

Financial Market Infrastructure: Quantitative Disclosure

(Unit : Millions of yen)

| Ref.No. | Principle 4 Credit Risk Disclosure Description | | Frequency | | Clearing Service | | Comments | |
|---------|--|---|------------|-----------|---------------------------------|-------------------------|---|-------|
| | | | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | | |
| 4.1 | Total value of default resources (excluding initial and retained variation margin) | | | | | | | |
| 4.1.1 | Prefunded Own Capital | Before | 2020/9/30 | 2020/9/30 | 600 | 2,400 | | |
| 4.1.2 | | Alongside | | | 0 | 0 | | |
| 4.1.3 | | After | | | 0 | 0 | | |
| 4.1.4 | Prefunded Participant contributions | Required | 1,500 | 13,952 | | | | |
| 4.1.5 | | Posted | 6,801 | 25,917 | | | | |
| 4.1.6 | Prefunded Other | | 0 | 0 | | | | |
| 4.1.7 | Committed Own/parent funds | Round of participant defaults | 2020/9/30 | 2020/9/30 | 0 | 0 | | |
| 4.1.8 | Committed Participant commitments | Initial round of participant default | | | 0 | 0 | | |
| 4.1.9 | | Replenish the default fund | | | unlimited | unlimited | | |
| 4.1.10 | Committed Other | | | | 0 | 0 | | |
| 4.2 | KCCP | | | | | | | |
| 4.2.1 | Kccp - Kccp need only be reported by those CCPs which are, or seek to be a "qualifying CCP" under relevant law | | 2020/9/30 | 2020/9/30 | 5 | 0 | | |
| 4.3 | Value of pre-funded default resources (excluding initial and retained variation margin) held for each clearing service, in total and split by | | | | | | | |
| 4.3.1 | Cash | Cash deposited at a central bank of issue of the currency | 2020/9/30 | 2020/9/30 | Pre-Haircut | - | (4.3.3)"Secured cash deposited at commercial banks" refers to the cash deposited at ordinary deposit account or fixed deposit account in commercial bank, which does not incur any loss at the maturity. | |
| 4.3.2 | | | | | Post-Haircut | - | | |
| 4.3.3 | Cash deposited at other central banks | Pre-Haircut | - | | | | | |
| 4.3.4 | | Post-Haircut | - | | | | | |
| 4.3.4 | Secured cash deposited at commercial banks | Pre-Haircut | 3,733 | 20,451 | | | | |
| 4.3.5 | | Post-Haircut | 3,733 | 20,451 | | | | |
| 4.3.4 | Unsecured cash deposited at commercial banks | Pre-Haircut | 0 | 0 | | | | |
| 4.3.5 | | Post-Haircut | 0 | 0 | | | | |
| 4.3.5 | Non-cash | Sovereign Government Bonds - Domestic | 2020/9/30 | 2020/9/30 | Pre-Haircut | 1,083 | | 7,427 |
| 4.3.6 | | | | | Post-Haircut | 1,059 | | 7,298 |
| 4.3.6 | Sovereign Government Bonds - Other | Pre-Haircut | - | - | | | | |
| 4.3.7 | | Post-Haircut | - | - | | | | |
| 4.3.7 | Agency Bonds | Pre-Haircut | - | - | | | | |
| 4.3.8 | | Post-Haircut | - | - | | | | |
| 4.3.8 | State/municipal bonds | Pre-Haircut | - | - | | | | |
| 4.3.9 | | Post-Haircut | - | - | | | | |
| 4.3.9 | Corporate bonds | Pre-Haircut | - | - | | | | |
| 4.3.10 | | Post-Haircut | - | - | | | | |
| 4.3.10 | Equities | Pre-Haircut | 3,729 | 811 | | | | |
| 4.3.11 | | Post-Haircut | 2,609 | 568 | | | | |
| 4.3.11 | Commodities - Gold | Pre-Haircut | - | - | | | | |
| 4.3.12 | | Post-Haircut | - | - | | | | |
| 4.3.12 | Commodities - Other | Pre-Haircut | - | - | | | | |
| 4.3.13 | | Post-Haircut | - | - | | | | |
| 4.3.13 | Commodities - Mutual Funds/UCITs | Pre-Haircut | - | - | | | | |
| 4.3.14 | | Post-Haircut | - | - | | | | |
| 4.3.14 | Commodities - Other | Pre-Haircut | - | - | | | | |
| 4.3.15 | | Post-Haircut | - | - | | | | |
| 4.3.15 | In total | | 8,545 | 28,689 | | | | |
| 4.4 | Credit Risk Disclosures | | | | | | | |
| 4.4.1 | Whether the CCP is subject to a minimum "Cover1" or "Cover2" requirement in relation to total pre-funded default resources | | 2019/10/1 | 2020/9/30 | 4 | 3 | (4.4.1) The number of expected defaulting members is defined as one Clearing Member that would potentially cause the largest credit risk to TFX and several Clearing Members with the lowest amount of net assets. Interest Rate Futures Contracts : 3 members / Daily Futures Contracts: 2 members (4.4.3~4.4.6, 4.4.7~4.4.10)The estimated largest aggregate stress loss (here in after "ELL") is calculated on the basis of the number of expected defaulting members TFX defines in 4.4.1 | |
| 4.4.2 | The number of business days within which the CCP assumes it will close out default when calculating credit exposures that would potentially need to be covered by the default fund | | | | 1day | 1day | | |
| 4.4.3 | The estimated largest aggregate stress loss (in excess of initial margin) that would be caused by the default of any single participant and its affiliates (including transactions cleared for indirect participants) in extreme but plausible market conditions | Peak day amount in previous 12 months | | | 980 | 16,336 | | |
| 4.4.4 | | Average over previous 12 months | | | 529 | 6,428 | | |
| 4.4.4 | The number of business days, if any, on which the above amount (4.4.3) exceeded actual pre-funded default resources | | | | 0 | 1 | | |
| 4.4.5 | The amount in 4.4.3 which exceeded actual pre-funded default resources | | | | - | 519 | | |
| 4.4.6 | The actual largest aggregate credit exposure to any single participant and its affiliates | Peak day amount in previous 12 months | | | 8 | 1,486 | | |
| 4.4.7 | | Average over previous 12 months | | | 8 | 1,366 | | |
| 4.4.7 | The estimated largest aggregate stress loss (in excess of initial margin) that would be caused by the default of any two participants and their affiliates (including transactions cleared for indirect participants) in extreme but plausible market conditions | Peak day amount in previous 12 months | | | - | - | | |
| 4.4.8 | | Average over previous 12 months | | | - | - | | |
| 4.4.8 | The number of business days, if any, on which the above amount (4.4.3) exceeded actual pre-funded default resources | | | | - | - | | |
| 4.4.9 | The amount in 4.4.3 which exceeded actual pre-funded default resources | | | | - | - | | |
| 4.4.10 | The actual largest aggregate credit exposure to any two participants and their affiliates | Peak day amount in previous 12 months | | | - | - | | |
| | | Average over previous 12 months | | | - | - | | |

