

Reference Translation

Items	Contents	Remarks
2. Trading Hours	<p>from the trading participant who has placed the most to the trading participant who has placed the least.</p> <ul style="list-style-type: none"> • 9:00am - 11:00am, 12:30pm - 3:10pm, and 4:30pm - 7:00pm. 	<ul style="list-style-type: none"> • Same as TOPIX futures contracts.
3. Unit of Trading, Order and Price Limit (1) Unit of Trading (2) Order (Bid and Offer) (3) Price Limit (4) Base Price 4. Give-Up	<ul style="list-style-type: none"> • Multipliers to determine a trading unit for each index are as follows; <ul style="list-style-type: none"> a. Nikkei 225 Dividend Index 1,000JPY b. TOPIX Dividend Index 10,000JPY c. TOPIX Core30 Dividend Index 10,000JPY • Only limit orders shall be accepted. • Tick sizes for each dividend index futures contract are as follows; <ul style="list-style-type: none"> a. Nikkei 225 Dividend Index 0.5JPY (1tick=500JPY) b. TOPIX Dividend Index 0.05pts.(1tick=500JPY) c. TOPIX Core30 Dividend Index 0.05pts.(1tick=500JPY) • There shall be no price limits. • The settlement price of the previous business day shall be the base price. • Available. 	<ul style="list-style-type: none"> • The amount of 1 order shall be limited to 5,000 units in order to prevent erroneous orders. (The amount is the same as that for TOPIX futures). • A Special Quote shall be indicated in order to prevent a large amount of executions and sudden price changes due to erroneous orders. Special Quotes shall be renewed by the following price intervals; <ul style="list-style-type: none"> a. Nikkei 225 Dividend Index: 5JPY b. TOPIX Dividend Index: 0.5pts. c. TOPIX Core30 Dividend Index: 0.5pts. • Same as TOPIX futures contracts.

Reference Translation

Items	Contents	Remarks
5. Halt of Trading	<ul style="list-style-type: none"> • TSE may halt trading in dividend index futures in the cases prescribed in each of the following items. <ul style="list-style-type: none"> (1) When TSE deems there is, or is likely to be, an abnormality in the situation of trading in the dividend Index futures contract, or deems that the prosecution of trading operation is inappropriate for the administrative reasons; (2) When TSE deems that it is difficult to execute trading operations due to a problem with the trading systems. 	<ul style="list-style-type: none"> ▪ Same as TOPIX futures contracts. ▪ Temporary suspension of trading (i.e. Circuit Brake scheme) shall not be introduced.
6. Regulatory Actions concerning Trading in Dividend Index Futures	<ul style="list-style-type: none"> • In the event that TSE recognizes an abnormality, or the likelihood of one, in trading of dividend index futures in the TSE market, TSE may take any necessary regulatory action(s), such as moving up the day and time of depositing margin, as prescribed by TSE in its rules, with respect to trading in dividend index futures in the TSE market or acceptance of customers' orders therefor. 	<ul style="list-style-type: none"> • Same as TOPIX futures contracts.
III. Trading Rules for ToSTNeT market		<ul style="list-style-type: none"> • Items not mentioned in this section shall be the same as those of Auction market.
1. Execution	<ul style="list-style-type: none"> • Where either a bid or offer for a dividend index futures ToSTNeT transaction matches an offer or bid which is made to correspond to such bid or offer, a transaction shall be executed between such bid and offer. 	<ul style="list-style-type: none"> • Same as TOPIX futures ToSTNeT transactions. • Minimum unit of trading shall be 1 unit.
2. Trading Hours	<ul style="list-style-type: none"> • 8:20am - 4:00pm and 4:30pm - 7:10pm. 	<ul style="list-style-type: none"> • Same as TOPIX futures ToSTNeT transactions.
3. Order (Bid and Offer)	<ul style="list-style-type: none"> • Tick sizes for each dividend index futures contract on the ToSTNeT market are as follows; <ul style="list-style-type: none"> a. Nikkei 225 Dividend Index 0.1JPY (1tick=100JPY) 	<ul style="list-style-type: none"> • VWAP orders shall not be supported. • The amount of 1 order shall be limited to 50,000 units in order to prevent erroneous

