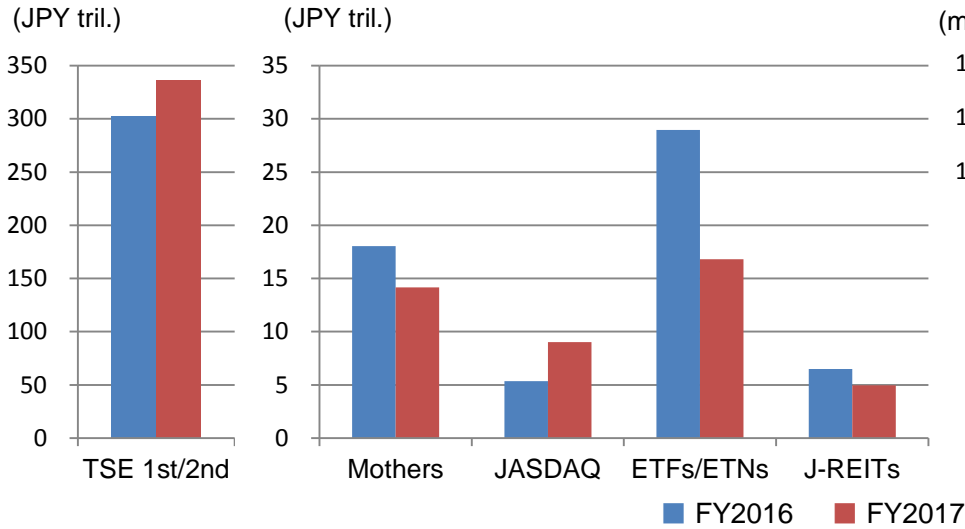
\*1 Value of auction and off-auction trading of common stocks. \*2 Total value of auction and off-auction trading. \*3 Contracts of Nikkei 225 mini are calculated using a factor of 1/10.

\*4 Excluding Weekly Options. \*5 Total value of daily averages of auction and off-auction trading of common stocks on 1st/2nd Sections, Mothers, JASDAQ, TOKYO PRO Market, and ETFs/ETNs, REITs etc.

