



# ANNUAL REPORT

Annual Report the 12th Tokyo Financial Exchange Inc.

Business Report 2015 for the Fiscal Year

Ended March 31, 2016

Tokyo Financial Exchange Inc.

# To Our Shareholders



## Contents

To Our Shareholders .....	01
TFX Businesses .....	03
Summary of Operating Results .....	04
Topics in Fiscal Year 2015 .....	05
Fiscal Year 2016 Initiatives .....	09
Financial Statements (Summary) and Market Data .....	10
Corporate Profile .....	<b>Back Cover</b>

First, we would like to express our sincere gratitude to our shareholders for your continued support of our operations and business.

In fiscal 2015, the operating environment for Tokyo Financial Exchange (TFX) was as follows:

Trading volumes of Three-month Euroyen futures fell to 2.2 million lots, down 4.6% year-on-year. The trading volume temporarily increased immediately following the introduction of Negative Interest Rate Policy (NIRP) by the Bank of Japan (BOJ) but hovered at lower levels almost throughout the fiscal year due to the continued quantitative and qualitative monetary easing by the BOJ.

The foreign exchange market fluctuated on the backdrop of rising expectations of interest rate hikes in the United States, plunging Chinese stock prices, and declines in global oil prices, among other factors.

Given these market developments, trading volumes of Click 365, Exchange FX Margin contracts, generally trended higher than the prior year level throughout the fiscal year, resulting in 41.6 million lots, up 22.3% year-on-year, for the full year.

Global stock markets moved on the back of, among other factors, improved corporate earnings due to the yen's depreciation, plunging Chinese stock prices, and declines in global oil prices since August. Amid such a backdrop, trading volumes of Click Kabu 365, Exchange Equity Index Margin contracts, significantly rose to 8.4 million lots, up 33.6% year-on-year.

As a result, the overall trading volume on TFX in fiscal year 2015 was 52.3 million lots, up 22.5% year-on-year. Operating revenues increased 1,688 million yen, or 22.1%, year-on-year to 9,315 million yen.

Operating expenses increased 1,197 million yen, or 15.0%, year-on-year to 9,158 million yen, which included 514 million yen for the relocation of corporate headquarters (Office Relocation Costs), one-time expenses unique to fiscal year 2015.

In fiscal year 2015, TFX returned to profitability on an operating basis for the first time in four fiscal years. Operating income increased 491 million yen year-on-year to 157 million yen and 672 million yen, excluding Office Relocation Costs, with interest rate futures contracts and margin contracts (Click 365 and Click Kabu 365) posting a loss of 1,498 million yen and a profit of 1,656 million yen, respectively.

Non-operating revenues were 471 million yen primarily due to the gain on sales of investment securities and dividend income. Non-operating expenses were 5 million yen.

Ordinary income was 623 million yen, up 315 million yen year-on-year, and 1,138 million yen excluding Office Relocation Costs.

Extraordinary loss was 234 million yen, primarily due to rents paid during the restoration of the former corporate headquarters building to its original state following the headquarters relocation.

As a result of the above, income before taxes was 389 million yen. With the recognition of deferred tax assets of 120 million yen, net income (profit after

taxes) was 440 million yen, and 1,026 million yen, excluding Office Relocation Costs.

In fiscal year 2016, the Interest Rate Futures Contracts Business will focus on increasing trading volumes of three-month Euroyen futures by uncovering the needs of investors and appropriately taking advantage of market changes that may occur as a result of the introduction of NIRP by the BOJ.

For Click 365, we will make every effort to promote and publicize, among investors, Click 365 Large, which has been listed since last year, to make them understand its superior advantages and to increase the flow of overseas investors and large accounts such as corporate investors, in particular. In addition, we will introduce integrated management of margin accounts for Click Kabu 365 and Click 365 to further enhance the convenience of investors.

For Click Kabu 365, following the launch of the Dow Jones Industrial Average (DJIA) margin contracts, we will step up our efforts to expand our investor base by improving the visibility of Click Kabu 365 brand in the trading community and facilitating understanding of its superior features.

We sincerely ask our shareholders for your ongoing support and cooperation.

June 2016

President and CEO **Shozo Ohta**

# TFX Businesses

Tokyo Financial Exchange (TFX) contributes to the sound development of the financial markets and the economy of Japan by developing financial instruments markets as public infrastructure related to financial instruments transactions that provide a superior degree of fairness, reliability, and convenience in accordance with the Financial Instruments and Exchange Act.

