

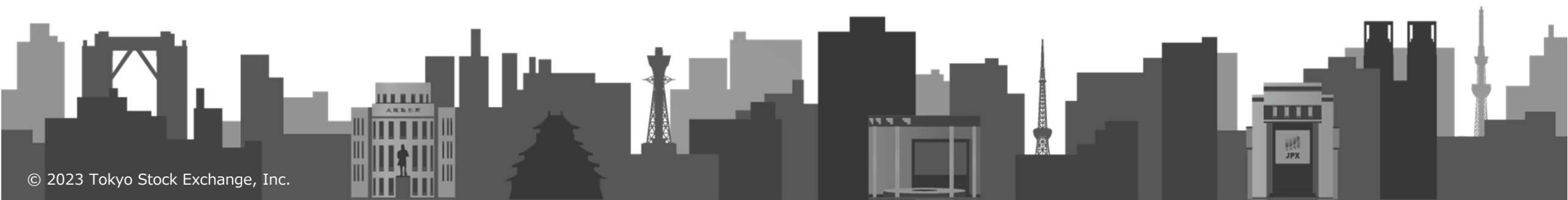


Expansion of English Disclosure in the Prime Market

Exchange & beyond

Tokyo Stock Exchange, Inc.

October 11, 2023



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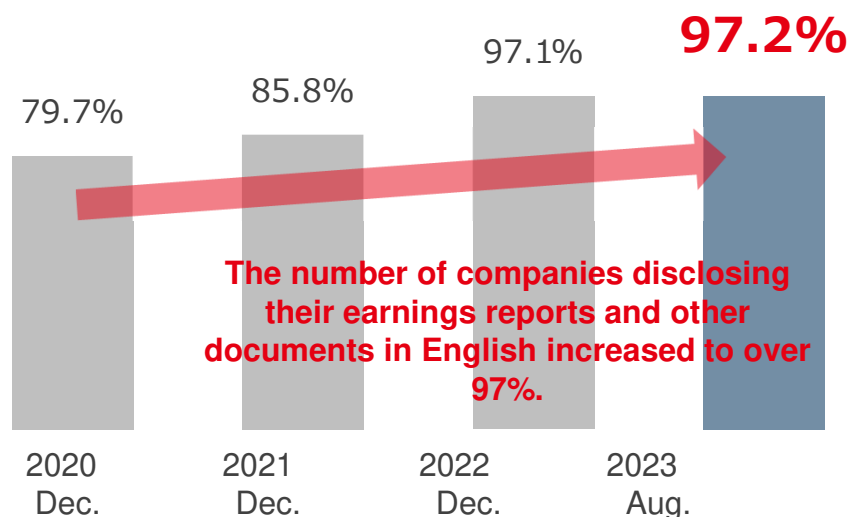


I. Status of English disclosure by Prime Market listed companies



- The Prime Market is for companies that focus on constructive dialogue with global investors.
 - The 2021 update to the Corporate Governance Code stated that Prime Market listed companies should disclose and provide necessary information in English among their disclosure documents (supplementary principle 3-1 (ii)).
- Disclosure in English has been increasing among Prime Market listed companies in light of the revised code.
 - While overseas investors also positively rated the progress of these initiatives, 72% were "dissatisfied" or "somewhat dissatisfied" with the current situation, with many citing the difference in the amount of information compared to Japanese, the time lag in disclosure, and the lack of English disclosure for small cap stocks as reasons for their dissatisfaction.

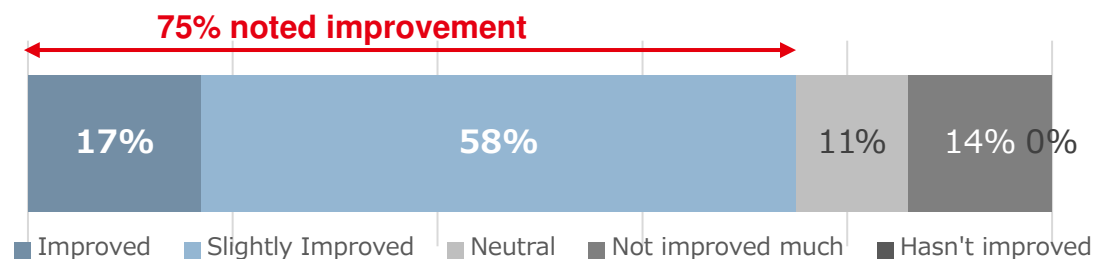
English disclosure rate (Prime Market)



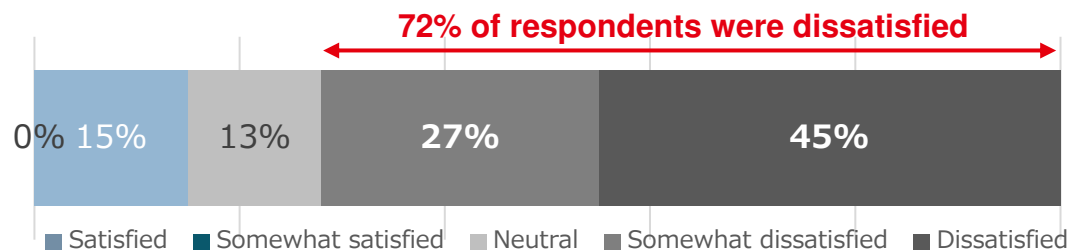
Source: Results of "Availability of English Disclosure Information by Listed Companies" Survey
 Note: The English disclosure rate is the percentage of companies that answered that they provide English disclosure for any of the following documents: Earnings reports, general meeting of shareholders announcements, corporate governance reports, securities reports, IR briefing materials, and other English disclosure materials.

Assessment by overseas investors

Assessment of improvement



Satisfaction with current English disclosure



Source: Prepared based on the results of a survey of overseas investors regarding English disclosure.

- To attract more overseas investors to Prime Market listed companies and encourage the enhancement of corporate value through dialogue, TSE announced a policy of requiring the English disclosure of relevant information in conjunction with the expiration of transitional measures, as knowledge of this information is the foundation for dialogue.
 - ✘ The timing of disclosure and the documents required will be considered based on the capacity of each company and the demand from overseas investors.

Notes from the follow-up council of experts on market restructuring

- Many overseas investors cite the inevitable lack of information as a reason for avoiding investing in Japan.
- In particular, given that the Prime Market is for companies committed to dialogue with global investors, the disclosure in English of information that forms the foundation of this dialogue should be further expanded (and eventually made mandatory) to cover more documents and to encourage the elimination of time lag between Japanese and English.
- The burden on the company, investor usage, and other factors should be considered when deciding the scope of documents to be covered and the timing of disclosure.
- In addition, if a company is in need of funds to achieve future growth, English disclosure should be promoted with overseas investors in mind, and it is necessary to encourage voluntary disclosure in the Standard and Growth Markets as well.

TSE's subsequent plan of action (excerpt)

- Expand the types of documents to be disclosed in English, eliminate the time lag between Japanese and English disclosure, and make English disclosure of necessary information mandatory for the Prime Market upon the termination of the transitional measures.
- Promote voluntary English disclosure in the Standard and Growth Markets

(Reference) Trends in English disclosure in other non-English speaking countries

- The Taiwan Stock Exchange will require all listed companies to disclose information in English by 2024, as stipulated in their regulations.

		Target Companies	Items to be disclosed in English	English disclosure timing
T a i w a n	Phase 1 (July 2020)	Listed companies with paid-in capital of NTD 15 billion or more	Information as defined by the exchange rules (applicable to timely disclosure information in Japan) ※ The phase-in requirement (from 2020 to 2023) has already been applied to all listed companies for general shareholders meeting agendas and supplementary explanatory materials, as well as for annual reports.	Same as disclosure in Chinese
	Phase 2 (2021)	Listed companies with paid-in capital of NTD 10 billion or an overseas investor ratio of 30% or more		
	Phase 3 (2022)	Listed companies with paid-in capital of at least NTD 2 billion		
	Phase 4 (2024)	all listed companies		
K o r e a	Phase 1 (2024)	The following KOSPI listed companies <ul style="list-style-type: none"> • Assets of KRW 10 trillion or more and an overseas investor ratio of 5% or more • Assets of KRW 2 trillion or more and an overseas investor ratio of 30% or more 	Disclosure items required by the Exchange include: <ul style="list-style-type: none"> • Disclosures related to financial results (e.g., significant increase or decrease in sales and profits, significant abstention from capital, resolution of dividends, improper disclosures, etc.) • Disclosures regarding important decisions (e.g., reorganization, cessation of business activities, rehabilitation/dissolution proceedings, acquisition/transfer of business, acquisition of own shares/share buyback, etc.) • Disclosures related to trading halts (e.g., impairment, capital increase/capital reduction) 	Within 3 days of disclosure in Korean
	Phase 2 (2026)	KOSPI listed companies with assets of over 2 trillion won	Expected to be disclosure items required under the exchange rules (to be expanded from Phase 1) and some statutory disclosures ※ Details to be finalized in the future based on the status of Phase I. ※ Companies newly subject to Tier 2 are only required to disclose Tier 1 items until 2027	In principle, at the same time as disclosure in Korean

