

Special Provisions in the Listing Rules in Consideration of the Impact of Spread of the Novel Coronavirus (COVID-19)

March 31, 2020

Tokyo Stock Exchange, Inc.

I Purpose of Special Provisions

Due to the spread of the novel coronavirus (COVID-19) and concerns over its prolongation, the growing uncertainty over its influence on the macroeconomy and corporate performance is having a huge impact on both the real economy and the cash equity market.

In light of the extent of the impact on corporate activities due to the spread of the novel coronavirus, Tokyo Stock Exchange, Inc. will establish special provisions to enable flexible approaches based on the actual situation in terms of the application of the current listing rules to listed companies and listing applicants.

II Outline of Special Provisions

1. Special Provisions for Listed Companies

(1) Liabilities in Excess of Assets

- If a listed company falls into liabilities in excess of assets or cannot resolve such situation due to impact from the spread of the novel coronavirus, the grace period until delisting shall be extended from one (1) year to two (2) years.

Remarks

- Rule 725, etc. of the Securities Listing Regulations (hereafter “Regulations”)
- A grace period of one (1) year will also be newly established for the criteria for reassignment.

2. Special Provisions for Listing Applicants

(1) Audit Opinion

- Cases where the audit report for the last business year contains a “qualified opinion” due to impact from the spread of the novel coronavirus shall also be deemed to satisfy the criteria.

- Rule 722 of Regulations
- The same shall apply for the criteria for assignment to the First Section, Section Transfer, etc.

(2) Listing Examination Fees

- Where a company fails to reach initial listing due to impact from the spread of the novel coronavirus, if the company submits an initial listing application again within three (3) years, it shall receive a waiver of the listing examination fees.

• Rule 703-4 of the Enforcement Rules for the Securities Listing Regulations

III Implementation Date (scheduled)

- These special regulations will be implemented as soon as possible after the end of the public comment process.
- The special provisions referred to in Item 1. above will be applied to listed companies whose business year or grace period for delisting ends on or after March 13, 2020.