



Presentation for Exchanges/Marketplaces Panel



Tomoyoshi Uranishi
Senior Executive Officer
Tokyo Stock Exchange Group, Inc.

April 17, 2008

TOPICS

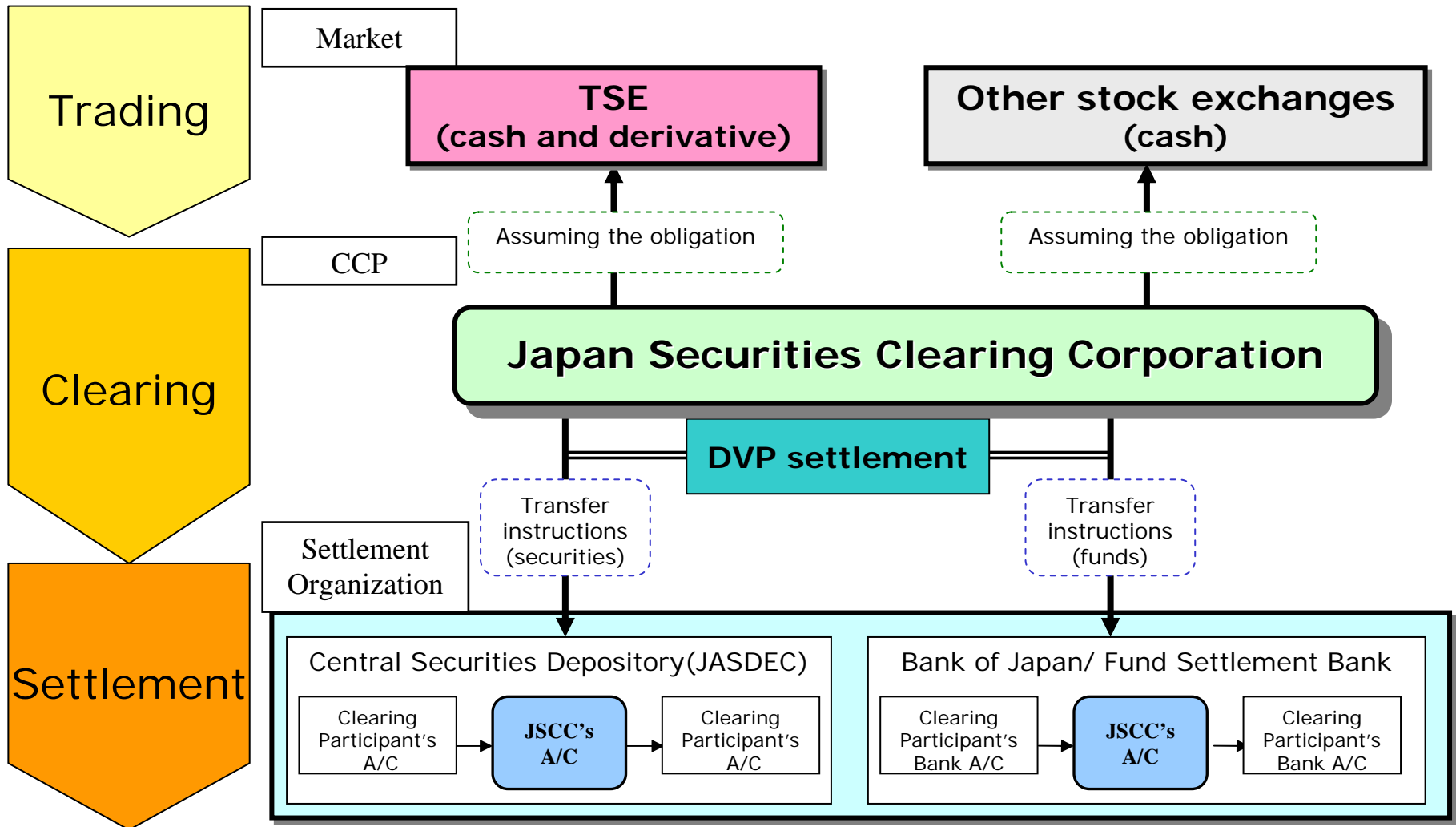
- 1. Introduction of Tokyo Stock Exchange Group, Inc.**
- 2. The Plan for Strengthening the Competitiveness of Japan's Financial and Capital Markets (FSA)**
- 3. TSE's recent developments**
- 4. What TSE asks of JSCC**

