Stock Exchanges, Markets and Financial Data in Japan

Demonstration 2 Use-cases for Investors

June 6th 2007
External reporting track
15th XBRL international conference in Munich

TDnet (Timely Disclosure network Tokyo Stock Exchange) XBRL data will be provided from 2008

- Prototype taxonomies and instance produced by Tokyo Stock Exchange (TSE).

- For investors.
- 33 companies.
- 3 accounting periods.

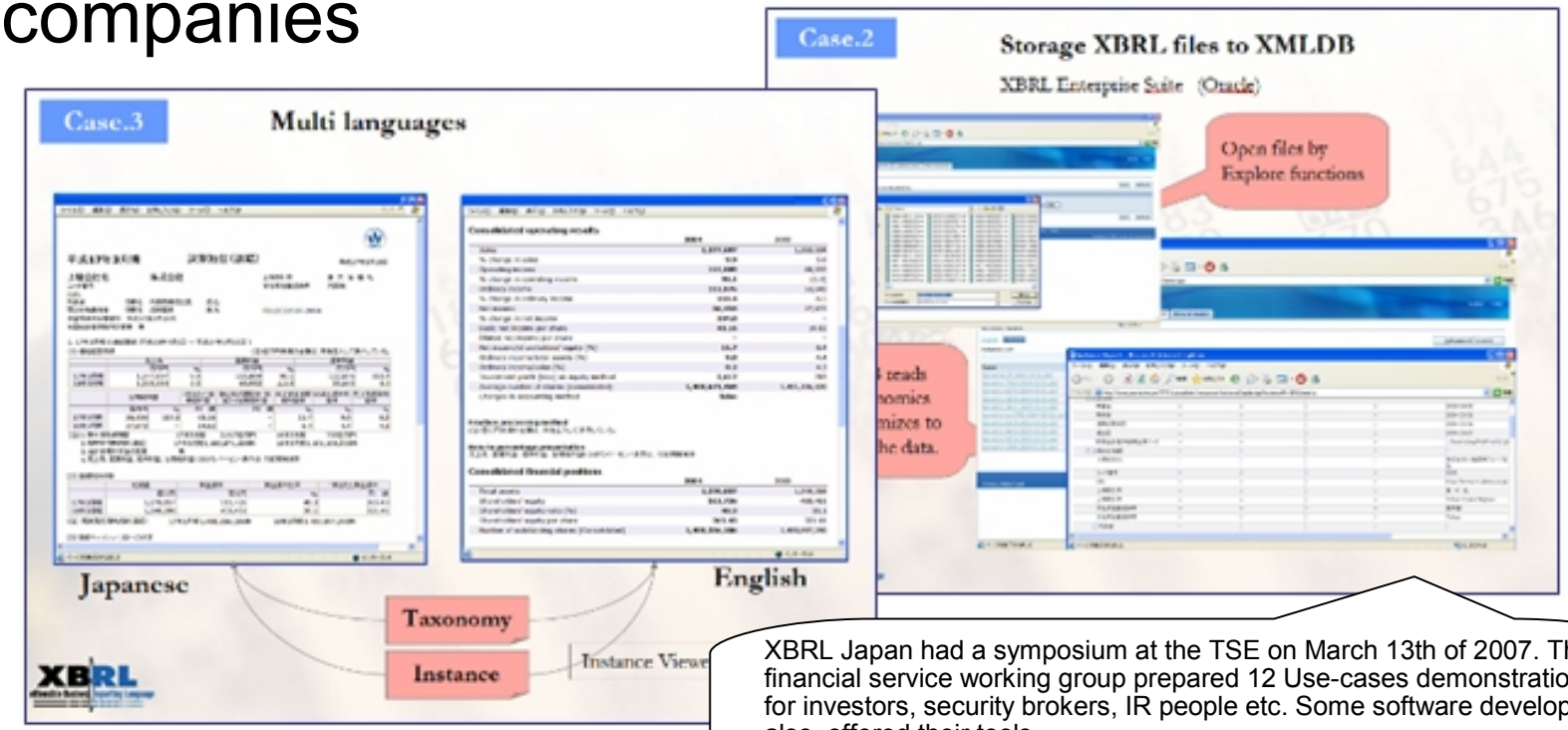
Since April 2006

TDnet - a system which companies can directly upload their reports to.
The data is transferred automatically to press companies, and disclosed on the TSE web site.
The TSE is going to renew the TDnet system in the first quarter of 2008.
The data will be provided in XBRL format.
Since last year, the TSE has been providing the pilot test data of XBRL on its web site.

