

Member's Profile

Name of Stock Exchange	Tokyo Stock Exchange Group, Inc.
Country/Region	Japan, Tokyo
Name of CEO	Atsushi Saito (President & CEO)
Capital (US\$)	11.5 billion yen
Number of Officers and Employees	854 people (6 executive officers, including employees dispatched to TSE, TSE Regulation and other organizations)
Ownership and Governance (Main Shareholders)	107 shareholders (as of March 31, 2011) List of top ten shareholders: Morgan Stanley MUFG Securities Co., Ltd. SMBC Friend Securities Co., Ltd. Goldman Sachs Japan Co., Ltd Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Retela Crea Securities Co., Ltd. AIZAWA SECURITIES CO., LTD. Iwai Cosmo Holdings, Inc. SBI SECURITIES Co., Ltd. OKACHI SECURITIES CO., LTD. KYOKUTO SECURITIES CO., LTD. Securities Japan, Inc.
Brief History	First established as Tokyo Stock Exchange Co., Ltd in 1878. Joined FIBV (now WFE) in 1970. Tokyo Stock Exchange, Inc. was formed after demutualization in 2001; Tokyo Stock Exchange Group, Inc. was established in Aug 1, 2007 as the holding company.
Practices and Procedures	
Trading	
Days	Mondays to Fridays (excluding national and exchange holidays)
Hours	Generally, 9:00 – 11:00 and 12:30 – 15:00 Orders accepted 8:00 – 11:00 and 12:05 – 15:00
	Detailed: Japanese Government Bonds (JGBs) 12:30 – 15:00 Straight bonds 12:30– 15:00 Equity derivatives 09:00– 11:00 and 12:30– 15:10 16:30– 19:00 (evening session) JGB derivatives 09:00– 11:00, 12:30– 15:00 and 15:30– 18:00 (evening session)

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	Off-auction: ToSTNeT-1 08:20– 17:30 ToSTNeT-2 orders: 08:20– 16:00 execution: 08:20– 08:45, 11:00– 12:15 and 15:00– 16:00 ToSTNeT-3 orders: 08:00– 08:45 execution: 08:45
Market segmentation	Equities: 1st Section, 2nd Section, Mothers Others: Bonds, foreign bonds, CBs, ETFs, REITs Derivatives market: Individual securities options, index options, index futures, JGB futures, options on JGB futures
System	Automated, clearing system link, data dissemination, market surveillance, disclosure systems
Mechanisms	Continuous auction and call auction Special price fluctuation mechanisms: Equities, etc.: Daily price limits, special quotes, sequential trade quotes Futures: Circuit breakers apply Options: Position limits apply for individual securities options
Market-maker/Specialists	Cash: Foreign ETF support member, Derivatives: TSE Individual Option supporter system, Market Maker Scheme in options market
Instruments	Cash market: Equities: 1st Section, 2nd Section, Mothers Others: Bonds, foreign bonds, CBs, ETFs, REITs Derivatives market: Individual securities options, index options, index futures, JGB futures, options on JGB futures
Currency	JPY (local)
Real time information	Market depth and basic data
Clearing & Settlement	
Central Depository	Yes (Japan Securities Depository Center (JASDEC))
Period	Cash: T+0 (Cash), T+3 (Regular), when issued transactions (stocks, REITs) Derivatives: Options: Payment of premium on T+1 Futures: By offset transaction, on the next business day following the day of offset transaction; by final cash delivery, on 2nd business day following last day of trading
Registered	Paperless
Settlement	Book-entry
Clearing	Yes
DVP	Yes
Clearing Institution	Yes (Japan Securities Clearing Corporation (JSCC))
Risk Sharing	Yes
Margin/Lending	Yes

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Custodians Brokerage firms, banks, custodian banks

Taxes

Cash Dividends Individuals: 10% withheld at source (7% income tax, 3% inhabitant tax)

Corporations: 50% of total dividend is non-taxable

Interest Income Individuals: 20% withheld at source (15% income tax, 5% inhabitant tax)