| Ref.No. | Principle 5 Collateral Disclosure Description | | Frequency | | Clearing Service | | Comments |
|---------|--|--|------------|-----------|---|-------------------------|---|
| | | | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | |
| 5.1 | Assets eligible as initial margin, and the respective haircuts applied | | | | | | |
| 5.1.1 | Assets eligible, and the respective haircuts applied | | - | - | https://www.tfx.co.jp/en/rules/pdf/a-09_en.pdf | | (5.1.1)(5.2.1)10 years is the sample period for calculating haircut ratio since the disclosure document of 1Q 2018. |
| 5.2 | Assets Eligible for pre-funded participant contributions to the default resources, and the respective haircuts applied (if different from 5.1) | | | | | | |
| 5.2.1 | Pre-funded participant contributions to the default resources | | - | - | https://www.tfx.co.jp/en/rules/pdf/b-18_en.pdf | | |
| 5.3 | Results of testing of haircuts | | | | | | |
| 5.3.1 | Confidence interval targeted through the calculation of haircut | | 2020/7/1 | 2020/9/30 | 100.00% | 100.00% | |
| 5.3.2 | Assumed holding/liquidation period for the assets accepted | | | | 4days | 4days | |
| 5.3.3 | Look-back period used for testing the haircuts | | | | 1year | 1year | |
| 5.3.4 | The number of days during the look-back period on which the fall in value during the assumed holding/liquidation period exceeded the haircut on an asset | | | | 0day | 0day | |