March 13th 2007 symposium at TSE

(Fair, accurate, & speedy corporate information disclosure）

Financial service working group had 12 demonstration s for investors, & listed companies

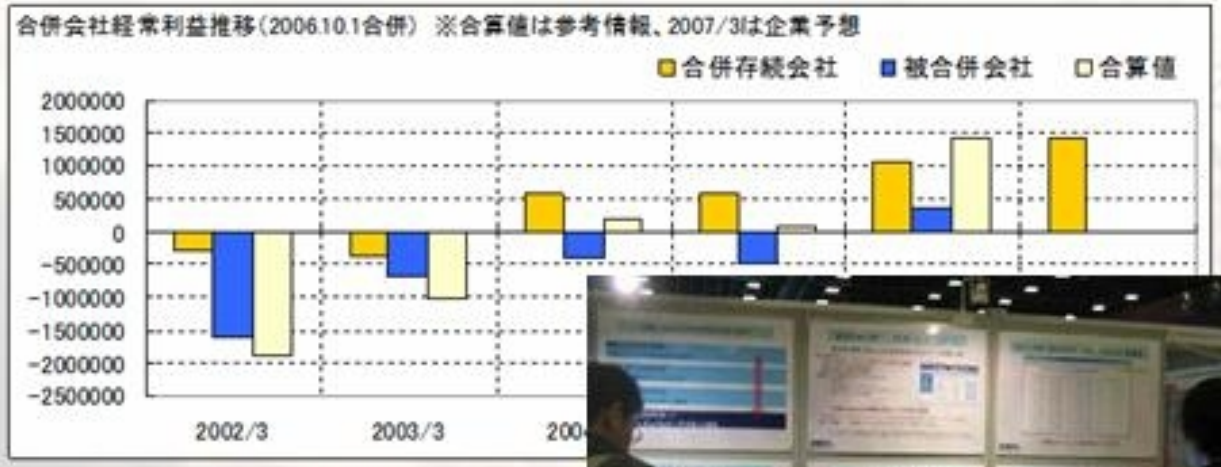


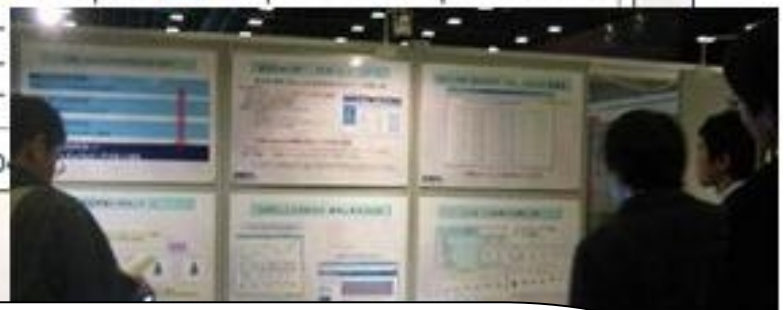
XBRL Japan had a symposium at the TSE on March 13th of 2007. The financial service working group prepared 12 Use-cases demonstrations for investors, security brokers, IR people etc. Some software developers also offered their tools.
Left : Switching languages by Fujitsu tool.
Right : Storing XBRL data in the Oracle XML database.

Case.7 M&A

Add main company's data and targets company's data. Estimate the scale after M&A.

Add the income from continuing operations of both companies.



