(Reference Translation)

June 25, 2013

To whom it may concern:

Company Name: Japan Exchange Group, Inc.
Name of Representative: Atsushi Saito, Director & Representative Executive Officer, Group CEO
(Code: 8697, TSE 1st Section/JASDAQ)
Inquiries: Corporate Communications
(TEL: +81-3-3666-1361)

Notice regarding JSCC/JGBCC Stock Swap Agreement and Conclusion of Merger Agreement

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, have been in discussions regarding a merger as disclosed in "Start of Discussions on Merger between a Subsidiary and an Affiliate" on March 7, 2013 and "Progress of Discussions on Merger between Japan Securities Clearing Corporation and Japan Government Bond Clearing Corporation" on May 15, 2013. On the assumption that approval will be received in the general shareholders meetings of each company, the Board of Directors meetings of both companies held today made resolutions to conduct a stock swap according to an agreement making JSCC the wholly-owning parent company and JGBCC the wholly-owned subsidiary (hereinafter "the stock swap"), as well as to conduct an absorption-type merger based on an agreement making JSCC the suriving company and JGBCC the merged company (hereinafter "the merger"). Details on each matter are described in the attached document.

1. Purpose and Outline of the Stock Swap and Merger

Please refer to the attached JSCC/JGBCC disclosure document "Conclusion of Stock Swap Agreement and Merger Agreement between Japan Securities Clearing Corporation and Japan Government Bond Clearing Corporation" dated June 25, 2013.

JPX considers the stock swap and merger to be measures which align with "expanding exchange business fields" as provided as a core strategy in the JPX Medium-term Management Plan (FY2013-2015), and will continue working to enhance the corporate value of JPX group moving forward.

2. Future Outlook

The stock swap and merger are matters related to JPX's subsidiary and affiliate company, and minimal impact is expected on JPX's consolidated performance.

<Attached Document>

JSCC/JGBCC Disclosure Document
"Conclusion of Stock Swap Agreement and Merger Agreement between Japan Securities Clearing Corporation and Japan Government Bond Clearing Corporation"

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PRESS RELEASE

(Reference Translation)

June 25, 2013

To whom it may concern:

Japan Securities Clearing Corporation
Hironaga Miyama, President & CEO
Japan Government Bond Clearing Corporation
Makoto Sonobe, President & CEO

Conclusion of Stock Swap Agreement and Merger Agreement between Japan Securities Clearing Corporation and Japan Government Bond Clearing Corporation

Japan Securities Clearing Corporation (hereinafter "JSCC") and Japan Government Bond Clearing Corporation (hereinafter "JGBCC") have been in discussions regarding a merger. On the assumption that approval will be received in the general shareholders meetings of each company, the Board of Directors meetings of both companies held today made resolutions to conduct a stock swap according to an agreement making JSCC the wholly-owning parent company and JGBCC the wholly-owned subsidiary (hereinafter "the stock swap"), as well as conduct an absorption-type merger based on an agreement making JSCC the surviving company and JGBCC the merged company (hereinafter "the merger"). Details on each matter are as below.

I. Purpose of the Stock Swap and Merger

JSCC and JGBCC have promoted efficient operations and user convenience as clearing institutions through means such as an operational tie-up since JGBCC's preparation period before it launched operations. In the wake of the global financial crisis, "enhancement of clearing capabilities 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 increasingly vital roles of clearing institutions in the current international regulatory environment, JSCC and JGBCC shall conduct a merger, with the recognition that further enhancing clearing capabilities and structure, including more efficient operations and systems, would augment market convenience, efficiency, and safety, thereby strengthening the international competitiveness of the Japanese financial and capital market.

II. Stock Swap

1. Overview of Stock Swap

(1) Stock Swap Schedule

Board of Directors' Approval of the Stock Swap	JSCC/JGBCC	June 25, 2013
Conclusion of the Stock Swap Agreement	JSCC/JGBCC	June 25, 2013
Extraordinary General Shareholders Meeting	JSCC/JGBCC	July 24, 2013 (Scheduled)
Effective Date	JSCC/JGBCC	September 30, 2013 (Scheduled)

(2) Stock Swap Method

The stock swap will make JSCC the wholly-owning parent company and JGBCC the wholly-owned subsidiary.

(3) Allotment Details pertaining to the Stock Swap

	Japan Securities Clearing Corporation (Wholly-owning Parent Company)	Japan Government Bond Clearing Corporation (Wholly-owned Subsidiary)
Allotment Details pertaining to the Stock Swap	1	0.11704
Number of Shares to be Swapped	Class D Shares: 6,775 shares (Scheduled)	

(Note 1) Issuance of Class D Shares by JSCC

JSCC will partially revise its Articles of Incorporation in preparation for the stock swap to allow for the issuance of Class D shares.