| Ref.No. | Principle 6 Margin Disclosure Description | | Frequency | | Clearing Service | | | Comments | | | | |
|---------|---|--------------------------------------|--|-----------|---------------------------------|--|---|--|--------------|---------|--------|---|
| | | | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | | | | | | |
| | | | | | | FX | Equity Index | | | | | |
| 6.1 | For each clearing service, total initial margin required, split by house and client | | | | | | | | | | | |
| 6.1.1 | Total initial margin required | House Net | 2020/9/30 | 2020/9/30 | 30 | 22,340 | 1,296 | (6.1.1)"Total initial margin required" of TFX_FX and TFX_CFD includes the amount of variation margin. | | | | |
| | | Client Gross | | | - | 54,605 | 6,892 | | | | | |
| | | Client Net | | | 219 | - | - | | | | | |
| | | Total | | | 249 | 76,945 | 8,189 | | | | | |
| 6.2 | For each clearing service, total initial margin held, split by house and client | | | | | | | | | | | |
| 6.2.1 | Cash deposited at a central bank issue of the currency concerned | House | 2020/9/30 | 2020/9/30 | - | - | - | (6.1.1~6.2.15)Initial margin deposit for TFX_FX and TFX_CFD is deposited only by JPY cash. (6.2.3)"Secured cash deposited at commercial bank" refers to the cash deposited at ordinary deposit account or fixed deposit account in commercial bank, and it does not incur any loss at the maturity. | | | | |
| | | House | | | | | | | Post Haircut | - | - | - |
| | | Client | | | | | | | Pre Haircut | - | - | - |
| | | Client | | | | | | | Post Haircut | - | - | - |
| | | Total | | | | | | | Pre Haircut | - | - | - |
| | | Total | | | | | | | Post Haircut | - | - | - |
| 6.2.2 | Cash deposited at other central banks | House | 2020/9/30 | 2020/9/30 | - | - | - | | | | | |
| | | House | | | | | | | Post Haircut | - | - | - |
| | | Client | | | | | | | Pre Haircut | - | - | - |
| | | Client | | | | | | | Post Haircut | - | - | - |
| | | Total | | | | | | | Pre Haircut | - | - | - |
| | | Total | | | | | | | Post Haircut | - | - | - |
| 6.2.3 | Secured cash deposited at commercial bank | House | 2020/9/30 | 2020/9/30 | 5,112 | 127,169 | 20,650 | | | | | |
| | | House | | | | | | Post Haircut | 5,112 | 127,169 | 20,650 | |
| | | Client | | | | | | Pre Haircut | 1,771 | 301,325 | 60,330 | |
| | | Client | | | | | | Post Haircut | 1,771 | 301,325 | 60,330 | |
| | | Total | | | | | | Pre Haircut | 6,883 | 428,494 | 80,979 | |
| | | Total | | | | | | Post Haircut | 6,883 | 428,494 | 80,979 | |
| 6.2.4 | Unsecured cash deposited at commercial banks | House | 2020/9/30 | 2020/9/30 | - | - | - | | | | | |
| | | House | | | | | | Post Haircut | - | - | - | |
| | | Client | | | | | | Pre Haircut | - | - | - | |
| | | Client | | | | | | Post Haircut | - | - | - | |
| | | Total | | | | | | Pre Haircut | - | - | - | |
| | | Total | | | | | | Post Haircut | - | - | - | |
| 6.2.5 | Sovereign government bonds - domestic | House | 2020/9/30 | 2020/9/30 | 7,051 | - | - | | | | | |
| | | House | | | | | | Post Haircut | 6,909 | - | - | |
| | | Client | | | | | | Pre Haircut | 1,522 | - | - | |
| | | Client | | | | | | Post Haircut | 1,485 | - | - | |
| | | Total | | | | | | Pre Haircut | 8,573 | - | - | |
| | | Total | | | | | | Post Haircut | 8,394 | - | - | |
| 6.2.6 | Sovereign government bonds - other | House | 2020/9/30 | 2020/9/30 | - | - | - | | | | | |
| | | House | | | | | | Post Haircut | - | - | - | |
| | | Client | | | | | | Pre Haircut | - | - | - | |
| | | Client | | | | | | Post Haircut | - | - | - | |
| | | Total | | | | | | Pre Haircut | - | - | - | |
| | | Total | | | | | | Post Haircut | - | - | - | |
| 6.2.7 | Agency bonds | House | 2020/9/30 | 2020/9/30 | - | - | - | | | | | |
| | | House | | | | | | Post Haircut | - | - | - | |
| | | Client | | | | | | Pre Haircut | - | - | - | |
| | | Client | | | | | | Post Haircut | - | - | - | |
| | | Total | | | | | | Pre Haircut | - | - | - | |
| | | Total | | | | | | Post Haircut | - | - | - | |
| 6.2.8 | State/municipal bonds | House | 2020/9/30 | 2020/9/30 | - | - | - | | | | | |
| | | House | | | | | | Post Haircut | - | - | - | |
| | | Client | | | | | | Pre Haircut | - | - | - | |
| | | Client | | | | | | Post Haircut | - | - | - | |
| | | Total | | | | | | Pre Haircut | - | - | - | |
| | | Total | | | | | | Post Haircut | - | - | - | |
| 6.2.9 | Corporate bonds | House | 2020/9/30 | 2020/9/30 | - | - | - | | | | | |
| | | House | | | | | | Post Haircut | - | - | - | |
| | | Client | | | | | | Pre Haircut | - | - | - | |
| | | Client | | | | | | Post Haircut | - | - | - | |
| | | Total | | | | | | Pre Haircut | - | - | - | |
| | | Total | | | | | | Post Haircut | - | - | - | |
| 6.2.10 | Equities | House | 2020/9/30 | 2020/9/30 | 20,749 | - | - | | | | | |
| | | House | | | | | | Post Haircut | 14,518 | - | - | |
| | | Client | | | | | | Pre Haircut | 357 | - | - | |
| | | Client | | | | | | Post Haircut | 250 | - | - | |
| | | Total | | | | | | Pre Haircut | 21,106 | - | - | |
| | | Total | | | | | | Post Haircut | 14,767 | - | - | |
| 6.2.11 | Commodities - Gold | House | 2020/9/30 | 2020/9/30 | - | - | - | | | | | |
| | | House | | | | | | Post Haircut | - | - | - | |
| | | Client | | | | | | Pre Haircut | - | - | - | |
| | | Client | | | | | | Post Haircut | - | - | - | |
| | | Total | | | | | | Pre Haircut | - | - | - | |
| | | Total | | | | | | Post Haircut | - | - | - | |
| 6.2.12 | Commodities - Other | House | 2020/9/30 | 2020/9/30 | - | - | - | | | | | |
| | | House | | | | | | Post Haircut | - | - | - | |
| | | Client | | | | | | Pre Haircut | - | - | - | |
| | | Client | | | | | | Post Haircut | - | - | - | |
| | | Total | | | | | | Pre Haircut | - | - | - | |
| | | Total | | | | | | Post Haircut | - | - | - | |
| 6.2.13 | Mutual funds / UCIT s | House | 2020/9/30 | 2020/9/30 | - | - | - | | | | | |
| | | House | | | | | | Post Haircut | - | - | - | |
| | | Client | | | | | | Pre Haircut | - | - | - | |
| | | Client | | | | | | Post Haircut | - | - | - | |
| | | Total | | | | | | Pre Haircut | - | - | - | |
| | | Total | | | | | | Post Haircut | - | - | - | |
| 6.2.14 | Other | House | 2020/9/30 | 2020/9/30 | - | - | - | | | | | |
| | | House | | | | | | Post Haircut | - | - | - | |
| | | Client | | | | | | Pre Haircut | - | - | - | |
| | | Client | | | | | | Post Haircut | - | - | - | |
| | | Total | | | | | | Pre Haircut | - | - | - | |
| | | Total | | | | | | Post Haircut | - | - | - | |
| 6.2.15 | Total | House | 2020/9/30 | 2020/9/30 | 32,912 | 127,169 | 20,650 | | | | | |
| | | House | | | | | | Post Haircut | 26,538 | 127,169 | 20,650 | |
| | | Client | | | | | | Pre Haircut | 3,650 | 301,325 | 60,330 | |
| | | Client | | | | | | Post Haircut | 3,506 | 301,325 | 60,330 | |
| | | Total | | | | | | Pre Haircut | 36,561 | 428,494 | 80,979 | |
| | | Total | | | | | | Post Haircut | 30,044 | 428,494 | 80,979 | |
| 6.3 | For each clearing service, total initial margin held, split by house and client | | | | | | | | | | | |
| 6.3.1 | Initial margin rates on individual contracts where the CCP sets such rates | Interest Rate Futures Contracts | | - | - | https://www.tfx.co.jp/en/historical/futures/spparam.html | | | | | | |
| | | FX Daily Futures Contracts | Individual Customers | | | | https://www.click365.jp/en/start/start06_02.html | | | | | |
| | | | Non-individual Customers and Market Makers | | | | https://www.click365.jp/en/start/start06.html | | | | | |
| | | Equity Index Daily Futures Contracts | | | | | https://www.clickkabu365.jp/en/start/start05.html | | | | | |

