

Japan Exchange Group, Inc. and Consolidated Subsidiaries
Consolidated financial results for the fiscal year ended March 31, 2022
(Based on IFRS), unaudited

Company name: Japan Exchange Group, Inc. Stock Exchange Listings: Tokyo
Code number: 8697 URL: <https://www.jpx.co.jp/english/>
Representative: Kiyota Akira, Director & Representative Executive Officer, Group CEO
Contact: Lin Kay, Executive Officer (Corporate Communications and Investor Relations)
Scheduled date of annual general shareholders meeting: June 16, 2022
Scheduled date of start of dividend payment: May 27, 2022
Scheduled date of filing of annual securities report: June 9, 2022
Preparation of earnings presentation material: Yes
Holding of earnings announcement: Yes (For institutional investors and analysts)

1. Consolidated financial results for the fiscal year ended March 31, 2022

(from April 1, 2021 to March 31, 2022)

(Figures less than a million yen are omitted)

(1) Consolidated operating results

(Percentages represent changes year on year)

	Operating revenue		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent company		Comprehensive income	
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%
Year ended March 31, 2022	135,432	1.6	73,473	(1.5)	73,429	(1.7)	50,830	(2.3)	49,955	(2.8)	51,457	(4.9)
Year ended March 31, 2021	133,343	7.8	74,565	8.8	74,732	8.2	52,017	7.7	51,389	7.9	54,102	7.8

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of the parent company	Ratio of income before income tax to total assets	Ratio of operating income to operating revenue
	yen	yen	%	%	%
Year ended March 31, 2022	94.35	—	15.7	0.1	54.3
Year ended March 31, 2021	96.00	—	16.6	0.1	55.9

(Reference)

Share of income of investments accounted for using the equity method:

Year ended March 31, 2022: ¥1,067 million

Year ended March 31, 2021: ¥2,263 million

(2) Consolidated financial position

	Total assets	Total equity	Total equity attributable to owners of the parent company	Ratio of total equity attributable to owners of the parent company to total assets	Total equity attributable to owners of the parent company per share
	Mil. yen	Mil. yen	Mil. yen	%	yen
As of March 31, 2022	71,463,434	323,852	315,653	0.4	598.35
As of March 31, 2021	60,075,678	328,769	321,391	0.5	600.38

Note: Sizable amounts of "clearing business financial assets and liabilities" and "deposits from clearing participants" pertaining to clearing business conducted by consolidated subsidiaries Japan Securities Clearing Corporation are included in assets and liabilities of JPX Group (meaning JPX and its subsidiaries). For JPX Group's financial position excluding "clearing business financial assets and liabilities" and "deposits from clearing participants", etc., see "1. QUALITATIVE INFORMATION ON OPERATING RESULTS AND FINANCIAL POSITION - (2) Explanation on Financial Position" on Page 4 of the Appendix.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	Mil. yen	Mil. yen	Mil. yen	Mil. yen
Year ended March 31, 2022	58,191	(13,299)	(59,747)	93,354
Year ended March 31, 2021	71,750	(1,513)	(33,932)	108,209

2. Dividends

	Annual dividends per share					Total cash dividends	Dividend payout ratio	Ratio of dividends to total equity attributable to owners of the parent company
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	yen	yen	yen	yen	yen	Mil. yen	%	%
Year ended March 31, 2021	—	26.00	—	42.00	68.00	36,471	70.8	11.8
Year ended March 31, 2022	—	26.00	—	46.00	72.00	38,057	76.3	12.0
Year ending March 31, 2023 (Forecast)	—	26.00	—	26.00	52.00		61.00	

Note1: Breakdown of year-end dividend for the fiscal year ended March 31, 2021: ordinary dividend ¥32; special dividend ¥10.

Note2: Breakdown of year-end dividend for the fiscal year ended March 31, 2022: ordinary dividend ¥31; special dividend ¥15.

