Enforcement Rules for Securities Listing Regulations
[Rule 1 through Rule 822]
(As of August 13, 2019)
Tokyo Stock Exchange, Inc.

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Part 1
General Provisions

Rule 1. Purpose
These enforcement rules shall, pursuant to the Securities Listing Regulations (hereinafter referred to as the "Regulations"), prescribe matters specified by the Exchange, as well as other necessary matters in relation to the interpretation and application, etc. of the Regulations.

Rule 2. Definitions
"Enforcement Ordinance of the Investment Trust Act," "Enforcement Order of the Investment Trust Act," "investment corporation," "Ordinance on Accounting of Investment Corporations," "investment corporation bond," "specified business company," "Cabinet Office Ordinance on Information Disclosure of Specified Securities," "the Prime Minister, etc.," "domestic company," "domestic stock," "domestic stock, etc.," "internal control report," "takeover defense measure," "issuer," "interim report," "preferred stock without rights to receive residual dividends," "the Act," "offered stock," "offered stock, etc.," "the CSD Act," "home country," "home country, etc.," "stock without voting rights," "security," "securities registration statement," "securities report," "securities reports, etc.," "preferred stock, etc.," "preferred equity contribution," "preferred equity contribution security," "the Preferred Equity Contribution Act," "depository, etc.," "deposit agreement, etc.," and "tradable shares" mean a company that voluntarily adopts IFRS, ETN, ETN trust beneficiary certificate, trustor-instructed investment trust, non-trustor-instructed investment trust, a unit, parent company, parent company, etc., foreign country, foreign company, foreign stock, foreign stock, etc., beneficial shareholder of a foreign stock, etc., foreign stock trust beneficiary certificate, foreign stock depositary receipt, foreign stock depositary receipt, etc., foreign financial instruments exchange, etc., foreign investment security, foreign investment trust, foreign investment corporation, foreign holding company, Cabinet Office Ordinance on Disclosure, company, stock, etc., shareholder services agent, shareholder, etc. record date, related company, audit certification, certification corresponding to audit certification, Cabinet Office Ordinance on Audit Certification, managing trading participant, affiliated company, corporate group, business group, stock with voting rights, record date, etc., cooperative structured financial institution, financial instruments firm, exchangeable corporate bond, certified public accountant, certified public accountant, etc., public offering, subsidiary, subsidiary tracking stock, internationally active Shinkin Banks, internationally active banks, etc., bond, financial statements, etc., financial documents, own stock, asset management company, designated book-entry transfer institution, controlling shareholder, quarterly financial statements, etc., quarterly report, beneficiary certificate, equity contribution security, listed ETN trust beneficiary certificate, listed foreign company, listed foreign stock, listed foreign stock, etc., listed foreign stock trust beneficiary certificate, listed foreign stock depositary receipt, etc., listed company, listed company audit firm, listed stock, etc., listed stock with voting rights, listed exchangeable corporate bond, listed bond, applicant for choice of its listing market, listed convertible bond, listed domestic company, listed domestic company, listed domestic stock, listed domestic stock, etc., listed stock without voting rights, listed security, listed preferred stock, etc., listed preferred equity contribution security, subscription warrant security, initial listing, initial listing applicant, shareholder directed spin-off, distribution with a quantitative limit, third-party allotment, Enforcement Ordinance, off-auction distribution, the number of shares per Share Unit, interim financial statements, etc., multiple listing, the end of the most recent business year, etc., provisions for technical listing, conversion, convertible bond, investment management business, investment security, investment trust, investment trust management company, Investment Trust Act, Enforcement Ordinance of the Investment Trust Act,

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Enforcement Order of the Investment Trust Act, investment corporation, Ordinance on Accounting of Investment Corporations, investment corporation bond, specified business company, Cabinet Office Ordinance on Information Disclosure of Specified Securities, the Prime Minister, etc., domestic company, domestic stock, domestic stock, etc., internal control report, takeover defense measure, issuer, interim report, preferred stock without rights to receive residual dividends, the Act, offered stock, offered stock, etc., the CSD Act, home country, home country, etc., stock without voting rights, security, securities registration statement, securities report, securities reports, etc., preferred stock, etc., preferred equity contribution, preferred equity contribution security, the Preferred Equity Contribution Act, depositary, etc., deposit agreement, etc., and tradable shares as prescribed in Rule 2 of the Regulations, respectively.

2. In these Rules, the meaning of the terms referred to in each of the following items shall be as prescribed in each such item.

(1) "Preliminary application for assignment to the First Section Market" means a preliminary application for assignment to the First Section Market prescribed in Rule 307-2, Paragraph 1 of the Regulations.

(2) "Day on which assignment is made to the First Section Market" means a day on which assignment is made to the First Section Market prescribed in Rule 307, Paragraph 6 of the Regulations.

(3) "MSCB, etc." means MSCB, etc. prescribed in Rule 410, Paragraph 1 of the Regulations.

(4) "Foreign corporate bond" means a foreign corporate bond prescribed in Rule 904, Paragraph 2 of the Regulations.

(5) "Improvement Report" means an improvement report prescribed in Rule 502, Paragraph 1 of the Regulations.

(5)-2 "Purchase decision, etc." means the purchase decision, etc. prescribed in Rule 707, Paragraph 1 of the Regulations.

(6) "Number of shareholders" means the number of shareholders prescribed in Rule 205, Item 1 of the Regulations.

(7) "Exchangeable stock" means an exchangeable stock prescribed in Rule 929, Paragraph 1, Item 2, Sub-item e. of the Regulations.

(8) "Exchangeable stock, etc." means an exchangeable stock, etc. prescribed in Rule 929, Paragraph 1, Item 3, Sub-item a. of the Regulations.

(9) "Subsidiary, etc." means a subsidiary, etc. prescribed in Rule 402, Item 1, Sub-item q. of the Regulations.

(10) "Fixed assets" means fixed assets prescribed in Rule 402, Item 1, Sub-item r. of the Regulations.

(10)-2 "Revitalization support decision" means a revitalization support decision prescribed in Rule 707, Paragraph 1 of the Regulations.

(11) "Financial statements" means financial statements prescribed in Rule 2, Item 39 of the Regulations.

(12) "Financial Statements, etc. Rules" means the Financial Statements, etc. Rules prescribed in Rule 2, Item 2 of the Regulations.

(12)-2 "CBs etc." means CBs prescribed in Rule 410, Paragraph 1 of the Regulation.
(13) "Quarterly review" means quarterly review prescribed in Rule 204, Paragraph 6 of the Regulations.
(14) "Documents outlining quarterly review" means documents outlining quarterly review prescribed in Rule 204, Paragraph 7 of the Regulations.
(14)-2 "Quarterly review report" means a quarterly review report prescribed in Rule 204, Paragraph 6 of the Regulations.
(14)-3 "Nominating committee, etc." means a nominating committee, etc. prescribed in Rule 437, Paragraph 1, Item 2 of the Regulations.
(15) "Corporate bond" means a corporate bond prescribed in Rule 904, Paragraph 1 of the Regulations.
(15)-2 "Entrusted securities" means entrusted securities prescribed in Rule 2, Item 20 of the Regulations.
(15)-3 "Major shareholders" means major shareholders prescribed in Rule 402, Item 2, Sub-item b. of the Regulations.
(15)-4 "Preliminary application for alteration of a listing market" means a preliminary application for alteration of a listing market prescribed in Rule 312-2, Paragraph 1 of the Regulations.
(16) "Listed bond" means a listed bond prescribed in Rule 912, Paragraph 1, Item 2, Sub-item a.(a) of the Regulations.
(16)-2 "Third-party allotment, etc." means third-party allotment, etc. prescribed in Rule 217 of the Regulation.
(17) "Listed senior security" means a listed senior security prescribed in Rule 816, Item 1, Sub-item b.(c) of the Regulations.
(18) "Corporate bond with subscription warrants" means a corporate bond with subscription warrants prescribed in Rule 2, Item 38 of the Regulations.
(18)-2 "Credit rating agency" means a credit rating agency prescribed in Rule 929, Paragraph 1, Item 1, Sub-item c. of the Regulations.
(18)-3 "Third-party allotment, etc." means a third-party allotment, etc. prescribed in Rule 217 of the Regulations.
(19) "Subject parent corporation" means a subject parent corporation prescribed in Rule 813, Paragraph 1 of the Regulations.
(20) "Subject subsidiary" means a subject subsidiary prescribed in Rule 803, Paragraph 5 of the Regulations.
(20)-2 "Regional Economy Vitalization Corporation of Japan (REVIC)" means the Regional Economy Vitalization Corporation of Japan (REVIC) prescribed in Rule 707, Paragraph 1 of the Regulations.
(21) "TDnet" means TDnet prescribed in Rule 414, Paragraph 1 of the Regulations.
(21)-2 "Specified related corporation" means a specified related corporation as prescribed in Rule 929, Paragraph 1, Item 1, Sub-item c. of the Regulations.
(21)-3 "Independent director/auditor" means an independent director/auditor as prescribed in Rule 436-2, Paragraph 1 of the Regulations.
(21)-4 "Cabinet Office Ordinance on Transactions Regulations" means the Cabinet Office Ordinance on Transactions Regulations prescribed in Rule 402, Item 2, Sub-item b. of the Regulations.
(22) "Written Confirmation of Internal Management System" means a Written
Confirmation of Internal Management System prescribed in Rule 501, Paragraph 2 of the Regulations.

(23) "Acquisition" means an acquisition prescribed in Rule 2, Item 80 of the Regulations.
(23)-2 "Supported company" means the supported company prescribed in Rule 707, Paragraph 1 of the Regulations.
(24) "General meeting of ordinary equity investors" means a general meeting of ordinary equity investors prescribed in Rule 201, Paragraph 2 of the Regulations.
(25) "Guarantor" means a guarantor prescribed in Rule 904, Paragraph 2, Item 2, Sub-item a. of the Regulations.
(26) "Guaranteed foreign corporate bond" means a guaranteed foreign corporate bond prescribed in Rule 904, Paragraph 2, Item 2 of the Regulations.
(27) "Privatized foreign company" means a privatized foreign company prescribed in Rule 206, Paragraph 3 of the Regulations.
(28) "General meeting of preferred equity investors" means a general meeting of preferred equity investors prescribed in Rule 201, Paragraph 2 of the Regulations.
(29) "Preferred security" means a preferred security prescribed in Rule 813, Paragraph 1 of the Regulations.
(30) "Depositary receipt" means a depositary receipt prescribed in Rule 2, Item 35 of the Regulations.
(31) "Preliminary application" means preliminary application prescribed in Rule 202, Paragraph 1 of the Regulations.
(32) "Consolidated subsidiary" means a consolidated subsidiary prescribed in Rule 2, Item 37 of the Regulations.
(33) "Linked subsidiary" means a linked subsidiary prescribed in Rule 403, Item 3 of the Regulations.
(34) "Consolidated financial statements" means consolidated financial statements prescribed in Rule 2, Item 39 of the Regulations.
(35) "Consolidated Financial Statements Regulation" means the Consolidated Financial Statements Regulation prescribed in Rule 2, Item 27 of the Regulations.

3. In these enforcement rules, the meaning of the terms referred to in each of the following items shall be as prescribed in each of such items.

(1) "Foreign company notification, etc." means the foreign company notification, etc. prescribed in Article 117, Paragraph 1, Item 25 of the Cabinet Office Ordinance on Financial Instruments Business, etc. (Cabinet Office Ordinance No. 52 of 2007)
(2) "Foreign Securities Broker" means a Foreign Securities Broker prescribed in Article 58 of the Act.
(3) "Main merging company" means the company with the largest business scale among merging companies (if an initial listing applicant or a subsidiary of a listed company is a party to a merger, merging companies (excluding subsidiaries of the initial listing applicant or the listed company) and the initial listing applicant or the listed company). In this case, the business scale shall be determined in consideration of such factors as the amounts of total assets, net assets, sales, earnings, etc.
(3)-2 "Main stock swap company" means the company concerned with the largest business scale among companies involved in a stock swap (if a subsidiary of an
initial listing applicant is a party to a stock swap, a party to the stock swap (excluding subsidiaries of the initial listing applicant) and the initial listing applicant. In this case, "business scale" shall be determined in consideration of such factors as the amounts of total assets, net assets, sales, profits, etc.

(3) "Company with audit and supervisory committee" means a company with audit and supervisory committee prescribed in Article 2, Item 11-2 of the Companies Act.

(4) "Public offering, etc. through competitive bidding" means public offering, etc. before listing conducted through competitive bidding in accordance with the provisions of Part 2, Chapter 2, Section 4.

(5) "Approval and authorization, etc." means approval, authorization, license or registration, or a sales agency agreement or contract manufacturing agreement.

(6) "Classified stocks with veto rights" means classified stocks subject to clauses on the matters referred to in Article 108, Paragraph 1, Item 8 of the Companies Act.

(7) "Company subject to ongoing disclosure" means a company subject to ongoing disclosure prescribed in Article 1, Item 28 of the Cabinet Office Ordinance on Disclosure.

(8) "Record date for rights" means the record date to determine the party to receive dividend from surplus, or the party to whom a right is granted in relation to stock split, gratis allotment of shares, or reverse stock split.

(9) "Offering price" means a price offered at a public offering, etc. before listing (or a price offered at a public offering, etc. before listing other than a public offering, etc. through competitive bidding if shares are offered at a public offering, etc. through competitive bidding).

(10) "Making another company a subsidiary" means an action to make another company a subsidiary.

(11) "Resolution authorizing acquisition of own stocks" means a resolution concerning acquisition of own stocks made pursuant to the provisions of Article 156, Paragraph 1 of the Companies Act (including cases in which such provisions are applied with rewording prescribed in Article 165, Paragraph 3 thereof) or the Preferred Equity Contribution Act, or provisions of laws and regulations in foreign countries that are equivalent to said Acts.

(12) "Resolution authorizing cancellation of treasury stocks" means a resolution (including a decision made by a director in the case of a company with audit and supervisory committee or a decision made by an executive officer in the case of a company with nominating committee, etc.) concerning cancellation of treasury stocks made pursuant to the provisions of Article 178, Paragraph 2 of the Companies Act or the Preferred Equity Contribution Act, or provisions of laws and regulations in foreign countries that are equivalent to said Acts.

(13) "Resolution authorizing disposition of treasury stocks" means a resolution (see Note 1 below) concerning disposition of treasury stocks made pursuant to the provisions of Article 199, Paragraph 1 of the Companies Act, or a resolution made pursuant to the provisions of Article 795, Paragraph 1 thereof concerning delivery of treasury stocks as moneys, etc. prescribed in Article 749, Paragraph 1, Item 2, Article 758, Item 4 or Article 768, Paragraph 1, Item 2 thereof (see Note 2 below), or a resolution made pursuant to provisions of laws and regulations in foreign disposable.

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countries that are equivalent to said Act.

(Note 1) This shall include a decision made by a director in the case of a company with audit and supervisory committee or a decision made by an executive officer in the case of a company with nominating committee, etc.

(Note 2) This shall include a resolution of the Board of Directors (including a decision made by a director in the case of a company with audit and supervisory committee or a decision made by an executive officer in the case of a company with nominating committee, etc.) concerning the contents of an absorption-type merger agreement, absorption-type demerger agreement or stock swap agreement in cases where no such resolution is required pursuant to the provisions of Article 796, Paragraph 1 or Paragraph 3 thereof.

(13)-2 "Quarterly consolidated income statements, etc." means quarterly consolidated income statements and quarterly consolidated comprehensive income statements, or quarterly consolidated income statements and comprehensive income statements.

(13)-3 "Company with nominating committee, etc." means a company with nominating committee, etc. prescribed in Article 2, Item 12 of the Companies Act.

(14) "Public offering, etc. before listing" means a public offering or secondary distribution of domestic stock, etc. during a period from the listing application day to the day immediately prior to the listing day.

(15) "General trading participant" means a general trading participant prescribed in Rule 2, Paragraph 2 of the Trading Participant Regulations.


(17) "Special related party" means a special related party prescribed in Article 1, Item 31, Sub-item 1 of the Cabinet Office Ordinance on Disclosure.

(18) "Classified stocks with rights to elect a director" means classified stocks subject to clauses on the matters referred to in Article 108, Paragraph 1, Item 9 of the Companies Act (limited to those matters related to directors).

(18)-2 "Comparative information" means comparative information prescribed in Article 6 of the Financial Statements, etc. Rules, Article 8-3 of the Consolidated Financial Statements Regulation, Article 4-3 of the Regulation for Terminology, Forms, and Preparation of Quarterly Financial Statements, etc. (Cabinet Office Ordinance No. 63 of 2007) (hereinafter referred to as "the Quarterly Financial Statements, etc. Regulation"), Article 5-3 of the Regulation for Terminology, Forms, and Preparation of Quarterly Consolidated Financial Statements, etc. (Cabinet Office Ordinance No. 64 of 2007) (hereinafter referred to as "the Consolidated Quarterly Financial Statements Regulation"), Article 3-2 of the Regulation for Terminology, Forms, and Preparation of Interim Financial Statements, etc. (Ordinance of the Ministry of Finance No. 38 of 1977), and Article 4-2 of the Regulation for Terminology, Forms, and Preparation of Interim Consolidated Financial Statements, etc. (Ordinance of the Ministry of Finance No. 24 of 1999).

(19) "Making a subsidiary a non-subsidiary" means an action to cease to be the parent company of another company.

(20) "Non-trading participant financial instruments firm" means a financial instruments firm.
firm that is not a trading participant of the Exchange.

(21) "Documents related to combined financial information of multiple subsidiaries" means consolidated income statements, etc. of multiple subsidiaries, or income statements combining non-consolidated income statements or quarterly consolidated income statements, etc. or quarterly non-consolidated income statements of multiple subsidiaries; provided that it also includes a balance sheet combining consolidated balance sheets or non-consolidated balance sheets of said subsidiaries if the initial listing applicant became a holding company on or after the first date of the business year to which the listing application day belongs.

(22) "Book-building" means a research on investor demand for a public offering, etc. before listing conducted in accordance with the provisions of Part 2, Chapter 2, Section 4.

(23) "Holding company" means a holding company deemed appropriate by the Exchange as being a domestic company or company equivalent to a domestic company among those holding companies prescribed in Article 9, Paragraph 4, Item 1 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947).

(24) "Principal underwriting contract, etc." means a principal underwriting contract or a contract concerning dealing in public offering or secondary distribution (provided that it means only a principal underwriting contract in cases where a trading participant of the Exchange executes a principal underwriting contract).

(25) "Principal underwriting trading participant" means a trading participant of the Exchange who is a financial instruments firm that executes a principal underwriting contract with respect to a public offering or secondary distribution.

(25)-2 "Extraordinary report" means an extraordinary report prescribed in Article 24-5, Paragraph 4 of the Act (including cases of applying mutatis mutandis pursuant to the Act) (where a foreign entity submits a document as a substitute for such extraordinary report in accordance with the provisions of Paragraph 15 of the same article (including cases of applying mutatis mutandis pursuant to the Act), such document)

(26) "Consolidated company" means a consolidated company prescribed in Article 2, Item 5 of the Consolidated Financial Statements Regulation.

(27) "Consolidated financial statements submitting company" means a consolidated financial statements submitting company prescribed in Article 2, Item 1 of the Consolidated Financial Statements Regulation.

(28) "Consolidated income statements, etc." means consolidated income statements and consolidated comprehensive income statements, or consolidated income and comprehensive income statements.

**Rule 3. Definition of Foreign Financial Instruments Exchange, etc.**

The foreign organized over-the-counter market specified by the Enforcement Rules prescribed in Rule 2, Item 13 of the Regulations means an over-the-counter market in a foreign country that allows a Japanese general investor to acquire securities registered therein.
Rule 3-2. Definition of Controlling Shareholder
The entity specified by the Enforcement Rules as prescribed in Rule 2, Item 42-2 of the Regulations means a main shareholder (other than the parent company) who holds the majority of voting rights of a listed company after combining the voting rights held for its own account and the voting rights held by any of the entities referred to in each of the following items:

1. A close relative of said main shareholder (meaning a relative within the second degree of kinship; the same shall apply hereinafter); and

2. A company, etc. (meaning a company, designated corporation, partnership, or other similar entities (including foreign entities that are equivalent to these entities); the same shall apply hereinafter) whose majority voting rights are held by said main shareholder and the close relative referred to in the preceding item, and a subsidiary of said company, etc.

Rule 4. Definition of Designated Book-entry Transfer Institution
The entity specified by the Enforcement Rules as prescribed in Rule 2, Item 42 of the Regulations shall be Japan Securities Depository Center, Inc. (JASDEC).

Rule 5. Definition of Multiple Listing
What is specified by the Enforcement Rules as prescribed in Rule 2, Item 71 of the Regulations means as follows:

1. With respect to a foreign stock, a foreign stock depositary receipt representing a right pertaining to said foreign stock is listed or continuously traded on a foreign financial instruments exchange, etc.;

2. With respect to a foreign stock depositary receipt, a foreign stock represented by said foreign stock depositary receipt is listed or continuously traded on a foreign financial instruments exchange, etc.; and

3. With respect to a foreign stock trust beneficiary certificate, a foreign stock that is a trust asset of the foreign stock trust beneficiary certificate or a foreign stock depositary receipt representing a right pertaining to said foreign stock is listed or continuously traded in a foreign financial instruments exchange, etc.

Rule 6. Definition of the End of the Immediately Preceding Business Year, etc.
The day specified by the Enforcement Rules as prescribed in Rule 2, Item 72 of the Regulations means, in cases where it is deemed difficult for a listed foreign company to grasp the status of its shareholders or holders of foreign stock depositary receipts, etc. as of the end of the most recent business year or the date on which a period of six (6) months has passed since the beginning date of each business year (hereinafter in this rule referred to as the "last day, etc."); the last record date for rights, etc. (see Note below) falling any time after the date six (6) months earlier than the last day, etc. or the day during said period on which a survey is conducted on the status of its shareholders or holders of foreign stock depositary receipts, etc.

(Note) It means a day on which voting rights, right to receive dividends, preemptive rights or other rights of shareholders or holders of foreign stock depositary...
receipts, etc. are granted, or a specific day on which the status of shareholders or holders of foreign stock depositary receipts, etc. is grasped pursuant to laws and regulations in the home country, etc. of a listed foreign company or for other justifiable reasons.

Rule 6-2. Definition of Simultaneous Listing

The matters specified by the Enforcement Rules as prescribed in Rule 2, Item 75-4 of the Regulations mean the following:

(i) In the case of a foreign stock, a foreign stock depositary receipt indicating rights pertaining to such foreign stock is expected to be listed on or continuously traded at a foreign financial instruments exchange, etc. (limited to a financial instruments exchange, etc. deemed appropriate by the Exchange; the same shall apply hereinafter in this rule) around the same time that such depositary receipt is newly listed on the Exchange;

(ii) In the case of a foreign stock depositary receipt, a foreign stock indicated by such depositary receipt is expected to be listed on or continuously traded at a foreign financial instruments exchange, etc. around the same time that such foreign stock is newly listed on the Exchange; and

(iii) In the case of a foreign stock trust beneficiary certificate, a foreign stock that is a trust asset or a foreign stock depositary receipt indicating rights pertaining to such foreign stock is expected to be listed on or continuously traded at a foreign financial instruments exchange, etc. around the same time that such foreign stock or such depositary receipt is newly listed on the Exchange.

Rule 7. Definition of Home Country

The country or region specified by the Enforcement Rules as prescribed in Rule 2, Item 85 of the Regulations, in principle, means, as a general rule, a country or region in which the foreign company or any other foreign entities were established. However, in cases where it is not appropriate to designate said country or region as the home country, the home country means a country or region that is deemed appropriate by the Exchange in consideration of the location, etc. of the main office, plants, and business partners.

Rule 8. Definition of Tradable Shares

1. Securities as prescribed by the Enforcement Rules prescribed in Rule 2, Item 96 of the Securities Listing Regulations (Regulations), in principle, mean securities held by any of the entities or partnerships, etc. (see Note 1 below) referred to in each of the following Items 1 through 3; provided, however, that in Part 2, Chapter 2 of the Regulations (see Note 2 below) (see Note 3 below), Part 2, Chapter 3, Section 2, Rule 804, and Rule 816 thereof, they mean securities held by any of the entities or partnerships, etc. referred to in each of the following items:

(Note 1) The term "partnerships, etc." means the partnership, etc. prescribed in Article 165-2, Paragraph 1 of the Act; the same shall apply in this rule.
(Note 2) It shall exclude Rule 209, Rule 210, Paragraph 3, and Rule 216 of the Regulations.
(Note 3) It shall include cases in which the provisions thereof are applied mutatis mutandis to Part 2, Chapter 3, Section 4 of the Regulations.

1. Officers of the issuer of said security (meaning directors, accounting advisors (including employees of an accounting advisor who are in charge of accounting advice if the accounting advisor is a corporation; the same shall apply hereinafter), company auditor, and executive officer (including governor, auditor, and a person who can be regarded as equivalent thereto) including officer stock ownership plan; the same shall apply hereinafter in this rule);

2. Issuer of the security;

3. Entities or partnerships, etc. that hold 10% or more of the total number of the security; and

4. Persons and entities referred to in the following Sub-items a. through c.:
   a. Spouse and relatives by blood within the second degree of kinship of an officer of the issuer of said security;
   b. Company (including corporations other than a company) whose majority voting rights of all shareholders (see Note below) are held by officers of the issuer of said security or persons referred to in Sub-item a. above; and

(Note) The term "voting rights" shall include voting rights of all employees, all members, all partnerships, or all investment contributors, and in the case of a stock company, excluding the voting rights of the shares that cannot be exercised for all matters that are subject to a resolution at a general meeting of shareholders and including the voting rights of the shares for which the shareholder is deemed to have voting rights under the provisions of Article 879, Paragraph 3 of the Companies Act.

c. Related company of the issuer of said security and officers thereof.

2. Notwithstanding the provisions of the preceding paragraph, securities held by the entity referred to in Item 3 of the preceding paragraph shall be included in tradable shares if they fall under any of the securities referred to in the following items:

1. Securities included in an investment trust or pension trust and other securities included in a trust that is organized for the purpose of investment management of trust assets by an investment advisor or a bank engaging in the trust business, or an entity deemed equivalent thereto who is authorized to manage investments of the trust assets under a discretionary investment contract or other contracts, or pursuant to provisions of law;

2. Securities held in the course of its business by an entity that engages in business operations related to custody of assets of an investment corporation or foreign investment corporation;

3. Securities held by a securities finance company or a financial instruments firm that pertain to margin transactions;
Securities in the account of a depository pertaining to depositary receipts (including registered holders of the depository); and
Other securities substantially held by entities other than an entity that holds 10% or more of the total number of said security that are deemed appropriate by the Exchange.

3. For securities specified in the provisions of the preceding paragraph when securities referred to in each of the items of the preceding paragraph are deducted from securities held by entities referred to in Paragraph 1, Item 3 of the same paragraph, if the resulting number of the securities after such deduction becomes less than 10% of the total number of the securities, the securities after such deduction shall be included in tradable shares.

Rule 9. Handling of Submission of Documents in Japanese or English, etc.
1. The documents, etc. specified by the Enforcement Rules as prescribed in Rule 5, Paragraph 1, Item 2 of the Regulations mean materials related to disclosure of corporate information, etc. made pursuant to provisions in Part 2, Chapter 4, Section 2 of the Regulations, as well as Rule 806, Rule 907, Rule 930, Rule 947, Rule 1107, Rule 1213, Rule 1312, or Rule 1410 thereof and documents, etc. deemed by the Exchange on a case-by-case basis to be necessary to be submitted in Japanese.
2. In cases where the form prescribed by the Exchange is in Japanese and, further, the documents are prepared in English pursuant to the provisions of Rule 5, Paragraph 1, Item 2 of the Regulations, the form and the contents of the documents shall be the same as those in Japanese and presented in English.
3. Translation prescribed in Rule 5, Paragraph 1, Item 3 of the Regulations shall be submitted together with the translator's certification stating to the effect that the translation is accurate if the Exchange deems necessary.
4. The foreign exchange market rate specified by the Enforcement Rules as prescribed in Rule 5, Paragraph 2 of the Regulations shall be, as a general rule, a middle rate between a TTS rate and a TTB rate quoted in the Tokyo Foreign Exchange Market on the day immediately prior to the day of submission.

Part 2
Stocks, etc.

Chapter 1
General provisions

Rule 101. Mothers Global
The general term for foreign stocks, etc. prescribed in Rule 102, Paragraph 3 of the Regulations shall be "Mothers Global".

Chapter 2
Initial Listing

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Section 1
Initial Listing Application, etc.

Rule 201. Handling of Initial Listing Application
1. Handling of stocks, etc. pertaining to initial listing application prescribed in Rule 201, Paragraph 1 of the Regulations shall be as prescribed in each of the following items in accordance with the types of stocks, etc. referred to in the following items.
   (1) Domestic stock, etc.
      a. With respect to the domestic stock, etc. pertaining to initial listing application the number of the domestic stocks, etc. pertaining to said initial listing application shall be, as a general rule, the same as the number of outstanding shares (including treasury shares: the same shall apply hereinafter) of the domestic stock, etc.
      b. With respect to outstanding shares of domestic stock, etc. pertaining to initial listing application, if the Exchange decides that part of the stocks are not suitable for listing, the Exchange may approve listing of outstanding shares of domestic stocks, etc. excluding those determined unsuitable for listing; provided, however, that the number of outstanding shares of domestic stocks, etc. excluding those determined unsuitable for listing shall be 50% or more of the number of outstanding shares of stock, etc. pertaining to the initial listing application.
   (2) Foreign stock
      With respect to the foreign stock pertaining to initial listing application the number of the foreign stock pertaining to the initial listing application shall, as a general rule, be the same as the number of paid-in shares of the foreign stock. However, with respect to said paid-in shares of the foreign stock, if the Exchange decides that part of said shares of the foreign stock are not suitable for listing, the Exchange may approve listing of paid-in shares of the foreign stock excluding those determined unsuitable for listing.
   (3) Foreign stock depositary receipts, etc.
      The number of the foreign stock depositary receipts, etc. pertaining to initial listing application shall, as a general rule, be the same as the number of issued foreign stock depositary receipts, etc. representing the same rights as those represented by the foreign stock depositary receipts, etc. pertaining to the listing application out of those representing rights pertaining to paid-in shares of the stock.

2. Those specified by the Enforcement Rules as prescribed in Rule 201, Paragraph 2 of the Regulations means a merger for creating a new company, stock transfer, or demerger for creating a new company undertaken by a listed company that are referred to in each of the following items:
   (1) Merger for creating a new company that falls under Rule 208, Item 1 of the Regulations, Rule 215, Item 1 of the Regulations, or Rule 216-9, Item 1 of the Regulations;
   (2) Stock transfer that falls under Rule 208, Item 3 of the Regulations, Rule 215,
Item 3 of the Regulations, or Rule 216-9, Item 3 of the Regulations; and

(3) Demerger for creating a new company that is a shareholder-directed spin-off.

3. In cases where initial listing application is made prior to the establishment of a new company pursuant to the provisions of Rule 201, Paragraph 2 of the Regulations, in principle, submission of "Security Initial Listing Application Form" and other documents, submission of informational reports or materials, cooperation for listing examination, and payment of listing examination fees, etc. shall be done by the listed company prior to said establishment and by the newly established company, which is the issuer of the stock, etc., after said establishment. Other matters necessary for the application of provisions concerning the initial listing application procedure and others shall be determined by the Exchange on a case-by-case basis.

Rule 202. Handling of Listing Agreement, etc.

1. The "Listing Agreement" prescribed in Rule 203, Paragraph 1 of the Regulations shall be prepared using the attached forms: Form 1-1 for a domestic stock, Form 1-2 for a preferred equity contribution security, Form 1-3 for a foreign stock, Form 1-4 for a foreign stock depositary receipt, and Form 1-5 for a foreign stock trust beneficiary certificate.

2. Matters specified by the Enforcement Rules as prescribed in Rule 203, Paragraph 3 of the Regulations shall be the matters prescribed in each of the following items in accordance with the types of stocks, etc. referred to in the following items:

(1) Stocks, etc. (excluding foreign stock depositary receipts, etc.; the same shall apply in this item):
   The name, number, and type of the stock, etc., the number of shares per Share Unit if such number is specified, and if the issuer of the stock, etc. is a listed company on Mothers, that fact and the date of listing;

(2) Foreign stock depositary receipts, etc.:
   a. The name, number, and type of the foreign stock depositary receipt, etc., the number of shares of the foreign stock pertaining to the rights represented by one foreign stock depositary receipt, etc., the name of the depository, etc., and if the issuer of the foreign stock depositary receipt, etc. is a listed company on Mothers, that fact and the date of listing; and
   b. The name, number, and type of the foreign stock pertaining to the rights represented by the foreign stock depositary receipt, etc.

Section 2
Initial Listing on Main Markets

Sub-section 1
Documents to Be Submitted, etc.

Rule 203. Matters to Be Stated in Security Initial Listing Application Form

1. Matters specified by the Enforcement Rules as prescribed in Rule 204, Paragraph 1 of the Regulations shall be the matters referred to in each of the following items:
(1) Trade name or corporate name of the applicant;
(2) The name, type, number of outstanding shares, and the number of shares per Share Unit in the case of setting such number, and the amount of capital of the issuer in cases where such stocks, etc. are domestic or foreign stocks; provided, however, in cases where the stock, etc. pertaining to the initial listing application is a foreign stock depositary receipt, etc., the name and type of the foreign stock depositary receipt, the number of the foreign stock pertaining to the rights represented on one foreign stock depositary receipt, etc., the number of outstanding shares, the name of the foreign stock pertaining to the rights represented on the foreign stock depositary receipt, etc., and the name and address of the depository, etc.;
(3) The name, type, the number of outstanding shares, and the number of shares per Share Unit in the case of setting such number of securities other than the stock, etc. pertaining to the initial listing application whose issuer is the initial listing applicant (excluding depositary receipts);
(4) Details of shelf registration with respect to the stock, etc. pertaining to the initial listing application and other securities issued by the initial listing applicant. In this case, when the details of shelf registration are included, the initial listing applicant shall submit a copy of the shelf registration statement (see Note 1 below (see Note 2 below));

(Note 1) This means the Shelf Registration Statement prescribed in Article 23-3, Paragraph 1 of the Act; the same shall apply hereinafter.
(Note 2) This shall include a copy of the amended shelf registration statement (meaning the Amended Shelf Registration Statement prescribed in Article 23-4 of the Act; the same shall apply hereinafter).

(5) Description of the public offering or secondary distribution of the stock, etc. (see Note below) pertaining to the initial listing application or the distribution with a quantitative limit pertaining to the initial listing application for the purpose of initial listing of a domestic stock or foreign stock, provided that said offering or distribution is made on any day on or after the initial listing application day;

(Note) This shall include depositary receipts representing rights pertaining to a domestic stock or foreign stock pertaining to the initial listing application and/or foreign stocks pertaining to the rights represented by a foreign stock depositary receipt, etc. pertaining to the initial listing application.

(6) Matters related to the handling of the domestic stock, etc. pertaining to the initial listing application by the designated book-entry transfer institution in its book-entry transfer operation;
(7) In cases where the initial listing applicant intends to make application for assignment to the First Section Market of the stock, etc. (see Note below)
pertaining to the initial listing application, that fact;

(Note) This shall exclude preferred equity contribution securities.

(8) The day on which the initial listing applicant registered a statement to the effect that it is a company with the board of directors under Article 2, Item 7 of the Companies Act;

(9) The name, number, etc., of the stock, etc. pertaining to the initial listing application as of the intended listing day;

(10) If the applicant or initial listing application issue falls under the following Sub-item a. or b., statement to the effect that, in principle, the number of the stocks, etc. specified in the following Sub-item a. or b. are also included in the same initial listing application, in addition to the number of the domestic stock, etc. or foreign stock, etc. pertaining to the initial listing application:

a. When stocks that are convertible to another type of stocks or subscription warrants have been issued or when other instruments similar to these have been issued or granted prior to the initial listing application day:
   The number of the domestic stock or foreign stock pertaining to the initial listing application that are to be issued as a result of conversion of said stocks that are convertible to another type of stocks or exercise, etc. of said subscription warrants (see Note below); or

(Note) Provided that with respect to the foreign stock depositary receipts, etc. pertaining to the initial listing application, said number includes the number of the foreign stock depositary receipts, etc. pertaining to the initial listing application that represent the rights pertaining to said foreign stock to be issued)

b. When the stock, etc. pertaining to the initial listing application is a foreign stock depositary receipt, etc.:
   If there were paid-in shares (see Note below) out of which foreign stock depositary receipts, etc. representing rights pertaining to said foreign stocks, etc. had not been issued, but if said foreign stock depositary receipts, etc. are issued, the number of said foreign stock depositary receipts, etc..

(Note) The term "paid-in shares" shall be limited to those with the same rights as the foreign stock pertaining to the rights represented by the foreign stock depositary receipt, etc. pertaining to the initial listing application

2. With respect to the number of outstanding shares prescribed in Item 2 of the preceding paragraph, the number of stocks, etc. referred to in each of the following items shall be separately noted:

(1) The number of treasury stocks held by the initial listing applicant;

(2) When a resolution authorizing acquisition of own stocks has been passed, the
number of own stocks pertaining to the resolution and the number of own stocks acquired;

(3) When a resolution authorizing disposal, etc. of treasury stocks has been passed, the number of treasury stocks pertaining to the resolution and the number of treasury stocks disposed of or delivered; and

(4) When a resolution authorizing cancellation of treasury stocks has been passed, the number of treasury stocks pertaining to the resolution.

3. The "Written Oath Concerning Application for Initial Listing" prescribed in Rule 204, Paragraph 1 of the Regulations shall be prepared using the attached forms: Form 1-6 for a domestic company and Form 1-7 for a foreign company.

