

JSCC ANNUAL REPORT 2018



JPX
JAPAN SECURITIES
CLEARING CORPORATION

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CLEARING CORPORATION

About JSCC

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Cover Photo

The cover depicts a pillar of the Sydney Harbor Bridge, a symbol of the city of Sydney, Australia. As a key support of the financial product transactions infrastructure, JSCC strives to be an equally strong and long-lasting presence.

Disclaimer

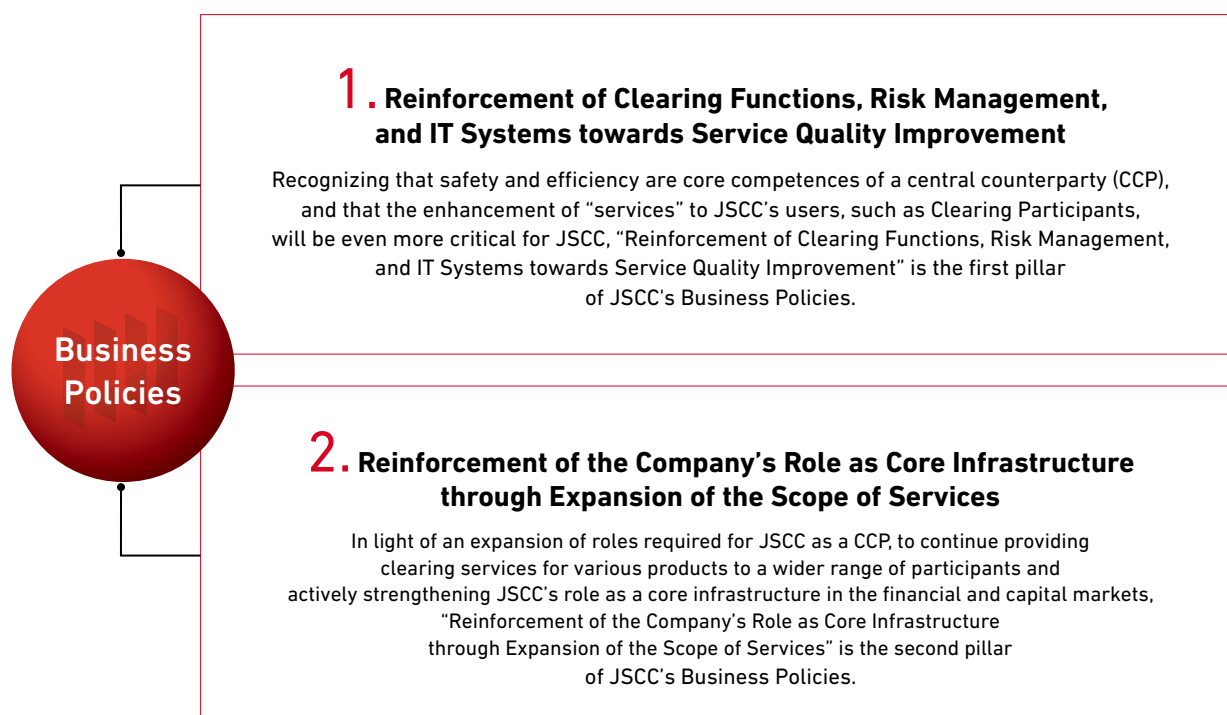
This document was prepared for informational purposes only. While every effort has been made to ensure the accuracy of the information presented herein, JSCC bears no responsibility or liability for any actions arising from the use of such information. This document contains forward-looking statements. These statements are based on the information available at the time this document was prepared and assumptions related to uncertain factors which could impact future performance. JSCC makes no guarantee regarding the realization of these statements or assumptions in the future, and actual results may vary significantly. Business strategies and other matters pertaining to future forecasts reflect JSCC's understanding at such time, and are subject to risks and uncertainties. As such, forecasts may not align with future results. JSCC disclaims any obligation to update any matters related to future forecasts.

In January 2003, Japan Securities Clearing Corporation (JSCC) was licensed as the first clearing house in Japan to conduct a “Securities Obligation Assumption Service” (current “Financial Instruments Obligation Assumption Service” stipulated in the Financial Instruments and Exchange Act) and commenced clearing services for transactions executed on stock exchanges.

The birth of JSCC enabled the integration of clearing processes that used to be performed separately by individual stock exchanges, dramatically improving the efficiency and serviceability of securities markets. In addition to listed products, JSCC currently provides clearing services for Over-the-Counter (OTC) derivatives (Credit Default Swaps (CDS) and Interest Rate Swaps (IRS)) and OTC Japanese Government Bond (JGB) transactions, and is working to expand services for foreign users.

CORPORATE PHILOSOPHY

JSCC, with a solid risk-management framework, aims to enhance the competitiveness of Japanese financial and capital markets by improving the efficiency, serviceability, and safety of financial market post-trade processing infrastructure.



History

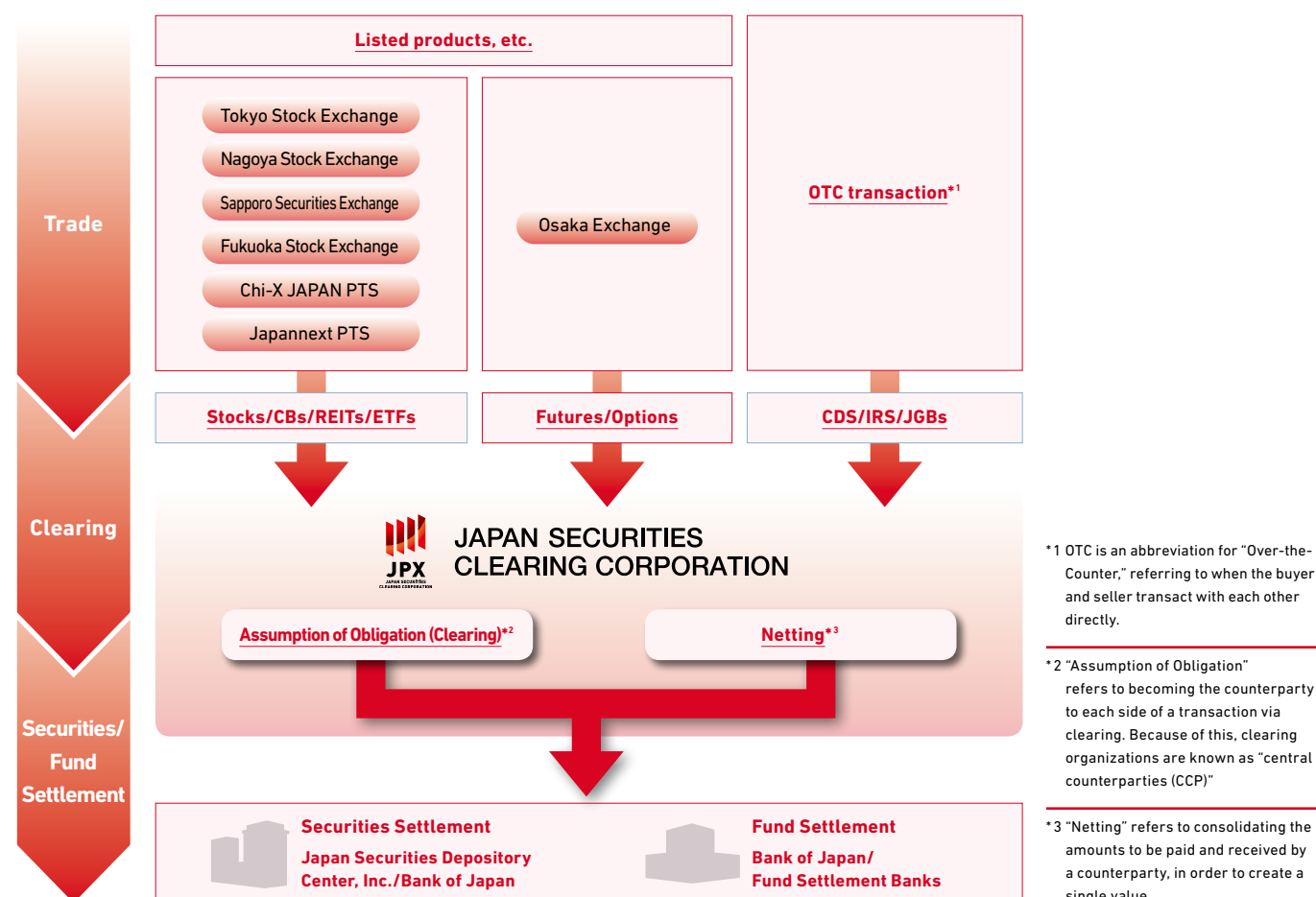


January 2018	Receives Swiss FINMA recognition as Foreign Central Counterparty
May 2017	Expansion of scope of cleared products subject to exemption from DCO Registration at CFTC
August 2016	Authorization as ATS-CCP and Designated CCP in Hong Kong
October 2015	Obtained exemption from registration as Derivatives Clearing Organization from CFTC
September 2015	Designated as Prescribed CCP in Australia
April 2015	Received ESMA recognition as Third-country CCP
October 2013	Merged with Japan Government Bond Clearing Corporation
August 2013	Issued Class D Shares by third-party allotments
July 2013	Migrated Osaka Securities Exchange listed derivatives clearing to JSCC
October 2012	Commenced Interest Rate Swaps (IRS) clearing
September 2012	Issued Class C shares by third-party allotments
July 2011	Commenced Credit Default Swaps(CDS)clearing Issued Class B shares by third-party allotments and converted all the existing common shares into Class A shares
September 2010	Issued new shares by third-party allotments for investment in JGBCC
July 2010	Commenced Proprietary Trading System (PTS) clearing
February 2004	Commenced Tokyo Stock Exchange-listed derivatives clearing
December 2003	Reached basic agreement on business collaboration and mutual cooperation with JASDEC DVP Clearing Corporation and Japan Securities Depository Center, Inc.
January 2003	Licensed to conduct the Securities Obligation Assumption Service (now known as Financial Instruments Obligation Assumption Service) and commenced cash transactions clearing for all domestic securities exchanges
July 2002	Established jointly by five Japanese stock exchanges and the Japan Securities Dealers Association

