

**Japan Exchange Group, Inc. and Consolidated Subsidiaries**  
**Consolidated financial results for the fiscal year ended March 31, 2023**  
**(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: Yamaji Hiromi, 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, 2023  
Scheduled date of start of dividend payment: May 26, 2023  
Scheduled date of filing of annual securities report: June 9, 2023  
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, 2023  
(from April 1, 2022 to March 31, 2023)

(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, 2023	133,991	(1.1)	68,253	(7.1)	68,207	(7.1)	47,219	(7.1)	46,342	(7.2)	47,681	(7.3)
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)

	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, 2023	88.03	—	14.7	0.1	50.9
Year ended March 31, 2022	94.35	—	15.7	0.1	54.3

(Reference)

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

Year ended March 31, 2023: ¥1,319 million

Year ended March 31, 2022: ¥1,067 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, 2023	82,187,392	321,809	312,734	0.4	599.47
As of March 31, 2022	71,463,434	323,852	315,653	0.4	598.35

Note: Sizable amounts of "clearing business financial assets and liabilities" and "deposits from clearing participants" pertaining to the clearing business conducted by consolidated subsidiary 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, 2023	66,878	(8,522)	(52,898)	98,812
Year ended March 31, 2022	58,191	(13,299)	(59,747)	93,354

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, 2022	—	26.00	—	46.00	72.00	38,057	76.3	12.0
Year ended March 31, 2023	—	26.00	—	37.00	63.00	33,114	71.6	10.5
Year ending March 31, 2024 (Forecast)	—	28.00	—	29.00	57.00		60.7	

Note1: Breakdown of year-end dividend for the fiscal year ended March 31, 2022: ordinary dividend ¥31; special dividend ¥15.

Note2: Breakdown of year-end dividend for the fiscal year ended March 31, 2023: ordinary dividend ¥27; commemorative dividend ¥10.

3. Consolidated earnings forecast for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(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, 2024	134,500	0.4	68,500	0.4	68,500	0.4	49,800	5.5	49,000	5.7	yen 93.93

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: Yes

For details, please refer to "(Changes in Accounting Estimates)" of "3.CONSOLIDATED FINANCIAL STATEMENTS AND NOTES - (6) Notes on Consolidated Financial Statements" on page 14 of the Appendix.

(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, 2023: 528,578,441

As of March 31, 2022: 528,578,441

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

As of March 31, 2023: 6,891,928

As of March 31, 2022: 1,037,782

3) Average number of shares:

Year ended March 31, 2023: 526,414,670

Year ended March 31, 2022: 529,487,172

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2023

(from April 1, 2022 to March 31, 2023)

(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, 2023	37,975	(28.0)	30,787	(33.6)	31,029	(33.2)	30,387	(29.9)
Year ended March 31, 2022	52,727	10.7	46,339	12.9	46,451	12.1	43,365	(5.0)

	Earnings per share	Diluted earnings per share
	yen	yen
Year ended March 31, 2023	57.73	—
Year ended March 31, 2022	81.90	—

(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, 2023	211,678	102,440	48.4	196.36
As of March 31, 2022	233,153	121,796	52.2	230.88

(Reference)

Shareholders' equity:

As of March 31, 2023: ¥102,440 million

As of March 31, 2022: ¥121,796 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)

Contents of Appendix

1. QUALITATIVE INFORMATION ON OPERATING RESULTS AND FINANCIAL POSITION ...2	
(1) Explanation on Operating Results ...2	
(2) Explanation on Financial Position ...4	
(3) Explanation on Forecast Information such as Consolidated Earnings Forecast ...5	
2. BASIC RATIONALE FOR THE SELECTION OF ACCOUNTING STANDARDS...6	
3. CONSOLIDATED FINANCIAL STATEMENTS AND NOTES ...7	
(1) Consolidated Statement of Financial Position ...7	
(2) Consolidated Statement of Income ...9	
(3) Consolidated Statement of Comprehensive Income...10	
(4) Consolidated Statement of Changes in Equity...11	
(5) Consolidated Statement of Cash Flows...13	
(6) Notes on Consolidated Financial Statements ...14	
(Note on Going-concern Assumption) ...14	
(Changes in Accounting Estimates) ...14	
(Operating Revenue) ...14	
(Operating Expenses) ...14	
(Segment Information, etc.) ...14	
(Earnings per Share) ...14	
(Significant Subsequent Events) ...14	