Rule 204. Documents Attached to Security Initial Listing Application Form

1. "Other documents specified by the Enforcement Rules" as prescribed in the main clause of Rule 204, Paragraph 2 of the Regulations in cases where the initial listing applicant is a domestic company shall be the documents referred to in each of the following items:

(1) A copy of minutes of the board of directors' meeting (or an equivalent body if the initial listing applicant is a cooperative structured financial institution or a foreign company; the same shall apply hereinafter) at which a resolution authorizing the initial listing application was passed (including, in the case that a resolution is deemed to have been passed pursuant to the provisions of Article 370 of the Companies Act, a document certifying that the applicant falls under such case);

(2) A certified copy of the commercial register of the initial listing applicant;

(3) Articles of incorporation;

(4) Two (2) copies of "Securities Report for Initial Listing Application" containing matters concerning the business group to which the initial listing applicant belongs and the status of its accounts, other important matters concerning the details of the business, etc.:

In this case, "Securities Report for Initial Listing Application" shall consists of Part I and Part II containing matters prescribed in the following Sub-items a. through g.; provided, however, that if the initial listing applicant is a company that will succeed the business of a listed company through a shareholder-directed spin-off thereof and makes initial listing application prior to said spin-off (limited to cases where the listing applicant is unable to prepare Part II for justifiable reason), "Securities Report for Initial Listing Application" shall consists of Part I and other documents determined by the Exchange to be appropriate for conducting listing examinations;

a. "Securities Report for Initial Listing Application (Part I)" shall be prepared in a manner similar to "Form 2-4" (from "Part 2" to "Part 4") prescribed in Article 8, Paragraph 2, Item 1 of the Cabinet Office Ordinance on Disclosure. In this case, the matters presented in a manner similar to "Part 2" of "Form 2-4" are followed by matters referred to in "Part 2" of "Form 3" prescribed in Article 15, Item 1, Sub-item 1 thereof presented in a manner similar to said Form. However, if the initial listing applicant is an entity
who has been submitting securities reports for a consecutive period of one (1) year as of the initial listing application day, "Securities Report for Initial Listing Application (Part I)" may be prepared in a manner similar to "Form 2-2" ("Part 3" and "Part 4") prescribed in Article 9-3, Paragraph 4 of the Cabinet Office Ordinance on Disclosure. In this case, the matters presented in a manner similar to "Part 4" of "Form 2-2" are followed by matters referred to in "Part 4" of "Form 2" prescribed in Article 8, Paragraph 1, Item 1 thereof and "Part 4" of "Form 2-4" prescribed in Article 8, Paragraph 2, Item 1 thereof presented in a manner similar to said Forms.

b. Notwithstanding the provisions of Sub-item a. above, in cases where the initial listing applicant is an issuer of stocks, etc. listed on other financial instruments exchange(s) in Japan (hereinafter in this sub-item referred to as a "company listed on other markets"), if the initial listing applicant is subject to the provisions for technical listing or is a company that will succeed the business of a listed company or a company listed on other markets through a shareholder-directed spin-off by a company listed on other markets (limited to cases in which the succeeded business will become the principal business of the initial listing applicant) and makes initial listing application prior to the effective date of said spin-off, "Securities Report for Initial Listing Application (Part I)" shall be prepared in a manner similar to "Form 2" ("Part 2" and "Part 4") prescribed in Article 8, Paragraph 1, Item 1 of the Cabinet Office Ordinance on Disclosure or "Form 2-6" ("Part 2," "Part 3," and "Part 5") prescribed in Article 8, Paragraph 1, Item 3 thereof. In this case, the matters presented in a manner similar to "Part 2" of "Form 2" or "Part 3" of "Form 2-6" are followed by matters specified in "Part 2" of "Form 3" prescribed in Article 15, Item 1, Sub-item 1 thereof presented in a manner similar to said Form. However, if the initial listing applicant is an entity who has been submitting securities reports for a consecutive period of one (1) year as of the initial listing application day, except for cases in which the provisions for technical listing are applicable, "Securities Report for Initial Listing Application (Part I)" may be prepared in a manner similar to "Form 2-2" ("Part 3" and "Part 4") prescribed in Article 9-3, Paragraph 4 of the Cabinet Office Ordinance on Disclosure. In this case, the matters presented in a manner similar to "Part 4" of "Form 2-2" are followed by matters referred to in "Part 4" of "Form 2" prescribed in Article 8, Paragraph 1, Item 1 thereof presented in a manner similar to said Form.

b-2. In the case where the financial statements or consolidated financial statements pertaining to the business years (excluding the most recent business year) or consolidated accounting years (excluding the most recent consolidated accounting year) ending in the last two (2) years (see Note below) are described in the securities registration statement or securities report submitted pursuant to Article 5, Paragraph 1 of the Act or Article 24, Paragraphs 1 through 3 of the Act, the initial listing applicant shall attach such financial statements or consolidated financial statements to "Securities Report for Initial Listing Application (Part I)".

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(Note) The computation for "last" shall be counted retroactively from the end of the most recent business year immediately prior to the initial listing application day; the same shall apply hereinafter in this Chapter.

c. If the initial listing applicant carried out any acts referred to in (a) or (b) below within the last year or on or after the beginning of the business year to which the initial listing application day belongs (see Note 1 below), the documents concerning financial calculation specified in (a) or (b) below (see Note 2 below) shall be attached to the "Securities Report for Initial Listing Application (Part I)" prepared in accordance with the provisions of Sub-items a. and b. above. However, this requirement shall not apply if the act referred to in said (a) or (b) does not have a significant impact on the financial condition and operating result of the initial listing applicant.

(Note 1) With respect to the act referred to in (a), the same act carried out by a subsidiary of the initial listing applicant shall be also included.

(Note 2) This shall exclude those included in the "Securities Report for Initial Listing Application (Part I)" and those deemed by the Exchange unnecessary to be attached.

(a) Merger (excluding that between the initial listing applicant and its subsidiary, or that between subsidiaries of the initial listing applicant, and that falling under Rule 208, Item 1 or 2 of the Regulations; the same shall apply hereinafter Items 18 and 19, Sub-item a, and Item 3, Sub-item b. of the following paragraph):
Financial statements, etc. of the merging companies (see Note 1 below) for the business year and consolidated accounting year immediately prior to the merger (see Note 2 below);

(Note 1) This shall exclude the initial listing applicant and its subsidiaries; the same shall apply hereinafter Items 18 and 19, Sub-item a, and Item 3, Sub-item b. of the following paragraph.

(Note 2) Provided, however, that consolidated financial statements may be omitted if a merging company is not a company that is required to prepare them or if it is judged that it is extremely difficult for the merging company to prepare them, and the balance sheets and income statements prepared in accordance with the provisions of the Companies Act may be submitted in lieu of financial statements, etc. if it is judged that it is extremely difficult for a merging company to prepare them in accordance with the provisions of the Act.
(b) Making a company a subsidiary or making a company a non-subsidiary
Financial statements, etc. of the subsidiary for the business year and consolidated accounting year immediately prior to said act (see Note below);

(Note) Provided, however, that consolidated financial statements may be omitted if the subsidiary is not a company that is required to prepare them or if it is judged that it is extremely difficult for the subsidiary to prepare them, and the balance sheets and income statements prepared in accordance with the provisions of the Companies Act may be submitted in lieu of said financial statements, etc., if it is judged that it is extremely difficult for the subsidiary to prepare them in accordance with the provisions of the Act.

d. In cases where the initial listing applicant carried out a merger (see Note 1 below) or became a holding company (see Note 2 below) within the last two (2) years or on or after the beginning of the business year to which the initial listing application day pertains, the contents of "Securities Report for Initial Listing Application (Part I)" pertaining to the periods before the merger or before it became a holding company shall include matters concerning all the dissolution companies in the merger (see Note 3 below) or all the subsidiaries existing as of the day on which initial listing applicant became a holding company (see Note 4 below).

(Note 1) The term "merger" shall be limited to those that are deemed to be a merger in which a company without substance will become the surviving company.

(Note 2) This shall exclude cases in which the initial listing applicant became a holding company as a result of a succession or transfer of the business of the initial listing applicant to another company.

(Note 3) The term "dissolution companies" shall exclude companies that are consolidated subsidiaries of another dissolution company as of the end of the most recent business year immediately prior to the merger and other companies that the Exchange deems unnecessary to be included.

(Note 4) The term "subsidiaries" shall exclude companies that are consolidated subsidiaries of another subsidiary as of the end of the most recent business year immediately prior to the day on which the initial listing applicant became a holding company and other companies that the Exchange deems unnecessary to be included.

e. The provisions of Sub-items c. and d. above shall be applied to companies
that were dissolved as a result of a merger with the initial listing applicant by deeming them as initial listing applicants if the Exchange deems it necessary.

f. "Securities Report for Initial Listing Application (Part II)" shall be prepared in accordance with the "Instruction for the Preparation of Securities Report for Initial Listing Application (Part II)" prescribed by the Exchange.

g. In the case of calculating the amount of profits prescribed in Rule 205, Item 6, Sub-item a. and sales prescribed in Sub-item b. of the same paragraph based on documents referred to in Rule 212, Paragraph 6, Item 16, Sub-item a. or b., the initial listing applicant shall attach such documents to "Securities Report for Initial Listing Application (Part I)".

(5) A copy of the minutes of a meeting at which a resolution authorizing acquisition, disposal, etc., or cancellation of treasury stocks was passed, if such resolution was passed on or after the beginning of the business year to which the initial listing application day belongs (including, in the case that a resolution of the general shareholders meeting or the board of directors' meeting is deemed to have been passed pursuant to the provisions of Article 319, Paragraph 1 of the Companies Act or Article 370 thereof, a document certifying that the applicant falls under such case, and a document certifying that a decision was made by a director if the initial listing applicant is a company with audit and supervisory committee or by an executive officer in the case of a company with nominating committee, etc.);

(6) "Written Confirmation Certifying that the Applicant Has No Ties to Any Anti-Social Forces" predetermined by the Exchange;

(7) Documents referred to in the following a. through c. prepared by the managing trading participant of the initial listing applicant:
   a. "Written Recommendation" predetermined by the Exchange;
   b. "Written Confirmation" predetermined by the Exchange; and
   c. A document describing matters that were given particular attention or were the focus of confirmation in the course of public guidance and underwriting examination.

(8) A document assuring that the initial listing applicant will change the number of shares per Share Unit or newly set up a provision concerning the number of shares per Share Unit pursuant to the provisions of Rule 427-2, Paragraph 2 of the Regulations after listing if it is not expected that the number of shares per Share Unit of the domestic stock pertaining to the initial listing application will be 100 at the time of listing;

(9) Deleted;

(10) Copies of the accounting regulations, cost accounting regulations, regulations for authority of management, business management regulations, share handling regulations, internal information management regulations, and other regulations similar to these;

(11) A copy of notice of general shareholders meeting for the business year ending
within the latest year (or a copy of notice of meeting of ordinary equity investors and meeting of preferred equity investors as prescribed by the Preferred Equity Contribution Act if the application is made for initial listing of a preferred equity contribution security) and copies of documents attached thereto;

(12) Written documents stating the matters referred to in the following Sub-items a. through d. that are related to approval, authorization, etc. pertaining to the principal business or products/merchandise of the corporate group to which the initial listing applicant belongs (hereinafter in this item referred to as "the assumption of the principal business activities");
   a. The assumption of the principal business activities of the corporate group to which the initial listing applicant belongs;
   b. The term of the effective period of said approval, authorization, etc. and other terms that are specified by laws and regulations, contacts, etc.;
   c. The events that trigger cancellation, termination, etc., of said approval, authorization, etc. and other events that are specified by laws and regulations, contacts, etc.; and
   d. Statement that there are no factors that would cause disruption in the continuation of the assumption of the principal business activities of the corporate group to which the initial listing applicant belongs.

(13) In cases where the initial listing applicant is a holding company and two (2) years or more have not passed since the day on which the initial listing applicant became a holding company by the end of the most recent business year immediately prior to the initial listing application day (see Note 1 below), if multiple subsidiaries existed as of the day on which the initial listing applicant became a holding company, documents related to combined financial information of said multiple subsidiaries for the portion of said period that pertains to the period prior to the day on which the initial listing applicant became a holding company (see Note 2 below).

In this case, said documents related to combined financial information shall be prepared in accordance with the "Standard for the Preparation of Combined Financial Information" set forth by the Exchange, as well as other standards that are deemed reasonable;

(Note 1) This shall exclude cases in which the initial listing applicant became a holding company as a result of a transaction in which the business of the initial listing applicant was succeeded by or transferred to another company.

(Note 2) This shall exclude descriptions contained in "Securities Report for Initial Listing Application (Part I)" pursuant to the provisions of Item 4, Sub-item d.

(14) If the initial listing applicant is a company that succeeds the business of another company upon a demerger, etc. (see Note below) and the period prior
to the succession is included in the last two (2) years, two (2) copies of documents concerning financial calculation pertaining to the business succeeded from such other company for such period. In this case, said documents concerning financial calculation shall be prepared in accordance with the "Standard for the Preparation of Business Unit Financial Information" prescribed by the Exchange, as well as other standards that are deemed reasonable;

(Note) This shall be limited to cases in which the business succeeded from another company becomes the principal business of the initial listing applicant.

(15) If the initial listing applicant is a company that succeeds the business of another company upon a demerger, etc. (see Note below) and the period prior to the succession falls within the last two (2) years, two (2) copies of financial statements, etc. of such other company for the period prior to the succession that falls within such period;

(Note) This shall be limited to cases in which the business succeeded from another company becomes the principal business of the initial listing applicant.

(16) If the initial listing applicant is a company that acquires the business of another company (see Note below) and the period prior to the acquisition is included in the last two (2) years, two (2) copies of documents concerning financial calculation pertaining to the business unit acquired from such other company for such period. In this case, said documents concerning financial calculation shall be prepared in accordance with the "Standard for the Preparation of Business Unit Financial Information" prescribed by the Exchange, as well as other standards that are deemed reasonable;

(Note) This shall be limited to cases in which the business acquired from another company becomes the principal business of the initial listing applicant.

(17) If the initial listing applicant is a company that acquires the business of another company (see Note below) and the period prior to the acquisition is included in the last two (2) years, two (2) copies of financial statements, etc. of such other company for the period prior to the acquisition that falls within such period;

(Note) This shall be limited to cases in which the business acquired from another company becomes the principal business of the initial listing applicant.
(18) If the initial listing applicant or its subsidiary merged with another company within the last two (2) years or on or after the beginning of the business year to which the initial listing application day belongs, two (2) copies of financial statements, etc. of all the merging companies for each business year and consolidated accounting year ending on a day within such period (see Note below).

(Note) This shall exclude documents included in or attached to "Securities Report for Initial Listing Application (Part I)" and documents that the Exchange deems unnecessary to be submitted.

(19) If the initial listing applicant carries out any of the acts referred to in the following Sub-items a. through d. (see Note 1 below) within the last year or on or after the beginning of the business year to which the initial listing application day belongs (see Note 2 below), two (2) copies of the documents prescribed in said Sub-items a. through d. (see Note 3 below):

(Note 1) With respect to the acts referred to in a., b., and d., acts carried out by a subsidiary of the initial listing applicant are included.

(Note 2) This shall exclude cases in which such act does not have significant impact on the financial condition and operating result of the initial listing applicant.

(Note 3) This shall exclude documents that the Exchange deems unnecessary to be submitted.

a. Merger
"Summary of Merged Companies, etc. for Initial Listing Application" predetermined by the Exchange that contains the outline of the business, business review, review of equipment and facilities, etc.;

b. Demerger (excluding that between the initial listing applicant and its subsidiary or between subsidiaries of the initial listing applicant)
(a) Documents concerning financial calculation pertaining to the business succeeded upon the demerger (limited to those for the business year immediately prior to the demerger, etc.):
In this case, said documents concerning financial calculation shall be prepared in accordance with the "Standard for the Preparation of Business Unit Financial Information" specified by the Exchange, as well as other standards that are deemed reasonable;
(b) "Summary of Demerger for Initial Listing Application" predetermined by the Exchange that contains the outline of the business succeeded upon the demerger, reason for the demerger, etc.;

c. Making a company a subsidiary or making a company a non-subsidiary
"Summary of Changes in Subsidiaries for Initial Listing Application" predetermined by the Exchange that contains the outline of changes in
subsidiaries pertaining to the act of making a company a subsidiary or making a company a non-subsidiary, reason for such changes, etc.;

d. Business acquisition or transfer (excluding those between the initial listing applicant and its subsidiary or between subsidiaries of the initial listing applicant)

(a) Documents concerning financial calculation pertaining to the business unit acquired or transferred (limited to those for the business year immediately prior to the business year in which the acquisition or transfer was carried out):
In this case, said documents concerning financial calculation shall be prepared in accordance with the "Standard for the Preparation of Business Unit Financial Information" prescribed by the Exchange, as well as other standards that are deemed reasonable;

(b) "Summary of Business Acquisition (or Business Transfer) for Initial Listing Application" predetermined by the Exchange that contains the outline of the business acquired or transferred, reason for the acquisition or transfer, consideration paid or received in relation to the acquisition or transfer, etc.:
(Note) The provisions of Items 13 through 19 above shall be applied to companies that were dissolved as a result of a merger with the initial listing applicant by deeming them as initial listing applicants if it is deemed necessary by the Exchange.

(20) If the initial listing applicant intends to carry out public offering, etc. through competitive bidding, the documents referred to in the following Sub-items a. through c.:
    a. List of special related parties;
    b. List of subsidiaries and affiliated companies and list of officers of the subsidiaries and affiliated companies; and
    c. List of employees.

(21) "Table of Distribution of Stocks, etc." predetermined by the Exchange;
In this case, if a record date, etc. is specified pursuant to the provisions of the Companies Act, the Preferred Equity Contribution Act, or the CSD Act, the initial listing applicant is required to submit an updated "Table of Distribution of Stocks, etc." whenever shareholders or preferred equity investors (see Note below) fix the number of shares or preferred equity or the number of shareholders or preferred equity investors as of such record date, or if the number of shareholders and number of tradable shares are handled pursuant to the provisions of Rule 212, Paragraph 1, Items 6 and 8, the initial listing applicant is not required to submit the "Table of Distribution of Stocks, etc.";

(Note) The term "preferred equity investors" means the preferred equity investors prescribed by the Preferred Equity Contribution Act; the same shall apply hereinafter.

(22) Deleted;
(23) A copy of a document certifying the establishment of a shareholder services agent as prescribed in Rule 205, Item 8 of the Regulations;

(24) Materials regarding the valuation of domestic stocks pertaining to the initial listing application if the stock, etc. pertaining to the initial listing application is a domestic stock other than domestic stocks listed on a financial instruments exchange in Japan and no public offering or secondary distribution is conducted;

(25) A copy of a document prescribed in Article 794, Paragraph 1, or Article 803, Paragraph 1 of the Companies Act pertaining to the shareholder-directed spin-off in cases where the initial listing applicant is a company that is going to be established upon a shareholder-directed spin-off of a listed company or succeeds the business of a listed company, and makes the initial listing application prior to the shareholder-directed spin-off;

(26) If a mutual corporation makes an initial listing application for stocks of a stock company into which the mutual corporation is reorganized, the documents referred to in the following Sub-items a. through c.:

a. A copy of notice of a general meeting of members or general meeting of representatives (see Note below) for the business year ending within the last year and a copy of documents attached thereto;

(Note) The terms "general meeting of members" and "general meeting of representatives" mean the general meeting of members or general meeting of representatives prescribed by the Insurance Business Act (Act No. 105 of 1995).

b. A document certifying that a resolution authorizing the reorganization from a mutual corporation into a stock company was passed at a general meeting of members or general meeting of representatives and the Articles of Incorporation of the newly organized stock company; and


(27) A document certifying the contents of the resolution by the board of directors in the event of delegation to an executive officer according to Article 416, Paragraph 4 of the Companies Act if the initial listing applicant is a company with nominating committee, etc.;

(27)-2 A document certifying the contents of the resolution by the board of directors in the event of delegation to a director according to Article 399-13, Paragraph 5 of the Companies Act if the initial listing applicant is a company with audit and supervisory committee;

(28) If the initial listing applicant has a parent company, etc. (see Note 1 below) (see Note 2 below), documents describing the details of the most recent account settlement pertaining to the business year or interim accounting period, or consolidated accounting year or interim consolidated accounting period of such parent company, etc. (see Note 3 below); provided, however, that this shall not apply to cases referred to in the following a. or b.;
(Note 1) This shall be limited to cases where the parent company, etc. is a company, and where there are two or more parent companies, etc., this means the parent company, etc. that has the most significant influence on the initial listing applicant. In cases where it is determined that two or more parent companies, etc. have equal influence on initial listing applicant, this means any of these parent companies, etc.

(Note 2) This shall exclude cases where it is expected not to have a parent company, etc. at the end of the first business year after listing.

(Note 3) In the case of such parent company, etc. that submits quarterly consolidated financial statements, cumulative consolidated quarterly accounting period.

a. Cases where such parent company, etc. is an issuer of stock, etc. listed on a domestic financial instruments exchange; or

b. Cases where such parent company, etc. is an issuer of stock, etc. listed or continuously traded on a foreign financial instruments exchange, and the state of disclosure of corporate information in the country in which such parent company, etc. or foreign financial instruments exchange is located is not deemed to be seriously detrimental to investor protection.

(29) If the stock, etc. pertaining to the initial listing application is a type of stocks that have precedence on surplus dividends, "Summary of Earnings Plan, etc." predetermined by the Exchange;

(30) If the initial listing applicant has a controlling shareholder or other related company prescribed in Article 8, Paragraph 17, Item 4 of the Financial Statements, etc. Rules, a document describing the matters relating to a controlling shareholder, etc. specified in Rule 412 (see Note below); and

(Note) This shall exclude cases where it is not expected to have a controlling shareholder or related company prescribed in Article 8, Paragraph 17, Item 4 of the Financial Statements, etc. Rules at the end of the first business year after listing.

(31) A document assuring that the initial listing applicant will take measures to protect the interest of minority shareholders in executing transactions, etc. with a controlling shareholder in the case that the initial listing applicant (see Note below) does not have a controlling shareholder, but the applicant will have a controlling shareholder after listing of the stock, etc. pertaining to the initial listing application.

(Note) The term "initial listing applicant" shall be limited to those who make an initial listing application for a stock without voting rights or stock with voting rights referred to in Rule 205, Item 9-2, Sub-item b. of
2. "Documents specified by the Enforcement Rules" as prescribed in the main clause of Rule 204, Paragraph 2 of the Regulations in cases where the initial listing applicant is a foreign company shall be the documents referred to in each of the following items:

(1)-1 Documents referred to in Items 3, 5 through 7, 12, 21, 28, and 30 of the preceding paragraph; provided, however, that the document referred to in Item 21 of the same paragraph is not required in the case of multiple listing;

(1)-2 A specimen of the foreign stock, etc. pertaining to the initial listing application. In this case, a list of securities certificate specimens predetermined by the Exchange shall be attached to the specimen.

(2) A document certifying that a resolution authorizing the initial listing application was passed at a board of directors' meeting;

(3) Two (2) copies of "Securities Report for Initial Listing Application" containing the trade name or corporate name of the initial listing applicant, the business group to which the initial listing applicant belongs, the status of its accounts, other important matters concerning the substance of the business, and other matters specified by the Exchange:

In this case, "Securities Report for Initial Listing Application" shall consists of Part I and other documents that the Exchange deems appropriate for listing examinations. The documents shall contain matters specified in the following Sub-items a. through e.;

a. "Securities Report for Initial Listing Application (Part I)" shall be prepared in a manner similar to "Form 7" ("Part 2" and "Part 4") prescribed in Article 8, Paragraph 1, Item 4 of the Cabinet Office Ordinance on Disclosure or "Form 7-4" ("Part 2," "Part 3," and "Part 5") prescribed in Article 8, Paragraph 1, Item 5 thereof, organizing the contents such that matters presented in a manner similar to "Part 2" of "Form 7" or "Part 3" of "Form 7-4" are followed by matters specified in "Part 2" of "Form 8" prescribed in Article 15, Item 2, Sub-item 1 thereof presented in a manner similar to said Form. However, if the initial listing applicant is an entity who has been submitting securities reports for a consecutive period of one (1) year as of the initial listing application day, except for cases in which the provisions for technical listing are applicable, "Securities Report for Initial Listing Application (Part I)" may be prepared in a manner similar to "Form 7-2" ("Part 3" and "Part 4") prescribed in Article 9-3, Paragraph 4 of the Cabinet Office Ordinance on Disclosure, organizing the contents such that matters presented in a manner similar to "Part 4" of "Form 7-2" are followed by matters referred to in "Part 4" of "Form 7" prescribed in Article 8, Paragraph 1, Item 4 thereof presented in a manner similar to said Form.

a-2. Notwithstanding the provisions of the preceding a., where the initial listing applicant is submitting or planning to submit the documents prescribed in Article 5, Paragraph 8 of the Act in accordance with Paragraph 6 of the same article (see Note below), for the "Securities Report for Initial Listing Application (Part I)" described in a., the contents shall be organized in a manner similar to said Form.
Application (Part I)”, it shall be the documents referred to in the following (a) through (c).

(Note) This shall be limited to cases where the Exchange deems that it is expected to fall under cases specified in the Cabinet Office Ordinance where it is not detrimental to the public interest or investor protection prescribed in the same paragraph.

(a) Documents prescribed in Article 5, Paragraph 8 of the Act
(b) Documents describing, in Japanese or English, matters that should be described pursuant to the provisions of the preceding a. and are not described in documents referred to in the preceding (a).
(c) In the case of an initial listing applicant of foreign stock depository receipts, etc., documents describing, in Japanese or English, matters referred to in e.- (a) through (d).b.

b. If the initial listing applicant carries out any of the acts referred to in (a) or (b) below within the last year or on or after the beginning of the business year to which the initial listing application day belongs (see Note 1 below), financial documents that the Exchange deems appropriate pertaining to (a) or (b) below (see Note 2 below) shall be attached to the "Securities Report for Initial Listing Application (Part I)" prepared in accordance with the provisions of Sub-item a. above. However, this requirement shall not apply if the act referred to in said (a) or (b) does not have a significant impact on the financial condition and operating result of the initial listing applicant:

(a) Merger; and
(b) Making a non-subsidiary a subsidiary or making a subsidiary a non-subsidiary.

(Note 1) With respect to the act referred to in (a), the same act carried out by a subsidiary of the initial listing applicant is also included.

(Note 2) This shall exclude documents included in the "Securities Report for Initial Listing Application (Part I)" and those that the Exchange deems unnecessary to be attached.

c. The provisions of Item 4, Sub-items d., and e. of the preceding paragraph shall be applied mutatis mutandis to "Securities Report for Initial Listing Application (Part I)" prepared in accordance with the provisions of Sub-item a. In this case, the term "holding company" in Sub-item d. of the same item, the term "Sub-items c. and d. above" in Sub-item e. of the same item shall be reworded as "foreign holding company," and "Sub-item b. and Item 4, Sub-item d. of the preceding paragraph as applied mutatis mutandis pursuant to the provisions of this sub-item," respectively.

d. The financial documents included in "Securities Report for Initial Listing Application (Part I)" prepared in accordance with the provisions of Sub-item a. shall be prepared in conformity with the standard for preparation specified in Article 129 of the Financial Statements, etc. Regulations, except for cases in which the initial listing applicant is a foreign company.
that is a company subject to ongoing disclosure

e. If the initial listing applicant is making an initial listing application for foreign stock depositary receipts, etc. (excluding cases where the initial listing applicant falls under cases prescribed in Sub-item a-2), a section titled "Securities Information" shall be followed by matters presented in a manner similar to "Part 2" of "Form 7" or "Part 3" of "Form 7-2" pursuant to the provisions of Sub-item a. in "Securities Report for Initial Listing Application (Part I)". The section shall contain the matters referred to in the following (a) through (d):

(a) The name of the foreign stock depositary receipt, etc. pertaining to the initial listing application, rights pertaining thereto, the method and the terms for claiming exercise of the rights, etc.;
(b) The details of the stocks pertaining to the rights represented by the foreign stock depositary receipt, etc.;
(c) The structure for the issuance of the foreign stock depositary receipt, etc.; and
(d) Matters other than those specified in (a) through (c) above that may have significant impact on the investors' decision on the rights pertaining to the foreign stock depositary receipt, etc.

(4) A legal opinion from a legal expert to the effect that the matters concerning laws and regulations stated in "Security Initial Listing Application Form" and documents attached thereto are true and accurate;

(5) A document certifying that a resolution authorizing that the representative stated in "Security Initial Listing Application Form" has proper authority concerning the listing of the foreign stock, etc. has been passed by a board of directors' meeting. However, if there are provisions in the Articles of Incorporation, etc. specifying the entities that have the proper authority, a copy of the Articles of Incorporation, etc. may be submitted in lieu of said document;

(6) If the initial listing applicant is making an initial listing application for foreign stock depositary receipts, etc., the documents referred to in the following Sub-items a. and b.:

a. A copy of a document certifying the deposit agreement and other agreements prescribed in Rule 206, Paragraph 1, Item 4 of the Regulations; and

b. A copy of a document certifying that the depository, etc. regarding the foreign stock depositary receipt, etc. pertaining to the initial listing application has agreed to send a notice concerning matters referred to in the following (a) and (b) to the Exchange after listing of said foreign stock depositary receipt, etc. in accordance with the provisions of said (a) or (b):

(a) In cases where dividends, subscription warrants or other rights are granted with respect to the foreign stock pertaining to the rights represented by said foreign stock depositary receipt, etc., and said depository, etc. makes a decision concerning the handling of said rights regarding said foreign stock depositary receipt, etc., notice of the
(Provisional Reference Translation)

decision: immediately after such decision is made; and
(b) Notice of the number of said issued foreign stock depositary receipt, etc.
as of the end of each quarterly accounting period of the initial listingapplicant: without delay after the end of each quarterly accountingperiod.

(7) Two (2) copies of financial documents deemed by the Exchange to benecessary in cases where, as of the end of the most recent business yearimmediately prior to the initial listing application day, two (2) years have notpassed since the day on which the initial listing applicant became a foreignholding company or carried out a merger (see Note below), and the Exchangedeems it necessary.;

(Note) This shall exclude cases in which the initial listing applicant became aforeign holding company as a result of a succession or transfer of thebusiness to another company.

(8) "Table of Change in Number of Shareholders" or "Table of Change in Numberof Holders of Foreign Stock Depositary Receipts, etc." predetermined by theExchange (limited to cases of multiple listing);

(9) A document certifying that the agent, etc. prescribed in Rule 426 of theRegulations has been appointed or that the company has received from saidagent, etc. an informal consent to accept the appointment;

(10) If the initial listing applicant is a company to succeed the business of a listedcompany upon a shareholder-directed spin-off of the listed company andmakes initial listing application prior to the shareholder directed spin-off,documents describing the plan for the shareholder directed spin-off; and

(11) Materials related to the valuation of the foreign stock pertaining to the initiallisting application in cases where the foreign stock pertaining to the initiallisting application or the foreign stock depositary receipt, etc. representingtherights pertaining to said foreign stock, or the foreign stock depositary receipt,etc. pertaining to the initial listing application or the foreign stock pertainingto the rights represented by said foreign stock depositary receipt, etc. is notlisted or continuously traded on a financial instruments exchange in Japan oraforeign financial instruments exchange, etc. and the initial listing applicantdoes not intend to make public offering or secondary distribution with respectto the foreign stock pertaining to the initial listing application;

3. Significant impact prescribed in Paragraph 1, Item 4, Sub-item c., Item 19, and Item3, Sub-item b. of the preceding paragraph shall be judged in accordance with theprovisions of Exhibit 1 "Significant Impact' Pertaining to Merger, etc. of the InitialListing Applicant".

4. Documents specified by the Enforcement Rules as prescribed in the proviso of Rule204, Paragraph 2 of the Regulations, shall be the documents referred to in Paragraph1, Item 7, Sub-item a. (including cases prescribed in Paragraph 2, Item 1)

Rule 205. Documents Attached to Security Initial Listing Application Form in

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**Cases of Technical Listing**

1. Documents specified by the Enforcement Rules as prescribed in Rule 204, Paragraph 3 of the Regulations shall be the documents referred to in each of the following items in accordance with the types of initial listing applicants referred to in each of the following items:

   (1) Initial listing applicant who falls under Rule 208, Item 1, 3 or 5 of the Regulations:

   a. Domestic company

      (a) Documents referred to in Paragraph 1, Items 1 through 3, 5, 6, 8, 10, 23, 29, and 31 of the preceding rule;

      (b) "Securities Report for Initial Listing Application" containing the business group to which the initial listing applicant belongs, and the status of its accounts, and other important matters concerning the details of the business, etc.:

         In this case, "Securities Report for Initial Listing Application" shall consist Part I only, which shall be prepared in conformity with the provisions of Paragraph 1, Item 4, Sub-items a. through f. of the preceding rule;

      (c) "Schedule of Expected Distribution of Stocks, etc. On or After the Initial Listing Application Day" predetermined by the Exchange that describes the expected distribution of stocks, etc. pertaining to the initial listing application through the end of the first business year ending after the listing day;

      (d) Documents prepared in a manner similar to the documents to be submitted by a listed company pursuant to the provisions of each item of Rule 417;

      (e) If the provisions of Rule 208, Item 5 of the Regulations apply to the initial listing applicant, documents concerning financial calculation for the most recent consolidated accounting year of the listed company (see Note 1 below) pertaining to the business to be succeeded by another company and the business to be succeeded by a company other than such other company prescribed therein (see Note 2 below):

         In this case, said documents concerning financial calculation shall be prepared in accordance with the "Standard for the Preparation of Business Unit Financial Information" set forth by the Exchange, as well as other standards that are deemed reasonable; and

         (Note 1) This shall be the most recent business year of the listed company if the listed company is not a company that submits consolidated financial statements.

         (Note 2) This shall exclude documents that the Exchange deems unnecessary to be submitted.

      (f) In cases where the initial listing applicant for which the provisions of Rule 208, Item 1 or 3 of the Regulations apply is the parent company
of the surviving company specified in Item 1 of the same rule or the parent company of another company specified in Item 3 of the same rule or where the listed company prescribed in the same item is a wholly-owned subsidiary of such initial listing applicant (limited to cases where such initial listing applicant is a foreign company), if the listed company prescribed in Item 1 or 3 of the same rule is expected to not be a substantial surviving company prescribed in Rule 601, Paragraph 1, Item 9, Sub-item b. of the Regulations, documents containing expectation concerning the corporate continuity and profitability for the period prescribed therein and a statement that the initial listing applicant will strive to satisfy the criteria determined by the Exchange as prescribed therein within said period (excluding cases in which it is expected that the initial listing applicant will satisfy the criteria prescribed therein);

b. Foreign company
(a) Documents referred to in Paragraph 1, Items 3 and 6 of the preceding rule;
(b) Documents referred to in Paragraph 2, Items 2, 4 through 6, 9, and 10 of the preceding rule;
(c) Documents referred to in (c), (e), and (f) of the preceding Sub-item a.; and
(d) "Securities Report for Initial Listing Application" containing the business group to which the initial listing applicant belongs, the status of its accounts, other important matters concerning the details of the business, etc.:
   In this case, "Securities Report for Initial Listing Application" shall consist Part I only, which shall be prepared in conformity with the provisions of Paragraph 2, Item 3, Sub-items a. through e. of the preceding rule.

(2) Initial listing applicant who falls under Rule 208, Item 2 or 4 of the Regulations:
   a. A document certifying that it is clear that the foreign stock pertaining to the initial listing application or the foreign stock depositary receipt representing the rights pertaining to said foreign stock, or the foreign stock depositary receipt, etc. pertaining to the initial listing application or the foreign stock pertaining to the rights represented by said foreign stock depositary receipt, etc. will be listed or continuously traded on a foreign financial instruments exchange, etc.;
   b. Documents referred to in Paragraph 1, Items 3 and 6 of the preceding rule; and
   c. Documents referred to in Paragraph 2, Items 2, 4 through 6, 9, and 10 of the preceding rule.

2. With regards to the application of the provisions of Item 1, Sub-item a. (c) of the preceding paragraph pertaining to a company whose shareholder, etc. record date is not the end of a business year, "the end of the first business year after listing" in the

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Rule 206. Documents to Be Submitted Pertaining to Initial Listing Application

Other cases specified by the Enforcement Rules as prescribed in Rule 204, Paragraph 5 of the Regulations shall be the cases referred to in each of the following items and the documents specified in each of said items shall be submitted if the applicant falls under the cases referred to in each of the following items. However, where the documents specified in each of the following items (excluding documents referred to in Item (4), Sub-item d.) have been submitted to the Prime Minister, etc. through the electronic data processing system (meaning the electronic data processing system prescribed in Article 27-30-2 of the Act; the same shall apply hereinafter), submission of such documents is not required.

(1) If the initial listing applicant held a meeting of the board of directors or a general shareholders meeting (see Note 1 below) during the period from the first day of the business year containing the initial listing application day to the listing day (see Note 2 below), a copy of the minutes of the meeting (see Note 3 below). In this case, if the matters pertaining to the resolution of the board of directors or the general shareholders meeting (see Note 4 below) are matters prescribed in Rule 417 or 418, the initial listing applicant shall attach documents prepared in a manner similar to the documents submitted by a listed company pursuant to the provisions of Rule 417 or 418 to said copy of the minutes;

(Note 1) This shall include a general meeting of ordinary equity investors and general meeting of preferred equity investors if the initial listing applicant makes initial listing application for a preferred equity contribution security; the same shall apply hereinafter in this item.

(Note 2) This shall include cases that a resolution of the general shareholders meeting or the board of directors is deemed to have been passed pursuant to the provisions of Article 319, Paragraph 1 of the Companies Act or Article 370 thereof, and cases where an audit and supervisory committee meeting was held or a decision (excluding decisions on day-to-day operations; the same shall apply hereinafter in this item) was made by a director if the initial listing applicant is a company with audit and supervisory committee; or, cases where a nominating committee meeting was held or a decision was made by an executive officer if the initial listing applicant is a company with nominating committee, etc.

(Note 3) This shall include, in the case that a resolution of the general shareholders meeting or the board of directors is deemed to have been passed pursuant to the provisions of Article 319, Paragraph 1 of the Companies Act or Article 370 thereof, a document certifying that the initial listing applicant falls under such case; a document certifying that a decision was made by a director if the initial listing applicant is a company with audit and supervisory committee, or by an executive officer if the initial listing applicant is a company with nominating committee, etc.; and notice of resolution pertaining to a meeting of the
board of directors or a general shareholders meeting held to vote on matters concerning a foreign stock, etc., if the initial listing applicant is a foreign company.

(Note 4) This shall include a resolution of an audit and supervisory committee or decision of a director, if the initial listing applicant is a company with audit and supervisory committee; or, a resolution of a nominating committee, etc. or decision of an executive officer, if the initial listing applicant is a company with nominating committee, etc.

(2) In cases where corporate information such as the fact that has significant impact on the business of the initial listing applicant becomes known during the period from the first day of the business year containing the initial listing application day to the listing day (see Note below), the report on said information;

(Note) This means cases that are prescribed in Rule 402, Item 2 of the Regulations, Rule 403 and Rules 405 through 407 thereof.

(3) In cases where the initial listing applicant made notification concerning public offering of a security or notification concerning the secondary distribution of a security or submission of a notice thereof to the Prime Minister, etc. during the period from the first day of the business year containing the initial listing application day to the listing day, two (2) copies each of the documents referred to in the following items a. through c. (in the case of the document as prescribed in b., one copy suffices):

a. Securities registration statement (excluding documents that are identical to those that have already been submitted);
b. Notice of effectiveness of securities registration statement; and
c. Securities notification (including amendment thereto) and document attached thereto (excluding documents that are identical to those that have already been submitted).