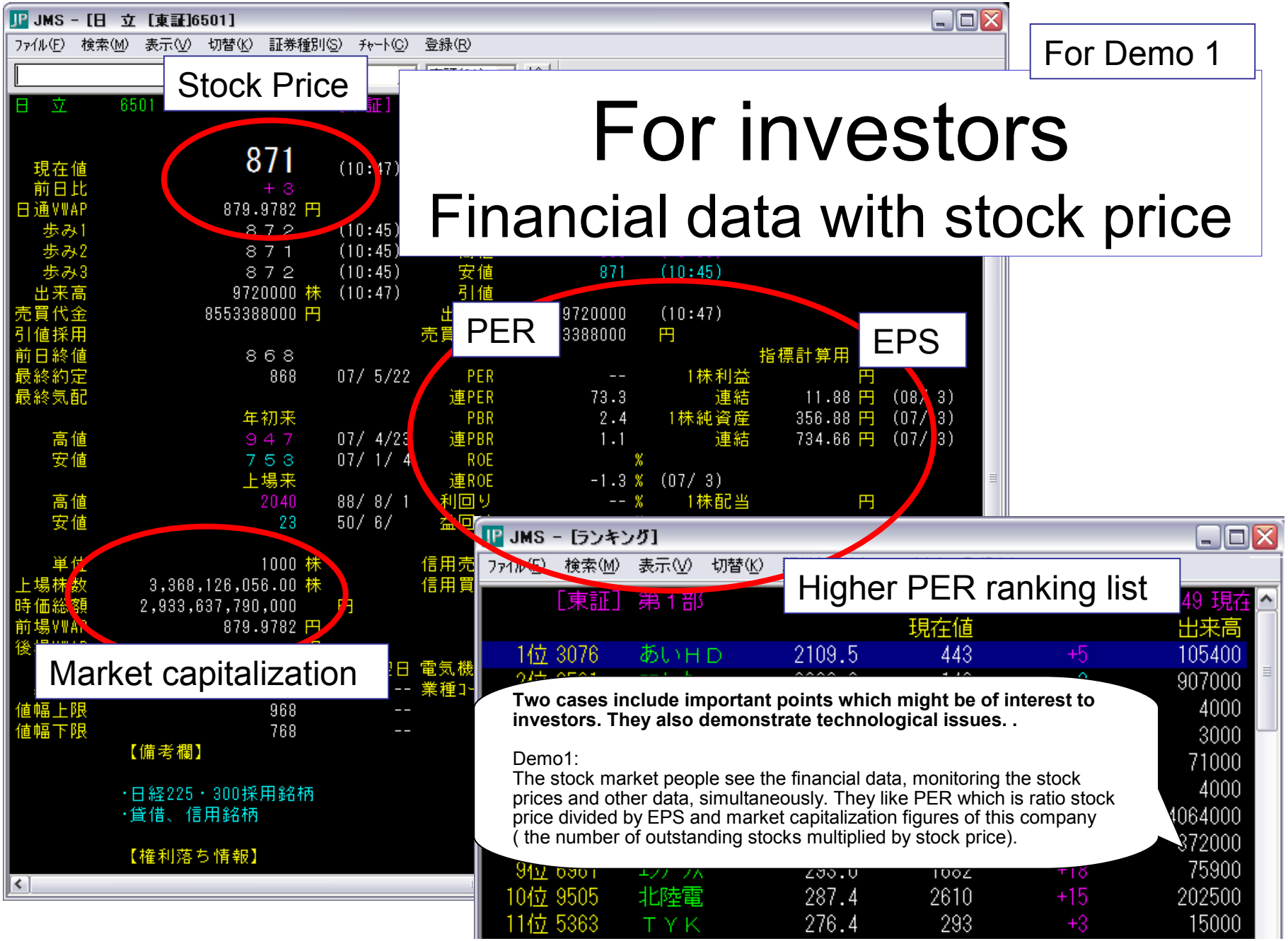


We simulated M&A using Hitachi tool.
At the moment a merger is announced in a press release, there is no data of the scale of the merger despite stocks are continuing to be traded.
If XBRL is available on the public site, we can get the data with press release then estimate the scale by seeing a graph which added both data. This approach might not be only solution, but some audiences showed strong interest.