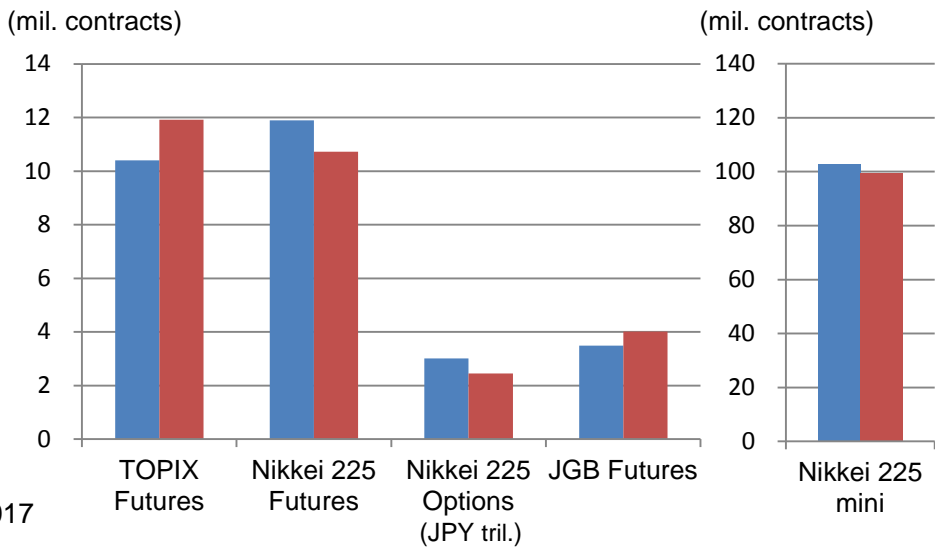


# Major Product Data

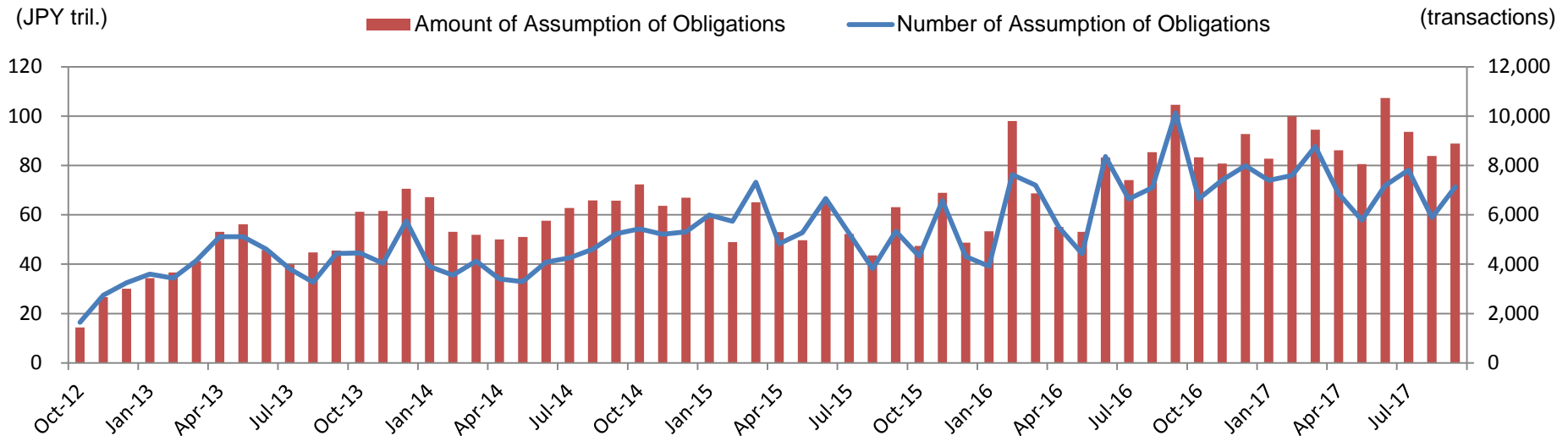
## Trading Value for Cash Equities in Q1 thru Q2



## Trading Volume for Derivatives in Q1 thru Q2



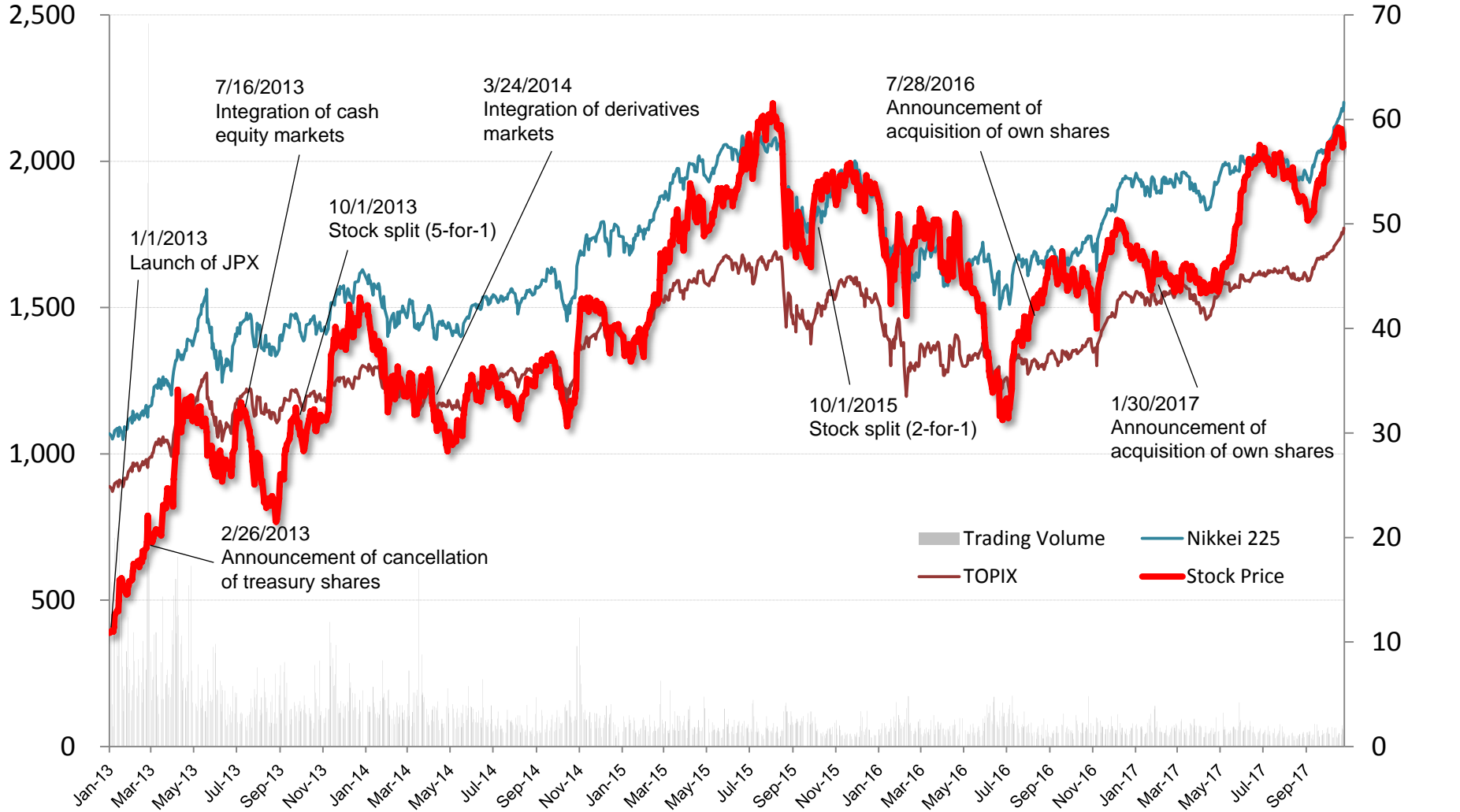
## Number and Amount of Assumption of Obligations (Interest Rate Swaps)