(4) In cases where the initial listing applicant made a shelf registration pertaining to public offering or secondary distribution of a security or withdrawal thereof or made a public offering or secondary distribution by shelf registration during the period from the first day of the business year containing the initial listing application day to the listing day, two (2) copies each of the documents referred to in the following items a. through d. (in the case of the document specified in b., one copy suffices):

a. Shelf registration statement (including amendment thereto) and document attached thereto as well as reference documents pertaining thereto (excluding documents that are identical to those that have already been submitted);
b. Notice of effectiveness of shelf registration;
c. Shelf registration supplements (see Note 1 below) and document attached thereto as well as reference documents pertaining thereto (see Note 2
(Note 1) This means shelf registration supplements prescribed in Article 23-8, Paragraph 1 of the Act; the same shall apply hereinafter.

(Note 2) This shall exclude documents that are identical to those that have already been submitted.

d. Written withdrawal of shelf registration.

(5) In cases where the initial listing applicant submitted to the Prime Minister, etc. any of the documents referred to in the following Sub-items a. through i. during the period from the first day of the business year containing the initial listing application day to the listing day, two (2) copies of the documents. However, if the initial listing applicant is a domestic company or a foreign company that is a company subject to ongoing disclosure, a copy of documents referred to in Sub-items a. and c. suffices when they are amended:

a. Securities report (including amendment thereto) and document attached thereto (excluding documents that are identical to those that have already been submitted);
b. Interim report (including amendment thereto);
c. Quarterly report (including amendment thereto);
d. Extraordinary report (including amendment thereto);
e. Report on purchase of own stocks and amendment thereto;
f. Tender offer notification (including amendment thereto), written cancellation thereof, and tender offer report (including amendment thereto);
g. Subject company's position statement pertaining to a tender offer (including amendment thereto);
h. Report on possession of a large volume of shares and report of change pertaining to a report on possession of large volume as well as amendment thereto; and

i. Internal control report (including amendment thereto).

(6) In cases where any of the documents referred to in the following Sub-item a. or b. are submitted to the Prime Minister, etc. with respect to securities issued by the initial listing applicant during the period from the first day of the business year containing the initial listing application day to the listing day, a copy of said documents sent from the entity who submitted them:

a. Tender offer notification (including amendment thereto), written withdrawal thereof, and tender offer report (including amendment thereto); and

b. Report on possession of a large volume of shares and report of change pertaining to a report on possession of a large volume of shares as well as amendment thereto.

(7) In cases where the initial listing applicant received a copy of a subject company’s position statement pertaining to a tender offer (including amendment thereto) during the period from the first day of the business year
containing the initial listing application day to the listing day, a copy thereof;

(8) If the initial listing applicant plans to carry out reorganization from a mutual corporation into a stock company during the period from the first day of the business year containing the initial listing application day to the listing day, the documents referred to in the following Sub-items a. and b.:
   a. In cases where the initial listing applicant held a general meeting of members or general meeting during the period from the first day of the business year containing the initial listing application day to the listing day, a copy of the minutes of the meeting; and
   b. A document certifying that the initial listing applicant has received approval of the Prime Minister, etc. with respect to reorganization from a mutual corporation into a stock company.

(9) In cases where the listing day of the stock, etc. pertaining to the initial listing application falls under any of the following Sub-items a. through c., two (2) copies of the documents prescribed in said Sub-items a. through c. (provided, however, that this provision does not apply to an initial listing applicant who is a foreign company (limited to cases of multiple listing)):
   a. In cases where said listing day falls on any time after three (3) months passed from the beginning of the business year containing the initial listing application day, "Quarterly Report for Initial Listing Application" for the first quarter of said business year containing matters set forth by the Exchange. In this case, if the initial listing applicant is a domestic company, the "Quarterly Report for Initial Listing Application" shall be prepared in accordance with "Form 4-3" prescribed in Article 17-15, Paragraph 1, Item 1 of the Cabinet Office Ordinance on Disclosure; if the initial listing applicant is a foreign company, the "Quarterly Report for Initial Listing Application" shall be prepared in accordance with "Form 9-3" prescribed in Item 2 of the same paragraph; if the initial listing applicant is a company subject to ongoing disclosure that prepares quarterly reports, a copy of a quarterly report will suffice; if the initial listing applicant is a foreign company other than a company subject to ongoing disclosure that prepares quarterly reports, the financial documents contained in the "Quarterly Report for Initial Listing Application" shall be prepared in conformity with the preparation standard prescribed in Article 85 of the Regulation for Terminology, Forms, and Preparation of Quarterly Financial Statements, etc. (see Note below);

   (Note) The same shall apply to "Quarterly Report for Initial Listing Application" prescribed in the following Sub-items b. and c.

   b. In cases where the stock is listed after six (6) months passed from the beginning of the business year containing the initial listing application day, "Quarterly Report for Initial Listing Application" for the second quarter of said business year containing matters set forth by the Exchange; and
   c. In cases where the stock is listed after nine (9) months passed from the
beginning of the business year containing the initial listing application day, "Quarterly Report for Initial Listing Application" for the third quarter of said business year containing matters set forth by the Exchange;

(9)-2 In the case where the initial listing applicant submitting "Quarterly Report for Initial Listing Application" or a copy of the quarterly report in accordance with the provisions of the preceding item is a company that should prepare consolidated financial statements:

Quarterly balance sheet as of the end of the period prescribed in Sub-items a. through c. of the same item.

In this case, if the initial listing applicant is a foreign company other than an ongoing disclosure company that prepares quarterly reports, the initial listing applicant shall prepare in accordance with the preparation standard prescribed in Article 83 of the Regulation for Terminology, Forms, and Preparation of Quarterly Financial Statements, etc.; and

(10) In cases where, out of stocks, etc. as of the intended listing day, there are stocks, etc. that have not been issued on the initial listing application day, a document certifying the resolution authorizing the issuance of such stocks, etc. (see Note 1 below), a copy of securities registration statement, and a copy of notice of effectiveness of securities registration statement or a copy of shelf registration supplements, or a copy of notification of receipt of securities notification or a copy of notification of receipt of shelf registration notification, as well as a document certifying the completion of payment (see Note 2 below).

(Note 1) This shall include a decision by a director if the initial listing applicant is a company with audit and supervisory committee or a decision by an executive officer if the initial listing applicant is a company with nominating committee, etc.

(Note 2) This shall be a certificate of registered matters, etc.

Rule 207. Audit Report, etc.
1. Documents concerning accounting calculation specified by the Enforcement Rules as prescribed in Rule 204, Paragraph 6 of the Regulations shall be the documents referred to in each of the following items:

(1) Financial statements, etc. for each business year and each consolidated accounting year ended in the last two (2) years that are included in or attached to "Securities Report for Initial Listing Application (Part I)" prescribed in Rule 204, Paragraph 1, Item (4) or Rule 204, Paragraph 2, Item (3) (see Note below):

(Note) This shall exclude financial statements pertaining to a dissolution company in a merger or a subsidiary other than a main company existing as of the day on which the initial listing applicant becomes a holding company or a foreign holding company prescribed in Rule 204, Paragraph 1, Item (4), Sub-item d. (including cases in which the provisions of the same sub-item are applied mutatis mutandis in Rule
204, Paragraph 2, Item (3), Sub-item c.) and financial documents of an initial listing applicant, which is a privatized foreign company, that have not been prepared for said years and are deemed to be extremely difficult to newly prepare.

(2) Interim financial statements, etc. or quarterly financial statements, etc. included in "Securities Report for Initial Listing Application" that is prescribed in Rule 204, Paragraph 1, Item (4) or Rule 204, Paragraph 2, Item (3), or quarterly financial statements, etc. included in "Quarterly Report for Initial Listing Application" prescribed in Item (9) of the preceding rule.

(3) Financial statements or consolidated financial statements prescribed in Rule 204, Paragraph 1, Item (4), Sub-item b-2.

2. With respect to the audit report, interim audit report, or quarterly review report prescribed in Rule 204, Paragraph 6 of the Regulations, if the documents concerning financial calculation specified in the same paragraph are identical to the financial statements, etc., interim financial statements, etc., or quarterly financial statements, etc. included in the securities registration statement, securities report, or quarterly report previously submitted pursuant to the provisions of the Act, and the audit certification prescribed in Article 193-2, Paragraph 1 of the Act has been received, a copy of the audit report, interim audit report, or quarterly review report pertaining to such financial statements, etc., interim financial statements, etc., or quarterly financial statements, etc. will suffice.

3. Foreign company specified by the Enforcement Rules as prescribed in the proviso in Rule 204, Paragraph 6 of the Regulations means a foreign company that falls under each of the following items and said foreign company shall submit an audit report pertaining to the certification prescribed in Item (2). In this case, said foreign company may submit a copy of said audit report by applying mutatis mutandis the provisions of the preceding paragraph:

(1) The financial documents referred to in Paragraph 1, Item (1) is prepared in conformity with the standard for preparation prescribed in Article 129 of the Financial Statements, etc. Regulations pursuant to the provisions of Rule 204, Paragraph 2, Item (3), Sub-item d.; and

(2) With respect to the financial documents referred to in Paragraph 1, Item (1), certification that is deemed to correspond to audit certification specified in Article 193-2, Paragraph 1 of the Act has been received from a certified public accountant or audit firm or equivalent thereto.

Rule 208. Summary Audit Report, etc.

1. Those specified by the Enforcement Rules as prescribed in Rule 204, Paragraph 7 of the Regulations means those pertaining to "Quarterly Report for Initial Listing Application" submitted pursuant to the provisions of Rule 206, Item (9).

2. The handling of the summary audit report, summary interim audit report, and summary quarterly review report prescribed in Rule 204, Paragraph 7 of the Regulations shall be as prescribed in each of the following items:

(1) In cases where audits of the financial statements and consolidated financial
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statements of the initial listing applicant or audits of all of the financial documents of the initial listing applicant are conducted together by the same certified public accountant or audit firm, the initial listing applicant shall submit a summary report pertaining to the audit of said financial statements and a summary report pertaining to the audit of said consolidated financial statements, or summary reports pertaining to the audits of all said financial documents by combining them into one summary audit report;

(2) Summary audit reports, summary interim audit reports, or summary quarterly review reports shall be prepared in conformity with "Form 1," "Form 2," and "Form 4" prescribed in Article 5, Paragraph 2 of the Cabinet Office Ordinance on Audit Certification, respectively.

(3) With respect to the summary audit report regarding the initial listing applicant's financial statements, etc. for the business year and the consolidated accounting year immediately prior to the initial listing application day that is included in "Securities Report for Initial Listing Application (Part 1)" documents describing the evaluation by a certified public accountant or audit firm on the initial listing applicant's accounting organization, accounting regulations, cost accounting system, internal control organization, internal audit organization, system for the preparation of consolidated financial statements and its implementation, accounting regulations regarding the preparation of consolidated financial statements, as well as development of accounting regulations of the consolidated subsidiaries and equity method affiliates shall be attached.

(4) With respect to a summary audit report, summary interim audit report, or summary quarterly review report, in cases where a copy of an audit report, interim audit reports, or quarterly review report to financial statements, etc., interim financial statements, etc., or quarterly financial statements, etc. has been submitted pursuant to the provisions of Paragraph 2 of the preceding rule, a copy of summary audit report, summary interim audit report, or summary quarterly review report to audit, interim audit or quarterly review that has already been submitted to the Prime Minister, etc. will suffice.

Rule 209. Documents Concerning Financial Calculation

Documents concerning accounting calculation specified by the Enforcement Rules as prescribed in Rule 204, Paragraph 8 of the Regulations shall be the documents referred to in each of the following items, and the documents referred to in each of the following items shall be attached thereto:

(1) Documents prescribed in Rule 204, Paragraph 1, Item 4, Sub-item c., financial statements, etc. included in "Securities Report for Initial Listing Application (Part I)" that pertains to a dissolution company in a merger or a subsidiary other than a main company existing as of the day on which the initial listing applicant becomes a holding company or a foreign holding company prescribed in Rule 204, Paragraph 1, Item 4, Sub-item d. (see Note 1 below), or documents prescribed in Rule 204, Paragraph 1, Item 18 (see Note 2 below): An audit report based on audit conducted in conformity with the provisions of

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Article 193-2 of the Act; however, it shall be a report stating opinions on financial values, etc., if such report is deemed appropriate by the Exchange. In this case, it is required that such opinions be based on Exhibit 2 "Standard for Statement of Opinions on the Financial Statements, etc. of Merged Company, etc." or other procedures that are deemed reasonable;

(Note 1) This shall include cases in which the provisions of the same sub-item are applied mutatis mutandis in Rule 204, Paragraph 2, Item 3, Sub-item c.

(Note 2) This shall be limited to financial statements, etc. of the main merging company if such documents are those prescribed in Item 18.

(2) Documents prescribed in Rule 204, Paragraph 1, Item 13:
An audit report based on audit conducted in compliance with generally accepted auditing standards or a report prepared for the purpose of stating opinions on combined financial information based on Exhibit 3 "Standard for Statement of Opinions on Documents Concerning Combined Financial Information" or other procedures that are deemed reasonable;

(3) Documents prescribed in Rule 204, Paragraph 1, Item 14 and Rule 205, Item 1, Sub-item a. (e):
An audit report based on audit conducted in compliance with generally accepted auditing standards or a "report prepared for the purpose of stating opinions on business unit financial information" based on Exhibit 4 "Standard for Statement of Opinions on Documents Concerning Financial Calculation pertaining to the Business Succeeded upon Demerger" or other procedures that are deemed reasonable;

(4) Documents prescribed in Rule 204, Paragraph 1, Items 15 and 17:
An audit report based on audit conducted in conformity with the provisions of Article 193-2 of the Act; and

(5) Documents prescribed in Rule 204, Paragraph 1, Item 16, or Item 19, Sub-item b. (a) or Sub-item d. (a) of the same item:
An audit report based on audit conducted in compliance with generally accepted auditing standards or a "report prepared for the purpose of stating opinions on business unit financial information" based on Exhibit 4 "Standard for Statement of Opinions on Documents Concerning Financial Calculation pertaining to the Business Succeeded upon Demerger" or Exhibit 5 "Standard for Statement of Opinions on Documents Concerning Financial Calculation pertaining to the Business Unit Acquired or Transferred," or other procedures that are deemed reasonable.

Rule 210. Public Inspection of Documents to Be Submitted Pertaining to Initial Listing Application

1. Documents specified by the Enforcement Rules, out of the documents referred to in Paragraphs 2 through 8 as prescribed in Rule 204, Paragraph 10 of the Regulations shall be the documents referred to in each of the following items:
(1) Articles of Incorporation (excluding those in cases where an initial listing applicant is a mutual corporation making initial listing application for the domestic stock of a stock company into which the initial listing applicant is reorganized);

(2) "Securities Report for Initial Listing Application (Part I)" (see Note below), and

(Note) This shall include documents attached thereto pursuant to the provisions of Rule 204, Paragraph 6 or 8 of the Regulations, Rule 204, Paragraph 1, Item (4), Sub-item b-2. c., or g., or documents attached pursuant to Paragraph 2, Item (3), Sub-item b. of the same rule).

(3) "Quarterly Report for Initial Listing Application."

2. Submission of the documents referred to in Item (1) of the preceding paragraph by an initial listing applicant (excluding foreign companies) shall be made by submitting electromagnetic records containing the information included in said documents (electromagnetic records of said documents prepared in accordance with laws and regulations).

3. Documents specified by the Enforcement Rules, out of the documents submitted by the initial listing applicant pursuant to the provisions of this rule as prescribed in Rule 204, Paragraph 10 of the Regulations shall be the documents referred to in each of the following items:

(1) Documents prescribed in Paragraph 1;
(2) Documents prescribed in Rule 204, Paragraph 2, Item (6), Sub-item a.;
(3) Documents prescribed in Rule 206, Item (2) and Item (9);
(4) Documents prescribed in Rule 204, Paragraph 1, Items (13) through (19) and Paragraph 2, Item (7) of the same rule (including documents attached thereto pursuant to the provisions of the preceding rule);
(5) Documents prescribed in Rule 204, Paragraph 1, Item (26), Sub-item b., Item (28), and Item (30);
(6) Documents prescribed in Rule 205, Item (1), Sub-item a. (d) (limited to those of the same type as the documents that are required to be submitted for public inspection under the provisions of Part 2, Chapter 4, Section 2);
(7) Documents prescribed in Rule 205, Item (1), Sub-item a. (e) (limited to those pertaining to the business succeeded by another company as prescribed in Rule 208, Item (5) of the Regulations); and
(8) Documents prescribed in Rule 206, Item (1) (limited to those of the same type as the documents that are required to be submitted for public inspection under the provisions of Part 2, Chapter 4, Section 2).

Rule 211. Documents to Be Submitted upon Listing Approval

1. The documents prescribed in Rule 204, Paragraph 11, Item (2) of the Regulations are required to be signed by the representative of the initial listing applicant.

2. Other documents specified by the Enforcement Rules as prescribed in Rule 204, Paragraph 11, Item (2) of the Regulations mean "Securities Report for Initial Listing Application."
Application" (limited to Part I thereof) prescribed in Rule 204, Paragraph 1, Item 4 and Paragraph 2, Item 3 of the same rule as well as "Quarterly Report for Initial Listing Application" prescribed in Rule 206, Item (9).

3. In stating the reason prescribed in Rule 204, Paragraph 11, Item (2) of the Regulations, an initial listing applicant shall state the reason that has been confirmed by the representative of the initial listing applicant regarding the preparation of the documents prescribed in the same item.

4. Matters concerning corporate governance as specified by the Enforcement Rules as prescribed in Rule 204, Paragraph 12, Item (1) of the Regulations mean the matters referred to in each of the following items; provided, however, that, in Item (2) and (6), this shall be limited to cases that initial listing applicants are issuers of domestic stocks:

   (1) Basic approach to corporate governance and basic information about the capital structure, corporate attributes, and other information regarding the initial listing applicant (including guidelines on measures to protect the interest of minority shareholders in executing transactions, etc. with the controlling shareholder, if any);

   (2) Matters related to Exhibit "The Corporate Governance Code" in the Regulations (including the reasons for non-compliance with principles of the code as indicated in the exhibit prescribed in Rule 436-3 of the Regulations);

   (3) Business management organization pertaining to management decision, execution and supervision and other matters on the status of the corporate governance system, and the reason for selecting such organization and system;

   (4) Implementation status of measures to protect the interest of shareholders and other stakeholders;

   (5) Basic approach to and implementation status of the internal control system (including matters concerning the development of the corporate structure for eliminating anti-social forces);

   (6) Status of securing an independent director(s)/auditor(s) (including, in cases where a person designated as an independent director/auditor falls under any of the following a. through j., such fact and its outline) and;

   a. A person who has executed business of said company or its subsidiary (meaning a person who executed business as prescribed in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act (Ordinance of the Ministry of Justice No. 12 of 2006); hereinafter the same in this Chapter) (including directors who did not execute business or accounting advisors in cases where an outside auditor is designated as an independent director/auditor);

   b. A person who has executed business of said company’s parent company (including directors who did not execute business and auditors in cases where an outside auditor is designated as an independent director/auditor);

   c. A person who has executed business of said company's fellow subsidiary;

   d. A person who has executed business of an entity for which said company was a major client, or a person who has executed business of a major...
client of said company;

e. A person who belonged to a consulting firm, accounting firm, or law firm (limited to groups such as a corporation and association) and has received large amounts of cash or other assets in addition to director/auditor compensation from such company;

f. A major shareholder of said company (meaning, in cases where such major shareholder is a corporation, a person who executes business, etc. of such corporation (meaning, a person who executes or executed business); the same shall apply hereinafter in this Chapter);

g. A close relative of a person referred to in the preceding a. through f. (excluding persons of no significance);

h. A client of the company or a person who is or was from said client (meaning a person who executes business or executed business at any time within the last ten (10) years; the same shall apply hereinafter in this Chapter);

i. A person who is or was from another company at which a person who is or was from said company is an outside director/auditor; or

ej. A person receiving contributions from said company (meaning, in cases where the entity receiving such contributions is a group such as a corporation or association, a person who is or was from an entity receiving such contributions, or a person equivalent thereto; the same shall apply hereinafter in this Chapter)

(7) Other matters deemed necessary by the Exchange.

Sub-section 2

Formal Requirements for Domestic Companies

Rule 212. Handling of Formal Requirements for Domestic Companies

1. The number of shareholders prescribed in Rule 205, Item 1 of the Regulations, and the number of tradable shares and the number of listed stocks prescribed in Item 2 of the same rule shall be treated in accordance with each of the following items:

(1) In cases where a resolution authorizing disposal, etc. of treasury stocks held by the initial listing applicant has been passed, the number of tradable shares shall be calculated by deeming that the treasury stocks pertaining to the resolution were not held by the initial listing applicant. In this case, if said resolution is a resolution authorizing disposal, etc. of treasury stocks in which such shares are transferred to a specified party, the number of shareholders and the number of tradable shares shall be calculated by deeming that the treasury stocks pertaining to the resolution were held by said specified party;

(2) In cases where a resolution authorizing cancellation of treasury stocks held by the initial listing applicant has been passed, the number of listed stocks, etc. shall be calculated by deeming that the treasury stocks pertaining to the resolution had been cancelled by the initial listing applicant;

(3) If depositary receipts representing rights pertaining to stocks, etc. have been
issued, the number of the holders of the depositary receipts (see Note below) may be added to the number of shareholders;

(Note) This shall be limited to those who hold depositary receipts representing rights pertaining to one or more units of stocks, etc.

(4) The number of shareholders and the number of tradable shares shall be calculated based on the number of shareholders and the number of stocks, etc. held by the shareholders (see Note 1 below) as of the last record date, etc. (see Note 2 below). In this case, if the initial listing applicant has been unable to grasp the status of shareholders, etc. as of said record date, etc., the number of shareholders and the number of tradable shares shall be calculated based on the status of shareholders, etc. as of the latest record date, etc. on which the initial listing applicant grasps the status of shareholders, etc.;

(Note 1) This shall include preferred equity investors and holders of foreign stock depositary receipts, etc.; the same shall apply hereinafter.
(Note 2) This shall be referred to as the "status of shareholders, etc." hereinafter in this paragraph.

(5) Notwithstanding the provision of the preceding item, in cases where the initial listing applicant carries out reorganization from a mutual corporation into a stock company, the number of shareholders and the number of tradable shares shall be calculated based on the status of shareholders, etc. pertaining to the allotment of stocks to the members of the mutual corporation along with the reorganization until the initial listing applicant grasps the status of shareholders, etc. as of the first record date, etc. after the reorganization;

(6) In cases where the initial listing applicant makes a public offering or secondary distribution, or distribution with a quantitative limit of stocks, etc. pertaining to the initial listing application after the record date, etc. used for the basis of the calculation of the number of shareholders and the number of tradable shares pursuant to the provisions of Item 4 or the preceding item (see Note below), the provisions of the following Sub-items a. through c. shall apply in accordance with the category of cases referred to in the following Sub-items a. through c., and the number of shareholders and the number of tradable shares shall be calculated based on the distribution status of stocks, etc. included in a "Scheduled Plan of Public Offering or Secondary Distribution," or "Scheduled Plan of Distribution with a Quantitative Limit" prescribed in the following Sub-items a. through c.:

(Note) This shall be the record date for the allotment of stocks to the members of the mutual corporation as a result of reorganization if the provisions of the preceding item apply; hereinafter in this paragraph referred to as the "last record date, etc."
a. Where the initial listing applicant makes a public offering or secondary distribution:
   (a) The initial listing applicant and the principal underwriting trading participant handling said public offering or secondary distribution shall submit a "Scheduled Plan of Public Offering or Secondary Distribution" predetermined by the Exchange that contains the description of the terms and procedure of the public offering or secondary distribution and the status of shareholders, etc. as of the last record date, etc., and if said "Scheduled Plan of Public Offering or Secondary Distribution" is amended, the amendment thereto shall be submitted immediately. However, in cases where no trading participant of the Exchange concludes a principal underwriting contract with respect to said public offering or secondary distribution, for purposes of applying this provision, the trading participant of the Exchange who is a financial instruments firm that concludes a contract that entitles and obligates the trading participant to handle said public offering or secondary distribution shall be deemed to be the principal underwriting trading participant of said public offering or secondary distribution (the same shall apply hereinafter in this paragraph);
   (b) If the Exchange examines the distribution status of the stock, etc. and the "Scheduled Plan of Public Offering or Secondary Distribution" of the initial listing applicant, determines that the contents of said "Scheduled Plan of Public Offering or Secondary Distribution" to be inappropriate and requests amendment thereto, the initial listing applicant and the principal underwriting trading participant shall make necessary amendments and submit the amended "Scheduled Plan of Public Offering or Secondary Distribution";
   (c) The principal underwriting trading participant shall, as a general rule, submit "Notice of Execution of Public Offering or Secondary Distribution" predetermined by the Exchange and notify the initial listing applicant of the details of said public offering or secondary distribution by the third day counting from the deadline of the subscription for said public offering or secondary distribution (excluding non-business days); and
   (d) If there are two (2) or more principal underwriting trading participants, the Notice of Execution of Public Offering or Secondary Distribution prescribed in (c) above may be submitted by only one (1) trading participant representing the group of said principal underwriting trading participants.

b. Where the initial listing applicant makes a distribution with a quantitative limit:
   (a) The initial listing applicant and the trading participant of the Exchange who is a financial instruments firm handling the distribution with a quantitative limit (hereinafter referred to as "trading participant handling off-auction distribution") shall submit a "Scheduled Plan of
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Distribution with a Quantitative Limit" predetermined by the Exchange that contains the description of the details and procedure of the distribution with a quantitative limit and the status of shareholders, etc. as of the last record date, etc., and if said "Scheduled Plan of Distribution with a Quantitative Limit" is amended, the amendment thereto shall be submitted immediately;

(b) If the Exchange examines the distribution status of the stock, etc. and the "Scheduled Plan of Distribution with a Quantitative Limit" of the initial listing applicant, determines that the contents of said "Scheduled Plan of Distribution with a Quantitative Limit" to be inappropriate and requests amendment thereto, the initial listing applicant and the trading participant handling off-auction distribution shall make necessary amendments and submit the amended "Scheduled Plan of Distribution with a Quantitative Limit"; and

(c) The trading participant handling off-auction distribution shall, as a general rule, submit a "Table of Distribution of Stocks, etc. Subsequent to Distribution with a Quantitative Limit" predetermined by the Exchange and notify the initial listing applicant of the results of said distribution with a quantitative limit by the third day counting from the date of the distribution with a quantitative limit (excluding non-business days); and

c. Where a non-trading participant financial instruments firm or a foreign securities broker concludes a principal underwriting contract, etc. with respect to public offering or secondary distribution of the stocks, etc. pertaining to the initial listing application: An initial listing applicant may conclude a contract, with a non-trading participant financial instruments firm (see Note 1 below) or a foreign securities broker (see Note 2 below) that is a party to a principal underwriting contract, etc., with respect to said public offering or secondary distribution that prescribes reporting requirement, etc. of said non-trading participant financial instruments firm or foreign securities broker to make reports on the execution status of said public offering or secondary distribution to the principal underwriting trading participant. In this case, if the initial listing applicant has submitted a copy of a document certifying said contract to the Exchange, the initial listing applicant may include the status of shareholders, etc. underwritten or handled by the non-trading participant financial instruments firm or the foreign securities broker that is a party to said contract in the "Scheduled Plan of Public Offering or Secondary Distribution" or the "Notice of Execution of Public Offering or Secondary Distribution" prescribed in Sub-item a. above.

(Note 1) In cases where an initial listing applicant who made initial listing application simultaneously with the Exchange and other financial instruments exchanges in Japan and the principal underwriting trading participant designate one of the financial instruments

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exchanges with which the initial listing applicant made initial listing application simultaneously as its main financial instruments exchange and notifies the Exchange of the designation, if the financial instruments exchange pertaining to said designation (hereinafter in this Sub-item c. referred to as "designated financial instruments exchange") is a financial instruments exchange other than the Exchange, limited to those non-trading participant financial instruments firms that is a member or trading participant of said financial instruments exchange.

(Note 2) The term "foreign securities broker" shall be limited to those that conclude a principal underwriting contract, etc. in cases where the Exchange becomes the designated financial instruments exchange.

(7) In cases where the initial listing applicant purchased own stocks based on a resolution authorizing acquisition of own stocks, the number of shareholders to be reduced as result of said purchase of own stocks shall be deducted from the number of shareholders calculated based on the provisions of each the preceding items. In this case, the number of shareholders to be reduced shall be determined as that specified in the following Sub-items a. and b. in accordance with the categories of the initial listing applicant referred to in said Sub-items a. and b.:

a. Initial listing applicant who is an issuer of stocks, etc. listed on a financial instruments exchange in Japan:

The sum of the number of shareholders calculated in accordance with the following (a) or (b) based on the number of shareholders determined to have been reduced due to sale of stocks, etc. in response to a takeover bid (see Note 1 below) and the number of holding stocks presented in the category of the status of stocks in the status by the number of holding stocks included in "Table of Distribution of Stocks, etc." This table was submitted by the initial listing applicant to the Exchange in relation to the number of stocks, etc. pertaining to the own stocks purchased after the last record date, etc. (see Note 2 below):

(Note 1) This shall be limited to a takeover bid carried out by the initial listing applicant after the last record date, etc. provided that a document containing the number of shareholders who sold their holding stocks, etc. in response to said takeover bid has been submitted; the same shall apply hereinafter in this item.

(Note 2) This shall exclude the number of stocks, etc. purchased through said takeover bid; hereinafter in this item referred to as "the number of said purchased stocks".

(a) Where the number of stocks presented in the number of holding stocks column for the category of the smallest unit for which there are
shareholders exceeds the number of said purchased stocks:
The number of shareholders shall be calculated in the following formula:

The number of shareholders = the number of said purchased shares / (the number of shares presented in the number of holding shares column for the category of the smallest unit for which there are shareholders / the number of shareholders presented in the number of shareholders column for said category) (any fraction less than one (1) shall be rounded up);

(b) Cases other than those specified in the preceding (a):
The sum of the numbers prescribed in the following (i) and (ii):

(i) The cumulative numbers of shareholders starting from the number of shareholders presented in the number of holding stocks column for the category of the smallest unit for which there are shareholders and adding sequentially the number of shareholders presented in the number of holding stocks column for the category of the next smallest unit for which there are shareholders until the cumulative number reaches the maximum number not exceeding said number of purchased stocks; and

(ii) The number of shareholders calculated by dividing the number obtained by subtracting the cumulative numbers of shareholders starting from the number of shareholders presented in the number of holding stocks column for the category of the smallest unit for which there are shareholders and adding sequentially the number of shareholders presented in the number of holding stocks column for the category of the next smallest unit for which there are shareholders until the cumulative number reaches the maximum number prescribed in (i) above from said number of purchased stocks, by the number obtained by dividing the number of stocks presented in the number of holding stocks column for the category at which the maximum number prescribed in (i) is first exceeded by the number of shareholders presented in the number of shareholders column for said category (any fraction less than one (1) shall be rounded up);

b. Initial listing applicant other than those specified in Sub-item a. above:
The number of sellers pertaining to the resolution authorizing acquisition of own stocks (excluding sellers who are certain not to sell any of their holding stocks, etc. in response to the offer of said purchase);

(8) In cases where an initial listing applicant who is an issuer of stocks, etc. listed on a financial instruments exchange in Japan made a public offering, secondary distribution, or distribution with a quantitative limit after the last record date, etc., the initial listing applicant and the managing trading participant submitted documents that are similar to documents required to be submitted by the initial listing applicant, principal underwriting trading
participant, or trading participant handling off-auction distribution pursuant to the provisions of Item 6, Sub-item a.(c), Sub-item b.(c), or Sub-item c., with respect to the result of said public offering, secondary distribution, or distribution with a quantitative limit, the number of shareholder and the number of tradable shares may be handled in accordance with the provisions of the following Sub-items a. and b.:

a. For the number of shareholders, the sum of the number of shareholders presented in the "Table of Distribution of Stocks, etc." submitted by the initial listing applicant to the Exchange and the number of shareholders pertaining to said public offering, secondary distribution, or distribution with a quantitative limit (in case of a distribution with a quantitative limit, the number of shareholders permitted by the Exchange) shall be deemed to be the number of shareholders as of the last record date, etc.; and

b. For the number of tradable shares, the sum of the number of tradable shares presented in the "Table of Distribution of Stocks, etc." submitted by the initial listing applicant to the Exchange and the number of stocks, etc. pertaining to said public offering, secondary distribution, or distribution with a quantitative limit (excluding those that will not be tradable shares clearly) shall be deemed to be the number of tradable shares as of the last record date, etc.; and

(9) In cases where the initial listing applicant is a company that will succeed the business of a listed company upon a shareholder-directed spin-off, and the initial listing application was made prior to said shareholder-directed spin-off, the number of shareholders and the number of tradable shares of the initial listing applicant as of the listing day calculated in conformity with the provisions of each of the preceding items shall be subject to examination by the Exchange.

(10) The provisions of the preceding item shall be applied mutatis mutandis to the number of shareholders and number of tradable shares in the case where the initial listing applicant carries out a merger or stock swap, or stock transfer before the listing date.

2. The market capitalization of the tradable shares prescribed in Rule 205, Item (2), Sub-item b. of the Regulations means the amount calculated by multiplying the price determined in accordance with the provisions of each of the following items for each category of initial listing applicant referred to in each of the following items by the number of tradable shares calculated in accordance with the provisions of the preceding paragraph:

(1) Initial listing applicant who is an issuer of stocks, etc. listed on a financial instruments exchange in Japan (if the initial listing applicant is a foreign company, foreign stocks, etc. that are listed or are continuously traded on a financial instruments exchange in Japan or a foreign financial instruments exchange, etc.):

a. Where said initial listing applicant makes a public offering or secondary distribution pertaining to the initial listing application:
   Either the expected public offering or secondary distribution price or the
lowest price of said stock, etc. observed during the period of one (1) month prior to two (2) days before the day on which the Exchanges approves listing of the stock, etc. pertaining to the initial listing application submitted by said initial listing applicant (see Note below), whichever is lower; and

(Note) This shall be the lowest price among the daily last prices of trading sessions on the financial instruments exchange in Japan on which said stock, etc. is listed (or equivalent price in the case of a foreign company); the same shall apply in the following sub-item b.

b. Cases other than those specified in the preceding Sub-item a.:  
The lowest price of said stock, etc. observed during the period of one (1) month prior to two (2) days before the day on which the Exchange approves listing of the stock, etc. pertaining to the initial listing application of said initial listing applicant;

(2) Initial listing applicant other than those prescribed in the preceding item:  
The expected public offering or secondary distribution price pertaining to the initial listing application (in cases other than cases in which the initial listing applicant makes a public offering or secondary distribution pertaining to the initial listing application, the value of the stock, etc. pertaining to the initial listing application of said initial listing applicant calculated based on a calculation formula that is deemed reasonable by the Exchange).

3. The market capitalization prescribed in Rule 205, Item (3) of the Regulations shall be obtained as follows:

The market capitalization = the amount obtained by multiplying the price specified in each of the items of the preceding paragraph in accordance with the classification of the initial listing applicant referred to in the items thereof by the expected number of the listed stock, etc. as of the listing day (see Note 1 below) + the market capitalization (see Note 2 below) of all other stocks issued by said initial listing applicant (see Note 3 below).

(Note 1) If the initial listing applicant made initial listing application for multiple types of stocks, etc. simultaneously, the amount calculated for each type of said stocks, etc. shall be aggregated.

(Note 2) This shall be calculated in accordance with the provisions prescribed by the Exchange.

(Note 3) This shall be limited to stocks listed on a financial instruments exchange in Japan or those listed or continuously traded on a foreign financial instruments exchange, etc.

4. The provisions of Rule 205, Item 4 of the Regulations shall be treated in a manner as prescribed in each of the following items:

(1) "The business activities have been continuously carried out" as prescribed in
Rule 205, Item 4 of the Regulations means the circumstances in which activities related to the principal business of the initial listing applicant as of the initial listing application day have been continuously carried out. In this case, if the initial listing applicant is subject to the provisions of Paragraph 1, Item 9, the activities related to the principal business as of the date of demerger shall be subject to examination by the Exchange;

(2) With respect to Rule 205, Item 4 of the Regulations, in cases where the initial listing applicant carried out a merger in the past or where the initial listing applicant is a holding company or foreign holding company, or where the initial listing applicant is going to carry out a reorganization from a mutual corporation into a stock company before the listing day, the number of consecutive years of conducting business may be calculated by adding the period of activities of the principal business of the main merging company, the controlled company (main company) of said holding company or foreign holding company, or said mutual corporation;

(3) For purposes of Rule 205, Item 4 of the Regulations, in cases where the initial listing applicant is a company that succeeds or acquires the business of another company upon demerger, etc. (see Note below), the number of consecutive years of conducting business may be calculated by adding the period of activities of said business of such another company; and

(Note) This shall be limited to cases in which the principal business of the initial listing applicant is succeeded or acquired from such another company.

(4) In cases where the initial listing applicant (see Note below) carries out two (2) or more of the acts prescribed in the preceding two (2) items simultaneously, the number of consecutive years of conducting business may be calculated by adding the period of activities of the principal business of a company or companies that are deemed appropriate by the Exchange in light of the purpose of the provisions of the preceding two (2) items.

(Note) This shall include the companies prescribed in the preceding two (2) items other than the initial listing applicant.

5. The provisions of Rule 205, Item (5) of the Regulations shall be treated in a manner prescribed in each of the following items:

(1) With regard to the amount of net assets as of the listing day prescribed in Rule 205, Item (5) of the Regulations, the amounts prescribed in the following Sub-item a. or b. shall be subject to examination in accordance with the classifications thereof.

a. Where the initial listing applicant prepared "Quarterly Report for Initial Listing Application" or quarterly report on or after the first day after the business year containing the initial listing application day

The amount of net assets as of the end of the most recent quarterly
accounting period described in "Quarterly Report for Initial Listing Application" or the quarterly report

b. In cases other than those of the preceding Sub-item a.

The amount of net assets as of the end of the most recent business year included in "Securities Report for Initial Listing Application".

(2) The amount of net assets as of the end of the most recent quarterly accounting period prescribed in Sub-item a. of the preceding item means the amount of net assets calculated based on the quarterly consolidated balance sheet (see Note below). However, if the initial listing applicant is a company that voluntarily adopts IFRS or to which the provisions of Article 95 of the Consolidated Financial Statements Regulation are applied mutatis mutandis to Article 95 of the Regulations, said "amount of net assets" means the amount equivalent to the amount of net assets calculated based on the quarterly consolidated balance sheet;

(Note) The amount shall be calculated as follows:

The total amount of the net assets = (the total amount of net assets section of the quarterly consolidated balance sheet prepared in accordance with the Regulation for Terminology, Forms and Preparation of Quarterly Consolidated Financial Statements + the amount of reserves, etc. prescribed in Article 60, Paragraph 1 thereof) - the amount of subscription warrants and the amount of non-controlling interest presented in said net assets section; the same shall apply hereinafter in this paragraph.

