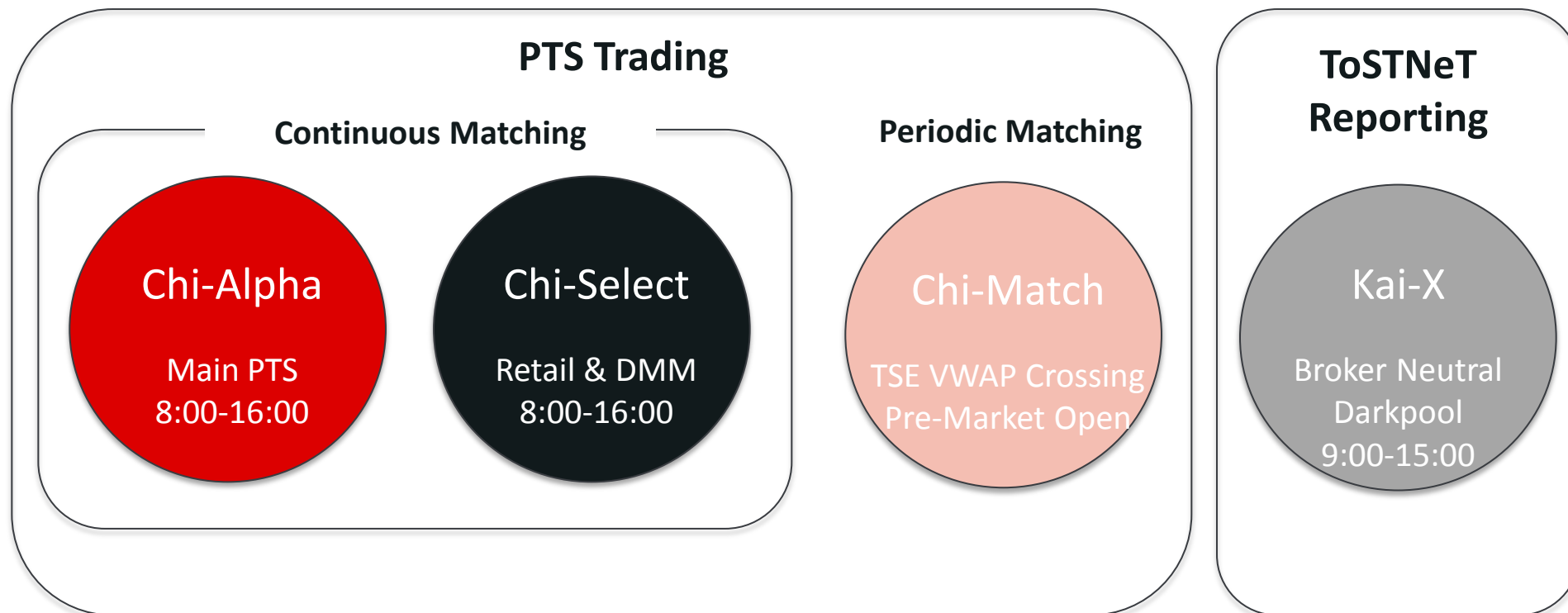


The background of the slide is a black and white photograph of grass blades covered in water droplets. The top half of the image is obscured by a solid red horizontal band. The text is positioned on the left side of this red band.