Reference Translation

Items	Contents	Remarks
4. Price Range	<p>b. TOPIX Dividend Index 0.01pts.(1tick=100JPY)</p> <p>c. TOPIX Core30 Dividend Index 0.01pts.(1tick=100JPY)</p> <ul style="list-style-type: none"> • Prices of dividend index futures ToSTNeT transactions shall be within the range from the following (i) to (ii); <ul style="list-style-type: none"> (i) The price obtained by deducting the product of the base price of dividend index futures ToSTNeT transactions and 10/100 from such base price (if such price is less than 0.1JPY (in cases of TOPIX dividend index and TOPIX Core30 dividend index, 0.01pts.), 0.1JPY (in cases of TOPIX dividend index and TOPIX Core30 dividend index, 0.01pts.) (ii) The price obtained by adding the product of the base price and 10/100 to such base price • Base price of dividend index futures ToSTNeT transactions shall be an immediate prior contract price (including special quotes) of an index futures contract in the auction market. (If there is no such contract price, it shall be the base price of an index futures contract in the auction market.) 	orders. (The amount is the same as that of TOPIX futures ToSTNeT transaction.).
IV. Mark-to-Market 1. Mark-to-Market 2. Settlement Price	<ul style="list-style-type: none"> • Non-clearing trading participants shall conduct mark-to-market of their positions with designated clearing participants. • The settlement price for dividend index futures contracts shall be determined by JSCC. 	<ul style="list-style-type: none"> • Same as TOPIX futures contracts. • Clearing participants shall conduct mark-to-market of their positions with Japan Securities Clearing Corporation (JSCC).