3. Consolidated earnings forecast for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages represent changes year on year)

	Operating revenue		Operating income		Income before income tax		Net income		Net income attributable to owners of the parent company		Basic earnings per share
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	
Year ending March 31, 2023	132,500	(2.2)	65,500	(10.9)	65,500	(10.8)	45,500	(10.5)	45,000	(9.9)	yen 85.30

Notes:

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

(2) Changes in accounting policies/changes in accounting estimates

1) Changes in accounting policies due to revisions in accounting standards under IFRS: None

2) Changes in accounting policies other than the above: None

3) Changes in accounting estimates: None

(3) Number of issued shares (common shares)

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

As of March 31, 2022:	528,578,441
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As of March 31, 2021:	536,351,448
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2) Number of treasury shares at the end of period:

As of March 31, 2022:	1,037,782
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As of March 31, 2021:	1,034,400
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3) Average number of shares:

Year ended March 31, 2022:	529,487,172
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Year ended March 31, 2021:	535,304,490
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(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2022

(from April 1, 2021 to March 31, 2022)

(1) Operating results

(Percentages represent changes year on year)

	Operating revenue		Operating income		Ordinary income		Net income	
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%
Year ended March 31, 2022	52,727	10.7	46,339	12.9	46,451	12.1	43,365	(5.0)
Year ended March 31, 2021	47,642	1.2	41,055	(0.2)	41,419	(1.2)	45,643	0.5

	Earnings per share	Diluted earnings per share
	yen	yen
Year ended March 31, 2022	81.90	—
Year ended March 31, 2021	85.27	—

(2) Financial position

	Total assets	Total net assets	Ratio of shareholders' equity to total assets	Net assets per share
	Mil. yen	Mil. yen	%	yen
As of March 31, 2022	233,153	121,796	52.2	230.88
As of March 31, 2021	265,247	135,331	51.0	252.81

(Reference)

Shareholders' equity:

As of March 31, 2022: ¥121,796 million

As of March 31, 2021: ¥135,331 million

· This release is outside the scope of audit procedures by certified public accountants and audit firms.

· Explanation on appropriate use of forecast and other special items

This material contains an 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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(Appendix)

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1. QUALITATIVE INFORMATION ON OPERATING RESULTS AND FINANCIAL POSITION

(1) Explanation on Operating Results

In the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022), JPX Group recorded operating revenue of ¥135,432 million (increased 1.6% from the same period of the previous fiscal year (i.e., year on year)), and operating expenses were ¥63,220 million (increased 3.0% year on year). As a result, JPX Group recorded operating income of ¥73,473 million (decreased 1.5% year on year) and income before income tax of ¥73,429 million (decreased 1.7% year on year).

In addition, net income attributable to owners of the parent company after tax was ¥49,955 million (decreased 2.8% year on year).

(Operating revenue)

1) Trading services revenue

Trading services revenue is comprised of "transaction fees" based on the value of securities traded or volume of financial and commodity derivatives traded, "basic fees" based on the types of the trading participant's trading qualification, "access fees" based on the number of orders, "trading system facilities usage fees" based on the types of trading system facilities used, and other similar fees.

For the fiscal year ended March 31, 2022, trading services revenue maintained the same level year on year at ¥53,196 million.

Breakdown of trading services revenue

(Mil. yen)

	Year ended March 31, 2021	Year ended March 31, 2022	Change (%)
Trading services revenue	53,171	53,196	0.0
Transaction fees	43,463	43,298	(0.4)
Cash equities	31,056	31,563	1.6
Financial derivatives	10,393	10,168	(2.2)
TOPIX futures transactions	1,933	1,885	(2.4)
Nikkei 225 futures transactions*	4,380	4,071	(7.0)
Nikkei 225 options transactions**	2,555	2,460	(3.7)
10-year JGB futures transactions	1,353	1,544	14.1
Others	170	205	20.3
Commodity derivatives	2,014	1,567	(22.2)
Basic fees	1,018	1,000	(1.8)
Access fees	5,047	5,141	1.9
Trading system facilities usage fees	3,544	3,647	2.9
Others	96	108	12.6

*Figures include Nikkei 225 mini futures transactions.