CHI-X JAPAN MONTHLY REPORT
APRIL 2018

Markets operated by Chi-X Japan

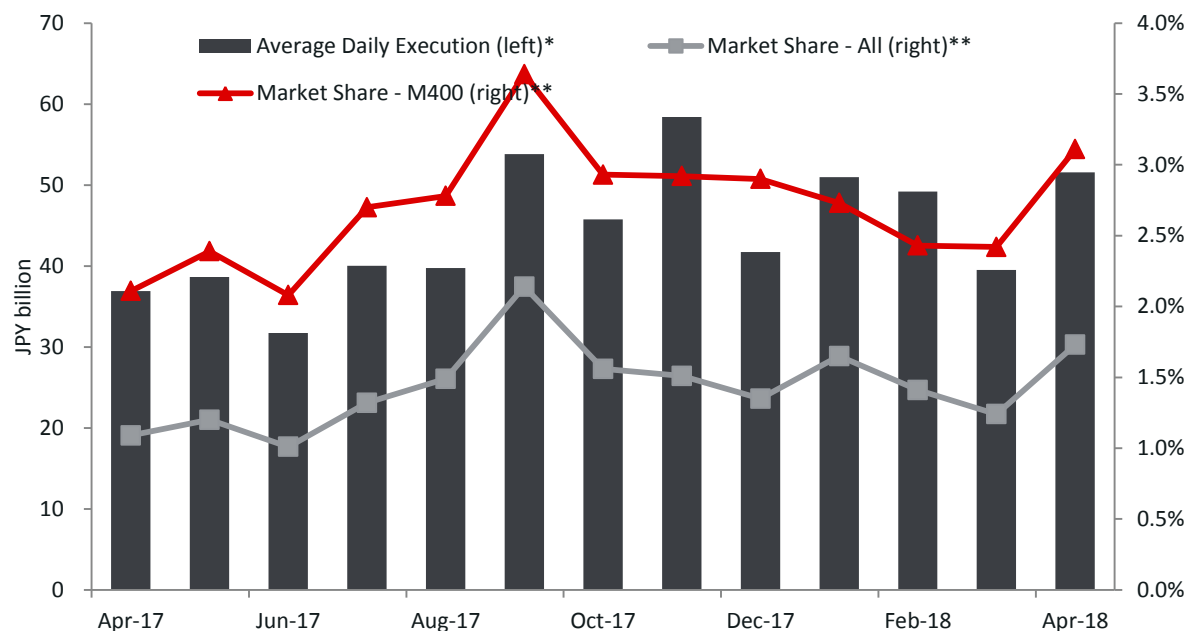


Chi-Alpha & Select

Overview - Chi-Alpha & Chi-Select

- ◆ Chi-Alpha is the largest and longest operating among venues run by Chi-X Japan
- ◆ Chi-Select is catered to retail focused brokers with features allowing them to provide their clients with better best execution
- ◆ Key Features
 - ✓ Continuous matching between 8am to 4pm for stocks listed on TSE
 - ✓ Various order types – Pegged, Post-only, Iceberg, IOC/FOK
 - ✓ Robust, resilient, stable, low latency platform
- ◆ Values
 - ✓ Price Improvement opportunities, esp. Mid/Small Caps
 - ✓ Market making / Order posting opportunities
 - ✓ Faster / higher execution opportunities

Statistics - Chi-Alpha & Chi-Select

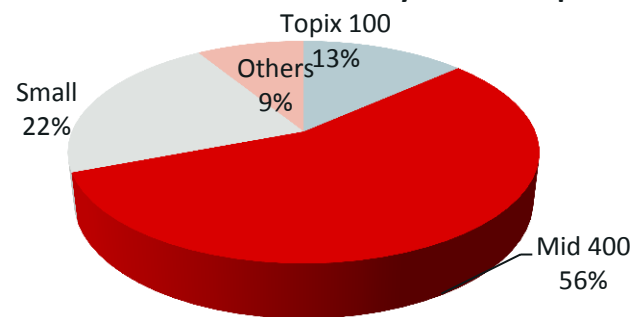


* Chi-Alpha & Chi-Select combined

** Market share of Chi-X's 2 markets among lit markets (TSE, Chi-Alpha, Chi-Select, JNX-J and JNX-X)

*** PI compares the execution price vs. TSE's best bid for sell or best offer for buy at each point of execution and is calculated from the perspective of the Taker of the trade

Execution Value Breakdown by Market Cap



	Average Price Improvement (PI) (bps) ***	Market Share**
TOPIX100	0.4	0.6%
Mid 400	2.6	3.1%
Small	2.8	2.2%
Others	4.6	1.2%
Overall	2.7	1.7%

Statistics - Chi-Alpha & Chi-Select

Top Symbols by Execution (JPY)*

8698	MONEX G	16,013,325,040
6502	TOSHIBA	8,558,971,800
6506	YASKAWA	8,157,849,960
4689	YAHOO J	6,864,030,720
1570	NIKKEILV	6,284,286,802
4543	TERUMO	5,818,992,700
6762	TDK	5,508,942,400
4004	SHOWDEN	5,360,241,920
9501	TEPCOHD	5,257,008,350
4751	CYBER A	5,130,610,400