Corporations: Taxable

Capital Gains Individuals: 10% (7% income tax, 3% inhabitant tax)

Corporations: Taxable

Structure & Regulations

Legal Non-listed public corporation with capital and shareholders

Regulation Under Financial Instruments and Exchange Act (Financial Services Agency), market is self-regulated

Securities market regulations Self

Trading rules Exchange

Surveillance Yes

Corporate actions All products (timely disclosure obligations, centralized reporting)

Trading halts regulations Yes

Investor protection Yes

Foreign Participation

Foreign investors Allowed (*foreign investors route orders through TSE trading participants to the TSE market*)

Investment limitations Foreign ownership limit (FOL) applies to specific stocks based on related Japanese laws

Repatriation No restrictions

Minimum Listing Requirements

Summary: (as of July 2010)

Main board: (formal requirements)

Criteria: A company must meet criteria (1)-(5), (8), and also criteria (6) or (7)

(1)Number of Shareholders : 800 or more (or 2,200 or more *2)

(2)Tradable Shares*1:

1. Number of tradable shares: 4,000 units or more

2. Market capitalization of tradable shares: ¥1 billion or more

3. Ratio of tradable shares to listed shares: 30% or more

(a) 20,000 or more share units in circulation

(b) 35% or more of the shares in circulation, listed stock, etc.

(3)Market Capitalization of Shares Listed: ¥2 billion or more (or ¥50 billion or more *2)

(4)Number of Years of Business Operation: No less than 3 years under the board of directors

(5)Shareholders' Equity: ¥1 billion or more as of the end of the fiscal year immediately preceding the current fiscal year

(6)Pre-tax Profit: Either a or b

a: Annual total for each of the last two years:

1st year: ¥100 million or more, and

2nd (last) year: ¥400 million or more

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b: Annual total for each of the last three years:
1st year: ¥100 million or more,
3rd (last) year: ¥400 million yen or more, and
Total for the three years: ¥600 million or more

(7) Total Market Capitalization: ¥100 billion or more, except for when sales for the immediately preceding year is less than ¥10 billion.

(8) False Statements or Unfair Representations:
a. No false statements in the applicant's securities reports for the 2 most recent fiscal years (or for the 3 most recent fiscal years, in cases where neither criteria (6)a nor (7) are met).
b. Opinion given by a certified public accountant in the audit reports should be 'fair' for the 2 most recent fiscal years (or for the 3 most recent fiscal years, in cases where neither (6)a nor (7) are met) Except for the 1 most recent fiscal year.
c. A qualified opinion for exclusion was not expressed by the auditor for the most recent fiscal year.

*1 "Tradable Shares" refers to listed shares excluding shares held by parties with a special interest such as officers, shares owned by the company itself, and shares held by persons who individually own 10% or more of listed shares.

*2 If listed directly on the 1st section.

*3 1 unit is the minimum number of shares necessary for 1 voting right.

Mothers:

Number of Shareholders: 300 or more

*Foreign company (multiple listing): 300 or more in Japan

Public Offering: 500 trading units or more

Tradable Shares:

a) Number of tradable shares: 2,000 trading units or more

*Foreign company: 1,000 trading units or more

b) Market capitalization of tradable shares: ¥500 million or more

c) Ratio of tradable shares to listed shares: 25% or more

Number of Years of Business Operation: No less than 1 year under the board of directors

Market Capitalization of Shares Listed: The estimated market value at the time of listing must be at least ¥1 billion (estimated number of shares to be listed x public offering price.)

False Statements or "Unfair" Representations:

a. There should be no false statements in the applicant's securities reports.

b. The opinion given by a certified public accountant or equivalent in the audit report, etc. attached to the Securities Report for Listing Application should be "unqualified" or "qualified with exceptions".

c. An unqualified opinion must be expressed for the most recent fiscal year with regard to above b.

Contact Information

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Remarks