# JPX Stock Price

JPX Stock Price (JPY)  
Nikkei 225 (JPY 10)  
TOPIX (points)



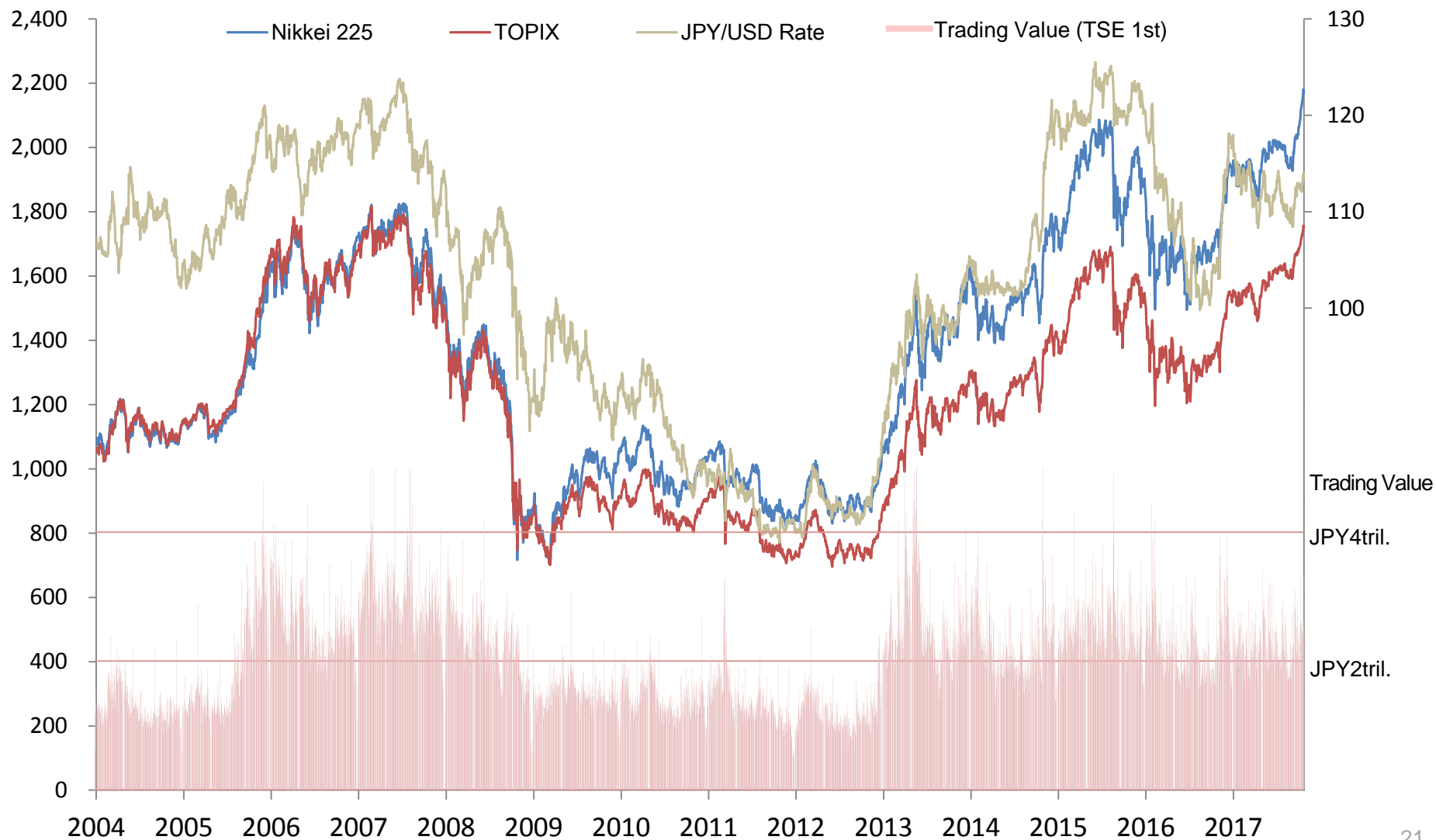
Listed on both the TSE1st Section and JASDAQ from January 1 to July 15, 2013. Prices above are prices on the TSE1st Section. Trading volumes above are the total of those on TSE1st Section and JASDAQ. Two stock splits were conducted separately with respective effective dates of October 1, 2013 and October 1, 2015. Stock prices and trading volume before said stock splits were converted to reflect both events.