Top Symbols by Market Share (%)**

3416	PIXTA	9.2
3296	NP REIT	8.4
8972	KENEDIXO	7.2
6508	MEDENSH	7.1
7287	NPSEIKI	7.0
4694	BML	6.9
8976	DAIWAOF	6.6
4027	TAYCA	6.3
8154	KAGAELE	6.3
2384	SBSHD	6.3

* Chi-Alpha & Chi-Select combined

** Market share of Chi-X's 2 markets among lit markets (TSE, Chi-X, SBI JNX); Chi-X Japan's estimate

Chi-Match

chi-x

Overview – Chi-Match

- ◆ Chi-Match allows participants to find counterparties to trade at TSE's VWAP before the market open, hence **offload the trading risk in the continuous matching hours.**
- ◆ How does it work?

Order acceptance (from 8 to each pre-matching time)

- Order Type: Full-day VWAP / PM VWAP / AM VWAP

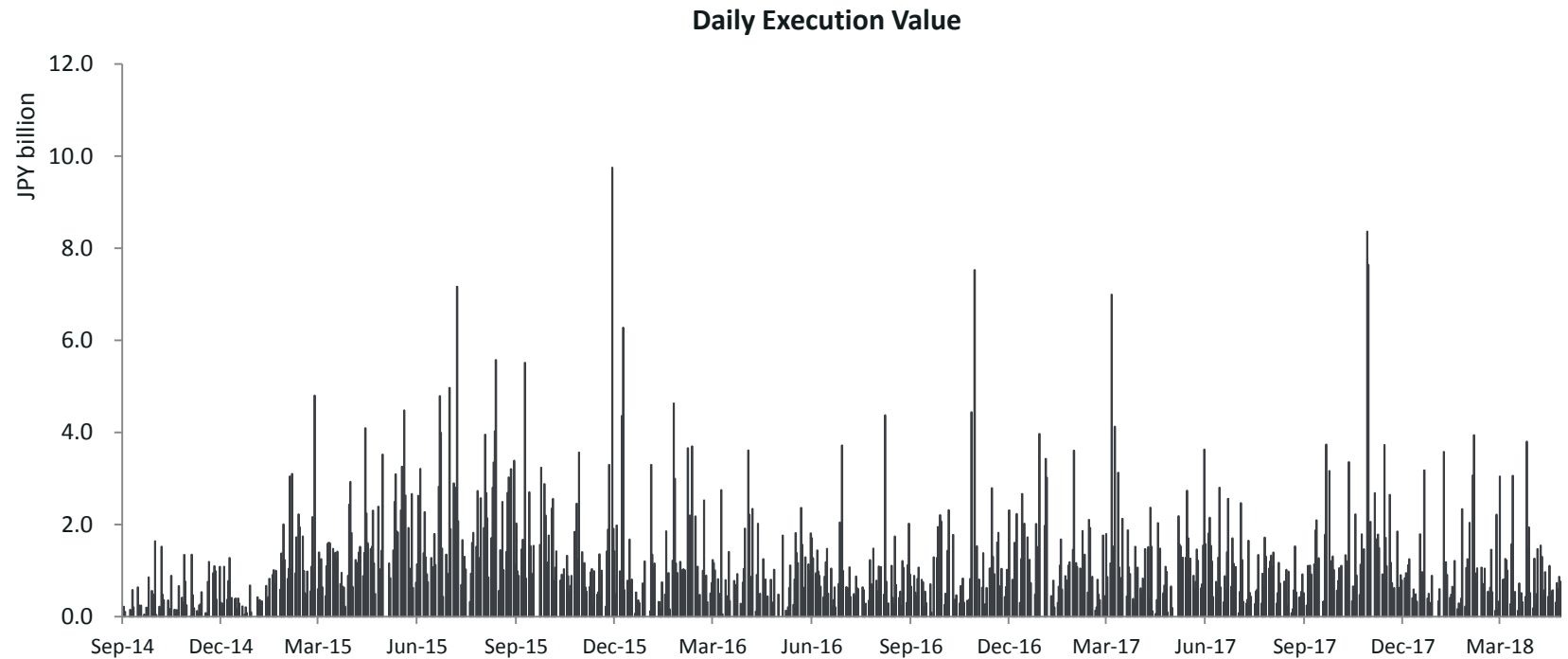
Pre-matching time / Sessions

- Full-day VWAP : 8:33, 8:45, 8:52, 8:56
- PM VWAP : 12:15, 12:25
- AM VWAP : 8:45, 8:52