For Demo 1

For investors

Financial data with stock price

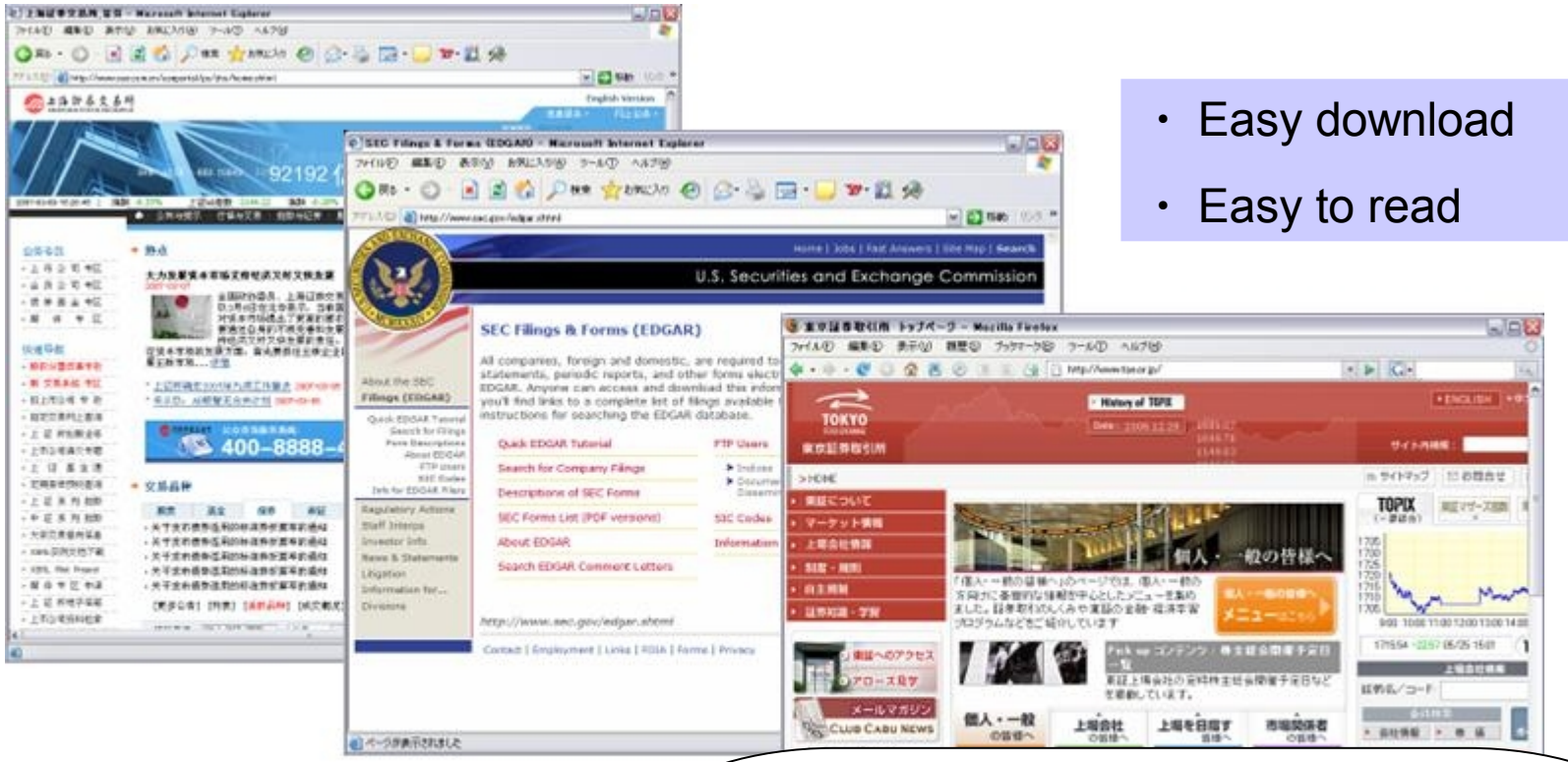


Two cases include important points which might be of interest to investors. They also demonstrate technological issues. .

Demo1:
The stock market people see the financial data, monitoring the stock prices and other data, simultaneously. They like PER which is ratio stock price divided by EPS and market capitalization figures of this company (the number of outstanding stocks multiplied by stock price).