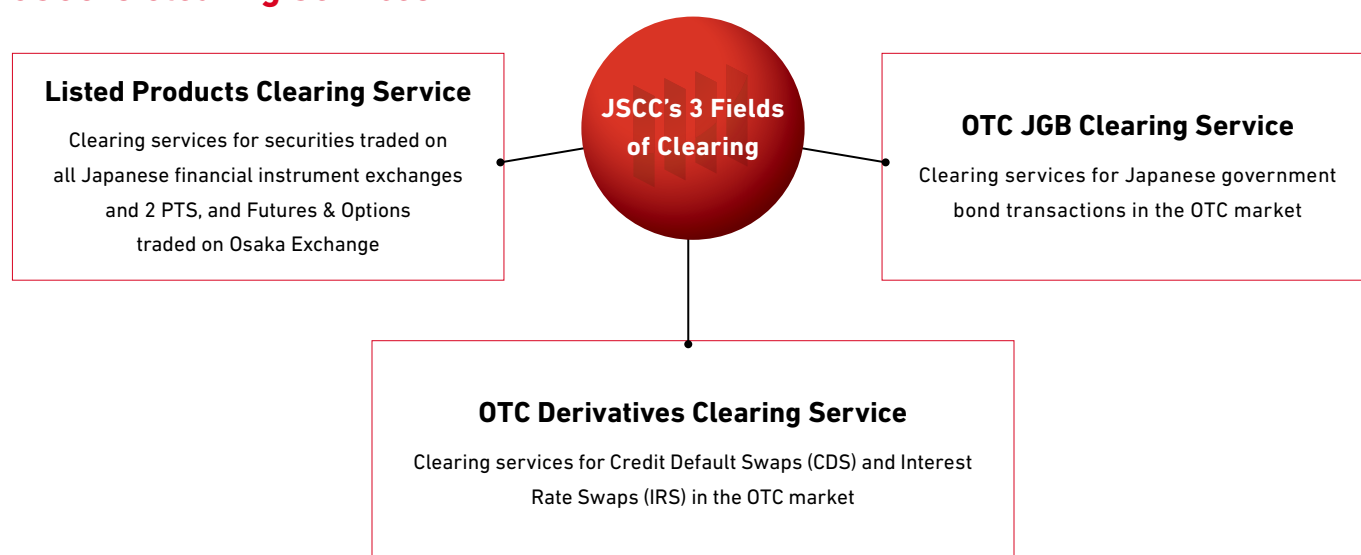
JSCC's Role and Clearing Service

JSCC's Role in Financial and Capital Markets

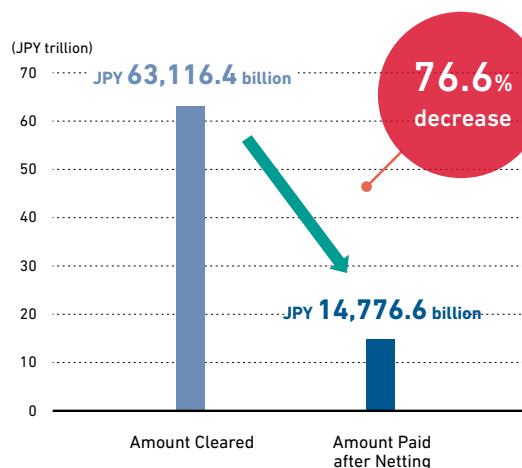
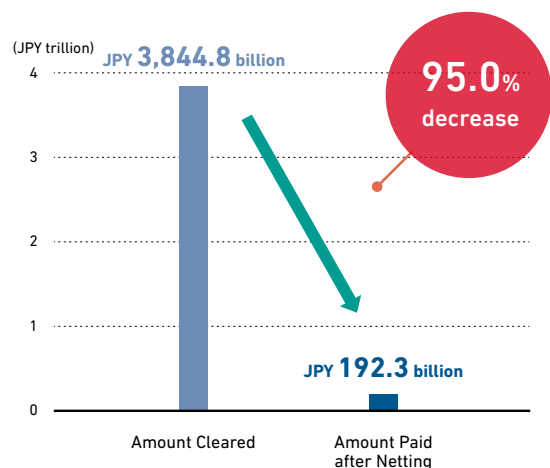
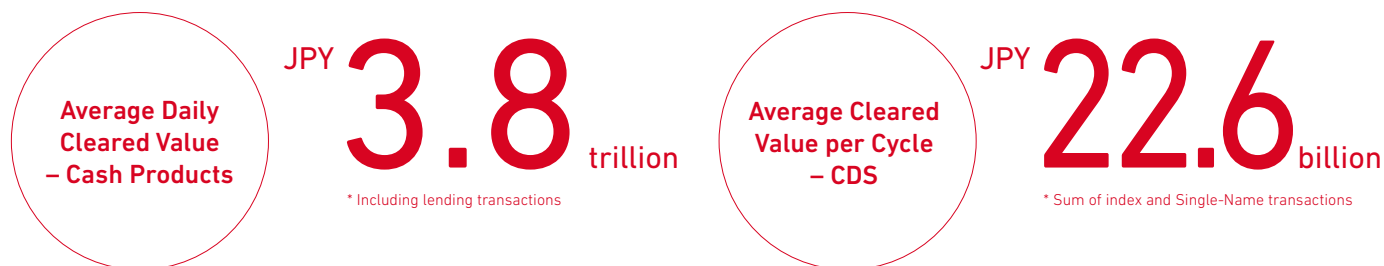
JSCC provides clearing services for a wide range of transactions, including listed products on exchanges/PTS, listed derivatives, OTC derivatives, and OTC JGB transactions.



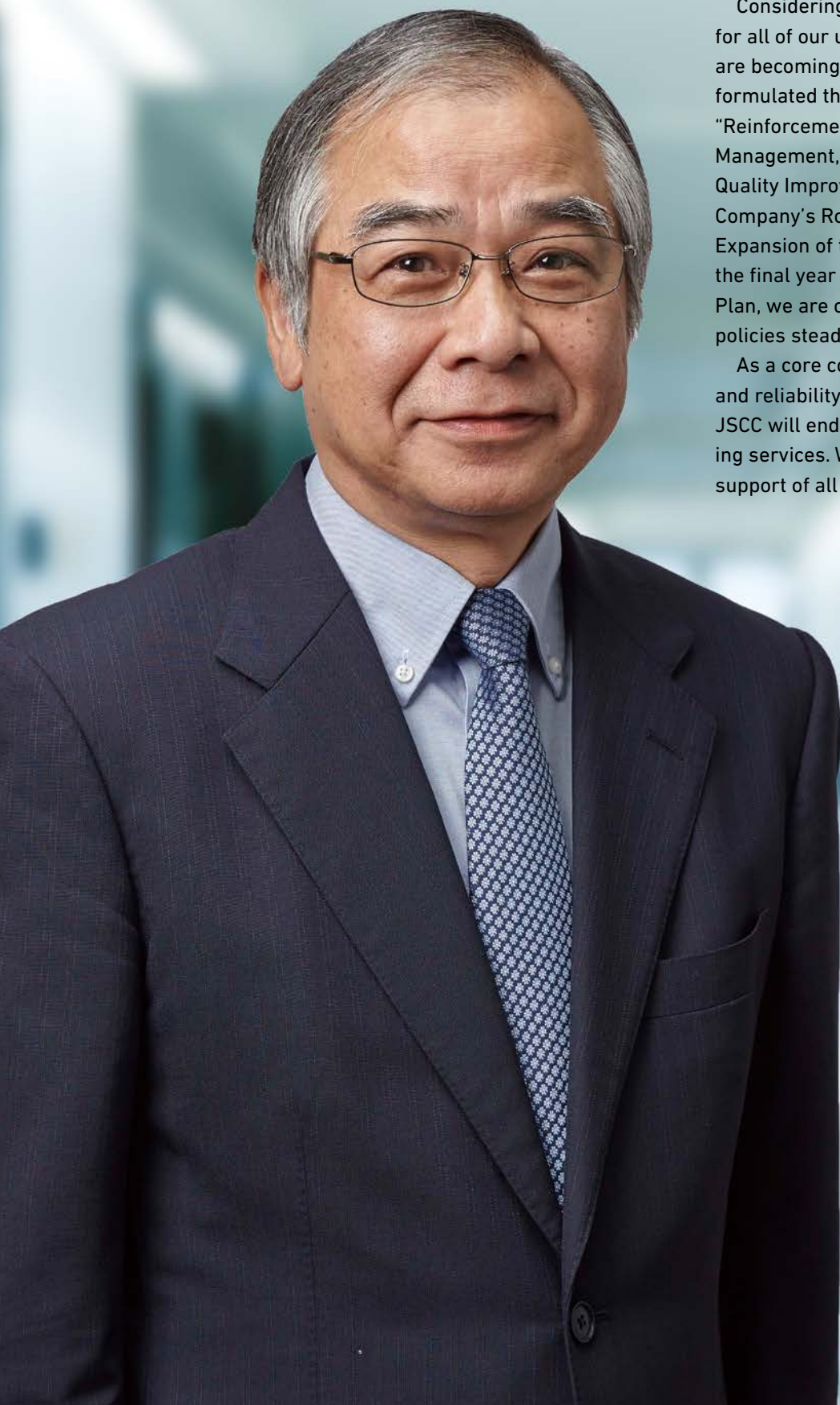
JSCC's Clearing Services



Major Statistics (FY2017)



Message from President & CEO



With its sophisticated risk management framework, JSCC provides highly efficient and convenient clearing services for listed products, OTC derivatives, and OTC JGBs for market participants around the globe.