TFX, as a **comprehensive exchange for financial derivatives**, has now listed products that cover all three major sectors for financial derivatives: **interest rates**, **foreign exchange**, and **stocks** as listed below.



Interest rate futures are leading products in global derivative markets. Three-month Euroyen futures contracts play an essential role in short-term monetary markets.

#### Listed products

- Three-month Euroyen futures
- Options on Three-month Euroyen futures
- Over-Night Call Rate futures

### Interest Rate Futures Contracts Business



Click 365 is a safe, transparent and reliable listed margin FX, an innovative exchange listed product that realizes commission free trading for end users.

#### Listed products

- 29 trading currency pairs in total
- 17 yen currency pairs
  - 12 cross currency pairs

### Margin Contracts Business



Click Kabu 365 is highly convenient exchange equity index margin contracts where investors can trade major equity indices at home and abroad.

#### Listed products

- Nikkei 225 Margin contracts
- DJIA Margin contracts
- DAX® Margin contracts
- FTSE 100 Margin contracts

# Summary of Operating Results

## [Financial Accounts – Highlights (For the past five years)]

(million yen)

	FY2011	FY2012	FY2013	FY2014	FY2015	Change from FY2014
Operating Revenues	9,238	5,456	6,602	7,627	9,315	22.1%
Operating Profit or Loss(▲)	1,761	▲581	▲1,247	▲333	157 (672)	— (—)
Ordinary Profit or Loss(▲)	2,086	▲378	▲1,114	308	623 (1,138)	102.4% (269.3%)
Net Income or Loss(▲)	807	55	▲1,855	469	440 (1,026)	▲6.1% (118.7%)
Total Assets	240,840	249,650	284,647	395,379	559,646	41.5%
Net Assets	23,447	23,071	20,958	21,340	21,268	▲0.3%

• The values in parentheses under operating income, ordinary income, and net income exclude Office Relocation Costs.

• Dividend per share increased 50 yen year-on-year to 250 yen as TFX turned profitable on an operating basis for fiscal year 2015.

## [Market Highlights (For the past five years)]

### Annual Trading Volume (Change from previous fiscal years)

Three-month Euroyen futures (in thousands)				
FY2011	FY2012	FY2013	FY2014	FY2015
5,816 (▲49.2%)	4,989 (▲14.2%)	4,620 (▲7.4%)	2,394 (▲48.1%)	2,283 (▲4.6%)

Click Kabu 365 (in thousands)				
FY2011	FY2012	FY2013	FY2014	FY2015
1,042 (+132.8%)	2,524 (+142.2%)	5,268 (+108.6%)	6,324 (+20.0%)	8,454 (+33.6%)

Click 365 (in thousands)				
FY2011	FY2012	FY2013	FY2014	FY2015
121,116 (▲1.8%)	58,200 (▲51.9%)	44,556 (▲23.4%)	34,015 (▲23.6%)	41,628 (+22.3%)

Total Trading Volume of Listed Products (in thousands)				
FY2011	FY2012	FY2013	FY2014	FY2015
128,019 (▲5.4%)	65,718 (▲48.6%)	54,445 (▲17.1%)	42,734 (▲21.5%)	52,366 (+22.5%)

• The rate of change year-on-year shown is rounded down to the first decimal place.

# Topics in Fiscal Year 2015

## TOPICS 1

### Improvement of Operating Revenue

#### ① Returning to operating profitability for the first time in four fiscal years

TFX returned to profitability on an operating basis for fiscal year 2015 with operating income at 157 million yen (and 672 million yen excluding Office Relocation Costs). Net income was 440 million yen (and 1,026 million yen excluding Office Relocation Costs), with dividend per share up 50 yen to 250 yen.

#### ② Significant reduction in rents due to the relocation of corporate headquarters

TFX relocated its corporate headquarters to Tekko Building in Chiyoda-ku, Tokyo, in February 2016. TFX has been able to achieve a significant reduction in rents and also optimize its office space due to this relocation.