1. Tokyo Stock Exchange Group, Inc.

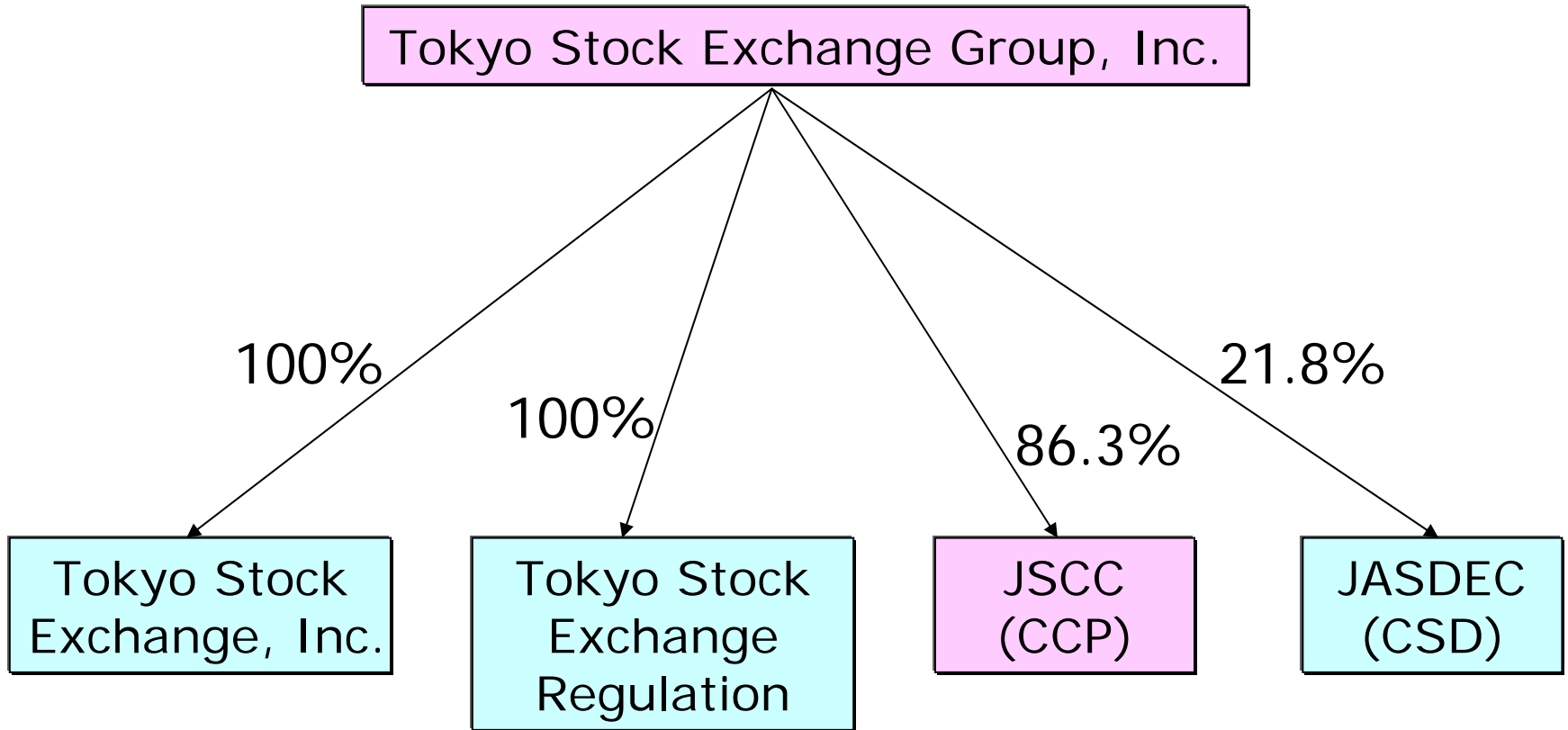
- Capital : 11.5 billion yen
- Shareholders : Securities firms, Financial institutions
- Market Value of Stock Market : 396 trillion yen (March 31, 2008)
- Products :
 - <Cash products>
Equities, ETFs, REITs, Convertible bonds, Government bonds, Straight bonds, Foreign bonds,
 - <Derivative products>
TOPIX Futures, TOPIX Options, Equity Options, JGB Futures, Options on JGB Futures
- CCP : All products of TSE are cleared by Japan Securities Clearing Corporation (JSCC).
- Trading Value of Stock Market : 3,070 billion yen (daily ave, the year 2007)
- Trading volume of JGB Futures : 55,286 (daily ave, the year 2007)
- Trading value of TOPIX Futures : 1,115 billion yen (daily ave, the year 2007)

1. Tokyo Stock Exchange Group, Inc.

Structure of Trading, Clearing, Settlement



1. Tokyo Stock Exchange Group, Inc.



(※Tokyo Stock Exchange Group, Inc. is newly established on August 1, 2007. Tokyo Stock Exchange Regulation started its operation. November 1, 2007.)