Considering that the enhancement of services for all of our users including clearing participants are becoming more important than ever, we have formulated the business policies of “Reinforcement of Clearing Functions, Risk Management, and IT Systems toward Service Quality Improvement” and “Reinforcement of the Company’s Role as Core Infrastructure through Expansion of the Scope of Services”. As FY2018 is the final year of our Medium-Term Management Plan, we are continuing to implement our business policies steadily.

As a core component contributing to the safety and reliability of the financial capital markets, JSCC will endeavor to provide high-quality clearing services. We look forward to the continued support of all related parties in our future efforts.

October 2018

Hironaga Miyama
President and CEO

Activities and Achievements (FY2017)

JSCC's Medium-Term Management Plan from FY2016 to FY2018 focuses on the business policies of "Reinforcement of Clearing Functions, Risk Management, and IT Systems towards Service Quality Improvement" and "Reinforcement of the Company's Role as Core Infrastructure through Expansion of the Scope of Services."

Under these business policies, JSCC has taken the initiatives outlined below during FY2017.

Management Policy 1. Reinforcement of Clearing Functions, Risk Management and IT Systems towards Service Quality Improvement

Listed Products Clearing Service	<ul style="list-style-type: none"> Published outlines related to Shortening of Stock Settlement Cycle (T+2) (September 2017) Replaced Listed Derivatives Clearing Service for such purposes as enhancement of readiness to new products and of risk management function (February 2018)
OTC Derivatives Clearing Service	<ul style="list-style-type: none"> Introduced customer position transfer scheme in CDS Clearing Service (June 2017) Improved serviceability of Compression system* in IRS Clearing Service (October 2017)
JGB OTC Transaction Clearing Service	<ul style="list-style-type: none"> Put together revised draft rules, towards shortening of JGB settlement cycle (Outright/SC:T+1, GC Repo:T+0) (March 2018)
Company-Wide	<ul style="list-style-type: none"> Optimized overall Clearing System across all services by streamlining/relocating duplicated system functions, associated with replacement of Listed Derivatives Clearing System (February 2018)

* Compression is a process that reduces the size of OTC derivatives gross notional exposures and the number of line items in a portfolio, whilst maintaining the net risk exposure.

Management Policy 2. Reinforcement of the Company's Role as Core Infrastructure through Expansion of the Scope of Services

OTC Derivatives Clearing Service	<ul style="list-style-type: none"> Extended Single Name CDS tenor eligible for Clearing to ten years in CDS Clearing Service (May 2017) Increased Single Name CDS Issues eligible for clearing in CDS Clearing Service (addition of 5 issues) (August 2017) Revised Requirements for Clearing Qualification in IRS Clearing Service (December 2017)
Company-Wide	<ul style="list-style-type: none"> Expanded scope of Cleared Products subject to exemption from DCO Registration at Commodity Futures Trading Commission ("CFTC") (May 2017) Obtained Swiss FINMA recognition as Foreign Central Counterparty (January 2018)

Medium-Term Business Plan Update

In FY2018, JSCC has been continuing its efforts in initiatives outlined below in line with the business policies under the Medium-Term Management Plan.

Management Policy 1. Reinforcement of Clearing Functions, Risk Management and IT Systems towards Service Quality Improvement

Listed Products Clearing Service	<ul style="list-style-type: none"> Take steps to shorten the settlement cycle for equities (T+2)*
OTC Derivatives Clearing Service	<ul style="list-style-type: none"> Take measures for further enhancement of functionality/convenience. ➤ Improve compression scheme for IRS Clearing Service, etc.
JGB OTC Transaction Clearing Service	<ul style="list-style-type: none"> Go-live for shorter settlement cycle for JGB transactions (T+1)
Company-Wide	<ul style="list-style-type: none"> Continue discussion towards optimizing overall Clearing System by streamlining/relocating, etc. system functions. Implementing reinforced risk management pursuant to PFMI additional guidance, etc.

* T +1 & T +2 Settlements T + 1 Settlement refers to a settlement cycle where settlement is implemented on the next business day (+1) following the Trade Date (T), while T +2 Settlement refers to a settlement cycle where settlement is made on the second business day (+2) from the Trade Date.

Management Policy 2. Reinforcement of the Company's Role as Core Infrastructure through Expansion of the Scope of Services

Listed Products Clearing Service	<ul style="list-style-type: none"> Take steps to expand listed products eligible for clearing in response to the expansion of listed derivatives products
OTC Derivatives Clearing Service	<ul style="list-style-type: none"> Expand OTC derivatives products eligible for clearing. ➤ Expansion of JPY-IRS eligible for clearing ➤ Discussion towards clearing Cross Currency Swaps, etc.
JGB OTC Transaction Clearing Service	<ul style="list-style-type: none"> Go-live of clearing service for Inflation-Linked Bonds
Company-Wide	<ul style="list-style-type: none"> Take measures to deal with expansion of users, including those required by overseas regulations. In addition to discussion towards expansion of eligible products for clearing, discuss wider range of post-trade service possibilities

* Published in April 2018.

Risk Management Framework

As JSCC assumes credit and settlement risks on behalf of clearing participants, it needs to recognize and manage these risks appropriately. In terms of credit risk management for clearing participants, JSCC has a set of risk management systems, including the clearing participant qualification requirements, monitoring of financial and management soundness, and monitoring the risk exposure of clearing participants' positions.

JSCC acts as a central counterparty by interposing itself between clearing participants in order to assume their claims and obligations. Even in the event of a clearing participant's default, JSCC is required to complete settlement for other participants. JSCC has a settlement guarantee system designed on the principle of self-responsibility, which is used to cover any losses first with the defaulting participant's posted collaterals and then with other resources secured within a multi-tiered loss compensation scheme.

Clearing Participant Requirements

JSCC specifies clearing participant requirements by the type of clearing qualifications. Clearing participant requirements are comprised of entry requirements and maintenance requirements. Clearing qualifications for listed products and JGB OTC transactions are further classified into two types: Principal Clearing Participant qualification and Agency Clearing Participant qualification. Principal Clearing Participants are entitled to settle only their own transactions and their customers' transactions, whilst Agency Clearing Participants are entitled to settle transactions executed by non-clearing participants as well as their own and their customers' transactions.

Monitoring of Clearing Participants

JSCC regularly monitors clearing participants' governance structures, business execution capabilities, and financial conditions. When a problem is recognized, JSCC may suspend clearing for the participant and may revoke its clearing qualifications, if deemed necessary.

Collateral System

To ensure proper risk management of participant positions, JSCC requires that participants deposit collateral. The type of eligible collateral and calculation methodologies differ according to the type of transactions.

Management of Clearing Participant Default

In the event of the default of a clearing participant, JSCC first suspends the delivery of settlement funds, securities, and posted collateral to the defaulting participant. Then, its positions are settled in accordance with a predetermined loss compensation scheme as stipulated by the type of transactions.

Regardless of the type of transactions, JSCC completes all the settlements of non-defaulting participants as a central counterparty and assures the safety of transactions for clearing participants.

In addition, JSCC has signed liquidity supply agreements with fund settlement banks in preparation for a clearing participant's default.

1. Risk Management System for Listed Products

Clearing Participant Requirements

► Main Requirements for Listed Products Clearing Qualification

Financial Instruments Business Operator

Item	Principal	Agency
Capital	JPY 300 million or more	JPY 300 million or more
Net Assets	JPY 2 billion or more	JPY 20 billion or more
Capital-to-Risk Ratio	Over 200%	Over 200%

Registered Financial Institution

Item	Principal	Agency
Stated Capital or Total Amount of Contribution	JPY 300 million or more	JPY 300 million or more
Net Assets	JPY 2 billion or more	JPY 20 billion or more
Capital Adequacy Ratio	Uniform International Standard	(1) Over 4.5% in Tier 1 Ratio (common stocks, etc.) (2) Over 6% in Tier 1 Ratio (3) Over 8% in Total Capital Ratio
	Domestic Standard	Over 4%
Solvency Margin Ratio	Over 400%	Over 400%

Collateral System

► Cash Equities

Collateral Type	Outline
Initial Margin	<ul style="list-style-type: none"> Must be deposited to cover 99% of the losses that could arise from price fluctuations over the past 250 days. The required amount is calculated daily.
Clearing Fund	<ul style="list-style-type: none"> Must be deposited to cover potential losses in the scenario that the top two clearing participants default in extreme but plausible market conditions, and the deposited collateral of such participants is insufficient. The required amount is calculated monthly.
Collateral for Facilitating Settlement	<ul style="list-style-type: none"> Deposited voluntarily by participants to receive securities early for DVP settlement of a cash transaction.