**Figures exclude Nikkei 225 weekly options transactions.

2) Clearing services revenue

Clearing services revenue is comprised of clearing fees related to the assumption of obligations of financial instrument transactions carried out by Japan Securities Clearing Corporation and other similar fees.

For the fiscal year ended March 31, 2022, clearing services revenue maintained the same level year on year at ¥27,945 million.

3) Listing services revenue

Listing services revenue is comprised of "initial/additional listing fees" that are received based on the issue amount when a company initially lists or when a listed company issues additional shares, "annual listing fees" received from listed companies based on their market capitalization, and other similar fees.

For the fiscal year ended March 31, 2022, listing services revenue decreased 5.5% year on year to ¥15,736 million due mainly to a decrease in revenue from initial/additional listing fees.

Breakdown of listing services revenue

	Year ended March 31, 2021	Year ended March 31, 2022	(Mil. yen)
			Change (%)
Listing services revenue	16,660	15,736	(5.5)
Initial/additional listing fees	5,630	4,171	(25.9)
Annual listing fees	11,029	11,565	4.9

4) Information services revenue

Information services revenue is comprised of market information fees, which consist of revenue related to the provision of market information to information vendors, etc., as well as revenue related to the index business, and revenue related to the provision of corporate action information and other information.

For the fiscal year ended March 31, 2022, information services revenue increased 12.6% year on year to ¥27,175 million due mainly to an increase in revenue from market information fees.

5) Other operating revenue

Other operating revenue includes mainly usage fees for arrownet, which connects trading, market information, and other systems to trading participants and other users; usage fees related to co-location services that allow trading participants, information vendors, and other users to install devices in the system center for the purpose of improving trade execution efficiency by shortening order transmission time, etc.; and revenue from system development and operations.

For the fiscal year ended March 31, 2022, other operating revenue decreased 0.6% year on year to ¥11,378 million.

Breakdown of other operating revenue

	Year ended March 31, 2021	Year ended March 31, 2022	(Mil. yen)
			Change (%)
Other operating revenue	11,443	11,378	(0.6)
arrownet usage fees	3,363	3,516	4.5
Co-location services usage fees	4,504	4,650	3.2
Other	3,575	3,211	(10.2)

(Operating expenses)

For the fiscal year ended March 31, 2022, personnel expenses decreased 1.1% year on year to ¥19,048 million.

System maintenance and operation expenses include expenses related to maintenance and management/operations of various systems including the cash equities and derivatives trading systems. System maintenance and operation expenses increased 10.8% year on year to ¥14,984 million.

Depreciation and amortization increased 4.4% year on year to ¥17,493 million.

Other operating expenses decreased 1.3% year on year to ¥11,693 million.

(2) Explanation on Financial Position

(Assets, liabilities, and equity)

For assets and liabilities of JPX Group, "clearing business financial assets and liabilities" assumed by Japan Securities Clearing Corporation as a clearing organization and "deposits from clearing participants" deposited by clearing participants as collateral are included under both assets and liabilities. "Clearing business financial assets and liabilities" and "deposits from clearing participants" have a large impact on the amount of assets and liabilities of JPX Group due to their sizable amounts and daily fluctuations subject to changes in clearing participants' positions. In addition, "legal guarantee funds", "trading participant security money", and "default compensation reserve funds" based on the rules for securing safety of financial instruments transactions and other transactions are included under both assets and either liabilities or equity.

Total assets as of March 31, 2022 increased by ¥11,387,756 million from the end of the previous fiscal year to ¥71,463,434 million due mainly to an increase in "clearing business financial assets". Excluding "clearing business financial assets", "deposits from clearing participants", "legal guarantee funds", and "default compensation reserve funds", assets decreased by ¥13,964 million from the end of the previous fiscal year to ¥387,168 million.

Total liabilities as of March 31, 2022 increased by ¥11,392,674 million from the end of the previous fiscal year to ¥71,139,582 million due mainly to the same increase in "clearing business financial liabilities". Excluding "clearing business financial liabilities", "deposits from clearing participants", "legal guarantee funds", and "trading participant security money", liabilities decreased by ¥9,617 million from the end of the previous fiscal year to ¥82,532 million.