| 6.4 Type of initial margin model used (e.g. portfolio simulation or risk aggregation) for each clearing service and the key model design parameters for each initial margin model applied to that clearing service | | | | | | | | |
|--|--|--|--|--|---|----------------------------------|---|-----------|
| 6.4.1 | Type of IM model | Interest Rate Futures Contracts | - | - | SPAN@ method | | (6.4.1)For Transactions by Individual Customers of FX Daily Futures contracts, TFX determines the Margin Reference Amount based on the maximum leverage ratio of 25 times as prescribed in the relevant laws and regulations. (*1)For Transactions by Individual Customers of FX Daily Futures contracts, TFX determines the Margin Reference ratio of 25 times as prescribed in the relevant laws and regulations. TFX has confirmed that the ratio fully covers confidence level of 99% or more in price movement data used in stress test with respect to at least three major currency pairs (USD/JPY, EUR/JPY, AUD/JPY). (*2)Since TFX adopted the Financial Resources Framework in July 2015, those parameters are reviewed once a year as part of the validation of overall risk management framework. (*3)Non-individual Customers and Market Makers | |
| | | FX Daily Futures Contracts | Individual Customers | | | Fixed leverage ratio(x25) method | | |
| | Non-individual Customers | | | Historical volatility method | | | | |
| | Market Makers | | | Historical volatility method with the limit of maximum leverage ratio(x25) | | | | |
| | Equity Index Daily Futures Contracts | Customers | | Historical volatility method with the limit of maximum leverage ratio | | | | |
| | Market Makers | | | Historical volatility method | | | | |
| 6.4.2 | Type of IM model change effective date | Customers | | | 1996/4/8 | 2017/2/27 | | 2018/2/19 |
| | | Market Makers | | | - | - | | 2018/1/26 |
| 6.4.3 | IM model name | | | | SPAN@ | - | | - |
| 6.4.4 | IM model name change effective date | | | | - | - | | - |
| 6.4.5 | Single-tailed confidence level targeted | Individual Customers | | | 99.00% | (*1) | 99.00% | |
| | | Non-individual Customers and Market Makers | | | | 99.00% | 99.00% | |
| 6.4.6 | Single-tailed confidence level change effective date | | | | (*2) | (*2) | (*2) | |
| 6.4.7 | Sample/data look-back period for calibrating the model | | | | 6months | 8weeks or 104weeks(*3) | 24weeks | |
| 6.4.8 | Look back period change effective date | | | | (*2) | (*2) | (*2) | |
| 6.4.9 | Adjustments or scalars or weighting, if any, applied to historical data | | | | - | - | - | |
| 6.4.10 | Adjustments change effective date | | | | (*2) | (*2) | (*2) | |
| 6.4.11 | Close-out/holding periods | | | | 1day | 1day | 1day | |
| 6.4.12 | Close-out/holding periods effective date | | | | (*2) | (*2) | (*2) | |
| 6.4.13 | IM rates link | Interest Rate Futures Contracts | | | https://www.tfx.co.jp/en/historical/futures/spparam.html | | | |
| | | FX Daily Futures Contracts | Individual Customers | | https://www.click365.jp/en/start/start06_02.html | | | |
| | | | Non-individual Customers and Market Makers | | https://www.click365.jp/en/start/start06.html | | | |
| | | Equity Index Daily Futures Contracts | | | https://www.clickkabu365.jp/en/start/start05.html | | | |
| 6.4.14 | Frequency of parameter reviews | | | | monthly | weekly | weekly | |
| 6.4.15 | Frequency of parameter reviews change effective date | | | | (*2) | (*2) | (*2) | |
| 6.5 Results of back-testing of initial margin. At a minimum, this should include, for each clearing service and each initial margin model applied to that clearing service | | | | | | | | |
| 6.5.1.1 | Number of times over the past 12 months that margin coverage held against any account fell below the actual marked-to-market exposure of that member account - based on daily back-testing results | | 2019/10/1 | 2020/9/30 | 7 | 8 | 266 | |
| 6.5.1.2 | Frequency of daily back-testing result measurements | | | | daily | daily | daily | |
| 6.5.1.3 | Time of daily back-testing result if measured once a day | | | | 17:00:00 | 6:00:00 | 6:00:00 | |
| 6.5.2 | Number of observations | | | | 3,464 | 6,052 | 4,639 | |
| 6.5.3 | Achieved coverage level | | | | 99.80% | 99.87% | 94.27% | |
| 6.5.4 | Where breaches of initial margin coverage have occurred, report on size of uncovered exposure; Peak size | Peak | | | 44 | 8 | 1,486 | |
| 6.5.5 | Where breaches of initial margin coverage have occurred, report on size of uncovered exposure; Average Size | Average | | | 9 | 1 | 149 | |
| 6.6 Average Total Variation Margin Paid to the CCP by participants each business | | | | | | | | |
| 6.6.1 | Average Total Variation Margin Paid to the CCP by participants each business | | 2020/7/1 | 2020/9/30 | 14 | 1,634 | 337 | |
| 6.7 Maximum total variation margin paid to the CCP on any given business day over the period | | | | | | | | |
| 6.7.1 | Maximum total variation margin paid to the CCP on any given business day over the period | | 2020/7/1 | 2020/9/30 | 36 | 4,998 | 1,231 | |
| 6.8 Maximum aggregate initial margin call on any given business day over the period | | | | | | | | |
| 6.8.1 | Maximum aggregate initial margin call on any given business day over the period | | 2020/7/1 | 2020/9/30 | 6 | 1,655 | 228 | |

