

Status of Companies Subject to Transitional Measures

Listing Department,
Tokyo Stock Exchange
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Status of Companies That Have Not Met Continued Listing Criteria

- ◆ A total of 208 companies have not met the continued listing criteria (decrease of 39 companies from the end of 2024).
- ◆ From March 2026, improvement periods will end one after another, and companies that fail to improve will be delisted six months after the end of the period.

Number of Companies That Do Not Meet Criteria

(Change from end of 2024)

Prime

Tradable Share Market Cap. (JPY 10 bil.) :	57 (+ 6)
Tradable Share Ratio (35%) :	11 (- 1)
Trading Value (daily avg. JPY 20 mil.) :	2 (±0)
Total (excluding duplicates) :	65 (+ 3)

Standard

Tradable Share Market Cap. (JPY 1 bil.) :	81 (- 9)
Tradable Share Ratio (25%) :	23 (-26)
Number of Shareholders (400 shareholders) :	2 (- 1)
Total (excluding duplicates) :	102 (-36)

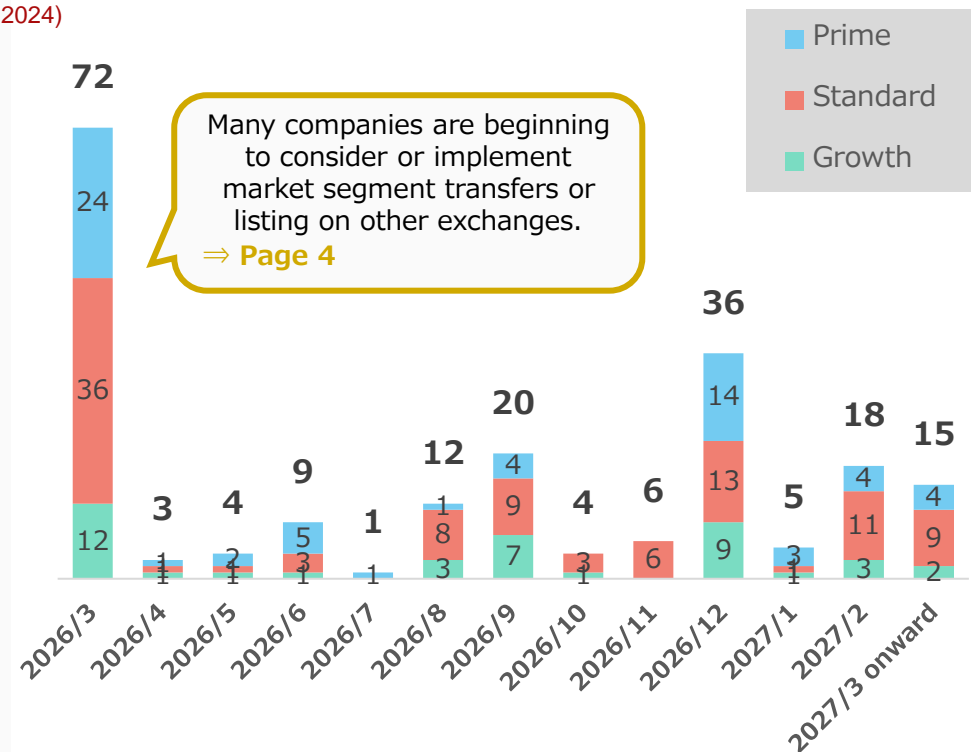
Growth

Tradable Share Market Cap. (JPY 0.5 bil.) :	6 (+ 1)
Tradable Share Ratio (25%) :	11 (- 3)
Market Cap. (JPY 4 billion from 10 th yr. of IPO) :	26 (- 2)
Total (excluding duplicates) :	41 (- 6)

Notes:

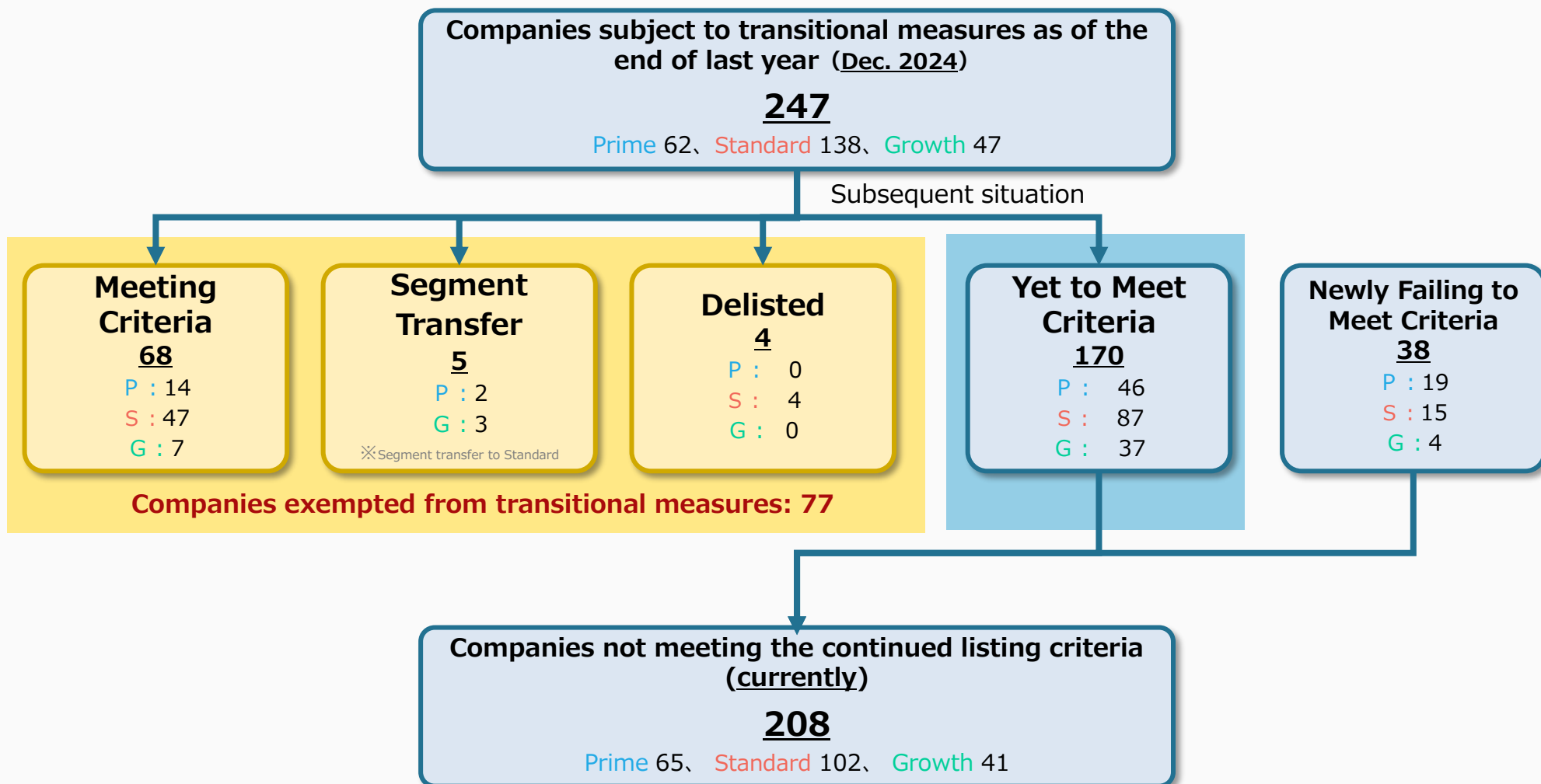
- Excludes companies not subject to transitional measures (new listings after market restructuring or companies designated as Securities on Special Alert) and companies that only fail to meet criteria not subject to transitional measures (amount of net assets)
- 12 companies are not subject to transitional measures and do not meet the continued listing criteria.
- Criteria for tradable shares are reflected up to the record date at the end of March 2025 (such criteria are reflected up to the record date at the end of April or May 2025 for companies whose statuses are known). Criteria for market capitalization are reflected up to companies whose fiscal year ends in May.

End Dates for Improvement Period (For companies disclosing a plan with an end date beyond the deadline, the period of the plan)



- Excludes companies scheduled to go private (companies designated as Securities Under Supervision)
- For companies that have not yet entered an improvement period, figures have been calculated based on the assumption that they will continue to fail to achieve their targets
- For companies that fail to meet the criteria for transitional measures in addition to criteria not subject to transitional measures (amount of net assets), figures have been calculated based on the end date of the improvement period for transitional measures

- ◆ Among the 247 companies subject to transitional measures as of the end of last year, 68 companies, mainly those with a fiscal year ending in March, have met the continued listing criteria.
 - Among the companies with a fiscal year ending in March, 55 out of 114 companies (about half) have met the continued listing criteria.