Source: Prepared by TSE based on publicly available materials of each exchange

II. Demand for English disclosure from overseas investors and the status of English disclosure by Prime Market listed companies



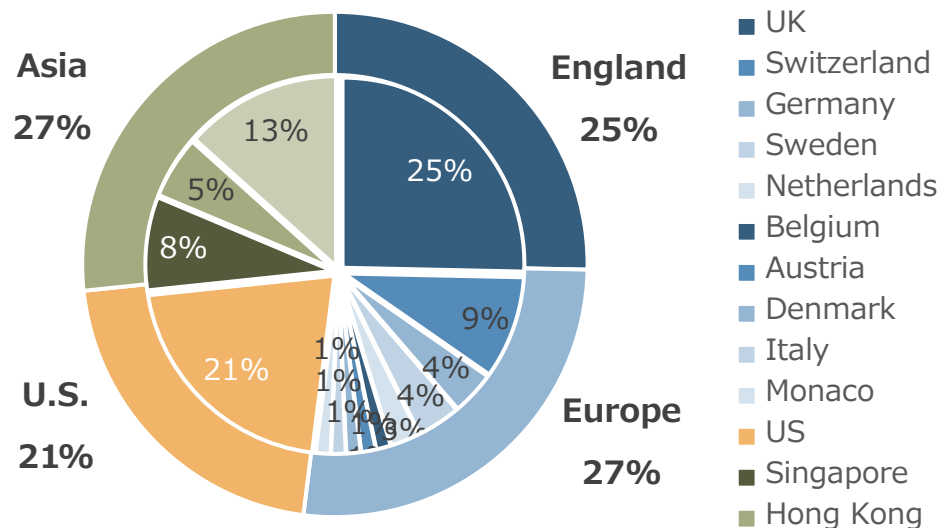
(Reference) Survey summary

■ The following survey was conducted in order to examine overseas investors' system usage and the burden on companies (survey results are shown on the next page)

Survey on the necessity for English Disclosure from overseas investors

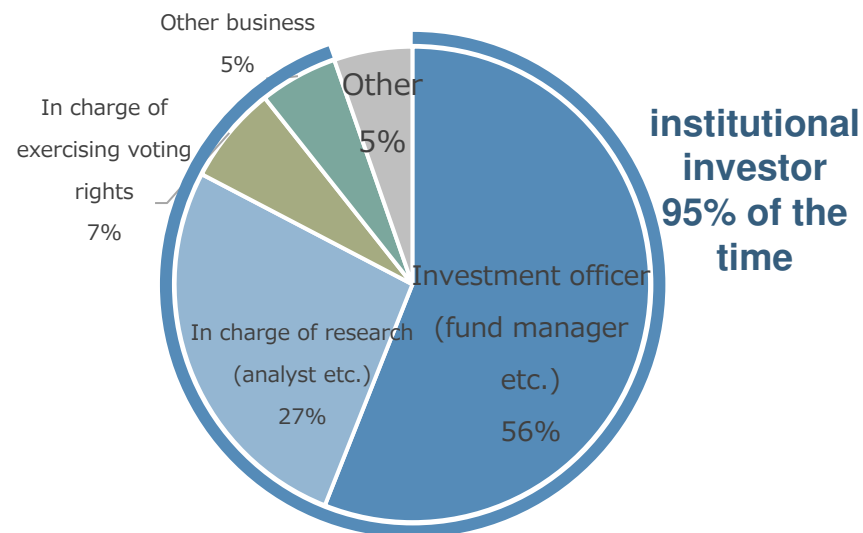
■ From June to July of this year, a questionnaire was conducted among overseas institutional investors, etc. to ascertain which documents and information overseas investors require disclosure of in English, and their desired timing for disclosure. 75 responses were received.

Respondent Locations



Note: "Japan" is a response from a foreign management company based in Japan.

Respondent Occupation



Note: "Other business" includes stewardship of management company, etc. "Other" includes securities firms and independent research firms.

"Availability of English Disclosure Information by Listed Companies" Survey

■ From July to August of this year, the "Availability of English Disclosure Information by Listed Companies" survey was conducted to gain insight into the status (documents, timing, etc.) of English disclosure by Prime Market listed companies → **Responses were received from 81% of Prime Market listed companies**

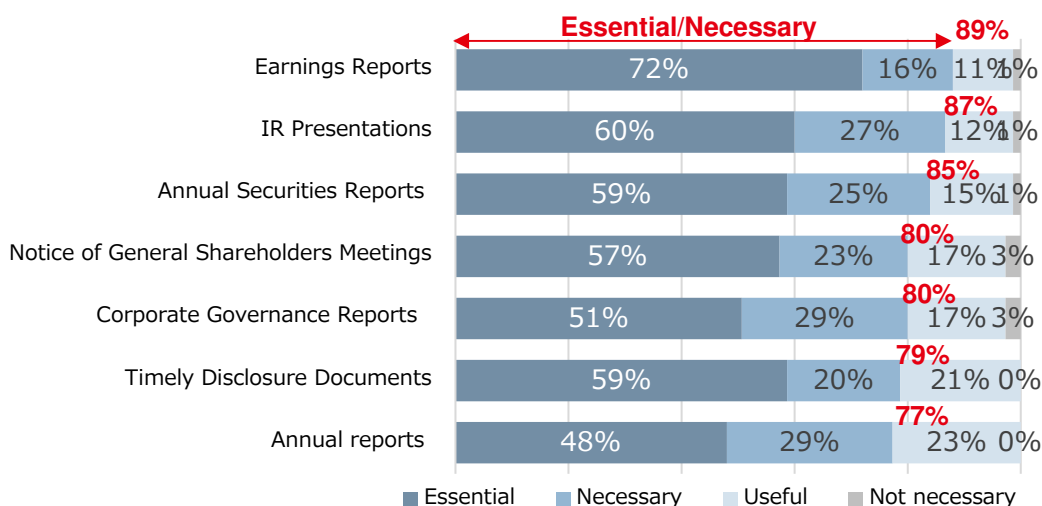
Demand from overseas investors

- Demand for the disclosure of earnings reports and IR briefing materials in English is particularly high, while around 80% of overseas investors answered that other documents such as annual securities reports are required or necessary.
 - ✓ Many respondents answered that earnings reports are important for understanding the company's current business performance, and IR presentation materials are important for understanding the business environment, the progress of management's plans and the company's future outlook, and for making investment decisions (some respondents cited the difficulty of using machine translation, especially for IR presentation materials).

Disclosure status of Prime Market listed companies

- While listed companies are giving priority to English disclosure of financial reports and investor briefing materials, there is a gap between listed companies' efforts and overseas investors' needs with regard to other documents.
 - ✗ In addition, the Corporate Governance Code states that general shareholders meeting announcements should be translated into English depending on the ratio of overseas investors, etc. (Supplementary Principle 1-2 ④). In addition, the listing rules also stipulate the translation of general shareholders meeting announcements into English as a desirable part of the Code of Corporate Conduct, and efforts by listed companies to translate such notices into English are progressing.

Disclosure documents overseas investors require in English

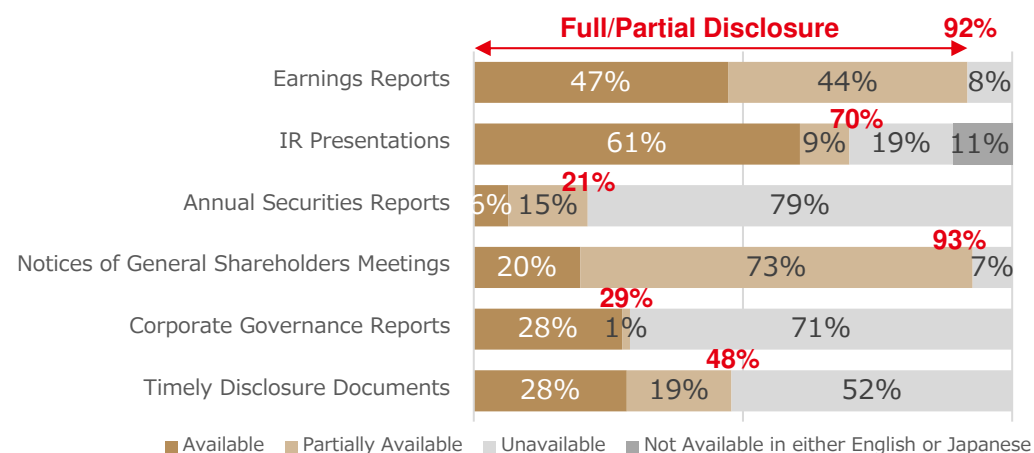


Source: Results of overseas investor survey on English disclosure

Note: Essential: If listed Japanese companies do not provide disclosure documents in English, we will not make investments;