(Unit : Millions of yen)

| Ref.No. | Principle 7 Liquidity Risk Disclosure Description | Frequency | | Clearing Service | | Comments | |
|---|---|---|-----------|---|-------------------------|--|--|
| | | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | | |
| 7.1 | Liquidity Risk | | | | | | |
| 7.1.1 | State whether the clearing service maintains sufficient liquid resources to 'Cover 1' or 'Cover 2'. | 2020/9/30 | 2020/9/30 | 4 | 3 | (7.1.1)The number of expected defaulting members is defined as one Clearing Member that would potentially cause the largest liquidity risk to TFX and several Clearing Members with the lowest amount of net assets. | |
| 7.1.2 | Size and composition of qualifying liquid resources for each clearing service | (a) Cash deposited at a central bank of issue of the currency concerned | | | 0 | 0 | Interest Rate Futures Contracts : 3members / Daily Futures Contracts : 2members. (7.1.4)"Secured cash deposited at commercial bank" refers to the cash deposited at ordinary deposit account or fixed deposit account in commercial bank, which does not incur any loss at the maturity. (7.1.7)The liquidity supply facilities are set with several commercial banks designated as the Settlement Banks and TFX can utilize the funds within the same day upon taking procedural steps provided in the applicable agreements. |
| 7.1.3 | | (b) Cash deposited at other central banks | | | 0 | 0 | |
| 7.1.4 | | (c) Secured cash deposited at commercial banks (including reverse repo) | | | 0 | 191,211 | |
| 7.1.5 | | (d) Unsecured cash deposited at commercial banks | | | 0 | 0 | |
| 7.1.6 | | (e) secured committed lines of credit (ie those for which collateral/security will be provided by the CCP if drawn) including committed foreign exchange swaps and committed repos | | | 0 | 0 | |
| 7.1.7 | | (f) unsecured committed lines of credit (ie which the CCP may draw without providing collateral/security) | | | 29,000 | 0 | |
| 7.1.8 | | (g) highly marketable collateral held in custody and investments that are readily available and convertible into cash with prearranged and highly reliable funding arrangements even in extreme but plausible market conditions | | | 0 | 0 | |
| 7.1.9 | | (h) other | | | 0 | 0 | |
| 7.1.10 | State whether the CCP has routine access to central bank liquidity or facilities | | | None. | | | |
| 7.1.11 | Details regarding the schedule of payments or priority for allocating payments, if such exists, and any applicable rule, policy, procedure, and governance arrangement around such decision making. | | | https://www.tfx.co.jp/en/rules/pdf/a1a08_en.pdf | | | |
| 7.2 Size and composition of any supplementary liquidity risk resources for each clearing service above those qualifying liquid resources above. | | | | | | | |
| 7.2.1 | Size and composition of any supplementary liquidity risk resources for each clearing service above those qualifying liquid resources in 7.1 | | | | | 4,544 | |