Reference Translation

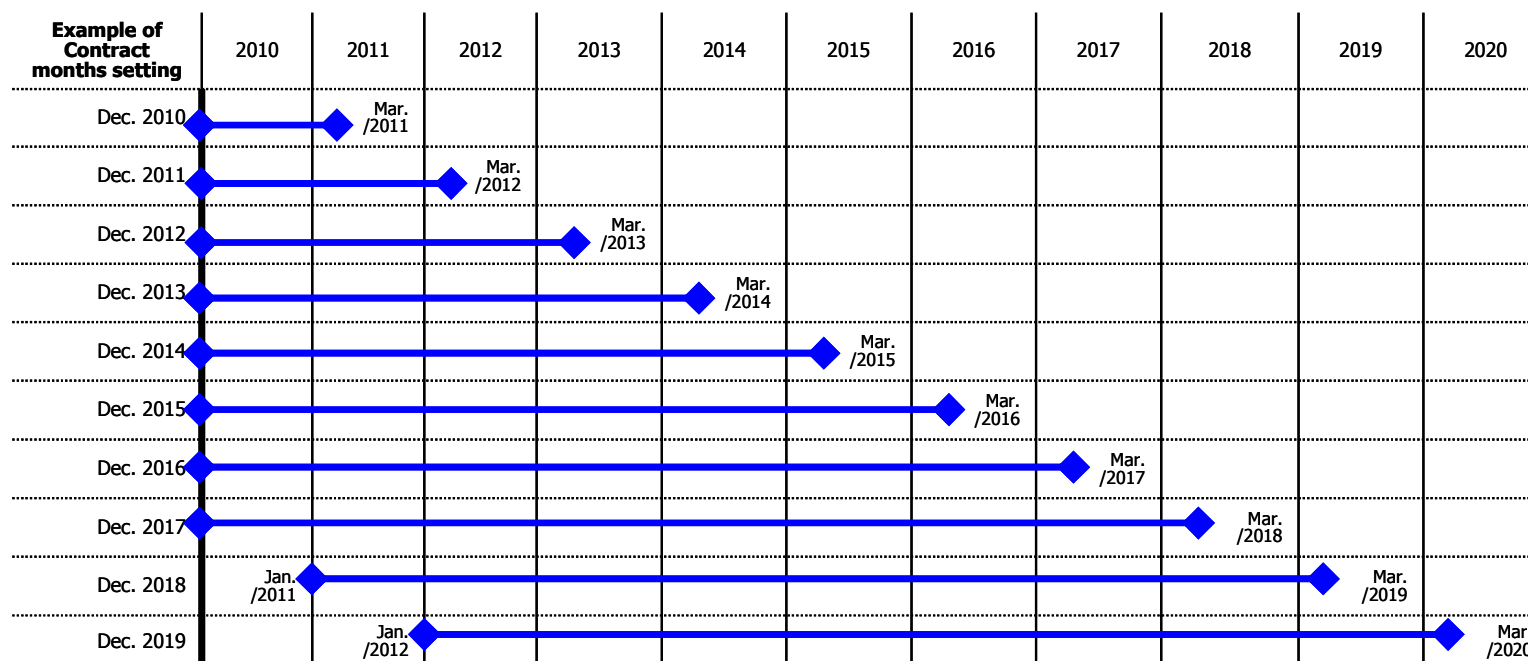
Items	Contents	Remarks
V. Margin	<ul style="list-style-type: none"> The amount of required margin for customers or non-clearing trading participants shall be no less than the required margin amount as prescribed in JSCC Clearing margin rules. 	<ul style="list-style-type: none"> Same as TOPIX futures contracts. The offsetting of risk for other futures/options contracts with that for dividend index futures contracts will not be allowed regarding the calculation of margin by SPAN(R).
VI. Open interest and Settlement 1. Open Interest 2. Settlement by Resale or Repurchase 3. Final Settlement (1) Final Settlement (2) Final Settlement Price (SQ)	<ul style="list-style-type: none"> Open positions for dividend index futures contracts shall be calculated as open interest. A trading participant (in cases of non-clearing participants, a designated clearing participant) shall conduct resale/repurchase declaration through a CMF terminal. Open interest not settled by resale/repurchase by the last trading day shall be settled in cash by the final settlement price on the business day following the day when such final settlement price is determined. The final settlement price which is determined on the business day following the last trading day shall be the last dividend index price. 	<ul style="list-style-type: none"> Same as TOPIX futures contracts. Same as TOPIX futures contracts. Same as TOPIX futures contracts. The last Nikkei dividend index price is the last index price published by Nikkei Inc. on the first business day in April. The last TOPIX Dividend index and TOPIX Core30 Dividend index are the last index prices published by TSE on the first business day in April.

Reference Translation

Items	Contents	Remarks
VII. Inter-month Spread Trading	<ul style="list-style-type: none"> • Not available. 	
VIII. Trading Participants	<ul style="list-style-type: none"> • General trading participants and index futures trading participants can trade dividend index futures contracts. 	<ul style="list-style-type: none"> • Same as TOPIX futures contracts. • Index Futures Supporters can cover the dividend index futures contracts.
IX. Others 1. Market Information	<ul style="list-style-type: none"> • The following information shall be delivered through Market Information System. <ul style="list-style-type: none"> (1) Open-High-Low-Close, Quotes and Tick data (2) Trading volume for each contract month and total trading volume (estimated) (3) The amount of open interest for each contract month, and total amount of open interest 	<ul style="list-style-type: none"> • Same as TOPIX futures contracts.
2. Trading Volume by Investors' Type	<ul style="list-style-type: none"> • Trading volume by investors' type shall be neither calculated nor published. 	
X. Launch Date	<ul style="list-style-type: none"> • Launch is scheduled for July 26, 2010. 	