- ◆ Among companies that do not meet the continued listing criteria (208 companies), many companies are beginning to consider or implement **market segment transfers** or **listing on other exchanges** as a **next best option in the case they fail to comply with the criteria**.
- ◆ Some companies are scheduled for **delisting through an M&A, MBO, etc.**, with other companies.
- ⇒ **Going forward, TSE will conduct interviews with each company to understand their specific situations and encourage them to consider these options.**

Market segment transfer

- **47 companies** have had consultations/disclosed policies regarding changing their market segment to the Standard Market (Prime: 36 companies; Growth: 11 companies)

Multiple listing on other exchanges

- **17 companies** have already carried out multiple listing on other exchanges in Japan (Prime: 3 companies; Standard: 14 companies)
- In addition, **9 companies** have disclosed policies regarding multiple listing on other exchanges (Prime: 2 companies; Standard: 5 companies; Growth: 2 companies) and **56 companies** have had consultations regarding multiple listing on other exchanges (Prime: 2 companies; Standard: 36 companies; Growth: 18 companies)

*Counted regardless of likelihood of compliance with listing criteria. Companies that have had consultations with multiple exchanges have been counted more than once.

Going private

- **3 companies** are scheduled for delisting through M&A with other companies, MBO, etc. (Prime: 2 company; Standard: 1 companies)

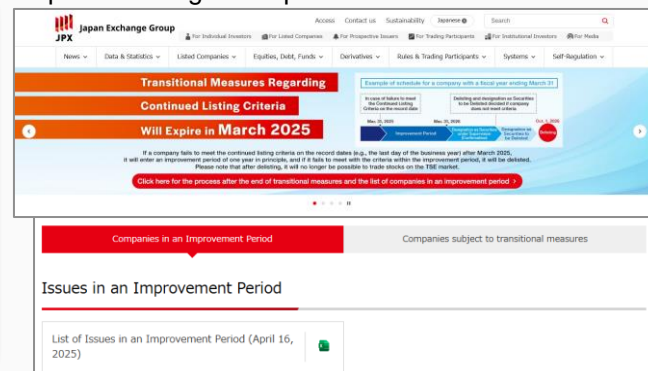
- ◆ Strengthen efforts to inform/caution shareholders and investors that transitional measures have expired, and delisting will occur in about one year's time in the earliest case
- ◆ Request that listed companies (entering the improvement period in or after March 2025) provide detailed explanations/information to shareholders and investors. Also notify them of other companies' corporate action status and encourage them to consider and implement necessary initiatives

Specific planned actions

Notifications to shareholders/investors

- Use the following means to issue notifications/cautions regarding, for example, the schedule for expiration of transitional measures and list of companies in the improvement period
 - Exchange website (new special page)
 - Securities companies (request them to notify their individual investor clients)
 - Media (publishing of articles, advertisements, etc.)

Japan Exchange Group website



Requests/notifications to listed companies entering improvement period

- Request that companies strive to provide detailed explanations/information to shareholders and investors at events such as general shareholders and IR meetings regarding status of initiatives toward conformity, delisting risks, and improvement period schedule, etc.
- Notify them of other companies' corporate action status (conformity to standards, market transfers, listing on other exchanges, going private, etc.) and encourage them to consider and implement necessary initiatives
- Request that when a company discloses progress of its plan to meet the continued listing criteria, in addition to the status of its initiatives towards conformity, it also discloses considerations on other corporate actions

Ref: Schedule for Each Fiscal Year

R: record dates of decisions **D**: delisting

Fiscal Year End	2025												2026												2027												
	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9						
March	R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted							D																
April	R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted							D																
May		R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted						D																
June			R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted					D																
July				R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted					D															
August					R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted					D														
September						R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted					D													
October							R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted					D												
November								R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted					D											
December									R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted					D										
January										R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted					D									
February											R→Improvement Period													R→Securities Under Supervision or Securities to be Delisted					D								