Necessary: We need disclosure documents in English; Useful: If disclosure documents are available in English, we will use them; Not necessary: We do not use disclosure documents in English even if they are available

English disclosure by Prime Market listed companies



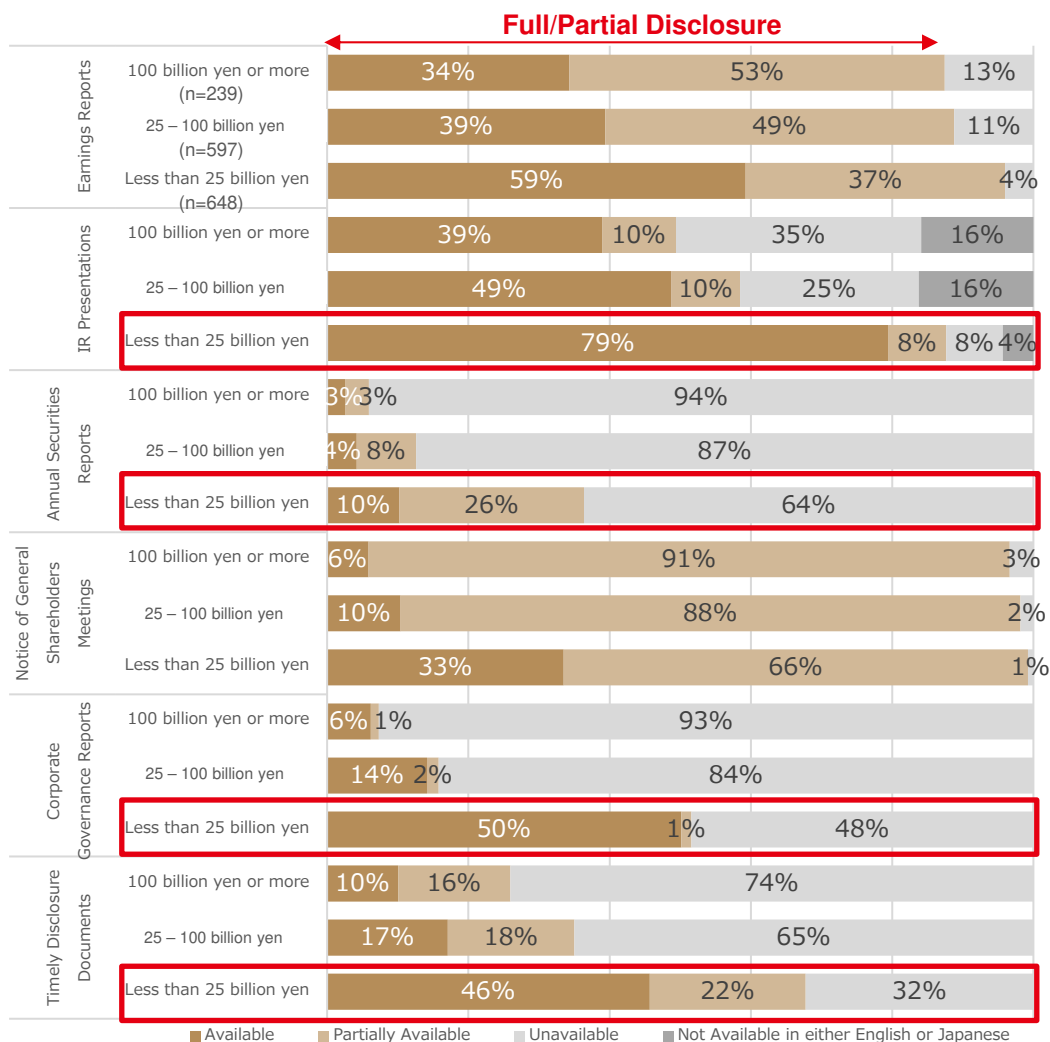
Sources: Earnings reports, IR briefing materials, general shareholders meeting announcements, and timely disclosure materials are based on the results of the "Prime Market Survey on English Disclosure Requirements"; Annual Securities Report and CG reports are based on the results of the "Availability of English Disclosure Information by Listed Companies" Survey.

Note: Responses to "earnings reports" other timely disclosure materials" are totaled.

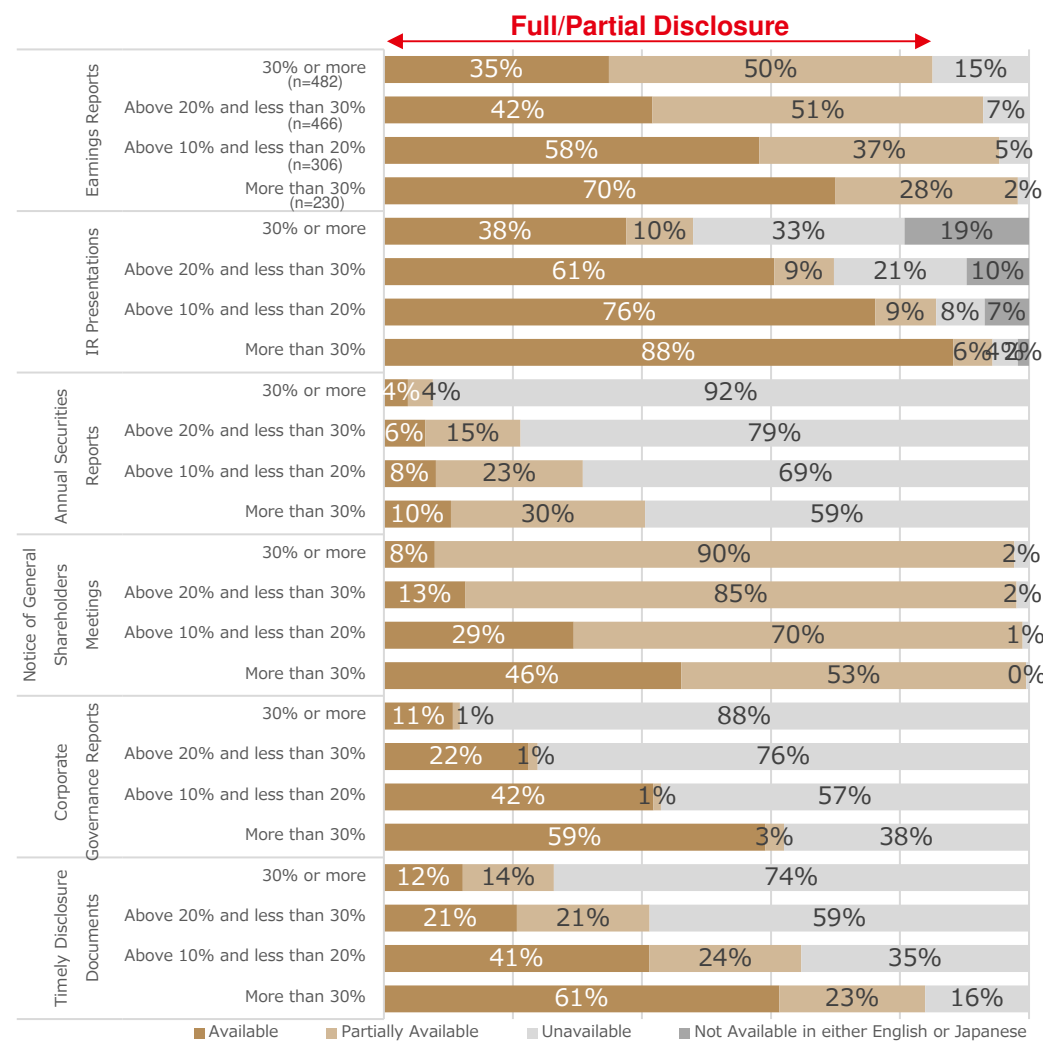
(Reference) English disclosure status of Prime Market listed companies by listed market capitalization/ percentage of shares held by overseas investors

- Companies with higher market capitalization and higher percentages of overseas investor ownership are more likely to put effort into English disclosure.
 - ✘ While progress is being made on the English disclosure of earnings reports and general shareholders meeting announcements regardless of market capitalization, there is a large difference in efforts made to disclose other documents in English between companies with a market capitalization of JPY 100 billion or more and companies with less.