(3) In the case of the preceding item, the amount of net assets (see Note below) calculated based on the last quarterly balance sheet out of quarterly balance sheets specified in Rule 206, Item 9-2 is required not to be negative;

(Note) The amount shall be calculated as follows:

The total amount of the net assets = (the total amount of net assets section of the quarterly balance sheet prepared in accordance with the Regulation for Terminology, Forms and Preparation of Quarterly Financial Statements (Cabinet Office Ordinance No. 63 of 2007) + the amount of reserves, etc. as prescribed in Article 53, Paragraph 1 thereof) - the amount of subscription warrants presented in said net assets section; the same shall apply hereinafter in this paragraph.

(4) Notwithstanding the provisions of the preceding two (2) items, in cases where the initial listing applicant is not a company required to prepare consolidated financial statements, the amount of net assets as of the end of the most recent quarterly accounting period as prescribed in Item 1, Sub-item a. means the amount of net assets calculated based on the quarterly balance sheet. However, if the initial listing applicant is a company that voluntarily adopts IFRS, the amount of net assets means the amount equivalent to that calculated based on
the quarterly balance sheet;

(5) Notwithstanding the provisions of the preceding three (3) items, in cases where the initial listing applicant is a foreign company, the amount of net assets as of the end of the most recent quarterly accounting period as prescribed in Item 1, Sub-item a. means the amount equivalent to the amount of net assets calculated based on the quarterly consolidated balance sheet if the initial listing applicant presents its quarterly consolidated financial statements as its financial documents; and said the amount of net assets means the amount equivalent to the amount of net assets calculated based on the quarterly balance sheet or the amount equivalent to the amount of net assets calculated based on the combined quarterly balance sheet if the initial listing applicant does not present its consolidated financial statements as its financial documents;

(6) For purposes of the preceding item, translation of the amount from the local currency into the Japanese currency shall, as a general rule, be made using the average middle rate between a TTS rate and a TTB rate quoted in the Tokyo Foreign Exchange Market during the period of three (3) years prior to the end of the most recent quarterly accounting period immediately prior to the initial listing application day or said middle rate as of the end of the most recent quarterly accounting period immediately prior to the initial listing application day;

(6)-2 For purposes of Item (1), Sub-item b., in cases where the initial listing application or its subsidiary carries out an act referred to in the following Sub-item a. or b. on or after the first day of the business year containing the initial listing application day, the amount of net assets of the company specified in such Sub-item a. or b. shall be subject to examination.

a. Merger (excluding mergers involving the initial listing applicant and its subsidiary, and mergers among subsidiaries of the initial listing applicant):
   Main merging company

b. Stock swap (excluding stock swaps involving the initial listing applicant and its subsidiary, and stock swaps among subsidiaries of the initial listing applicant):
   Main stock swap company

(7) For purposes of Item 1, Sub-item a., in cases where the initial listing applicant became a holding company on or after the first day of the quarterly accounting period containing the initial listing application day (see Note 1 below), the amount equivalent to the amount of net assets calculated based on the quarterly consolidated balance sheet of the subsidiary (see Note 2 below) (see Notes 3 and 4 below) shall be subject to examination by the Exchange;

(Note 1) This shall exclude cases in which the initial listing applicant became a holding company after the business of the initial listing applicant was succeeded by or transferred to another company.

(Note 2) This shall be limited to the subsidiary existing as of the day on which
the initial listing applicant became a holding company.

(Note 3) This shall be the amount equivalent to the amount of net assets calculated based on the balance sheet, if said subsidiary is not a company required to prepare quarterly consolidated financial statements.

(Note 4) If there are two or more subsidiaries, this shall be the amount equivalent to the amount of net assets calculated based on the balance sheet prepared by combining the quarterly consolidated balance sheets or quarterly balance sheets of said subsidiaries.

(8) For purposes of Item 1, Sub-item a., in cases where the initial listing applicant is a company that succeeds or acquires the business of another company upon demerger, etc. (see Note below), if the initial listing applicant has not succeeded or acquired said business as of the end of the most recent quarterly accounting period immediately prior to the initial listing application day, the amount equivalent to the amount of net assets pertaining to the business to be succeeded or acquired from such other company that is stated in the document submitted pursuant to the provisions of Rule 204, Paragraph 1, Item 14 or 16 shall be subject to examination by the Exchange;

(Note) This shall be limited to cases in which the business succeeded or acquired from another company becomes the principal business of the initial listing applicant.

(9) For purposes of Item 1, Sub-item a., in cases where the initial listing applicant carries out reorganization from a mutual corporation into a stock company on or after the first day of the quarterly accounting period containing the initial listing application day, the amount equivalent to the amount of net assets calculated based on the quarterly consolidated balance sheet of said mutual corporation (see Note 1 below) shall be subject to examination by the Exchange. In this case, for calculating the amount equivalent to the amount of net assets, the amount of fundamental funds of said mutual corporation (see Note 2 below) shall be deducted and the reserve for distribution to members presented in the documents pertaining to the appropriation of surplus of said mutual corporation as the amount of appropriation of surplus shall be deemed to be an expense;

(Note 1) This shall be the amount of net assets calculated based on the quarterly balance sheet, if said mutual corporation is not a company required to prepare consolidated financial statements.

(Note 2) This shall exclude the amount prescribed in the proviso of Article 89, Paragraph 1 of the Insurance Business Act.

(10) For purposes of Item 1, Sub-item a., in cases where the initial listing applicant became a foreign holding company on or after the first day of the quarterly accounting period containing the initial listing application day and the
Exchange deems it appropriate, the amount of net assets calculated based on the financial documents deemed appropriate by the Exchange shall be subject to examinations by the Exchange; and

(11) In cases where the initial listing applicant (see Note below) carries out two (2) or more of the acts prescribed in Items 7 through 10 simultaneously on or after the first day of the quarterly accounting period containing the initial listing application day, the amount equivalent to the amount of net assets calculated based on the financial information that is deemed appropriate by the Exchange in light of the purpose of the provisions of Items 7 through 10 shall be subject to examinations by the Exchange.

(Note) This shall include the companies prescribed in Items 7 through 10 other than the initial listing applicant.

(12) In cases where the initial listing applicant will carry out or has carried out a public offering of stock, etc. pertaining to the initial listing application on or after the day following the end of the most recent quarterly accounting period immediately prior to the initial listing application day, when submitting a "computation document for net assets" predetermined by the Exchange containing the amount of net assets at the end of the most recent quarterly accounting period, the expected amount of funds to be raised or raised in the public offering, and the amount of net assets subject to examination, the amount of net assets described in such "computation document for net assets" shall be subject to examination.

(13) The provisions of Item 2 through the preceding item shall be applied mutatis mutandis to Item 1, Sub-item b. In this case, the term "most recent quarterly accounting period" shall be "most recent business year", "quarterly consolidated balance sheet" shall be "consolidated balance sheet", "Article 95 of the Consolidated Financial Statements Regulation are applied mutatis mutandis to Article 95 of the Regulations" shall be "Article 95 of the Consolidated Financial Statements Regulation", "Regulation for Terminology, Forms and Preparation of Quarterly Financial Statements" shall be "Consolidated Financial Statements Rules", "the amount of reserves, etc. prescribed in Article 60, Paragraph 1 thereof" shall be "the amount of reserves prescribed in Article 45-2, Paragraph 1 thereof", "the last quarterly balance sheet out of quarterly balance sheets specified in Rule 206, Item 9-2" shall be "the balance sheet as of the end of the most recent business year included in the 'Securities Report for Initial Listing Application'", "quarterly balance sheet" shall be "balance sheet", "Regulation for Terminology, Forms and Preparation of Quarterly Financial Statements (Cabinet Office Ordinance No. 63 of 2007)" shall be "Financial Statements, etc. Regulations", "the amount of reserves, etc. prescribed in Article 53, Paragraph 1 thereof" shall be "the amount of reserves, etc. prescribed in Article 54-3, Paragraph 1 thereof", and "quarterly accounting period containing the
initial listing application day" shall be "business year containing the initial listing application day".

6. The provisions of Rule 205, Item 6 of the Regulations shall be treated in a manner prescribed in each of the following items:

   (1) "Amount of profits" prescribed in Rule 205, Item 6 of the Regulations means the amount of profits (see Note 1 below) calculated based on the consolidated income statement, etc. (see Note 2 below). However, if the initial listing applicant is a company that voluntarily adopts IFRS or to which the provisions of Article 95 of the Regulations applies, said "amount of profits" means the amount equivalent to the amount of profits calculated based on the consolidated income statement, etc.;

      (Note 1) This shall exclude comparative information; the same shall apply hereinafter in this paragraph.
      (Note 2) This means the amount calculated by adding or deducting the amount stated pursuant to Article 65, Paragraph 3 of the Consolidated Financial Statements Regulation to or from either (i) the "amount of ordinary profit" or "amount of ordinary loss" stated pursuant to the provisions of Article 61 thereof; the same shall apply hereinafter.

   (2) Notwithstanding the provision of the preceding item, in cases where the periods subject to listing examinations include a period during which the initial listing applicant is not a company required to prepare consolidated financial statements, the "amount of profits" prescribed in Rule 205, Item 6 of the Regulations pertaining to such period means the amount of profits calculated based on the income statement (see Note 1 below) (see Note 2 below). However, if the initial listing applicant is a company that voluntarily adopts IFRS, the amount of profits means the amount equivalent to that calculated based on the income statement;

      (Note 1) This shall exclude comparative information; the same shall apply hereinafter in this paragraph.
      (Note 2) This means either (i) the "amount of ordinary profit" or "amount of ordinary loss" stated pursuant to the provisions of Article 95 of the Financial Statements, etc. Regulations; the same shall apply hereinafter.

   (3) Notwithstanding the provisions of the preceding two (2) items, in cases where the initial listing applicant is a foreign company, and the initial listing applicant presented its consolidated financial statements as its financial documents, "amount of profits" prescribed in Rule 205, Item 6 of the Regulations means the amount calculated in conformity with the proviso of Item 1; and if the initial listing applicant did not present its consolidated financial statements as its financial documents, said "amount of profits" means the amount equivalent to the amount of profits calculated based on the income statement.
statement or the amount equivalent to the amount of profits calculated based on the combined income statement;

(4) "Market capitalization" prescribed in Rule 205, Item 6 of the Regulations means the market capitalization prescribed in Item 3 of the same rule;

(5) "Sales" prescribed in Rule 205, Item 6 of the Regulations means the sales stated in the consolidated income statement, etc. (see Note below). However, if the initial listing applicant is a company that voluntarily adopts IFRS or to which the provisions of Article 95 of the Consolidated Financial Statements Regulation applies, said "sales" means the amount equivalent to sales stated in the consolidated income statement, etc.;

(Note) Provided, however, that if the periods subject to listing examinations include a period during which the initial listing applicant is not a company required to prepare consolidated financial statements, said "sales" pertaining to such period means the sales stated in the income statement.

(6) Notwithstanding the provisions of the preceding two (2) items, in cases where the initial listing applicant is a foreign company, and the initial listing applicant presented its consolidated financial statements as its financial documents, "sales" prescribed in Rule 205, Item 6 of the Regulations means the amount equivalent to sales stated in the consolidated income statement, etc.; and if the initial listing applicant did not present its consolidated financial statements as its financial documents, said "sales" means the amount equivalent to sales stated the income statement or sales stated in the combined income statement;

(7) For the purposes of Rule 205, Item 6 of the Regulations, in cases where the amount of profits or sales is affected by the audit opinion of a certified public accountant or audit firm, the amount of profits or sales after adjustments based on such opinion shall be subject to examinations, unless it is accepted that the amount of profits or sales before such adjustments reflects a change in business accounting standard adopted for a justifiable reason;

(8) For purposes of Rule 205, Item 6 of the Regulations, in cases where the amount of profits or sales during the period subject to listing examinations cannot be calculated by simple addition as the initial listing applicant changed the ending date of a business year during the period subject to listing examinations, such amount of profits or sales during the period subject to listing examinations shall be the amount of profits or sales calculated based on the consolidated income statement, etc. or income statement, or the consolidated quarterly income statement, etc. or quarterly income statement; or an amount determined on a pro rata basis of such amounts as prescribed by the Exchange. In this case, the provisions of Items 1 through 3, Item 5, and Item 6 shall be applied mutatis mutandis to the amount of profits and sales calculated based on the consolidated quarterly income statement, etc. or quarterly income statement;
(9) For purposes of Rule 205, Item 6 of the Regulations, in cases where the initial listing applicant or its subsidiaries carried out a merger (see Note 1 below) during the period subject to listing examinations or on or after the first day of the business year containing the initial listing application day, for the period before the merger, the amount of profits calculated based on the consolidated income statement, etc. of the main merging company and sales stated in said consolidated income statement, etc. (see Note 2 below) (in cases where the periods subject to listing examination includes a period during which the main merging company is not a company required to prepare consolidated financial statements, for such period, the amount of profits calculated based on the income statement of the main merging company and sales stated in said income statement) shall be subject to examination by the Exchange. However, in cases where the initial listing applicant is a foreign company, the amount of profits (see Note 3 below) of the main merging company or the amount equivalent to the amount of profits calculated based on the combined income statement of merging companies and sales (see Note 4 below) of the main merging company or the amount equivalent to the sales stated in the combined income statement of merging companies shall be subject to examination by the Exchange;

(Note 1) This shall exclude a merger between the initial listing applicant and its subsidiary or subsidiaries or a merger between the subsidiaries of the initial listing applicant.

(Note 2) In cases where the periods subject to listing examinations include a period during which the main merging company is not a company required to prepare consolidated financial statements, for such period, this shall be the amount of profits calculated based on the income statement of the main merging company and sales stated in said income statement.

(Note 3) This means the amount of profits prescribed in Item 3.

(Note 4) This means the sales prescribed in Item 6.

(9)-2 For purposes of Rule 205, Item 6 of the Regulations, in cases where the initial listing applicant or its subsidiary carries out a stock swap (see Note 1) during the examination period or on or after the first day of the business year containing initial listing application day, prior to the stock swap, the amount of profits calculated based on the consolidated income statement of the main stock swap company and sales included in such consolidated income statement (see Note 2) shall be subject to examination. However, in the case of an initial listing applicant that is a foreign company, the amount of profits of the main stock swap company (see Note 3) or the amount equivalent to the amount of profits calculated based on combining the income statements of the initial listing applicant, and sales of the main stock swap company (see Note 4) or the amount equivalent to the amount of sales included in the combined income statements of the initial listing applicant shall be subject to
examination.

(Note 1) This shall exclude stock swaps involving the initial listing applicant and its subsidiary or among subsidiaries of the initial listing applicant.

(Note 2) If there is a period for which the main stock swap company is not required to prepare consolidated financial statements, for such period, this shall be the amount of profits calculated based on the non-consolidated income statement and sales included in such non-consolidated income statement.

(Note 3) This shall mean the amount of profits prescribed in Item 3.

(Note 4) This shall mean sales prescribed in Item 6.

(10) For purposes of Rule 205, Item 6 of the Regulations, in cases where the initial listing applicant (see Note 1 below) is a holding company and two (2) years have not passed from the day on which the initial listing applicant became a holding company by the end of the most recent business year immediately prior to the initial listing application day (see Note 2 below), for the period before it became a holding company but within the last two (2) years, the amount equivalent to the amount of profits calculated based on the consolidated income statement, etc. (see Note 3 below) of the subsidiaries (see Notes 4 and 5 below) for each consolidated accounting year pertaining to said period and the amount equivalent to the sales stated in the consolidated income statement, etc. (see Note 6 below) of the subsidiaries (see Notes 7 and 8 below) for each consolidated accounting year pertaining to said period shall be subject to examination by the Exchange;

(Note 1) This shall be the main merging company if the initial listing applicant is subject to the provisions of the preceding item.

(Note 2) This shall exclude cases in which the initial listing applicant became a holding company as a result of succession or transfer of the business of the initial listing applicant to another company.

(Note 3) This shall be income statement if the subsidiary is not a company required to prepare consolidated financial statements.

(Note 4) This shall be limited to the subsidiary existing as of the day on which the initial listing applicant became a holding company.

(Note 5) In cases where there are two or more such subsidiaries, this shall be the amount equivalent to the amount of profits calculated based on the combined income statement of the consolidated income statements, etc. or income statements or the consolidated quarterly income statements, etc. or quarterly income statements of such subsidiaries.

(Note 6) This shall be income statement if the subsidiary is not a company required to prepare consolidated financial statements.

(Note 7) This shall be limited to the subsidiary existing as of the day on which the initial listing applicant became a holding company.

(Note 8) In cases where there are two or more such subsidiaries, this shall be
the amount equivalent to the sales stated in the combined income statement of the consolidated income statements, etc. or income statements or the consolidated quarterly income statements, etc. or quarterly income statements of such subsidiaries.

(11) For purposes of Rule 205, Item 6 of the Regulations, in cases where the initial listing applicant (see Note 1 below) is a company that succeeds or acquires the business of another company upon demerger, etc. (see Note 2 below) and the period subject to listing examinations includes the period before the succession or acquisition of the business, for the period before the succession or acquisition of the business, the amount equivalent to the amount of profits pertaining to the business to be succeeded or acquired from such other company that is stated in the document submitted pursuant to the provisions of Rule 204, Paragraph 1, Item 14 or 16 and the sales pertaining to said business shall be subject to examinations by the Exchange.

(Note 1) This shall be the main merging company if the initial listing applicant is subject to the provisions of Item 9.
(Note 2) This shall be limited to cases in which the business succeeded or acquired from another company becomes the principal business of the initial listing applicant.

(12) For purposes of Rule 205, Item 6 of the Regulations, in cases where the initial listing applicant (see Note 1 below) carries out reorganization from a mutual corporation into a stock company, if the period subject to listing examinations includes the period before the reorganization, for the period before the reorganization, the amount equivalent to the amount of profits calculated based on the consolidated income statement, etc. (see Note 2 below) of the mutual corporation for each consolidated accounting year pertaining to said period and sales stated in the consolidated income statement, etc. (see Note 3 below) of the mutual corporation for each consolidated accounting year pertaining to said period shall be subject to examination by the Exchange. In this case, for the purpose of calculation of the amount equivalent to the amount of profits, the reserve for distribution to members presented in the documents pertaining to the appropriation of surplus of said mutual corporation as the amount of appropriation of surplus shall be deemed to be an expense;

(Note 1) This shall be the main merging company if the initial listing applicant is subject to the provisions of Item 9.
(Note 2) This shall be income statement if the mutual corporation is not a company required to prepare consolidated financial statements during said period.
(Note 3) This shall be income statement if the mutual corporation is not a company required to prepare consolidated financial statements during said period.
(13) For purposes of Rule 205, Item 6 of the Regulations, in cases where the initial listing applicant became a foreign holding company during the period subject to listing examinations and the Exchange deems it appropriate, for the period before the establishment of said foreign holding company but within the period subject to listing examinations, the amount of profits calculated based on the financial documents deemed appropriate by the Exchange and the sales stated in said financial documents shall be subject to examination by the Exchange;

(14) In cases where the initial listing applicant (see Note below) carries out two or more of the acts prescribed in Items 9 through 13 simultaneously during the period subject to listing examinations or on or after the first day of the business year containing the initial listing application day, the amount equivalent to the amount of profits calculated based on the financial information that is deemed appropriate by the Exchange in light of the purpose of the provisions of Items 9 through 13 and the sales stated in said financial information shall be subject to examinations by the Exchange; and

(Note) This shall include the companies prescribed in Items 9 through 13 other than the initial listing applicant.

(15) The provision of Item 5 of the preceding paragraph shall be applied mutatis mutandis to cases as prescribed in Rule 205, Item 6 of the Regulations.

(16) In cases where the non-consolidated financial statements or consolidated financial statements pertaining to business years (excluding the most recent business year) or consolidated accounting years (excluding the most recent consolidated accounting year) ending within the last two (2) years are not included in the securities registration statement or securities report submitted pursuant to the provisions of Article 5, Paragraph 1 of the Act or Article 24, Paragraphs 1 through 3 of the same Act, instead of such non-consolidated financial statements or consolidated financial statements, the amount of profits prescribed in Rule 205, Item (6), Sub-item a. of the Regulations and sales prescribed in Sub-item b. thereof may be calculated based on the documents referred to in the following Sub-item a. or b. In this case, documents containing the opinion of certified public accountants or audit firm pertaining to the audit report or financial values, etc. shall be attached.

a. Financial statements or consolidated financial statements using accounting policy, which is applied to such business year or consolidated accounting year.

b. The documents equivalent to those referred to in the preceding a. shall be documents deemed appropriate by the Exchange.

7. The provisions of Rule 205, Item 7 of the Regulations shall be treated in a manner prescribed in each of the following items:

(1) Cases specified by the Enforcement Rules as prescribed in Rule 205, Item 7,
Sub-item b. of the Regulations mean the cases specified in each of the following items:

a. Where the certified public accountant, etc. withhold opinions in its audit report and such withholding was due to reasons not attributable to the initial listing applicant such as act of providence;

b. Where the certified public accountant, etc. issued an adverse opinion or withheld opinions in its audit report, and such adverse opinion or such withholding was due to reasons relating to the assumption of a going concern; and

c. Where the Exchange otherwise deems it appropriate.

(2) Cases specified by the Enforcement Rules as prescribed in Rule 205, Item 7, Sub-item c. of the Regulations mean cases in which the certified public accountant, etc. did not issue "an unqualified opinion" or "unqualified conclusion" in its audit report (see Note below) or quarterly review report due to exceptions or reasons related to the assumption of a going concern as well as cases in which the certified public accountant, etc. issued "a qualified fair opinion with exceptions" or "qualified conclusion with exceptions" due only to matters regarding comparative information in its audit report or quarterly review report.;

(Note) This shall exclude those attached to the financial statements, etc. for the most recent business year or the most recent consolidated accounting year.

(3) For purposes of Rule 205, Item 7 of the Regulations, if the initial listing applicant is a holding company and two (2) years have not passed since the day on which the initial listing applicant became a holding company as of the end of the most recent business year immediately prior to the initial listing application day (see Note 1 below), for the period before it became a holding company but within the period subject to listing examinations, the consolidated financial statements of a subsidiary (see Note 2 below) for each consolidated accounting year within said period (see Note 3 below) and the securities reports, etc. that contain or make reference to said consolidate financial statements shall be subject to examination by the Exchange;

(Note 1) This shall exclude cases in which the initial listing applicant became a holding company as a result of succession or transfer of the business of the initial listing applicant to another company.

(Note 2) This shall be limited to subsidiaries existing as of the day on which the initial listing applicant became a holding company.

(Note 3) This shall be financial statements thereof if said subsidiary was not a company required to prepare consolidated financial statements during said period, and including documents related to combined financial information of subsidiaries if there are two or more such subsidiaries.
(4) For purposes of Rule 205, Item 7 of the Regulations, in cases where the initial listing applicant is a company that succeeds or acquires the business of another company upon demerger, etc. (see Note below) and the period subject to listing examinations includes the period before the succession or acquisition of the business, for the period before the succession or acquisition of the business, the financial statements, etc. of such other company pertaining to said period and the securities reports, etc. that contain or make reference to said financial statements, etc. shall also be subject to examinations by the Exchange; and

(Note) This shall be limited to cases in which the business succeeded or acquired from another company becomes the principal business of the initial listing applicant.

(5) In cases where the initial listing applicant (see Note 1 below) or its subsidiary carried out a merger (see Note 2 below) or stock swap (excluding stock swaps involving the initial listing applicant and its subsidiary or among subsidiaries of the initial listing applicant), for the period before the merger but within the period subject to listing examinations or the period on or after the first day of the business year containing the initial listing application day, the financial statements, etc. of the main merging company or main stock swap company for each business year and each consolidated accounting year ending anytime during said period and the securities reports, etc. that contain or make reference to said financial statements, etc. shall also be subject to examinations by the Exchange.

(Note 1) This shall exclude foreign companies.
(Note 2) This shall exclude those between the initial listing applicant and its subsidiary or subsidiaries, or those between the subsidiaries of the initial listing applicant.

8. An entity prescribed by the Enforcement Rules as a shareholder services agent approved by the Exchange as prescribed in Rule 205, Item (8) of the Regulations mean the entity referred to in each of the following items.
   (1) Trust bank; and
   (2) Tokyo Securities Transfer Agent Co., Ltd., Japan Securities Agents, Ltd., and IR Japan, Inc.

9. Requirements specified by the Enforcement Rules as prescribed in Rule 205, Item (9) of the Regulations mean cases where the initial listing applicant changes its organization from a mutual company to a stock company or conducts a similar changes, and submits the documents prescribed in Rule 204, Paragraph 1, Item (8) pursuant to the provisions of Rule 204, Paragraph 2 of the Regulations, and the Exchange deems it inevitable.

10. Cases where transfer of shares is restricted pursuant to the provisions of special laws specified by the Enforcement Rules as prescribed in Rule 205, Item (10) of the Regulations mean cases in which recording in the shareholder registry is rejected
pursuant to the provisions of the acts referred to in each of the following items or in which acquisition or holding of voting rights is restricted pursuant to the provisions of Article 103-2, Paragraph 1 of the Act or Article 106-14, Paragraph 1 of the Act:

1. Cases where imposing a restriction on transfer of a foreign stock, etc. is deemed necessary to receive application of provisions of laws in its home country as prescribed in Rule 206, Paragraph 1, Item (3) of the Regulations means the cases referred to in each of the following items:

   (1) Where the initial listing applicant imposes a restriction on transfer of a stock due to the application of the provisions of the U.S. Communications Act of 1934;

   (2) Where the initial listing applicant imposes a restriction on transfer of a stock due to the application of the provisions of the U.S. Merchant Marine Act of 1936; and

   (3) Where the initial listing applicant imposes a restriction on transfer of a stock in cases similar to those specified in the preceding two (2) items.

2. Cases correspond to this as prescribed in Rule 206, Paragraph 1, Item (3) of the Regulations mean cases in which the initial listing applicant imposes a restriction on transfer of a stock, under special circumstances such as a request from the government of the home country, in a manner in which the number of stocks allowed to be held by any person is uniformly restricted.

3. The deposit agreement, etc. concerning a foreign stock depositary receipt, etc. and any other agreement pertaining to an initial listing application shall be those entered into pursuant to the provisions of the Enforcement Rules as prescribed in Rule 206, Paragraph 1, Item (4) of the Regulations means that the conditions prescribed in each

(Note 1) This shall be limited to cases in which such merger has been carried out.
(Note 2) This shall be limited to a spin-off those in which the succeeded business will become the principal business of the initial listing applicant.

Sub-section 3

Formal Requirements for Foreign Companies

Rule 213. Handling of Formal Requirements for Foreign Companies Excluding Cases of Multiple Listing

1. Cases where imposing a restriction on transfer of a foreign stock, etc. is deemed necessary to receive application of provisions of laws in its home country as prescribed in Rule 206, Paragraph 1, Item (3) of the Regulations means the cases referred to in each of the following items:

   (1) Where the initial listing applicant imposes a restriction on transfer of a stock due to the application of the provisions of the U.S. Communications Act of 1934;

   (2) Where the initial listing applicant imposes a restriction on transfer of a stock due to the application of the provisions of the U.S. Merchant Marine Act of 1936; and

   (3) Where the initial listing applicant imposes a restriction on transfer of a stock in cases similar to those specified in the preceding two (2) items.

2. Cases correspond to this as prescribed in Rule 206, Paragraph 1, Item (3) of the Regulations mean cases in which the initial listing applicant imposes a restriction on transfer of a stock, under special circumstances such as a request from the government of the home country, in a manner in which the number of stocks allowed to be held by any person is uniformly restricted.

3. The deposit agreement, etc. concerning a foreign stock depositary receipt, etc. and any other agreement pertaining to an initial listing application shall be those entered into pursuant to the provisions of the Enforcement Rules as prescribed in Rule 206, Paragraph 1, Item (4) of the Regulations means that the conditions prescribed in each
of the following items are satisfied for each type of foreign stock depositary receipts, etc. referred to in each of the following items:

(1) Foreign stock depositary receipts: Said deposit agreement, etc. is to be concluded among the initial listing applicant, the depository, etc. pertaining to said foreign stock depositary receipts, and holders of said foreign stock depositary receipts; and

(2) Foreign stock trust beneficiary certificates: Said deposit agreement, etc. is to be concluded between the depository, etc. pertaining to said foreign stock trust beneficiary certificates and holders of said foreign stock trust beneficiary certificates; and the initial listing applicant has concluded a contract deemed appropriate by the Exchange.

**Rule 214. Handling of Formal Requirements for Foreign Companies in Cases of Multiple Listing**

1. The provisions of Rule 206, Paragraph 2, Item 1 of the Regulations shall be treated in a manner prescribed in each of the following items:

   (1) Number of shareholders in Japan as prescribed in Rule 206, Paragraph 2, Item 1 of the Regulations means the number of entities that own address or residence in Japan substantially holding one or more units of the stock, etc. pertaining to the initial listing application; and

   (2) The provisions of Rule 212, Paragraph 1, Item 6, Sub-items a. and c. (excluding the portion thereof relevant to foreign securities brokers) shall be applied mutatis mutandis to the handling of public offering or secondary distribution of foreign stocks, etc. pertaining to the initial listing application made by the initial listing applicant during the period from the initial listing application day to the day immediately prior to the listing day.

2. "Shareholders" prescribed in Rule 206, Paragraph 2, Item 2 of the Regulations mean entities that substantially hold the foreign stock and "holders of a foreign stock depositary receipt" in the same item mean entities that substantially hold the foreign stock depositary receipt, etc.

**Rule 215. Handling of Formal Requirements for Privatized Foreign Company**

The provisions of Rule 206, Paragraph 3 of the Regulations shall be treated in a manner prescribed in each of the following items:

(1) Number of consecutive years in business conduct:

   Business operated by a privatized foreign company as prescribed in Rule 206, Paragraph 3, Item 1 of the Regulations means the principal business of said privatized foreign company as of the initial listing application day;

(2) Amount of profits or market capitalization:

   a. Cases specified by the Enforcement Rules as prescribed in Rule 206, Paragraph 3, Item 2, Sub-items a. and b. of the Regulations mean cases in which there is a consolidated income statement, etc. as well as income statement and combined income statement that have not been prepared for any of the business years ending within the last two (2) years (or the last year in case of Sub-item b. of the same item) and it is deemed extremely

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difficult to newly prepare said consolidated income statement, etc. as well as income statement and combined income statement;

b. The provisions of Rule 212, Paragraph 5, Item 6, Paragraph 6, Item 3, Items 7 through 9, and Item 12 shall be applied mutatis mutandis to cases as prescribed in Rule 206, Paragraph 3, Item 2, Sub-item a. of the Regulations; and

c. The provisions of Rule 212, Paragraph 5, Item 6, Paragraph 6, Item 4, Items 6 through 10, and the first sentence of Item 12 shall be applied mutatis mutandis to cases as prescribed in Rule 206, Paragraph 3, Item 2, Sub-item b. of the Regulations; and

(3) False statement or adverse opinion, etc.:

a. Cases specified by the Enforcement Rules as prescribed in Rule 206, Paragraph 3, Item 3, Sub-item a. of the Regulations mean cases in which there is a financial document that has not been prepared for any of the business years ending within the last two (2) years and it is deemed extremely difficult to newly prepare said financial document; and

b. The provision of Rule 212, Paragraph 7, Items 1 and 2 shall be applied mutatis mutandis to cases as prescribed in Rule 206, Paragraph 3, Item 3 of the Regulations.

Sub-section 4
Listing Examination

Rule 215-2. Standard Listing Examination Period
The period specified by the Enforcement Rules prescribed in Rule 207, Paragraph 3 of the Regulations shall be three (3) months from when the Exchange receives and processes an initial listing application for the main markets.

Sub-section 5
Technical Listing

Rule 216. Handling of Technical Listing
1. Cases where a company applies for listing as specified by the Enforcement Rules, as prescribed in Rule 208 of the Regulations, mean that (i) in the case where the initial listing applicant falls under Item 1 of the same rule, the initial listing applicant makes application before six (6) months have passed from the delisting day; (ii) in the case where such applicant falls under Item 3 of the same rule, the initial listing applicant makes application before six (6) months have passed from the effective date of a stock swap or a stock transfer (if not by a stock swap or stock transfer, a date specified by the Exchange); (iii) in the case where such applicant falls under Item 5 of the same rule, the initial listing applicant makes application before six (6) months have passed from the effective date of a demerger; and (iv) in the case where such applicant falls under Item 2 or 4 of the same rule, the initial listing applicant
makes application without delay after delisting.

2. Cases specified by the Enforcement Rules as prescribed in Rule 208 of the Regulations mean cases in which, in light of the status of implementation and operation of the legal system, business practices, etc. in the home country of the initial listing applicant, it is expected that smooth trading and settlement of the foreign stock, etc. of the initial listing applicant will be secured.

3. Cases specified by the Enforcement Rules as a status equivalent to this as prescribed in Rule 208, Item 3 of the Regulations mean cases in which another company becomes the parent company of the listed company by carrying out a takeover bid through offering the stock, etc. of such another company as consideration to a large number of shareholders of the listed company or by subscribing to listed stocks, etc. offered through capital increase by third-party allotment by means of in-kind contribution.

4. Determination on whether the Exchange deems that such another company will succeed a principal business of the listed company on the Main Market as specified by the Enforcement Rules as prescribed in Rule 208, Item 5 of the Regulations shall be made in consideration of operating results of such another company, etc. In this case, if sales and the amount of ordinary profit recorded in the business unit consolidated income statement (see Note 1 below) pertaining to the business to be succeeded by such another company included in the documents submitted pursuant to the provisions of Rule 205, Item 1, Sub-item a. (e) exceeds the amount equivalent to the sales and ordinary profit of the business unit pertaining to the business other than the business to be succeeded from said listed company by such another company and companies other than such another company for the most recent consolidated accounting year of said listed company (see Note 2 below) and sales and the amount of ordinary profit stated in the business unit consolidated income statement pertaining to the business to be succeeded by companies other than such another company, such another company shall be treated as a company to succeed the principal business of the listed company in making said determination.

(Note 1) This shall be the business unit non-consolidated income statement if preparation of the business unit consolidated income statement is not required; the same shall apply hereinafter in this paragraph.

(Note 2) This shall be the most recent business year of said listed company if said listed company is not a consolidated financial statements submitting company.

Sub-section 6
Assignment of Stock to the First Section Market at Initial Listing

Rule 217. Handling of Assignment of Stock to the First Section Market at Initial Listing

1. The provisions of Rule 212, Paragraph 1 shall be applied mutatis mutandis to cases as prescribed in Rule 210, Paragraph 1, Items 1 and 2 of the Regulations.
2. The provisions of Rule 212, Paragraphs 2 and 3 shall be applied mutatis mutandis to cases prescribed in Rule 210, Paragraph 1, Item 3 of the Regulations. In this case, the terms "expected public offering or secondary distribution price" and "two (2) days before the day on which the Exchanges approves listing" in Rule 212, Paragraph 2, Item 1, Sub-item a. and Item 2 shall be deemed to be replaced with "public offering or secondary distribution price" and "the day on which the public offering or secondary distribution price is determined," respectively.

Section 3
Initial Listing on Mothers

Sub-section 1
Documents to Be Submitted, etc.

Rule 218. Matters to Be Stated in Security Initial Listing Application Form
1. Other matters specified by the Enforcement Rules as prescribed in Rule 211, Paragraph 1 of the Regulations shall be the matters referred to in each of the following items:
   (1) Matters referred to in each item of Rule 203, Paragraph 1 (except for Item (7)); and
   (2) The statement that the initial listing applicant makes application for initial listing on Mothers.
2. With respect to the number of outstanding shares as prescribed in Rule 203, Paragraph 1, Item (2) among the matters prescribed in Item 1 of the preceding paragraph, the number of stocks, etc. referred to in each item of Rule 203, Paragraph 2 shall be separately noted.
3. The Written Oath Concerning Application for Initial Listing prescribed in Rule 211, Paragraph 1 of the Regulations shall be prepared using the attached forms: i.e. Form 1-6 for a domestic company and Form 1-7 for a foreign company.

Rule 219. Documents Attached to Security Initial Listing Application Form
1. Other documents specified by the Enforcement Rules as prescribed in the main clause of Rule 211, Paragraph 2 of the Regulations in cases where the initial listing applicant is a domestic company shall be the documents referred to in each of the following items:
   (1) Documents referred to in Rule 204, Paragraph 1, Items (1) through (3), Item (5), Item (6), Item (8), Items (10) through (12), Items (20) through (23), and Items (25) through (31); and
   (2) Two (2) copies of "Securities Report for Initial Listing Application" containing matters concerning the business group to which the initial listing applicant belongs and the status of its accounts, other important matters concerning the details of the business, etc.:
      In this case, "Securities Report for Initial Listing Application" shall consist only of Part I, which shall be as prescribed in Rule 204, Paragraph 1, Item (4),
Sub-items a. through b-2.; provided, however, that it may be prepared using the same form as the securities registration statement pertaining to the public offering prescribed in Rule 212, Item (3) of the Regulations;

(3) Documents referred to in the following a. through c. prepared by the managing trading participant of the initial listing applicant.

a. "Written Recommendation" predetermined by the Exchange. In this case, said managing trading participant of the initial listing applicant shall provide in said "written recommendation" a statement that the initial listing applicant (including its corporate group) is considered to be a company having a high growth potential (including items pertaining to the business subject to the evaluation of a high growth potential if the amounts of profit and sales of the initial listing applicant do not fall under either the following (a) or (b)), and the provisions of Rule 212, Paragraph 6 shall be applied mutatis mutandis to handling of the amounts of profit and sales;

(a) Where, in the last two (2) years, the profit amount in the second year is JPY 100 million or more, increasing by 30% or more, compared to that in the first year, and at the same time the sales amount in the second year is more than that in the first year; or

(b) Where, in the last two (2) years, the profit amount in the first year is zero or minus, but that for the second year is JPY 100 million or more, and at the same time the sales amount for the second year is more than that for the first year.

b. "Written Confirmation" predetermined by the Exchange; and

c. Document containing description on matters to which particular attention was given or emphasis on confirmation was placed, during the process of receiving guidance on becoming a public company as well as underwriting examination.

