

Japannext PTS Nighttime Market Update

SBI Japannext Co., Ltd.

February 2012

- MARKET HOURS
 - Nighttime Session (19:00 ~ 23:59)
- MATCHING METHOD
 - Price Time Priority & Order Driven Continuous Matching
 - 1/10th Tick Size of Primary Exchange (Same as our Daytime Market)
- CONNECTIVITY (Orders)
 - FIX 4.2 (Standard FIX Compliant)
 - Drop Copy
- ORDER TYPES
 - Limit, IOC, FOK, and Iceberg
- SYMBOLS
 - Approximately 3500 (Stocks listed on TSE1,2, Mothers, OSE1,2, JQ)
 - Dropped Nagoya, Sapporo, and Fukuoka
- MARKET DATA
 - Thomson REUTERS
 - RDFD
 - IDN Select Feed (exchange code: **JNX**)
 - Elektron (2Q12)
 - QUICK (exchange code: **JNX**)
 - Bloomberg (exchange code: **JE**)
 - Direct market data via Native API
- COLOCATION
 - 1 Gig UTP or FIBER Connection
 - 100V or 200V (2.1KVA) Standard
 - In House Fiber Cross Connections
 - Half/Full Rack Configuration
 - TNS Pop (March 2012)
- NIGHTTIME MARKET ACCESS
 - Same as daytime infrastructure
 - Point to nighttime FIX Gateways

- SBI Securities' 2.4 Million potential retail investors have access to the nighttime market.
- With good liquidity providers, the nighttime market can gain traction. Media stories indicate that OSE's nighttime derivatives market is growing, and TOCOM is generating a significant portion of their trading volume during the nighttime.
- Retail investors' demand for nighttime trading has been significant. Once the nighttime market picks up, all major retail brokers will come onboard with us due to competition.
- We will also run a series of promotional campaigns for nighttime trading for the retail investors.
- Japannext PTS is the only venue open for nighttime trading, all other PTSs terminated nighttime operations last year.
- Institutional investors are paying close attention to the nighttime market.
- This year our target is to trade 1% of TSE's volume during the nighttime market.

Standard Fee	0.4 bps
Fee for Designated Liquidity Providers*	0.2 bps (1 Year Zero Commission)
Tick Size	Same as Daytime Tick Sizes (1/10th of Primary Exchange)
Market Hours	19:00 - 23:59 (JST)

* Designated Liquidity Providers:

1. 60% of the executions from posted orders
2. Provide liquidity for minimum 800 symbols
3. At least provide liquidity for one side within 800 symbols
4. Subject to review and revision based on observations on a quarterly basis

Trade Date	Unique Order Symbols	Order Liquidity (JPY)	Traded Universe	Turnover (JPY)
01-Mar-11	2,718	213,108,370,363	267	523,362,322
02-Mar-11	2,708	37,374,900,881	278	498,493,556
03-Mar-11	2,711	45,348,237,252	331	853,631,517
04-Mar-11	2,704	48,319,478,493	243	422,704,353
07-Mar-11	2,688	42,780,074,108	283	583,748,295
08-Mar-11	2,699	41,084,652,458	246	499,780,088
09-Mar-11	2,676	29,623,429,110	247	300,147,830
10-Mar-11	2,688	42,967,011,456	333	707,846,041
11-Mar-11	1,782	16,379,631,750	508	2,385,968,709
30-Jan-12	878	3,812,340,641	40	138,005,780
31-Jan-12	813	1,383,170,727	41	49,519,270
01-Feb-12	787	1,571,458,395	51	73,364,650
02-Feb-12	753	1,296,987,822	48	59,898,840
03-Feb-12	833	1,683,739,246	60	77,195,310
06-Feb-12	782	1,397,403,867	68	46,768,863