► Futures/Options

Collateral Type	Outline
Clearing Margin	<ul style="list-style-type: none"> Must be deposited to cover 99% of losses that could arise from price and volatility fluctuations. The required amount is calculated daily using SPAN®*.
Clearing Fund	<ul style="list-style-type: none"> Must be deposited to proportionally cover potential losses not covered by a defaulting participants' collateral, in cases of multiple participant defaults (including the largest participants in terms of risk) during extreme but plausible market conditions. The required amount is calculated weekly.

* The SPAN® (Standard Portfolio Analysis of Risk) system is a methodology that calculates risk-based margin developed by the Chicago Mercantile Exchange (CME).

Loss Compensation Scheme

If JSCC incurs losses from the default of a clearing participant, the losses will be compensated under the following scheme.

First Tier:	Collateral deposited by the defaulting clearing participant
Second Tier:	Compensation by exchanges (Cash equities: about JPY 11.3 billion, Futures/options: about JPY 17.4 billion))
Third Tier:	Compensation by JSCC (about JPY 29 billion) * (as of March 31, 2018)
Fourth Tier:	Clearing Fund contributed by non-defaulting participants (Applicable only for futures/options)
Fifth Tier:	Special clearing charges collected from non-defaulting clearing participants

2. Risk Management for OTC Derivatives Transactions

2-1. Risk Management System for CDS

Clearing Participant Requirements

► Main Requirements for CDS Clearing Qualification

Financial Instruments Business Operator

Item	Criteria
Capital	JPY 100 billion or more
Capital-to-Risk Ratio	Over 200%
Credit Standing*	Having a certain level of creditworthiness

Registered Financial Institution

Item	Criteria
Capital	JPY 100 billion or more
Capital Adequacy Ratio	Uniform International Standard
	(1) Over 4.5% in Tier 1 Ratio (common stocks, etc.) (2) Over 6% in Tier 1 Ratio (3) Over 8% in Total Capital Ratio
	Domestic Standard
	Over 4%
Solvency Margin Ratio	Over 400%
Credit Standing*	Having a certain level of creditworthiness

* Assessment based on such factors as the credit ratings of clearing participants.

Collateral System

Collateral Type	Outline
Initial Margin	<ul style="list-style-type: none"> Must be deposited to cover fluctuations in NPV*, which is calculated for each scenario based on changes in market data for any 5 days in the past 750-day period and the largest historical fluctuations assuming a holding period of 10 days (twice the normal period). (Historical simulation (expected shortfall)) The required amount is calculated daily. Extra charges are added, as described below, in consideration of the nature of CDS transactions. <ul style="list-style-type: none"> ✓ A certain amount is added for a CDS seller to cover risk exposure in the case of a credit event for the reference entity (short charge). ✓ An amount is added according to each issue to cover liquidity risk of that issue (bid/offer charge). ✓ A certain amount is added to issues subject to a credit event to cover the risk exposure between the occurrence of the credit event and its settlement (credit event margin).
Variation Margin	<ul style="list-style-type: none"> Must be deposited in an amount determined using the mark-to-market method to cover daily price fluctuations.
Clearing Fund	<ul style="list-style-type: none"> Must be deposited to cover potential losses in the scenario that the top two clearing participants default in extreme but plausible market conditions, and the deposited collateral of such participants is insufficient. The required amount is calculated weekly.

* NPV: Net Present Value

Loss Compensation Scheme

If JSCC incurs losses from the default of a clearing participant, the losses will be compensated under the following scheme.

First Tier: Collateral deposited by the defaulting clearing participant

Second Tier: Compensation by JSCC (JPY 2 billion)*¹

Third Tier: Clearing Fund contributed by non-defaulting participants*² and compensation by JSCC (JPY 1 billion)*¹

Fourth Tier: Special clearing charges collected from non-defaulting clearing participants*³

Fifth Tier: Compensation by the recipients of variation margin

* ¹ As of March 31, 2018

* ² Limited to CDS clearing fund

* ³ Will be capped with the amount of clearing fund for the clearing participant's default that had occurred by the 30th day from the first default (if another default occurs during that period, then the 30th day from the relevant default).

2-2.Risk Management System for IRS

Clearing Participant Requirements

► Main Requirements for IRS Clearing Qualification

Financial Instruments Business Operator

Item	Criteria
Capital	The lower of USD 50 million or JPY 5 billion
Capital-to-Risk Ratio	Over 200%
Credit Standing*	Having a certain level of creditworthiness

Registered Financial Institution

Item	Criteria
Capital	The lower of USD 50 million or JPY 5 billion
Capital Adequacy Ratio	Uniform International Standard
	(1) Over 4.5% in Tier 1 Ratio (common stocks, etc.) (2) Over 6% in Tier 1 Ratio (3) Over 8% in Total Capital Ratio
	Domestic Standard
	Over 4%
Solvency Margin Ratio	Over 400%
Credit Standing*	Having a certain level of creditworthiness

* Assessment based on such factors as the credit ratings of clearing participants.

Collateral System

Collateral Type	Outline
Initial Margin	<ul style="list-style-type: none"> Must be deposited to cover fluctuations in NPV*, which is calculated for each scenario generated based on changes in market data for any 5 days in the past 1,250-day period and interest rate fluctuations in the largest historical stress Initial Margin event. (Historical simulation (expected shortfall)) The required amount is calculated daily. A liquidity charge is added to initial margin for a clearing participant exposed to risks from large positions greater than a predetermined level.
Variation Margin	<ul style="list-style-type: none"> Must be deposited in an amount determined using the mark-to-market method to cover daily price fluctuations.
Intraday Margin	<ul style="list-style-type: none"> Must be deposited intraday for positions held by the clearing participant at noon in an amount equal to initial margin recalculated based on the most recent market data, to or from which variation margin recalculated using the most recent market data is added or deducted.
Clearing Fund	<ul style="list-style-type: none"> Must be deposited to cover potential losses in the scenario that the top two clearing participants default in extreme but plausible market conditions, and the deposited collateral of such participants is insufficient. The required amount is calculated weekly.

* NPV: Net Present Value

Loss Compensation Scheme

If JSCC incurs losses from the default of a clearing participant, the losses will be compensated under the following scheme.

First Tier:	Collateral deposited by the defaulting clearing participant
Second Tier:	Compensation by JSCC (JPY 2 billion)
Third Tier:	Clearing Fund contributed by non-defaulting participants* ¹ and compensation by JSCC (JPY 2 billion)
Fourth Tier:	Special clearing charges collected from non-defaulting clearing participants* ²
Fifth Tier:	Compensation by the recipients of variation margin

*¹ Limited to IRS clearing fund

*² Will be capped with the amount of clearing fund for the clearing participant's default that had occurred by the 30th day from the first default (if another default occurs during that period, then the 30th day from the relevant default).

3. Risk Management System for OTC JGBs

Clearing Participant Requirements

► Main Requirements for OTC JGB Clearing Qualification

Financial Instruments Business Operator

Item	Principal	Agency
Capital	JPY 300 million or more	JPY 300 million or more
Net Assets	JPY 5 billion or more	JPY 20 billion or more
Capital-to-Risk Ratio	Over 200%	Over 200%

Registered Financial Institution

Item	Principal	Agency
Stated Capital or Total Amount of Contribution	JPY 300 million or more	JPY 300 million or more
Net Assets	JPY 5 billion or more	JPY 20 billion or more
Capital Adequacy Ratio	Uniform International Standard	(1) Over 4.5% in Tier 1 Ratio (common stocks, etc.) (2) Over 6% in Tier 1 Ratio (3) Over 8% in Total Capital Ratio
	Domestic Standard	Over 4%
Solvency Margin Ratio	Over 400%	Over 400%

Collateral System

► Cash Equities

Collateral Type	Outline
Initial Margin	<ul style="list-style-type: none"> Must be deposited to cover the risk of price fluctuations that could occur if a clearing participant fails to perform FOS (Funds Only Settlement) settlement or DVP settlement with variation margin. The required amount to cover the risk of FOS settlement failure is equivalent to the average of the 20 largest amounts of funds settled by the clearing participant over the past 120 business days. The required amount to cover the risk of a DVP settlement failure is an amount that covers more than 99% of fluctuations in JGB market value over a three-day period in the past 250 business days. An extra Market Impact Charge is added to initial margin for clearing participants that are exposed to risks that exceed a predetermined level.
Variation Margin	<ul style="list-style-type: none"> Must be deposited in an amount determined using the mark-to-market method to cover daily price fluctuations.
Clearing Fund	<ul style="list-style-type: none"> Must be deposited to cover potential losses in the case that the top two clearing participants default in extreme but plausible market conditions, and the deposited collateral of such participants is insufficient. The required amount is calculated daily.

Loss Compensation Scheme

If JSCC incurs losses from the default of a clearing participant, the losses will be compensated under the following scheme.