| 7.3 Liquidity Risk | | | | | | |
|--------------------|---|----------------------|-----------|-----------|-------|--------|
| 7.3.1 | Estimated largest same-day and, where relevant, intraday and multiday payment obligation ("ELPO") in total that would be caused by the default of any single participant and its affiliates in extreme but plausible market conditions | SameDayPayment_Total | 2019/10/1 | 2020/9/30 | 1,178 | 37,532 |
| | | SameDayPayment | | | 1,178 | 37,532 |
| | | IntraDayPayment | | | - | - |
| | | MultiDayPayment | | | - | - |
| 7.3.2 | Report the number of business days, if any, on which the above amount exceeded its qualifying liquid resources (identified as in 7.1, and available at the point the breach occurred), and by how much; No. of days in quarter | | | | 0 | 0 |
| 7.3.3 | Number of business days, if any, on which the above amount exceeded its qualifying liquid resources (identified as in 7.1, and available at the point the breach occurred), and by how much; Amount of excess on each day | | | | 0 | 0 |
| 7.3.4 | Actual largest intraday and multiday payment obligation of a single participant and its affiliates (including transactions cleared for indirect participants) over the past twelve months; Peak day amount in previous twelve months | SameDayPayment_Total | | | 172 | 4,210 |
| | | SameDayPayment | | | 172 | 4,210 |
| | | IntraDayPayment | | | - | - |
| | | MultiDayPayment | | | - | - |
| 7.3.5 | Estimated largest same-day and, where relevant, intraday and multiday payment obligation in each relevant currency that would be caused by the default of any single participant and its affiliates (including transactions cleared for indirect participants) in extreme but plausible market conditions | | | | - | - |
| 7.3.6 | Number of business days, if any, on which the above amounts exceeded its qualifying liquid resources in each relevant currency (as identified in 7.1 and available at the point the breach occurred), and by how much | | | | - | - |
| 7.3.7 | Report the number of business days, if any, on which the above amounts exceeded its qualifying liquid resources in each relevant currency (as identified in 7.1 and available at the point the breach occurred), and by how much; Amount of excess on each day | | | | - | - |

| Principle 13 Default rules and Procedures | | | Frequency | | Clearing Service | | Comments |
|---|--|--|-----------|---------------------------------|-------------------------|---|----------|
| Ref.No. | Disclosure Description | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | | |
| 13.1 | Quantitative information related to defaults | | | | | | |
| 13.1.1 | Quantitative information | Amount of loss versus amount of initial margin | 2020/7/1 | 2020/9/30 | - | - | |
| 13.1.2 | related to defaults | Amount of other financial resources used to cover losses | | | - | - | |
| 13.1.3. | | Proportion of client positions closed-out | | | - | - | |
| 13.1.3. | | Proportion of client positions ported | | | - | - | |
| 13.1.4 | | Appropriate references to other published material related to the defaults | | | - | - | |

| Principle 14 Segregation and Portability | | | Frequency | | Clearing Service | | Comments |
|--|---|------------|-----------|---------------------------------|-------------------------|--|----------|
| Ref.No. | Disclosure Description | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | | |
| 14.1 | Total Client Positions held as a share of notional values cleared or of the settlement value of securities transactions | | | | | | |
| 14.1.1 | Total Client Positions held in individually segregated accounts | 2020/9/30 | 2020/9/30 | 0.00% | 100.00% | | |
| 14.1.2 | Total Client Positions held in omnibus client-only accounts, other than LSOC accounts | | | 100.00% | 0.00% | | |
| 14.1.3 | Total Client Positions held in legally segregated but operationally comingled (LSOC) accounts | | | 0.00% | 0.00% | | |
| 14.1.4 | Total Client Positions held in comingled house and client accounts | | | 0.00% | 0.00% | | |

(Unit : Millions of yen)

| Principle 15 General Business Risk | | | Frequency | | Clearing Service | | Comments |
|------------------------------------|--|------------|-----------|---------------------------------|-------------------------|---|----------|
| Ref.No. | Disclosure Description | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | | |
| 15.1 | General business risk | | | | | | |
| 15.1.1 | Value of liquid net assets funded by equity | 2019/4/1 | 2020/3/31 | | 17,015 | | |
| 15.1.2 | Six months of current operating expenses | | | | 1,544(*4) | | |
| 15.2 | General business risk; Financial Disclosures | | | | | | |
| 15.2.1 | Total Revenue (Operating revenue) | 2019/4/1 | 2020/3/31 | | 6,624 | (*5) Cash collateral is held on the balance sheet. Non-Cash collateral is held off the balance sheet. | |
| 15.2.2 | Total Expenditure (Operating expenditure) | | | | 7,294 | | |
| 15.2.3 | Profits | | | | -669 | | |
| 15.2.4 | Total Assets | | | | 561,096 | | |
| 15.2.5 | Total Liabilities | | | | 541,482 | | |
| 15.2.6 | Explain if collateral posted by clearing participants is held on or off the CCP's balance sheet | | | | (*5) | | |
| 15.2.7 | Additional items as necessary | | | | - | | |
| 15.3 | General business risk; Income breakdown | | | | | | |
| 15.3.1 | Percentage of total income that comes from fees related to provision of clearing services | 2019/4/1 | 2020/3/31 | | 90.69% | (15.3.1) Trading service fees include clearing service fees. | |
| 15.3.2 | Percentage of total income that comes from the reinvestment (or rehypothecation) of assets provided by clearing participants | | | | 0.44% | | |

(*4) Six months of current operating expenses after subtracting the following items.