For Demo 2

Comparing with other countries

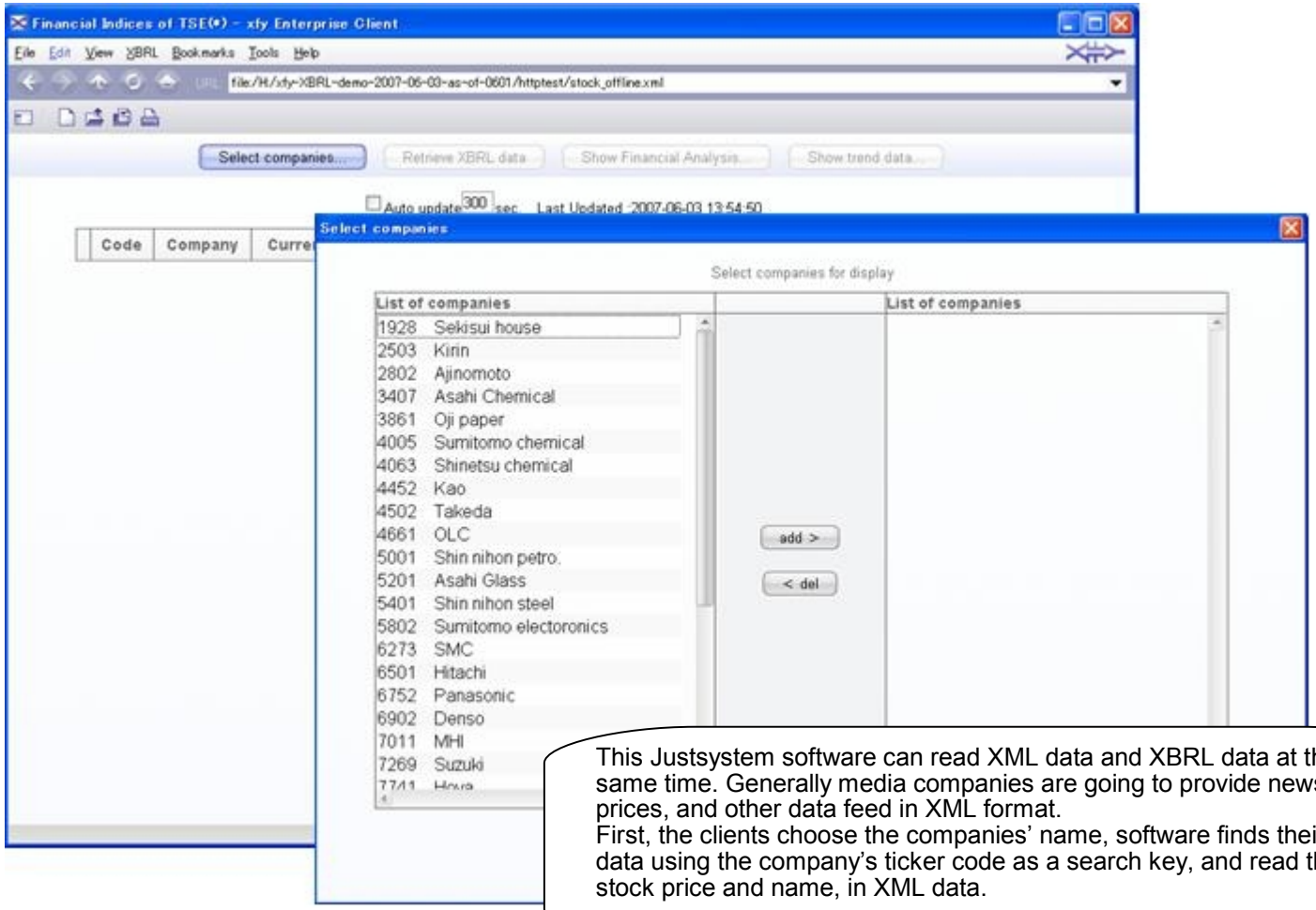


- Easy download
- Easy to read

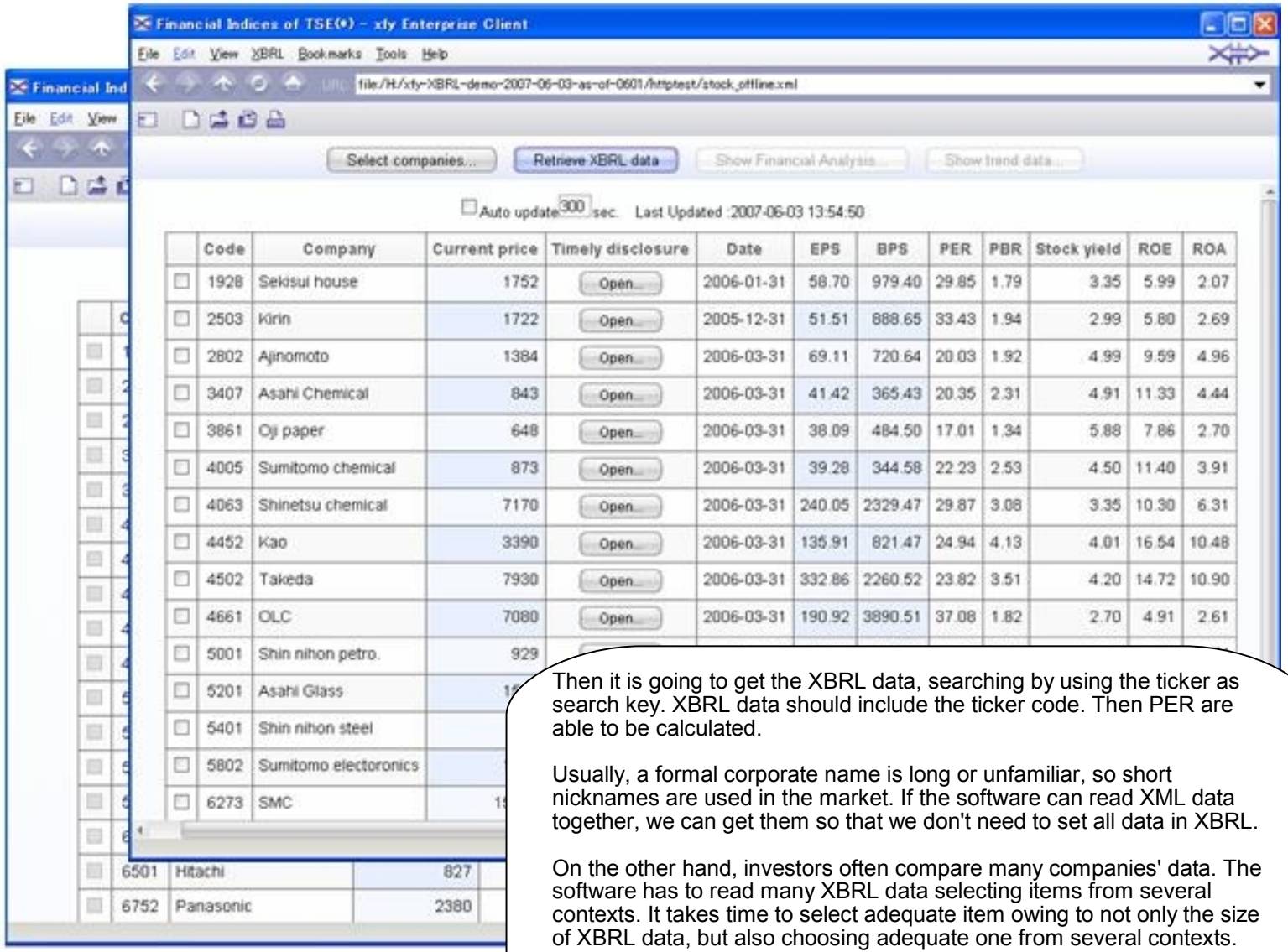
- Different taxonomies,
- Different GAAP
- Different currency, different term

