

May 20, 2015

Bureau of Finance,
Tokyo Metropolitan Government
Japan Exchange Group, Inc.

Announcement of Statements from the Governor of Tokyo and the Director & Representative Executive Officer, Group CEO of the Japan Exchange Group, Inc.

The public and private sectors are now working together on various initiatives to reinstate Tokyo as a global financial center in order to revitalize Tokyo and the Japanese economy.

Amid this situation, with the aim to diversify fund raising methods and lower funding cost as well as to enhance recognition of the TOKYO PRO-BOND Market¹ among domestic and foreign financial professionals, the Tokyo Metropolitan Government decided to issue foreign-currency municipal bonds and conduct dual listing on the Market and a foreign market.

Following approval from Tokyo Stock Exchange, Inc.², the bonds have been listed in the TOKYO PRO-BOND Market today. This is the first listing of Eurodollar bonds³ for the TOKYO PRO-BOND Market. As a result, the bonds were able to attract the interest of investors and secured sufficient demand.

The Governor of Tokyo and the Director & Representative Executive Officer, Group CEO of Japan Exchange Group, Inc. have announced statements to actively convey information on this bond issue and the TOKYO PRO-BOND Market both domestically and internationally in order to deepen understanding of the Market.

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1. The TOKYO PRO-BOND Market is a market for institutional investors, etc. operated by Tokyo Stock Exchange, Inc.
 2. Tokyo Stock Exchange, Inc. is a subsidiary of Japan Exchange Group, Inc. and an operating body of the TOKYO PRO-BOND Market.
 3. US dollar-denominated bonds offering for investors in global bond markets excluding those in the United States.

Statements

- Attachment 1: Galvanizing the TOKYO PRO-BOND Market through the dual listing of foreign-currency municipal bonds of the Tokyo Metropolitan Government
- Attachment 2: TOKYO PRO-BOND Market Initiatives for Realizing the “Tokyo Global Financial Center” Concept

Reference

(1) Overview of the TOKYO PRO-BOND Market

Operating body:	Tokyo Stock Exchange, Inc.
Purpose of establishment:	To contribute to the development of the Japanese bond market into a central part of Asia’s financial markets by enabling the flexible and timely issuance of bonds, as seen in the euro market, and providing more convenience to issuers, investors, securities companies and other market participants both in Japan and overseas.
Established:	May 2011
Listings:	Program listings: 13 Bond listings: 12

(2) Overview of foreign-currency municipal bonds issued by the Tokyo Metropolitan Government

Following the end of WWII, the Tokyo Metropolitan Government has been issuing foreign-currency municipal bonds continuously since 1964. A summary of the current issuance is as follows.

Amount of issue:	1.0 billion dollars * The Tokyo Metropolitan Government converted the net proceeds of the dollar-denominated bonds into yen at the issue to fix expenses up to the redemption (no foreign exchange risk).
Term:	5 years (redemption May 19, 2020)
Coupon Rate:	2.125%
Issue Price:	99.873%
Listing Markets:	TOKYO PRO-BOND Market, London Stock Exchange
Date of Issuance: (Closing Date)	May 19, 2015

Date of Listing: May 20, 2015
Joint Bookrunners: BARCLAYS BANK PLC
MERRILL LYNCH INTERNATIONAL
DEUTSCHE BANK AG, LONDON BRANCH
NOMURA INTERNATIONAL PLC

The Long-Term Vision for Tokyo

This project is related to the Long-Term Vision for Tokyo, Strategy 6, Approach 15, which aims to transform Tokyo into a leading global metropolis.

- The purpose of this press release is to make a general public announcement on the issuance of Tokyo Metropolitan Government bonds, and it has not been prepared for the purpose of soliciting investment. In addition, this press release does not constitute an offering of the municipal bonds.

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Attachment 1

May 20, 2015

**Galvanizing the TOKYO PRO-BOND Market through the dual listing of
foreign-currency municipal bonds of the Tokyo Metropolitan Government**

Yoichi Masuzoe

Governor of Tokyo

Tokyo used to be a global financial center on the same level as New York and London. But the past two decades of recession have diminished Japan's global presence. In order to put Japan back on the path to growth it would first be necessary to turn Tokyo—the engine driving the Japanese economy—into a “global economic city” that gathers investment, talent and information from all over the world.

