



NEWS RELEASE

Tokyo International Financial Futures Exchange and Shanghai Futures Exchange Sign Memorandum of Understanding

May 28, 2005, Tokyo/Shanghai - Tokyo International Financial Futures Exchange (TFX- formerly TIFFE) and Shanghai Futures Exchange (SHFE) today announced they have signed a Memorandum of Understanding (MOU) agreement on May 27th, to cooperate in the development and efficient operation of both markets.

The main areas to be covered by this MOU are as follows:

- 1) Information exchange on regulatory framework and market structure
- 2) Information exchange on financial futures products and marketing
- 3) Information exchange on system infrastructure (trading, clearing, and networking, etc.)
- 4) Occasional meetings at both executive and staff level.

The following comments have been made by the two exchanges on the signing of the MOU.

Mr. Shozo OHTA, Senior Managing Director of TFX: "It is an honor to sign an MOU with SHFE, which we respect as one of the most focused and advanced exchanges in the Asian region. We believe that the financial futures market will become more important in the fast-growing Chinese financial market, and that SHFE will play the key role. By signing an MOU with SHFE, it will help further enhancement of market development and business opportunities for both exchanges. We would like to continue to further strengthen the cooperation between TFX and SHFE, and so as our friendship."

Mr. HU Zheng, Deputy CEO of SHFE stated that, "SHFE is developing the financial futures and options, so we think it significant to obtain the expertise from the leading financial derivatives exchanges of the industry. TFX is a key interest rate derivatives market, and it is believed that the future partnership between our two exchanges will bring benefits to the market participants respectively."

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Notes to Editors:

Tokyo International Financial Futures Exchange (TFX)- Founded in 1989, TFX has been widely known as the home market for Euroyen futures for a wide range of domestic and international investors. Since its foundation, TFX has been the leading Japanese exchange introducing global standard functions to its operations. And now, it is renovating itself with new attempts to expand its range to the retail market for further development of the Japanese financial infrastructure. For more information about TFX, please visit the new website at <http://www.tfx.co.jp>.

Shanghai Futures Exchange (SHFE)- Shanghai Futures Exchange (SHFE) is the largest futures exchange in China. An entity merged by three futures exchanges of Shanghai in 1999, it now has four major commodity futures products that boast of regional and global significance. It is a membership-owned organization and regulated by China's Securities Regulatory Commission (CSRC). With dominance in commodity futures markets, it is now working to launch the listed derivatives for China's financial markets. For more details, please visit SHFE website at www.shfe.com.cn.