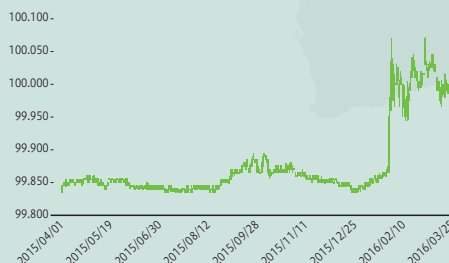


## TOPICS 2

### Changing Conditions of Interest Rate Futures Market

Prices of three-month Euroyen futures had remained almost unchanged for more than seven years with ultra low interest rate under the BOJ's quantitative and qualitative monetary easing policy, but it temporarily surged with the BOJ's introduction of NIRP in January 2016. Given the possibility of such interest rate movements occurring again, TFX has been proactively conducting seminars, etc. both at home and abroad in preparation for a resurgence of trading activities in the short-term interest rate markets.

Price for Three-Month Euroyen Futures (leading contract month)

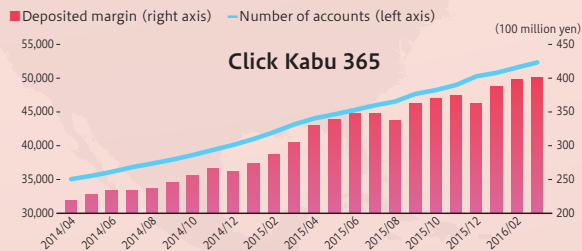
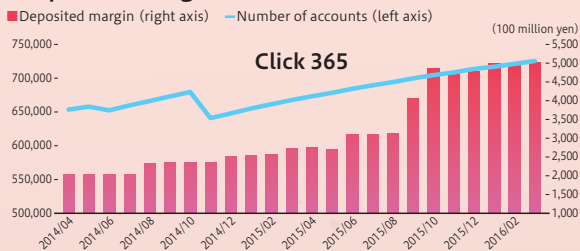


## Further Expansion of Exchange Margin Contracts Market

### 1 Number of accounts and amount of deposited margin at all-time high

TFX's margin contracts market has been growing steadily, with both the number of accounts and the amount of deposited margin reaching an all-time high for the second consecutive year.

#### [Deposited Margin and Number of Accounts]



### 2 Increase in the number of trading members (new market participants)


Gaitame Online Co., Ltd., and Fujitomi Co., Ltd., have joined as new trading members in the Click 365 market, with Money Square Japan, Inc. and Fujitomi Co., Ltd., as new trading members in the Click Kabu 365 market.


### 3 Steady increase in Click Kabu 365 trading volume

The trading volume of Click Kabu 365 increased 33.6% year-on-year in fiscal year 2015, reflecting market fluctuations on the back of plunging Chinese stock prices and declines in global oil prices. Click Kabu 365 is well-received for its highly convenient features, which include that it can be traded at night and during public holidays, that there is no expiration date (Click kabu 365 is a rolling spot contract), and that dividend equivalents will be paid on long positions, and all these features are combined to make it suitable for long term holding.

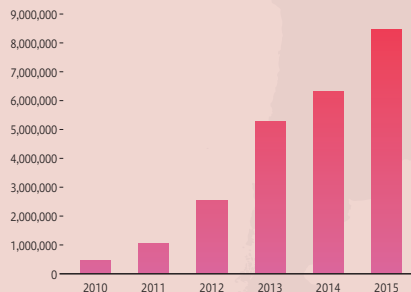
あなたの為の、外為を。

 **外為オンライン**

 **株式会社フジトミ**

 **マネースクウェア・ジャパン**

#### [Trading volume of Click Kabu 365]



## Click 365 : Listing of New Product

### 1 Listing of Turkish Lira / Japanese Yen (TRY/JPY) currency pair

In addition to Click 365's 23 listed currency pairs, TFX has launched the TRY/JPY in May 2015.

The TRY/JPY currency pair is one of the high yielding currency pairs that are very popular among investors, just as the South African Rand / Japanese Yen (ZAR/JPY).

With its swap point and spread among the highest in the industry, the TRY/JPY greatly contributed to the increased trading volume of Click 365.

### 2 Listing of Click 365 Large, product targeting large volume investors

TFX listed Click 365 Large (US dollar / Japanese Yen (USD/JPY), Euro / Japanese Yen (EUR/JPY), British pound / Japanese Yen (GBP/JPY), Australian dollar / Japanese Yen (AUD/JPY) and Euro / US dollar (EUR/USD) in November 2015 to meet the trading needs of large volume investors at home and abroad, as well as investors who are focused on tight spreads.