Total equity as of March 31, 2022 decreased by ¥4,917 million from the end of the previous fiscal year to ¥323,852 million, due to capital reduction as a result of dividend payment and acquisition of own shares despite a capital increase from net income attributable to owners of the parent company. In addition, after excluding "default compensation reserve funds", total equity as of the same date was ¥295,903 million.

Reference

	Total assets	Total equity	Total equity attributable to owners of the parent company	Ratio of total equity attributable to owners of the parent company to total assets
	Mil. yen	Mil. yen	Mil. yen	%
As of March 31, 2022	71,463,434	323,852	315,653	0.4
	*387,168	*295,903	*287,704	*74.3
As of March 31, 2021	60,075,678	328,769	321,391	0.5
	*401,132	*300,821	*293,443	*73.2

	Return on equity attributable to owners of the parent company	Ratio of income before income tax to total assets	Total equity attributable to owners of the parent company per share
	%	%	yen
As of March 31, 2022	15.7	0.1	598.35
	*17.2	*18.6	*545.37
As of March 31, 2021	16.6	0.1	600.38
	*18.2	*19.2	*548.17

Note: Figures marked * under total assets exclude "clearing business financial assets", "deposits from clearing participants", "legal guarantee funds", and "default compensation reserve funds", and those marked * under total equity and total equity attributable to owners of the parent company exclude "default compensation reserve funds".

(Cash flows)

Cash and cash equivalents as of March 31, 2022 decreased by ¥14,854 million from the end of the previous fiscal year to ¥93,354 million.

1) Cash flows from operating activities

There was cash inflow of ¥58,191 million from operating activities mainly as a result of adding ¥17,525 million in depreciation and amortization to and deducting ¥29,912 million in income taxes paid from ¥73,429 million in income before income tax.

2) Cash flows from investing activities

There was cash outflow of ¥13,299 million from investment activities mainly as a result of cash outflow of ¥12,586 million from purchase of intangible assets.

3) Cash flows from financing activities

There was cash outflow of ¥59,747 million from financing activities mainly as a result of cash outflow of ¥36,269 million from dividend payment and ¥20,339 million from acquisition of treasury shares.

Reference: Cash flow-related indicators

	Year ended March 31, 2021	Year ended March 31, 2022
Ratio of total equity attributable to owners of the parent company to total assets	0.5%	0.4%
	*73.2%	*74.3%
Ratio of interest-bearing debt to cash flow	73.3%	95.3%
Interest coverage ratio	767.8	602.9

Ratio of total equity attributable to owners of the parent company to total assets: Total equity attributable to owners of the parent company / Total assets

Ratio of interest-bearing debt to cash flow: Interest-bearing debt / Cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities / Interest payment

*Ratio of total equity attributable to owners of the parent company to total assets are calculated excluding "clearing business financial assets", "deposits from clearing participants", "legal guarantee funds", "default compensation reserve funds" from total assets, and excluding "default compensation reserve funds" from total equity attributable to owners of the parent company.

(3) Explanation on Forecast Information such as Consolidated Earnings Forecast, etc.

1) Consolidated Earnings Forecast

The consolidated earnings forecast for the fiscal year ending March 31, 2023 is based on the assumptions that the average daily trading values and volumes are ¥3.8 trillion for cash equities*, 32,000 contracts for 10-year JGB futures transactions, 95,000 contracts for TOPIX futures transactions, 169,000 contracts for Nikkei 225 futures transactions**, and ¥22.5 billion for Nikkei 225 options transactions***. Based on these assumptions, ¥132.5 billion in operating revenue, ¥65.5 billion in operating income, ¥65.5 billion in net income before income tax, ¥45.5 billion in net income, and ¥45.0 billion in net income attributable to owners of the parent company are expected.

