

Rules Concerning an Issue under Trade Monitoring
(as of June 16, 2008)

Tokyo Stock Exchange, Inc.

Rule 1. (Purpose)

These rules shall prescribe necessary matters on an issue for which the Exchange carries out the following actions with respect to purchase of a large number of shares, etc. in order to ensure fair price formation and smooth circulation (hereinafter an "Issue under Trade Monitoring"):

- (a) To take necessary regulatory measures, etc. against the issue concerning its trades or acceptance of orders for such trades; and
- (b) To handle the issue in a special manner in reporting trading details, etc. pursuant to the provisions of Rule 19 of the Trading Participant Regulations.

Rule 2 (Designating a Stock, etc. to an Issue under Trade Monitoring)

In the event that a large share holding report is submitted by an entity who has purchased a large number of shares, etc. issued by the issuer of stock of a specific issue (excluding the case that said entity has already filed a report stating that the ratio of share holding has become 5% or less), if the Exchange identifies extremely unusual price fluctuations, trading conditions, etc. pertaining to a stock, etc. of said issue, the Exchange shall designate said issue as an Issue under Trade Monitoring.

Rule 3. (Notification of Designation)

When the Exchange designates said issue as an Issue under Trade Monitoring, it shall notify the fact of trading participants (meaning general trading participants prescribed in Rule 2, Paragraph 2 of the Trading Participant Regulations or securities options trading participants prescribed in Paragraph 5 of the same rule; the same shall apply hereinafter).

Rule 4. (Regulatory Measures, etc.)

1. With respect to an Issue under Trade Monitoring, the Exchange shall implement regulatory measures necessary for trades, etc. or acceptance of orders for said trades, etc. pursuant to the Business Regulations or Special Regulations of Business Regulations, Margin/Loan Trading Regulations, and Brokerage Agreement Standards Concerning Securities Options Contracts.
2. If an Issue under Trade Monitoring is an issue eligible for margin trading, the Exchange shall publicize its outstanding margin transactions on a daily basis.

Rule 5. (Duty of Reporting Transaction Details, etc.)

With respect to trade monitoring, a trading participant shall report to the Exchange on transaction details, etc. as specified in each of the following items:

- (1) with respect to a report on transaction details during a period that the Exchange deems necessary before the day when an issue is designated as an Issue under Trade Monitoring, a trading participant shall submit said report by Friday of the following week of the week including the day on which the Exchange has required reporting (if said Friday falls on a holiday, it shall be moved down; the same shall apply in the following item), and
- (2) with respect to a report on transaction details during a period from the day when an issue is designated as an Issue under Trade Monitoring to the day when the designation is lifted pursuant to the following rule, a trading participant shall submit said report by Friday of the following week of the week including the day when transactions were effected.

Rule 6. (Lifting the Designation)

1. The Exchange shall lift the designation in the following two cases:
 - (1) when an entity which has purchased a large number of shares, etc. issued by the issuer of stock which is an Issue under Trade Monitoring has filed a report stating that the ratio of share holding has become 5% or less; or
 - (2) when the Exchange deems such designation unnecessary in light of price fluctuations, trading conditions, etc.
2. Rule 3 shall apply mutatis mutandis to lifting designation specified in the preceding paragraph.

Rule 7. (Application to Clearing Intermediation of Securities, etc.)

With respect to clearing intermediation of securities, etc. related to securities trading, etc., the Exchange shall deem a trading participant who entrusts clearing intermediation of securities, etc. as a party who carries out trading of said securities, etc.

(Note) The definitions of the terms pertaining to securities options trading shall be as prescribed in Special Regulations of Business Regulations, Margin/Loan Trading Regulations, and Brokerage Agreement Standards Concerning Securities Options Contracts.