2. The Plan for Strengthening the Competitiveness of Japan's Financial and Capital Markets (FSA)

The Financial Services Agency published the Plan on Dec 21, 2007.
(<http://www.fsa.go.jp/en/news/2007/20071221/01.pdf>)

<4 pillars of the Plan>

1) Creation of reliable and vibrant markets

- 2) Putting in place a business environment that vitalizes the financial services industry and promotes competition
- 3) Improving the regulatory environment
- 4) Improving the broader environment surrounding the markets

<Points of "Creation of reliable and vibrant markets" >

- Diversification of financial instruments traded on exchanges
 - ETFs, Derivatives, JDRs etc.
- Making transactions among professionals more vibrant
- Establishment of a framework for alliance among stock exchanges and commodity exchanges

3. TSE's recent developments

(1) TSE's developments

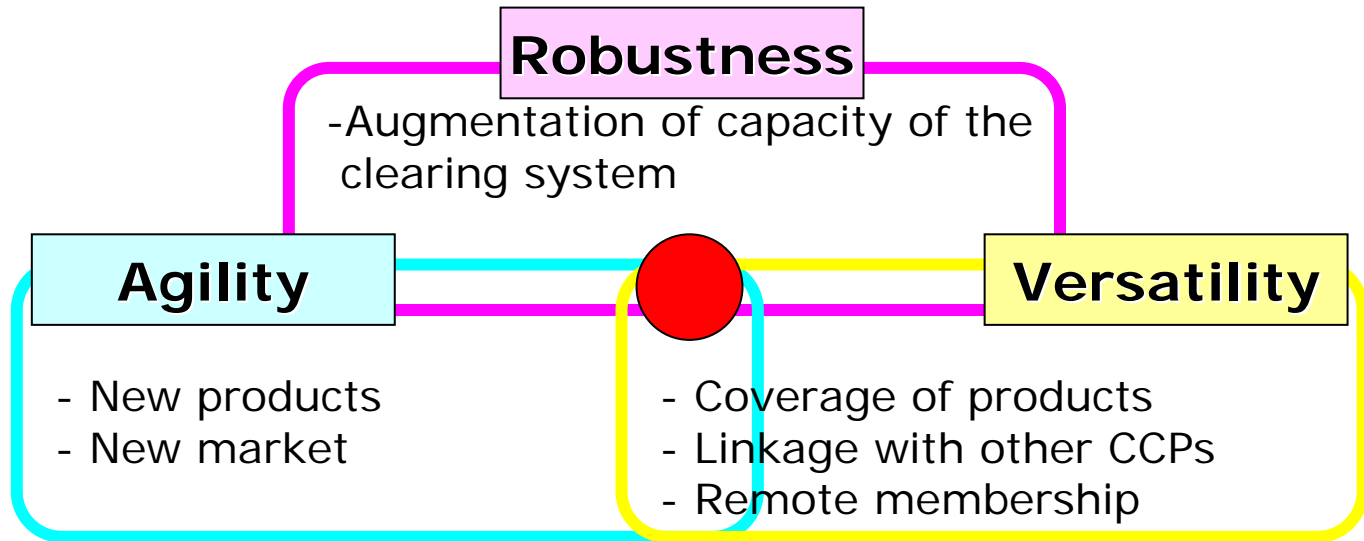
- TSE agreed with London Stock Exchange to establish a new market for emerging companies in Asia and Japan, which would create new investment opportunities for sophisticated investors.
- TSE set the new listing rule for JDRs in November 2007.
- TSE also set the new rule for commodity ETFs in March 2008.
- TSE is also planning to introduce new derivative products such as,
 - Mini-TOPIX Futures
 - TSE REIT Index Futures
 - TOPIX Core30 Index Futures

(2) Increase of trading volume on TSE (daily average)

	2004	2005	2006	2007
Number of executions of stock market (thousand)	1,284	1,933	2,531	2,967
Trading volumes of stock market (million shares)	1,540	2,281	2,026	2,294

4. What TSE asks of JSCC

(1) Quality



(2) Business function

As a part of the TSE group, JSCC can act as a window to explore new business opportunities in the post trade area while leveraging TSE's expertise as a marketplace.