Trade execution (after market close)

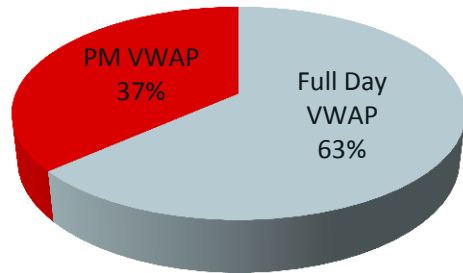
Chi-Match Execution Trend

- ◆ Spikes on major index rebalance days (MSCI, TOPIX, N225) and SQ days

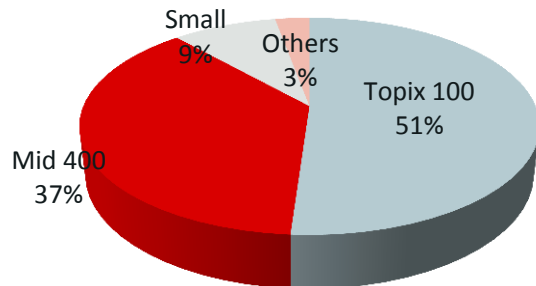


Chi-Match Execution Snapshot

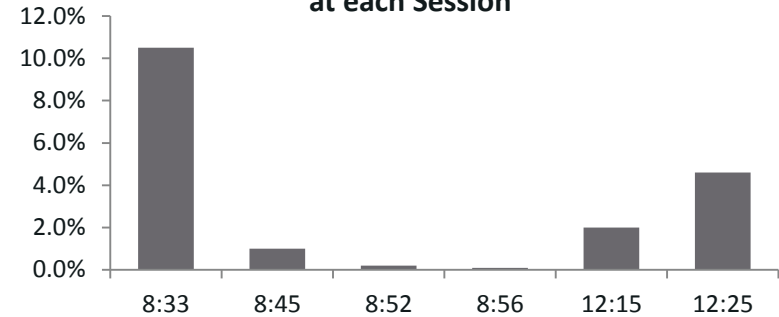
Execution Value Breakdown by VWAP Type



Execution Value Breakdown by Index



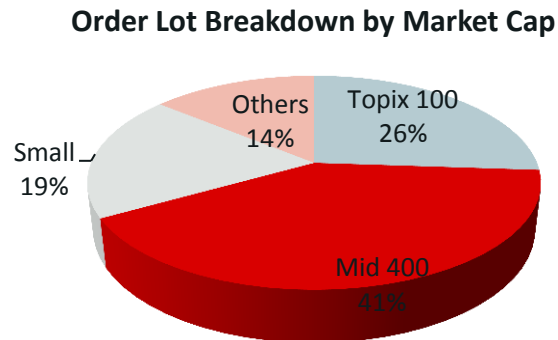
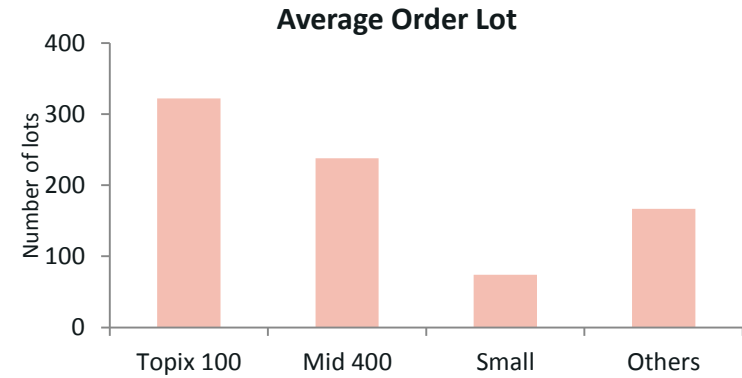
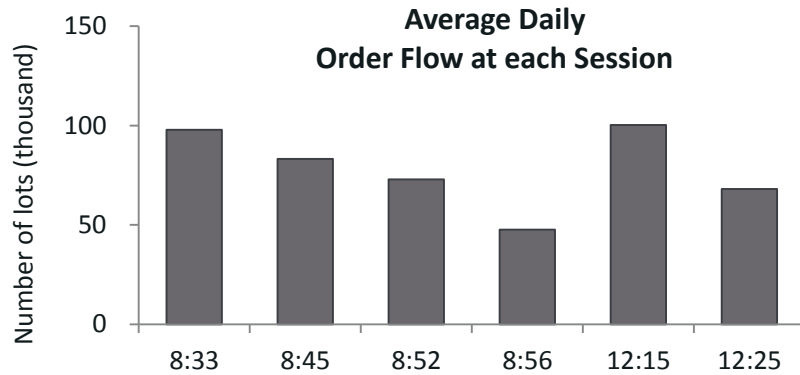
Execution Ratio (Trade lot/Order lot)
at each Session