*The trading value of stocks listed on the TSE Prime, Standard, and Growth Markets and TOKYO PRO Market, and that of ETFs, ETNs, REITs, etc. (includes auction and off-auction trading)

**Includes Nikkei 225 mini contract volumes converted into large-sized contracts

***Excludes weekly options transactions

2) Dividend Forecast

JPX adopts a dividend policy with a target payout ratio of approximately 60% tied to business performance while giving due consideration to the importance of internal reserves for the following purposes:

- Maintaining sound financial health as a financial instruments exchange group,
- Preparing for risks as a clearing organization, and
- Enabling JPX Group to pursue investment opportunities to raise the competitiveness of its markets as they arise.

In line with the abovementioned policy, the dividend for the fiscal year ending March 31, 2023 is planned to be ¥52 per share (¥26 per share as of the end of the second quarter).

2. BASIC RATIONALE TO THE SELECTION OF ACCOUNTING STANDARDS

From the perspective of facilitating comparability of financial results with those of overseas exchanges and increasing investor convenience, JPX has voluntarily adopted IFRS to its disclosure material.

3. CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

(1) Consolidated Statement of Financial Position

	As of March 31, 2021	As of March 31, 2022
	Mil. yen	Mil. yen
Assets		
Current assets		
Cash and cash equivalents	108,209	93,354
Trade and other receivables	14,936	15,305
Clearing business financial assets	53,649,780	64,368,444
Specified assets for deposits from clearing participants	5,996,143	6,679,236
Specified assets for legal guarantee funds	673	637
Income tax receivables	5,286	2,022
Other financial assets	116,800	118,000
Other current assets	2,033	2,910
Total current assets	59,893,862	71,279,910
Non-current assets		
Property and equipment	10,697	13,029
Goodwill	67,374	67,374
Intangible assets	35,977	37,734
Retirement benefit assets	8,204	9,035
Investments accounted for using the equity method	16,736	17,650
Specified assets for default compensation reserve funds	27,948	27,948
Other financial assets	5,309	2,418
Other non-current assets	6,181	6,030
Deferred tax assets	3,385	2,303
Total non-current assets	181,815	183,524
Total assets	60,075,678	71,463,434

	As of March 31, 2021	As of March 31, 2022
	Mil. yen	Mil. yen
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	4,132	4,813
Bonds and loans payable	32,500	32,500
Clearing business financial liabilities	53,649,780	64,368,444
Deposits from clearing participants	5,996,143	6,679,236
Legal guarantee funds	673	637
Trading participant security money	8,161	8,731
Income tax payables	15,038	3,800
Other current liabilities	8,746	10,003
Total current liabilities	<u>59,715,175</u>	<u>71,108,167</u>
Non-current liabilities		
Bonds and loans payable	19,960	19,967
Retirement benefit liabilities	9,018	8,985
Other non-current liabilities	2,336	2,361
Deferred tax liabilities	418	101
Total non-current liabilities	<u>31,732</u>	<u>31,415</u>
Total liabilities	<u>59,746,908</u>	<u>71,139,582</u>
Equity		
Share capital	11,500	11,500
Capital surplus	39,716	38,844
Treasury shares	(1,825)	(1,912)
Other components of equity	992	445
Retained earnings	271,006	266,776
Total equity attributable to owners of the parent company	<u>321,391</u>	<u>315,653</u>
Non-controlling interests	7,378	8,198
Total equity	<u>328,769</u>	<u>323,852</u>
Total liabilities and equity	<u><u>60,075,678</u></u>	<u><u>71,463,434</u></u>

(2) Consolidated Statement of Income

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Mil. yen	Mil. yen
Revenue		
Operating revenue	133,343	135,432
Other revenue	359	205
Total revenue	<u>133,702</u>	<u>135,637</u>
Expenses		
Operating expenses	61,394	63,220
Other expenses	5	11
Total expenses	<u>61,399</u>	<u>63,232</u>
Share of income of investments accounted for using the equity method	2,263	1,067
Operating income	<u>74,565</u>	<u>73,473</u>
Financial income	266	58
Financial expenses	99	103
Income before income tax	<u>74,732</u>	<u>73,429</u>
Income tax expense	<u>22,714</u>	<u>22,598</u>
Net income	<u><u>52,017</u></u>	<u><u>50,830</u></u>
Net income attributable to		
Owners of the parent company	51,389	49,955
Non-controlling interests	628	874
Net income	<u><u>52,017</u></u>	<u><u>50,830</u></u>
Earnings per share		
Basic (Yen)	96.00	94.35
Diluted (Yen)	—	—

