

[Translation]

March 22, 2017

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

Notice of Revision to Earnings Forecast and Dividend Forecast

We hereby announce that the consolidated earnings forecast and year-end dividend forecast for the fiscal year ending March 31, 2017 released on October 28, 2016 have been revised as follows.

1. Revised Consolidated Earnings Forecast for Fiscal Year from April 1, 2016 to March 31, 2017

(Figures indicated in millions of yen, unless stated otherwise)

	Operating revenue	Operating income	Income before income tax	Net income	Net income attributable to owners of the parent company	Basic earnings per share ^{a,b.} (yen)
Previous forecast <A>	106,000	54,000	55,500	38,600	38,500	70.32
Revised forecast 	107,000	59,000	60,000	42,000	41,800	76.39
Change <B - A>	1,000	5,000	4,500	3,400	3,300	
Change <%>	0.9%	9.3%	8.1%	8.8%	8.6%	
(Reference) Consolidated results for the fiscal year ended March 31, 2016	114,776	66,271	67,774	45,175	44,877	81.74

Note a. A 2-for-1 stock split was conducted with an effective date of October 1, 2015. As such, the basic earnings per share for the previous fiscal year were calculated based on the assumption that such stock split had been conducted at the beginning of the previous consolidated fiscal year.

Note b. The basic earnings per share for this revised forecast were calculated based on the average number of shares outstanding (excluding the number of treasury shares) during the current fiscal year up to February 28, 2017. JPX shares held by ESOP Trust (586,800 shares as of February 28, 2017) are included in the treasury shares.

2. Reason for Revision

In light of recent market conditions, we have revised the average daily trading values and volumes, which were the assumptions used in the consolidated earnings forecast in the "Notice of Revision to Earnings Forecast and Dividend Forecast" announced on October 28, 2016 (hereinafter "previously disclosed material"). Specifically, the consolidated earnings forecast was revised based on the revised assumptions of average daily trading values and volumes (changes from previously disclosed material indicated in parentheses) of ¥3.0 trillion for cash equities^{*1} (up ¥100 billion), 29,000 contracts for 10-year JGB futures (up 1,000 contracts), 89,000 contracts for TOPIX futures (up 4,000 contracts), 183,000 contracts for Nikkei 225 futures^{*2} (down 15,000 contracts), and ¥24.5 billion for Nikkei 225 options^{*3} (down ¥3.0 billion).

^{*1}The trading value of stocks listed on the TSE 1st and 2nd Sections, Mothers, JASDAQ, and TOKYO PRO

Market, and that of ETFs, ETNs, REITs, etc. (includes auction and off-auction trading)

^{*2} Includes Nikkei 225 mini contract volumes converted into large-sized contracts

^{*3} Excludes weekly options

3. Revised Dividend Forecast

We adopt a dividend policy with a target payout ratio of about 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 the group to pursue investment opportunities to raise the competitiveness of its markets as they arise.

In line with the above mentioned policy, dividend forecasts for the fiscal year ending March 31, 2017 have been revised as follows due to an expected increase in net income attributable to owners of the parent company from the revision to the consolidated earnings forecast.

	Dividend per share (yen)		
	Second quarter ^{a.}	Year-end	Annual
Previous forecast		21.00	42.00
Revised forecast		26.00	47.00
Actual	21.00		
For the fiscal year ended March 31, 2016	42.00	29.00	—

Note a. A 2-for-1 stock split was conducted with an effective date of October 1, 2015. Second-quarter dividend for the year ended March 31, 2016 indicated above is the actual dividend before said stock split.

Note on Forward-looking Statements

This material contains earnings forecasts, projections, 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 to be materially different from those expressed in these forward-looking statements.

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese document. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. Japan Exchange Group, Inc., its subsidiaries, and/or its affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.