

November 10, 2010

TOKYO AIM to Launch TOKYO PRO-BOND Market for Professionals

New market provides issuing flexibility similar to MTNs in the Euromarket

English language documentation will significantly reduce costs

Tax exemptions expected to attract foreign investors

TOKYO AIM, Inc. (“TOKYO AIM”) today published an outline framework for its new bond market for professional investors, the TOKYO PRO-BOND Market.

The TOKYO PRO-BOND Market is designed to be as competitive as the Euromarket and over time become a central bond market for the Asian region. The new market will enable issuers to benefit from a speed and flexibility of issuance equivalent to using Euro Medium Term Note (MTN) programs. This will be achieved through greatly simplified disclosure documents and procedures, resulting in a wider issuance window for issuers.

The TOKYO PRO-BOND Market will also, for the first time, allow English language documentation to be used enabling non-Japanese companies to issue bonds in Japan at much lower cost. Furthermore, a tax exemption on bond holdings for non-residents, implemented in June 2010, is expected to attract foreign investors to this market.

The creation of a bond market for professional investors is a central part of the Japanese government’s “New Growth Strategy,” approved by the Cabinet in June 2010, and one of the measures to be implemented during fiscal year 2010. It is also a subject under discussion at the Asian Bond Market Forum (ABMF) established by the governments of the ASEAN+3 countries.

The president and CEO of TOKYO AIM, Tetsutaro Muraki, commented: “The TOKYO PRO-BOND Market will act as a pivotal element in the development of Japan’s capital market. Through our discussions with potential issuers, investors, investment banks and other related parties, we believe that there is an intrinsic demand that is currently not being served in the region. With this new bond market, TOKYO AIM will contribute further to capital flow into Japan and Asia and support stronger economic growth in the region. “

This outline framework for the TOKYO PRO-BOND Market will be open for public consultation from November 10 to December 9, 2010.

– Ends –

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About MTNs:

MTN is an abbreviation for “medium term note,” and refers to bonds issued in accordance with an MTN program, which is the most common way of issuing corporate bonds in the Euromarket. Under an MTN program, issuers conclude a basic agreement with several dealers prior to the issue of a series of bonds so that they can issue bonds flexibly according to their financing needs. MTN programs are typically listed on the London Stock Exchange, Luxembourg Stock Exchange and other exchanges.

About the New Growth Strategy:

The “New Growth Strategy – Blueprint for Revitalizing Japan” was approved by the Cabinet on June 18, 2010. It includes in its financial strategies the aim to realize a “Strong Economy.” As one of the measures to be implemented during fiscal 2010, the strategy lists the “establishment of a market infrastructure for the issuance and trading of bonds by professional investors, in order to create a financial market in Japan on par with the Euromarket.”

About the ABMF (ASEAN+3 Bond Market Forum):

The Asian Bond Markets Initiative (ABMI) was established in 2003 following the ASEAN+3 (Japan, China and South Korea) Finance Ministers Meeting, in response to the lessons of the 1997 Asian currency crisis. Its aim is to link Asian savings to Asian investment to achieve further development of the Asian economy. Under this framework, countries cooperate to promote diversification of bond issuers and bond issues denominated in local Asian currencies, as well as the establishment of an infrastructure and other elements to nurture bond markets. The ASEAN+3 Bond Market Forum (ABMF) was established in September 2010 as a common platform to foster standardization of market practices and harmonization of regulations relating to cross-border bond transactions in the region. The establishment of a bond market for professional investors is one of its important themes.

About TOKYO AIM, Inc.:

TOKYO AIM, Inc. was jointly established in 2009 by the Tokyo Stock Exchange Group, Inc. (51%) and the London Stock Exchange plc (49%). TOKYO AIM, the equity market for professional investors which it operates, is modeled on the London Stock Exchange's AIM system, employing a new structural framework and providing companies in Japan and Asia with a new venue for capital raising. The TOKYO PRO-BOND Market will be established alongside the TOKYO AIM stock market under TOKYO AIM, Inc.