Top Symbols by Execution Value (JPY)

7267	HONDA	578,336,384
6503	MELCO	333,354,318
8766	TOKIOMAR	323,438,724
8411	MIZUHO	301,501,259
5401	NSTEELSM	287,890,537
4540	TSUMURA	270,512,245
4519	CHUGAIP	266,376,514
5020	JXTG	249,519,167
6301	KOMATSU	248,415,710
9437	DOCOMO	242,737,764

Chi-Match Order Snapshot



* Base price is used to calculate order value

Kai-X

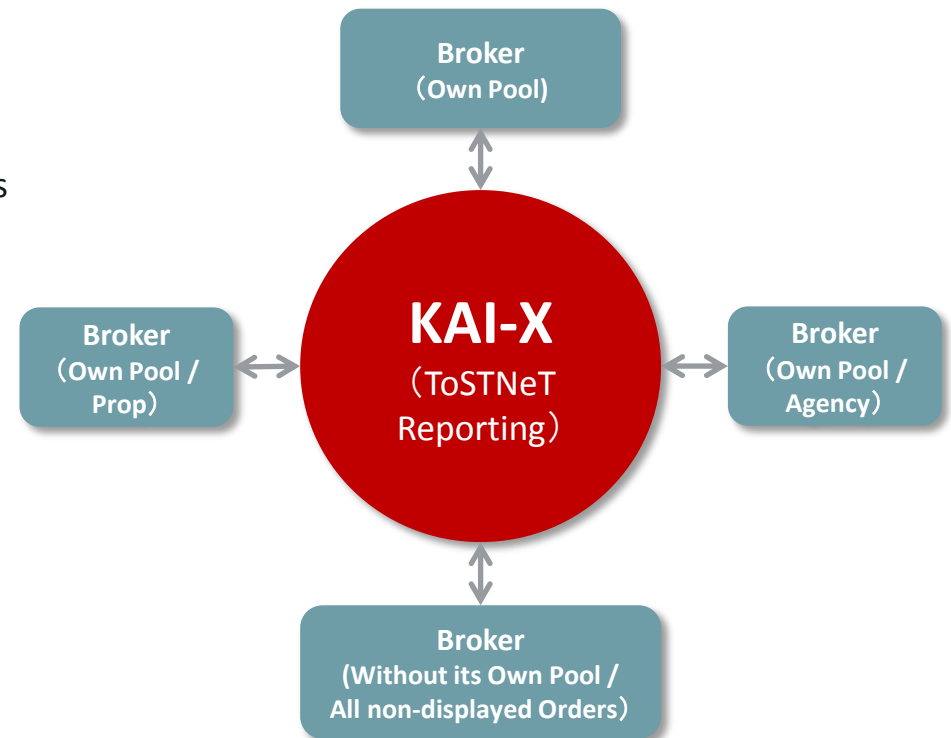
chi-x

Overview - Kai-X

- ◆ Kai-X is a **matching system for participant brokers' non-displayed orders**
- ◆ It enables brokers to source **additional liquidity from others without disclosing their order flows**. It also serves as **"outsourcing" of dark pool** for brokers who wish to reduce system development and maintenance cost