It is expected that the Click 365 Large business will expand going forward, with its high potential for achieving high execution rates, just as in the case of Click 365.

#### [Trading Value of TRY/JPY Currency Pair (from May 2015 to March 2016)]

TRY/JPY Currency Pair – TFX (million yen)	1,731,543
TRY/JPY – Over-the-Counter (OTC) FX (million yen)	2,781,705
Share of TFX's TRY/JPY currency pair in total market	<b>38%</b>

\*The trading value of OCT FX's TRY/JPY currency pair was derived from the "Over-the-Counter FX Monthly Report" issued by the Financial Futures Association of Japan.

\*The trading value of Click 365 is an estimate based on a sum of products obtained by multiplying a monthly trading volume by month-end settlement prices.



#### [Difference between existing Click 365 and Click 365 Large]

	Click 365	Click 365 Large
Trading Unit (one lot)	10,000 currency units	<b>100,000 currency units</b>
Currency Pair	24 currency pairs	<b>5 currency pairs</b>
Minimum Tick Size	USD/JPY EUR/JPY AUD/JPY	<b>0.001 yen</b>
	GBP/JPY	0.01 yen
	EUR/USD	1 pips
	Transaction Fee	Not Charged*1
Leverage	25x maximum (150x maximum for corporates)	
Swap Point	One value*3	

\*1 Not all the trading members eliminate charging transaction fees.

\*2 Transaction fees may change, depending on trading members.

\*3 As Click 365 and Click 365 Large are two different products, their respective swap points are different.



## Other Activities

### 1 Seminar-in-TFX

TFX holds regular seminars (“Seminar-in-TFX”) on Click 365 and Click Kabu 365 at its TFX Plaza, primarily targeting first-time investors. Also, TFX trading members host their seminars regularly at TFX plaza. For further details on these seminars, please visit the official website of Click 365.



Title of Seminar	Day of Week	Time
『Easy-to-Understand Click 365 Seminar (FX)』	Every second Wednesday	6:30–7:30 pm
『Easy-to-Understand Click Kabu 365 Seminar (Stock Indices)』	Every third Wednesday	6:30–7:30 pm
『Easy-to-Understand Click Kabu 365 Seminar (Stock Indices)』	Every fourth Friday	2:00–3:00 pm

### 2 Courses on Finance and Economics to Help Enhance Financial Literacy

Since July 2015, TFX has been holding courses on finance and economics at public facilities, such as public halls and community centers, to help people enhance their financial literacy.



#### [Past and Upcoming Courses]

Contents of Courses	Venues (courses held and to be held in Saitama and Chiba prefectures)
<ul style="list-style-type: none"> <li>● The Nikkei 225 Stock Average index 101; Looking at Japan’s economy through the lens of Nikkei 225 Stock Average index; Invest in Nikkei 225 Stock Average index, etc.</li> <li>● Foreign Exchange Trading 101; Looking at the global economy through the lens of foreign exchange; Foreign exchange trading, etc.</li> </ul>	Tsuchiai Community Center, Uetake Community Center, Horie Community Center, Misono Community Center, Konakadai Community Center, Harigaya Community Center, Kikuta Community Center, Okubo Community Center, Ryoke Community Center, Miyahara Community Center, Mihama Community Center, Suzuya Community Hall, Kotehashi-dai Community Center, Kita-Urawa Community Center, Kawaguchi Citizens College (Nishi Community Center), Misasa Community Center, Yono-Honmachi Community Center, Kamikizaki Public Hall, Iroha Yugakukan, Shimo-Ochiai Community Center, Higashi-Omiya Community Center, Sakawa Community Center, etc.

# Fiscal Year 2016 Initiatives

## ACTION

### Upgrading and expanding incentive measures and trading methods for interest rate futures contracts

1. Implement the following incentive measures to further promote the participation of new investors, primarily from Asia.
  - (i) Provide a financial incentive for trades executed on back month contracts and strategy trades made via block trading facility.
  - (ii) Offer volume discount depending on the size of trading volume.
  - (iii) Provide a financial incentive to new entry investors.
2. Considering measures to upgrade and expand a strategy trading functions, such as packs and bundles, to bolster trading in back month contracts and to improve user convenience.