TOKYO AIM Website: <http://www.tokyo-aim.com>

TOKYO PRO-BOND Market: Listing System

November 10, 2010
Tokyo AIM, Inc.

Items	Contents	Remarks
I. Objective	<ul style="list-style-type: none"> • The Exchange will establish the Listing System as outlined below for bonds on the TOKYO PRO-BOND Market. 	<ul style="list-style-type: none"> • The Bond Market for Professionals will be a Specified Financial Instruments Market as prescribed in Article 2, Paragraph 32 of the Financial Instruments and Exchange Act (Article 25 of the act of April 23, 1948) hereinafter referred to as the “Act”. • The TOKYO PRO-BOND Market will be operated by TOKYO AIM, Inc. as a different market from the TOKYO AIM stock market. • The types of securities that may be listed on the TOKYO PRO-BOND Market are as follows. <ul style="list-style-type: none"> * <u>Straight Bonds</u>: Corporate Bonds listed in Article 2, Paragraph 1, Item 5 of the Act (including bonds issued by mutual companies), but excluding bonds with warrants (as prescribed by Article 2, Paragraph 22 of the Companies Act). * <u>Bonds Issued by Government Agencies</u>: Bonds issued by legal entities pursuant to the special laws listed in Article 2, Paragraph 1, Item 3 of the Act. * <u>Bonds Issued by Funds</u>: Investment corporation debentures and those foreign investment securities that are similar to investment corporation debentures, as prescribed in the Act on Investment Trusts and Investment Corporations, as outlined in Article 2, Paragraph 1, Item 11 of the Act. * <u>Municipal Bonds</u>: Municipal Bonds listed in

Items	Contents	Remarks
		<p>Article 2, Paragraph 1, Item 2 of the Act.</p> <p>* <u>Specified Company Bonds</u>: Specified Company Bonds prescribed in the Act on the Liquidation of Assets listed in Article 2, Paragraph 1, Item 4 of the Act.</p> <p>* <u>Securities or notes issued by foreign countries or foreign entities</u>: Those maintain the qualities of the above.</p>
<p>II. Listing System</p>		
<p>1. New Listings a Initial Listing Application</p>	<ul style="list-style-type: none"> • The listing of bonds on the TOKYO PRO-BOND Market will be carried out through an application by issuers. • The Initial Listing Applicant will submit an Initial Listing Application and Initial Listing Application Documents to the Exchange by the time of listing. • The Initial Listing Applicant will disclose Specified Securities Information (specified securities information prescribed in Article 27-31 of the Act) at the time of an initial listing of bonds. 	<ul style="list-style-type: none"> • It will not be necessary to retain a nominated adviser (J-Nomad) in the TOKYO PRO-BOND Market. • The Initial Listing Applicant may consult or make inquiries to the Exchange prior to listing regarding the Initial Listing Application. • The Initial Listing Applicant shall state in the Initial Listing Application Documents that there are no false statements in the Documents. • Specified Securities Information will be prepared based on the format stipulated by the Exchange. • The language of disclosure of Specified Securities Information will be either Japanese or English, or both. • Specified Securities Information will be comprised of: (1) Program Information (equivalent to the shelf registration documents under the Act); and (2) Personal Information (equivalent to supplemental shelf registration