First Tier: Collateral deposited by the defaulting clearing participant

Second Tier: Compensation by JSCC (about JPY 1.75 billion)

Third Tier: Clearing Fund contributed by non-defaulting clearing participants* and compensation by JSCC (JPY 1.75 billion)

Fourth Tier: Special clearing charges collected from non-defaulting clearing participants

Fifth Tier: Clearing Fund contributed by original transaction pro-rata clearing participants and compensation by JSCC

Sixth Tier: Special clearing charges collected from original transaction pro-rata clearing participants

Seventh Tier: Compensation by the recipients of variation margin

* Limited to OTC JGB clearing fund

4. List of Clearing Products (as of September 30, 2018)

JSCC provides clearing services as below and includes listed products on exchanges/PTS, listed derivatives, OTC derivatives, and OTC JGB transactions.

Cash Equities		
Clearing service for securities traded on all Japanese financial instrument exchanges and 2 Proprietary Trading Systems.	<ul style="list-style-type: none"> • Stocks • Foreign Stocks • ETFs • ETNs • REITs • Venture Funds • Country Funds 	<ul style="list-style-type: none"> • Infrastructure Funds • Preferred Stocks, etc. • Japanese Government Bonds • Convertible Bonds • Subscription Warrant Securities • Preferred Equity Investment Securities

Futures and Options		
Japanese Indices	Nikkei Stock Average (Nikkei 225)	Nikkei 225 Futures(Large Contracts)
		Nikkei 225 mini
		Nikkei 225 Options
	TOPIX (Tokyo Stock Price Index)	TOPIX Futures
		mini-TOPIX Futures
		TOPIX Options
	JPX-Nikkei Index 400	JPX-Nikkei 400 Futures JPX-Nikkei 400 Options
	TOPIX Core30	TOPIX Core30 Futures
	Russell/Nomura Prime Index (RN Prime Index)	RN Prime Index Futures
Overseas Indices	Dow Jones Industrial Average (DJIA)	DJIA Futures
	Nifty 50	India Nifty50 Futures
	TWSE Capitalization Weighted Stock Index	TAIEX Futures
	FTSE China 50 Index	FTSE China 50 Index Futures
Dividends Indices	Nikkei 225 Dividend Index	Nikkei 225 Dividend Index Futures
	TOPIX Dividend Index	TOPIX Dividend Index Futures
	TOPIX Core30 Dividend Index	TOPIX Core30 Dividend Index Futures
Volatility Indices	Nikkei Stock Average Volatility Index (Nikkei 225 VI)	Nikkei 225 VI Futures
REIT Indices	TSE REIT Index	TSE REIT Index Futures
Bond	Standardized 3%, 5-year JGB	5-year JGB Futures
	Standardized 6%, 10-year JGB	10-year JGB Futures
		Options on JGB Futures
	Price of standardized 6%, 10-year JGB	mini-10year JGB Futures
Individual Security	Standardized 3%, 20-year JGB	20-year JGB Futures
	Individual Security	Securities Options

CDS

	Series	Effective Date	Scheduled Termination Date	Fixed Rate	Relevant Standard Terms Supplement
CDS Index	iTraxx Japan Series Number 20 Version 1	20-Sep-2013	20-Dec-2018	100bps	iTraxx Asia/Pacific Legacy Untranch Standard Terms Supplement
	iTraxx Japan Series Number 21 Version 1	20-Mar-2014	20-Jun-2019		
	iTraxx Japan Series 22 Version 1	22-Sep-2014	20-Dec-2019		
	iTraxx Japan Series 23 Version 1	20-Mar-2015	20-Jun-2020		iTraxx Asia/Pacific Untranch Standard Terms Supplement
	iTraxx Japan Series 24 Version 1	24-Sep-2015	20-Dec-2020		
	iTraxx Japan Series 25 Version 1	22-Mar-2016	20-Jun-2021		
	iTraxx Japan Series 26 Version 1	20-Sep-2016	20-Dec-2021		
	iTraxx Japan Series 27 Version 1	21-Mar-2017	20-Jun-2022		
	iTraxx Japan Series 28 Version 1	20-Sep-2017	20-Dec-2022		
	iTraxx Japan Series 29 Version 1	20-Mar-2018	20-Jun-2023		
	Reference Entity		Scheduled Termination Date	Fixed Rate	Transaction Type
Single Name	<ul style="list-style-type: none"> • AEON CO., LTD. • ANA HOLDINGS INC. • FUJITSU LIMITED • Hankyu Hanshin Holdings, Inc. • Hitachi, Ltd. • HONDA MOTOR CO., LTD. • ITOCHU Corporation • JAPAN TOBACCO INC. • JFE Holdings, Inc. • KAJIMA CORPORATION • Kawasaki Heavy Industries, Ltd. • Kawasaki Kisen Kaisha, Ltd. • Kintetsu Group Holdings Co., Ltd. • Kobe Steel, Ltd. • KOMATSU LTD. • Marubeni Corporation • Mitsubishi Corporation • Mitsubishi Heavy Industries, Ltd. • MITSUI & CO., LTD. • Mitsui Chemicals, Inc. • Mitsui O.S.K. Lines, Ltd. • NEC Corporation • Nippon Paper Industries Co., Ltd. • NIPPON STEEL & SUMITOMO METAL CORPORATION • Nippon Yusen Kabushiki Kaisha • NISSAN MOTOR CO., LTD • OBAYASHI CORPORATION • Oji Holdings Corporation • ORIX Corporation • Panasonic Corporation • RICOH COMPANY, LTD. • SHIMIZU CORPORATION • SoftBank Group Corp. • SONY CORPORATION • Sumitomo Chemical Company, Limited • SUMITOMO CORPORATION • Sumitomo Realty & Development Co., Ltd. • Tokyo Electric Power Company Holdings, Incorporated • TOSHIBA CORPORATION • TOYOTA MOTOR CORPORATION 		Within 10 years and 3 months from the Clearing Day	100bps	Standard Japan Corporate*

* Standard Japan Corporate" refers to the term that is prescribed in Credit Derivatives Physical Settlement Matrix published by ISDA in September 2014.

IRS

IRS Fix-Float	JPY-LIBOR-ICE ("JPY LIBOR") (1M,3M,6M)
	JPY-TIBOR-ZTIBOR("Z TIBOR") (1M,3M,6M)
	JPY-TIBOR-17097 ("D TIBOR") (1M,3M,6M)
	USD-LIBOR-ICE (1M,3M,6M)
	EUR-EURIBOR-Telerate (3M,6M)
	EUR-EURIBOR-Reuters (3M,6M)
	AUD-BBR-BBSW (3M,6M)
	JPY-TONA-OIS-COMPOUND
Basis Swap-Tenor Swap (JPY)	JPY LIBOR (1M,3M,6M)
	Z TIBOR (1M,3M,6M)
	D TIBOR (1M,3M,6M)
Basis Swap-Tenor Swap (USD)	USD-LIBOR-ICE (1M,3M,6M)
Basis Swap-Tenor Swap (EUR)	EUR-EURIBOR-Telerate (3M,6M)
	EUR-EURIBOR-Reuters (3M,6M)
Basis Swap-Tenor Swap (AUD)	AUD-BBR-BBSW (3M,6M)
Basis Swap-Curve Swap	JPY LIBOR vs Z TIBOR
	JPY LIBOR vs D TIBOR
	Z TIBOR vs D TIBOR

*1 Standard Collateral Allocation Repo Transactions

*2 Subsequent Collateral Allocation Repo Transactions

OTC-JGB Transaction

Buying and Selling
Cash-secured Bond Lending Transactions ("gentan" transaction)*1
Standard Repo Transactions ("gensaki" transaction)*1
Subsequent Repo Transactions ("gensaki" transaction)*2

List of Clearing Participants (as of September 30, 2018)

Listed Products Clearing Participants (114 companies)

Clearing Qualification Classification ○: Principal ★: Agency

Clearing Participants Name	Cash Products	JGB Futures	Index Futures
A			
ABN AMRO Clearing Tokyo Co., Ltd.	○	○	○
ACE SECURITIES CO., LTD.	○	○	○
AIZAWA SECURITIES CO., LTD.	○	○	○
Akatsuki Securities, Inc.	○	○	○
ANDO SECURITIES CO., LTD.	—	○	○
Aozora Bank, Ltd.	—	○	—
ARK SECURITIES CO., LTD.	○	○	○
B			
THE BANK OF FUKUOKA, LTD.	—	○	—
The Bank of Kyoto, Ltd.	—	○	—
THE BANK OF SAGA LTD.	—	○	—
The Bank of Yokohama, Ltd.	—	○	—
Bansei Securities Co., Ltd.	—	—	○
Barclays Securities Japan Limited	○	○	○
BNP Paribas Securities (Japan) Limited	○	○	○
C			
The Chiba Bank, Ltd.	—	○	—
Chibagin Securities Co., Ltd.	○	○	○
The Chugoku Bank, Limited	—	○	—
Citibank, N.A.	★	—	—
Citigroup Global Markets Japan Inc.	—	★	★
Credit Agricole Securities Asia B.V.	○	○	—
Credit Suisse Securities (Japan) Limited	○	○	○
D			
Daiwa Securities Co. Ltd.	○	○	○
Deutsche Securities Inc.	○	○	○
DSB Co., Ltd.	★	★	★
E			
Eiwa Securities Co., Ltd.	—	○	○
F			
FFG Securities Co., Ltd.	○	○	○
G			
GMO CLICK Securities, Inc.	○	—	○
Goldman Sachs Japan Co., Ltd.	○	○	○
The Gunma Bank, Ltd.	—	○	—
H			
H.S. SECURITIES CO., LTD.	○	○	○
The Hachijuni Bank, Ltd.	—	○	—
HACHIJUNI SECURITIES Co., Ltd.	○	—	—
Hibiki Securities Inc.	○	—	○
THE HIKARI SECURITIES CO., LTD.	○	○	○
HINODE SECURITIES CO., LTD.	○	○	○
HIROTA SECURITIES CO., LTD.	○	○	○
The Hongkong and Shanghai Banking Corporation Limited	★	—	★
HSBC SECURITIES (JAPAN) LIMITED	○	○	○
The Hyakujushi Bank, Ltd.	—	○	—
I			
Ichiyoshi Securities Co., Ltd.	○	○	○
The Imamura Securities Co., Ltd.	○	○	○
Interactive Brokers Securities Japan, Inc.	—	○	○
IwaiCosmo Securities Co., Ltd.	★	○	○
J			
JPMorgan Securities Japan Co., Ltd.	○	○	○
JAPAN SECURITIES FINANCE CO., LTD.	○	—	—
The Joyo Bank, Ltd.	—	○	—

