(Reference Translation)
(Excerpt Version)
*Please refer to our homepage for the full version.

October 31, 2014

Japan Exchange Group, Inc. and Consolidated Subsidiaries

Consolidated financial results for six months ended September 30, 2014 (Japanese standards), unaudited

Company name: Japan Exchange Group, Inc.
Code number: 8697 URL: http://www.jpx.co.jp/en/index.html
Stock Exchange Listings: Tokyo
Representative: Atsushi Saito, Director & Representative Executive Officer, Group CEO
Contact: Akira Tagaya, Director, Corporate Communications
Scheduled date of filing of quarterly report: November 13, 2014
Scheduled date of start of dividend payment: December 1, 2014
Preparation of 2Q earnings presentation material: Yes
Holding of 2Q earnings announcement: Yes (For institutional investors and analysts)

1. Consolidated Financial Results for six months ended September 30, 2014 (April 1, 2014 to September 30, 2014)

(Figures less than a million yen are omitted)

(1) Operating results

(Percentages represent year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended September 30, 2014	49,751	(19.4)	21,858	(22.5)	22,850	(21.0)	14,100	(14.8)
Six months ended September 30, 2013	61,723	—	28,202	—	28,917	—	16,550	—

(Note)
Comprehensive income:
Six months ended September 30, 2014: ¥16,581 million / (1.0) %
Six months ended September 30, 2013: ¥16,756 million /—%

	Net income per share	Diluted net income per share
	yen	yen
Six months ended September 30, 2014	51.36	—
Six months ended September 30, 2013	60.29	—

* Due to a 5-for-1 stock split which was conducted with an effective date of October 1, 2013, the net income per share for six months ended September 30, 2013 is calculated as if such stock split was implemented at the beginning of the consolidated accounting year.

(2) Financial position

	Total assets	Total net assets	Equity capital ratio
	million yen	million yen	%
As of September 30, 2014	1,431,769	212,184	14.4
As of March 31, 2014	1,403,713	202,018	14.0

(Reference)
Shareholders' equity:
As of September 30, 2014: ¥206,341 million As of March 31, 2014: ¥196,342 million

*Note to financial position
Clearing deposit money, etc. based on various rules which secure the safety of securities trading, etc. are recorded as the JPX group's assets and liabilities. Clearing deposit money, etc. are large in amount and fluctuate daily and, as a result, the above amounts are significantly impacted by such fluctuations.

2. Dividends

	Dividend per share				
	First quarter	Second quarter	Third quarter	Fiscal year end	Annual
	yen	yen	yen	yen	yen
Year ended March 31, 2014	―	80.00	―	27.00	―
Year ending March 31, 2015	―	18.00			
Year ending March 31, 2015 (Forecast)			―	18.00	36.00

(Note) Change in dividend forecasts from the most recent announcement: None

* A 5-for-1 stock split was conducted with an effective date of October 1, 2013. Dividends for the second quarter of the year ended March 31, 2014 are actual amounts before said stock split.

JPX is scheduled to adopt International Financial Reporting Standards (hereafter "IFRS") to its financial reports from the year-end earnings results for the year ending March 31, 2015. The dividend forecasts for said fiscal period were calculated based on net income of ¥24.5 billion with impact from IFRS adoption, and the corresponding dividend payout ratio is 40.3%.

3. Consolidated Earnings Forecast for the Fiscal Year ending March 31, 2015 (April 1, 2014 to March 31, 2015)

(Percentages represent year-on-year change)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
For Year ending March 31, 2015	93,000	(20.0)	34,500	(32.5)	36,500	(30.9)	21,000	(29.6)	76.49

(Note)

Change in performance forecasts from the most recent announcement: None

* The above earnings forecast is based on the Japanese standards. JPX is scheduled to adopt IFRS from the year-end earnings results for the year ending March 31, 2015. If the forecast were to be calculated with impact from IFRS adoption, each income figure is expected to increase by ¥3.5 billion, resulting in net income of ¥24.5 billion.

* Notes

(1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries that caused changes in the scope of consolidation): None

(2) Adoption of peculiar accounting methods for quarterly consolidated financial statements: None

(3) Changes in accounting policies / changes in accounting estimates / restatements
1) Changes pursuant to revision of accounting policies: Yes
2) Changes other than the above: None
3) Changes in accounting estimates: Yes
4) Restatements: None

(4) Number of issued shares (common stock)

1) Number of issued shares at the end of the period (including treasury shares):

As of September 30, 2014:	274,534,550 shares
As of March 31, 2014:	274,534,550 shares

2) Number of treasury shares at the end of period:

As of September 30, 2014:	2,655 shares
As of March 31, 2014:	2,655 shares

3) Average number of shares:

Six months ended September 30, 2014:	274,531,895 shares
Six months ended September 30, 2013:	274,534,157 shares

(Note) Due to a 5-for-1 stock split which was conducted with an effective date of October 1, 2013, the number of shares for six months ended September 30, 2013 is calculated as if such stock split was implemented at the beginning of the consolidated accounting year.