Reference Translation

(Note1) Example of Contract months setting



(Note2) Identification Code Specifications for Dividend Index Futures

(1) Composition	(a)	(b)	(c)	(d)	(e)
	Special transaction	Cash/futures distinction	Contract months	Strike prices, etc.	Underlying index, etc.
	1	x	x xx	xx	xx
(2) Allocation method	1	“6”	“5 12” (Dec. 2010 contract) “6 12” (Dec. 2011 contract) “7 12” (Dec. 2012 contract) “8 12” (Dec. 2013 contract) “9 12” (Dec. 2014 contract) “0 12” (Dec. 2015 contract) “1 12” (Dec. 2016 contract) “2 12” (Dec. 2017 contract)	“00”	“08”: TOPIX Dividend Index “17”: Nikkei 225 Dividend Index “64”: TOPIX Core30 Dividend Index

* Example: Nikkei225 Dividend Index futures Dec.2010 contract → “165120017”

Items	Contents	Remarks
1. Outline	<ul style="list-style-type: none"> A dividend index is an index which indicates dividend amounts an investor would receive if they had a portfolio composed of the underlying stocks of the index for a given period. The total of (A) for all days from the first business day of the year until the date of calculation; <ul style="list-style-type: none"> (A) The total of (B) for all constituent issues of the index on such date. (B) The ratio of (C) versus the base market capitalization of the index. (C) The value obtained by weighting the number shares for index calculation of such issue by the dividend amount. 	<ul style="list-style-type: none"> S&P500 Dividend Index in the US and FTSE100 Dividend Index in UK have been published. The index will be renewed every year.
2. Underlying Indices	<ul style="list-style-type: none"> Underlying indices for dividend indices are as follows; <ul style="list-style-type: none"> a. TOPIX b. TOPIX Core30 	
3. Computation Method and Parameters		
(1) Computation Method	<ul style="list-style-type: none"> Calculating formula for dividend index is as follows; $\sum_t \sum_i \frac{n_{i_t} \times d_{i_t}}{D_t} \times \text{Base Point}$ 	<ul style="list-style-type: none"> Base Point of each dividend index is as follows; <ul style="list-style-type: none"> a. TOPIX : 100 b. TOPIX Core30 : 1,000