## BREAKTHROUGH

### Studying measures to further improve price competitiveness and new business development for Click 365 Large.

1. To further enhance the appeal of Click 365 Large to large volume investors both at home and abroad, tighten spreads by upgrading and expanding incentive measures for market makers and trading members of Click 365 Large.
2. Study the viability of making an entry into the clearing business of OTC FX trading to further enhance the reliability of the foreign exchange market as a whole amid further tightening of financial regulations globally.

## CHALLENGE

### Listing of new products and implementing the integrated management of margin accounts for Click Kabu 365

1. With the listing of the DJIA margin contracts in June 2016, further enhance the awareness of Click Kabu 365 and thus acquire new trading members.
2. Improve the convenience of investors by implementing the integrated management of margin accounts for Click Kabu 365 and Click 365.



# Financial Statements (Summary) and Market Data

## [Balance Sheet (Summary)]

(In million yen, rounded off to millions)

Account Titles	FY 2014 As of March 31, 2015	FY 2015 As of March 31, 2016
<b>(Assets)</b>		
Current Assets	14,774	15,860
Cash and bank deposits	7,518	14,650
Securities	5,440	—
Accounts receivable - trade	686	776
Accounts receivable - other	921	227
Income taxes receivable	7	—
Prepaid expenses	78	34
Deferred tax assets	116	170
Others	4	1
Non-current Assets	380,604	543,786
Tangible fixed assets	1,421	1,232
Buildings	399	464
Furniture and equipment	1,022	767
Intangible fixed assets	2,910	2,217
Software	2,897	2,205
Others	13	11
Investment and other assets	4,024	3,800
Assets held for guarantee from members	372,247	536,536
Total Assets	395,379	559,646

Account Titles	FY 2014 As of March 31, 2015	FY 2015 As of March 31, 2016
<b>(Liabilities)</b>		
Current Liabilities	1,191	1,200
Accounts payable - trade	553	632
Accounts payable - other	513	395
Income taxes payable	—	7
Consumption and other taxes payable	46	24
Others	77	140
Non-current Liabilities	372,847	537,177
Deposits received from members	372,247	536,536
Others	599	641
Total Liabilities	374,039	538,378
<b>(Net Assets)</b>		
Shareholders' Equity	21,297	21,565
Common stock	5,844	5,844
Capital surplus	6,045	6,045
Retained earnings	9,406	9,674
Default compensation reserve	3,594	4,600
Retained earnings brought forward	5,812	5,074
Valuation and Translation Adjustments	42	▲297
Total Net Assets	21,340	21,268
Total Liabilities and Net Assets	395,379	559,646

## [Income Statement (Summary)]

(In million yen, rounded off to millions)

Account Titles	FY 2014 From April 1, 2014 to March 31, 2015	FY 2015 From April 1, 2015 to March 31, 2016
Operating Revenues	7,627	9,315
Fixed amount exchange fees	142	139
Per-contract exchange fees	6,700	8,187
Income related to system equipment	208	217
Other exchange fees	35	35
Member registration fees, etc.	7	17
Income from information services	262	271
Income from asset management/investment	271	447
Operating Expenses	7,960	9,158
Personnel expenses	1,222	1,252
Marketing expenses	3,553	4,316
Facility-related expenses	2,965	3,380
Administrative expenses	219	208
Operating Income or Loss (▲)	▲333	157
Non-operating Revenues	644	471
Non-operating Expenses	3	5
Ordinary Income or Loss (▲)	308	623
Extraordinary Income	—	—
Extraordinary Losses	—	234
Income or Loss (▲) before Income Taxes	308	389
Income taxes - current	19	69
Income taxes - deferred	▲180	▲120
Net Income or Loss (▲)	469	440

## [Market Data]

(In lots, upper row: annual trading volume, lower row: average daily trading volume)