Clearing Participants Name	Cash Products	JGB Futures	Index Futures
K			
kabu.com Securities Co., Ltd.	—	—	○
KIMURA SECURITIES CO., LTD.	○	○	○
The Kasei Securities Co., Ltd.	○	○	○
KYOKUTO SECURITIES CO., LTD.	○	○	○
Kyowa Securities Co., Ltd.	—	○	○
L			
Leading Securities Co., Ltd.	○	—	—
livestar Securities Co., Ltd.	○	○	○
M			
Macquarie Capital Securities (Japan) Limited	○	—	—
Madison Securities Co., Ltd.	○	○	○
Maruhachi Securities Co., Ltd.	○	○	○
MARUKUNI SECURITIES CO., LTD.	○	—	—
Marusan Securities Co., Ltd.	○	○	○
MATSUI SECURITIES CO.,LTD.	○	○	○
Merrill Lynch Japan Securities Co., Ltd.	★	★	★
MIKI SECURITIES CO., LTD.	○	○	○
MITA SECURITIES Co., Ltd.	○	—	○
Milo Securities Co., Ltd.	○	○	○
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	○	○	○
Mitsubishi UFJ Trust and Banking Corporation	—	○	—
Mizuho Bank, Ltd.	—	○	—
Mizuho Securities Co., Ltd.	○	○	○
Mizuho Trust & Banking Co., Ltd.	—	○	—
Monex, Inc.	○	—	○
Morgan Stanley MUFG Securities Co., Ltd.	○	○	○
MUFG Bank, Ltd.	—	○	—
Musashi Securities Co., Ltd.	○	○	○
N			
NAGANO SECURITIES CO., LTD.	○	○	○
NAITO SECURITIES CO., LTD.	○	○	○
The Nakahara Securities Co., Ltd.	○	○	○
Natixis Japan Securities Co., Ltd.	○	○	○
New-S Securities Co., Ltd.	○	—	—
NISHIMURA SECURITIES CO., LTD.	○	—	—
THE NISHI-NIPPON CITY BANK, LTD.	—	○	—
Nissan Securities Co., Ltd.	○	○	○
Nomura Securities Co., Ltd.	○	○	○
O			
The Ogaki Kyoritsu Bank, Ltd.	—	○	—
OKACHI SECURITIES CO., LTD.	○	○	○
OKASAN SECURITIES CO., LTD.	★	○	○
OKASAN NIIGATA SECURITIES CO., LTD.	○	—	—
OKAYASU SECURITIES Co., Ltd.	○	—	—
P			
Phillip Securities Japan, Ltd.	○	○	○
R			
Rakuten Securities, Inc.	○	○	○
Resona Bank, Limited	—	○	—
Retela Crea Securities Co., Ltd.	○	○	○
S			
SANKO SECURITIES CO.,L TD	○	○	○
Sankyo Securities Co., Ltd.	○	—	○
SBI SECURITIES Co., Ltd.	○	○	○

Risk Management Framework

Clearing Participants Name	Cash Products	JGB Futures	Index Futures
Securities Japan, Inc.	○	○	○
The Senshu Ikeda Bank, Ltd.	—	○	—
The 77 Bank, Ltd.	—	○	—
Shinkin Central Bank	—	○	—
Shinkin Securities Co., Ltd.	—	○	—
THE SHIZUOKA BANK, LTD.	—	○	—
The Shoko Chukin Bank, Ltd.	—	○	—
Sinsei Bank, Limited	—	○	—
SMBC Nikko Securities Inc.	○	○	○
Societe Generale Securities Japan Limited	○	○	○
Sumitomo Mitsui Banking Corporation	—	○	—
Sumitomo Mitsui Trust Bank, Limited	—	○	—

Clearing Participants Name	Cash Products	JGB Futures	Index Futures
T			
TAKAGI SECURITIES CO., LTD.	○	○	○
THE TACHIBANA SECURITIES CO., LTD.	○	○	○
Tokai Tokyo Securities Co., Ltd.	○	○	○
TOYO SECURITIES CO., LTD.	○	○	○
U			
UBS Securities Japan Co., Ltd.	—	○	○
UTSUMIYA SECURITIES CO., LTD.	○	○	○
Y			
Yamani Securities Co., Ltd.	○	○	○
YAMAWA SECURITIES CO., LTD.	—	○	○
The Yutaka Securities Co., Ltd.	○	○	○

CDS Clearing Participants (10 companies)

Clearing Participants Name
BNP Paribas
Citigroup Global Markets Japan Inc.
Daiwa Securities Co. Ltd.
Deutsche Bank Aktiengesellschaft
Goldman Sachs Japan Co., Ltd.

Clearing Participants Name
Merrill Lynch Japan Securities Co., Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Mizuho Securities Co., Ltd.
Nomura Securities Co., Ltd.
SMBC Nikko Securities Inc.

IRS Clearing Participants (23 companies)

Clearing Participants Name
Barclays Bank PLC
BNP Paribas
Citigroup Global Markets Japan Inc.
Credit Agricole Corporate and Investment Bank
Credit Suisse Securities (Japan) Limited
Daiwa Securities Co. Ltd.
Deutsche Bank Aktiengesellschaft
Goldman Sachs Japan Co., Ltd.
The Hongkong and Shanghai Banking Corporation Limited
JPMorgan Securities Japan Co., Ltd.
Merrill Lynch Japan Securities Co., Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

Clearing Participants Name
Mizuho Bank, Ltd.
Morgan Stanley MUFG Securities Co., Ltd.
MUFG Bank, Ltd.
Nomura Securities Co., Ltd.
Resona Bank, Limited.
Shinkin Central Bank
SMBC Nikko Securities Inc.
Societe Generale
Sumitomo Mitsui Banking Corporation
Sumitomo Mitsui Trust Bank, Limited
UBS AG

Clearing Participants for OTCJGB Transactions (41 companies)

Clearing Qualification Classification

○: Principal ★: Agency

Clearing Participants Name	Type
Aozora Bank, Ltd.	○
Barclays Securities Japan Limited	○
BNP Paribas Securities (Japan) Limited	○
Credit Agricole Securities Asia B.V.,Tokyo Branch	○
Central Tanshi Co., Ltd.	○
Central Totan Securities Co., Ltd.	○
Citigroup Global Markets Japan Inc.	○
Credit Suisse Securities (Japan) Limited	○
Daiwa Securities Co. Ltd.	○
Deutsche Securities Inc.	○
Goldman Sachs Japan Co., Ltd.	○
Japan Bond Trading Co., Ltd.	○
Japan Trustee Services Bank, Ltd.	○
JPMorgan Securities Japan Co., Ltd.	○
Japan Securities Finance Co., Ltd.	○
The Master Trust Bank of Japan, Ltd.	○
Merrill Lynch Japan Securities Co., Ltd.	○
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	○
Mitsubishi UFJ Trust and Banking Corporation	○
Mizuho Bank, Ltd.	○
Mizuho Securities Co., Ltd.	○

Clearing Participants Name	Type
Morgan Stanley MUFG Securities Co., Ltd.	○
MUFG Bank, Ltd.	○
Natixis Japan Securities Co., Ltd.	○
Nomura Securities Co., Ltd.	○
The Nomura Trust and Banking Co., Ltd.	○
The Norinchukin Bank	○
Okasan Securities Co., Ltd.	○
SBI SECURITIES Co., Ltd.	○
Shinkin Central Bank	○
Shinkin Securities Co., Ltd.	○
Shinsei Securities Co., Ltd.	○
SMBC Nikko Securities Inc.	○
Societe Generale Securities Japan Limited	○
Sumitomo Mitsui Banking Corporation	○
Sumitomo Mitsui Trust Bank, Limited	○
Tokai Tokyo Securities Co., Ltd.	○
The Tokyo Tanshi Co., Ltd.	○
Trust & Custody Services Bank, Ltd.	○
UBS Securities Japan Co., Ltd.	○
Ueda Yagi Tanshi Co., Ltd.	★

Financial Statements and Company Profile

Business Statistics

Clearing Statistics (Daily Average, Single-leg)