(3) Consolidated Statement of Comprehensive Income

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Mil. yen	Mil. yen
Net income	52,017	50,830
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	271	(5)
Remeasurements of defined benefit plan	1,813	633
Share of other comprehensive income of investments accounted for using the equity method	0	0
Other comprehensive income, net of tax	<u>2,084</u>	<u>627</u>
Comprehensive income	<u>54,102</u>	<u>51,457</u>
Comprehensive income attributable to		
Owners of the parent company	53,474	50,583
Non-controlling interests	<u>628</u>	<u>874</u>
Comprehensive income	<u>54,102</u>	<u>51,457</u>

(4) Consolidated Statement of Changes in Equity

	Equity attributable to owners of the parent company				
	Share capital	Capital surplus	Treasury shares	Other components of equity	
				Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plan
	Mil. yen	Mil. yen	Mil. yen	Mil. yen	Mil. yen
Balance as of April 1, 2020	11,500	39,716	(1,548)	5,602	—
Net income	—	—	—	—	—
Other comprehensive income, net of tax	—	—	—	271	1,813
Total comprehensive income	—	—	—	271	1,813
Acquisitions of treasury shares	—	—	(366)	—	—
Dividends paid	—	—	—	—	—
Changes of interests in subsidiaries without losing control	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	(4,881)	(1,813)
Other	—	—	90	—	—
Total transactions with the owners	—	—	(276)	(4,881)	(1,813)
Balance as of March 31, 2021	11,500	39,716	(1,825)	992	—

	Equity attributable to owners of the parent company				
	Other components of equity	Retained earnings	Total	Non-controlling interests	Total equity
	Total	Mil. yen	Mil. yen	Mil. yen	Mil. yen
Balance as of April 1, 2020	5,602	242,958	298,228	7,146	305,375
Net income	—	51,389	51,389	628	52,017
Other comprehensive income, net of tax	2,084	—	2,084	—	2,084
Total comprehensive income	2,084	51,389	53,474	628	54,102
Acquisitions of treasury shares	—	—	(366)	—	(366)
Dividends paid	—	(30,035)	(30,035)	—	(30,035)
Changes of interests in subsidiaries without losing control	—	—	—	(396)	(396)
Transfer from other components of equity to retained earnings	(6,694)	6,694	—	—	—
Other	—	—	90	—	90
Total transactions with the owners	(6,694)	(23,341)	(30,311)	(396)	(30,708)
Balance as of March 31, 2021	992	271,006	321,391	7,378	328,769

Equity attributable to owners of the parent company

	Equity attributable to owners of the parent company			Other components of equity	
	Share capital	Capital surplus	Treasury shares	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plan
	Mil. yen	Mil. yen	Mil. yen	Mil. yen	Mil. yen
Balance as of April 1, 2021	11,500	39,716	(1,825)	992	—
Net income	—	—	—	—	—
Other comprehensive income, net of tax	—	—	—	(5)	633
Total comprehensive income	—	—	—	(5)	633
Acquisitions of treasury shares	—	—	(20,333)	—	—
Retirement of treasury shares	—	(19,999)	19,999	—	—
Dividends paid	—	—	—	—	—
Changes of interests in subsidiaries without losing control	—	32	—	—	—
Transfer from retained earnings to capital surplus	—	19,100	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	(541)	(633)
Other	—	(5)	245	—	—
Total transactions with the owners	—	(872)	(87)	(541)	(633)
Balance as of March 31, 2022	11,500	38,844	(1,912)	445	—