In demo 2; What kind of changes are expected, when XBRL begins. Investors will be able to readily compare domestic companies with foreign ones, by downloading XBRL data from foreign web sites.
As for the data of different countries, different taxonomies should be used. It's not only owing to different GAAP, but also its extensibility, we need to consider to compare different taxonomies. (The issue of diversity vs comparability should be covered by spec or software developers.) And now, it is still difficult to compare different countries' companies accuracy.

Demo1 (some pictures from actual demo)



This Justsystem software can read XML data and XBRL data at the same time. Generally media companies are going to provide news, stock prices, and other data feed in XML format.
First, the clients choose the companies' name, software finds their stock data using the company's ticker code as a search key, and read these stock price and name, in XML data.



	Code	Company	Current price	Timely disclosure	Date	EPS	BPS	PER	PBR	Stock yield	ROE	ROA
☐	1928	Sekisui house	1752	Open...	2006-01-31	58.70	979.40	29.85	1.79	3.35	5.99	2.07
☐	2503	Kirin	1722	Open...	2005-12-31	51.51	888.65	33.43	1.94	2.99	5.80	2.69
☐	2802	Ajinomoto	1384	Open...	2006-03-31	69.11	720.64	20.03	1.92	4.99	9.59	4.96
☐	3407	Asahi Chemical	843	Open...	2006-03-31	41.42	365.43	20.35	2.31	4.91	11.33	4.44
☐	3861	Oji paper	648	Open...	2006-03-31	38.09	484.50	17.01	1.34	5.88	7.86	2.70
☐	4005	Sumitomo chemical	873	Open...	2006-03-31	39.28	344.58	22.23	2.53	4.50	11.40	3.91
☐	4063	Shinetsu chemical	7170	Open...	2006-03-31	240.05	2329.47	29.87	3.08	3.35	10.30	6.31
☐	4452	Kao	3390	Open...	2006-03-31	135.91	821.47	24.94	4.13	4.01	16.54	10.48
☐	4502	Takeda	7930	Open...	2006-03-31	332.86	2260.52	23.82	3.51	4.20	14.72	10.90
☐	4661	OLC	7080	Open...	2006-03-31	190.92	3890.51	37.08	1.82	2.70	4.91	2.61
☐	5001	Shin nihon petro.	929									
☐	5201	Asahi Glass	1									
☐	5401	Shin nihon steel										
☐	5802	Sumitomo electoronics										
☐	6273	SMC	1									

Then it is going to get the XBRL data, searching by using the ticker as search key. XBRL data should include the ticker code. Then PER are able to be calculated.

Usually, a formal corporate name is long or unfamiliar, so short nicknames are used in the market. If the software can read XML data together, we can get them so that we don't need to set all data in XBRL.

On the other hand, investors often compare many companies' data. The software has to read many XBRL data selecting items from several contexts. It takes time to select adequate item owing to not only the size of XBRL data, but also choosing adequate one from several contexts. Investors always need to get the result quickly. (It shows in demo2 again)

Handling other XML data simultaneously makes an XBRL tool useful and expands its use for investors.

Demo2 (some pictures from actual demo)

MunichDemo0601.xml - xfy Enterprise Client

File Edit View Insert Format Table XBRL Bookmarks Tools Help

URL: file:/H:/xfy-XBRL-demo-2007-06-03-as-of-0601/diane/MunichDemo0601.xml

Paragraph(Styleset) Standard

	1/ThisYearInstant	1/ThisYearDuration	2/ThisYearInstant	2/ThisYearDuration

中国電車網

	A	B	C	D	E	F
1		instant_2005123	instant_200501	duration_200501	duration_200401	duration_200301
2	Balance Sheet					
3	Assets					
4	Current A					
5	Moneta					
6	Short-T					
7	Notes R					
8	Dividen					
9	Interest					
10	Accoun					
11	Other R					
12	Accoun					
13	Subsidi					
14	Invento					
15	Prepaid					
16	Long-T					
17	Other C					
18	Sub To					
19	Long-Ter					
20	Long-T					
21	Long-T					
22	Sub To					
23	Includin					
24	Includin					
25	Fixed Ass					
26	Fixed A					
27	Less: A					

406	Decrease Of Share Capital
407	Decrease Of Capital Surplus
408	Decrease Of Retained Earnings
409	Decrease Of Statutory Welfare Reserve
410	Decrease Of Undistributed Profits
411	Decrease Of Total Sharehold
412	Cause For Change In
413	Cause For Change
414	Cause For Change
415	Cause For Change
416	Cause For Change
417	Cause For Change
418	Description Of Char
419	
420	

This Justsystem software opens XBRL files in separate spreadsheets sorted by taxonomies. 3 different taxonomies' data are from China, the US, and Japan. A new spread sheet is opened and each cells are direct connected to the original instance element.