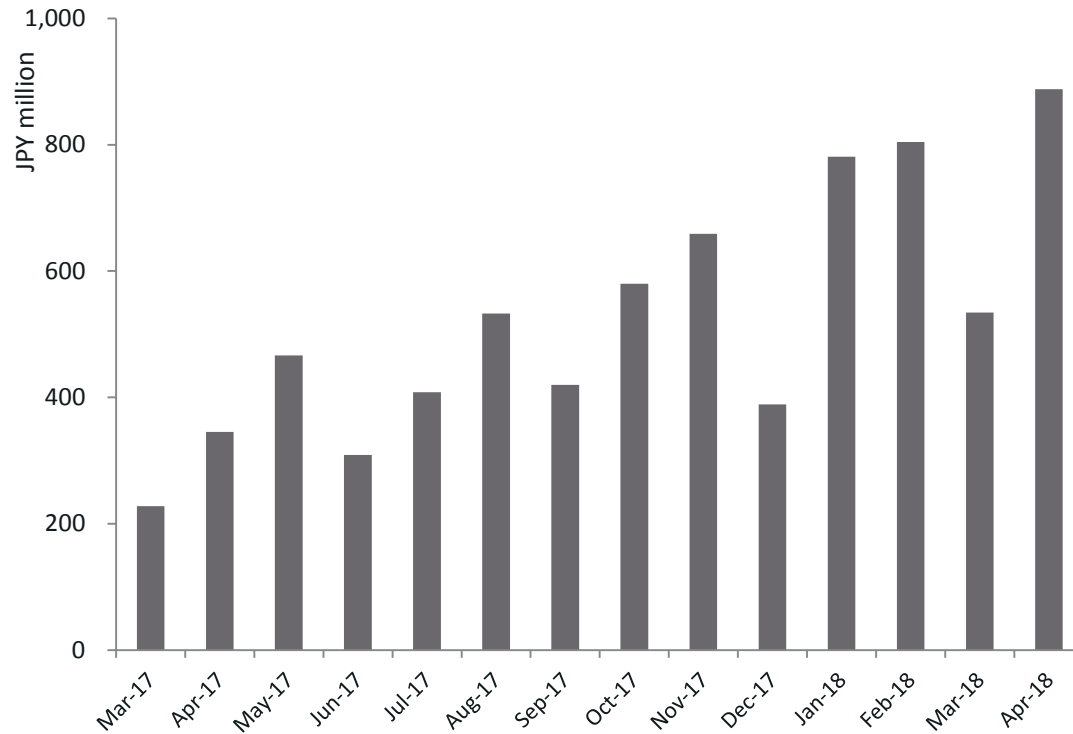
Key Features

- Within TSE BBO matching
 - ✓ TSE BBO's mid; near side; far side
 - ✓ High/Low limit price can be set
 - ✓ Day/IOC/FOK
- Matching priority: "Price" → "Broker" → "Time"
- Minimum Execution Quantities (MEQ) is available
- FIX access only
- Risk control features
 - ✓ Outside TSE high & low trade prevention
 - ✓ Self trade prevention (optional)