(Note 2) Stock Swap Allotment Ratio and Number of Shares to be Swapped

JSCC will newly issue 6,775 Class D shares (scheduled) at the time of the stock swap and allot such shares to JGBCC shareholders registered/recorded in JGBCC's shareholder registry

immediately prior to when the stock swap takes effect (excluding JSCC). This allotment shall be conducted at a ratio of 0.11704 Class D shares for each JGBCC share held by JGBCC shareholders.

(4) Handling of Subscription Warrants and Bonds with Subscription Warrants in connection with the Stock Swap

JGBCC has not issued subscription warrants or bonds with subscription warrants.

2. Calculations of Allotment Details pertaining to the Stock Swap

The price of JSCC Class D shares and JGBCC shares shall be calculated based on the net assets per share of each company, given that neither company is listed, and both companies have reached an agreement of the stock swap ratio as above.

Specifically, the price for JSCC Class D shares shall be JPY 500,000 per share (calculation based on net asset amount per share on the stock swap's effective date), and the price for JGBCC shares shall be JPY 58,522 per share (calculation based on net asset amount per share at the end of FY2012 (March 2013)). The stock swap ratio shall be the price of JGBCC shares divided by the price of JSCC Class D shares.

The calculation of share prices of each company was obtained from separate third-party institutions independent from each company.

3. 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	Hironaga Miyama, President & CEO	Makoto Sonobe, President & CEO
(4)	Type of Business	・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 shares
(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 (Units: JPY 1 mil.)

Fiscal Year	FY 2012 ended March 2013	FY 2012 ended March 2013
Net Assets	27,865	5,274
Total Assets	448,015	139,794
Operating Revenue	9,516	1,439
Operating Income	1,626	200
Ordinary Income	1,658	203
Net Income	1,017	122
Net Income per Share (JPY)	21,184.52	1,361.78
Net Assets per Share (JPY)	530,343.92	58,629.80

4. Status of Wholly-owning Parent Company following Stock Swap

		Wholly-owning Parent Company
(1)	Company Name	Japan Securities Clearing Corporation

(2)	Location	2-1, Nihombashi-Kabuto-cho, Chuo-ku, Tokyo
(3)	Name/Title of Representative	Hironaga Miyama, President & CEO
(4)	Type of Business	・Financial Instruments Obligation Assumption Service ・Business related or incidental to the above
(5)	Capital	To be determined
(6)	End of Fiscal Year	March 31

III. Merger

1. Overview of Merger

(1) Merger Schedule

Board of Directors' Approval of Merger	JSCC/JGBCC	June 25, 2013
Conclusion of Merger Agreement	JSCC/JGBCC	June 25, 2013
Effective Date	JSCC/JGBCC	October 1, 2013 (Scheduled)

(Note 1) Short Form Merger

JSCC plans to conduct the merger without receiving approval of the merger agreement from the general shareholders meeting, according to the short form merger procedure provided in Article 796, Paragraph 3 of the Companies Act.

(Note 2) Simplified Merger

Because JSCC assumes that it will be the special controlling company of JGBCC (Article 468, Paragraph 1 of the Companies Act) on the day preceding the effective date of the merger, it plans to conduct the merger without receiving approval of the merger agreement from the general shareholders meeting, according to the simplified merger procedure provided in Article 784, Paragraph 1 of the Companies Act.

(2) Merger Method

JSCC will be the surviving company of the absorption-type merger, and JGBCC will be dissolved.

(3) Allotment Details pertaining to the Merger

Because the stock swap which makes JSCC the wholly-owning parent company and JGBCC the wholly-owned subsidiary is a condition to the merger, it is assumed that JGBCC will be the wholly-owned subsidiary of JSCC on the day preceding the effective date of the merger. As such, JSCC will not allot stock, money, etc. to the shareholders of JGBCC at the time of the merger.

(4) Handling of Subscription Warrants and Bonds with Subscription Warrants of the Absorbed

Company in connection with the Merger

JGBCC has not issued subscription warrants or bonds with subscription warrants.

2. Company Outlines

Company outlines can be found in "II. 3. Company Outlines" above.

3. Status following the Merger

(1)	Company Name	Japan Securities Clearing Corporation
(2)	Location	2-1, Nihombashi-Kabuto-cho, Chuo-ku, Tokyo
(3)	Name/Title of Representative	Hironaga Miyama, President & CEO
(4)	Type of Business	・Financial Instruments Obligation Assumption Service ・Business related or incidental to the above
(5)	Capital	To be determined
(6)	End of Fiscal Year	March 31

(Note 1) Mr. Sonobe Makoto (current President & CEO of JGBCC) is scheduled to be newly appointed as a director accompanying the merger.

(Note 2) 1 director is scheduled to be selected by Class D shareholders during the general meeting of class shareholders.

[Contact]

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