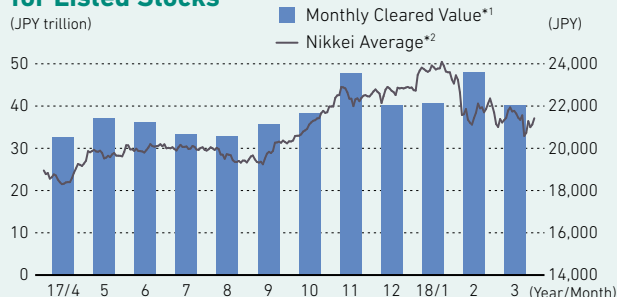
		FY2017	FY2016
Cash	Cleared Value	JPY 3.8 trillion	JPY 3.3 trillion
	Cleared Volume	2.67 billion shares	2.95 billion shares
JGB	Cleared Value	JPY 3.5 trillion	JPY 2.8 trillion
	Cleared Volume	35,947 units	28,571 units
Index	Cleared Value	JPY 3.9 trillion	JPY 2.9 trillion
	Cleared Volume	207,453 units	188,094 units

		FY2017	FY2016
CDS*¹ *²	Cleared Value	JPY 22.6 billion	JPY 10.4 billion
	Cleared Volume	29 units	11 units
IRS	Cleared Value	JPY 4.2trillion	JPY 4.0 trillion
	Cleared Volume	317 units	358 units
OTC JGBs	Cleared Value	JPY 63.1 trillion	JPY 63.8 trillion
	Cleared Volume	6,100 units	5,600 units

*1 Aggregate of Index and Single-Name transactions

*2 Average per clearing cycle.

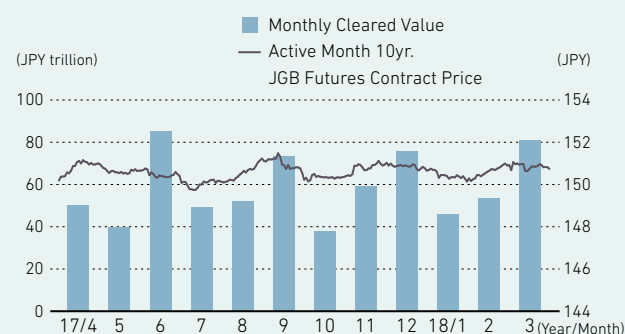
Nikkei Average and Cleared Value for Listed Stocks



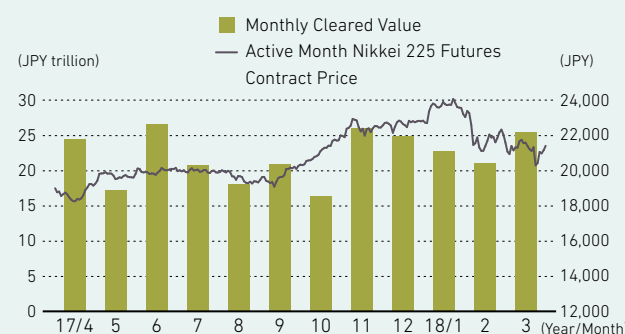
*1 Including lending transactions

*2 Source: Nikkei Inc.

Cleared Value for 10yr. JGB Futures

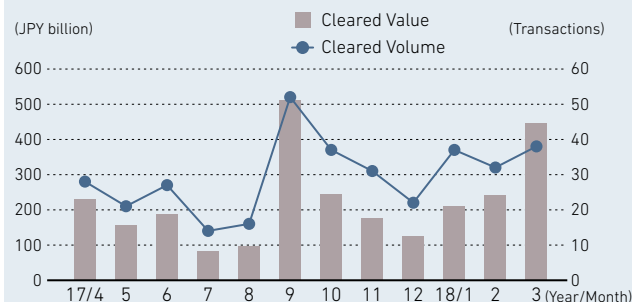


Cleared Value for Index Futures

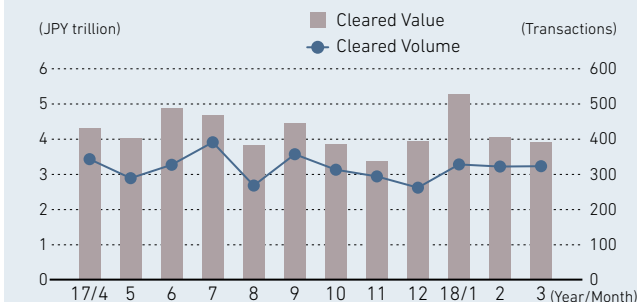


* Cleared Value of Nikkei 225 Futures

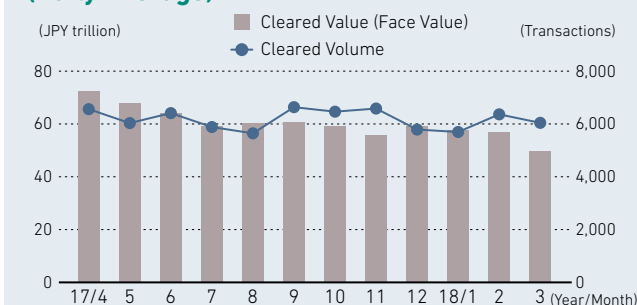
Cleared Value for CDS (Average per Cycle)



Cleared Value for IRS (Daily Average)



Cleared Value and Volume for OTC JGBs (Daily Average)



Financial Statements

Balance Sheet

	(Millions of Yen)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
CURRENT ASSETS		
Cash and bank deposits	54,288	48,814
Accounts receivable–trade	2,700	2,258
Prepaid expenses	956	688
Deferred tax assets	147	83
Margin funds for derivatives	1,625,176	1,638,893
Margin funds in trust for derivatives	0	0
Deposits for initial margin funds for security trades	82,146	68,488
Deposits for clearing funds	468,022	144,785
Deposits for clearing funds in trust	0	0
Deposits as collateral for facilitating settlement	34,601	29,100
Margin funds for when-issued transactions	100	191
Margin funds in trust for CDS	18,511	10,367
Deposits for clearing funds in trust for CDS	13,567	7,894
Margin funds in trust for IRS	711,643	596,783
Deposits for clearing funds in trust for IRS	42,078	33,691
Margin funds for JGB	359,471	669,715
Deposits for clearing funds for JGB	240,881	145,359
Other current assets	3	100
Total current assets	3,654,296	3,397,215
PROPERTY AND EQUIPMENT	64	73
INTANGIBLE FIXED ASSETS	410	160
INVESTMENTS AND OTHER ASSETS		
Investments in securities	503	504
Long-term prepaid expenses	2,016	1,688
Investment in capital	1	—
Other investments and other assets	84	80
Total investment and other assets	3,079	2,273
TOTAL ASSETS	3,657,376	3,399,723

	(Millions of Yen)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
CURRENT LIABILITIES		
Accounts payable–trade	1,594	1,416
Accounts payable–other	62	19
Accrued expenses	26	22
Income taxes payable	1,616	737
Accrued consumption taxes	217	—
Deposits received	11	11
Unearned revenue	0	1
Accrued bonuses	163	130
Accrued bonuses to directors	70	67
Margin funds received for derivatives	1,625,176	1,638,893
Deposits received for initial margin funds for security trades	82,146	68,488
Deposits received for clearing funds	468,022	144,785
Deposits received as collateral for facilitating settlement	34,601	29,100
Margin funds received for when-issued transactions	100	191
Margin funds received for CDS	18,511	10,367
Deposits received for clearing funds for CDS	13,567	7,894
Margin funds received for IRS	711,643	596,783
Deposits received for clearing funds for IRS	42,078	33,691
Margin funds received for JGB	359,471	669,715
Deposits received for clearing funds for JGB	240,881	145,359
Total current liabilities	3,599,964	3,347,676
NON CURRENT LIABILITIES		
Deferred tax liabilities	0	—
Total non current liabilities	0	—
TOTAL LIABILITIES	3,599,965	3,347,676
EQUITY		
Shareholders' equity		
Capital stock	8,950	8,950
Capital surplus	9,476	9,476
Retained earnings	38,984	33,620
Settlement guarantee reserve for security trades and others	29,000	25,000
General reserve	4,620	4,088
Retained earnings— unappropriated	5,364	4,531
Treasury stock	(0)	(0)
Total shareholders' equity	57,410	52,046
Total equity	57,410	52,046
TOTAL LIABILITIES AND EQUITY	3,657,376	3,399,723

* The figures less than a million yen are rounded down to the nearest million yen.

Statement of Income

	(Millions of Yen)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
OPERATING REVENUES		
Clearing fees	23,266	21,246
Monthly fees	176	175
Maintenance fees on cash products and derivatives	449	443
Other operating revenues	145	423
Total operating revenues	24,038	22,288
OPERATING EXPENSES	16,276	15,727
Operating profit	7,761	6,561
OTHER INCOME (EXPENSES)		
Interest income	11	26
Other-net	(12)	(6)
Other income-net	(1)	20
INCOME BEFORE INCOME TAXES	7,759	6,581
INCOME TAXES	2,395	2,050
NET INCOME	5,364	4,531

* The figures less than a million yen are rounded down to the nearest million yen.