## 1. QUALITATIVE INFORMATION ON OPERATING RESULTS AND FINANCIAL POSITION

### (1) Explanation on Operating Results

In the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023), JPX Group recorded operating revenue of ¥133,991 million (decreased 1.1% from the same period of the previous fiscal year (i.e., year on year)), and operating expenses were ¥67,502 million (increased 6.8% year on year). As a result, JPX Group recorded operating income of ¥68,253 million (decreased 7.1% year on year) and income before income tax of ¥68,207 million (decreased 7.1% year on year).

In addition, net income attributable to owners of the parent company after tax was ¥46,342 million (decreased 7.2% year on year).

(Operating revenue)

#### 1) Trading services revenue

Trading services revenue is comprised of "transaction fees" based on the value of cash equities 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, 2023, trading services revenue decreased 0.2% year on year to ¥53,089 million due mainly to a decrease in revenue from transaction fees resulting from a year-on-year decrease in trading value of cash equities.

Breakdown of trading services revenue

(Mil. yen)

	Year ended March 31, 2022	Year ended March 31, 2023	
			Change (%)
Trading services revenue	53,196	53,089	(0.2)
Transaction fees	43,298	43,143	(0.4)
Cash equities	31,563	31,414	(0.5)
Financial derivatives	10,168	10,361	1.9
TOPIX Futures	1,885	2,027	7.5
Nikkei 225 Futures*	4,071	4,306	5.8
Nikkei 225 Options**	2,460	2,291	(6.9)
10-year JGB Futures	1,544	1,498	(3.0)
Others	205	237	15.6
Commodity derivatives	1,567	1,366	(12.8)
Basic fees	1,000	986	(1.4)
Access fees	5,141	5,165	0.5
Trading system facilities usage fees	3,647	3,691	1.2
Others	108	103	(5.2)

\*Figures include Nikkei 225 mini Futures.

\*\*Figures exclude Nikkei 225 Weekly Options.

#### 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, 2023, clearing services revenue increased 0.2% year on year to ¥28,008 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, 2023, listing services revenue decreased 13.2% year on year to ¥13,666 million due mainly to a decrease in revenue from initial/additional listing fees.

#### Breakdown of listing services revenue

(Mil. yen)

	Year ended March 31, 2022	Year ended March 31, 2023	Change (%)
Listing services revenue	15,736	13,666	(13.2)
Initial/additional listing fees	4,171	2,021	(51.5)
Annual listing fees	11,565	11,644	0.7

### 4) Information services revenue

Information services revenue is comprised mainly of market information fees, which consist of revenue related to the provision of market information to information vendors, etc., and revenue related to the index business.

For the fiscal year ended March 31, 2023, information services revenue increased 1.6% year on year to ¥27,597 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, and 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.

For the fiscal year ended March 31, 2023, other operating revenue increased 2.2% year on year to ¥11,630 million.

#### Breakdown of other operating revenue

(Mil. yen)

	Year ended March 31, 2022	Year ended March 31, 2023	Change (%)
Other operating revenue	11,378	11,630	2.2
arrownet usage fees	3,516	3,309	(5.9)
Co-location services usage fees	4,650	4,676	0.6
Other	3,211	3,644	13.5

#### (Operating expenses)

For the fiscal year ended March 31, 2023, personnel expenses increased 2.9% year on year to ¥19,599 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 13.0% year on year to ¥16,931 million.

Depreciation and amortization increased 8.4% year on year to ¥18,971 million.

Other operating expenses increased 2.6% year on year to ¥12,000 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, 2023 increased by ¥10,723,957 million from the end of the previous fiscal year to ¥82,187,392 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 increased by ¥7,896 million from the end of the previous fiscal year to ¥395,064 million.