With the attention of the world focused on Tokyo in the run up to the 2020 Tokyo Olympic and Paralympic Games, I believe we now have the golden opportunity to achieve this. The Initiatives for the Tokyo Global Financial Center, which I announced last year, received the strong support of the central government and the business world, and “all-Japan” system to back this up has been established. I would like to significantly raise the presence of Tokyo in the area of finance, the life blood of economy.

The Initiatives for the Tokyo Global Financial Center includes a broad range of efforts, one of which is dual listing of foreign-currency bonds of the Tokyo Metropolitan Government on the TOKYO PRO-BOND Market. The TOKYO

PRO-BOND Market, which has recently been established, offers the flexible and timely issuance of bonds. It is believed that the promotion of this market in Japan and overseas will significantly contribute to the future revitalization of Tokyo.

To this end, the Tokyo Metropolitan Government has now issued foreign-currency bonds and conducted dual listing on the TOKYO PRO-BOND Market as well. We have been issuing foreign-currency bonds since 1964, the year of the last Tokyo Olympic and Paralympic Games, but up to now they have been listed only on foreign stock exchanges such as the London Stock Exchange. This is the first listing of Eurodollar bonds for the TOKYO PRO-BOND Market since the market was established in 2011. In addition to investor confidence in the Tokyo Metropolitan Government, the proactive efforts we have taken, such as listing the bonds on the Market, have raised the interest of investors, resulting in sufficient demand. The investors have also positively appraised this new attempt.

Following this bond issue, the Tokyo Metropolitan Government plans to continue using the TOKYO PRO-BOND Market to issue foreign-currency bonds. We also anticipate that this will serve as an opportunity to galvanize the TOKYO PRO-BOND Market as a market that satisfies a range of domestic and foreign needs, and help Tokyo to grow into a center of financing and investment.

As the leader of the Tokyo Metropolitan Government, which handles the management of the metropolis that is Tokyo, I will continue to work vigorously to prepare the stage for Tokyo's brilliant role as a global financial center.

Attachment 2

May 20, 2015

**TOKYO PRO-BOND Market Initiatives for
Realizing the "Tokyo Global Financial Center" Concept**

Atsushi Saito

Director & Representative Executive Officer, Group CEO

Japan Exchange Group, Inc.

Today, TOKYO PRO-BOND Market welcomed the Eurodollar bond issued by the Tokyo Metropolitan Government, in marking the first listing of a foreign currency-denominated bond on the professional-oriented bond market operated by Tokyo Stock Exchange. This has great significance in demonstrating the potential of the TOKYO PRO-BOND Market as a global financial market.

Launched in May 2011, TOKYO PRO-BOND Market offers a platform for issuing bonds under a simplified and flexible disclosure regime by limiting access to institutional investors and other accredited professional investors. Issuers can list programs and perform disclosure in English in the same way as the euro-bond and other global bond markets. Enhancing convenience for issuers and investors at home and abroad, the market stands ready to fulfill a significant role in drawing a diverse range of market users to the Japanese market.

Currently, Japan Exchange Group (JPX) is progressing on its Asian Strategy, a core

focus of the current medium-term management plan, to incorporate Asia's growth and become the most preferred exchange in Asia. With the activation and promotion of TOKYO PRO-BOND Market identified as a key driver of the Asian strategy, we actively pursue initiatives to attract greater participation in the market.

We can expect the TOKYO PRO-BOND Market, by bringing foreign issuers and investors to Japan, to play an instrumental role in pushing forward the "Tokyo Global Financial Center" concept, which is set forth by the Tokyo Metropolitan Government and envisions making the Tokyo market as a center of international finance.

With the rapid globalization of overseas financial markets, the internationalization of the Tokyo market has become an urgent issue for Japan's economic development. We should recognize that the Tokyo Metropolitan Government has seized a very timely opportunity to take initiative in advancing the Tokyo Global Financial Center concept and listing bonds on the TOKYO PRO-BOND Market. I want to express my deep admiration for Governor Masuzoe and his team for their efforts.

As an exchange market operator that is an integral part of the Tokyo market, JPX will partner with the central and metropolitan governments and the financial sector to play a proactive role in driving the Tokyo's concept forward toward accomplishing the overarching goal of globalizing the Tokyo market.