[Translation]

March 7, 2013

Company Name: Japan Exchange Group, Inc.
Name of Representative: Atsushi Saito, Director & Representative Executive Officer, Group CEO
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Start of Discussions on Merger between a Subsidiary and an Affiliate

Today, Japan Securities Clearing Corporation (hereinafter "JSCC"), a subsidiary of Japan Exchange Group, Inc. (hereinafter "JPX"), and Japan Government Bond Clearing Corporation (hereinafter "JGBCC"), an affiliate of JPX, decided to begin discussions on a merger at the meetings of their respective board of directors.

1. Purpose

JSCC and JGBCC have promoted efficient operations and user convenience as clearing institutions through means such as an operational tie-up since JGBCC's preparational period before it launched operations. In the wake of the global financial crisis, "enhancement of clearing functions and structure" has been recognized as an important issue to be addressed for the financial and capital market of our country. Under such circumstances, JSCC took a stake in JGBCC (JPY 1.75 billion, 35.6%) in September 2010, and both parties have implemented actions such as personnel exchanges. Through these efforts, they have further strengthened their cooperative relationship.

In light of the international regulatory environment and the increasingly vital roles of clearing institutions, JSCC and JGBCC have begun discussions on a merger with the recognition that further enhancing clearing functions and structure, including facilitating efficient operations and systems, will augment market convenience, efficiency, and stability, thereby strengthening the international competitiveness of the Japanese financial and capital market.

2. Company Outlines

(1)	Company Name	Japan Securities Clearing Corporation	Japan Government Bond Clearing Corporation
(2)	Location	2-1, Nihombashi-Kabuto-cho, Chuo-ku, Tokyo	2-1, Nihombashi-Kabuto-cho, Chuo-ku, Tokyo
(3)	Name/Title of Representative	Yasuo Tobiyama, President & CEO	Makoto Sonobe, President & CEO
(4)	Business Details	・Financial Instruments Obligation Assumption Service ・Business related or incidental to the above	・Financial Instruments Obligation Assumption Service ・Business related or incidental to the above

(5)	Capital	JPY 7,350,000,000	JPY 2,474,344,052
(6)	Date of Establishment (Start of Operations)	July 1, 2002 (January 14, 2003)	October 17, 2003 (May 2, 2005)
(7)	No. of Issued Shares	Total: 52,543 shares Class A shares: 33,543 shares Class B shares: 9,000 shares Class C shares: 10,000 shares	89,959 sharse
(8)	End of Fiscal Year	March 31	March 31
(9)	Major Shareholders and Holding Ratios	●Class A shares ・Japan Exchange Group, Inc. (99.2%) ・Nagoya Stock Exchange, Inc. (0.6%) ・Fukuoka Stock Exchange (0.04%) ・Sapporo Securities Exchange (0.04%) ●Class B shares ・Japan Exchange Group, Inc. (100.0%) ●Class C shares ・Japan Exchange Group, Inc. (58.2%) And 19 others	・Japan Securities Clearing Corporation (35.6%) And 30 others
(10)	Management Performance and Financial Results for the Most Recent Business Year		
	Net Assets	21,848	5,151
	Total Assets	204,750	77,763
	Operating Revenue	7,438	1,427
	Operating Income	635	219
	Ordinary Income	714	220
	Net Income	412	124
	Net Income per Share (JPY)	10,316.47	1,386.55
	Net Assets per Share (JPY)	513,563.62	57,268.02

(Unit: JPY 1 million)

3. Future Developments

More information will be disclosed in a timely manner as discussions proceed and details are determined.

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