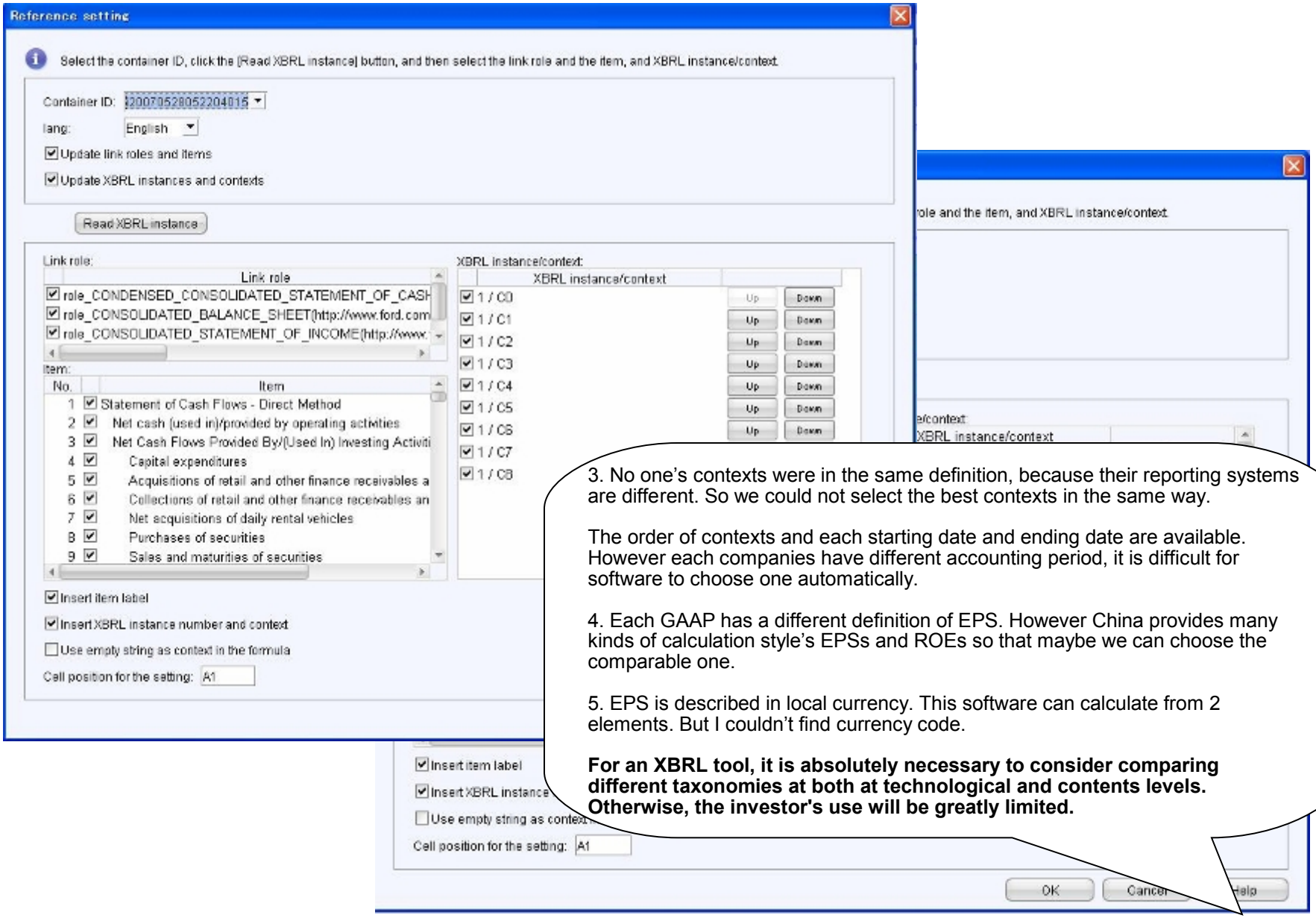
The following issues were found by demonstration.