- The amount of depreciation expense.
- Trading service fees received from Market Maker include the incentive program fees (3,083million yen) to be passed through trading members. Both Total revenue and Total expenditure on the Financial Statements include the incentive program fees.

(Unit : Millions of yen)

| Principle 16 Custody and Investment Risks | | | Frequency | | Clearing Service | | Comments |
|---|--|----------------|-----------|---------------------------------|-------------------------|---|--|
| Ref.No. | Disclosure Description | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | | |
| 16.1 | Total cash (but not securities) received from participants, regardless of the form in which it is held, deposited or invested, split by whether it was received as initial margin or default fund contribution | | | | | | |
| 16.1.1 | Initial margin | 2020/9/30 | 2020/9/30 | 6,883 | 509,474 | | |
| 16.1.2 | Default fund, received from participants | | | 3,133 | 18,051 | | |
| 16.2 | How total cash received from participants (16.1) is held/deposited/invested, including; | | | | | | |
| 16.2.1 | Percentage of this total participant cash held as cash deposits | 2020/9/30 | 2020/9/30 | 100.00% | 100.00% | (16.2.4)"Secured : as cash deposits at commercial banks" refers to the cash deposited at ordinary deposit account or fixed deposit account in commercial bank, which does not incur any loss at the maturity. | |
| 16.2.2 | Percentage held : as cash deposits at central banks of issue of the currency deposited | | | 0.00% | 0.00% | | |
| 16.2.3 | Percentage held : as cash deposits at other central banks | | | 0.00% | 0.00% | | |
| 16.2.4 | Percentage held : as cash deposits at commercial banks (Secured, including through reverse | | | 100.00% | 100.00% | | |
| 16.2.5 | Percentage held : as cash deposits at commercial banks (Unsecured) | | | 0.00% | 0.00% | | |
| 16.2.6 | Percentage held : as cash deposits in money market funds | | | 0.00% | 0.00% | | |
| 16.2.7 | Percentage held : as cash deposits in other forms | | | 0.00% | 0.00% | | |
| 16.2.8 | Percentage split by currency of these cash deposits | | | 100.00% | 100.00% | | |
| 16.2.9 | Percentage held as cash deposits | | | 100.00% | 100.00% | | |
| | Weighted average maturity of these cash deposits and money market funds | | | (*6) | 0.55 years | | |
| 16.2.10 | Percentage of total participant cash invested in securities; Domestic sovereign government | | | - | 0.00% | | |
| 16.2.11 | Percentage of total participant cash invested in securities; Other sovereign government bonds | | | - | - | | |
| 16.2.12 | Percentage invested in : agency bonds | | | - | - | | |
| 16.2.13 | Percentage invested in : state/municipal bonds | | | - | - | | |
| 16.2.14 | Percentage invested in : other instruments | | | - | - | | |
| 16.2.15 | Percentage split by currency of these securities | | | - | 0.00% | | |
| 16.2.16 | Weighted average maturity of these securities | | | - | - | | |
| 16.2.17 | Estimate of the risk on the investment portfolio | | | - | - | | |
| 16.2.18 | Investment policy sets a limit on the proportion of the investment portfolio that may be allocated to a single counterparty, and the size of that limit | | | - | - | | |
| 16.2.19 | Number of times over the previous quarter in which this limit has been exceeded | | | - | - | | |
| 16.2.20 | Percentage of total participant cash held as securities | | | 0.00% | 0.00% | | |
| 16.3 | Rehypothecation of participant assets (ie non-cash) | | | | | | |
| 16.3.1 | Total value of participant non-cash rehypothecated | Initial margin | 2020/9/30 | 2020/9/30 | - | - | (16.3) Participant assets are not rehypothecated by TFX. |
| 16.3.2 | Total value of participant non-cash rehypothecated | Default fund | | | - | - | |
| 16.3.3 | Maturities | Initial margin | | | - | - | |
| 16.3.4 | Maturities | Default fund | | | - | - | |

| Principle 17 Operational Risk | | | Frequency | | Clearing Service | | Comments |
|-------------------------------|---|--|------------|-----------|---------------------------------|-------------------------|----------|
| Ref.No. | Disclosure Description | | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | |
| 17.1 | Operational availability target for the core system(s) involved in clearing (whether or not outsourced) over specified period for the system (e.g. 99.99% over a twelve-month period) | | | | | | |
| 17.1.1 | Operational availability target for the core systems involved in clearing over specified period for the system | | - | - | 100.00% | 100.00% | |
| 17.2 | Actual availability of the core system(s) over the previous twelve month period | | | | | | |
| 17.2.1 | Actual availability of the core system(s) over the previous twelve month period | | 2019/10/1 | 2020/9/30 | 100.00% | 100.00% | |
| 17.3 | Total number of failures | | | | | | |
| 17.3.1 | Total number of failures and duration affecting the core system(s) involved in clearing over the previous twelve month period | | 2019/10/1 | 2020/9/30 | 0 | 0 | |
| 17.4 | Recovery time objective(s) | | | | | | |
| 17.4.1 | Recovery time objective(s) (e.g. within two hours) | | - | - | 2hours | 2hours | |