Items	Contents	Remarks
<p>b Qualification Requirements for Initial Listing Companies</p>	<ul style="list-style-type: none"> • The Initial Listing Applicant must satisfy all of the requirements listed below when listing bonds on the TOKYO PRO-BOND Market: <ol style="list-style-type: none"> 1. The said bonds obtain a credit rating from a credit rating agency (a credit rating agency as prescribed in Article 2, Paragraph 36 of the 	<p>documentation). (It will be possible to include the content of program information in personal information, or for the information to consist of personal information only).</p> <ul style="list-style-type: none"> • The format of Specified Securities Information ((1) Program Information; and (2) Personal Information) will be discussed and decided at a later date, in accordance with the formats for shelf registration documents and supplemental shelf registration documentation in the Act. • Financial Information will be in a format that makes reference to the Program Information and the Issuer Filing Information. • If the Initial Listing Applicant is a continuous disclosure company (a company which has submitted the Annual Securities Report for one year), the Act stipulates that announcement of Issuer Filing Information is not required and that Specified Securities Information ((1) Program Information; and (2) Personal Information) shall contain a notice that the company submits the Annual Securities Report. • Discussions and decisions regarding disclosure formats in English will be carried out with reference to systems such as the Euro-market. <p>• A credit rating for the above-mentioned Program Information may be used as the</p>

Items	Contents	Remarks
c Approval of Listing	<p>Act.).</p> <p>2. The securities company that will serve as Managing Underwriter for bonds to be listed on the Exchange will be registered on the Exchange's Managing Underwriter List.</p> <ul style="list-style-type: none"> • Once it has confirmed that the Initial Listing Applicant satisfies the Requirements for Initial Listing, the Exchange will approve the listing of the bonds and publicly announce it in a timely fashion. 	<p>credit rating.</p> <ul style="list-style-type: none"> • Any securities company that wishes to register to appear on the Managing Underwriter List can apply to do so to the Exchange. The Exchange will then decide whether to approve the registration based on consideration of the company's track record in corporate bonds underwriting. The Exchange will also assess the ongoing eligibility of securities companies to be included on the Managing Underwriter List. The requirements for companies registered on the Managing Underwriter List will be different to those for J-Nomads in that they will have no duties to the Exchange in respect of the Qualification Requirements for Initial Listing Companies and no post-listing duties. • In instances where it is deemed that listing the bonds in the said listing application would damage the reputation of the TOKYO PRO-BOND Market, or there is potential for the disruption of smooth market operations, the Exchange will not approve the listing.
2, Obligations after Listing a Timely Disclosure	<ul style="list-style-type: none"> • The issuer of listed bonds must disclose the Issuer's Information in a timely, accurate, fair and investor-oriented manner. 	<ul style="list-style-type: none"> • The matters that the issuer of listed bonds will be required to disclose will be different from that required for equity listings. The issuer of listed bonds will only be required to disclose matters such as dissolution, bankruptcy or default. Disclosure of other

Items	Contents	Remarks
b Financial Information	<ul style="list-style-type: none"> The issuer of listed bonds will publicly announce Issuer Filing Information (Issuer Filing Information as prescribed in Article 27, Paragraph 32 of the Act) at least once per year. 	<p>information will be optional.</p> <ul style="list-style-type: none"> Note: Legally, in the case of corporate bonds, the important matters subject to insider trading regulations are limited to dissolution, bankruptcy or default (Article 6, Paragraph 6, Item 6 of the Financial Instruments and Exchange Act, Article 32-2 of the Enforcement Order of the Financial Instruments and Exchange Act, and Article 58 of the Cabinet Order on Regulation of Trading of Marketable Securities). Timely disclosure obligations will not be imposed on sovereign debt issuers. The details of Issuer Filing Information will be considered and decided at a later date. If the issuer of listed bonds is a continuous disclosure company, the issuer of listed bonds is not required to announce Issuer Filing Information under the Act.
<p>3, Delisting, etc.</p> <p>a Delisting other than by Application</p> <p>b warning measures, etc.</p>	<ul style="list-style-type: none"> In instances where nondisclosure of required disclosure documents, serious false statements and other events occur for which the Exchange deems delisting appropriate, the Exchange will delist the said listed bonds. In instances deemed necessary, the Exchange will take warning measures, or impose a penalty or other means on the issuer of listed bonds, and if deemed necessary may publicly announce this measure. 	
4, Listing Fees	<ul style="list-style-type: none"> Listing Fees to be paid by the issuer of listed bonds to the Exchange will be charged on the registration of Program Information and listing of the bonds. 	<ul style="list-style-type: none"> The specific levels will be discussed and decided at a later date.

