

Introduction of Regular Contracts for TOPIX Banks Index Options and TSE REIT Index Options

September 24, 2025

Osaka Exchange, Inc

I. Purpose

Osaka Exchange, Inc. (OSE) currently offers only flexible contracts for TOPIX Banks Index options and TSE REIT Index options. In response to the needs of market participants, OSE will begin offering regular contracts as well.

II. Overview of TOPIX Banks Index Options (Regular Contracts)

Item	Description	Notes
1. Contracts and Number Thereof	<ul style="list-style-type: none">• Three contracts per quarter ending March, June, September, and December shall be available for trading.• The last trading day for a contract will be the trading day that ends one business day before the second Friday of March, June, September, or December (or one business day earlier if the second Friday is a non-business day).• New contracts will begin from the day session of the trading day after the last trading day of the most recently expired contract.	<ul style="list-style-type: none">• The trading period is nine months.• Flexible contracts are available without change.
2. Exercise Prices and Number Thereof		
a. Initial Settings	<ul style="list-style-type: none">• The exercise prices shall be the five points TOPIX Banks Index option base value as of the day before the initial trading day of each contract (the "five points TOPIX Banks Index option base value" is the value at an integral multiple of five points that is the closest to the final value of TOPIX Banks Index on the relevant day (in cases where there are two said values, the higher value shall be used); the same shall apply	

Item	Description	Notes
b. Additional Settings	<p>hereinafter) and the values at integral multiples of five points that are the eight closest above and eight closest below said five points TOPIX Banks Index option base value.</p> <ul style="list-style-type: none"> Additional exercise prices set after the initial trading day of each contract month will be based on the following items. <ul style="list-style-type: none"> (a) Contracts for which the second Friday of the month three months before the contract <p>If the number of existing exercise prices that are above (or below) the integral multiple of five points that is closest to the last price of TOPIX Banks Index on the previous business day is seven or less, additional exercise prices will be set in increments of five points from the existing exercise price until there are eight consecutive exercise prices in increments of five points above (or below) said integral multiple.</p> <p>(b) Contracts other than those described in (a) above.</p> <p>If the number of existing exercise prices (limited to those set at consecutive integer multiples of two and a half points from TOPIX Banks Index price) that are above (or below) the integral multiple of two and a half points that is closest to the last price of TOPIX Banks Index on the previous business day is seven or less, additional exercise prices will be set in increments of two and a half points from the existing exercise price until there are eight consecutive exercise prices in increments of two and a half points above (or below) said integral multiple.</p> 	
3. Trading Method		
a. Division of Trading Sessions and Trading	<ul style="list-style-type: none"> Trading in the regular market will be divided into a day session and a night session, the trading hours of which will be as follows. 	<ul style="list-style-type: none"> This is the same as for other index options such as TOPIX

Item	Description	Notes
Hours	<p>(a) Day session</p> <p>Opening auction: 8:45 a.m.</p> <p>Regular session (Zaraba): 8:45 a.m. - 3:40 p.m.</p> <p>Closing auction: 3:45 p.m.</p> <p>(b) Night session</p> <p>Opening auction: 5:00 p.m.</p> <p>Regular session (Zaraba): 5:00 p.m. to 5:55 a.m. the next day</p> <p>Closing auction: 6:00 a.m. the next day</p>	Options (hereinafter referred to as Other Index Options).
b. Trading Method	<ul style="list-style-type: none"> Trading will be conducted by individual auction through the trading system. 	<ul style="list-style-type: none"> The trading system will be J-GATE 3.0.
4. Orders, Tick Size, and Price Limits		
a. Orders	<ul style="list-style-type: none"> Trading participants may submit market orders and limit orders. Orders must be made with conditions for validity period and execution volume as specified by OSE. 	<ul style="list-style-type: none"> Conditions for validity period and execution volume will be the same as those for Other Index Options.
b. Tick Size	<ul style="list-style-type: none"> The tick size will be 0.1 points. 	
c. Price Limits on Orders	<ul style="list-style-type: none"> Orders may not be made at prices exceeding the price limits on orders. The price limits on orders (hereinafter referred to as "Price Limits") will be set as a range of values determined based on the reference price, centered around that reference price. 	<ul style="list-style-type: none"> As a general rule, the same as for Other Index Options.