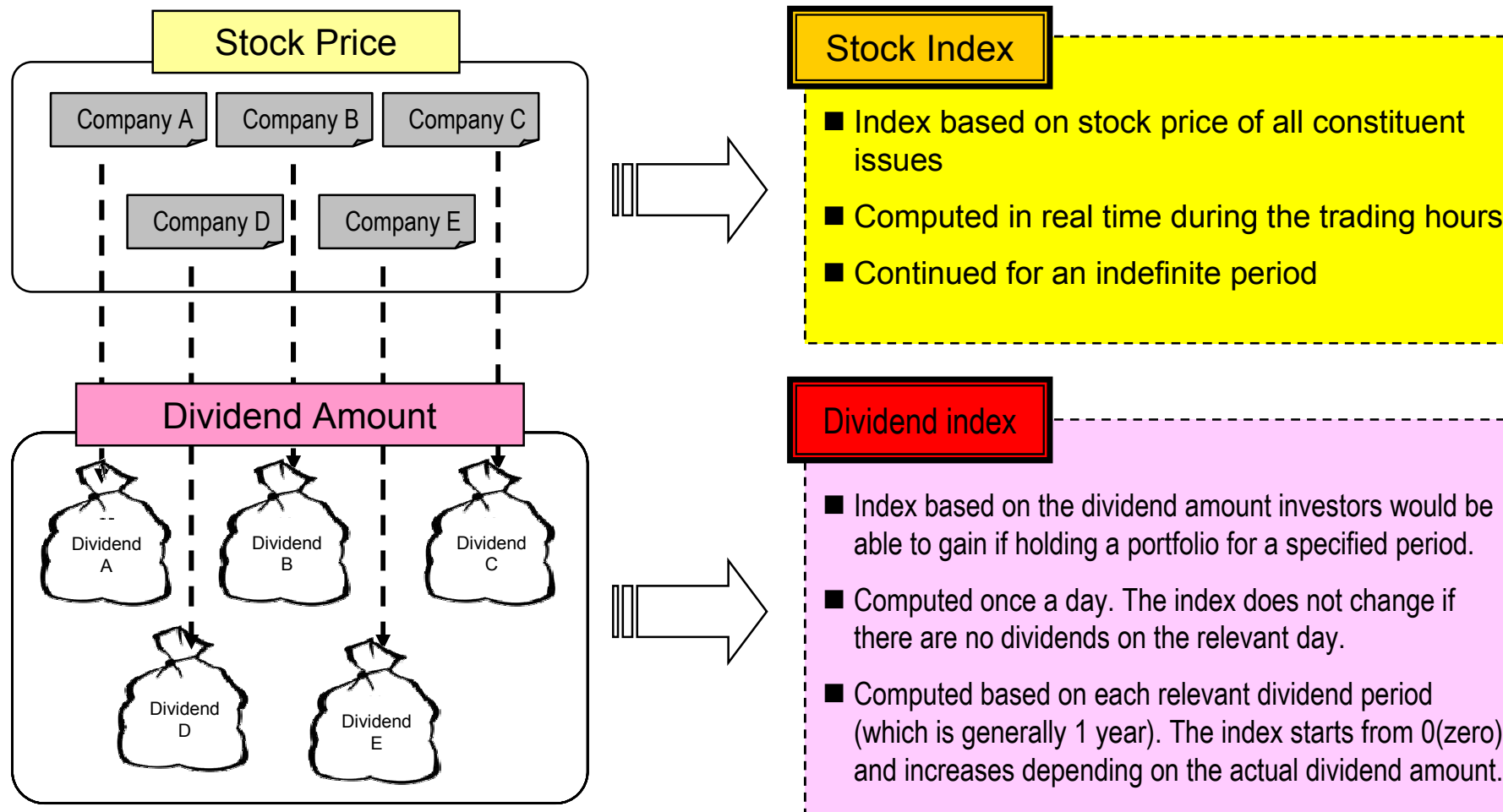
Reference Translation

Items	Contents	Remarks
<p>(2) Parameters for Computation</p> <p>t : each business day in the relevant dividend period</p> <p>i : each constituent issue on such relevant day_{t}</p> <p>n_{i_t} : the number of shares relating to such issue_{i} on such relevant day_{t}</p> <p>d_{i_t} : the amount of dividend relating to such issue_{i} on such relevant day_{t}</p>	<ul style="list-style-type: none"> • The relevant dividend period is from January 1st to December 31st of each year. • It is a constituent for underlying indices such as TOPIX. • The free-float adjusted number of shares relating to such issue_{i} on such relevant day_{t}. • If such relevant day_{t} falls on an Ex-Dividend Date in respect of such issue_{i}, an amount equal to the Actual Dividend in respect of such issue_{i}. If not, it is zero(0). • From an ex-dividend date, Dividend Index is calculated based on an estimated dividend. • In case that an estimated dividend is different from actual dividend reported in “Earnings Digest (Kessan Tanshin)”, however, retroactive calculation will not be conducted. • As a general rule, actual dividends include only cash dividends (including special dividends and memorial dividends). However, in cases where a Material Non-cash Dividend (securities, etc.) that is easily measured at fair value is declared, and if TSE 	<ul style="list-style-type: none"> • The indices are computed until the end of March of the following year. • Calculation and publication are performed using the number of shares for index calculation included in TOPIX base information provided by Tokyo Market Information (TMI) Service. • Estimated dividend will be provided by TMI Service. • In cases that actual dividend is different from estimated dividend, the dividend index is adjusted on 7th, 3 months after the ex-dividend day to reflect the gap.