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TOKYO PRO-BOND Market: Trading System and Settlement and Clearance System

November 10, 2010
Tokyo AIM, Inc.

Items	Contents	Remarks
1. Trading System	<ul style="list-style-type: none"> • The Exchange shall prepare a trading system as outlined below for the conduct of trading in bonds in the TOKYO PRO-BOND Market. 	
(1) Form of Orders	<ul style="list-style-type: none"> • The Exchange will accept ask and bid orders from Trading Participants. 	
(2) Order Acceptance Hours and Trading Hours	<ul style="list-style-type: none"> • The order acceptance hours and the trading hours shall be from 9:00 to 11:00 and from 12:30 to 15:00. 	
(3) Types of Transactions	<ul style="list-style-type: none"> • The types of transactions shall be Regular Transactions. 	
(4) Method of Closing Trades, etc.	<ul style="list-style-type: none"> • A lower sell quote shall have precedence over higher sell quotes, and a higher buy quote shall have precedence over lower buy quotes. Where two or more bids or offers are made at the same price, precedence shall be determined in the order of the time at which such bids or offers were made. • The price will be determined by <i>Zaraba</i> (continuous session) method. 	
(5) Order Method, etc.	<ul style="list-style-type: none"> • Orders shall be conducted by simple methods such as email. • The unit for bid and ask prices shall be ¥0.01 for yen-denominated securities. The Exchange will determine the unit for bid and ask prices for each foreign-currency-denominated security. 	<ul style="list-style-type: none"> • For foreign-currency-denominated securities, we will attach trading value information denominated in yen with the execution notice.
(6) Trading Unit	<ul style="list-style-type: none"> • Trading Unit shall be Face value ¥100 million for yen-denominated securities and Face Value for foreign-currency-denominated securities. 	
(7) Announcement of Trading Information	<ul style="list-style-type: none"> • Trading Information will be announced shortly after the trading, on the website of the Exchange. (For foreign-currency-denominated securities, the trading value converted into yen will also be announced.) • The Exchange Rate to convert foreign-currency-denominated securities 	<ul style="list-style-type: none"> • Real-time transmission using the TSE's Market Information System (MAINS) of total daily trading volumes on the TOKYO PRO-BOND Market will not be conducted.

Items	Contents	Remarks
<p>(8) Notification of Orders</p> <p>(9) Trading Fees</p> <p>(10) Investors</p>	<p>into yen will be announced on the website of the Exchange before the start of the trading session.</p> <ul style="list-style-type: none"> • The Exchange will notify detailed particulars on orders (the name of the security, bid or ask, quote price, quantity) utilizing simple methods such as email. • Trading fees will be charged on both selling and buying trading participants at the matching of orders. • The Bond Market will be offered to Qualified Institutional Investors, et al who are not subject to Separate withholding in Interest Income Taxes and to Nonresidents, et al who are exempted from Interest Income Taxes. 	<ul style="list-style-type: none"> • The specific levels will be discussed and decided at a later date.
<p>2. Clearance and Settlement System</p>	<ul style="list-style-type: none"> • Clearing with respect to trading of bonds in the TOKYO PRO-BOND Market will be handled by Japan Securities Clearing Corporation. • Settlement with respect to trading of bonds in the TOKYO PRO-BOND Market will be handled by The Book-entry Transfer System for Corporate Bonds of Japan Securities Depository Center, Inc. 	<ul style="list-style-type: none"> • Clearing and settlement of foreign-currency-denominated securities will be dealt with by the trading value we converted into yen. • The settlement will be subject to Non-DVP arrangement. • As for bonds which are not handled by Japan Securities Depository Center, Inc., trading participants who are involved in the transactions will clear and settle them directly.

ENDS