By market capitalization



By overseas investor ownership

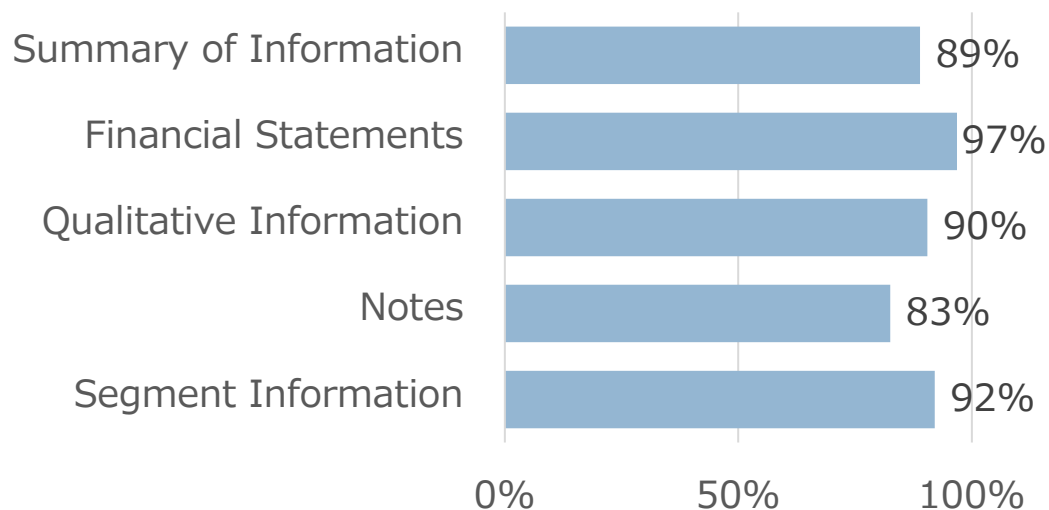


Sources: earnings reports, IR briefing materials, general shareholders meeting announcements, and timely disclosure materials are based on the results of the "Prime Market Survey on English Disclosure Requirements"; Annual Securities Report and CG reports are based on the results of the "Availability of English Disclosure Information by Listed Companies" Survey. Note: Responses to "earnings report" and "other timely disclosure materials" are totaled.

(Reference) Earnings reports

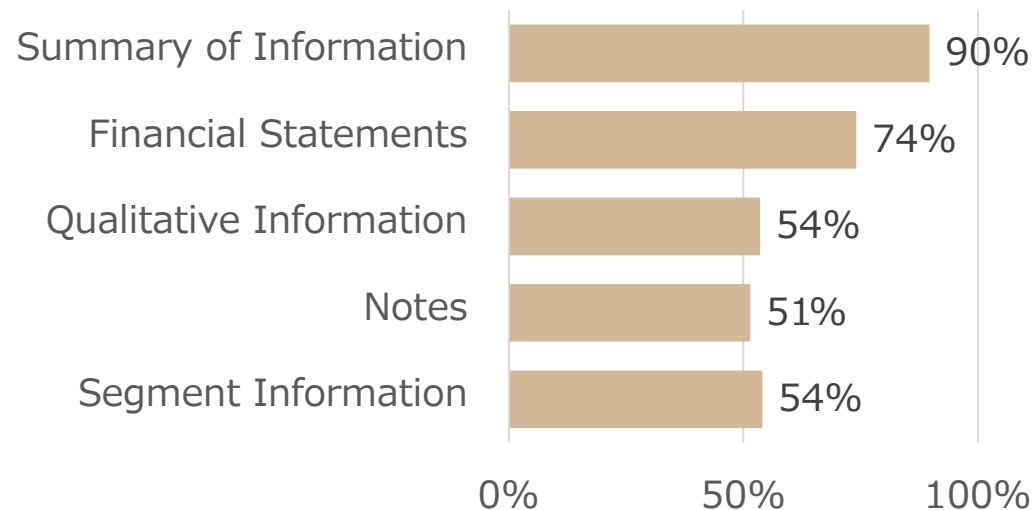
- Regarding earnings reports, overseas investors' necessity for the disclosure of all items and information in English is very high.
- Among Prime Market listed companies, 90% disclose summary information in English, while only about 50% provide qualitative information, notes, and segment information.
 - 47% of prime market listed companies provide full English disclosure

Items and information that overseas investors require in English



Source: Results of "overseas investor survey on English disclosure"
Note: The responses of institutional investors who answered that English disclosure is "essential" or "necessary" for earnings reports (63 responses) are totaled.

English disclosure by Prime Market listed companies



Source: Prepared based on the results of the "Prime Market Survey for Mandatory English Disclosure."
Note: The number of companies that responded that they provide English disclosure for each item of information was divided by the total number of companies that responded to the survey (including companies that do not provide English disclosure).

(Reference) Annual securities reports

- Overseas investors' necessity for the disclosure of securities reports in English differs depending on the information included in the report.
 - 6% of Prime Market listed companies provide full English disclosure
 - The June 2022 Financial System Council's Working Group Report on Disclosure pointed out the importance of disclosing information in English on business risks, management's analysis of the company's financial position, business performance, and cash flows, as well as corporate governance and shareholdings (depending on stock), as these items have a particularly high demand for use. In addition to the above, the report also points out the importance of the disclosure of sustainability information in English.



Source: Results of overseas investor survey on English disclosure

Note: Based on responses from institutional investors (60 responses) who answered that English disclosure is "essential" or "necessary" for Annual Securities Reports.

Financial System Council, Report by the Working Group on Corporate Disclosure, June 13, 2022 (excerpt):

IV. Other Individual Issues Related to Disclosure

English disclosure

In recent years, the disclosure of corporate information by Japanese listed companies in English (hereinafter referred to as "English disclosure") has been steadily increasing. In recent years, English-language disclosure of corporate information by listed companies in Japan (hereinafter referred to as "English disclosure") has been steadily increasing, with approximately 90% of companies in terms of market capitalization having implemented or planning to implement English disclosure of earnings reports and general shareholders meeting announcements.

On the other hand, although approximately 70% of overseas institutional investors indicated that English disclosure of annual securities reports, which are legal disclosure documents with listability, is necessary, only a small number of companies have implemented such disclosure.

With this in mind, the **Tokyo Stock Exchange's Prime Market, which was launched in April of this year, is specifically designed with constructive dialogue with global investors in mind, and companies listed on this market are expected to actively disclose their Annual Securities Reports in English.**

At the same time, it has been pointed out that **English disclosure of the entire annual securities report requires considerable work.** In this regard, it is important to **first provide English disclosure of items that are particularly in demand, such as business risks, management's analysis of the company's financial position, business performance, and cash flows,** as well as **corporate governance and shareholdings (depending on stock).** English disclosure is also expected to be made for information on sustainability, for which a new column is to be added.

Currently, the English website of the Electronic Disclosure for Investors' Network (EDINET), an electronic disclosure system for securities reports and other disclosure documents provided by the Financial Services Agency, publishes a list of companies that have posted English translations of their annual securities reports on their websites. In addition to this, a list of companies that have translated the above items into English, which are required to be disclosed in English, should also be made public and overseas investors should be made aware of its availability.

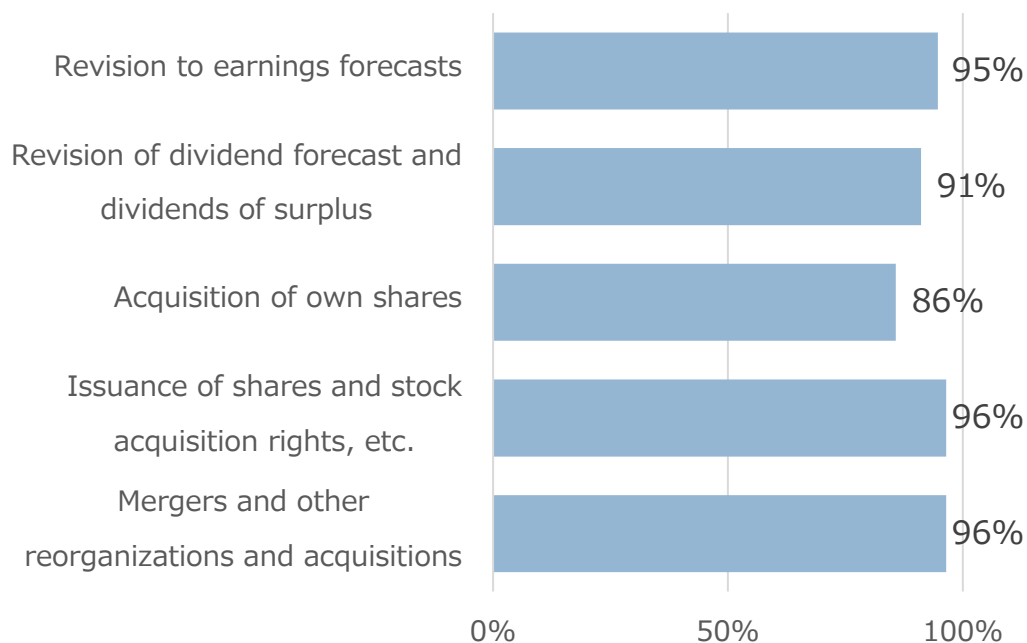
In addition, EDINET (Electronic Disclosure for Investors' Network) should be upgraded to facilitate the use of external translation tools. In the medium to long term, another effective support measure would be to work on improving the accuracy of the translation function for legal disclosure documents into English.