(4) Documents describing the matters pertaining to the initial listing applicant referred to in the following Sub-items a. through d.; provided, however, that if there are existing documents, such as a pamphlet, describing said matters, these existing documents may be submitted in lieu of newly created documents.

a. Details of business;

b. Future business plan;

c. Details of transactions with special related parties; and

d. Industry and business partner overview;

(5) Statement of accounts of the consolidated subsidiaries for the last two (2) business years;

(6) In cases where the initial listing applicant carried out a merger within the last two (2) business years, financial statements, etc. of the merged company for the year in which the merger was carried out (excluding those the Exchange deems unnecessary to be submitted); and

(7) In cases where the initial listing applicant is subject to the provisions of the proviso of Rule 212, Item 3 of the Regulations, materials concerning the value of the stock pertaining to the initial listing application.

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2. Other documents specified by the Enforcement Rules as prescribed in the main clause of Rule 211, Paragraph 2 of the Regulations in cases where the initial listing applicant is a foreign company shall be the documents referred to in each of the following items:

(1) Documents referred to in Rule 204, Paragraph 1, Items (3), (6), (12), (21), (28), and (30); provided, however, that the document referred to in Item (21) of the same paragraph is not required in case of a multiple listing;

(2) Documents referred to in Rule 204, Paragraph 2, Item (2), Items (4) through (6), and Items (8) through (10);

(3) Documents referred to in Items (3) through (7) of the preceding paragraph;

(4) Two (2) copies of "Securities Report for Initial Listing Application" containing matters concerning the business group to which the initial listing applicant belongs and the status of its accounts, other important matters concerning the details of the business, etc.:

In this case, "Securities Report for Initial Listing Application" shall consists of Part I and other documents the Exchange deems to be appropriate for listing examination, as specified in Rule 204, Paragraph 2, Item (3), Sub-items a, a-2, d, and e; provided, however, that it may be prepared using the same form as the securities registration statement pertaining to the public offering prescribed in Rule 212, Item (3) of the Regulations made pursuant to the provisions of Rule 213, Paragraph 1, Item (1) of the Regulations;

(5) Document assuring that the initial listing applicant will perform timely disclosure of corporate information and other duties appropriately pursuant to the provisions of Part 2, Chapter 4, Section 2 through the company's agent, etc. as prescribed in Rule 426 of the Regulations; and

(6) In cases where the initial listing applicant is subject to the provisions of the proviso of Rule 212, Item 3 of the Regulations pursuant to the provisions of Rule 213, Paragraph 1, Item 1 thereof, materials concerning the value of the foreign stock, etc. pertaining to the initial listing application.

3. Documents specified by the Enforcement Rules prescribed in the proviso of Rule 211, Paragraph 2 of the Regulations shall be documents referred to in Paragraph 1, Item (3), Sub-item a. (including cases prescribed in Item (3) of the preceding paragraph)

Rule 220. Documents Attached to Security Initial Listing Application Form in Cases of Technical Listing

1. Other documents as specified by the Enforcement Rules as prescribed in Rule 211, Paragraph 3 of the Regulations shall be the documents referred to in each of the following items in accordance with the classifications of initial listing applicant referred to in following items:

(1) Initial listing applicant who falls under Rule 215, Items (1), (3), or (5) of the Regulations:

a. Domestic company

   (a) Documents referred to in Rule 204, Paragraph 1, Items (1) through (3), Items (5), (6), (8), (10), (23), (29), and (31);

   (b) "Securities Report for Initial Listing Application" containing matters
concerning the business group to which the initial listing applicant belongs and the status of its accounts, other important matters concerning the details of the business, etc.:  
In this case, "Securities Report for Initial Listing Application" shall consist only of Part I, which shall be prepared in conformity with the provisions of Paragraph 1, Item (2) of the preceding rule;  
(c) "Schedule of Expected Distribution of Stocks, etc. On or After Initial Listing Application Day" predetermined by the Exchange that describes the expected distribution of stocks, etc. (excluding preferred equity contribution securities) pertaining to the initial listing application through the end of the first business year ending after the listing day;  
(d) Documents prepared in a manner similar to the documents submitted by a listed company pursuant to the provisions of each item of Rules 417 and 418;  
(e) If the provisions of Rule 215, Item (5) of the Regulations apply to the initial listing applicant, documents concerning financial calculation for the most recent consolidated accounting year of the listed company (or the most recent business year of the listed company if the listed company is not a consolidated financial statements submitting company) pertaining to the business to be succeeded by another company as prescribed therein and the business to be succeeded by a company other than such another company (excluding those the Exchange deems unnecessary to be submitted):  
In this case, said documents concerning financial calculation shall be prepared in accordance with "Standard for the Preparation of Business Unit Financial Information" prescribed by the Exchange, as well as other standards generally accepted as reasonable; and  
(f) In cases where the initial listing applicant for which the provisions of Rule 215, Item (1) or (3) of the Regulations apply is the parent company of the surviving company specified in Item 1 of the same rule or the parent company of another company specified in Item 3 of the same rule or where the listed company prescribed in the same item is a wholly-owned subsidiary of such initial listing applicant (limited to cases where such initial listing applicant is a foreign company), if the listed company prescribed in Item (1) or (3) of the same rule is expected to not be a substantial surviving company prescribed in Rule 601, Paragraph 1, Item (9), Sub-item b. of the Regulations pursuant to the provisions of Rule 603, Paragraph 1, Item (6), a document containing expectation concerning the corporate continuity and profitability for the period prescribed in Rule 601, Paragraph 1, Item (9), Sub-item b. pursuant to the provisions of Rule 603, Paragraph 1, Item (6) and a statement that the initial listing applicant will strive to satisfy the criteria determined by the Exchange as prescribed in Rule 601, Paragraph 1, Item (9), Sub-item b. pursuant to the provisions of Rule 603, Paragraph 1, Item (6) within said period (excluding cases in which it is expected
that the initial listing applicant will satisfy the criteria prescribed in Rule 601, Paragraph 1, Item (9), Sub-item b. pursuant to the provisions of Rule 603, Paragraph 1, Item (6));

b. Foreign company
   (a) Documents referred to in Rule 204, Paragraph (1), Items (3) and (6);
   (b) Documents referred to in Rule 204, Paragraph 2, Item (2), Items (4) through (6), Items (9) and (10);
   (c) Documents referred to in Paragraph 2, Item (5) of the preceding rule;
   (d) Documents referred to in (c), (e), and (f) of the preceding Sub-item a.; and
   (e) "Securities Report for Initial Listing Application" containing matters concerning the business group to which the initial listing applicant belongs and the details of its accounts, other important matters concerning the substance of the business, etc.:  
      In this case, "Securities Report for Initial Listing Application" shall consist of Part I, which shall be prepared in conformity with the provisions of Paragraph 2, Item (4) of the preceding rule;

(2) Initial listing applicant who falls under Rule 215, Item (2) or (4) of the Regulations:
   a. Documents referred to in Rule 204, Paragraph 1, Items (3) and (6);
   b. Documents referred to in Rule 204, Paragraph 2, Item (2), Items (4) through (6), Items (9) and (10);
   c. Documents referred to in Rule 205, Item (2), Sub-item a.; and
   d. Documents referred to in Paragraph 2, Item (5) of the preceding rule.

2. With regards to the application of the provisions of Item (1), Sub-item a. (c) of the preceding paragraph pertaining to a company whose shareholder, etc. record date is not the end of a business year, "the end of the first business year after listing" in the same (c) shall be "the first shareholder, etc. record date after listing".

Rule 221. Documents to Be Submitted Pertaining to Initial Listing Application
Other cases specified by the Enforcement Rules as prescribed in Rule 211, Paragraph 5 of the Regulations shall be the cases referred to in each of the items of Rule 206 and the documents prescribed in each of said items (excluding documents referred to in Item (9)-2 of the same rule) shall be submitted if the listing company falls under cases referred to in each of items. However, where the documents specified in each of the following items (excluding documents referred to in Item (4), Sub-item d. of the same rule) have been submitted to the Prime Minister, etc. through the electronic data processing system, submission of such documents is not required.

Rule 222. Audit Report, etc.
1. Documents concerning financial calculation as specified by the Enforcement Rules as prescribed in Rule 211, Paragraph 6 of the Regulations shall be the documents referred to in each of the following items:
   (1) Financial statements, etc. for the last two (2) business years and the last two (2) consolidated accounting years that are included in or attached to
"Securities Report for Initial Listing Application" as prescribed in Rule 219, Paragraph 1, Item (2) or Rule 219, Paragraph 2, Item (4); and

(2) Interim financial statements, etc. or quarterly financial statements, etc. included in "Securities Report for Initial Listing Application" that is prescribed in Rule 219, Paragraph 1, Item (2) or Rule 219, Paragraph 2, Item (4), or quarterly financial statements, etc. included in "Quarterly Report for Initial Listing Application" as prescribed in Rule 206, Item (9).

2. With respect to the audit report, interim audit report, or quarterly review report prescribed in Rule 211, Paragraph 6 of the Regulations, if the documents concerning financial calculation prescribed in the same paragraph are identical to the financial statements, etc., interim financial statements, etc., or quarterly financial statements, etc. included in the securities registration statement, securities report, or quarterly report previously submitted pursuant to the provisions of the Act, for which the audit certification prescribed in Article 193-2, Paragraph 1 of the Act has been received, a copy of the audit report, interim audit report, or quarterly review report pertaining to such financial statements, etc., interim financial statements, etc., or quarterly financial statements, etc. will suffice.

3. Foreign company specified by the Enforcement Rules as prescribed in the proviso of Rule 211, Paragraph 6 of the Regulations means a foreign company that falls under each of the following items and said foreign company shall submit an audit report pertaining to the certification prescribed in Item (2). In this case, said foreign company may submit a copy of said audit report by applying mutatis mutandis the provisions of the preceding paragraph:

   (1) The financial documents referred to in Paragraph 1, Item (1) is prepared in conformity with the preparation standard prescribed in Article 129, Paragraph 1 or 2 of the Financial Statements, etc. Regulations pursuant to the provisions of Rule 204, Paragraph 2, Item (3), Sub-item d.; and

   (2) With respect to the financial documents referred to in Paragraph 1, Item (1), certification that is deemed to correspond to audit certification prescribed in Article 193-2, Paragraph 1 of the Act has been received from a certified public accountant or audit firm or equivalent thereto.

Rule 223. Summary Audit Report, etc.

1. Those specified by the Enforcement Rules as prescribed in Rule 211, Paragraph 7 of the Regulations means those pertaining to "Quarterly Report for Initial Listing Application" prescribed in Rule 206, Item 9.

2. The summary audit report, summary interim audit report, or summary quarterly review report prescribed in Rule 211, Paragraph 7 of the Regulations shall be handled in each of the following items:

   (1) In cases where audits of the financial statements and consolidated financial statements of the initial listing applicant or audits of all of the financial documents of the initial listing applicant are conducted together by the same certified public accountant or audit firm, the initial listing applicant shall submit a summary audit report pertaining to the audit of said financial statements and a summary audit report pertaining to the audit of said

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Rule 224. Documents Concerning Financial Calculation
Documents concerning financial calculation as specified by the Enforcement Rules as prescribed in Rule 211, Paragraph 8 of the Regulations shall be the documents prescribed in Rule 220, Item 1, Sub-item a.(e), and an audit report based on audit conducted in compliance with generally accepted auditing standards or a report prepared for the purpose of stating opinions on business unit financial information based on Exhibit 4 "Standard for Statement of Opinions on Documents concerning Financial Calculation pertaining to the Business Succeeded upon Demerger" or other procedures that are deemed reasonable shall be attached thereto.

Rule 225. Public Inspection of Documents to Be Submitted Pertaining to Initial Listing Application
1. Documents referred to in Paragraphs 2 through 8, which are specified by the Enforcement Rules as prescribed in Rule 211, Paragraph 10 of the Regulations, shall be the documents referred to in each of the following items:
   (1) Articles of Incorporation (excluding those of an initial listing applicant that is
a mutual corporation making initial listing application for the domestic stock of a stock company into which the initial listing applicant is going to be reorganized; and

(2) "Securities Report for Initial Listing Application (Part I)" (including documents attached thereto pursuant to the provisions of Rule 211, Paragraph 6 or 8 of the Regulations).

2. Submission of the documents referred to in Item (1) of the preceding paragraph by an initial listing applicant (excluding foreign companies) shall be made by means of submission of electromagnetic records containing the information included in said documents (or electromagnetic records of said documents prepared pursuant to provisions of laws and regulations, if applicable).

3. Documents submitted by the initial listing applicant pursuant to the provisions of this rule, which are the documents specified by the Enforcement Rules available for public inspection as prescribed in Rule 211, Paragraph 10 of the Regulations, shall be the documents referred to in each of the following items:

(1) Documents prescribed in Paragraph 1;
(2) Documents prescribed in Rule 204, Paragraph 2, Item (6), Sub-item a.;
(3) Documents prescribed in Rule 206, Item (2) and Item (9);
(4) Documents prescribed in Rule 204, Paragraph 1, Item (14) (including documents attached thereto pursuant to the provisions of the preceding rule);
(5) Documents prescribed in Rule 204, Paragraph 1, Item (26), Sub-item b., and Items (28) and (30);
(6) Documents prescribed in Rule 220, Item (1), Sub-item a.(d) (limited to those of the same type as the documents that are required to be submitted for public inspection pursuant to the provisions of Part 2, Chapter 4, Section 2);
(7) Documents prescribed in Rule 220, Item (1), Sub-item a.(e) (limited to those pertaining to the business succeeded by another company prescribed in the provisions of Rule 215, Item (5) of the Regulations); and
(8) Documents prescribed in Rule 206, Item (1) (limited to those of the same type as the documents that are required to be submitted for public inspection pursuant to the provisions of Part 2, Chapter 4, Section 2).

Rule 226. Documents to Be Submitted upon Listing Approval

1. The documents prescribed in Rule 211, Paragraph 11, Item 2 of the Regulations are required to be signed by the representative of the initial listing applicant.

2. Documents specified by the Enforcement Rules as prescribed in Rule 211, Paragraph 11, Item 2 of the Regulations mean the "Securities Report for Initial Listing Application" (limited to Part I thereof) as prescribed in Rule 219, Paragraph 1, Item 2 and Paragraph 2, Item 4 thereof and the "Quarterly Report for Initial Listing Application" as prescribed in Rule 206, Item 9.

3. In stating the reason prescribed in Rule 211, Paragraph 11, Item 2 of the Regulations, an initial listing applicant shall state the reason that has been confirmed by the representative of the initial listing applicant with respect to the preparation of the documents prescribed in the same item.

4. Matters concerning corporate governance specified by the Enforcement Rules as
prescribed in Rule 211, Paragraph 12, Item (1) of the Regulations mean the matters referred to in each of the following items; provided, however, that, in Item (2) and (6), this shall be limited to cases where initial listing applicants are issuers of domestic stocks:

1. Basic approach to corporate governance and basic information about the initial listing applicant including capital structure, corporate attributes, etc. (including guidelines on measures to protect the interest of minority shareholders in executing transactions, etc. with the controlling shareholder);

2. Matters related to Exhibit "The Corporate Governance Code" in the Regulations (including the reasons for non-compliance with principles of the code as indicated in the exhibit prescribed in Rule 436-3 of the Regulations);

3. Status of the corporate governance system including business management organization pertaining to management decision, execution and supervision, and the reason for selecting such organization and system;

4. Implementation status of measures to protect the interest of shareholders and other stakeholders;

5. Basic approach to and implementation status of the internal control system (including matters concerning the development of the corporate structure for eliminating anti-social forces);

6. Status of securing an independent director(s)/auditor(s) (including, in cases where a person designated as an independent director/auditor falls under any of the following a. through j., such fact and its outline);

   a. A person who has executed business of said company and its subsidiary (including directors who did not execute business or accounting advisors in cases where an outside auditor is designated as an independent director/auditor);

   b. A person who has executed business of said company’s parent company (including directors who did not execute business, and auditors in cases where an outside auditor is designated as an independent director/auditor);

   c. A person who has executed business of said company's fellow subsidiary;

   d. A person who has executed business of an entity for which said company was a major client, or a person who has executed business of a major client of said company;

   e. A person who belonged to a consulting firm, accounting firm, or law firm (limited to groups such as corporation and association) and has received large amounts of cash or other assets in addition to director/auditor compensation from said company;

   f. A major shareholder of said company;

   g. A close relative of persons referred to in the preceding a. through f. (excluding persons of no significance);

   h. A client of the company or a person who is or was from said client;

   i. A person who is or was from another company at which a person who is or was from said company is an outside director/auditor; or

   j. A person receiving contributions from said company.
Sub-section 2
Formal Requirements for Domestic Companies

Rule 227. Handling of Formal Requirements for Domestic Companies

1. The provision of Rule 212, Paragraph 1 shall be applied mutatis mutandis to the number of shareholders prescribed in Rule 212, Item 1 of the Regulations, and the number of tradable shares and the number of listed stocks, etc. prescribed in Rule 212, Item 2 thereof.

2. The market capitalization of the tradable shares as prescribed in Rule 212, Item 2, Sub-item b. of the Regulations means the amount calculated by multiplying the expected offering price for the public offering of the stock, etc. pertaining to the initial listing application (see Note below) by the number of tradable shares calculated in accordance with the provisions of the preceding paragraph. However, in cases where the initial listing applicant falls under the case prescribed in the proviso of Rule 212, Item 3 thereof, said market capitalization of the tradable shares means the amount calculated by multiplying the price for a secondary distribution of the stock, etc. pertaining to the initial listing application, if such secondary distribution is made or the value of the stock, etc. pertaining to the initial listing application calculated in accordance with the calculation formula deemed reasonable by the Exchange, if no such secondary distribution is made, by the number of tradable shares calculated in accordance with the provisions of the preceding paragraph.

(Note) This shall be referred to as "public offering pertaining to initial listing" hereinafter in this rule.

3. The provisions of Rule 212, Item 3 of the Regulations shall be treated in a manner prescribed in each of the following items:

   (1) The initial listing applicant and the principal underwriting trading participant shall submit a "Scheduled Plan of Public Offering or Secondary Distribution" predetermined by the Exchange that contains the description of the terms and procedure of the public offering pertaining to initial listing, and if said "Scheduled Plan of Public Offering or Secondary Distribution" is amended, the amendment thereto shall be submitted immediately. However, in cases where no trading participant of the Exchange concludes a principal underwriting contract with respect to the public offering pertaining to initial listing, for purposes of applying this provision, the trading participant of the Exchange who is a financial instruments firm that concludes a contract that entitles and obligates the trading participant to handle said public offering pertaining to initial listing shall be deemed to be the principal underwriting trading participant of said public offering pertaining to initial listing (see Note below);
(Note) The same shall apply hereinafter in this paragraph.

(2) In the Exchange examines the distribution status of the stock, etc. and the "Scheduled Plan of Public Offering or Secondary Distribution" of the initial listing applicant and determines that the contents of said "Scheduled Plan of Public Offering or Secondary Distribution" to be inappropriate and requests amendment thereto, the initial listing applicant and the principal underwriting trading participant shall make necessary amendments and submit the amended "Scheduled Plan of Public Offering or Secondary Distribution";

(3) The principal underwriting trading participant of a public offering pertaining to initial listing shall, as a general rule, submit "Notice of Execution of Public Offering or Secondary Distribution" predetermined by the Exchange and notify the initial listing applicant of the results of said public offering pertaining to initial listing by the third day (excluding non-business days) from the ending date of the subscription period for said public offering pertaining to initial listing;

(4) If there are two (2) or more principal underwriting trading participants of said public offering pertaining to initial listing, the "Notice of Execution of Public Offering or Secondary Distribution" prescribed in the preceding item may be submitted by only one trading participant representing the group of said principal underwriting trading participants of said public offering pertaining to initial listing; and

(5) The provisions of Rule 212, Paragraph 1, Item 6, Sub-item c. shall be applied mutatis mutandis to cases in which a non-trading participant financial instruments firm or a foreign securities broker concludes a principal underwriting contract, etc. with respect to a public offering pertaining to initial listing.

4. The market capitalization of the tradable shares as prescribed in Rule 212, Item 4 of the Regulations means the sum of the amount obtained by multiplying the expected offering price for a public offering pertaining to initial offering by the expected number of the listed stock, etc. as of the listing day (see Note 1 below) (see Note 2 below) and the market capitalization (see Note 3 below) of all other stocks issued by said initial listing applicant (see Note 4below).

(Note 1) In cases where the initial listing applicant falls under the case prescribed in the proviso of Rule 212, Item 3 thereof, the amount obtained by multiplying the price for a secondary distribution of the stock, etc. pertaining to the initial listing application, if such secondary distribution is made or the value of the stock, etc. pertaining to the initial listing application calculated in accordance with the calculation formula deemed reasonable by the Exchange, if no such secondary distribution is made, by the expected number of the listed stock, etc. as of the listing day.

(Note 2) If the initial listing applicant made initial listing application for multiple classes of stocks, etc. simultaneously, the amount calculated for each class
of said stocks, etc. shall be aggregated.

(Note 3) This shall be calculated in accordance with the provisions prescribed by the Exchange.

(Note 4) This shall be limited to those listed on a financial instruments exchange in Japan or those listed or continuously traded on a foreign financial instruments exchange, etc.

5. The provisions of Rule 212, Item 5 of the Regulations shall be treated in a manner prescribed in each of the following items:
   (1) In Rule 212, Item 5 of the Regulations, in cases where the initial listing applicant is a company to succeed the business of a listed company upon a shareholder-directed spin-off and made initial listing application prior to the shareholder-directed spin-off, activities related to the business to be succeeded upon the shareholder-directed spin-off shall be subject to examination by the Exchange; and
   (2) The provision of Rule 212, Paragraph 4, Items 2 through 4 shall be applied mutatis mutandis to cases prescribed in Rule 212, Item 5 of the Regulations.

6. The provisions of Rule 212, Item 6 of the Regulations shall be treated in a manner prescribed in each of the following items:
   (1) The provisions of Rule 212, Paragraph 7, Item 1 shall be applied mutatis mutandis to cases prescribed in Rule 212, Item 6, Sub-item a. of the Regulations.
   (2) Cases specified by the Enforcement Rules as prescribed in Rule 212, Item 6, Sub-item b. of the Regulations mean cases in which the certified public accountant, etc. did not issue an "unqualified opinion" in its audit report (see Note below) due to exceptions or reasons related to the assumption of a going concern, and cases in which the certified public accountant, etc. issued a "qualified fair opinion" or "qualified conclusion with exceptions" in its audit report or quarterly review report due only to matters regarding comparative information.

(Note) This shall exclude those attached to the financial statements, etc. for the most recent business year or the most recent consolidated accounting year if an interim audit report or quarterly review report is not attached to the "Securities Report for Initial Listing Application".

Sub-section 3
Formal Requirements for Foreign Companies

Rule 228. Handling of Formal Requirements for Foreign Companies
The provisions of Rule 213, Paragraph 2, Items 1 and 2 of the Regulations shall be treated in a manner prescribed in each of the following items:
   (1) The provision of Rule 214, Paragraph 1, Items 1 and 2 shall be applied mutatis
mutandis to cases prescribed in Rule 213, Paragraph 2, Item 1 of the Regulations; and

(2) In determining whether the condition prescribed in Rule 212, Item 3 of the Regulations is satisfied pursuant to the provisions of Rule 213, Paragraph 2, Item 2 of the Regulations, only the public offering made by the initial listing applicant in Japan shall be eligible for examination by the Exchange.

Sub-section 4
Listing Examination

Rule 228-2. Standard Listing Examination Period
The period specified by the Enforcement Rules prescribed in Rule 214, Paragraph 3 of the Regulations shall be two (2) months from the day the Exchange accepts an initial listing application for Mothers.

Sub-section 5
Technical Listing

Rule 229. Handling of Technical Listing
The provisions of Rule 216, Paragraphs 1 through 4 shall be applied mutatis mutandis to cases prescribed in Rule 215 of the Regulations.

Section 3-2
Initial Listing on JASDAQ

Sub-section 1
Documents to Be Submitted, etc.

Rule 229-2. Matters to Be Stated in Security Initial Listing Application Form
1. Matters specified by the Enforcement Rules as prescribed in Rule 216-2, Paragraph 1 of the Regulations shall be the matters referred to in each of the following items:
   (1) Matters referred to in each item of Rule 203, Paragraph 1 (except for Item (7));
   (2) The statement that the initial listing applicant makes application for initial listing on JASDAQ; and
   (3) The sub-division of the security pertaining to the listing application.
2. With respect to the number of outstanding shares as prescribed in Rule 203, Paragraph 1, Item (2) among the matters prescribed in Item (1) of the preceding paragraph, the number of stocks, etc. referred to in each item of Rule 203, Paragraph 2 shall be separately noted.
3. The Written Oath Concerning Application for Initial Listing prescribed in Rule 216-2, Paragraph 1 of the Regulations shall be prepared using the attached forms: i.e., Form 1-6 for a domestic company and Form 1-7 for a foreign company.
Rule 229-3. Documents Attached to Security Initial Listing Application Form

1. Other documents specified by the Enforcement Rules as prescribed in the main clause of Rule 216-2, Paragraph 2 of the Regulations in cases where the initial listing applicant is a domestic company shall be the documents referred to in each of the following items:

   (1) Documents referred to in Rule 204, Paragraph 1, Items (1) through (3), Items (5) through (8), Item (10), Item (11), Items (14) through (17), Item (20), Items (23) through (27), and Items (29) through (31);

   (2) Two (2) copies of "Securities Report for Initial Listing Application" containing matters concerning the business group to which the initial listing applicant belongs and the status of its accounts, other important matters concerning the details of the business, etc. and "JASDAQ Listing Application Report":

   In this case, the "Securities Report for Initial Listing Application" shall consist only of Part I, which shall be as prescribed in Rule 204, Paragraph 1, Item (4), Sub-items a. through b-2. and Sub-items d. and e., and the "JASDAQ Listing Application Report" shall be prepared according to "Instructions for Preparation of JASDAQ Listing Application Report" specified by the Exchange. However, if the initial listing applicant carries out any of the acts referred to in the following a. or b. within the last year or on or after the first day of the business year of the listing application (including acts referred to in a., which are conducted by a subsidiary of the initial listing applicant), it shall prepare the "Securities Report for Initial Listing Application (Section I)" according to the provisions of Rule 204, Paragraph 1, Item (4), Sub-items a. and b. and attach documents concerning financial calculation (excluding those included in the Securities Report for Initial Listing Application (Section I) and those for which the Exchange deems it unnecessary to provide attachments) specified in the following a. and b.:

   a. Merger (excluding that between the initial listing applicant and its subsidiary, or that between subsidiaries of the initial listing applicant, and that falling under Rule 216-9, Item (1) or (2) of the Regulations; the same shall apply hereinafter in this item and the next item.)

   (a) In the case of a merger conducted by the initial listing applicant during the immediately preceding business year, financial statements, etc. of the merging company (excluding the initial listing applicant and its subsidiary; the same shall apply hereinafter to this (a) and (b)) for the consolidated accounting year of the merger (financial statements for the business year of the merger of a merging company that is not required to prepare consolidated financial statements or if it is judged that it is extremely difficult for the merging company to prepare them, and the balance sheets and income statements for the business year of the merger, which were prepared in accordance with the provisions of the Companies Act, may be submitted in lieu of financial statements, etc. if it is judged that it is extremely difficult for the merging company to prepare them in accordance with the provisions of the Act; the same shall apply hereinafter in this (a)). However, if the duration of the consolidated accounting year of such merger of the merging company is less than six (6) months, the financial statements, etc. of the merging company
company for the consolidated accounting year and the consolidated accounting year immediately prior to said merger.

(b) In the case where the initial listing applicant carries out a merger on or after the first day of the business year of the initial listing application, financial statements, etc. of the merging company for the consolidated accounting year and consolidated accounting year immediately prior to the merger.

b. Making a company a subsidiary or making a company a non-subsidiary

(a) In the case where the initial listing applicant makes a company its subsidiary or non-subsidiary during the immediately preceding business year, financial statements, etc. of said company (financial statements of said company that is not required to prepare consolidated financial statements or if it is judged that it is extremely difficult for the company to prepare them, and the balance sheets and income statements of the company, which were prepared in accordance with the provisions of the Companies Act, may be submitted in lieu of financial statements, etc. if it is judged that it is extremely difficult for the company to prepare them in accordance with the provisions of the Act; the same shall apply hereinafter in this (a) and (b)) for a period up to the day before said company is made a subsidiary or non-subsidiary, which is deemed appropriate by the Exchange. However, if the duration of said period is less than six (6) months, the financial statements, etc. of the company for such period and the consolidated accounting year immediately prior to said act.

(b) In the case where the initial listing applicant makes a company a subsidiary or makes a company a non-subsidiary on or after the first day of the business year of the initial listing application, financial statements, etc. for a period deemed appropriate by the Exchange up to the day before such company is made a subsidiary or non-subsidiary.

(3) In the case where the initial listing applicant carries out any of the acts referred to in the following Sub-items a. through d. (for those referred to in a., b., and d., including those carried out by a subsidiary of the initial listing applicant) within the last year or on or after the business year of the initial listing application (excluding cases where the acts do not significantly affect financial conditions and management performance of the initial listing applicant), the documents specified in the corresponding items (excluding documents that the Exchange does not require to submit).

a. Merger

"Summary of Merged Companies, etc. for Initial Listing Application" predetermined by the Exchange that contains the outline of the business, business review, review of equipment and facilities, etc. of the merging company;

b. Demerger (excluding that between the initial listing applicant and its subsidiary, or that between subsidiaries of the initial listing applicant)

(a) Documents concerning financial calculation pertaining to the business succeeded upon the demerger (limited to those for the business year in which the demerger was conducted. However, in the case where the demerger is conducted after the end of the last business year, or where the business year of the demerger is less than six (6) months, including the business year
immediately prior to that of said demerger):

In this case, said documents concerning financial calculation shall be prepared in accordance with the "Standard for the Preparation of Business Unit Financial Information" specified by the Exchange, as well as other standards that are deemed reasonable;

(b) "Summary of Demerger for Initial Listing Application" predetermined by the Exchange that contains the outline of the business succeeded upon the demerger, reason for the demerger, etc.;

c. Making a company a subsidiary or making a company a non-subsidiary

"Summary of Changes in Subsidiaries for Initial Listing Application" predetermined by the Exchange that contains the outline of changes in subsidiaries pertaining to the act of making a company a subsidiary or making a company a non-subsidiary, reason for such changes, etc.;

d. Business acquisition or transfer (excluding those between the initial listing applicant and its subsidiary or between subsidiaries of the initial listing applicant)

(a) Documents concerning financial calculation pertaining to the business unit acquired or transferred (limited to those for the business year in which the acquisition or transfer was carried out. However, if the duration of the business year of the acquisition or transfer is within six (6) months after the end of the last business year, including those for the business year preceding said act):

In this case, said documents concerning financial calculation shall be prepared in accordance with the "Standard for the Preparation of Business Unit Financial Information" specified by the Exchange, as well as other standards that are deemed reasonable;

(b) "Summary of Business Acquisition (or Business Transfer) for Initial Listing Application" predetermined by the Exchange that contains the outline of the business acquired or transferred, reason for the acquisition or transfer, consideration paid or received in relation to the acquisition or transfer, etc.:

(Note) The provisions shall also be applied to companies that were dissolved as a result of a merger with the initial listing applicant by deeming them as initial listing applicants if it is deemed necessary by the Exchange.

(4) If the initial listing applicant has a company that essentially holds a majority of the voting rights (excluding voting rights of shares that have limited voting rights for agenda items of general shareholders meetings and including shares deemed to have voting rights prescribed in Article 879, Paragraph 3 of the Companies Act) (hereinafter referred to as "majority shareholding company") (excluding cases where the initial listing applicant is expected to not have a majority shareholding company by the end of the business year after listing), documents containing descriptions on earnings for the most recent period preceding the business year or interim accounting period of the majority shareholding company (if the majority shareholding company submits quarterly financial statements, the cumulative quarterly period), or consolidated accounting year or consolidated interim accounting period (if the majority shareholding company submits quarterly consolidated financial statements, the cumulative quarterly consolidated accounting period); provided, however, that this shall not apply to cases referred to
in the following Sub-items a. and b.

a. Cases where the majority shareholding company is an issuer of stock, etc. listed on a domestic financial instruments exchange; and

b. Cases where the majority shareholding company is an issuer of stock, etc. listed or continuously traded on a foreign financial instruments exchange, etc. and the state of disclosure of corporate information in the country in which such majority shareholding company or foreign financial instruments exchange, etc. is located is not deemed to be materially detrimental to investor protection.

(5) In the case where the initial listing applicant has a majority shareholding company, a document assuring the matters referred to in the following items:

a. That the majority shareholding company is not planning or considering conducting an act specified by the Exchange on the initial listing applicant; and

b. Where deemed necessary by the Exchange, that it will provide material and respond to questions, etc. regarding the capital policy, corporate group strategy, etc. of the majority shareholding company.

(6) In cases where the provisions of the proviso of Rule 216-3, Item 1, Sub-item a. of the Regulations are applied (including cases pursuant to Rule 216-6, Item 2, Sub-item a. of the Regulations), material regarding the valuation of the stock pertaining to the initial listing applicant.

2. The documents specified in the Enforcement Rules prescribed in the main clause of Rule 216-2, Paragraph 2 of the Regulations shall be documents referred to in the following items.

(1) Documents referred to in Rule 204, Paragraph 1, Items (3), (6), (7), and (30);

(2) Documents referred to in Rule 204, Paragraph 2, Items (1)-2, (2), Items (4) through (6), and Items (8) through (11). In this case, "Rule 206, Paragraph 1, Item (4) of the Regulations" of Item (6), Sub-item a. of the same paragraph shall be reworded as "Rule 216-4, Item (2), Sub-item b. or Rule 206, Paragraph 1, Item (4) pursuant to Rule 216-7, Item (5) of the Regulations";

(3) Documents referred to in Items (4) through (6) of the preceding paragraph;

(4) Two (2) copies of the "Securities Report for Initial Listing Application" containing important matters concerning the business group to which the initial listing applicant belongs and the status of its accounts for the immediately preceding business year and the "JASDAQ Listing Application Report":

In this case, the "Securities Report for Initial Listing Application" shall consist only of Part I, which shall be as prescribed in Rule 204, Paragraph 2, Item 3, Sub-items a., a-2, and Sub-items c. through e. (may be provided in a format equivalent to a securities registration report pertaining to public offering prescribed by Rule 216-4, Item 1, Sub-item a. of the Regulations (including cases pursuant to Rule 216-7, Item 2 of the Regulations)), and the "JASDAQ Listing Application Report" shall be prepared according to "Instructions for Preparation of JASDAQ Listing Application Report" specified by the Exchange; and

(5) Documents referred to in Rule 219, Paragraph 2, Items (5) and (6). In this case, "Rule 212, Item (3) of the Regulations pursuant to Rule 213, Paragraph 1, Item (1) of the Regulations" of the same item shall be reworded as "Rule 216-4, Item (1), Sub-item a. (including cases pursuant to Rule 216-7, Item (2) of the
3. The documents specified in the Enforcement Rules prescribed in the proviso of Rule 216-2, Paragraph 2 of the Regulations shall be documents referred to in Rule 204, Paragraph 1, Item (7) as specified in Paragraph 1, Item (1) or Item (1) of the preceding paragraph.

Rule 229-4. Documents Attached to Security Initial Listing Application Form in Cases of Technical Listing

1. The documents specified in Rule 216-2, Paragraph 3 of the Regulations shall mean the documents referred to in the following items for an initial listing application falling under the corresponding category.

(1) An initial listing applicant falling under Rule 216-9, Item (1), (3), or (5) of the Regulations:
   a. Domestic company
      (a) Documents referred to in Rule 204, Paragraph 1, Items (1) through (3), Items (5), (6), (8), (10), (23), (29), and (31);
      (b) Documents referred to in Paragraph 1, Item (2) of the preceding rule:
          In this case, the "Securities Report for Initial Listing Application" shall consist only of Section I and shall be prepared according to the provisions of Paragraph 1, Item (2) of the preceding rule;
      (c) "Schedule of Expected Distribution of Stocks, etc. On or After the Initial Listing Application Day" predetermined by the Exchange that describes the expected distribution of stocks, etc. (excluding preferred equity contribution securities) pertaining to the initial listing application through the end of the first business year ending after the listing day;
      (d) Documents equivalent to those submitted by listed companies pursuant to the provisions of each item of Rule 417, and each item of Rule 418;
      (e) In the case where the initial listing applicant is subject to the application of the provisions of Rule 216-9, Item (5) of the Regulations, documents concerning financial calculation of the listed company for the immediately preceding consolidated accounting year (in the case of a listed company that does not submit consolidated financial statements, its last business year) pertaining to businesses to be succeeded by the other company prescribed in the same item, and businesses to be succeeded by other companies (excluding documents that the Exchange deems not required to be submitted).
          In this case, said documents concerning financial calculation shall be prepared in accordance with the "Standard for the Preparation of Business Unit Financial Information" specified by the Exchange, as well as other standards that are deemed reasonable; and
      (f) In cases where the initial listing applicant for which the provisions of Rule 216-9, Item 1 or 3 of the Regulations apply is the parent company of the surviving company specified in Item 1 of the same rule or the parent company of another company specified in Item 3 of the same rule or where the listed company prescribed in the same item is a wholly-owned subsidiary of such initial listing applicant (limited to cases where such initial listing applicant is a foreign
company), if the listed company prescribed in Item 1 or 3 of the same rule is expected to not be a substantially surviving company specified in Rule 604-2, Paragraph 1, Item 3 of the Regulations or Rule 601, Paragraph 1, Item 9, Sub-item b. of the Regulations pursuant to the provisions of Rule 604-4, Paragraph 1, Item 2 thereof: 

Documents containing the forecast regarding corporate continuity and profitability for the period specified in Rule 604-2, Paragraph 1, Item 3 of the Regulations or Rule 601, Paragraph 1, Item 9, Sub-item b. of the Regulations pursuant to the provisions of Rule 604-4, Paragraph 1, Item 2 thereof and description to the effect that during said period efforts will be made to satisfy the criteria specified by the Exchange in Rule 604-2, Paragraph 1, Item 3 of the Regulations and Rule 601, Paragraph 1, Item 9, Sub-item b. of the Regulations pursuant to the provisions of Rule 604-4, Paragraph 1, Item 2 thereof (excluding cases where it is expected to satisfy the criteria specified by the Exchange in Rule 604-2, Paragraph 1, Item 3 of the Regulations and Rule 601, Paragraph 1, Item 9, Sub-item b. of the Regulations pursuant to the provisions of Rule 604-4, Paragraph 1, Item 2).

b. Foreign company

(a) Documents referred to in Rule 204, Paragraph 1, Items (3) and (6);
(b) Documents referred to in Rule 204, Paragraph 2, Item (2), Items (4) through (6), and Items (9) and (10);
(c) Documents referred to in (c), (e), and (f) of the preceding Sub-item a.; and
(d) Documents referred to in Paragraph 2, Item (4) of the preceding rule.