*Disclosure regarding the execution of the quarterly review process

This release is outside the scope of the external auditor's quarterly review procedure which is required by the "Financial Instruments and Exchange Act". Therefore, the quarterly review process has not been completed as of this disclosure in this release.

*Explanation of appropriate use of forecast and other special items

This material contains earnings forecast and other forward-looking statements which are based on available information and certain assumptions that are considered reasonable at the time of preparation. Various factors may cause actual results, etc. to be materially different from those expressed in these forward-looking statements.

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3. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheets

(millions of yen)

	As of March 31,2014	As of September 30,2014
Assets		
Current assets		
Cash and deposits	103,813	86,780
Operating accounts receivable	8,995	8,684
Securities	802	1,371
Work in process	61	157
Margin funds for derivatives, etc. and when-issued transactions	913,437	925,121
Deposits for clearing funds	188,734	213,323
Deposits as collateral for facilitating settlement	10,500	12,500
Other	4,898	7,937
Allowance for doubtful accounts	(12)	(11)
Total current assets	1,231,231	1,255,864
Non-current assets		
Property, plant and equipment	7,066	8,817
Intangible assets		
Goodwill	63,932	62,210
Other	23,878	24,664
Total intangible assets	87,810	86,875
Investments and other assets		
Investment securities	37,344	40,431
Net defined benefit asset	2,914	3,917
Legal guarantee funds	522	501
Special assets for default compensation reserve funds	27,948	27,948
Other	9,013	7,555
Allowance for doubtful accounts	(138)	(142)
Total investments and other assets	77,605	80,212
Total non-current assets	172,482	175,905
Total assets	1,403,713	1,431,769

(millions of yen)

	As of March 31,2014	As of September 30,2014
Liabilities		
Current liabilities		
Operating accounts payable	2,994	2,302
Short-term loans payable	32,500	22,500
Income taxes payable	17,600	7,232
Provision for bonuses	1,420	1,281
Provision for directors' bonuses	366	15
Margin funds received for derivatives, etc. and when-issued transactions	913,437	925,121
Deposits received for clearing funds	188,734	213,323
Deposits received as collateral for facilitating settlement	10,500	12,500
Deposits received as trading participant security money	4,783	7,409
Other	5,937	3,880
Total current liabilities	1,178,274	1,195,566
Non-current liabilities		
Long-term loans payable	10,000	10,000
Net defined benefit liability	7,465	6,850
Returnable legal guarantee funds	522	501
Other	5,431	6,666
Total non-current liabilities	23,420	24,018
Total liabilities	1,201,694	1,219,585
Net assets		
Shareholders' equity		
Capital stock	11,500	11,500
Capital surplus	59,726	59,726
Retained earnings	117,264	124,959
Treasury shares	(5)	(5)
Total shareholders' equity	188,485	196,180
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,006	10,237
Remeasurements of defined benefit plans	(149)	(75)
Total accumulated other comprehensive income	7,857	10,161
Minority interests	5,675	5,842
Total net assets	202,018	212,184
Total liabilities and net assets	1,403,713	1,431,769

(2) Consolidated Statements of Income
and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Income)

(millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Operating revenue		
Trading participant fees	29,090	22,658
Listing fees	5,697	5,921
Income from information services	7,972	7,847
Income from securities settlement	10,642	8,969
Other	8,321	4,354
Total operating revenue	61,723	49,751
Operating expenses		
Personnel expenses	7,354	7,408
System maintenance & operation costs	5,756	5,028
Depreciation	6,779	5,535
Other	13,629	9,920
Total operating expenses	33,520	27,893
Operating income	28,202	21,858
Non-operating income		
Interest income	183	57
Dividend income	234	177
Share of profit of entities accounted for using equity method	295	642
Other	70	158
Total non-operating income	784	1,034
Non-operating expenses		
Interest expenses	57	23
Other	11	18
Total non-operating expenses	69	42
Ordinary income	28,917	22,850
Extraordinary income		
Gain on sales of investment securities	—	46
Total extraordinary income	—	46
Extraordinary losses		
Impairment loss	956	—
Total extraordinary losses	956	—
Income before income taxes and minority interests	27,960	22,897
Income taxes	11,260	8,620
Income before minority interests	16,699	14,277
Minority interests in income	149	177
Net income	16,550	14,100

(Consolidated Statements of Comprehensive Income)

(millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Income before minority interests	16,699	14,277
Other comprehensive income		
Valuation difference on available-for-sale securities	56	2,230
Remeasurements of defined benefit plans, net of tax	—	73
Share of other comprehensive income of entities accounted for using equity method	0	(0)
Total other comprehensive income	56	2,304
Comprehensive income	16,756	16,581
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,607	16,404
Comprehensive income attributable to minority interests	149	177