

(Reference Translation)

<Outline of Data/Definition of Terms, etc.>

●Types of Data Published

1. Sales and purchases of shares and cash position related to arbitrage trading (total of all trading participants):  
Data for the past two business days is available daily.
  - (1) Sales and purchases of shares related to arbitrage trading on the day of the report (Number of shares)
  - (2) Cash position related to arbitrage trading (Number of shares)
  - (3) Top 15 trading participants ranked by trading volume
  
2. Program trading (total of all trading participants): Published on the third business day of every week
  - (1) Purchases and sales of shares related to program trading for the previous one-week period (Number of shares and value related to arbitrage trading and not related to arbitrage trading, of which number of shares related to arbitrage trading is the sum of daily trading volumes at 1. (1) for one-week period)
  - (2) Week-end cash position related to arbitrage trading (Number of shares and value\*, the number of shares is the same as that on the last business day of the week at 1. (2) above.)

※ Value is the total value based on the number of shares converted for each company based on the close price on the last business day of the week. There may, therefore, be some cases where even if the number of shares increased, if the stock price fell, the value would be less (and vice versa).

  - (3) Top 15 trading participants related to arbitrage trading over the week (ranked based on sum of daily trading volumes at 1. (3) above for a one-week period)

●Definitions of terms

a. “Program trading”

Denotes trading where orders to sell or buy 25 issues or more are placed at one time on the TSE’s domestic stock auction market (in auction trading) (includes cases where there is no execution)

b. “Arbitrage trading”

Arbitrage trading in the broad sense of the word denotes the investment behavior of focusing on “cases where there is a price difference between two assets” and making a profit by “selling the asset that is overvalued and buying the asset that is undervalued”. However, in this data, arbitrage trading is defined as a type of program trading which focuses on price differences between cash indices calculated solely based on domestic stocks listed on the Tokyo Stock Exchange and listed derivatives whose underlying assets are said indices (including derivatives listed on other stock exchanges besides TSE both in Japan and overseas, such as TOPIX Futures & Options, Nikkei 225 Futures & Options, Nikkei 300 Futures, etc.), and which involves opening, closing or adjusting opposite positions that are closely related to each other in terms of price in trading on the same day in both the cash and derivative markets, for the purpose of making a profit. Please note that arbitrage trading does not mean selling or buying the cash indices themselves. The bottom line is that it is the individual stocks used to be calculated each of the indices that are actually being sold and purchased (and indices are figures calculated as a result).

c. “Non-arbitrage related trading”

Denotes program trading which involves simultaneously trading in 25 or more issues of stocks whereby an arbitrage relationship does not exist with derivatives as defined in b. above.

d. “Cash position related to arbitrage trading”

Denotes the outstanding number of shares in relation to which there is an arbitrage relationship with listed derivatives (including derivatives listed on other markets besides TSE both in Japan and overseas) whose underlying assets are cash indices calculated based on listed domestic shares and which are managed for the purpose of arbitrage trading defined in b. within the company of the trading participant. “Buy position” means a long position in shares in relation to which there is an arbitrage relationship between purchases of shares and sales of derivatives.

“Sell position” means a short position in shares in relation to which there is an arbitrage relationship between sales of shares and purchases of derivatives. In newspaper, etc., this is also expressed as “long arbitrage position” and “short arbitrage position.”

Contract months are divided into the “current contract month” and the “following contract months”; the “current contract month” means the nearest contract month of listed derivatives in relation to which there is an arbitrage relationship with the relevant cash position, and the “following contract months” mean farther contract months.

As explained above, arbitrage trading is conducted only with respect to sales and purchases of shares on the TSE auction market, but since cash position also includes increases and decreases as a result of factors other than trading on the TSE auction market, such as increases and decreases resulting from off-floor basket trading, off-exchange trading and the like, changes as a result of adjustments within each company including intra-branch transfers, the result at b. above will not necessarily be the exact increase or decrease in position. Depending on the day, the report may include a statement to the effect that “the cash position related to arbitrage trading includes increases and decreases which do not result from sales and purchases of shares related to arbitrage trading.” but this is added as a note if there is a markedly large difference between the net position for sales and purchases of shares related to arbitrage trading and the net position for sales and purchases related to the cash position.

- File format

Arbitrage trading data (daily) and program trading data (weekly) is published in two different formats: Excel format and PDF format (the contents are the same).

- Data-gathering method

TSE receives reports in a prescribed format from all trading participants that have engaged in the relevant trading and compiles the data.

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