Reference Translation

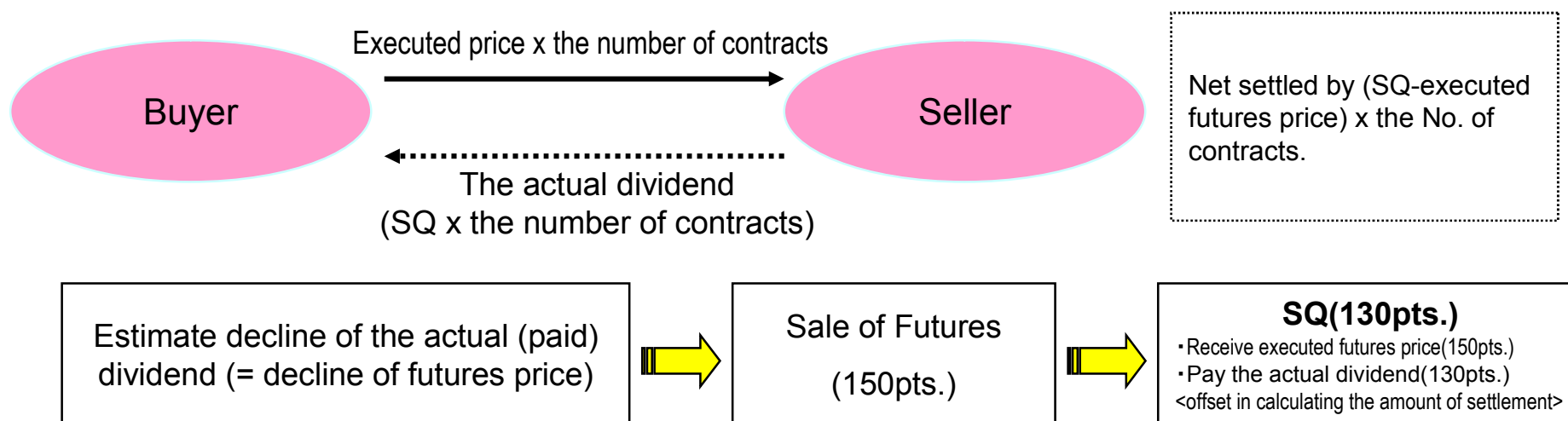
Items	Contents	Remarks
D_t : Divisor on such relevant day _t Base Point 4. Start Date	deems it necessary, the Material Non-cash Dividend may be included with advance notice. • Index Divisor of a dividend index is the base market value of the underlying stock index. • Base point of respective stock price indices. • The start date is scheduled for June, 2010.	• Divisors unique to dividend indices do not exist. • TOPIX:100 • TOPIX Core30:1,000

1. Dividend Index



2. Dividend index futures

- Dividend index futures are futures contracts for hedging dividend exposure when investors hold a specified portfolio.
- A buyer will be paid the actual dividend amount and a seller will be paid the amount calculated by executed price. (That is, the seller can fix the paid dividend amount.)