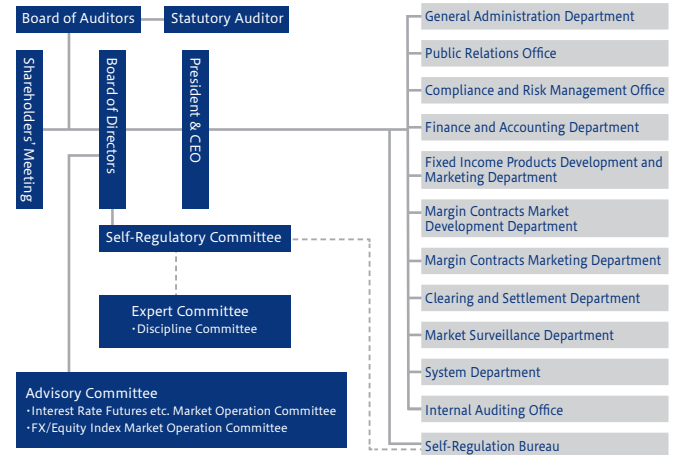
Products	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Three-month Euroyen Futures	5,816,233 (23,643)	4,989,726 (20,366)	4,620,441 (18,859)	2,394,821 (9,735)	2,283,338 (9,320)
Options on Three-month Euroyen Futures	35,547 (145)	1,500 (6)	0 (0)	100 (0)	0 (0)
Click 365	121,116,072 (466,391)	58,200,747 (224,754)	44,556,077 (171,731)	34,015,116 (130,828)	41,628,818 (161,777)
Click Kabu 365	1,042,524 (4,088)	2,524,870 (9,762)	5,268,870 (20,285)	6,324,175 (24,380)	8,454,268 (32,446)
All Listed Products	128,019,351 (494,471)	65,718,851 (254,896)	54,445,388 (210,875)	42,734,212 (164,943)	52,366,424 (203,543)

# Corporate Profile

<b>Company Name</b>	Tokyo Financial Exchange Inc.	
<b>Founded</b>	April 1989 (in April 2004, TFX changed from a membership organization to a stock company)	
<b>Address</b>	Tekko Building 8th Floor, 1-8-2 Marunouchi, Chiyoda-ku, Tokyo, 100-0005	
<b>Capital</b>	5,844,650,000 yen	
<b>No. of Employees</b>	89 (as of March 31, 2016)	
<b>Fiscal term</b>	March 31	
<b>Management</b>	President & CEO	Shozo Ohta
	Senior Managing Director	Wataru Ito
	Managing Director	Takuo Hirota
	Managing Director	Ryuji Obara
	Member of the Board	Takashi Imai
	Member of the Board	Masahiro Okuno-Fujiwara
	Member of the Board	Junko Hirakawa
	Member of the Board	Hidekazu Fukumoto
	Member of the Board	Shin Yoshidome
	Standing Statutory Auditor	Nagao Hashimoto
	Statutory Auditor	Toshiyuki Tsukasaki
	Statutory Auditor	Shigeyuki Maeda

- No. of TFX Members**
- (i) Interest Rate Futures Trading Members.....43  
(including 30 Interest Rate Futures Clearing Members and 12 inactive trading members (inactive clearing members))
  - (ii) FX Margin Trading Members  
(FX Margin Clearing Members).....22  
(including 6 FX Market Makers)
  - (iii) Equity Index Margin Trading Members  
(Equity Index Margin Clearing Members).....13  
(including 3 Equity Index Market Makers)

## Organizational Chart



## Share Information

(as of March 31, 2016)

Total No. of Shares Authorized...3,400,000  
No. of Shares Issued and Outstanding...862,750  
No. of Shareholders...75  
<http://www.tfx.co.jp>

## URL

※ Information without a specific date is as of June 23, 2016

The Nikkei Stock Average is a copyrighted index calculated by a method independently developed by Nikkei Inc. Nikkei Inc. holds the copyright, the intellectual property rights, and all other rights associated with the Nikkei Stock Average itself and the method of calculating Nikkei Stock Average. Business of Equity Index Margin contracts, the underlying assets of which are the Nikkei Stock Average ("Nikkei 225 Margin contracts"), and the enforcement of trading regulations for such contracts shall be managed under the responsibilities of Tokyo Financial Exchange Inc. ("TFX") and its Trading Members, and Nikkei Inc. shall not assume any obligations or responsibilities thereof. In operating Nikkei 225 Margin contracts, TFX is responsible for calculating and publishing the ex-dividend prices of stocks used in the Nikkei Stock Average, which are required for Nikkei 225 Margin contracts. Nikkei Inc. has the right to change component stocks in the Nikkei Stock Average, the method of calculation, and other details of the Nikkei Stock Average, and to discontinue the publication of the Nikkei Stock Average. Nikkei Inc. shall not be obligated to continuously publish the Nikkei Stock Average, and shall not be liable for any errors, delay or discontinuation of publication.