Source: Financial System Council, "Financial System Council 'Report of the Working Group on Corporate Disclosure' - Toward the establishment of capital markets that lead to medium- and long-term enhancement of corporate value" (June 13, 2022) (https://www.fsa.go.jp/singi/singi_kinyu/tosin/20220613/03.pdf)

Note: Bolded text was added by TSE

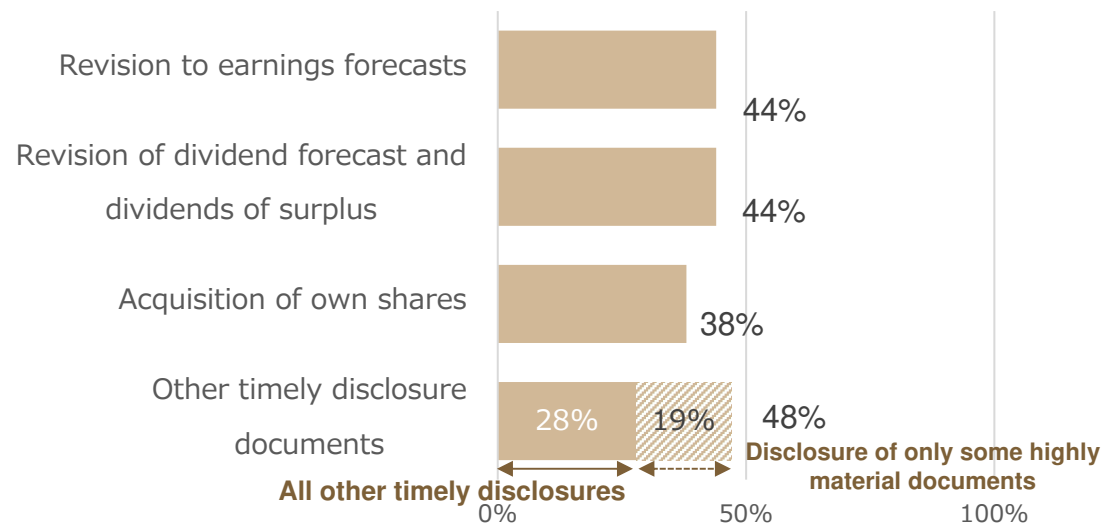
- Timely disclosure is the timely and appropriate disclosure of information that has a material impact on investment decisions. Therefore, overseas investors express high demand for English disclosure for all items.
- On the other hand, listed companies make English disclosures on a case-by-case basis, especially those that have a significant impact on business performance.

Items overseas investors require in English



Source: Results of overseas investor survey on English disclosure
 Note: Responses of institutional investors who answered that English disclosure is "essential" or "necessary" for timely disclosure (56 responses) are totaled.

English disclosure by prime market listed companies



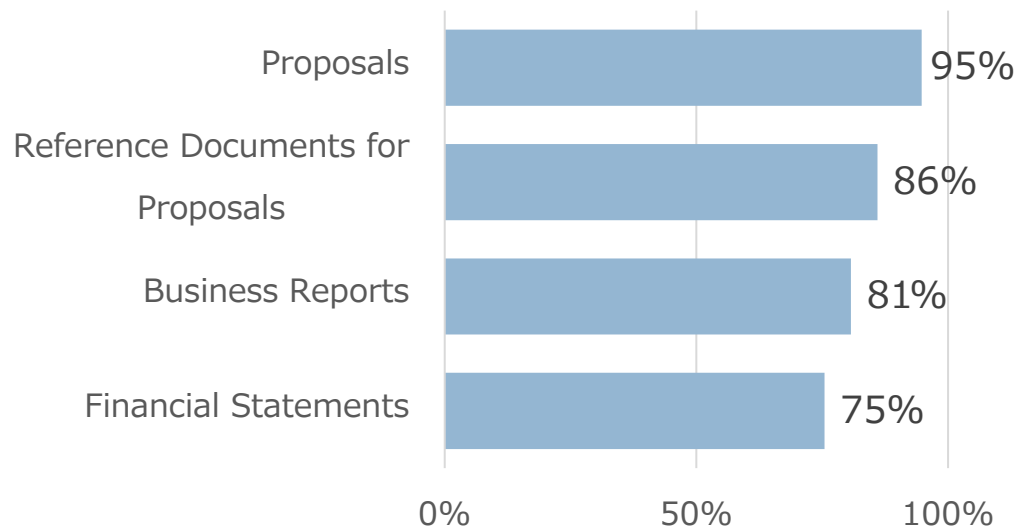
Source: Prepared based on the results of the "Prime Market Survey for Mandatory English Disclosure."

Note: The number of companies that responded that they provide English disclosure for each item of information was divided by the total number of companies that responded to the survey (including companies that do not provide English disclosure).

(Reference) General shareholders meeting announcements

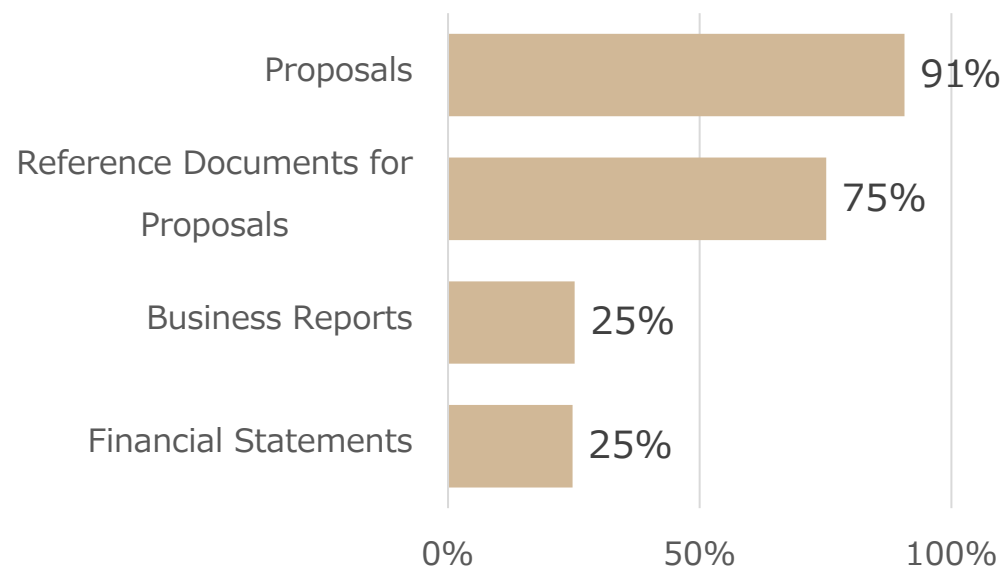
- With regard to general shareholders meeting announcements, overseas investors' needs for English disclosure are highest for the agenda, followed by reference documents, business reports, and financial statements, in that order. The same level of importance is reflected in listed companies' disclosure trends.
 - 20% of prime market listed companies provide full English disclosure.

Items overseas investors require in English



Source: Results of overseas investor survey on English disclosure
 Note: The figures are based on the responses of institutional investors (57 responses) who answered that English disclosure is "essential" or "necessary" for general shareholders meeting announcements.

English disclosure by prime market listed companies



Source: Prepared based on the results of the "Prime Market Survey for Mandatory English Disclosure."
 Note: The number of companies that responded that they provide English disclosure for each item of information was divided by the total number of companies that responded to the survey (including companies that do not provide English disclosure).

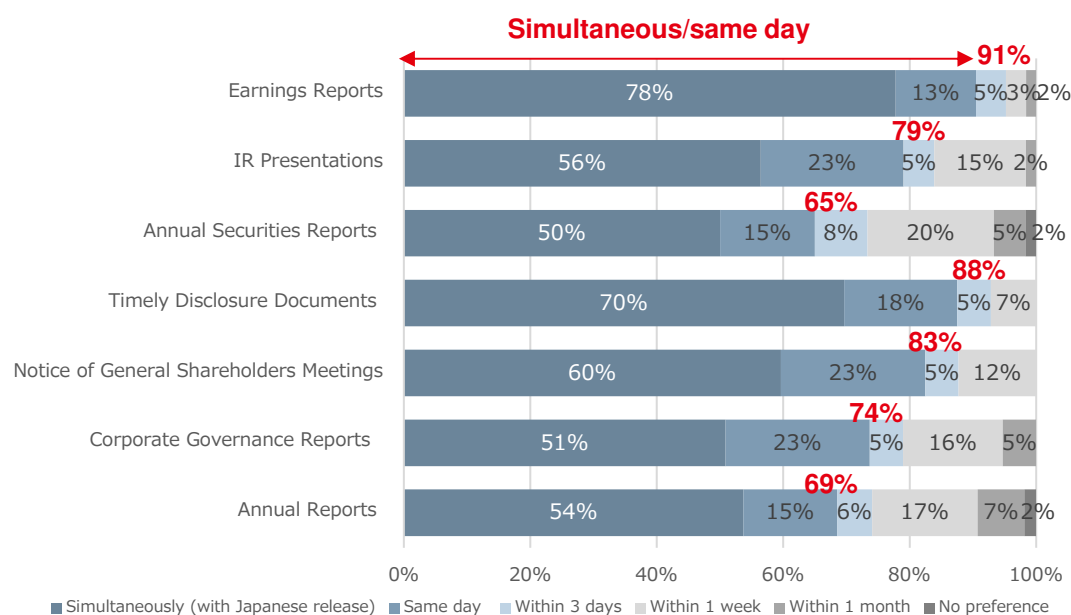
Demand from overseas investors

- The need for simultaneous/same-day disclosure is particularly high for earnings reports and timely disclosure. 78% of respondents answered that simultaneous disclosure is necessary for earnings reports (91% if the time frame is extended to the middle of the day).