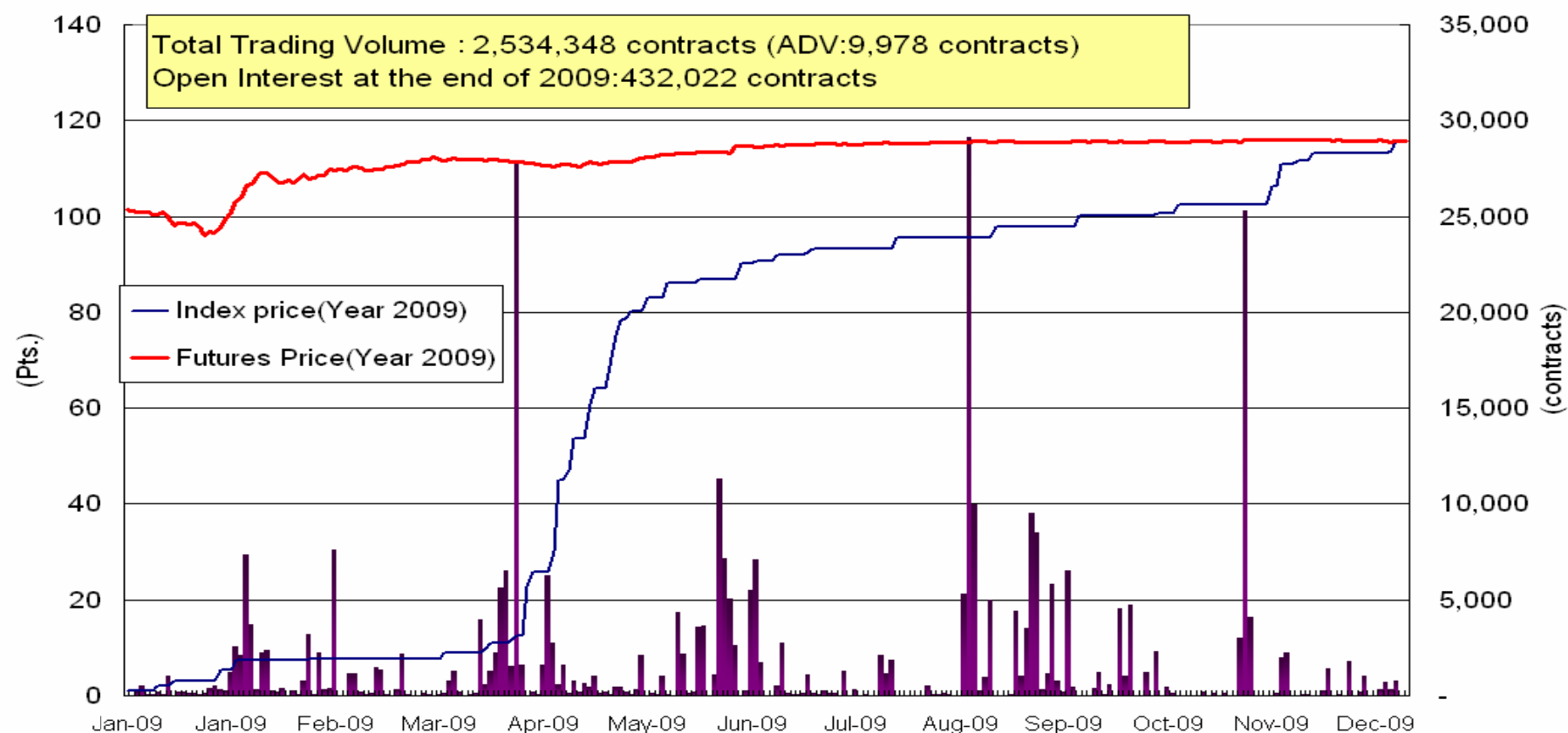
3. TSE dividend futures contract specifications

Underlying Indices	Nikkei Stock Average Dividend Point Index	TOPIX Dividend Index	TOPIX Core30 Dividend Index
Trading Hours	9:00-11:00, 12:30-15:10, 16:30-19:00		
Contract Months	The 8 nearest successive annual contracts of December cycle		
Unit of Trading	¥1,000	¥10,000	¥10,000
Tick Size	¥0.5 (¥500)	0.05pts. (¥500)	0.05pts. (¥500)
Order type	Limit order Only		
Give-up	Available		
Price Limit	There shall be no price limit.		
Special Quote Renewal Price Intervals	¥5 (¥5,000)	0.5pts. (¥5,000)	0.5pts. (¥5,000)
Circuit Brake	Circuit brake scheme shall not be introduced.		
Settlement Price	<ul style="list-style-type: none"> ■ The latest price of each contract month (including special quotes). If there is no trade on the day, <ul style="list-style-type: none"> - the nearest contract months and the most liquid contract month: the settlement price of the previous business day - Other contract months: the settlement price of the previous business day +/- variation width of the settlement price of the most liquid contract month. ■ The daily settlement price will be the base price of the following day. 		
Last Trading Day	The Last Trading Day is the last business day of March in the following year.		
Final Settlement	Cash settled by SQ		
SQ	The last underlying index price computed based on the actual dividend		
Inter-month Spread Trading	Not Available		
TOSTNet	Trading Hours	8:20-16:00, 16:30-19:10	
	Tick Size	¥0.1 (¥100)	0.01pts. (¥100)
	Price Range	The last traded price in auction market just before placing ask/ bid +/- 10%	
	Min. Contract Size	1 unit	

- Launch Date : Scheduled for July 26, 2010

(Ref.) Dividend Index and Dividend Index futures Price - from DJ Eurostoxx50 listed on Eurex

Dividend Index and Dividend Futures on DJ Eurostoxx50 in 2009



(Source) Bloomberg (arranged by Tokyo Stock Exchange, Inc.)