

July 24, 2013

Company Name: Japan Exchange Group, Inc.
Name of Representative: Atsushi Saito,
Director & Representative Executive Officer,
Group CEO
(Code No.: 8697, TSE 1st Section)
Inquiries: Corporate Communications
(Tel: +81-3-3666-1361)

Notice regarding Judgment in Litigation against Tokyo Stock Exchange, Inc.

Today, the Tokyo High Court issued a judgment in the appeal for compensation of damages filed by Mizuho Securities Co., Ltd. ("Mizuho Securities") against Tokyo Stock Exchange, Inc. ("TSE"), as follows.

1 Date of Judgment
July 24, 2013

2 Background of Judgment

Mizuho Securities filed a lawsuit against TSE in the Tokyo District Court claiming damages of approximately JPY 41.5 billion with respect to an erroneous order for the sale of shares of J-COM Co., Ltd. placed on December 8, 2005. On December 4, 2009, the court decided to order TSE to pay damages of approximately JPY 10.7 billion and delinquency charges. In response to this ruling, Mizuho filed an appeal, and TSE filed an incidental appeal accordingly.

On December 18, 2009, TSE made a payment of JPY 13.2 billion, including delinquency charges up until that date, in order to exempt compulsory execution based on the court ruling with declaration of provisional execution.

3 Parties involved in Litigation

Overview of Subsidiary (Defendant/Appellee)

Name: Tokyo Stock Exchange, Inc.
Address: 2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo
Representative: Akira Kiyota, President & CEO

Overview of Plaintiff/Appellant

Name: Mizuho Securities Co., Ltd.
Address: 1-5-1, Otemachi, Chiyoda-ku, Tokyo
Representative: Hiroshi Motoyama, President & CEO (Representative Director)

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4 Details of Judgment

The details of the judgment are as follows.

- (1) The court dismisses the appeal.
- (2) The original judgment shall be altered as follows based on the incidental appeal:
 - (i) The appellee shall pay the appellant JPY 10,712,128,508 and interest on such amount based on a 5% annual rate for the period from December 8, 2005 until payment is complete.
 - (ii) The court dismisses other claims made by the appellant.
- (3) Regarding the petition for trial prescribed in Article 260, Paragraph 2 of the Code of Civil Procedure:
 - (i) The appellant shall pay the appellee JPY 342,436,187 and interest on such amount based on a 5% annual rate for the period from December 19, 2009 until payment is complete.
 - (ii) The court dismisses other petitions made by the appellee.
- (4) One fourth of litigation costs (including the costs related to trial in the preceding paragraph) incurred during the proceedings in the court of first instance and court of second instance shall be borne by the appellee, and the remaining amount borne by the appellant.

(Note) The interest rate on the delinquency charges on the damages to be paid by TSE shall be changed from an annual rate of 6% to 5%. However, there is no change from the initial decision to the principal amount of damages to be paid by TSE.

With respect to the paragraph (3), Mizuho Securities is ordered to pay TSE the difference of approximately JPY 342.43 million between the JPY 13.2 billion paid by TSE in order to exempt compulsory execution and the amount in this judgment, with interest at a 5% annual rate.

5 Future Outlook

TSE will respond appropriately after sufficient consideration of the judgment is made.

This judgment is expected to have insignificant impact on the company's consolidated performance. Further notice will be released if any matters requiring disclosure should occur in the future.

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