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S&P Dow Jones Indices LLC
Japan Exchange Group, Inc.
Osaka Exchange, Inc.

S&P/JPX JGB VIX Index Introduced by S&P Dow Jones Indices and Japan Exchange Group

S&P Dow Jones Indices (“S&P DJI”), Japan Exchange Group (“JPX”) and its group company Osaka Exchange (“OSE”) today announced the launch of the **S&P/JPX JGB VIX Index**, a groundbreaking benchmark measuring the implied volatility of Japanese government bonds using options on JGB futures listed on OSE. This Index is the first ever full-scale fixed income volatility index available in Japan, providing investors much-needed guidance on the probable volatility of the JGB futures.

The S&P/JPX JGB VIX Index was developed based on an agreement signed and announced by S&P DJI, JPX and OSE in July this year¹. Under this agreement, the new benchmark is co-sponsored by S&P DJI, JPX and OSE, which have obtained a license from the Chicago Board Options Exchange® (“CBOE”) to use its methodology for calculating volatility indices. Employing the renowned CBOE Volatility Index® (VIX®) methodology, this Index is only the second of its kind in the global fixed-income space, after the CBOE/CBOT 10-year U.S. Treasury Note Volatility IndexSM (TYVIXSM Index) launched in the US in 2013.

The Index uses put and call options on the 10-year JGB futures to calculate the implied volatility, which differs from at-the-money (ATM) implied volatility in that it captures volatility across all the strikes contained in the skew of out-of-the-money (OTM) option prices, and represents a purely directional model-free and “strikeless” volatility measure.

“We are proud to work with JPX and OSE to introduce CBOE’s widely recognized VIX methodology to Japan through the launch of the S&P/JPX JGB VIX Index,” said **Mr. Alex Matturri**, CEO at S&P DJI. “The constructive outcome achieved

¹ For details, please refer to JPX website (<http://www.jpx.co.jp/english/news/2040/20150722-1.html>).

through our collaboration will benefit both international and local investors, who could utilize this tool to measure the volatility of Japanese government bonds and compare volatility across global markets.”

“We are excited to support the growing demand for accessing the Japanese bond market by leveraging S&P Dow Jones Indices’ established expertise in index development and governance,” said **Mr. Hiromi Yamaji, President & CEO at OSE and Director at JPX**. “We expect that the S&P/JPX JGB VIX Index will further raise the convenience and sophistication of the Japanese bond market.”

S&P DJI calculates a number of leading benchmarks that employ the VIX Index methodology. CBOE has granted S&P DJI the exclusive rights to license third parties to use certain CBOE indices, proprietary index methodologies, and related marks and data, such as in connection with structured products based on the VIX Index.

For more information, please visit SPDJI official website www.spdji.com and JPX official website www.jpx.co.jp.

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About Japan Exchange Group and Osaka Exchange

Japan Exchange Group, Inc., one of the leading exchange groups in the world, is a holding company established on January 1, 2013 as a result of a business combination between Tokyo Stock Exchange, the largest stock exchange in the Asia-Pacific region, and Osaka Exchange, a major derivatives exchange. JPX listed its stock on TSE on January 4 of the same year. OSE provides markets for major Japanese derivatives such as JGB futures, Nikkei 225 futures, TOPIX futures, JPX-Nikkei 400 futures and Nikkei 225 options.

About S&P Dow Jones Indices

S&P Dow Jones Indices LLC, a part of McGraw Hill Financial, is the world's largest, global resource for index-based concepts, data and research. Home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®, S&P Dow Jones Indices LLC has over 115 years of experience constructing innovative and transparent solutions that fulfill the needs of investors. More assets are invested in products based upon our indices than any other provider in the world. With over 1,000,000 indices covering a wide range of asset classes across the globe, S&P Dow Jones Indices LLC defines the way investors measure and trade the markets. To learn more about our company, please visit www.spdji.com.

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