Total liabilities as of March 31, 2023 increased by ¥10,726,000 million from the end of the previous fiscal year to ¥81,865,583 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 increased by ¥9,913 million from the end of the previous fiscal year to ¥92,445 million.

Total equity as of March 31, 2023 decreased by ¥2,042 million from the end of the previous fiscal year to ¥321,809 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 ¥293,861 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, 2023	82,187,392	321,809	312,734	0.4
	*395,064	*293,861	*284,786	*72.1
As of March 31, 2022	71,463,434	323,852	315,653	0.4
	*387,168	*295,903	*287,704	*74.3

	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, 2023	14.7	0.1	599.47
	*16.2	*17.4	*545.90
As of March 31, 2022	15.7	0.1	598.35
	*17.2	*18.6	*545.37

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, 2023 increased by ¥5,458 million from the end of the previous fiscal year to ¥98,812 million.

1) Cash flows from operating activities

There was cash inflow of ¥66,878 million from operating activities mainly as a result of adding ¥18,971 million in depreciation and amortization to and deducting ¥17,855 million in income taxes paid from ¥68,207 million in income before income tax.

2) Cash flows from investing activities

There was cash outflow of ¥8,522 million from investment activities mainly as a result of cash outflow of ¥10,736 million from purchase of intangible assets.

3) Cash flows from financing activities

There was cash outflow of ¥52,898 million from financing activities mainly as a result of cash outflow of ¥38,057 million from dividend payment and ¥12,006 million from acquisition of treasury shares.

Reference: Cash flow-related indicators

	Year ended March 31, 2022	Year ended March 31, 2023
Ratio of total equity attributable to owners of the parent company to total assets	0.4%	0.4%
	*74.3%	*72.1%
Ratio of interest-bearing debt to cash flow	95.3%	81.9%
Interest coverage ratio	602.9	743.1

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

Note: \*Ratios 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," and "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

1) Consolidated Earnings Forecast

The consolidated earnings forecast for the fiscal year ending March 31, 2024 is based on the assumptions that the average daily trading values and volumes are ¥3.8 trillion for cash equities\*, 31,000 contracts for 10-year JGB Futures, 104,000 contracts for TOPIX Futures, 196,000 contracts for Nikkei 225 Futures\*\*, and ¥26.5 billion for Nikkei 225 Options\*\*\*. Based on these assumptions, ¥134.5 billion in operating revenue, ¥68.5 billion in operating income, ¥68.5 billion in net income before income tax, ¥49.8 billion in net income, and ¥49.0 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, and REITs, etc. (includes auction and off-auction trading)

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

\*\*\*Excludes Nikkei 225 Weekly Options

## 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, 2024 is planned to be ¥57 per share (¥28 per share as of the end of the second quarter).

## 2. BASIC RATIONALE FOR 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 applied IFRS to its disclosure material.

### 3. CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

#### (1) Consolidated Statement of Financial Position

	As of March 31, 2022	As of March 31, 2023
	Mil. yen	Mil. yen
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	93,354	98,812
Trade and other receivables	15,305	16,023
Clearing business financial assets	64,368,444	72,108,539
Specified assets for deposits from clearing participants	6,679,236	9,655,223
Specified assets for legal guarantee funds	637	616
Income tax receivables	2,022	5,359
Other financial assets	118,000	112,400
Other current assets	2,910	3,582
<b>Total current assets</b>	<u>71,279,910</u>	<u>82,000,557</u>
<b>Non-current assets</b>		
Property and equipment	13,029	11,041
Goodwill	67,374	72,043
Intangible assets	37,734	36,109
Retirement benefit assets	9,035	10,025
Investments accounted for using the equity method	17,650	18,593
Specified assets for default compensation reserve funds	27,948	27,948
Other financial assets	2,418	3,068
Other non-current assets	6,030	6,253
Deferred tax assets	2,303	1,751
<b>Total non-current assets</b>	<u>183,524</u>	<u>186,834</u>
<b>Total assets</b>	<u><u>71,463,434</u></u>	<u><u>82,187,392</u></u>