1. It can be dangerous if you compare several companies without knowing their GAAP. However no one has this data.

2. We couldn't find a company name on US XBRL data. Also there is no ticker code, only unfamiliar code for foreigners.

Analysis Summary

Code	Name	Stock Price	GAAP	ROE	ROA	EPS	currency/$	EPS($)	PER	PBR
7269	スズキ株式会社	3300		0.08	0.07	109.86	121.46	0.90	30.03	
7011	三菱重工業株式会社	700		0.00	0.00		121.46			
	中国電車網			15.15		0.69	7.65	0.09		
		8.45		-0.76	-0.03	-3.73	1	–	-2.26	



3. No one's contexts were in the same definition, because their reporting systems are different. So we could not select the best contexts in the same way.

The order of contexts and each starting date and ending date are available. However each companies have different accounting period, it is difficult for software to choose one automatically.

4. Each GAAP has a different definition of EPS. However China provides many kinds of calculation style's EPSs and ROEs so that maybe we can choose the comparable one.

5. EPS is described in local currency. This software can calculate from 2 elements. But I couldn't find currency code.

For an XBRL tool, it is absolutely necessary to consider comparing different taxonomies at both at technological and contents levels. Otherwise, the investor's use will be greatly limited.

Conclusion

From users of financial statements stand point.

XBRL data should;

- be utilized with other XML data through mash-up (Web 2.0)
- have capability to handle among different GAAPs, taxonomies, etc..

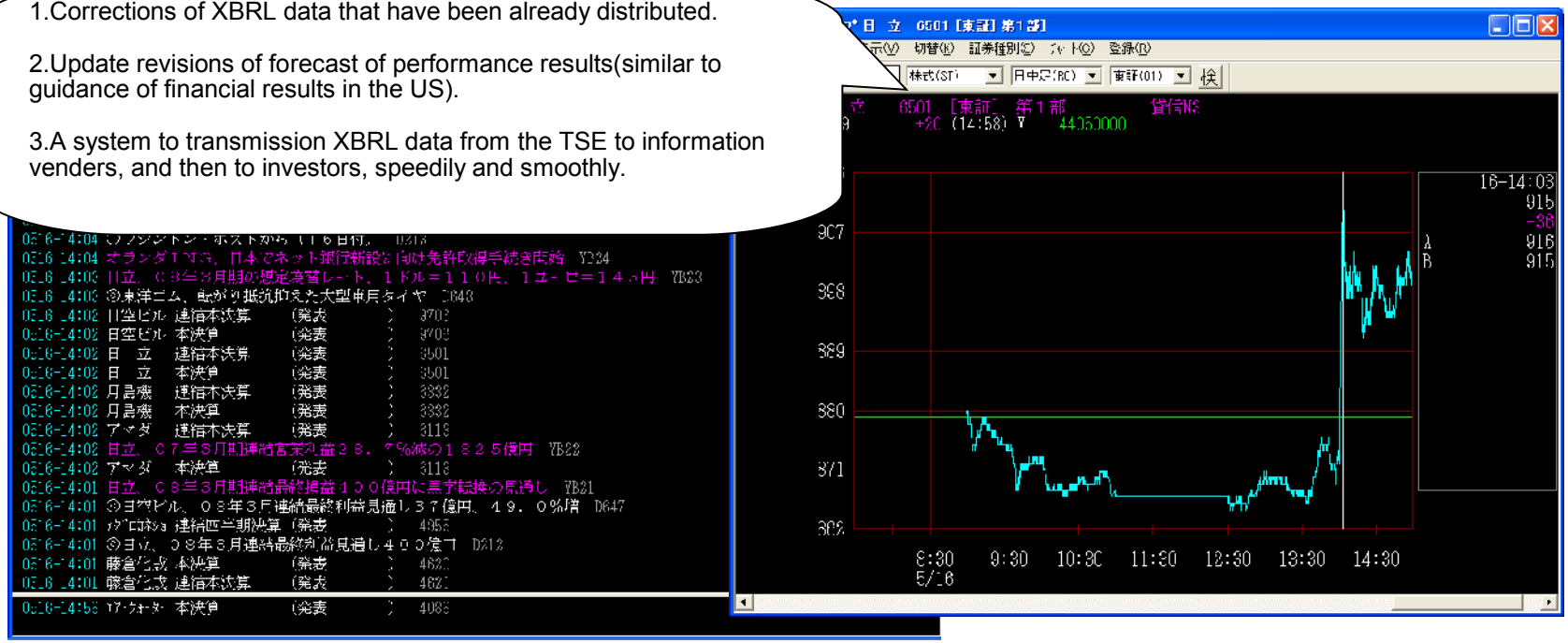
For Next Step….

From Tokyo Stock Exchange.

1.Corrections of XBRL data that have been already distributed.

2.Update revisions of forecast of performance results(similar to guidance of financial results in the US).

3.A system to transmission XBRL data from the TSE to information venders, and then to investors, speedily and smoothly.



Question?

Thank you !!

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