In this case, the "Securities Report for Initial Listing Application" shall consist only of Part I and shall be prepared according to the provisions of Paragraph 2, Item (4) of the preceding rule.

(2) An initial listing applicant falling under Rule 216-9, Item (2) or (4) of the Regulations:

a. Documents referred to in Rule 204, Paragraph 1, Items (3) and (6);

b. Documents referred to in Rule 204, Paragraph 2, Item (2), Items (4) through (6), and Items (9) and (10);

c. Documents referred to in Rule 205, Item (2), Sub-item a.; and

d. Documents referred to in Rule 219, Paragraph 2, Item (5).

2. With regards to the application of the provisions of Item (1), Sub-item a. (c) of the preceding paragraph pertaining to a company whose shareholder, etc. record date is not the end of a business year, "the end of the first business year after listing" in the same (c) shall be "the first shareholder, etc. record date after listing".

Rule 229-5. Documents to Be Submitted Pertaining to Initial Listing Application

Cases specified in the Enforcement Rules as prescribed in Rule 216-2, Paragraph 5 of the Regulations shall mean the cases referred to in the items of Rule 206, and the documents to be submitted when falling under such cases (excluding documents referred to in Item (9)-2) shall be those listed under the corresponding items (submission is not necessary for documents that have been submitted to the Prime Minister, etc. through electronic disclosure procedures (excluding documents referred to in Item (4), Sub-item d. of the same rule)). In such instance, "(provided, however, that

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Rule 229-6. Audit Report, etc.

1. Documents concerning financial calculation specified by the Enforcement Rules as prescribed in Rule 216-2, Paragraph 6 of the Regulations mean the documents referred to in the following items.

(1) The financial statements, etc. (see Note 1 below) for the last business year and the preceding business year (see Note 2 below) as well as the last consolidated accounting period and the preceding consolidated accounting year (see Note 3 below) included in and attached to the "Securities Report for Initial Listing Application" prescribed in Rule 229-3, Paragraph 1, Item (2) and Paragraph 2, Item (4).

(Note 1) This shall exclude the following:

(i) Financial statements, etc. pertaining to a dissolution company in a merger or a subsidiary other than a main company existing as of the day on which the initial listing applicant becomes a holding company, or foreign holding company prescribed in Rule 204, Paragraph 1, Item (4), Sub-item d. (including cases applied mutatis mutandis in Rule 204 Paragraph 2, Item (3), Sub-item c. pursuant to the provisions of Rule 229-3, Paragraph 2, Item (4)) pursuant to the provisions of Rule 229-3, Paragraph 1, Item (2); and

(ii) Financial documents of an initial listing applicant, which is a privatized foreign company, that have not been prepared for said years and are deemed to be extremely difficult to newly prepare.

(Note 2) If the business year preceding the last business year is less than six (6) months, this shall include the next most recent business year.

(Note 3) If the consolidated accounting year preceding the last consolidated accounting year is less than six (6) months, this shall include the next most recent consolidated accounting year.

(2) Interim financial statements, etc. or quarterly financial statements, etc. included in the "Securities Report for Initial Application" prescribed in Rule 229-3, Paragraph 1, Item 2 or Paragraph 2, Item 4, or quarterly financial statements, etc. included in the "Quarterly Report for Initial Listing Application" prescribed in Rule 206, Item 9 pursuant to the preceding rule.
2. With respect to the audit report, interim audit report, or quarterly review report prescribed in Rule 216-2, Paragraph 6 of the Regulations, if the documents concerning financial calculation specified in the same paragraph are identical to the financial statements, etc., interim financial statements, etc., or quarterly financial statements, etc. included in the securities registration statement, securities report, or quarterly report previously submitted pursuant to the Act, and the audit certification prescribed in Article 193-2, Paragraph 1 of the Act has been received, a copy of the audit report, interim audit report, or quarter review report will suffice.

3. A foreign company specified by the Enforcement Rules as prescribed in the proviso in Rule 216-2, Paragraph 6 of the Regulations means a foreign company that falls under each of the following items and said foreign company shall submit an audit report pertaining to the certification prescribed in Item 2. In this case, said foreign company may submit a copy of said audit report by applying mutatis mutandis the provisions of the preceding paragraph:

(1) The financial documents referred to in Paragraph 1, Item (1) are prepared in conformity with the standard for preparation prescribed in Article 129, Paragraph 1 or 2 of the Financial Statements, etc. Regulations pursuant to the provisions of Rule 204, Paragraph 2, Item (3), Sub-item d. pursuant to Rule 229-3, Paragraph 2, Item (4); and
(2) With respect to the financial documents referred to in Paragraph 1, Item (1), certification that is deemed to correspond to audit certification specified in Article 193-2, Paragraph 1 of the Act has been received from a certified public accountant or audit firm or equivalent thereto.

Rule 229-7. Summary Audit Report, etc.

1. Those specified by the Enforcement Rules as prescribed in Rule 216-2, Paragraph 7 of the Regulations means those pertaining to "Quarterly Report for Initial Listing Application" prescribed in Rule 206, Item 9 pursuant to Rule 229-5.

2. The handling of the summary audit report, summary interim audit report, and summary quarterly review report prescribed in Rule 216-2, Paragraph 7 of the Regulations shall be as prescribed in each of the following items:

(1) In cases where audits of the financial statements and consolidated financial statements of the initial listing applicant or audits of all of the financial documents of the initial listing applicant are conducted together by the same certified public accountant or audit firm, the initial listing applicant shall submit a summary report pertaining to the audit of said financial statements and a summary report pertaining to the audit of said consolidated financial statements, or summary reports pertaining to the audits of all said financial documents by combining them into one summary audit report;
(2) Summary audit reports, summary interim audit reports, or summary quarterly review reports shall be prepared in conformity with "Form 1," "Form 2," and "Form 4" prescribed in Article 5, Paragraph 2 of the Cabinet Office Ordinance on Audit Certification, respectively.
(3) With respect to the summary audit report regarding the initial listing applicant's financial statements, etc. for the business year and the consolidated accounting year.
immediately prior to the initial listing application day that is included in "Securities Report for Initial Listing Application (Part I)"; documents describing the evaluation by a certified public accountant or audit firm on the initial listing applicant's accounting organization, accounting regulations, cost accounting system, internal control organization, internal audit organization, system for the preparation of consolidated financial statements and its implementation, accounting regulations regarding the preparation of consolidated financial statements, as well as development of accounting regulations of the consolidated subsidiaries and equity method affiliates shall be attached; and

(4) With respect to a summary audit report, summary interim audit report, or summary quarterly review report, in cases where a copy of an audit report, interim audit reports, or quarterly review report to financial statements, etc., interim financial statements, etc., or quarterly financial statements, etc. has been submitted pursuant to the provisions of Paragraph 2 of the preceding rule, a copy of the summary audit report, summary interim audit report, or summary quarterly review report for the audit, interim audit or quarterly review that has already been submitted to the Prime Minister, etc. will suffice.

Rule 229-8. Documents Concerning Financial Calculation
Documents concerning financial calculation specified by the Enforcement Rules as prescribed in Rule 216-2, Paragraph 8 of the Regulations shall be the documents referred to in each of the following items, and the documents prescribed in each of the following items shall be attached thereto:

(1) Documents prescribed in Rule 229-3, Paragraph 1, Item 2, Sub-item a. or b. and financial statements, etc. included in the "Securities Report for Initial Listing Application (Part I)" that pertain to a dissolution company in a merger or a subsidiary other than a main company existing as of the day on which the initial listing applicant becomes a holding company or a foreign holding company prescribed in Rule 204, Paragraph 1, Item 4, Sub-item d. pursuant to the same item (including cases of applying mutatis mutandis Rule 204, Paragraph 2, Item 3, Sub-item c. pursuant to the provisions of Rule 229-3, Paragraph 2, Item 4):

An audit report based on audit conducted in conformity with the provisions of Article 193-2 of the Act; however, it shall be a report stating opinions on financial values, etc., if such report is deemed appropriate by the Exchange. In this case, it is required that such opinions be based on Exhibit 2 "Standard for Statement of Opinions on the Financial Statements, etc. of Merged Company, etc." or other procedures that are deemed reasonable;

(2) Documents prescribed in Rule 204, Paragraph 1, Item 14 and Rule 229-4, Paragraph 1, Item 1, Sub-item a. (e) as prescribed in Rule 229-3, Paragraph 1, Item 1:

An audit report based on audit conducted in compliance with generally accepted auditing standards or a "report prepared for the purpose of stating opinions on business unit financial information" based on Exhibit 4 "Standard for Statement of Opinions on Documents Concerning Financial Calculation pertaining to the Business Succeeded upon Demerger" or other procedures that
Rule 229-9. Public Inspection of Documents to Be Submitted Pertaining to Initial Listing Application

1. Documents specified by the Enforcement Rules, out of the documents referred to in Paragraphs 2 through 8 as prescribed in Rule 216-2, Paragraph 10 of the Regulations shall be the documents referred to in each of the following items:
   (1) Articles of Incorporation (excluding those in cases where an initial listing applicant is a mutual corporation making initial listing application for the domestic stock of a stock company into which the initial listing applicant is reorganized); and
   (2) "Securities Report for Initial Listing Application (Part I)" (including documents attached thereto pursuant to the provisions of Rule 204, Paragraph 1, Item (4), Sub-item b-2., or a. or b. thereof, as prescribed by Rule 216-2, Paragraph 6 or 8 of the Regulations, or Rule 229-3, Paragraph 1, Item (2) thereof.

2. Submission of the documents referred to in Item (1) of the preceding paragraph by an initial listing applicant (excluding foreign companies) shall be made by submitting electromagnetic records containing the information included in said documents (electromagnetic records of said documents prepared in accordance with laws and regulations).

3. Documents specified by the Enforcement Rules, out of the documents submitted by the initial listing applicant pursuant to the provisions of this rule as prescribed in Rule 216-2, Paragraph 10 of the Regulations shall be the documents referred to in each of the following items:
   (1) Documents prescribed in Paragraph 1;
   (2) Documents prescribed in Rule 204, Paragraph 2, Item 6, Sub-item a.;
   (3) Documents prescribed in Rule 206, Item 9 applied with rewording pursuant to the provisions of Rule 206, Item 2 and Rule 229-5;
   (4) Documents prescribed in Rule 204, Paragraph 1, Items 14 through 17 (including documents attached thereto pursuant to the provisions of the preceding rule);
   (5) Documents prescribed in Rule 204, Paragraph 1, Item 26, Sub-item b. and Item 30
Rule 229-10. Documents to Be Submitted upon Listing Approval

1. The documents prescribed in Rule 216-2, Paragraph 11, Item (2) of the Regulations are required to be signed by the representative of the initial listing applicant.

2. Documents specified by the Enforcement Rules as prescribed in Rule 216-2, Paragraph 11, Item (2) of the Regulations mean the "Securities Report for Initial Listing Application" (limited to Part I thereof) as prescribed in Rule 229-3, Paragraph 1, Item (2) and Paragraph 2, Item (4) thereof and the "Quarterly Report for Initial Listing Application" as prescribed in Rule 206, Item (9) pursuant to the provisions of Rule 229-5.

3. In stating the reason prescribed in Rule 216-2, Paragraph 11, Item (2) of the Regulations, an initial listing applicant shall state the reason that has been confirmed by the representative of the initial listing applicant with respect to the preparation of the documents prescribed in the same item.

4. Matters concerning corporate governance specified by the Enforcement Rules as prescribed in Rule 216-2, Paragraph 12 of the Regulations mean the matters referred to in each of the following items; provided, however, that, in Item (2) and (6), this shall be limited to cases where initial listing applicants are issuers of domestic stocks:
   (1) Basic approach to corporate governance and basic information about the initial listing applicant including capital structure, corporate attributes, etc. (including guidelines on measures to protect the interest of minority shareholders in executing transactions, etc. with the controlling shareholder);
   (2) Matters related to Exhibit "The Corporate Governance Code" in the Regulations (including the reasons for not non-compliance with principles of the code as indicated in the exhibit prescribed in Rule 436-3 of the Regulations);
   (3) Status of the corporate governance system including business management organization pertaining to management decision, execution and supervision, and the reason for selecting such organization and system;
   (4) Implementation status of measures to protect the interest of shareholders and other stakeholders;
   (5) Basic approach to and implementation status of the internal control system (including matters concerning the development of the corporate structure for eliminating anti-social forces);
   (6) Status of securing an independent director(s)/auditor(s) (including, in cases where a person designated as an independent director/auditor falls under any of the
following a. through j., such fact and its outline);

a. A person who has executed business of said company and its subsidiary (including directors who did not execute business and accounting advisors in cases where an outside auditor is designated as an independent director/auditor);

b. A person who has executed business of said company’s parent company (including directors who did not execute business, and auditors in cases where an outside auditor is designated as an independent director/auditor);

c. A person who has executed business of said company's fellow subsidiary;

d. A person who has executed business of an entity for which said company was a major client, or a person who has executed business of a major client of said company;

e. A person who belonged to a consulting firm, accounting firm, or law firm (limited to groups such as a corporation and association) and has received large amounts of cash or other assets in addition to director/auditor compensation from such company;

f. A major shareholder of such company;

g. A close relative of a person referred to in the preceding a. through f. (excluding persons of no significance);

h. A client of the company or a person who is or was from said client;

i. A person who is or was from another company at which a person who is or was from said company is an outside director/auditor; or

j. A person receiving contributions from said company.

(7) Other matters deemed necessary by the Exchange.

Sub-section 2
Formal Requirements for Standard

Rule 229-11. Handling of Formal Requirements for Domestic Companies

1. The provisions of Rule 227, Paragraph 3 shall be applied mutatis mutandis to the case in Rule 216-3, Item 1, Sub-item a. of the Regulations.

2. The provisions of Rule 212, Paragraph 1 shall be applied mutatis mutandis to the case in Rule 216-3, Item 1, Sub-item b. of the Regulations.

3. The provisions of Rule 227, Paragraph 2 shall be applied mutatis mutandis to the market capitalization of tradable shares prescribed in Rule 216-3, Item 2 of the Regulations.

4. The provisions of Rule 212, Paragraph 5 (excluding the requirements prescribed in Item 3 thereof) shall be applied mutatis mutandis to the amount of net assets prescribed in Rule 216-3, Item 3 of the Regulations.

5. The provisions of Rule 212, Paragraphs 3 and 6 shall be applied mutatis mutandis to the amount of profit and market capitalization prescribed in Rule 216-3, Item 4 of the Regulations.
Rule 229-12. Handling of Formal Requirements for Foreign Companies

The provisions of Rule 216-4, Item 1 of the Regulations shall be treated in a manner prescribed in each of the following items:

(1) Issues whose trading unit is "1,000 units," "500 units," "100 units," "50 units," "10 units," and "1 unit" as prescribed in Rule 216-4, Item 1, Sub-item a. of the Regulations shall be defined according to the following Sub-items a. through f.; provided, however, that in cases where the initial listing applicant is a company that is to succeed the business upon a shareholder-directed spin-off, it makes the initial listing application prior to said shareholder-directed spin-off, and, in cases where the initial listing application does not involve a public offering or secondary distribution of the stock, etc., the valuation of the stock, etc. in the initial listing application that is obtained using a calculation method deemed reasonable by the Exchange.

a. Where the offering price is less than JPY 500: 1,000 units
b. Where the offering price is above JPY 500 but less than JPY 1,000: 500 units
c. Where the offering price is above JPY 1,000 but less than JPY 5,000: 100 units
d. Where the offering price is above JPY 5,000 but less than JPY 10,000: 50 units
e. Where the offering price is above JPY 10,000 but less than JPY 50,000: 10 units
f. Where the offering price is above JPY 50,000: 1 unit

(2) Notwithstanding the provisions of the preceding item, in cases where the Exchange deems it inappropriate to apply the provisions of the item in light of the legal system, business practices, etc. in the home country, the trading unit of the issue shall be determined by the Exchange on a case-by-case basis.

(3) With regard to Rule 216-4, Item 1, Sub-item a., only public offerings or secondary distributions of the stock, etc. made by the initial listing applicant in Japan shall be eligible for examination by the Exchange.

(4) The provisions of Rule 227, Paragraph 3 shall be applied mutatis mutandis to the case in Rule 216-4, Item 1, Sub-item a. of the Regulations.

(5) The provisions of Rule 212, Paragraph 1 shall be applied mutatis mutandis to the case in Rule 216-4, Item 1, Sub-item b. of the Regulations.

Sub-section 3
Listing Examination for Standard

Rule 229-13. Standard Period of Listing Examination

The period specified by the Enforcement Rules as prescribed in Rule 216-5, Paragraph 3 of the Regulations shall be two (2) months from the day the Exchange accepts an initial listing application for Standard.

Sub-section 4
Formal Requirements for Growth

Rule 229-14. Handling of Formal Requirements for Domestic Companies

The provisions of Rule 212, Paragraph 5 (excluding the requirements prescribed in Item 5 of the same paragraph) shall be applied mutatis mutandis to the amount of net assets
prescribed in Rule 216-6, Item 1 of the Regulations.

Sub-section 5  
Listing Examination for Growth  

Rule 229-15.  Standard Period of Listing Examination  
The period specified by the Enforcement Rules as prescribed in Rule 216-8, Paragraph 3 of the Regulations shall be two (2) months from the day the Exchange accepts an initial listing application for Growth.

Sub-section 6  
Technical Listing  

Rule 229-16.  Technical Listing  
The provisions of Rule 216, Paragraphs 1 through 4 shall be applied mutatis mutandis to the case in Rule 216-9 of the Regulations.

Section 4  
Public Offering, Secondary Distribution, etc. Before Listing  

Sub-section 1  
Public Offering and Secondary Distribution, etc. Before Listing  

Division 1  
General Provisions  

Rule 230.  Handling of Public Offering, Secondary Distribution, etc. Before Listing  
Handling of public offering or secondary distribution, acquisition or transfer of stocks (including preferred equity contributions), and allotment of offered stocks by third-party allotment, etc. shall be subject to the provisions of this section.

Rule 231.  Definition of Entity Specified as an Entity Equivalent Thereto  
An entity specified as an entity equivalent thereto by the Enforcement Rules as prescribed in Rule 217 of the Regulations shall be the entities referred to in each of the following items:

(1) Initial listing applicants to whom the provisions for technical listing apply;
(2) Issuers of domestic stocks, etc. that are listed or continuously traded on a foreign financial instruments exchange, etc.; and
(3) Initial listing applicants who are a company to succeed the business of a listed company, an issuer of stocks, etc. listed on any other financial instruments exchange in Japan, or an issuer of domestic stocks, etc. that are listed or continuously traded on a foreign financial instruments exchange, etc. upon a shareholder-directed spin-off such entity (see Note below) and make initial listing application prior to said shareholder-directed spin-off.

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Rule 232. Submission of Scheduled Plan of Public Offering or Secondary Distribution

1. In cases where an initial listing applicant makes a public offering, etc. before listing, the initial listing applicant and the principal underwriting trading participant of the public offering, etc. before listing shall submit a "Scheduled Plan of Public Offering or Secondary Distribution" predetermined by the Exchange that contains the description of the terms and procedure of the public offering or secondary distribution without delay after the initial listing application, and if said "Scheduled Plan of Public Offering or Secondary Distribution" is amended, the amendment thereto shall be submitted immediately. However, in cases where no trading participant of the Exchange concludes a principal underwriting contract with respect to said public offering, etc. before listing, for purposes of applying this provision, the trading participant of the Exchange who is a financial instruments firm that concludes a contract that entitles and obligates the trading participant to handle the offering or secondary distribution pertaining to said public offering, etc. before listing shall be deemed to be the principal underwriting trading participant of said public offering or secondary distribution (the same shall apply hereinafter in this section); and

2. In the case that the Exchange examines the "Scheduled Plan of Public Offering or Secondary Distribution" of the initial listing applicant, and determines that the contents of said "Scheduled Plan of Public Offering or Secondary Distribution" to be inappropriate and requests amendment thereto, the initial listing applicant and the principal underwriting trading participant shall make necessary amendments and submit the amended "Scheduled Plan of Public Offering or Secondary Distribution."

Rule 233. Procedure for Public Offering, etc. Before Listing

In cases where an initial listing applicant makes a public offering, etc. before listing, the initial listing applicant and the principal underwriting trading participant shall perform either of the procedures referred to in each of the following items:

(1) Book-building; or
(2) Public offering, etc. through competitive bidding.

Rule 234. Determination of Offering Price

1. The initial listing applicant and the principal underwriting trading participant shall determine the offering price after comprehensively considering factors such as potential risks arising from changes in the market price of the securities before the listing day and expected demand for the securities, based on the status specified in each of the following items, in accordance with the cases referred to in the classifications of the following items:

(1) Where the initial listing applicant and principal underwriting trading participant conduct a book-building:
The status of investor demand grasped through the book-building; and

(2) Where the initial listing applicant and principal underwriting trading participant make a public offering, etc. through competitive bidding:

The results of the public offering, etc. through competitive bidding including the weighted-average bid price of successful bids (meaning the price calculated as the sum of the amounts calculated by multiplying the bid price of each of the successful bids by the number of stocks pertaining thereto, divided by the total number of stocks pertaining to all the successful bids; the same shall apply hereinafter) of the public offering, etc. through competitive bidding.

2. In cases where the initial listing applicant and the principal underwriting trading participant determined an offering price pursuant to the provisions of the preceding paragraph, they shall immediately publicize the offering price and the reasons, etc. for the price determination in a written document in a manner deemed appropriate by the Exchange and shall submit a copy of the written document to the Exchange.

Rule 235. Allocation Pertaining to Public Offering, etc. Before Listing

1. For the purpose of conducting allocation pertaining to a public offering, etc. before listing in a just manner for many and unspecified entities, the principal underwriting trading participant shall establish guidelines for allocation method, restriction on allocation, etc. and carry out allocation based on the guidelines.

2. The principal underwriting trading participant shall publicize the guidelines prescribed in the preceding paragraph in a written document in a manner deemed appropriate by the Exchange and, where deemed necessary by the Exchange, notify the Exchange of the contents of the guidelines.

Rule 236. Entrustment of Administration Related to Entrustment of Marketing

1. In cases where a principal underwriting trading participant conducts a book-building for a public offering, etc. before listing and entrusts handling of the offering or secondary distribution pertaining to said public offering, etc. before listing to a financial instruments firm other than the principal underwriting trading participant (see Note below), the principal underwriting trading participant may entrust to the Exchange administrative work such as notification to financial instruments firms of the intention of the principal underwriting trading participant that it will entrust handling of the offering or secondary distribution pertaining to said public offering, etc. before listing to a financial instruments firm other than the principal underwriting trading participant, acceptance of application for the entrustment of handling of said offering or secondary distribution from these financial instruments firms, lottery for selecting the financial instruments firm to handle said offering or secondary distribution, and notification of the result of the lottery to the principal underwriting trading participant.

(Note) This shall exclude those financial instruments firms that concluded a contract consisting of terms that the Exchange deems necessary as prescribed in Rule 238 or a contract that obligates the financial instruments firm to perform provision of documents that the Exchange deems necessary
as prescribed in Rule 239 to the principal underwriting trading participant and other duties and those financial instruments firms that concluded a contract equivalent to these contacts with a member or a trading participant of any other financial instruments exchange in Japan.

2. Entrustment of administrative work to the Exchange prescribed in the preceding paragraph shall be made by a written document based on a form predetermined by the Exchange.

Rule 237. Submission of Notice of Execution of Public Offering or Secondary distribution, etc.

1. The principal underwriting trading participant shall submit a "Notice of Execution of Public Offering or Secondary Distribution" predetermined by the Exchange stating that the determination of the offering price and allocation pertaining to the public offering, etc. before listing was conducted appropriately to the Exchange after the expiration of the subscription period for the public offering, etc. before listing (see Note 1 below) within, as a general rule, three (3) days (see Note 2 below) from the ending date of the subscription period for the public offering, etc. before listing, and notify the initial listing applicant of the result of said public offering, etc. before listing.

(Note 1) This means the subscription period for the public offering, etc. before listing excluding a public offering, etc. through competitive bidding if any such public offering, etc. is made; the same shall apply hereinafter.
(Note 2) This shall exclude non-business days.

2. If there are two (2) or more principal underwriting trading participants, the "Notice of Execution of Public Offering or Secondary Distribution" prescribed in the preceding paragraph may be submitted to the Exchange by only one trading participant representing the group of said principal underwriting trading participants.

3. With respect to a public offering, etc. before listing, the principal underwriting trading participant shall retain a record containing such information as the address and name of the entity who acquired the stocks pertaining to said public offering, etc. before listing and the number of stocks acquired for a period of five (5) years from the ending date of the subscription period for said public offering, etc. before listing, and shall respond to request for submission made by or inspection conducted by the Exchange as necessary with respect to such record.

4. The "Notice of Execution of Public Offering or Secondary Distribution" prescribed in Paragraph 1 and the document submitted to the Exchange pursuant to the provisions of the preceding paragraph shall be prepared based on entities to which the calculation is substantially attributable regardless of the actual name of the account.

Rule 238. Handling of Conclusion of Principal Underwriting Contract, etc. by a Non-trading Participant Financial Instruments Firm, etc.
In cases where a non-trading participant financial instruments firm or a foreign securities broker concludes a principal underwriting contract, etc. with respect to a public offering, etc. before listing, for the purpose of ensuring the fairness of the public offering, etc. before listing, the initial listing applicant shall conclude a contact, with the non-trading participant financial instruments firm or the foreign securities broker, that consists of terms deemed necessary by the Exchange with respect to the compliance with the intent of this section. In this case, with respect to the conclusion of such contract, the initial listing applicant who concluded such contract shall submit to the Exchange a copy of a document certifying the contract concluded between the initial listing applicant and the non-trading participant financial instruments firm or the foreign securities broker.

Rule 239. Public Offering, etc. Before Listing in Cases Where Multiple Initial Listing Applications Are Made Simultaneously
Notwithstanding the provisions of the preceding rule, with respect to a public offering, etc. before listing made by an initial listing applicant who made multiple initial listing applications with the Exchange and with any other financial instruments exchange in Japan simultaneously, if a non-trading participant financial instruments firm that is a member or a trading participant of such other financial instruments exchange (see Note below) concludes a principal underwriting contract, etc., the initial listing applicant shall conclude a contract, with the non-trading participant financial instruments firm, that obligates the financial instruments firm to provide documents about said public offering, etc. before listing that are deemed necessary by the Exchange to the principal underwriting trading participant and other duties. In this case, the initial listing applicant who concluded such contract with a non-trading participant financial instruments firm shall submit to the Exchange a copy of a document certifying such contract.

(Note) In cases where a financial instruments exchange other than the Exchange is designated as the main exchange pursuant to the provisions of Paragraph 1 of the following rule, limited to those non-trading participant financial instruments firms that is a member or trading participant of the financial instruments exchange pertaining to such designation; the same shall apply hereinafter in this rule.

Rule 240. Designation, etc. of Financial Instruments Exchange Pertaining to Public Offering, etc. Before Listing
1. An initial listing applicant who made multiple initial listing applications with the Exchange and with any other financial instruments exchange in Japan simultaneously and the principal underwriting trading participant shall designate one of the financial instruments exchanges in Japan with which the multiple initial listing applications were made simultaneously as the financial instruments exchange that is mainly responsible for handling administrative work related to public offering, etc. before listing and notify the Exchange of the designation.
2. In cases where the initial listing applicant and the principal underwriting trading participant designated a financial instruments exchange other than the Exchange as such main exchange pursuant to the provisions of the preceding paragraph, the provisions of Rule 234, Paragraph 2 (see Note below), Rule 235, Paragraph 2(see
Note below), Rule 236, Rule 238, Rule 242, Paragraph 2 (see Note below), Rule 243, Paragraph 2 (see Note below), Rule 247, Rule 248, Paragraph 1, and Rule 249 through Rule 252 shall not apply.

(Note) This shall be limited to provisions pertaining to public announcement.

3. In cases where the provisions of the preceding paragraph apply and administrative work related to public offering, etc. through competitive bidding are entrusted to any domestic financial instruments exchange other than the Exchange, the provisions of Rule 246, Paragraph 2, Items 6 and 7 shall not apply.

**Rule 241. Measures Against Inappropriate Public Offering, etc. Before Listing**

In cases where the Exchange determines that a public offering, etc. before listing has not been made appropriately based on the examination of the contents of the documents prescribed in Rule 237, Paragraph 1 or Rule 251, Paragraph 1 or 2, documents submitted by the principal underwriting trading participant pursuant to the provisions of Rule 237, Paragraph 3 or Rule 245, Paragraph 3, or other documents submitted by the initial listing applicant or the principal underwriting trading participant pursuant to the provisions of this section, as well as the result of the public offering, etc. before listing, the Exchange may cancel the acceptance of the initial listing application or take any other necessary measures (see Note below).

(Note) This shall include request for reallocation in cases where the allocation was not in compliance with the provisions of Rule 235, Paragraph 1 and request for submitting a report explaining the process in which it was determined that the public offering, etc. before listing was made inappropriately and the improvement measures.

**Division 2**

**Procedure for Determination of Offering Price, etc.**

**Rule 242. Establishment of Guidelines Concerning the Method of Book-Building**

1. For the purpose of appropriately grasping the status of investor demand pertaining to public offering, etc. before listing, the principal underwriting trading participant shall establish guidelines concerning the method of book-building and conduct a book-building based on the guidelines.

2. The principal underwriting trading participant shall publicize the guidelines prescribed in the preceding paragraph in a written document in a manner deemed appropriate by the Exchange and notify the Exchange of the contents of the guidelines.

**Rule 243. Determination of the Tentatively Set Price Range for the Offering Price**

1. In conducting a book-building, the initial listing applicant and the principal underwriting trading participant shall determine the tentatively set price range for the offering price (see Note below) based on a comprehensive consideration of
materials and opinions that are relevant to the determination of the offering price including financial condition and operating results of the initial listing applicant and opinion of entities with expertise and experience related to investment in securities.

(Note) It means the price range, etc. presented to investors in conducting a survey on the status of investor demand.

2. In cases where the initial listing applicant and the principal underwriting trading participant determined a tentatively set price range for the offering price pursuant to the provisions of the preceding paragraph, the principal underwriting trading participant shall immediately publicize the tentatively set price range and the reasons, etc. for the determination of such price range in a written document in a manner deemed appropriate by the Exchange and shall submit a copy of the written document to the Exchange.

Rule 244. Demand Not to Be Included in the Survey on the Status of Demand
The principal underwriting trading participant shall not include in the status of demand to be grasped by a book-building the demand referred to in each of the following items and other demand that is clearly expected not to be eligible for receiving allocation in a public offering, etc. before listing:

(1) Demand that is clearly not attributable to the investor's own account; and
(2) Demand that represents the redundant portion where demand attributable to single investor's account is double-counted.

Rule 245. Retention, etc. of the Record of the Survey on the Status of Demand
1. The principal underwriting trading participant shall retain the record of the status of demand grasped by a book-building pertaining to a public offering, etc. before listing for a period of five (5) years from the ending date of the subscription period for the public offering, etc. before listing.
2. The trading participant who is the principal underwriting trading participant among others shall retain the record of the result of aggregation of all the status of demand grasped by a book-building pertaining to a public offering, etc. before listing for a period of five (5) years from the ending date of the subscription period for the public offering, etc. before listing.
3. The principal underwriting trading participant shall respond to request for submission made by or inspection conducted by the Exchange as necessary with respect to the record prescribed in the preceding two (2) paragraphs.
4. The document submitted to the Exchange pursuant to the provisions of the preceding paragraph shall be prepared based on entities to which the calculation is substantially attributable regardless of the actual name of the account.

Rule 246. Execution of Competitive Bidding
1. The initial listing applicant and the principal underwriting trading participant who make a public offering, etc. through competitive bidding shall make such offering of stocks through competitive bidding in number that is not less than the number
obtained by multiplying the total number of stocks of the initial listing applicant pertaining to the public offering, etc. before listing by 50/100 (see Note below).

(Note) If the total number of stocks pertaining to the public offering, etc. before listing is deemed to be too large, the number that is less than the number obtained by multiplying such total number of stocks by 50/100 may be used for the above-mentioned calculation and if such number is less than 1,000 units of stocks, 1,000 units of stocks shall be used.

2. With respect to a public offering, etc. through competitive bidding made pursuant to the provisions of the preceding paragraph, a minimum bid price shall be determined in advance in accordance with the provisions of each of the following items:

(1) The principal underwriting trading participant shall make a public notice of the public offering, etc. through competitive bidding, as a general rule, on the date of submission of the securities registration statement pertaining to the public offering, etc. before listing (see Notes 1 and 2 below);

(Note 1) This shall exclude attached documents and amendment registration statements; the same shall apply hereinafter in this item.

(Note 2) In cases where such securities registration statement does not include the issue price or distribution price for the public offering, etc. through competitive bidding, the date of submission of such securities registration statement and the date of submission of the amendment thereto with respect to said issue price or distribution price (in which case, if the number of stocks pertaining to the public offering, etc. through competitive bidding changed after the submission of such securities registration statement, the date of submission of the amendment thereto with respect to such change in the number of stocks shall be included.

(2) The bidding date shall, as a general rule, be the day immediately following the effective date of notification concerning the public offering, etc. through competitive bidding among public offering, etc. before listing (see Note below);

(Note) The date shall be moved to the following business day if the day falls on a non-business day.

(3) The principal underwriting trading participant shall adopt a price equal to 85% of the comparable price of similar companies calculated in accordance with Exhibit 6 "Standard for Calculation of Comparable Price of Similar Companies" as the minimum bid price;

(4) In cases where the principal underwriting trading participant determined a minimum bid price pursuant to the provisions of the preceding item, the initial listing applicant and the principal underwriting trading participant shall immediately publicize the trade name or corporate name of the similar
companies used for such determination and the reasons, etc. for selecting them as similar companies in a written document in a manner deemed appropriate by the Exchange and shall submit a copy of the written document to the Exchange;

(5) A bid takes precedence in order from the highest bid price and such highest bid price shall be the successful bid price;

(6) Delivery of stocks and payment for the delivery pertaining to the successful bid shall be made between the principal underwriting trading participant and the general trading participant who made a successful bid in the public offering, etc. through competitive bidding (see Note below); and

(Note) This shall be hereinafter referred to as "successful bidder trading participant".

(7) Other matters necessary for the execution of bidding shall be prescribed in "Instruction for the Execution of Bidding" by the Exchange.

Rule 247. Entrustment of Administrative Work Related to Competitive Bidding

1. The principal underwriting trading participant who makes a public offering, etc. through competitive bidding shall entrust administrative work such as acceptance and checking of bids in such bidding, determination of the successful bid, and notification of the bidding result to the principal underwriting trading participant (see Note below) and the general trading participants who were the broker for bidders who participated in the bidding to the Exchange. In this case, such entrustment of administrative work shall be made by using "Contract for the Entrustment of Administrative Work Related to Competitive Bidding" predetermined by the Exchange.

(Note) This shall be limited to one principal underwriting trading participant designated by the initial listing applicant as the trading participant who handles administrative work.

2. In cases where the principal underwriting trading participant entrusts the administrative work related to a public offering, etc. through competitive bidding to the Exchange, the trading participant shall pay a competitive bidding administration fee to the Exchange; provided, however, that the trading participant may cause the initial listing applicant to pay said fee to the Exchange if the initial listing applicant agrees to make such payment.

Rule 248. Brokerage for Bidding, etc.

1. Only the general trading participant is permitted to participate in the bidding at the Exchange for a public offering, etc. through competitive bidding.

2. The general trading participant shall participate in the bidding in a capacity of a broker for a customer who is the ultimate bidder and shall not make a bid for its own account.
3. The general trading participant shall not be a broker for bids made by the entities referred to in each of the following items (and a financial instruments firm shall not make a bid for its own account):
   (1) A special related party of the initial listing applicant;
   (2) Ten (10) largest shareholders who hold the largest number of stocks of the initial listing applicant (excluding the employee share ownership plan of the initial listing applicant);
   (3) Employees of the initial listing applicant (excluding the employee share ownership plan); and
   (4) A financial instruments firm and its officers, affiliated companies based on human relations (see Note 1 below), and affiliated companies based on capital relations (see Note 2 below)

   (Note 1) This means affiliated companies based on human relations prescribed in Article 1, Item 31, Sub-item c. of the Cabinet Office Ordinance on Disclosure; the same shall apply hereinafter.
   (Note 2) This means affiliated companies based on capital relations prescribed in Article 1, Item 31, Sub-item c. of the Cabinet Office Ordinance on Disclosure; the same shall apply hereinafter.

4. The general trading participant shall not act as a broker for bids under the predetermined minimum bid price or other inappropriate bids.

Rule 249. Failure of Bidding, etc.
1. In cases where the total number of stocks that are subjects of bids made for a public offering, etc. through competitive bidding is less than the number of stocks obtained by multiplying the total number of stocks of the initial listing applicant pertaining to the public offering, etc. before listing by 25/100, the Exchange shall determine that the competitive bidding has failed and cancel all the bids made for the bidding.
2. In cases where the Exchange determined that the competitive bidding has failed pursuant to the provisions of the preceding paragraph, the Exchange shall publicize the failure immediately.

Rule 250. Publicizing and Notification of the Bidding Results
1. The Exchange shall publicize the bidding results of a public offering, etc. through competitive bidding including the highest successful bid price, the lowest successful bid price, the weighted average successful bid price, and the total number of stocks for which successful bids were made.
2. The Exchange shall notify the principal underwriting trading participant and the general trading participants who acted as the broker for a customer who is the ultimate bidder of the bidding results of a public offering, etc. through competitive bidding, as a general rule, on the day on which the bidding was executed.

Rule 251. Submission of Successful Bidder Registry
1. The successful bidder trading participant shall submit a document containing the
allotment of stocks to acquirers pertaining to the bidding results to the principal underwriting trading participant by the day (see Note 1 below) immediately following the day on which the notification of the bidding results is given pursuant to the provisions of Paragraph 2 of the preceding rule (see Note 2 below).

(Note 1) The day shall be moved to the following business day if the day falls on a non-business day.

(Note 2) The date shall be referred to as the "bidding results notification date" hereinafter in this rule.

2. The successful bidder trading participant shall submit to the Exchange a "Successful Bidder Registry" predetermined by the Exchange containing the address and name of the acquirers pertaining to the bidding results, the number of stocks to be acquired, etc., within three (3) days (see Note below) from the bidding results notification date.

(Note) This shall exclude non-business days.

3. The "Successful Bidder Registry" prescribed in the preceding paragraph shall be prepared based on entities to whom the calculation is substantially attributable regardless of the actual name of the account.