Item	Description	Notes																				
5. Suspension of Trading and Temporary Trading Halt a. Suspension of Trading	<ul style="list-style-type: none">The Price Limits will be a value obtained by multiplying the reference price for calculating the Price Limits for TOPIX Banks Index options by ratio (1) in the table below.The upper or lower Price Limits will be expanded when the Circuit Breaker is triggered, and will be a value obtained by multiplying the price for calculating the Price Limits by ratio (2) and ratio (3) respectively in the table below. <table><tr><th>Reference Price</th><th>Price Limits (1)</th><th>First Expansion (2)</th><th>Second Expansion (3)</th></tr><tr><td>Less than 1 point</td><td>4%</td><td>7%</td><td>10%</td></tr><tr><td>1 point or more but less than 5 points</td><td>6%</td><td>9%</td><td>12%</td></tr><tr><td>5 points or more but less than 10 points</td><td>8%</td><td>11%</td><td>14%</td></tr><tr><td>10 points or more</td><td>11%</td><td>14%</td><td>17%</td></tr></table>	Reference Price	Price Limits (1)	First Expansion (2)	Second Expansion (3)	Less than 1 point	4%	7%	10%	1 point or more but less than 5 points	6%	9%	12%	5 points or more but less than 10 points	8%	11%	14%	10 points or more	11%	14%	17%	<ul style="list-style-type: none">The base price for calculating the Price Limits for TOPIX Banks Index options is the average value of the reference prices of the lead contract (meaning the futures contract designated by OSE as that with the most liquidity among those with the same underlying index) of TOPIX Banks Index futures on each trading day during the 20-day period counting from the trading day that is 25 days (excluding non-business days; the same shall apply hereinafter for the calculation of number of days) prior to the first trading day of the March, June, September, and December contracts.
	Reference Price	Price Limits (1)	First Expansion (2)	Second Expansion (3)																		
Less than 1 point	4%	7%	10%																			
1 point or more but less than 5 points	6%	9%	12%																			
5 points or more but less than 10 points	8%	11%	14%																			
10 points or more	11%	14%	17%																			
	<ul style="list-style-type: none">OSE may suspend trading in the following situations: (a) When OSE deems that trading conditions are abnormal; (b) When OSE deems it inappropriate to continue trading from the standpoint of	<ul style="list-style-type: none">This is the same as for Other Index Options.																				

Item	Description	Notes
b. Temporary Trading Halt (Circuit Breaker)	<p>trading supervision; and</p> <p>(c) When OSE deems it difficult to continue trading through the trading system due to a trading system malfunction or similar reason.</p> <ul style="list-style-type: none"> In the event that a trade is executed at the upper or lower limit of the price limit range for the central contract month of TOPIX Bank Index futures, trade will be suspended (via a Circuit Breaker) for TOPIX Bank Index futures. In conjunction with this, as an index options contract with the same underlying index, trading on all contract months for TOPIX Bank Index options will be suspended for at least 10 minutes. In cases where trading is temporarily halted, the upper or lower price limits for all issues will be expanded. 	<ul style="list-style-type: none"> This is the same as for Other Index Options.
c. Immediately Executable Price Range (Dynamic Circuit Breaker)	<ul style="list-style-type: none"> Immediately Executable Price Range Rule (Dynamic Circuit Breaker (DCB)) will be applied to trading sessions for each contract as follows: <ul style="list-style-type: none"> a. When a trade is to be executed at a price that exceeds the price range (hereinafter referred to as the "DCB Price Range") based on the last reference price (hereinafter referred to as the "DCB Reference Price") , OSE will temporarily halt trading for a certain period. b. The DCB Reference Price, DCB Price Range and duration of temporary trading halts for each relevant session are as follows: 	<ul style="list-style-type: none"> This is the same as for Other Index Options. The DCB Reference Price shall be the last traded price of the auction (hereinafter referred to as the "Last Price") or the mid-price of the last best offer and best bid (hereinafter referred to as the "BBO mid-price").