Statement of Changes in Equity

(Millions of Yen)										
	Shareholders' equity									Total net assets
	Share capital	Capital surplus		Retained earnings				Treasury shares	Total share-holders' equity	
		Legal capital surplus	Total capital surplus	Other retained earnings			Total retained earnings			
				Settlement guarantee reserve for security trades and others	General reserve	Retained earnings brought forward				
YEAR ENDED MARCH 31, 2018										
BALANCE AT THE BEGINNING OF CURRENT PERIOD	8,950	9,476	9,476	25,000	4,088	4,531	33,620	(0)	52,046	52,046
Changes of items during the period										
Transfer to general reserve	—	—	—	—	531	(531)	—	—	—	—
Transfer to settlement guarantee reserve for security trades and others	—	—	—	4,000	—	(4,000)	—	—	—	—
Net income	—	—	—	—	—	5,364	5,364	—	5,364	5,364
Total changes of items during the period	—	—	—	4,000	531	832	5,364	—	5,364	5,364
BALANCE AT THE END OF CURRENT PERIOD	8,950	9,476	9,476	29,000	4,620	5,364	38,984	(0)	57,410	57,410

* The figures less than a million yen are rounded down to the nearest million yen.

Company Profile

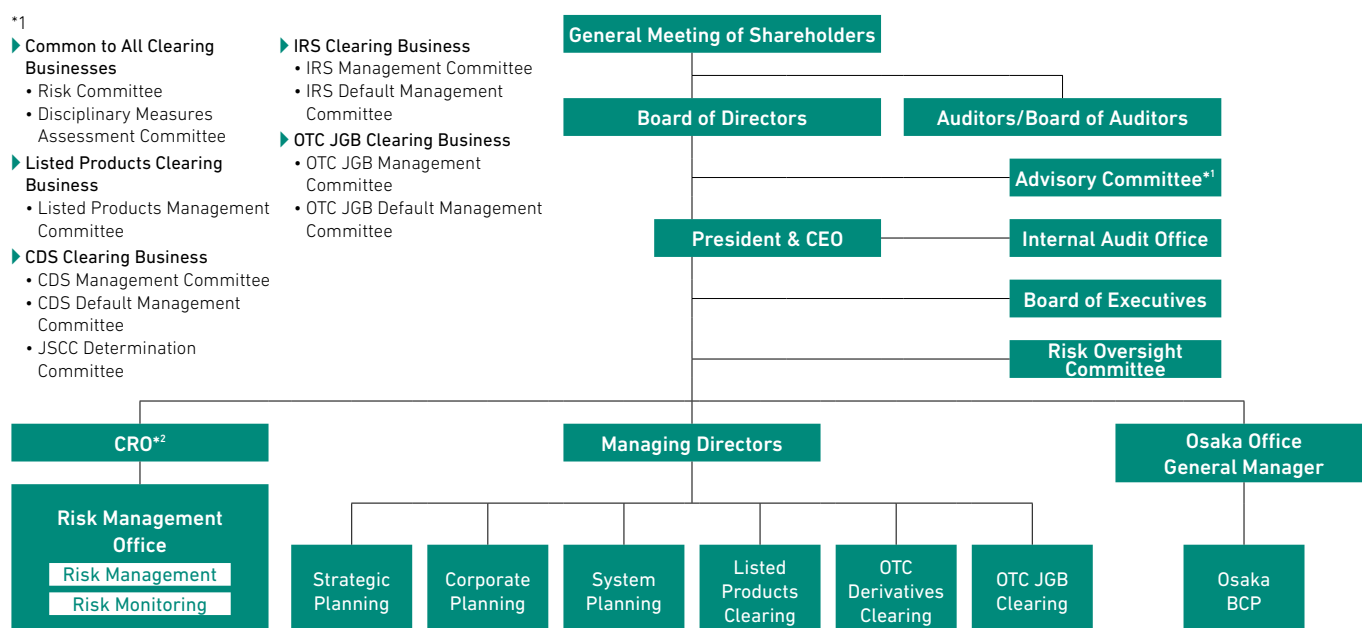
Management and Auditors (As of September 30, 2018)

Director	Hironaga Miyama	President & CEO
Director	Masaki Shizuka	Senior Executive Vice President
Director	Hiroyasu Ichimoto	Executive Officer
Director	Masamichi Ishikawa	Director, Managing Executive Officer, Head of Risk Management Division, Asset Management One Co., Ltd.
Director	Yosuke Inaida	Senior Managing Director, Joint Head of Global Markets Japan, Nomura Securities Co., Ltd.
Director	Hironao Eguchi	Managing Director, Head of Japan Fixed Income, Currencies and Commodities, Merrill Lynch Japan Securities Co., Ltd.
Director	Kazuhiko Ohashi	Professor, Graduate School of Business Administration, Hitotsubashi University
Director	Satoshi Futagi	Executive Officer, Japan Exchange Group, Inc.
Director	Masatoshi Yoshihara	Managing Executive Officer, Mizuho Bank, Ltd.
Standing Statutory Auditor	Hiroshi Kagiwada	
Statutory Auditor	Shigeru Nakajima	Attorney-at-law
Statutory Auditor	Masao Yanaga	Provost, Faculty of Business Sciences, University of Tsukuba

Executive Officers

President & CEO	Hironaga Miyama	
Senior Executive Vice President	Masaki Shizuka	Corporate Planning Division, Strategic Planning Division, and OTC Derivatives Clearing Service
Executive Officer	Hiroyasu Ichimoto	Listed Products Clearing Service, System Planning Division and OTC JGB Clearing Service
Executive Officer	Mikio Hinoide	Tokyo Site Contingency

Company Organization (As of September 30, 2018)



*2 Chief Risk Officer

Company Profile (As of September 30, 2018)

Company Name	Japan Securities Clearing Corporation	
Legal Entity Identifier (LEI)	549300JHM7D8P3TS4S86	
President & CEO	Hironaga Miyama	
Head Office	2-1, Nihombashi-Kabuto-cho, Chuo-ku, Tokyo 103-0026, Japan	
Date of Incorporation (Commencement of Operations)	July 1, 2002 (January 14, 2003)	
Capital	JPY 8.95 billion	
Shareholders (shareholding ratio)	<p>● Class A shares:</p> <p>Japan Exchange Group, Inc. (99.2%) Sapporo Securities Exchange..... (0.05%)</p> <p>Nagoya Stock Exchange, Inc. (0.7%) Fukuoka Stock Exchange (0.05%)</p> <p>● Class B shares:</p> <p>Japan Exchange Group, Inc. (100.0%)</p> <p>● Class C shares:</p> <p>Japan Exchange Group, Inc. (60.4%) BNP Paribas Securities (Japan) Limited (2.2%)</p> <p>Credit Suisse Securities (Japan) Limited (2.2%) Mizuho Bank, Ltd. (2.2%)</p> <p>Goldman Sachs Japan Co., Ltd. (2.2%) Sumitomo Mitsui Banking Corporation (2.2%)</p> <p>JPMorgan Securities Japan Co., Ltd. (2.2%) Sumitomo Mitsui Trust Bank (2.2%)</p> <p>Citigroup Global Markets Japan Inc. (2.2%) MUFG Bank, Ltd. (2.2%)</p> <p>Société Générale (Société Générale Bank) (2.2%) Merrill Lynch Japan Securities Co., Ltd. (2.2%)</p> <p>Daiwa Securities Group Inc. (2.2%) Morgan Stanley MUFG Securities Co., Ltd. (2.2%)</p> <p>Deutsche Securities Inc. (2.2%) UBS AG..... (2.2%)</p> <p>Barclays Bank PLC (Barclays Bank) (2.2%) Resona Bank Co., Ltd. (2.2%)</p> <p>Nomura Holdings, Inc. (2.2%)</p> <p>● Class D shares:</p> <p>Japan Exchange Group, Inc. (52.9%) Morgan Stanley MUFG Securities Co., Ltd. (1.9%)</p> <p>Barclays Securities Japan Limited (1.9%) Nomura Holdings, Inc. (1.9%)</p> <p>BGC Shokenkaisha Ltd. (1.9%) OKASAN SECURITIES GROUP INC. (1.9%)</p> <p>BNP Paribas Securities (Japan) Limited (1.9%) Sumitomo Mitsui Banking Corporation (1.9%)</p> <p>Central Tanshi Co., Ltd. (1.9%) The Norinchukin Bank (1.9%)</p> <p>Central Totan Securities Co., Ltd. (1.9%) Tokai Tokyo Financial Holdings, Inc. (1.9%)</p> <p>Credit Agricole Securities Asia B.V., Tokyo Branch (1.9%) The Tokyo Tanshi Co., Ltd. (1.9%)</p> <p>Credit Suisse Securities (Japan) Limited (1.9%) UBS Securities Japan Co., Ltd. (1.9%)</p> <p>Daiwa Securities Co. Ltd. (1.9%) Ueda Yagi Tanshi Co., Ltd. (1.9%)</p> <p>Deutsche Securities Inc. (1.9%) Mizuho Securities Co., Ltd. (1.7%)</p> <p>Japan Bond Trading Co., Ltd. (1.9%) Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (0.9%)</p> <p>Japan Securities Finance Co., Ltd. (1.9%) MUFG Bank, Ltd. (0.9%)</p> <p>JPMorgan Securities Japan Co., Ltd. (1.9%) Mizuho Bank, Ltd. (0.2%)</p> <p>Merrill Lynch Japan Securities Co., Ltd. (1.9%)</p>	



JPX

JAPAN SECURITIES
CLEARING CORPORATION

**JAPAN SECURITIES
CLEARING CORPORATION**

Japan Securities Clearing Corporation
2-1, Nihombashi-Kabuto-cho,
Chuo-ku, Tokyo 103-0026, Japan