4. The successful bidder trading participant who participated in the bidding in the capacity of a broker for other financial instruments firm that is in turn a broker for an ultimate customer shall receive from such other financial instruments firm the "Successful Bidder Registry" prescribed in Paragraph 2, and submit it to the Exchange within three (3) days (see Note below) from the bidding results notification date.

(Note) This shall exclude non-business days.

Rule 252. Cancellation of a Successful Bid, etc.

1. If it is determined based on the examination of the contents of the documents prescribed in the preceding rule and execution status of the public offering, etc. through competitive bidding that the fairness of the public offering, etc. through competitive bidding has been seriously impaired due to bid rigging or other organized malpractice, the Exchange may cancel all the successful bids pertaining to such offering, etc.

2. In cases where the Exchange cancelled successful bids pursuant to the provisions of the preceding paragraph, the Exchange shall publicize the cancellation immediately.

Sub-section 2
Acquisition or Transfer of Stocks, etc. Before Listing

Rule 253. Description About Changes in Ownership of Stocks, etc. Before Listing

1. In cases where the entities referred to in Rule 248, Paragraph 3, Items (1), (2), and
(4), the initial listing applicant's affiliated companies based on human relations and affiliated companies based on capital relations, and their officers carried out acquisition or transfer of stocks or subscription warrants issued by the initial listing applicant (see Note below) during the period from two (2) years prior to the end of the most recent business year immediately prior to the initial listing application day to the day immediately prior to the listing day, the initial listing applicant shall describe such changes in ownership of stocks, etc. in "Securities Report for Initial Listing Application (Part I)" prescribed in Rule 204, Paragraph 1, Item (4) or Rule 219, Paragraph 1, Item (2). However, this provision shall not apply if the stocks issued by the initial listing applicant are Green Sheet securities designated by the Japan Securities Dealers Association.

(Note) Except for cases of a public offering, etc. before listing, this shall include exercise of subscription warrants; hereinafter referred to as "changes in ownership of stocks, etc."

2. The initial listing applicant shall include the basis for price calculation, described in conformity with Exhibit 7 "Description of the Basis for Price Calculation," in the "Public Information on Stocks - Item 1: Changes in Ownership of Stocks, etc. by Special Related Parties, etc." section of the "Securities Report for Initial Listing Application (Part I)" prescribed in the preceding paragraph.

Rule 254. Retention, etc. of the Record of Changes in Ownership of Stocks, etc. Before Listing

1. The initial listing applicant shall retain the record about the description of the changes in ownership of stocks, etc. provided pursuant to the provisions of the preceding rule for a period of five (5) years from the listing day. In this case, the managing trading participant shall confirm that the initial listing applicant has appropriately implemented an administrative organization that enables the initial listing applicant to grasp and retain such record.

2. The initial listing applicant shall respond to request for submission made by the Exchange as necessary with respect to the record prescribed in the preceding paragraph.

3. In cases where an initial listing applicant refuses to respond to the request for submission prescribed in the preceding rule, the Exchange may publicize the corporate name of such initial listing applicant and the fact that the initial listing applicant refuses to respond to such request for submission.

4. In cases where the Exchange determined, based on the examination of the record submitted pursuant to the provisions of Paragraph 2, that the description of the changes in ownership of stocks, etc. provided pursuant to the provisions of the preceding rule was clearly inaccurate, the Exchange may publicize the corporate name of the initial listing applicant and the managing trading participant concerned and the fact that said description has been determined to be inaccurate.

5. An initial listing applicant shall be subject to the provisions of each of the preceding paragraphs for a period of five (5) years from the listing day even after it becomes a
listed company.

**Sub-section 3**  
Allotment of Offered Stocks by Third-Party Allotment, etc. Before Listing

**Rule 255. Regulations on Allotment of Offered Stocks by Third-Party Allotment, etc.**

1. In cases where the initial listing applicant carried out an allotment of offered shares by third-party allotment, etc. after one (1) year prior to the end of the most recent business year immediately prior to the initial listing application day (see Note below), such initial listing applicant shall execute a written assurance with the allotted persons with respect to the matters referred to in each of the following items:

   (Note) This shall exclude cases in which such allotment is made through a public offering, etc. before listing.

   (1) Allotted persons shall, as a general rule, continue to hold the stocks allotted to them (see Note 1 below) since the day on which the stocks are allotted until the day on which six (6) months have passed since the listing day (see Note 2 below). In this case, if allotted persons acquire new stocks or subscription warrants as a result of stock split, gratis allotment of shares, or gratis allotment of subscription warrants with respect to the allotted stocks, or conversion of the allotted stocks to another class of stocks or subscription warrants, they shall continue to hold such newly acquired stocks or subscription warrants until the same day;

   (Note 1) This shall be the following rule and Rule 260 referred to as the "allotted stocks" hereinafter in this rule.

   (Note 2) If one (1) year has not passed since the payment date or the ending date of the payment period pertaining to the allotted stocks as of such day, until the day on which one year has passed since the payment date or the ending date of the payment period pertaining to the allotted stocks.

   (Note 3) This shall be referred to as the "newly acquired stocks, etc. pertaining to the allotted stocks" hereinafter in this sub-section.

   (2) An allotted person intending to transfer the allotted stocks or newly acquired stocks, etc. pertaining to the allotted stocks shall notify the initial listing applicant of the intended transfer in advance in writing and report the result of the actual transfer to the initial listing applicant after the fact;

   (3) In cases where an allotted person transferred the allotted stocks or newly acquired stocks, etc. pertaining to the allotted stocks, the initial listing applicant shall submit to the Exchange a document containing the name and address of the transferor and the transferee, the number of stocks transferred,
the date of transfer, the transfer price, the reason for transfer, and other necessary matters at the time of initial listing application, if such transfer was executed before the initial listing application day, or immediately after such transfer, if such transfer was executed on or after the initial listing application day;

(4) In cases where the Exchange makes an inquiry about the ownership status of the allotted stocks or newly acquired stocks, etc. pertaining to the allotted stocks as the Exchange deems it necessary, the initial listing applicant shall report the ownership status of the allotted stocks or newly acquired stocks, etc. pertaining to the allotted stocks to the Exchange without delay after confirming, as necessary, the ownership status of the allotted stocks or newly acquired stocks, etc. pertaining to the allotted stocks with the allotted person;

(5) An allotted person who received from the initial listing applicant a request for confirmation concerning the ownership status of the allotted stocks or newly acquired stocks, etc. pertaining to the allotted stocks pursuant to the provisions of the preceding item shall report such ownership status to the initial listing applicant immediately;

(6) An allotted person shall agree that matters referred to in each of the preceding items and the result of transfer of the allotted stocks or newly acquired stocks, etc. pertaining to the allotted stocks, if applicable, will be available for public inspection; and

(7) Other matters deemed necessary by the Exchange.

2. The initial listing applicant shall submit the document prescribed in the preceding paragraph in accordance with the provisions of each of the following items:

(1) Where the initial listing applicant carried out an allotment of offered stocks prescribed in the preceding paragraph before the initial listing application day: The initial listing applicant shall submit the document on the initial listing application day; and

(2) Where the initial listing applicant carried out an allotment of offered stocks prescribed in the preceding paragraph on or after the initial listing application day: The initial listing applicant shall submit the document without delay after said allotment; provided, however, that the date of submission shall be no later than the day immediately prior to the day on which the Exchange approves the listing.

3. In the event that the initial listing applicant fails to submit the document prescribed in the preceding paragraph, the Exchange shall either refuse to accept or cancel the acceptance of the initial listing application of such initial listing applicant.

4. The determination of whether the initial listing applicant carried out an allotment of offered stocks prescribed in Paragraph 1 shall be made using the payment date or the ending date of the payment period pertaining to the offered stocks as the base date.

Rule 256. Regulations on Holding of Offered Stocks

1. In cases where a person who received an allotment of offered stocks by third-party
allotment, etc. does not actually hold the allotted stocks or newly acquired stocks, etc. pertaining to the allotted stocks based on the assurance prescribed in Paragraph 1 of the preceding rule, the Exchange shall either refuse to accept or cancel the acceptance of the related initial listing application. However, this provision shall not apply if the conditions prescribed in either of the following items are met and it is deemed appropriate that the person does not hold them:

1. Where the allotted person transfers the allotted stocks or newly acquired stocks, etc. pertaining to the allotted stocks due to significant difficulty in its business operations;

2. Where it is deemed unavoidable in light of socially accepted norms.

2. In case where a person who received an allotment of offered stocks by third-party allotment, etc. transfers said offered stocks during the period prescribed in Paragraph 1 of the preceding rule, the initial listing applicant shall submit to the Exchange a document containing necessary matters at the time of initial listing application, if the transfer of such allotted stocks by third-party allotment, etc. or newly acquired stocks, etc. pertaining to such allotted stocks was executed before the initial listing application day, or immediately after such transfer, if such transfer was executed on or after the initial listing application day, and agree that such document will be made available for public inspection by the Exchange.

3. In cases where the Exchange makes an inquiry about the ownership status of offered stocks by a person who received an allotment of offered stocks by third-party allotment, etc., the initial listing applicant shall report the ownership status of the offered stocks to the Exchange without delay after confirming, as necessary, the ownership status of the allotted stocks or newly acquired stocks, etc. pertaining to the allotted stocks with the allotted person.

4. An initial listing applicant shall be subject to the provisions of the preceding two paragraphs for a period specified in the assurance even after it becomes a listed company.

Rule 257. Regulations on Allotment of Offered Subscription Warrants by Third-Party Allotment, etc.

1. In cases where the initial listing applicant carried out an allotment of offered subscription warrants (see Note 1 below) by third-party allotment, etc. (see Note 2 below) after one (1) year prior to the end of the most recent business year immediately prior to the initial listing application day, such initial listing applicant shall execute a written assurance with the allotted person with respect to the matters referred to in each of the following items:

(Note 1) This means offered subscription warrants prescribed in Article 238, Paragraph 1 of the Companies Act, excluding subscription warrants prescribed in Rule 259.

(Note 2) This includes allotment of own subscription warrants (excluding subscription warrants prescribed in Rule 259) that is considered to have the same effect as allotment of offered subscription warrants; the same shall apply hereinafter.
(1) Allotted persons shall, as a general rule, continue to hold the offered subscription warrants allotted to them (see Note 1 below) since the day on which the subscription warrants are allotted until the day on which six (6) months have passed since the listing day (see Note 2 below). In this case, if allotted persons acquire new stocks or subscription warrants as a result of conversion of allotted subscription warrants to stocks or subscription warrants or exercise of allotted subscription warrants, or new stocks or subscription warrants as a result of stock split, gratis allotment of shares, or gratis allotment of subscription warrants, etc. with respect to said new stocks acquired as a result of said conversion or exercise, they shall continue to hold also such newly acquired stocks or subscription warrants (see Note 3 below) until the same day;

(Note 1) This shall be hereinafter referred to as the "allotted subscription warrants".
(Note 2) If one (1) year has not passed since the allotment date of the allotted subscription warrants as of such day, this shall be until the day on which one year has passed since the allotment date of the allotted subscription warrants.
(Note 3) This shall be referred to as the "newly acquired stocks, etc. pertaining to the allotted subscription warrants" hereinafter in this sub-section.

(2) An allotted person intending to transfer the allotted subscription warrants or newly acquired stocks, etc. pertaining to the allotted subscription warrants shall notify the initial listing applicant of the intended transfer in advance in writing and report the result of the actual transfer to the initial listing applicant after the fact;

(3) In cases where an allotted person transferred allotted subscription warrants or newly acquired stocks, etc. pertaining to the allotted subscription warrants, the initial listing applicant shall submit to the Exchange a document containing the name and address of the transferor and the transferee, the number of stocks transferred, the date of transfer, the transfer price, the reason for transfer, and other necessary matters at the time of initial listing application, if such transfer was executed before the initial listing application day, or immediately after such transfer, if such transfer was executed on or after the initial listing application day;

(4) In cases where the Exchange makes an inquiry about the ownership status of the allotted subscription warrants or newly acquired stocks, etc. pertaining to the allotted subscription warrants as the Exchange deems it necessary, the initial listing applicant shall report the ownership status of the allotted subscription warrants or newly acquired stocks, etc. pertaining to the allotted subscription warrants to the Exchange without delay after confirming, as necessary, the ownership status of the allotted subscription warrants or newly acquired stocks, etc. pertaining to the allotted subscription warrants with the
allotted person;

(5) An allotted person who received from the initial listing applicant a request for confirmation concerning the ownership status of the allotted subscription warrants or newly acquired stocks, etc. pertaining to the allotted subscription warrants pursuant to the provisions of the preceding item shall report such ownership status to the initial listing applicant immediately;

(6) An allotted person shall agree that matters referred to in each of the preceding items of this paragraph and the result of transfer of allotted subscription warrants or newly acquired stocks, etc. pertaining to the allotted subscription warrants, if applicable, will be available for public inspection; and

(7) Other matters deemed necessary by the Exchange.

2. The initial listing applicant shall submit the document prescribed in the preceding paragraph in accordance with the provisions of each of the following items:

(1) Where the initial listing applicant carried out an allotment of offered subscription warrants prescribed in the preceding paragraph before the initial listing application day:
The initial listing applicant shall submit the document on the initial listing application day; and

(2) Where the initial listing applicant carried out an allotment of offered subscription warrants prescribed in the preceding paragraph on or after the initial listing application day:
The initial listing applicant shall submit the document without delay after said allotment; provided, however, that the date of submission shall be no later than the day immediately prior to the day on which the Exchange approves the listing.

3. In the event that the initial listing applicant fails to submit the document prescribed in the preceding paragraph, the Exchange shall either refuse to accept or cancel the acceptance of the initial listing application of such initial listing applicant.

4. The determination of whether the initial listing applicant carried out an allotment of offered subscription warrants prescribed in Paragraph 1 shall be made using the allotment date as the base date.

Rule 258. Regulations on Holding of Offered Subscription Warrants

1. In cases where a person who received an allotment of offered subscription warrants by third-party allotment, etc. does not actually hold the allotted subscription warrants or newly acquired stocks, etc. pertaining to the allotted subscription warrants based on the assurance prescribed in Paragraph 1 of the preceding rule, the Exchange shall either refuse to accept or cancel the acceptance of the related initial listing application. However, this provision shall not apply if the conditions prescribed in either of the following items are met and it is deemed appropriate that the person does not hold them:

(1) Where the allotted person transfers the allotted subscription warrants or newly acquired stocks, etc. pertaining to the allotted subscription warrants due to significant difficulty in its business operations; or
(2) Where it is deemed unavoidable in light of socially accepted norms.

2. In cases where a person who received an allotment of offered subscription warrants by third-party allotment, etc. transfers said offered subscription warrants during the period prescribed in Paragraph 1 of the preceding rule, the initial listing applicant shall submit to the Exchange a document containing necessary matters at the time of initial listing application, if the transfer of such allotted subscription warrants by third-party allotment, etc. or newly acquired stocks, etc. pertaining to such allotted subscription warrants was executed before the initial listing application day, or immediately after such transfer, if such transfer was executed on or after the initial listing application day, and agree that such document will be made available for public inspection by the Exchange.

3. In cases where the Exchange makes an inquiry on the ownership status of offered subscription warrants by a person who received an allotment of offered subscription warrants by third-party allotment, etc., the initial listing applicant shall report the ownership status of the offered subscription warrants to the Exchange without delay after confirming, as necessary, the ownership status of the allotted subscription warrants or newly acquired stocks, etc. pertaining to the allotted subscription warrants with the allotted person.

4. An initial listing applicant shall be subject to the provisions of the preceding two (2) paragraphs for a period specified in the assurance even after it becomes a listed company.

Rule 259. Regulations on Holding of Subscription Warrants as Stock Options

1. In cases where, with respect to subscription warrants allotted by the initial listing applicant to its officers or employees (see Note 1 below) who are deemed appropriate by the Exchange (see Note 2 below) as part of their compensation (see Note 3 below), the written assurance containing the matters referred to in Item (1) has been executed between the initial listing applicant and the officers or employees, etc., and the document prescribed in Item (2) has been submitted to the Exchange, but the officers or employees, etc. who received an allotment of such subscription warrants (see Note 4 below) do not actually hold the allotted subscription warrants based on the assurance prescribed in this paragraph (see Note 5 below), the Exchange shall either refuse to accept or cancel the acceptance of the related initial listing application:

(Note 1) The officers or employees of a subsidiary of the initial listing applicant shall be included.

(Note 2) This shall be referred to as "officers or employees, etc." hereinafter in this rule.

(Note 3) This shall be limited to those that were allotted after one (1) year prior to the end of the most recent business year immediately prior to the initial listing application day.

(Note 4) This shall be limited to the portion pertaining to said assurance.

(Note 5) This shall exclude cases in which after the person who had owned subscription warrants based on the assurance transferred the subscription warrants with respect to which the assurance was given, the initial listing...
applicant cancelled the subscription warrants pertaining to such transfer promptly in accordance with an appropriate procedure and such subscription warrants have not been exercised.

(1) Matters referred to in the following Sub-items a. through e.:
   a. Allotted persons shall, as a general rule, continue to hold the subscription warrants to which the provisions of this rule apply (see Note below) since the day on which the allotment was made until either the day immediately prior to the listing day or the day on which the subscription warrants are exercised, whichever is earlier;

   (Note) This shall be hereinafter referred to as "subscription warrants allotted as compensation".

   b. In cases where an allotted person transferred subscription warrants allotted as compensation or newly acquired stocks, etc. pertaining to the allotted subscription warrants, the initial listing applicant shall submit to the Exchange a document containing the name and address of the transferor and the transferee, the number of stocks transferred, the date of transfer, the transfer price, the reason for transfer, and other necessary matters at the time of initial listing application, if such transfer was executed before the initial listing application day, or immediately after such transfer, if such transfer was executed on or after the initial listing application day;

   c. In cases where the Exchange makes an inquiry about the ownership status of the subscription warrants allotted as compensation or newly acquired stocks, etc. pertaining to the allotted subscription warrants as the Exchange deems it necessary, the initial listing applicant shall report the ownership status of the subscription warrants allotted as compensation or newly acquired stocks, etc. pertaining to the allotted subscription warrants to the Exchange without delay after confirming, as necessary, the ownership status of the subscription warrants allotted as compensation or newly acquired stocks, etc. pertaining to the allotted subscription warrants with the allotted person; and

   d. An allotted person who received from the initial listing applicant a request for confirmation concerning the ownership status of the subscription warrants allotted as compensation or newly acquired stocks, etc. pertaining to the allotted subscription warrants pursuant to the provisions of Sub-item c. shall report such ownership status to the initial listing applicant immediately;

   e. Other matters deemed necessary by the Exchange.

(2) Documents referred to in the following Sub-items a. through c.:
   a. Documents certifying the assurance prescribed in the preceding item;
   b. Document certifying the relevant resolution of the board of directors (see Note below) that contains matters related to the allotment of subscription warrants, including the fact that the subscription warrants are allotted by the
initial listing applicant and intended to be acquired by its officers or employees, etc.; and

(Note) This shall include a decision made by a director if the initial listing applicant is a company with audit and supervisory committee or by an executive officer if the initial listing applicant is a company with nominating committee, etc.

c. Document certifying that a contract is concluded between the initial listing applicant and its officers or employees, etc. who have received an allotment of subscription warrants by the initial listing applicant, in which said officers or employees, etc. assure that they will, as a general rule, not transfer such subscription warrants or that the initial listing applicant imposes restriction on transfer of such subscription warrants.

2. Submission of documents referred to in Item (2) of the preceding paragraph shall be referred to in each of the following items.
   (1) Where the initial listing applicant carried out an allotment of subscription warrants prescribed in the preceding paragraph before the initial listing application day, the initial listing applicant shall submit said documents on the initial listing application day; and
   (2) Where the initial listing applicant carried out an allotment of subscription warrants prescribed in the preceding paragraph after the initial listing application day, the initial listing applicant shall submit said documents without delay after said allotment of subscription warrants; provided, however, that the date of submission shall be no later than the day immediately prior to the day on which the Exchange approves the listing.

3. The allotment as compensation prescribed in Paragraph 1 shall include cases in which subscription warrants are allotted for value, such as a case in which the initial listing applicant pays the amount of money corresponding to the issue price of subscription warrants to its officers or employees, etc. and allots the subscription warrants to said officers or employees, etc. for value.

Rule 260. Regulations on Stocks, etc. Acquired Through Exercise, etc. of Subscription Warrants as Stock Options

1. In cases where an initial listing applicant carried out a delivery of stocks or subscription warrants due to exercise or conversion of the subscription warrants prescribed in the preceding rule during a period from one (1) year prior to the end of the most recent business year immediately prior to the initial listing application day to the day immediately prior to the listing day (see Note below), the initial listing applicant shall execute a written assurance concerning said stock or subscription warrants with the entity who received the delivery with respect to the matters referred to in each of the following items:

(Note) This shall be limited to those pertaining to the subscription warrants allotted after one (1) year prior to the end of the most recent business year

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immediately prior to the initial listing application day.

(1) The allotted persons shall, as a general rule, continue to hold the allotted stocks since the allotment date until the day immediately prior to the listing day. In this case, if a stock split, gratis allotment of shares, or gratis allotment of subscription warrants with respect to the allotted stocks or conversion of the allotted stocks to another class of stocks or subscription warrants was made, the allotted persons shall continue to hold also the newly acquired stocks, etc. pertaining to the allotted stocks until the same day; and

(2) Matters prescribed in Rule 255, Paragraph 1, Items (2) through (7).

2. The initial listing applicant shall submit the document prescribed in the preceding paragraph in accordance with the provisions of each of the following items:

(1) Where the initial listing applicant carried out a delivery of stocks or subscription warrants prescribed in the preceding paragraph before the initial listing application day, the initial listing applicant shall submit said documents on the initial listing application day; and

(2) Where the initial listing applicant carried out a delivery of stocks or subscription warrants prescribed in the preceding paragraph after the initial listing application day, the initial listing applicant shall submit said documents without delay after said delivery of stocks or subscription warrants; provided, however, that the date of submission shall be no later than the day immediately prior to the listing day.

3. In cases where the provisions of Item (1) of the preceding paragraph apply, the documents referred to in each of the following items shall be attached to the documents submitted pursuant to the provisions of the same item:

(1) Document certifying the resolution of the general shareholders meeting authorizing the allotment of subscription warrants and the resolution of the board of directors authorizing said allotment (see Note below); and

(Note) This shall include a decision made by a director if the initial listing applicant is a company with audit and supervisory committee or by an executive officer if the initial listing applicant is a company with nominating committee, etc.; the same shall apply in the following item.

(2) Document certifying the terms of the contract concerning the allotment of subscription warrants concluded between the initial listing applicant and the persons to receive an allotment of subscription warrants pursuant to the resolutions prescribed in the preceding item.

4. In the event that the initial listing applicant fails to submit the document prescribed in Paragraph 2, the Exchange shall either refuse to accept or cancel the acceptance of the related initial listing application.

Rule 261. Regulations on Holding of Stocks, etc. Acquired through Exercise, etc. of Subscription Warrants as Stock Options
1. In cases where an entity who received a delivery of stocks or subscription warrants prescribed in Paragraph 1 of the preceding rule does not actually hold the stocks or subscription warrants based on the assurance prescribed in Paragraph 1 of the preceding rule, the Exchange shall either refuse to accept or cancel the acceptance of the related initial listing application. However, this provision shall not apply if the conditions prescribed in either of the following items are met and it is deemed appropriate that the entity does not hold them:

(1) Where the entity who received said delivery transfers stocks or subscription warrants delivered as a result of exercise or conversion of the subscription warrants to which the provisions of Rule 259, Paragraph 1 apply or stocks or subscription warrants acquired through stock split, gratis allotment of shares, gratis allotment of subscription warrants, etc. pertaining to such stocks due to significant difficulty in its business operations; and

(2) Where it is deemed unavoidable in light of socially accepted norms.

2. In cases where an entity who received a delivery of stocks or subscription warrants prescribed in Paragraph 1 of the preceding rule transferred these stocks or subscription warrants during the period prescribed in Paragraph 1 of the preceding rule, the initial listing applicant shall submit to the Exchange a document containing necessary matters at the time of initial listing application, if the transfer of stocks or subscription warrants delivered as a result of exercise or conversion of the subscription warrants to which the provisions of Rule 259, Paragraph 1 apply or stocks or subscription warrants acquired through stock split, gratis allotment of shares, gratis allotment of subscription warrants, etc. pertaining to such stocks was executed before the initial listing application day, or immediately after such transfer, if such transfer was executed on or after the initial listing application day, and agree that such document will be made available for public inspection by the Exchange.

3. In cases where the Exchange makes an inquiry about the ownership status of stocks or subscription warrants delivered as prescribed in Paragraph 1 of the preceding rule by an entity who received such delivery, the initial listing applicant shall report the ownership status of stocks or subscription warrants delivered as a result of exercise or conversion of the subscription warrants to which the provisions of Rule 259, Paragraph 1 apply or stocks or subscription warrants acquired through stock split, gratis allotment of shares, gratis allotment of subscription warrants, etc. pertaining to such stocks to the Exchange without delay after confirming, as necessary, the ownership status of such stocks or subscription warrants with the entity who received said delivery.

4. An initial listing applicant shall be subject to the provisions of the preceding two (2) paragraphs for a period specified in the assurance even after it becomes a listed company.

Rule 262. Description of the Status of Allotment of Offered Stocks, etc. by Third-Party allotment, etc.

1. In cases where the initial listing applicant carried out an allotment of offered stocks or subscription warrants by third-party allotment, etc. (see Note below) during a period from two (2) years prior to the end of the most recent business year
immediately prior to the initial listing application day to the day immediately prior to the listing day, the initial listing applicant shall describe the status of such allotment of offered stocks, etc. by third-party allotment, etc. in "Securities Report for Initial Listing Application (Part I)" prescribed in Rule 204, Paragraph 1, Item 4 or Rule 219, Paragraph 1, Item 2. However, this provision shall not apply if the domestic stocks, etc. issued by the initial listing applicant are Green Sheet securities designated by the Japan Securities Dealers Association.

(Note) This shall be hereinafter referred to as "allotment of offered stocks, etc. by third-party allotment, etc."

2. The initial listing applicant shall include the basis for price calculation, described in conformity with Exhibit 7 "Description of the Basis for Price Calculation," in the "Public Information on Stocks - Item 2: Overview of Allotment of Stocks by Third-Party Allotment, etc." section of the "Securities Report for Initial Listing Application (Part I)" prescribed in the preceding paragraph.

Rule 263. Application Mutatis Mutandis of Provisions Concerning Retention, etc. of the Record of Changes in Ownership of Stocks, etc. Before Listing

1. The provisions of Rule 254 shall be applied mutatis mutandis to retention, etc. of the record of the contents of the documents submitted by the initial listing applicant to the Exchange pursuant to the provisions of the preceding rule.

2. An initial listing applicant shall be subject to the provisions of Rule 254 as applied mutatis mutandis to the preceding paragraph for a period of five (5) years from the listing day even after it becomes a listed company.

Sub-section 4
Miscellaneous Provisions

Rule 264. Construction of Provisions, etc. Pertaining to Public Offering, etc. Before Listing

The provisions of the preceding two (2) sub-sections shall apply to entities to which the calculation is substantially attributable regardless of the actual name of the account.

Section 5
Miscellaneous Provisions

Rule 265. Handling of Special Provisions on Cases where an Initial Listing Applicant Applying for an Initial Listing on the Main Market is Scheduled to Conduct a Merger, etc. on or before the Listing Day

1. In the case of applying for an initial listing in accordance with the provisions of Rule 218, Paragraph 1 of the Regulations, as a general rule, with respect to submission of "Securities Initial Listing Application" and other documents, submission of reports

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and material that serve as reference, cooperation in listing examination, payment of listing examination fees, etc. and other required procedures, the initial listing applicant shall conduct such procedures during the period before carrying out a merger, stock swap, or stock transfer, and the entity specified in each of the items of the same paragraph shall conduct such procedures during the period after a merger, stock swap, or stock transfer.

2. The documents specified by the Enforcement Rules prescribed in Rule 218, Paragraph 1 of the Regulations shall be documents referred to in each of the following items.

   (1) A copy of the meeting minutes of the board of directors meeting where a resolution is reached on a merger, stock swap, or stock transfer prescribed in Rule 218, Paragraph 1 of the Regulations (in cases where a resolution is deemed to have been reached in a board of directors meeting pursuant to the provisions of Article 370 of the Companies Act, this shall include documents that prove a situation falling under such cases).

   (2) Documents referred to in each of the following cases in accordance with the classifications of cases referred to in each item.

      a. Where a merger is scheduled
         Documents referred to in Rule 417, Item (8), Sub-items a. through e.

      b. Where a stock swap is scheduled
         Documents referred to in Rule 417, Item (6), Sub-items a. through e.

      c. Where a stock transfer is scheduled
         Documents referred to in Rule 417, Item (7), Sub-items a. through c.

   (3) Documents referred to in Rule 204, Paragraph 1, Items (2), (3), (5), (8), (10), (12), (23), (28), and (30) (in cases of a foreign company that is an issuer of stock, etc. pertaining to the initial listing application, Items (2), (3), (5), (12), (28), and (30)), which include descriptions on entities specified in Rule 218, Paragraph 1, Item (1) or (2) of the Regulations, as well as documents referred to in Rule 206, Item (3).

3. An initial listing applicant applying for an initial listing on the main markets under application of the provisions of Rule 218, Paragraph 1 of the Regulations, shall agree to the Exchange providing, other than the documents prescribed in Rule 204, Paragraph 10 of the Regulations, out of documents referred to in Item (3) of the preceding paragraph, documents referred to in Rule 204, Paragraph 1, Items (3), (28), and (30) for public inspection before and after listing.

4. With regards to the application of the provisions of Rule 211, Paragraph 4 to an initial listing applicant applying for an initial listing on the main markets under application of the provisions of Rule 218, Paragraph 1 of the Regulations, "initial listing applicant" in the same paragraph shall be "issuer of stock, etc. pertaining to an initial listing application".

5. With regards to the application of the provisions of Rule 212, Paragraph 1 to an initial listing applicant applying for an initial listing on the main markets under application of the provisions of Rule 218, Paragraph 1 of the Regulations, "initial listing applicant" in Items (1) and (2), the first sentence of Item (6), Sub-item a. (b), and Sub-item b. (b) of the same item thereof shall be "issuer of stock, etc. pertaining to an initial listing application", "stock, etc. pertaining to an initial listing application" in
Item (6) of the same paragraph shall be "stock, etc. issued by an initial listing applicant", and "initial listing applicant who is an issuer of stock, etc." in Item (7), Sub-item a. and Item (8) of the same paragraph shall be "initial listing applicant who applies for initial listing of stock, etc.".

6. With regards to the application of the provisions of Rule 212, Paragraph 2 to an initial listing applicant applying for an initial listing on the main markets under application of the provisions of Rule 218, Paragraph 1 of the Regulations, "initial listing applicant who is an issuer of stocks, etc." in Item (1) of the same paragraph shall be "initial listing applicant who applies for initial listing of stock, etc.", "the lowest price among" in the same item shall be "the lowest price adjusted with the ratio pertaining to the merger, stock swap, or stock transfer prescribed in Rule 218, Paragraph 1 of the Regulations among", and "the value of the stock, etc." in Item (2) of the same paragraph shall be "the value of the stock, etc. adjusted by the ratio pertaining to the merger, stock swap, or stock transfer prescribed in Rule 218, Paragraph 1 of the Regulations".

7. With regards to the application of the provisions of Rule 212, Paragraph 3 to an initial listing applicant applying for an initial listing on the main markets under application of the provisions of Rule 218, Paragraph 1 of the Regulations, "each item of the preceding paragraph" shall be "each item of Rule 212, Paragraph 2 applied with rewording pursuant to the provisions of Rule 265, Paragraph 6", and "issued by said initial listing applicant" shall be "stock, etc. pertaining to the initial listing application issued by the issuer".

8. With regards to the application of the provisions of Rule 213, Paragraph 3 to an initial listing applicant applying for an initial listing on the main markets under application of the provisions of Rule 218, Paragraph 1 of the Regulations, "initial listing applicant" in the same paragraph shall be "issuer of stock, etc. pertaining to the initial listing application".

9. Other than the preceding paragraphs, matters necessary for initial listing application procedures, listing examination, and application of provisions for cases prescribed in Paragraph 1 shall be specified by the Exchange on a case-by-case basis.

**Rule 266. Handling of Special Provisions on Cases where an Initial Listing Applicant Applying for an Initial Listing on Mothers is Scheduled to Conduct a Merger, etc. on or before the Listing Day**

1. In the case of applying for an initial listing in accordance with the provisions of Rule 219, Paragraph 1 of the Regulations, as a general rule, with respect to submission of "Securities Initial Listing Application" and other documents, submission of reports and material that serve as reference, cooperation in listing examination, payment of listing examination fees, etc. and other required procedures, the initial listing applicant shall conduct such procedures during the period before carrying out a merger, stock swap, or stock transfer, and the entity specified in each of the items of the same paragraph shall conduct such procedures during the period after a merger, stock swap, or stock transfer. Other matters necessary for initial listing application procedures and application of provisions shall be specified by the Exchange on a case-by-case basis.
2. The documents specified by the Enforcement Rules prescribed in Rule 219, Paragraph 2 of the Regulations shall be documents referred to in each of the following items.

(1) A copy of the meeting minutes of the board of directors meeting where a resolution is reached on a merger, stock swap, or stock transfer prescribed in Rule 219, Paragraph 1 of the Regulations (in cases where a resolution is deemed to have been reached in a board of directors meeting pursuant to the provisions of Article 370 of the Companies Act, this shall include documents that prove a situation falling under such cases).

(2) Documents referred to in each of the following cases in accordance with the classifications of cases referred to in each item.
   a. Where a merger is scheduled
      Documents referred to in Rule 417, Item (8), Sub-items a. through e.
   b. Where a stock swap is scheduled
      Documents referred to in Rule 417, Item (6), Sub-items a. through e.
   c. Where a stock transfer is scheduled
      Documents referred to in Rule 417, Item (7), Sub-items a. through c.

(3) Documents referred to in Rule 204, Paragraph 1, Items (2), (3), (5), (8), (10), (12), (23), (28), and (30) (in cases of a foreign company that is an issuer of stock, etc. pertaining to the initial listing application, Items (2), (3), (5), (12), (28), and (30)), which include descriptions on entities specified in Rule 219, Paragraph 1, Item (1) or (2) of the Regulations, as well as documents referred to in Rule 206, Item (3).

3. An initial listing applicant applying for an initial listing on Mothers under application of the provisions of Rule 219, Paragraph 1 of the Regulations, shall agree to the Exchange providing, other than the documents prescribed in Rule 211, Paragraph 10 of the Regulations, out of documents referred to in Item (3) of the preceding paragraph, documents referred to in Rule 204, Paragraph 1, Items (3), (28), and (30) for public inspection before and after listing.

4. With regards to the application of the provisions of Rule 219, Paragraph 2, Item (5) to an initial listing applicant applying for an initial listing on Mothers under application of the provisions of Rule 219, Paragraph 1 of the Regulations, "initial listing applicant" in the same item shall be "issuer of stock, etc. pertaining to an initial listing application".

5. With regards to the application of the provisions of Rule 226, Paragraph 4 to an initial listing applicant applying for an initial listing on Mothers under application of the provisions of Rule 219, Paragraph 1 of the Regulations, "initial listing applicant" in the same paragraph shall be "issuer of stock, etc. pertaining to an initial listing application".

6. With regards to the application of the provisions of Rule 227, Paragraph 1 to an initial listing applicant applying for an initial listing on Mothers under application of the provisions of Rule 219, Paragraph 1 of the Regulations, "Rule 212, Paragraph 1" in the same paragraph shall be "Rule 212, Paragraph 1 applied with rewording pursuant to the provisions of Rule 265, Paragraph 5".

7. With regards to the application of the provisions of Rule 227, Paragraph 2 to an initial listing applicant applying for an initial listing on Mothers under application of the
provisions of Rule 219, Paragraph 1 of the Regulations, "stock, etc. pertaining to the initial listing application" shall be "stock, etc. issued by the initial listing applicant".

8. With regards to the application of the provisions of Rule 227, Paragraph 3 to an initial listing applicant applying for an initial listing on Mothers under application of the provisions of Rule 219, Paragraph 1 of the Regulations, "stock, etc. of the initial listing applicant" in the same paragraph shall be "stock, etc. pertaining to the initial listing application".

9. With regards to the application of the provisions of Rule 227, Paragraph 4 to an initial listing applicant applying for an initial listing on Mothers under application of the provisions of Rule 219, Paragraph 1 of the Regulations, "all other stocks issued by said initial listing application" in the same paragraph shall be "all other stocks issued by the issuer of stock, etc. pertaining to the initial listing application".

Rule 267. Handling of Special Provisions on Cases where an Initial Listing Applicant Applying for an Initial Listing on JASDAQ is Scheduled to Conduct Merger, etc. on or before the Listing Day

1. In the case of applying for an initial listing in accordance with the provisions of Rule 220, Paragraph 1 of the Regulations, as a general rule, with respect to submission of "Securities Initial Listing Application" and other documents, submission of reports and material that serve as reference, cooperation in listing examination, payment of listing examination fees, etc. and other required procedures, the initial listing applicant shall conduct such procedures during the period before carrying out a merger, stock swap, or stock transfer, and the entity specified in each of the items of the same paragraph shall conduct such procedures during the period after a merger, stock swap, or stock transfer. Other matters necessary for initial listing application procedures and application of provisions shall be specified by the Exchange on a case-by-case basis.

2. The documents specified by the Enforcement Rules prescribed in Rule 220, Paragraph 2 of the Regulations shall be documents referred to in each of the following items. (1) A copy of the meeting minutes of the board of directors meeting where a resolution is reached on a merger, stock swap, or stock transfer prescribed in Rule 220, Paragraph 1 of the Regulations (in cases where a resolution is deemed to have been reached in a board of directors meeting pursuant to the provisions of Article 370 of the Companies Act, this shall include documents that prove a situation falling under such cases).

   (2) Documents referred to in the following Sub-items a. through c. in accordance with the cases in the corresponding classifications.

   a. Where a merger is scheduled
      Documents referred to in Rule 417, Item (8), Sub-items a. through e.

   b. Where a stock swap is scheduled
      Documents referred to in Rule 417, Item (6), Sub-items a. through e.

   c. Where a stock transfer is scheduled
      Documents referred to in Rule 417, Item (7), Sub-items a. through c.