Item	Description				Notes
a6. Trading by Type of Investor		DCB Reference Price	DCB Price Range	Duration of Temporary Trading Halts	<ul style="list-style-type: none">This is the same as for Other Index Options.Trading volume and value for sales and purchases by type of investor for flexible contracts will remain undisclosed.
		Less than 500 points	1 point	15 seconds	
		500 points or more but less than 800 points	1.25 points		
		800 points or more but less than 1,000 points	1.5 points		
		1,000 points or more but less than 2,000 points	2 points		
		2,000 points or more	2.5 points		
		<ul style="list-style-type: none">Trading volume and value for sales and purchases by type of investor will be published separately from Other Index Options.			

III. Introduction of TSE REIT Index Options (Regular Contracts)

Item	Description	Notes
1. Contracts and Number Thereof	<ul style="list-style-type: none"> Three contracts per quarter ending March, June, September, and December shall be available for trading. The last trading day for a contract will be the trading day that ends one business day before the second Friday (or one business day earlier if the second Friday is a non- 	<ul style="list-style-type: none"> The trading period is 9 months. Flexible contracts are available without change.

Item	Description	Notes
<p>2. Exercise Prices and Number Thereof</p> <p>a. Initial Settings</p> <p>b. Additional Settings</p>	<p>business day).</p> <ul style="list-style-type: none"> New contracts will begin from the day session of the trading day after the last trading day of the most recently expired contract. The exercise prices shall be the 50-points TSE REIT Index option base value as of the day before the initial trading day of each contract (the "50-points TSE REIT Index option base value" is the value at an integral multiple of 50 points that is the closest to the final value of TSE REIT Index on the relevant day and the values at integral multiples of 50 points that are the eight closest above and eight closest below said 50 points TSE REIT Index option base value. Additional exercise prices set after the initial trading day of each contract will be based on the following items: <ul style="list-style-type: none"> (a) Contracts for which the second Friday of the month three months before the contract <p>If the number of existing exercise prices that are above (or below) the integral multiple of 50 points that is closest to the last price of TSE REIT Index on the previous business day is seven or less, additional exercise prices will be set in increments of 50 points from the existing exercise price until there are eight consecutive exercise prices in increments of 50 points above (or below) said integral multiple.</p> <ul style="list-style-type: none"> (b) Contracts other than those described in (a) above. <p>If the number of existing exercise prices (limited to those set at consecutive integer multiples of 25 points from TSE REIT Index price) that are above (or below) the integral multiple of 25 points that is closest to the last price of TSE REIT Index on the previous business day is seven or less, additional exercise prices will be set in increments of 25</p> 	

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3. Trading Method	points from the existing exercise price until there are eight consecutive exercise prices in increments of 25 points above (or below) said integral multiple.	
a. Division of Trading Sessions and Trading Hours	<ul style="list-style-type: none"> Trading in the regular market will be divided into a day session and a night session, the trading hours of which will be as follows. (a) Day Session <p>Opening auction: 8:45 a.m.</p> <p>Regular session (Zaraba): 8:45 a.m. - 3:40 p.m.</p> <p>Closing auction: 3:45 p.m.</p> (b) Night Session <p>Opening auction: 5:00 p.m.</p> <p>Regular session (Zaraba): 5:00 p.m. to 5:55 a.m. the next day</p> <p>Closing auction: 6:00 a.m. the next day</p> 	<ul style="list-style-type: none"> This is the same as for Other Index Options.
b. Trading Method	<ul style="list-style-type: none"> Trading will be conducted by individual auction through the trading system. 	<ul style="list-style-type: none"> The trading system will be J-GATE 3.0.
4. Orders, Tick Size, and Price Limits		
a. Orders	<ul style="list-style-type: none"> Trading participants may submit market orders and limit orders. Orders must be made with conditions for validity period and execution volume as specified by OSE. 	<ul style="list-style-type: none"> Conditions for validity period and execution volume will be the same as those of Other Index Options.