Disclosure status of Prime Market listed companies

- For listed companies, the hurdle for simultaneous/same-day disclosure is high, with only 42% of Prime Market listed companies disclosing earnings reports in English simultaneously (51% if same-day disclosure is included).
- ✘ 24% of Prime Market listed companies have simultaneous full English disclosure (27% if same-day disclosure is included)

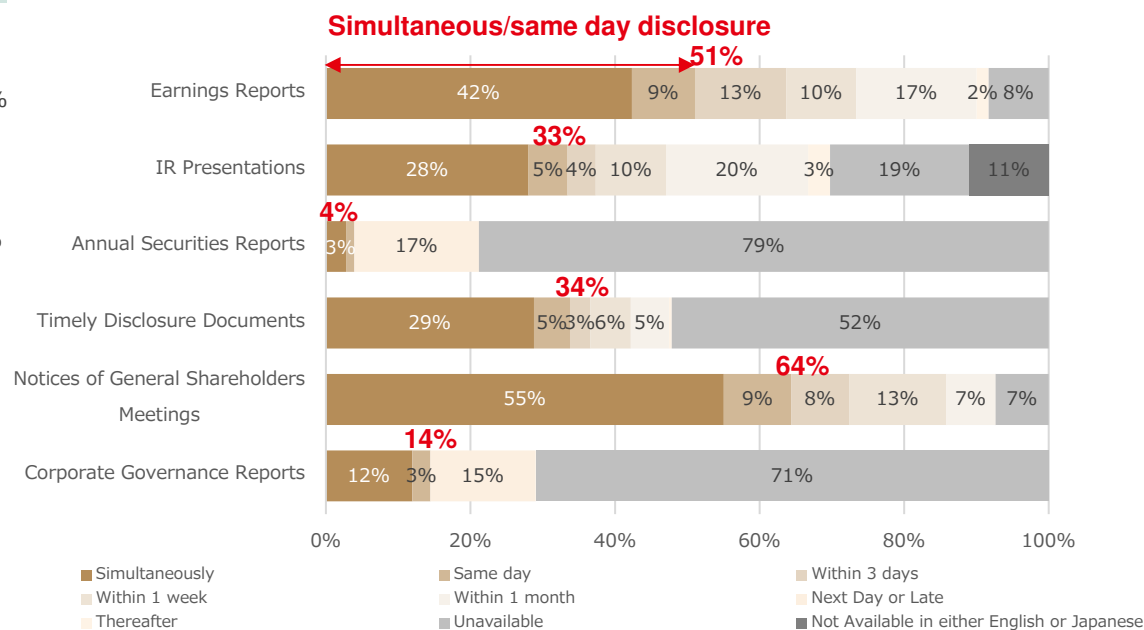
When overseas investors require English disclosure



Source: Results of overseas investor survey on English disclosure

Note: The figures are based on the responses of institutional investors who answered that English disclosure was "essential" or "necessary" for each document.

Timing of English disclosure by Prime Market listed companies



Sources: earnings reports, IR briefing materials, general shareholders meeting announcements, and timely disclosure materials are based on the results of the "Prime Market Survey on English Disclosure Requirements"; Annual Securities Report and CG reports are based on the results of the "Availability of English Disclosure Information by Listed Companies" Survey.

Note: Responses to [earnings report / earnings release] and to [other timely disclosure materials] are totaled.

Note: Annual Securities Report and Report on CG are heard as within 3 days / 1 week / 1 month / the next day or later collectively.

III. Comments from listed companies on the expansion of English disclosure



- Documents required to be disclosed in English should be prioritized and limited.
- With regard to the timing, disclosure in English and Japanese at the same time or on the same day is difficult in practice due mainly to a lack of internal resources.

Scope of English Disclosure:

- **Documents which are Statutory disclosure documents (including listing rules) and highly demanded by investors should be given priority** for mandatory documents.
- Qualitative information in Earnings Reports, and business reports and financial documents for general shareholders meetings should be exempted from the mandatory documents because it is difficult to verify the translation.
- Disclosures limited to domestic individual investors, such as shareholder benefits, should be exempted from the mandatory documents.
- **Instead of setting uniform rules such as the scope of documents** for all Prime Market-listed companies, please consider rules **based on their market capitalization and the percentage of overseas investors holdings**.
- Please **specify the documents to be disclosed to prevent different companies from interpreting the scope differently**.
- The scope and timing of English disclosure should **be left to the discretion of each company**.

English Disclosure Timing:

- Given **internal resources (lack of English-speaking personnel)**, **simultaneous or same-day disclosure is difficult**.
- **There is no in-house English-speaking staff, and translation work needs be outsourced. Therefore, simultaneous disclosure in English and Japanese would be difficult** and costly.
- It is possible to prepare in advance for disclosures such as Earnings Reports as the schedule is predictable enough to be prepared. However, **it is difficult to disclose unexpected items in English in a timely manner**.
- If timeliness is important, TSE should **design a system with full consideration of the benefits to investors and the administrative burden and costs for companies**, for example, by limiting the documents to summary information only.
- With insufficient capacity among translation companies, TSE **needs to verify whether the translation industry can handle** the mandatory documents for simultaneous disclosure in English and Japanese for the Prime Market-listed companies.

When to be Made Mandatory:

- Since it will require appropriate systems and preparation, a preparatory period is necessary to some extent before implementation (e.g., It should be optional for about five years).

- More support from TSE is requested along with the enhancement of English disclosure.
 - Enhancing content related to English disclosure (sample forms, seminars, etc.) and gathering information on the needs and use of English disclosure by overseas investors, among others

Support from TSE

- **Further enhancement of glossaries of recommended terms and samples of English disclosure forms** posted on the TSE website are requested would be appreciated.
- In order for investors to easily compare each company's data, **a common format should be required to be used for some documents such as summaries of Earnings Reports.**
- Please create a **database to make it easier to search for English disclosure documents made by other companies.**
- Please hold a **training session on how to create documents in English** for IR staff of all Prime-listed companies.
- While companies understand the influence of overseas investors to a certain extent, there are many that think that English disclosure is less important than Japanese disclosure, so **it would be easier to explain the importance of English disclosure to management and others if TSE could gather opinions from overseas investors.**
- **It is difficult to assess the effectiveness of English disclosure in terms of the media through which English language documents reach overseas investors and the extent to which they are used,** which makes it difficult to see how much information should be translated into English.
- If simultaneous English disclosure is to be made mandatory, it should be handled in-house. However, **mid and small cap companies may have very few staff in their IR departments, so we would like TSE to clarify and require "appropriate staffing" as well.**
- **Please release an AI program for generating English disclosure documents or implement a function for automatically generating such documents on TDnet.**
- **If TSE could announce that English disclosure can be conducted with documents created by machine translation,** it will be easier to explain to related parties inside and outside the company who are skeptical about whether machine translation can be used, and it will be easier to promote English disclosures.

Other

- As the amount of information to be disclosed continues to grow, please **pay attention to avoiding duplication of disclosures.**
- In light of the fact that **useful translation software has become available to everyone free of charge in recent years, we do not think it worthwhile to spend a large amount of money for human resources and administrative costs to translate.**

IV. Items for discussion



1. General remarks

- While overseas investors have expressed a high demand for the disclosure of a wide range of documents in English, English disclosure by Prime Market listed companies varies greatly from document to document.
- Proposed courses of actions are as follows:
 - Prioritize mandatory English disclosure from Prime Market listed companies for documents which are in high demand from overseas investors.
 - In addition, for documents with a certain level of demand but are beyond the company's current capacity to provide, require companies to make an effort towards making them available in the future.
 - ※ In this case, it may be possible to set different levels depending on market capitalization or the ratio of holdings by overseas investors.