	As of March 31, 2022	As of March 31, 2023
	Mil. yen	Mil. yen
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	4,813	8,883
Bonds and loans payable	32,500	33,000
Clearing business financial liabilities	64,368,444	72,108,539
Deposits from clearing participants	6,679,236	9,655,223
Legal guarantee funds	637	616
Trading participant security money	8,731	8,757
Income tax payables	3,800	9,963
Other current liabilities	10,003	8,274
Total current liabilities	<u>71,108,167</u>	<u>81,833,258</u>
Non-current liabilities		
Bonds and loans payable	19,967	19,973
Retirement benefit liabilities	8,985	8,485
Other non-current liabilities	2,361	3,795
Deferred tax liabilities	101	69
Total non-current liabilities	<u>31,415</u>	<u>32,324</u>
Total liabilities	<u>71,139,582</u>	<u>81,865,583</u>
Equity		
Share capital	11,500	11,500
Capital surplus	38,844	38,841
Treasury shares	(1,912)	(13,575)
Other components of equity	445	445
Retained earnings	266,776	275,523
Total equity attributable to owners of the parent company	<u>315,653</u>	<u>312,734</u>
Non-controlling interests	8,198	9,075
Total equity	<u>323,852</u>	<u>321,809</u>
Total liabilities and equity	<u><u>71,463,434</u></u>	<u><u>82,187,392</u></u>

(2) Consolidated Statement of Income

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
	Mil. yen	Mil. yen
Revenue		
Operating revenue	135,432	133,991
Other revenue	205	504
Total revenue	<u>135,637</u>	<u>134,496</u>
Expenses		
Operating expenses	63,220	67,502
Other expenses	11	59
Total expenses	<u>63,232</u>	<u>67,562</u>
Share of income of investments accounted for using the equity method	1,067	1,319
Operating income	<u>73,473</u>	<u>68,253</u>
Financial income	58	49
Financial expenses	103	96
Income before income tax	<u>73,429</u>	<u>68,207</u>
Income tax expense	<u>22,598</u>	<u>20,987</u>
Net income	<u><u>50,830</u></u>	<u><u>47,219</u></u>
Net income attributable to		
Owners of the parent company	49,955	46,342
Non-controlling interests	874	876
Net income	<u><u>50,830</u></u>	<u><u>47,219</u></u>
Earnings per share		
Basic (Yen)	94.35	88.03
Diluted (Yen)	—	—

(3) Consolidated Statement of Comprehensive Income

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
	Mil. yen	Mil. yen
Net income	50,830	47,219
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	(5)	(0)
Remeasurements of defined benefit plan	633	462
Share of other comprehensive income of investments accounted for using the equity method	0	—
Other comprehensive income, net of tax	627	462
Comprehensive income	51,457	47,681
Comprehensive income attributable to		
Owners of the parent company	50,583	46,805
Non-controlling interests	874	876
Comprehensive income	51,457	47,681

## (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, 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		
	Total	Total	Total		
	Mil. yen	Mil. yen	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

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, 2022	11,500	38,844	(1,912)	445	—
Net income	—	—	—	—	—
Other comprehensive income, net of tax	—	—	—	(0)	462
Total comprehensive income	—	—	—	(0)	462
Acquisitions of treasury shares	—	—	(12,003)	—	—
Dividends paid	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	(462)
Other	—	(3)	340	—	—
Total transactions with the owners	—	(3)	(11,663)	—	(462)
Balance as of March 31, 2023	11,500	38,841	(13,575)	445	—