# Japanese Stock Market

Nikkei 225 (JPY 10)  
TOPIX (points)

(JPY/USD)

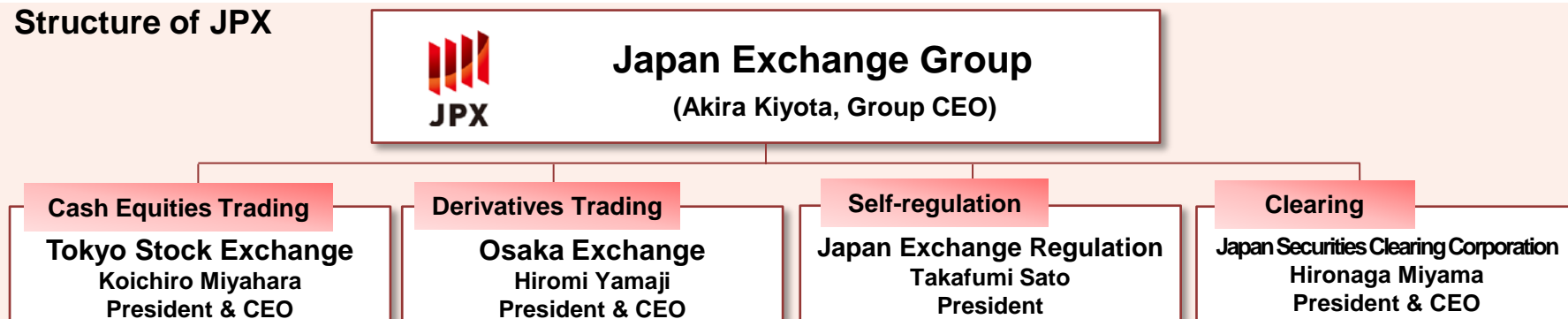




# Outline of JPX Stock

Stock Code	8697
Listed Exchange	Tokyo Stock Exchange 1st Section
Fiscal Year End	March 31
Annual General Shareholders Meeting	June
Record Date	Annual general shareholders meeting: March 31 Year-end dividend: March 31 Interim dividend: September 30
Number of Shares in One Trading Unit	100 shares
Total number of shares issued	549,069,100 shares (including 13,303,807 own shares)
Basic Policy on Profit Distribution	<p>JPX adopts a dividend policy with a target payout ratio of about 60% tied to business performance while giving due consideration to the importance of internal reserves for the following purposes:</p> <ul style="list-style-type: none"><li>• Maintaining sound financial health as a financial instruments exchange group,</li><li>• Preparing for risks as a clearing organization, and</li><li>• Enabling the group to pursue investment opportunities to raise the competitiveness of its markets as they arise.</li></ul>

## Structure of JPX



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