	Equity attributable to owners of the parent company			Non-controlling interests	Total equity
	Other components of equity	Retained earnings	Total		
	Mil. yen	Mil. yen	Mil. yen		
Balance as of April 1, 2021	992	271,006	321,391	7,378	328,769
Net income	—	49,955	49,955	874	50,830
Other comprehensive income, net of tax	627	—	627	—	627
Total comprehensive income	627	49,955	50,583	874	51,457
Acquisitions of treasury shares	—	—	(20,333)	—	(20,333)
Retirement of treasury shares	—	—	—	—	—
Dividends paid	—	(36,269)	(36,269)	—	(36,269)
Changes of interests in subsidiaries without losing control	—	8	41	(53)	(12)
Transfer from retained earnings to capital surplus	—	(19,100)	—	—	—
Transfer from other components of equity to retained earnings	(1,175)	1,175	—	—	—
Other	—	—	239	—	239
Total transactions with the owners	(1,175)	(54,186)	(56,321)	(53)	(56,375)
Balance as of March 31, 2022	445	266,776	315,653	8,198	323,852

(5) Consolidated Statement of Cash Flows

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Mil. yen	Mil. yen
Cash flows from operating activities		
Income before income tax	74,732	73,429
Depreciation and amortization	16,783	17,525
Financial income	(266)	(58)
Financial expenses	93	96
Share of income of investments accounted for using the equity method	(2,263)	(1,067)
(Increase) decrease in trade and other receivables	1,750	(369)
Increase (decrease) in trade and other payables	(288)	295
(Increase) decrease in retirement benefit assets	(2,562)	(830)
Increase (decrease) in retirement benefit liabilities	151	(33)
Other	4,010	(1,129)
Subtotal	<u>92,140</u>	<u>87,857</u>
Interest and dividends received	498	343
Interest paid	(93)	(96)
Income taxes paid	(20,794)	(29,912)
Cash flows generated from operating activities	<u>71,750</u>	<u>58,191</u>
Cash flows from investing activities		
Payments into time deposits	(116,300)	(116,000)
Proceeds from withdrawal of time deposits	117,400	116,300
Purchase of property and equipment	(2,880)	(2,344)
Purchase of intangible assets	(12,558)	(12,586)
Proceeds from sales of investment securities	12,719	1,244
Other	106	86
Cash flows generated from (used in) investing activities	<u>(1,513)</u>	<u>(13,299)</u>
Cash flows from financing activities		
Repayments of lease liabilities	(3,133)	(3,125)
Dividends paid	(30,035)	(36,269)
Acquisition of treasury shares	(366)	(20,339)
Other	(397)	(12)
Cash flows used in financing activities	<u>(33,932)</u>	<u>(59,747)</u>
Net increase (decrease) in cash and cash equivalents	<u>36,305</u>	<u>(14,855)</u>
Cash and cash equivalents at the beginning of the year	<u>71,883</u>	<u>108,209</u>
Effect of changes in exchange rate on cash and cash equivalents	19	0
Cash and cash equivalents at the end of the year	<u><u>108,209</u></u>	<u><u>93,354</u></u>

(6) Notes on Consolidated Financial Statements
 (Note on Going-concern Assumption)
 Not applicable

(Operating Revenue)

The breakdown of "operating revenue" is as follows:

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Mil. yen	Mil. yen
Trading services revenue	53,171	53,196
Clearing services revenue	27,939	27,945
Listing services revenue	16,660	15,736
Information services revenue	24,128	27,175
Other	11,443	11,378
Total	133,343	135,432

(Operating Expenses)

The breakdown of "operating expenses" is as follows:

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Mil. yen	Mil. yen
Personnel expenses	19,255	19,048
System maintenance and operation expenses	13,524	14,984
Depreciation and amortization	16,761	17,493
Other	11,852	11,693
Total	61,394	63,220

(Segment Information, etc.)

This information is omitted because JPX Group only has a single segment of financial instruments exchange business.

(Earnings per Share)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
	Mil. yen	Mil. yen
Net income attributable to owners of the parent company	51,389	49,955
	Thousand shares	Thousand shares
Weighted average number of ordinary shares outstanding	535,304	529,487
	yen	yen
Basic earnings per share	96.00	94.35

Note 1: Basic earnings per share was calculated based on the net income attributable to owners of the parent company and the weighted average number of ordinary shares outstanding.

Note 2: Diluted earnings per share is omitted as there were no potential shares.

(Significant Subsequent Events)

Not applicable