DAW® is a registered trademark of Deutsche Börse AG. This financial instrument is neither sponsored nor promoted, distributed or in any other manner supported by Deutsche Börse AG (the "Licensor"). The Licensor does not give any explicit or implicit warranty or representation, neither regarding the results deriving from the use of the Index and/or the Index Trademark nor regarding the Index value at a certain point in time or on any other respect. The Index is calculated and published by the Licensor. Nevertheless, as far as admissible under statutory law the Licensor will not be liable vis-à-vis third parties for errors in the Index. Moreover, there is no obligation for the Licensor vis-à-vis third parties, including investors, to point out potential in the Index. Neither the publication of the Index by the Licensor nor the granting of a license regarding the Index as well as the Index Trademark for the utilization in connection with the financial instrument or other securities or financial products, which derived from the Index, represents a recommendation by the Licensor for a capital investment or contains in any manner a warranty or opinion by the Licensor with respect to the attractiveness of an investment in this product. In its capacity as sole owner of all rights to the Index and the Index Trademark, the Licensor has solely licensed to the issuer of the financial instrument the utilization of the Index and the Index Trademark as well as any reference to the Index and the Index Trademark in connection with the financial instrument.

The FTSE100 Margin contract is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE") or the London Stock Exchange Group companies ("LSEG") (together the "Licensor Parties") and none of the Licensor Parties make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to (i) the results to be obtained from the use of the FTSE100 (the "Index") based upon, which the FTSE100 Margin contract is based, (ii) the figure at which the Index is said to stand at any particular time on any particular day or otherwise, or (iii) the suitability of the Index for the purpose to which it is being put in connection with the FTSE100 Margin contract. None of the Licensor Parties have provided or will provide any financial or investment advice or recommendation in relation to the Index to Tokyo Financial Exchange Inc. or to its clients. The Index is calculated by FTSE or its agent. None of the Licensor Parties shall be (a) liable (whether in negligence or otherwise) to any person for any error in the Index or (b) under any obligation to advise any person of any error therein. All rights in the Index vest in FTSE. "FTSE®" is a trade mark of LSEG and is used by FTSE under license.

The Dow Jones Industrial Average is a product of S&P Dow Jones Indices LLC or its affiliates ("SPD") and Dow Jones Trademark Holdings, LLC, and has been licensed for use by Tokyo Financial Exchange Inc. ("TFX"). Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P") and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). Third Party Licensor's Trademark is a trademark of Dow Jones Trademark Holdings, LLC. The trademarks have been licensed to SPD) and have been sublicensed for use by TFX. DOW JONES INDICES AND DOW JONES TRADEMARK HOLDINGS, LLC SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES AND DOW JONES TRADEMARK HOLDINGS, LLC MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS RESULTS TO BE OBTAINED BY TFX, OWNERS OF THE DJIA MARGIN TRANSACTION CONTRACT, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE DOW JONES INDUSTRIAL AVERAGE OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES OR DOW JONES TRADEMARK HOLDINGS, LLC BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND TFX, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.

## Tokyo Financial Exchange Inc.

Tekko Building 8th Floor, 1-8-2 Marunouchi, Chiyoda-ku, Tokyo, 100-0005  
TEL +81 3 4578 2400 FAX +81 3 3212 5780 <http://www.tfx.co.jp>

The copyright of this publication is held by the Tokyo Financial Exchange Inc. (TFX).

This publication has been compiled by TFX for general informational purpose only. Although every attempt has been made to ensure the accuracy of the information, TFX assumes no responsibility for any errors or omissions. All matters pertaining to rules and procedures herein are made subject to and are superseded by the official rules of TFX. The descriptions in this publication are only for commentary purposes and do not whatsoever intend to provide advice on investment or asset management. The statements and calculations herein contain examples for illustration purpose and TFX will assume no responsibility for their use. This publication is not intended to provide all information that brokers are required to disclose to their customers pursuant to the laws and regulations applicable to the brokers. TFX reserves the right to change the contents of this publication without prior notice.



Universal design fonts that are easy to understand and easy to read are used.