Equity attributable to owners of the parent company

	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	Mil. yen	Mil. yen
Balance as of April 1, 2022	445	266,776	315,653	8,198	323,852
Net income	—	46,342	46,342	876	47,219
Other comprehensive income, net of tax	462	—	462	—	462
Total comprehensive income	462	46,342	46,805	876	47,681
Acquisitions of treasury shares	—	—	(12,003)	—	(12,003)
Dividends paid	—	(38,057)	(38,057)	—	(38,057)
Transfer from other components of equity to retained earnings	(462)	462	—	—	—
Other	—	—	337	—	337
Total transactions with the owners	(462)	(37,594)	(49,724)	—	(49,724)
Balance as of March 31, 2023	445	275,523	312,734	9,075	321,809

## (5) Consolidated Statement of Cash Flows

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
	Mil. yen	Mil. yen
Cash flows from operating activities		
Income before income tax	73,429	68,207
Depreciation and amortization	17,525	18,971
Financial income	(58)	(49)
Financial expenses	96	90
Share of income of investments accounted for using the equity method	(1,067)	(1,319)
(Increase) decrease in trade and other receivables	(369)	(653)
Increase (decrease) in trade and other payables	295	171
(Increase) decrease in retirement benefit assets	(830)	(989)
Increase (decrease) in retirement benefit liabilities	(33)	(499)
Other	(1,129)	467
Subtotal	<u>87,857</u>	<u>84,395</u>
Interest and dividends received	343	428
Interest paid	(96)	(90)
Income taxes paid	(29,912)	(17,855)
Cash flows generated from operating activities	<u>58,191</u>	<u>66,878</u>
Cash flows from investing activities		
Payments into time deposits	(116,000)	(113,400)
Proceeds from withdrawal of time deposits	116,300	117,000
Purchase of property and equipment	(2,344)	(565)
Purchase of intangible assets	(12,586)	(10,736)
Proceeds from sales of investment securities	1,244	—
Proceeds from redemption of investment securities	500	2,000
Payments for acquisition of subsidiaries	—	(1,904)
Other	(413)	(916)
Cash flows generated from (used in) investing activities	<u>(13,299)</u>	<u>(8,522)</u>
Cash flows from financing activities		
Repayments of lease liabilities	(3,125)	(3,334)
Dividends paid	(36,269)	(38,057)
Acquisition of treasury shares	(20,339)	(12,006)
Other	(12)	500
Cash flows used in financing activities	<u>(59,747)</u>	<u>(52,898)</u>
Net increase (decrease) in cash and cash equivalents	<u>(14,855)</u>	<u>5,457</u>
Cash and cash equivalents at the beginning of the year	<u>108,209</u>	<u>93,354</u>
Effect of changes in exchange rate on cash and cash equivalents	0	0
Cash and cash equivalents at the end of the year	<u><u>93,354</u></u>	<u><u>98,812</u></u>

(6) Notes on Consolidated Financial Statements

(Note on Going-concern Assumption)

Not applicable

(Changes in Accounting Estimates)

Ahead of the launch of new IT systems, Tokyo Stock Exchange, Inc. has revised the useful lives of its current systems with regards to accounting for the twelve months ended March 31, 2023.

As a result of this change, operating income and income before income tax each decreased by ¥203 million for the twelve months ended March 31, 2023 in comparison with those calculated by the previous method.

(Operating Revenue)

The breakdown of "operating revenue" is as follows:

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
	Mil. yen	Mil. yen
Trading services revenue	53,196	53,089
Clearing services revenue	27,945	28,008
Listing services revenue	15,736	13,666
Information services revenue	27,175	27,597
Other	11,378	11,630
Total	135,432	133,991

(Operating Expenses)

The breakdown of "operating expenses" is as follows:

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
	Mil. yen	Mil. yen
Personnel expenses	19,048	19,599
System maintenance and operation expenses	14,984	16,931
Depreciation and amortization	17,493	18,971
Other	11,693	12,000
Total	63,220	67,502

(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, 2022	Fiscal year ended March 31, 2023
	Mil. yen	Mil. yen
Net income attributable to owners of the parent company	49,955	46,342
	Thousand shares	Thousand shares
Weighted average number of ordinary shares outstanding	529,487	526,414
	yen	yen
Basic earnings per share	94.35	88.03

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