| Principle 18 Access and Participation Requirements | | | | Frequency | | Clearing Service | | Comments |
|--|---|--------------------|-------------|------------|-----------|---------------------------------|-------------------------|----------|
| Ref.No. | Disclosure Description | | | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | |
| 18.1 | Number of clearing members, by clearing service | | | | | | | |
| 18.1.1.1 | Number of General clearing members | | | 2020/9/30 | 2020/9/30 | 29 | 0 | |
| 18.1.1.2 | Number of Direct clearing members | | | | | 1 | 26 | |
| 18.1.1.3 | Number of Others category | | | | | 0 | 0 | |
| 18.1.2.1 | Number of Central bank participants | | | | | 0 | 0 | |
| 18.1.2.2 | Number of CCP participants | | | | | 0 | 0 | |
| 18.1.2.3 | Number of Bank participants | | | | | 12 | 4 | |
| 18.1.2.4 | Number of Other participants | | | | | 18 | 22 | |
| 18.1.3.1 | Number of Domestic participants | | | | | 29 | 24 | |
| 18.1.3.2 | Number of Foreign participants | | | | | 1 | 2 | |
| 18.2 | Open Position Concentration | | | | | | | |
| 18.2.1 | Fewer than 25 members | Largest 5 members | Peak | 2020/7/1 | 2020/9/30 | - | - | |
| | | | Average | | | - | - | |
| 18.2.2 | 25 or more members | Largest 5 members | Peak | | | 71.89% | 76.25% | |
| | | | Average | | | 69.60% | 75.61% | |
| 18.2.3 | | Largest 10 members | Peak | | | 93.90% | 88.12% | |
| | | | Average | | | 92.82% | 87.21% | |
| 18.3 | Initial Margin Concentration | | | | | | | |
| 18.3.1 | Fewer than 25 members | Largest 5 members | Peak | 2020/7/1 | 2020/9/30 | - | - | |
| | | | Average | | | - | - | |
| 18.3.2 | 25 or more members | Largest 5 members | Peak | | | 74.66% | 77.74% | |
| | | | Average | | | 73.82% | 77.43% | |
| 18.3.3 | | Largest 10 members | Peak | | | 91.79% | 91.02% | |
| | | | Average | | | 91.63% | 90.77% | |
| 18.4 | Segregated Default Fund Concentration | | | | | | | |
| 18.4.1 | Fewer than 25 members | Largest 5 members | Quarter end | 2020/9/30 | 2020/9/30 | - | - | |
| 18.4.2 | 25 or more members | Largest 5 members | Quarter end | | | 16.67% | 83.16% | |
| 18.4.3 | | Largest 10 members | Quarter end | | | 33.33% | 93.91% | |

| Principle 19 Tiered Participation Arrangements | | | | Frequency | | Clearing Service | | Comments |
|--|---|---|---------|------------|-----------|---------------------------------|-------------------------|----------|
| Ref.No. | Disclosure Description | | | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | |
| 19.1 | Tiered participation arrangements, measures of concentration of client clearing | | | | | | | |
| 19.1.1 | Number of clients (accounts) | | | 2020/7/1 | 2020/9/30 | - | 1,380,723 | |
| 19.1.2 | Number of direct members that clear for clients | | | | | 30 | 20 | |
| 19.1.3.1 | Percent of client transactions | Attributable to the top five clearing members | Peak | | | 100.00% | 82.57% | |
| 19.1.3.2 | | | Average | | | 96.93% | 77.12% | |
| 19.1.4.1 | | Attributable to the top ten clearing members | Peak | | | 100.00% | 94.46% | |
| 19.1.4.2 | | | Average | | | 100.00% | 92.44% | |

(Unit : Millions of yen)

| Principle 23 Disclosure of Rules, Key Procedures, and Market Data | | | | Frequency | | Clearing Service | | | Comments |
|---|--|-----------|--|------------|-----------|---------------------------------|-------------------------|---------------|----------|
| Ref.No. | Disclosure Description | | | Start Date | End Date | Interest Rate Futures Contracts | Daily Futures Contracts | | |
| | | | | | | | FX | Equity Index | |
| 23.1 | Disclosure of rules, key procedures, and market data; Average Daily Volumes | | | | | | | | |
| 23.1.1 | Average daily volumes | | | 2020/7/1 | 2020/9/30 | 659lots | 85,924lots | 40,047lots | |
| 23.1.2 | Average notional value of trades cleared | | | | | 65,975 | 71,199 | 97,175 | |
| 23.2 | Segregated Default Fund Concentration | | | | | | | | |
| 23.2.1 | Gross notional outstanding/total settlement value of novated but not-yet settled securities transactions | | | 2020/9/30 | 2020/9/30 | 2,038,868 | 1,170,334 | 578,276 | |
| 23.2.2 | Asset class | | | | | Interest Rate | FX | Equity Index | |
| 23.2.3 | Product type | | | | | Futures/Option | Forex | CFD | |
| 23.2.4 | Product code | | | | | YEH | JYUSCFD | TFXJNKY | |
| | | Bloomberg | | | | 0#JEY | 0#TFXFX | TFX/CFD/INDEX | |
| | | Reuters | | | | | | | |
| 23.3 | Disclosure of rules, key procedures, and market data; Execution Facility | | | | | | | | |
| 23.3.1 | Average daily volumes submitted by Execution facility or matching/confirmation venue | | | 2020/7/1 | 2020/9/30 | 659lots | 85,924lots | 40,047lots | |
| 23.3.2 | Notional contract values submitted by Execution facility or matching/confirmation venue | | | | | 65,975 | 71,199 | 97,175 | |