2. Itemized discussion

- Consider the following:
 - Documents to be made mandatory on a priority basis/scope of documents to include for effort-based obligations to promote effort to improve disclosure, etc.
 - ※ Is it possible to limit some of the items/information in the document?
 - Timing for disclosure of the above documents
 - ※ Is it possible to differentiate between documents where immediacy is important and documents whose main purpose is disclosure of information from a medium to long-term perspective, such as management strategy and business environment documents?
 - ※ The concern that the timing of disclosure in Japanese may be pushed back because English disclosure will not be made in time
 - Timing of implementation of the above

(Reference) TSE's approach to English disclosure



- “JPX English Disclosure GATE”, a web portal for English disclosure that consolidates information related to English disclosure, launched in March 2021.



<https://www.jpx.co.jp/english/equities/listed-co/disclosure-gate/index.html>



For Overseas Investors

(1) Company Announcements Service

- For real-time access to English disclosure materials released by listed companies via TDnet

(2) Listed Company Search

- For listed companies' basic data and disclosed materials, etc.

(3) Corporate Governance Information Search

- Service which provides corporate governance information with a search function

(4) Availability of English Disclosure Information by Listed Companies

- For information on which listed companies are conducting English disclosure

(5) TSE IR MOVIE SQUARE

- For investor-oriented videos such as company introductions and messages from corporate representatives, etc.

For Listed Companies

(6) Guide to English Materials Distribution Service

- Usage guide for the English Materials Distribution Service for Listed Companies

(7) English Sample Disclosure Forms

- For sample disclosure forms in English for timely disclosure materials, notices of annual general shareholders meeting, etc.

(8) List of Terms in Japanese and English

- For links to a list of terms in Japanese and English and related websites

(9) Practical Handbook for English Disclosure (published on September 22, 2022)

- A handbook that summarizes advice and points to note about disclosing information in English

(10) Interviews with Listed Companies Regarding English Disclosure (published on May 18, 2022)

- Interviews with listed companies about their efforts regarding English disclosure

(11) Companies Supporting Overseas IR/Translation

- Information on companies supporting overseas IR and translation

For Overseas Investors and Listed Companies

(12) Investor Transcript Service

- Service which provides transcripts of corporate events such as financial results briefings

(13) Survey Report

- Service which provides “Summary Report of the English Disclosure Implementation Status Survey” and “Report of the Survey of Overseas Investors on English Disclosure by Japanese Companies”

- English disclosure sample forms for Earnings Reports, timely disclosure documents, and corporate governance reports, as well as English translations of “samples” included in templates for notices of general shareholders meetings published by Keidanren (Japan Business Federation)
 - In March 2023, the “Preparation Guidelines for Corporate Governance Reports” in English were added.

English Sample Disclosure Forms

Tokyo Stock Exchange, Inc. (TSE) provides English-language sample disclosure forms with the aim of standardizing and improving the quality of English disclosure documents as well as reducing the burden for listed companies in creating them.

Earnings Reports (Summary Information)

English sample disclosure forms for Earnings Reports (Summary Information) are as listed below.

Full Fiscal Year Reference Format 1 [Japanese GAAP] (Consolidated)	
Full Fiscal Year Reference Format 2 [Japanese GAAP] (Non-consolidated)	
Full Fiscal Year Reference Format 3 [IFRS] (Consolidated)	
Full Fiscal Year Reference Format 4 [U.S. GAAP] (Consolidated)	

Quarterly Earnings Reports (Summary Information)

English sample disclosure forms for Quarterly Earnings Reports (Summary Information) are as listed below.

Quarterly Period Reference Format 1 [Japanese GAAP] (Consolidated)	
Quarterly Period Reference Format 2 [Japanese GAAP] (Non-consolidated)	
Quarterly Period Reference Format 3 [IFRS] (Consolidated)	
Quarterly Period Reference Format 4 [U.S. GAAP] (Consolidated)	
Quarterly Period Reference Format 5 [Japanese GAAP] (Consolidated) (Specified Business Companies* / 2Q)	
Quarterly Period Reference Format 6 [Japanese GAAP] (Non-consolidated) (Specified Business Companies* / 2Q)	
Quarterly Period Reference Format 7 [IFRS] (Consolidated) (Specified Business Companies* / 2Q)	

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

MM DD, YYYY

Consolidated Financial Results for the Fiscal Year Ended MM DD, YYYY (Under Japanese GAAP)

Company name: XXXXXX Co., Ltd.
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange / Fukuoka Stock Exchange / Sapporo Securities Exchange
 Securities code: 0000
 URL: http://XXXXXXXXXXXXXXXXXX
 Representative: (Name), (Title)
 Inquiries: (Name), (Title)
 Telephone: +81-00-0000-0000
 Scheduled date of annual general meeting of shareholders: MM DD, YYYY
 Scheduled date to commence dividend payments: MM DD, YYYY
 Scheduled date to file annual securities report: MM DD, YYYY
 Preparation of supplementary material on financial results: Yes/None
 Holding of financial results briefing: Yes/None (for XXX)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended MM DD, YYYY (from MM DD, YYYY to MM DD, YYYY)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
MMDD, YYYY								
MMDD, YYYY								

Note: Comprehensive income For the fiscal year ended MMDD, YYYY: ¥000,000 million [00.0%]
 For the fiscal year ended MMDD, YYYY: ¥000,000 million [00.0%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
MMDD, YYYY					
MMDD, YYYY					


- A list of terms in Japanese and English for types of disclosed information, and links to related websites

List of Terms in Japanese and English

We aim to standardize and improve the quality of English disclosure documents and reduce the burden of creating them for listed companies by providing lists of terms in Japanese and English as well as links to related websites. We hope these will be useful reference materials for listed companies when creating English disclosure documents.


Types of Disclosed Information

The following file contains the names of the categories of disclosure documents distributed via TDnet in Japanese and English for your reference.

Disclosure categories in Japanese and English 

Reporting Items and Account Titles for Statutory Disclosure Documents

The operation guides on EDINET, which is operated by the Financial Services Agency, include an "Account Title List", "Taxonomy Element List", and "Taxonomy Element List for Designated International Accounting Standards". These files contain, as part of the definitions for XBRL elements, lists in Japanese and English of reporting items and account titles, etc. for statutory disclosure documents required to be submitted in XBRL format via EDINET.

● Operation Guides (EDINET) 

File Name	Outline
Account Title List	A list of account titles set by the financial statement taxonomy (one of the EDINET taxonomies), comprised of sheets per industrial sector* *commercial and industry, construction, bank 1, bank 2, construction assurance, type 1 financial instruments business, insurance-life, insurance-non-life, railway, water transportation, highway, electricity communication, electricity, gas, asset liquidation, investment management business (investment trust management company), investment corporation, specific finance, medical corporation, educational corporation, commodity future trading, lease, and fund
Taxonomy Element List	A list of elements set by EDINET taxonomies (excluding the financial statement taxonomy and international accounting standards taxonomy) comprised of sheets per type of submission document*, with reporting items and account titles. *Securities Registration Statement, Annual Securities Report, Quarterly Securities Report, Semi-annual Securities Report, Extraordinary Report, Shelf Registration Statement, Shelf Registration Supplements, Report on Repurchases, Tender Offer Statement, Target Company's Position Statement, Written Tender Offer Withdrawal Notice, Tender Offer Report, Tender Offeror's Answer, Statement of Large-Volume Holdings, and Internal Control Report
Taxonomy Element List for Designated International Accounting Standards	A list of elements such as account titles set by the International Accounting Standards taxonomy, one of the EDINET Taxonomies.

Earnings Reports, etc.

We provide an "Item List" as part of the TDnet XBRL data specifications. The Item List contains, as part of the definitions for XBRL elements, disclosure items for documents required to be submitted in XBRL format via EDINET such as earnings reports, quarterly earnings reports, earnings forecasts, and dividend forecasts, as well as account titles, etc., in Japanese and English.

● XBRL Data Specifications

Corporate Governance Reports

We provide an "Item List" as part of XBRL data specifications for TDnet. The list contains, as part of the definitions for XBRL elements, items to be included in Corporate Governance Reports, which are required to be submitted in XBRL format via TDnet, in Japanese and English.

● XBRL Data Specifications

Listing Rules and "Japan's Corporate Governance Code"

We provide English versions of the JPX Rules such as Securities Listing Regulations and Enforcement Rules for Securities Listing Regulations. Please use them as references of written English for the rules for Timely Disclosure of Corporate Information and "Japan's Corporate Governance Code" (please refer to the Japanese versions as well).

- JPX Rules
- JPX Rules (Japanese)
- "Japan's Corporate Governance Code"
- "Japan's Corporate Governance Code" (Japanese)

Japanese Law Translation Database System



"The Japanese Law Translation Database System" is a database of the translation of Japanese laws and regulations launched by the Ministry of Justice, which provides "Law Search", "Dictionary Search" of the Standard Legal Terms Dictionary, and "Keyword in Context Search".