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b. Tick Size	<ul style="list-style-type: none">The tick size will be one point.																					
c. Price Limits on Orders	<ul style="list-style-type: none">Orders may not be made at prices exceeding the price limits on orders.The Price Limits will be set as a range of values determined based on the reference price, centered around that reference price.The Price Limits will be a value obtained by multiplying the reference price for calculating the Price Limits for TSE REIT Index options by ratio (1) in the table below.The upper or lower Price Limits will be expanded when the Circuit Breaker is triggered, and will be a value obtained by multiplying the price for calculating the Price Limits by ratio (2) and ratio (3) respectively in the table below. <table><tr><th>Reference Price</th><th>Price Limits (1)</th><th>First Expansion (2)</th><th>Second Expansion (3)</th></tr><tr><td>Less than 5 points</td><td>4%</td><td>7%</td><td>10%</td></tr><tr><td>5 points or more but less than 20 points</td><td>6%</td><td>9%</td><td>12%</td></tr><tr><td>20 points or more but less than 50 points</td><td>8%</td><td>11%</td><td>14%</td></tr><tr><td>50 points or more</td><td>11%</td><td>14%</td><td>17%</td></tr></table>	Reference Price	Price Limits (1)	First Expansion (2)	Second Expansion (3)	Less than 5 points	4%	7%	10%	5 points or more but less than 20 points	6%	9%	12%	20 points or more but less than 50 points	8%	11%	14%	50 points or more	11%	14%	17%	<ul style="list-style-type: none">As a general rule, the same as for Other Index Options.The base price for calculating the Price Limits for TSE REIT Index options is the average value of the reference prices of the lead contract of TSE REIT Index futures on each trading day during the 20-day period counting from the trading day that is 25 days prior to the first trading day of the March, June, September, and December contracts.
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<p>b. Temporary Trading Halt (Circuit Breaker)</p> <p>c. Immediately Executable Price Range (Dynamic Circuit Breaker)</p>	<p>(b) When OSE deems it inappropriate to continue trading from the standpoint of trading supervision; and</p> <p>(c) When OSE deems it difficult to continue trading through the trading system due to a trading system malfunction or similar reason.</p> <ul style="list-style-type: none"> In the event that a trade is executed at the upper or lower limit of the price limit range for the central contract month of TSE REIT Index futures, trade will be suspended (via a Circuit Breaker) for TSE REIT Index futures. In conjunction with this, as an index options contract with the same underlying index, trading on all contract months for TSE REIT Index options will be suspended for at least 10 minutes. In cases where trading is temporarily halted, the upper or lower price limits for all issues will be expanded. The DCB will be applied to trading sessions for each contract as follows. <ul style="list-style-type: none"> When a trade is to be executed at a price that exceeds the DCB Price Range based on the DCB Reference Price, OSE will temporarily halt trading for a certain period. The DCB Reference Price, DCB Price Range and duration of temporary trading halts for each relevant session are as follows: 	<ul style="list-style-type: none"> This is the same as for Other Index Options. This is the same as for Other Index Options. The DCB Reference Price shall be the Last Price or BBO mid-price.

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6. Trading by Type of Investor		DCB Reference Price	DCB Price Range	Duration of Temporary Trading Halts	<ul style="list-style-type: none">This is the same as for Other Index Options.Trading volume and value for sales and purchases by type of investor for flexible contracts will not be disclosed, without change.
		Less than 500 points	10 points	15 seconds	
		500 points or more but less than 800 points	12.5 points		
		800 points or more but less than 1,000 points	15 points		
		1,000 points or more but less than 2,000 points	20 points		
		2,000 points or more	25 points		
		<ul style="list-style-type: none">Trading volume and value for sales and purchases by type of investor will be published separately from Other Index Options.			

IV. Implementation Schedule (Planned)

This change will be implemented in April, 2026.