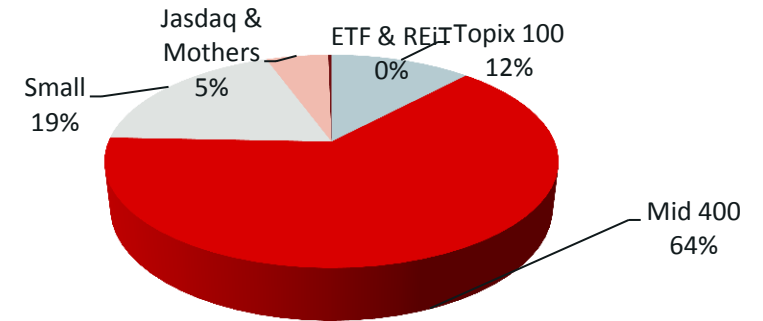


Kai-X Execution Snapshot

Average Daily Execution Value



Execution Value Breakdown by Market Cap

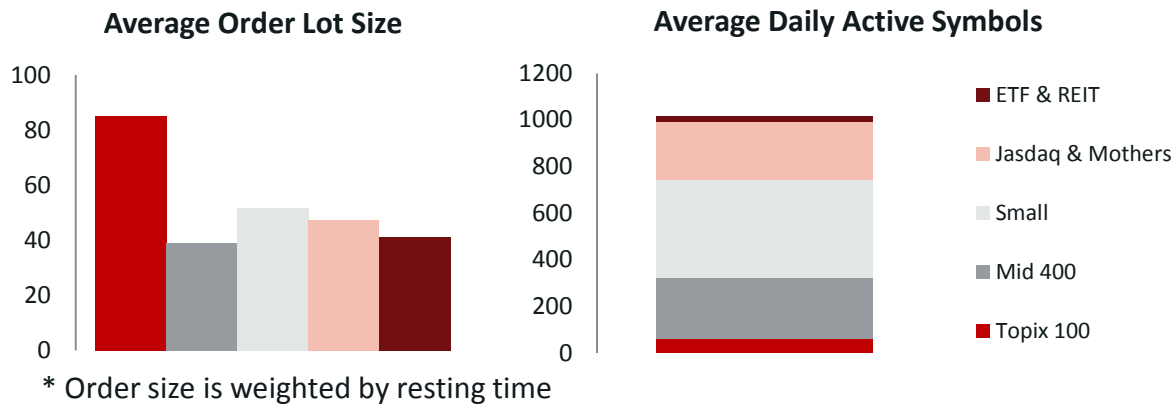
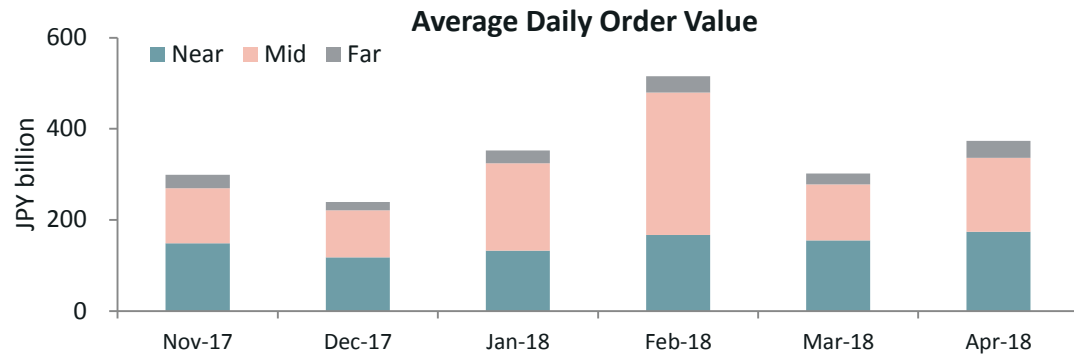


Average PI (bps)*

TOPIX100	1.5
M400	5.2
Small	8.4
JASDAQ & Mothers	31.1
ETF & REITS	3.4
Overall	7.9

* PI compares the execution price vs. TSE's best bid for sell or best offer for buy at each point of execution and is calculated from the perspective of the Taker of the trade

Kai-X Order Snapshot



Top Symbols by Order Lot Size (TOPIX100)

8058	MITBISI	1163
4502	TAKEDAP	426
8309	SMTRUST	272
4528	ONOPHAM	198
5802	SMI-ELI	149
6326	KUBOTA	74
1925	DAIW-HS	56
6981	MURATA	52
6367	DAIKINI	47
8725	MS&AD	42

Top Symbols by Order Lot Size (Mid400)

9076	SEINO HD	489
1951	KYOWAEX	317
6473	JTEKT	284
5714	DOWA	269
3088	MA-KIYO	226
4676	FUJI HD	222
9507	SIKOKPW	172
8184	SIMACHU	152
8358	SURGABK	137
6728	ULVAC	122

Disclaimer

© 2018, Chi-X Japan Limited. All rights reserved. Chi-X is a registered trademark.

Chi-X Japan operates PTSs (proprietary trading systems) to match equity orders from participants who are registered broker-dealers in Japan. Chi-X Japan does not provide its services for persons other than Professional Investors. The information provided here (the “Information”) is intended for Professional Investors only. Under no circumstances may the Information be used or relied upon, or otherwise considered as an offer to purchase or sell any security, or as a solicitation or recommendation of the purchase, sale, or offer to purchase or sell any security.

Redistribution or reproduction of this information is prohibited. The copyright of the Information shall be retained by Chi-X Japan, in principle, and redistribution or reproduction of the Information without Chi-X Japan’s permission is prohibited by the Copyright Act.

Chi-X Japan has taken care to ensure that the Information is correct at the time of its preparation, but shall not be liable for any loss or damage arising out of reliance on the contents thereof.

Chi-X Japan Limited.

A Financial Instruments Firm registered with the Director of the Kanto Local Finance Bureau of the Ministry of Finance (Kin-sho) No. 2426

Association Memberships: Japan Securities Dealers Association