Application of XBRL to Timely Disclosure Information

TSE's Involvement in E-disclosure

XBRL

Benefits of XBRL

XBRL Data Specifications

XBRL Data Specifications

Since the new technology Inline XBRL was installed on January 14, 2014, for data submitted in the new taxonomy, XBRL data on the Company Announcements Service screen can be viewed in XHTML using a web browser without dedicated software. XBRL data of earnings reports of Real Estate Investment Trusts (REITs) are also available. The following files are provided in Japanese only. Please download them from the Japanese page below.

- Application of XBRL to Timely Disclosure Information (in Japanese only)

Preparing Earnings Report Summaries in XBRL Format

Listed companies have been able to post self-created XBRL format earnings summaries on TDnet in the same way as financial statements since January 10, 2012. For guides to preparing earnings summaries in XBRL format, please see the following files:

- Preparing Earnings Summary Reporting Instances (in Japanese only)
- Preparing Earnings Summary Company Extension Taxonomies (in Japanese only)

XBRL Specifications for Earnings Reports, etc. and Corporate Governance Reports

XBRL taxonomies for earnings reports, etc. (earnings reports and corrections of forecasts for business results and dividends) and Corporate Governance Reports are provided below. For rules and explanations of the settings, and Item Lists for earnings reports, etc., please see the following files:

- Rules for Taxonomy Settings for Timely Disclosure System (in Japanese only)
- Explanation of Taxonomies for Timely Disclosure System (in Japanese only)
- Item List

For explanations and an Item List for Corporate Governance Reports, please see the following files:

- Explanation of Taxonomies for Timely Disclosure System (in Japanese only)
- Item List

Interviews with Listed Companies Regarding English Disclosure

(published on May 18, 2022)

- Interviews with listed companies that were evaluated as actively conducting efforts in providing disclosure in English by overseas investors (including matters such as reasons behind having begun and expanding English disclosure, their efforts in conducting English disclosure and ingenuity for and overseas investors' reactions to their English disclosure practices)

Interviews with Listed Companies Regarding English Disclosure

Tokyo Stock Exchange (TSE) conducted a survey on overseas investors' assessment of listed companies' disclosure of information in English, and, as a result, those investors evaluated many listed companies as actively conducting efforts in providing disclosure in English. As such, TSE has interviewed several listed companies about their efforts in providing English disclosure, including matters such as reasons behind having begun and expanding English disclosure and ingenuity for and overseas investors' reactions to their English disclosure practices.

Please read the interviews for your reference when considering commencing and/or expanding English disclosure practices.

(note)

For overseas investors' responses to the survey, please click the link below.

- Survey Reports (Report of the Survey to Overseas Investors on English Disclosure by Japanese Companies)

List of Interviews

Oisix ra daichi Inc.

Code: 3182 Sector: Retail Trade



Building Trusting Relationships with Overseas Investors by Improving English Disclosure

Shoya Umemura

MARUI GROUP CO., LTD.

Code: 8252 Sector: Retail Trade



Efforts for Disclosure of ESG Information from Global Perspectives and Deepening Dialogue with Overseas Investors

Mariko Kuwae, Nahoko Kutsukake, Naho Murakami

Kurita Water Industries Ltd.

Code: 6370 Sector: Machinery



Enhancing English Disclosure of Non-Financial Information, and Praise from Overseas Investors from an ESG Perspective

Kosuke Arai, Kumiko Sasaki, Shizuko Yamazaki

AVANT CORPORATION

Code: 3836 Sector: Information & Communication



Attracting Active Investors by Disclosing Management Information in English

Kenji Nishimura

Kaonavi, inc.

Code: 4435 Sector: Information & Communication



Turning Attention to Overseas Investors and Promoting Disclosure in English

Kimitaka Hashimoto

- In order to reduce risks and administrative burdens for listed companies when they disclose information in English, TSE compiled and published a reference guide, written by experts and researchers in the field, with the aim of summarizing advice and points to note about disclosing information in English.



Chapter 1 Drawing up Plans for Disclosing Information in English (PRONEXUS)

- 1-1 Necessity of English disclosure
- 1-2 Clarifying purpose of English disclosure and setting policy
- 1-3 Selection of documents to be disclosed in English and scope of translation
- 1-4 Timing of English disclosure
- 1-5 Development of systems, human resources, skills, and knowledge to conduct English disclosure
- 1-6 Use of disclaimer

Chapter 2 Points to Note about Creating Documents in English (1) (Outsourcing Translation) (Takara Printing)

- 2-1 Overall process
- 2-2 Points to note when making a contract
- 2-3 Points to note when ordering a translation
- 2-4 Ordering translation of documents including confidential information
- 2-5 Points to note when checking completed translation

Chapter 3 Points to Notes about Creating Documents in English (2) (Using Machine Translation) (Dr. Sumita, National Institute of Information and Communications Technology)

- 3-1 What is machine translation?
- 3-2 Latest information on machine translation
- 3-3 Points to note when introducing machine translation
- 3-4 Tips for successful use of machine translation

In addition to the above, the handbook includes columns on the U.S. Securities Act.

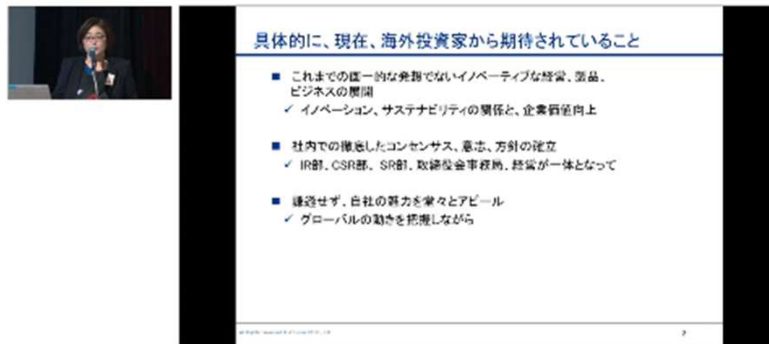
Seminar for IR Staff on Preparing English Materials

(for Prime Market-Listed Companies)

- With the Organization of Global Financial City Tokyo (FinCity.Tokyo), TSE held a seminar to discuss trends among overseas investors, the importance of IR for overseas investors, and points to note about outsourcing translation and using machine translation to disclose information in English. The seminar included lectures by experts in the field of investor relations for overseas investors, listed companies that disclose information in English, and translation experts.

- It has been archived and can be viewed at the following URL:

<https://reg18.smp.ne.jp/regist/is?SMPFORM=Ihli-Ihrib-fddc9f9e273bde9ba46c4e0d1d345fc9>



Seminar on October 5, 2022	
Item	Speakers (Job titles as of October 5, 2022)
Opening Remarks	– Mr. Konuma Yasuyuki Director, Executive Vice President, Tokyo Stock Exchange, Inc.
Better Understanding of Overseas Investors	– Ms. Iwata Yoshiko Representative Director, J-Eurus IR Co. Ltd.
Communication with Overseas Investors	– Ms. Hamabe Makiko Outside Director, OTSUKA CORPORATION Representative of Makiko Hamabe Office
TSE’s Efforts to Promote English Disclosure	– Mr. Goto Junichiro Manager, Listing Department, Tokyo Stock Exchange, Inc.
English Disclosure Requested by Overseas Investors	– Mr. Jesper Koll Senior Global Advisor, Japan Catalyst, Inc. FinCity.Tokyo Ambassador
Disclosing Information in English	– Mr. Kodama Takanao General Manager, Group Strategy Department, Disclosure Business Division, PRONEXUS INC.
– Drawing up Plans for Disclosing Information in English	
– Outsourcing Translation	– Mr. Miwa Tetsuya Executive Officer, General Manager of International Business Management Department, TAKARA PRINTING CO., LTD.
– Using Machine Translation	– Dr. Sumita Eiichiro Fellow of the National Institute of Information and Communications Technology
Basic English for English Disclosure	– Mr. Ray DeBoer President & COO, Transpacific Enterprises
Closing Remarks	– Mr. Yokota Masayuki Executive Director, FinCity.Tokyo

Note: For Standard Market and Growth Market-listed companies, seminars on English disclosure in line with market concept were also held.

HTML disclosure of earnings reports

- In conjunction with the revision of quarterly disclosure, HTML disclosure will be required for earnings reports, taking into consideration the continuity of information vendors' means of obtaining information, the convenience of a wide range of information users including individual investors, and the impact on the practical burden on listed companies.
- It is easier to extract and analyze text from HTML than from PDF, and is expected to be used by overseas investors for automatic translation using browser translation functions, etc.

		Current format			New format		
		PDF	XBRL	HTML	PDF	XBRL	HTML
Summary		Yes	Yes	No	Yes	Yes	No
Attachment	Summary of business results, etc.	Yes	No	Optional	Yes	No	Yes
	financial statements	Yes	Yes	Optional	Yes	Yes	Yes
	Notes	Yes	No	Optional	Yes	Yes	Yes
	(Q1 or Q3 only) Review report	No	No	No	Yes	No	Yes

(Red text indicates changes.)