   (3) Documents referred to in Rule 204, Paragraph 1, Items (2), (3), (5), (8), (10), (23), and (30) (in cases of a foreign company that is an issuer of stock, etc. pertaining to the initial listing application, Items (2), (3), (5), and (30)), which include descriptions
on entities specified in Rule 220, Paragraph 1, Item (1) or (2) of the Regulations, as well as documents referred to in Rule 206, Item (3), and Rule 229-3, Items (4) and (5).

3. An initial listing applicant applying for an initial listing on JASDAQ under application of the provisions of Rule 220, Paragraph 1 of the Regulations, shall agree to the Exchange providing, other than the documents prescribed in Rule 216-2, Paragraph 10 of the Regulations, out of documents referred to in Item (3) of the preceding paragraph, documents referred to in Rule 204, Paragraph 1, Items (3) and (30) as well as Rule 229-3, Item (4) for public inspection before and after listing.

4. With regards to the application of Rule 219, Paragraph 2, Item 5 pursuant to the provisions of Rule 229-3, Paragraph 2, Item 5 to an initial listing applicant applying for an initial listing on JASDAQ under application of the provisions of Rule 220, Paragraph 1 of the Regulations, "initial listing applicant" in the same item shall be "issuer of stock, etc. pertaining to an initial listing application".

5. With regards to the application of the provisions of Rule 229-10, Paragraph 4 to an initial listing applicant applying for an initial listing on JASDAQ under application of the provisions of Rule 220, Paragraph 1 of the Regulations, "initial listing applicant" in the same paragraph shall be "issuer of stock, etc. pertaining to an initial listing application".

6. With regards to the application of the provisions of Rule 229-11, Paragraph 2 to an initial listing applicant applying for an initial listing on JASDAQ under application of the provisions of Rule 220, Paragraph 1 of the Regulations, "Rule 212, Paragraph 1 applied with rewording pursuant to the provisions of Rule 265, Paragraph 5".

7. With regards to the application of the provisions of Rule 229-11, Paragraph 3 to an initial listing applicant applying for an initial listing on JASDAQ under application of the provisions of Rule 220, Paragraph 1 of the Regulations, "Rule 227, Paragraph 2 applied with rewording pursuant to the provisions of Rule 266, Paragraph 7".

8. With regards to the application of the provisions of Rule 229-11, Paragraph 4 to an initial listing applicant applying for an initial listing on JASDAQ under application of the provisions of Rule 220, Paragraph 1 of the Regulations, "Rule 227, Paragraph 3 applied with rewording pursuant to the provisions of Rule 266, Paragraph 8".

9. With regards to the application of the provisions of Rule 229-11, Paragraph 5 to an initial listing applicant applying for an initial listing on JASDAQ under application of the provisions of Rule 220, Paragraph 1 of the Regulations, "Rule 212, Paragraph 3 applied with rewording pursuant to the provisions of Rule 265, Paragraph 7".

Chapter 3
Listing of New Stocks, etc. and Changes of Market Divisions, etc.

Section 1
Listing of New Stocks, etc.

Rule 301. Security Listing Application Form Pertaining to Listing Application of New Stocks, etc.

"Matters specified by the Enforcement Rules" prescribed in Rule 301, Paragraph 1 of the Regulations shall be the matters referred to in each of the following items:

(1) The name, class, and number of shares to be issued of the stock, etc. (excluding foreign stock depositary receipts, etc.) or subscription warrant securities pertaining to the listing application, the face value thereof, if any, and the number of shares per Share Unit thereof, if such number is specified;

(2) The name and class of the foreign stock depositary receipts pertaining to the listing application, the number of shares of the foreign stock and the number of shares to be issued of the foreign stock pertaining to the rights represented by one (1) share of the foreign stock depositary receipt, etc., and the matters referred to in the preceding item with respect to the foreign stock pertaining to the rights represented by the foreign stock depositary receipts, etc.;

(3) Matters related to the terms of offering or secondary distribution of the stocks, etc. or subscription warrant securities pertaining to the listing application;

(4) Distribution status of the stocks, etc. or subscription warrant securities pertaining to the listing application by holder and by the number of holding of such stocks or securities. However, if the application is made for the listing of stocks, etc. to be issued through a public offering, the listed company that makes such application shall submit a document containing the number of entities to acquire the stocks, etc. pertaining to the public offering and other relevant information, in lieu of the description of said distribution status, without delay after the ending date of the subscription period for the public offering;

(5) If the application is made for the listing of stocks, etc. to be delivered in exchange for a stock to be delisted under the circumstances prescribed in Rule 601, Paragraph 1, Item 18 of the Regulations (including cases of delisting pursuant to Rule 602, Paragraph 1, Item 1 or Paragraph 2, Item 3 thereof, Rule 603, Paragraph 1, Item 6 thereof, Rule 604, Paragraph 1, Item 2 or Paragraph 2, Item 1 thereof, Rule 604-2, Paragraph 1, Item 3 thereof, Rule 604-3, Item 2 thereof, Rule 604-4, Paragraph 1, Item 2 thereof, or Rule 604-5, Item 2 thereof), matters relevant to such stocks, etc.; and

(6) If the application is made for listing by when-issued transactions, that fact (limited to listed domestic companies).

Rule 302. Listing Application Procedure for Listing of the Same Class of New Stocks, etc. as the Listed Stocks, etc.

The handling of the listing application prescribed in Rule 301, Paragraph 2 of the Regulations shall be prescribed in each of the following items:

(1) In cases where a listed company has issued stocks that are convertible to another class of stocks, or issued subscription warrants, the listed company shall make a single application for listing in advance with respect to all the...
number of stocks, etc. to be issued by the conversion of the stocks that are
convertible to another class of stocks or the number of stocks, etc. to be issued
by the exercise of the subscription warrants two (2) weeks prior to the
beginning date of the conversion period of the convertible stocks or the
beginning date of the exercise period of the subscription warrants, and the
Exchange may approve the listing of the stocks, etc. pertaining to the relevant
listing application before confirming the number of such stocks, etc. to be
issued;

(2) If it is difficult for a listed foreign company to make application for listing of
foreign stocks, etc. every time they are issued in cases where the listed foreign
company passed a resolution authorizing the issuance of warrant certificates
or granting of stock options or similar rights, or newly issuing foreign stocks,
etc. or otherwise, the listed foreign company shall, as a general rule, make a
single application for listing with respect to all the number of foreign stocks,
etc. to be issued by the exercise of the warrant rights of said warrant
certificates or by similar events, and the Exchange may approve the listing of
the foreign stocks, etc. pertaining to the listing application before confirming
the number of such foreign stocks, etc. to be issued; and

(3) An issuer of listed foreign stock depositary receipts, etc. intending to newly
issue foreign stocks (limited to those foreign stocks that have the same rights
as the foreign stocks pertaining to the rights represented by the listed foreign
stock depositary receipts, etc.) shall, as a general rule, make a single
application for listing with respect to all the number of foreign stock
depositary receipts, etc. representing the rights pertaining to such new foreign
stocks.

Rule 302-2. Documents to Be Submitted Pertaining to Initial Listing Application
1. The "Written Oath Concerning Application for Initial Listing" prescribed in Rule
301, Paragraph 3 of the Regulations shall be prepared using the attached Form 1-6.
2. "Documents specified by the Enforcement Rules" prescribed in Rule 301, Paragraph
3 of the Regulations shall be the documents referred to in each of the following
items:

(1) "Securities Report for Initial Listing Application": In this case, the Securities
Report for Initial Listing Application to be attached shall be prepared in
conformity with the forms of securities registration statement or securities
report prescribed by the Cabinet Office Ordinance on Disclosure and shall be
deemed appropriate by the Exchange;

(2) A copy of minutes of the meeting of the Board of Directors at which a
resolution authorizing the initial listing application was passed (including a
document certifying that the resolution is deemed to have been passed
pursuant to the provisions of Article 370 of the Companies Act, if applicable,
and a document certifying that such decision was made by a director in the
case of a company with audit and supervisory committee or by an executive
officer in the case of a company with nominating committee, etc.);

(3) If the stock, etc. pertaining to the initial listing application is a class of stocks
(Provisional Reference Translation)

that have precedence on surplus dividends, "Summary of Earnings Plan, etc." predetermined by the Exchange;

(4) If the initial listing applicant is a listed company that does not have a controlling shareholder, a document assuring that if the initial listing applicant will have a controlling shareholder after listing of the stock, etc. pertaining to the initial listing application, the initial listing applicant will take measures to protect the interest of minority shareholders in executing transactions, etc. with the controlling shareholder;

(5) "Table of Distribution of Stocks, etc." predetermined by the Exchange; and

(6) Other documents, in addition to the documents referred to in each of the preceding items, which are deemed necessary for listing examination purposes and required to be submitted by the Exchange.

Rule 302-3. Public Inspection on Documents to Be Submitted Pertaining to Initial Listing Application
"Documents specified by the Enforcement Rules" prescribed in Rule 301, Paragraph 6 of the Regulations shall be the documents referred to in Rule 302-2, Paragraph 2, Item (1).

Rule 303. Criteria for Listing of Stocks, etc. by When-Issued Transactions
"Those specified by the Enforcement Rules" prescribed in Rule 302, Item (1) of the Regulations mean domestic stocks, etc. to be newly issued as a result of a paid allotment to shareholders (including a paid allotment to preferred equity investors) that satisfy the criteria referred to in each of the following items:

(1) Where notification prescribed in Article 4, Paragraph 1 of the Act is required, it has taken effect, or where shelf registration has been made pursuant to the provisions of Article 23-3, Paragraph 1 of the Act, it has taken effect and the shelf registration supplementary documents have been submitted to the Prime Minister, etc. (excluding cases in which the proviso of Article 23-8, Paragraph 1 thereof applies);

(2) The number of the domestic stocks, etc. is not less than 4,000 units; and

(3) It has not been judged that the distribution status, etc. after listing is significantly unsatisfactory.

Rule 304. Criteria for Listing of Stocks, etc. Whose Rights are Different from Those of Listed Stocks, etc.
"Criteria prescribed by the Enforcement Rules" prescribed in Rule 302, Item 2 of the Regulations mean that all the conditions prescribed in each of the following items are satisfied; provided, however, that the condition prescribed in Item 1 need not be satisfied for those stocks, etc. whose allotment date (record date) falls within the conversion period of stocks that are convertible to another class of stocks or the exercise period of subscription warrants:

(1) The number of the stocks, etc. is not less than 2,000 units;

(2) It has not been judged that the distribution status, etc. after listing is significantly unsatisfactory; and

(3) It is expected that the rights of the stocks, etc. will become the same as those...
Rule 305. Criteria for Listing of Stocks, etc. to Be Delivered in Exchange for Classified Stocks, etc. with Provisions of Whole Acquisition

"Criteria provided by the Enforcement Rules" prescribed in Rule 303 of the Regulations mean the criteria prescribed in each of the following items:

1. Domestic stocks, etc. pertaining to stocks to be delivered in exchange for stocks to be delisted under the circumstances prescribed in Rule 601, Paragraph 1, Item 18 of the Regulations (including cases of delisting pursuant to the provisions of Rule 603, Paragraph 1, Item 6 thereof, Rule 604-2, Paragraph 1, Item 3 thereof, or Rule 604-4, Paragraph 1, Item 2 thereof) shall satisfy both of the conditions prescribed in the following Sub-items a. and b.:
   a. It is expected that the domestic stocks, etc. will satisfy the conditions prescribed in Rule 205, Items 8 through 11 of the Regulations; and
   b. At the time of listing, the Exchange determined that the rights of shareholders and exercise thereof prescribed in Rule 601, Paragraph 1, Item 17 of the Regulations were unduly restricted and it is expected that the domestic stocks, etc. will not fall under Rule 601, Paragraph 1, Items 19 and 20.

2. Foreign stocks, etc. pertaining to stocks to be delivered in exchange for stocks to be delisted under the circumstances prescribed in Rule 601, Paragraph 1, Item 18 of the Regulations as applied pursuant to the provisions of Rule 602, Paragraph 1, Item 1 or Paragraph 2, Item 3 thereof, Rule 604, Paragraph 1, Item 2 or Paragraph 2, Item 1 thereof, Rule 604-3, Item 2 thereof, or Rule 604-5, Item 2 thereof shall satisfy both of the conditions prescribed in the following Sub-items a. and b.:
   a. It is expected that the foreign stocks, etc. will satisfy the conditions prescribed in Rule 206, Paragraph 1, Items 2 through 4 of the Regulations; and
   b. At the time of listing, the Exchange determined that the rights of shareholders and exercise thereof prescribed in Rule 601, Paragraph 1, Item 17 of the Regulations were unduly restricted and it is expected that the foreign stocks, etc. will not fall under Rule 601, Paragraph 1, Items 19 and 20.

Rule 306. Criteria for Listing of Subscription Warrant Securities

1. "Criteria prescribed by the Enforcement Rules" prescribed in Rule 304, Paragraph 1, Item 1 of the Regulations mean that all the criteria prescribed in each of the following items (or criteria equivalent to these criteria if said subscription warrant securities are issued by a foreign company) are satisfied:
   (1) Said subscription warrant securities are issued by a gratis allotment of subscription warrants;
   (2) The exercise period expires within two (2) months of the record date, etc. of the allotment;
   (3) It has not been judged that the distribution status, etc. after listing is
significantly unsatisfactory;

(4) The number of the subscription warrant securities is not less than 2,000 units; and

(5) The subscription warrants are eligible for handling by a designated book-entry transfer institution in its book-entry transfer operation or it is expected that they will become so eligible by the time of listing.

2. Where the procedures prescribed in Rule 304, Paragraph 1, Item (2) of the Regulations have been implemented, the listed company shall submit written documents specified in the following items in accordance with the classification referred to in each such item.

(1) Where the procedure prescribed in Rule 304, Paragraph 1, Item (2), Sub-item a. has been implemented

"Written Document that Provides Results of Examination pertaining to Reasonability of Capital Increase" predetermined by the Exchange, which is prepared by the trading participant

(2) Where the procedure prescribed in Rule 304, Paragraph 1, Item (2), Sub-item b. has been implemented

"Written Document that Provides Result of Confirming Will of Shareholders" predetermined by the Exchange

3. The provisions of Rule 212, Paragraph 6, Items (1) through (3), Items (7) through (11), and Items (13) to (16) shall be applied mutatis mutandis to the amount of incomes prescribed in Rule 304, Paragraph 1, Item (3), Sub-item a. of the Regulations.

4. Liabilities in excess of assets prescribed in Rule 304, Paragraph 1, Item (3), Sub-item b. of the Regulations shall be handled as specified in each of the following items.

(1) The state of liabilities in excess of assets prescribed in Rule 304, Paragraph 1, Item (3), Sub-item b. of the Regulations means that the amount of net assets calculated based on consolidated balance sheets or consolidated quarterly balance sheets (excluding comparative information; the same shall apply hereinafter in this paragraph) (see Note 1) is negative. In the case of a listed company that should not prepare consolidated balance sheets, such state means that the amount of net assets calculated based on balance sheets or quarterly balance sheets (excluding comparative information; the same shall apply hereinafter in this paragraph) (see Note 2) is negative. However, if the listed company voluntarily adopts IFRS or is a company to which the provisions of Article 95 of the Consolidated Financial Statements Regulation is applied, such state means that the amount (see Note 3) equivalent to the amount of net assets calculated based on such consolidated balance sheets or consolidated quarterly balance sheets (see Note 4) is negative.

(Note 1) Meaning the amount obtained by adding reserves, etc. prescribed in Article 45-2, Paragraph 1 of the Consolidated Financial Statements Regulation or Article 60, Paragraph 1 of the Consolidated Quarterly Financial Statements Regulation to the total amount in the net assets.
section of the consolidated balance sheet or the consolidated quarterly balance sheet prepared pursuant to the provisions of the Consolidated Financial Statements Regulation or the Consolidated Quarterly Financial Statements Regulation, from which subscription warrants and non-controlling interest stated in the net assets section are deducted; the same shall apply hereinafter in this paragraph)

(Note 2) Meaning the amount obtained by adding reserves, etc. prescribed in Article 54-3, Paragraph 1 of the Financial Statements, etc. Regulation or Article 53, Paragraph 1 of the Quarterly Financial Statements, etc. Regulation to the total amount in the net assets section of the balance sheet or the quarterly balance sheet prepared pursuant to the provisions of the Financial Statements, etc. Regulation or the Quarterly Financial Statements, etc. Regulation, from which subscription warrants stated in the net assets section are deducted; the same shall apply hereinafter in this paragraph)

(Note 3) Meaning the amount from which the amount of impact due to the difference between the accounting standards (limited to the amount deemed necessary by the Exchange) is excluded.

(Note 4) Meaning the amount of net assets calculated based on the balance sheets or the quarterly balance sheets if the listed company is a company that should not prepare consolidated financial statements.

(2) Under Rule 304, Paragraph 1, Item 3, Sub-item b. of the Regulations, if the net assets is affected by an audit opinion of a certified public accountant or audit firm, the net assets that were revised based on such audit opinion shall be subject to examination, except the case where such impact is generated due to changes in corporate accounting standards based on reasonable grounds.

5. The "Written Statement of Assurance" prescribed in Rule 304, Paragraph 2 of the Regulations shall be prepared using the attached forms: Form 1-10 for subscription warrant securities issued by a domestic company and Form 1-11 for subscription warrant securities issued by a foreign company.

6. The listing period for subscription warrant securities shall be from the day specified by the Exchange after the first day of the exercise period for such subscription warrant securities until the day specified by the Exchange prior to the last day of the exercise period.

Rule 307. Deleted.

Rule 308. Handling of Alteration Listing Application
The handling of alteration listing application prescribed in Rule 306, Paragraph 1 of the Regulations shall be prescribed in each of the following items:

(1) A listed domestic company intending to carry out a reverse stock split shall make an alteration listing application by the day that is four (4) weeks prior to the alteration listing day (or, if a resolution of the Board of Directors authorizing the reverse stock split is passed after the day that is four (4) weeks...
prior to the alteration listing day, immediately after the resolution is passed);

(2) A listed company that passed a resolution authorizing the cancellation of treasury stocks shall, without delay, makes an alteration listing application with respect to the number of stocks pertaining to the resolution authorizing the cancellation of treasury stocks. In this case, when the Exchange received and confirmed the notification from the listed company with respect to the number of stocks, etc. cancelled pursuant to the resolution authorizing the cancellation of treasury stocks and the number of treasury stocks held by the listed company, the Exchange shall effect alteration listing that decreases the number of listed stocks, etc. of the listed company;

(3) A listed foreign company that changes the number of listed foreign stocks, etc. by conversion between registered stocks and bearer stocks or otherwise shall make an alteration listing application without delay; and

(4) Changes in the number of listed foreign stock depositary receipts, etc. as a result of issuance of foreign stock depositary receipts, etc. pertaining to foreign stocks currently issued by the issuer of such listed foreign stock depositary receipts, etc., (provided that foreign stock depositary receipts, etc. representing rights pertaining to such foreign stocks have not been issued) or cancellation of a deposit agreement, etc. pertaining to listed foreign stock depositary receipts, etc. shall be treated comprehensively as if an alteration listing application has been made with respect to such change as a practical expedient. In this case, the Exchange shall affect the alteration listing before confirming such changes in the number thereof.

Section 2
Assignment to the First Section Market

Rule 309. Documents to Be Submitted Pertaining to Application for Assignment to the First Section Market

1. The "Written Oath Pertaining to Application for Assignment to the First Section Market" prescribed in Rule 307, Paragraph 2 of the Regulations shall be prepared using the attached forms: Form 1-12 for a domestic company and Form 1-13 for a foreign company.

2. "Documents as specified by the Enforcement Rules" prescribed in Rule 307, Paragraph 3 of the Regulations shall be the documents prescribed in each of the following items in accordance with the types of listed company referred to in the following items:

(1) Domestic company

Documents referred to in the following Sub-items a. through i.:

a. "Table of Distribution Status of Stocks, etc. Concerning the Criteria for Assignment of Stocks to the First Section Market" predetermined by the Exchange

In this case, where a record date, etc. is set pursuant to the provisions of the Companies Act, the Preferred Equity Contribution Act, or the CSD Act,
submission of the updated "Table of Distribution Status of Stocks, etc. Concerning the Criteria for Assignment of Stocks to the First Section Market" shall be required whenever the number of shares held by shareholders or preferred equity investors, or the number of shareholders or preferred equity investors as of such record date, etc. is fixed, in cases of handling the number of shares and number of tradable shares pursuant to the provisions of Rule 212, Paragraph 1, Items (6) and (8) as applied mutatis mutandis to Rule 310, Paragraph 1, Items (5) and (7), submission of the "Table of Distribution Status of Stocks, etc. Concerning the Criteria for Assignment of Stocks to the First Section Market" shall not be required;

b. Securities reports for each business year ending anytime within last two (2) years (the "last" is calculated backward counting from the end of the most recent business year immediately prior to the day of assignment to the First Section Market (meaning the end of the business year preceding the most recent business year in the case of the day of assignment to the First Section Market falling within one (1) month counting from the end of such most recent business year; the same shall apply hereinafter in this rule); the same shall apply hereinafter in this Part) and documents attached to the securities report for the most recent business year (securities reports for each business year ending anytime within the first of the last two (2) years are required only if they are prepared);

c. Two (2) copies of the "Statement of Answers Concerning Examination for Assignment of Stocks to the First Section Market" (which shall be prepared in accordance with the "Instruction for the Preparation of Statement of Answers Concerning Examination for Assignment of Stocks to the First Section Market" predetermined by the Exchange);

d. If a listed company or its subsidiary carried out a merger with another company (excluding those between the listed company and its subsidiary or subsidiaries or those between the subsidiaries of the listed company) within the last two (2) years, financial statements, etc. of all the merging companies (excluding the listed company and its subsidiaries) for each business year and consolidated accounting year ending on a day that falls within such period (excluding those included in documents submitted pursuant to the provisions of Sub-item b. and those determined by the Exchange unnecessary to be submitted);

e. If the listed company is a holding company, and two (2) years (or three (3) years if the listed company does not satisfy either of the conditions specified in Rule 308, Item 6, Sub-item a. or c. of the Regulations) have not passed from the day on which the listed company became a holding company to the end of the most recent business year immediately prior to the day of assignment to the First Section Market, consolidated financial statements of each subsidiary (limited to those existing as of the day on which the listed company became a holding company, and excluding those determined by the Exchange unnecessary to be submitted) for each consolidated accounting year within said period pertaining to the period prior to the day
on which the listed company became a holding company (or financial
statements thereof if said subsidiary was not a company that was required
to prepare consolidated financial statements during said period):
In this case, if there are more than one such subsidiary, an income statement
combining consolidated income statements, etc. or non-consolidated
income statements, or quarterly consolidated income statements, etc. or
quarterly non-consolidated income statements of such subsidiaries
(including a balance sheet combining consolidated balance sheets or non-
consolidated balance sheets of such subsidiaries if they were established
after the beginning date of the most recent business year) shall be attached;
f. Documents prescribed in Rule 204, Paragraph 1, Items (10) and (12);
g. "Written Confirmation Certifying that the Applicant Has No Ties to Any
Anti-Social Forces" predetermined by the Exchange;
h. "Written Confirmation" predetermined by the Exchange and prepared by
the managing trading participant; and
i. Documents specified in Rule 206, Item (9)-2 (limited to cases where listed
companies that should prepare consolidated financial statements have
submitted a quarterly report to the Prime Minister, etc.).

(2) Foreign company
Documents referred to in the following Sub-items a. and b.:
a. In cases where, as of the end of the most recent business year, two (2) years
have not passed since the day on which the listed company became a foreign
holding company or carried out a merger (excluding cases in which the
listed company became a foreign holding company as a result of a
transaction in which the business of the listed company was succeeded by
or transferred to another company), if the Exchange deems it necessary, two
(2) copies of financial documents determined by the Exchange to be
necessary; and
b. Documents referred to in Sub-items a., b., and Sub-items f. through i. of the
preceding item (with respect to the provisions of Sub-item f. of the same
item, excluding the documents prescribed in Rule 204, Paragraph 1, Item
(10)).

3. Documents concerning financial calculation specified by the Enforcement Rules
prescribed in Rule 307, Paragraph 4 of the Regulations mean documents referred to
in Item (1), Sub-item e. of the preceding paragraph, to which an audit report based on
audit conducted in compliance with generally accepted auditing standards or a report
prepared for the purpose of stating opinions on combined financial information based
on Exhibit 3 "Standard for Statement of Opinions on Documents Concerning
Combined Financial Information" or other procedures that are deemed reasonable is
attached.

Rule 310. Handling of Formal Requirements for Assignment to the First Section
Market
1. The number of shareholders prescribed in Rule 308, Item 1 of the Regulations, and
the number of tradable shares and the number of listed stocks prescribed in Item 2
of the same rule shall be treated in accordance with each of the following items:

(1) The provisions of Rule 212, Paragraph 1, Item 1 shall be applied mutatis mutandis to cases in which the listed company passed a resolution authorizing disposal, etc. of treasury stocks;

(2) The provisions of Rule 212, Paragraph 1, Item 2 shall be applied mutatis mutandis to cases in which the listed company passed a resolution authorizing cancellation of treasury stocks;

(3) The provisions of Rule 212, Paragraph 1, Item 3 shall be applied mutatis mutandis to the calculation of the number of shareholders prescribed in Rule 308, Item 2, Sub-item b. of the Regulations;

(4) The provisions of Rule 212, Paragraph 1, Item 4 shall be applied mutatis mutandis to the calculation of the number of shareholders as prescribed in Rule 308, Item 1 and the calculation of the number of tradable shares as prescribed in Rule 308, Item 2.

(5) The provisions of Rule 212, Paragraph 1, Item 6 shall be applied mutatis mutandis to the calculation of the number of shareholders as prescribed in Rule 308, Item 1 and the calculation of the number of tradable shares as prescribed in Rule 308, Item 2. In this case, the term "the record date, etc. used for the basis of the calculation of the number of shareholders and the number of tradable shares pursuant to the provisions of Item 4 or the preceding item" shall be deemed to be replaced with "the last record date, etc. (the end of the most recent business year, etc. for foreign stocks, etc.)"

(6) In cases where a listed company purchased own stock pursuant to a resolution authorizing acquisition of own stock, the provisions of Rule 212, Paragraph 1, Item 7, Sub-item a. shall be applied mutatis mutandis to the calculation of the number of shareholders as prescribed in Rule 308, Item 1 of the Regulations. In this case, the terms "the last record date, etc." in Sub-item a. thereof shall be deemed to be replaced with "the last record date, etc. (the end of the most recent business year, etc. for foreign stocks, etc.)"; and

(7) The provisions of Rule 212, Paragraph 1, Item 8 shall be applied mutatis mutandis to the calculation of the number of shareholders as prescribed in Rule 308, Item 1 and the calculation of the number of tradable shares as prescribed in Rule 308, Item 2. In this case, the term "the last record date, etc." and "Table of Distribution Status of Stocks, etc." shall be deemed to be replaced with "the last record date, etc." and "Table of Distribution Status of Stocks, etc. Concerning the Criteria for Assignment of Stocks to the First Section Market", respectively.

2. The market capitalization of the tradable shares as prescribed in Rule 308, Item (2), Sub-item a. (b) of the Regulations means the amount calculated by multiplying the price specified in each of the following items by the number of tradable shares calculated in accordance with the preceding item, pursuant to the classifications referred to in each of the following items:

(1) In cases where the initial listing applicant makes a public offering or secondary distribution;

   Either the expected public offering or secondary distribution price or the lowest
price of said stock, etc. observed for the period of one (1) month from the day two
(2) days prior to the Exchange determines the public offering or secondary
distribution price of the stock, etc. pertaining to the application for alteration of
listing market to the First Section (meaning the lowest price of said stock, etc. among
the daily last prices of trading sessions of the Exchange (or equivalent price in case
of a foreign company); the same shall apply in the following item), whichever is
lower; and

(2) Except for cases specified in the preceding item
The lowest price of said stock, etc. during one (1) month from the day two (2) days
prior to the Exchange determines the public offering or secondary distribution price
of the stock, etc. pertaining to the application for alteration of listing market to the
First Section

3. The handling of the trading volume as prescribed in Rule 308, Item (3) of the
Regulations shall be as specified in each of the following items:

(1) The average monthly trading volume for each of the last three (3) months and
the preceding three (3) months as prescribed in Rule 308, Item (3) of the
Regulations means the per month amount of the total trading volume of the
trading of said issue (including newly issued stocks, etc. pertaining to said
issue) executed inside the market for each of the first three-month period and
second three-month period of a period of six (6) months prior to the last day
of the month preceding the month containing the day of application for
assignment to the First Section Market;

(2) In cases where a listed foreign company (limited to cases of multiple listing)
submitted to the Exchange a document containing the trading volume of said
issue (including newly issued stocks, etc. pertaining to said issue) in a foreign
financial instruments exchange, etc., the trading volume prescribed in Rule
308, Item (3) of the Regulations may be calculated based on the trading
volume in the foreign financial instruments exchange, etc., in lieu of the
trading volume of the trading executed inside the market prescribed in the
preceding item; and

(3) If the number of stocks, etc. per unit has been changed within six (6) months
prior to the last day of the month preceding the month containing the day of
assignment to the First Section Market, the trading volume prescribed in Rule
308, Item (3) of the Regulations before such change shall be calculated based
on the number of stocks, etc. per unit before such change and the trading
volume after such change shall be calculated based on the number of stocks,
etc. per unit after such change.

4. The market capitalization as prescribed in Rule 308, Item (4) of the Regulations
shall be obtained by the following formula.

The market capitalization = the amount obtained by multiplying the price specified
in each of the items of Paragraph 2 in accordance with the classification of the initial
listing applicant referred to in the such items by the expected number of the listed
stock, etc. as of the listing day (see Note 1 below) + the market capitalization (see
Note 2 below) of all other stocks issued by said initial listing applicant (see Note 3

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(Note 1) If the initial listing applicant made initial listing application for multiple types of stocks, etc. simultaneously, the amount calculated for each type of said stocks, etc. shall be aggregated.

(Note 2) This shall be calculated in accordance with the provisions prescribed by the Exchange.

(Note 3) This shall be limited to stocks listed on a financial instruments exchange in Japan or those listed or continuously traded on a foreign financial instruments exchange, etc.

5. The provisions of Rule 212, Paragraph 5 shall be applied mutatis mutandis to the amount of net assets prescribed in Rule 308, Item 5 of the Regulations. In this case, "where the initial listing applicant prepared a 'Quarterly Report for Initial Listing Application' or quarterly report on or after the first day of the business year to which the initial listing application day belongs" in the same paragraph shall be "where the entity applying for assignment to the First Section Market prepared a quarterly report on or after the first day of the business year to which the day of application for assignment to the First Section Market belongs (in the case where the day of assignment to the First Section Market falls within one (1) month from the end of such most recent business year, this shall be the first day of such most recent business year)", "Quarterly Report for Initial Listing Application' or quarterly report" shall be "quarterly report", and "'Securities Report for Initial Listing Application" shall be "most recent securities report".

6. The handling of the amount of profits or market capitalization prescribed in Rule 308, Item 6 of the Regulations shall be prescribed in each of the following items:

(1) The provisions of Rule 212, Paragraph 6, Items 1 through 3 and Items 7 through 14 shall be applied mutatis mutandis to the amount of profits or market capitalization prescribed in Rule 308, Item 6 of the Regulations. In this case, "the first day of the business year to which the initial listing application day belongs" shall be "the first day of the business year to which the day of application for assignment to the First Section Market belongs (in the case where the day of assignment to the First Section Market falls within one (1) month from the end of such most recent business year, this shall be the first day of such most recent business year)", "the end of the most recent business year immediately prior to the initial listing application day" shall be "the end of the most recent business year immediately prior to the initial listing application day (in the case where the day of assignment to the First Section Market falls within one (1) month from the end of such most recent business year, this shall be the end of the business year preceding such most recent business year)"

(2) In cases where the listed company is a foreign company, translation of the amount from the local currency to the Japanese currency shall, as a general rule, be made using the average middle rate between a TTS rate and a TTB rate quoted in the Tokyo Foreign Exchange Market during the period of three
(3) years prior to the end of the most recent business year immediately prior to the day of application for assignment to the First Section Market (in the case where the day of application for assignment to the First Section Market falls within one (1) month from the end of such most recent business year, this shall be the end of the business year preceding such most recent business year; the same shall apply hereinafter in this item.) or said middle rate as of the end of the most recent business year immediately prior to the day of application for assignment to the First Section Market;

(3) "Market capitalization" prescribed in Rule 308, Item 6, Sub-item b. of the Regulations means the market capitalization prescribed in Item 4 of the same rule;

(4) "Sales" prescribed in Rule 308, Item 6, Sub-item b. of the Regulations means the sales stated in the consolidated income statement, etc. (excluding comparative information; the same shall apply hereinafter in this paragraph.) (or income statement (excluding comparative information; the same shall apply hereinafter in this paragraph.) if the listed company is not a company required to prepare consolidated financial statements). However, if the listed company is a company that voluntarily adopts IFRS or to which the provisions of Article 95 of the Consolidated Financial Statements Regulation applies, said "sales" means the amount equivalent to sales stated in the consolidated income statement; and

(5) Notwithstanding the provisions of the preceding item, in cases where the listed company is a foreign company, if the listed company presented its consolidated financial statements as its financial documents, "sales" prescribed in Rule 308, Item 6, Sub-item b. of the Regulations means the amount equivalent to sales stated in the consolidated income statement, etc.; and if the listed company did not present its consolidated financial statements as its financial documents, said "sales" means the amount equivalent to sales stated the income statement.

7. The handling of the false statement or adverse opinion, etc. prescribed in Rule 308, Item (7) of the Regulations shall be prescribed in each of the following items:

(1) With respect to financial statements, etc. and quarterly financial statements, etc. referred to in Rule 308, Item (7) of the Regulations, if there are any business years, consolidated accounting years, quarterly accounting years, or quarterly consolidated accounting years for which audit or quarterly review by a certified public accountant or audit firm has not been conducted, such business years, consolidated accounting years, quarterly accounting years, or quarterly consolidated accounting years shall be excluded; and

(2) The provision of Rule 212, Paragraph 7, Items (1) and (5) shall be applied mutatis mutandis to cases prescribed in Rule 308, Paragraph 7 of the Regulations. In this case, the term "audit report" in Rule 212, Paragraph 7, Item (1), Sub-item a. and the term "audit report" in Rule 212, Paragraph 7, Item (1), Sub-item b. shall be deemed to be replaced with "audit report or quarterly review report" and "audit report (excluding those attached to the financial statements, etc. for the most recent business year or the most recent
Rule 310-2. Standard Examination Period for Assignment to the First Section Market

The "period specified by the Enforcement Rules" prescribed in Rule 309, Paragraph 3 of the Regulations shall be three (3) months after the Exchange begins processing the application for assignment to the First Section Market.

Section 3
Reassignment

Rule 311. Requirements and Timing for Reassignment

1. The handling of the number of shareholders prescribed in Rule 311, Paragraph 1, Item 1 of the Regulations and the number of tradable shares prescribed in Rule 311, Paragraph 1, Item 2 thereof and the timing of reassignment in cases where the stocks assigned to the First Section Market fall under Rule 311, Paragraph 1, Item 1 or 2 thereof shall be prescribed in each of the following items:

(1) Handling of the number of shareholders and the number of tradable shares
   a. "Does not reach at least 2,000 within a year" prescribed in Rule 311, Paragraph 1, Item 1 of the Regulations and "does not reach at least 10,000 units within a year" prescribed in Rule 311, Paragraph 1, Item 2, Sub-item a. thereof means that the number of shareholders does not reach at least 2,000 or the number of tradable shares does not reach at least 10,000 units within the period from the day immediately following the end of a business year that is subject to examination to the day on which one (1) year has passed since that day (or, if the day on which one year has passed since that day does not coincide with the ending date of a business year of the listed company, the first ending date of a business year falling after such day) (hereinafter in this paragraph and the following paragraph referred to as "grace period");
   a-2. With regards to the application of the provisions of the preceding sub-item a pertaining to an issue whose shareholder, etc. record date is changed to a date other than the end of a business year within the grace period and an issue whose shareholder, etc. record date is not the end of a business year, the number of shareholders and tradable shares as of the shareholder, etc. record date pertaining to the business year to which the last day of the grace period belongs shall be deemed to be the number of shareholders and tradable shares as of the last day of the grace period.
   b. The number of shareholders prescribed in Rule 311, Paragraph 1, Item 1 of the Regulation and the number of tradable shares prescribed in Rule 311, Paragraph 1, Item 2 thereof shall be in accordance with the distribution status of stocks, etc. contained in securities reports submitted by the listed company or the "Table of Distribution of Stocks, etc." submitted by the listed company pursuant to the provisions of Rule 423, Paragraph 1;
b-2. Where a listed company carries out a stock split, gratis allotment of shares (limited to cases where the same class of stock as stock pertaining to listed shares, etc. is allotted), reverse stock split, or change in the number of shares per Share Unit, and the Exchange deems appropriate, the Exchange calculates the number of shareholders prescribed in Rule 311, Paragraph 1, Item 1 and the number of tradable shares prescribed in Item 2 of the same paragraph in consideration of influences of such stock split, gratis allotment of shares, reverse stock split, or change in the number of shares per Share Unit;

c. The provisions of Rule 212, Paragraph 1, Item 1 shall be applied mutatis mutandis to cases in which the listed company passed a resolution authorizing disposal, etc. of treasury stock;

d. In cases where a listed company submitted a document containing matters concerning shareholders, etc. that were prescribed by the Exchange within three (3) months of the record date, etc., the provisions of Rule 212, Paragraph 1, Item 3 shall be applied mutatis mutandis to the calculation of the number of shareholders prescribed in Rule 311, Paragraph 1, Item 1 of the Regulations;

e. For the purpose of calculating the number of shareholders prescribed in Rule 311, Paragraph 1, Item 1 of the Regulations, in cases where there are stocks, etc. in the account of a bank engaging in the trust business that are entrusted in a trustor-instructed investment trust or specified money trust, if the listed company submitted a document containing matters concerning a trustor of such trustor-instructed investment trust or specified money trust that were prescribed by the Exchange within three (3) months after the record date, etc., such trustor may be deemed to be the shareholder holding the stocks, etc. pertaining to the entrustment in such trustor-instructed investment trust or specified money trust;

f. With respect to a stock whose number of shareholders is less than 2,000 as prescribed in Rule 311, Paragraph 1, Item 1 of the Regulations, if the stock satisfies the conditions prescribed in either of the following (a) or (b) within the grace period (in the case of an issue whose shareholder, etc. record date is changed to a date other than the end of a business year within the grace period, it means the period from the following day of the end of a business year subject to examination to a shareholder, etc. record date pertaining to a business year to which the last day of the grace period belongs, and in the case of an issue whose shareholder, etc. record date is not the end of a business year, it means the period from the following day of a shareholder, etc. record date pertaining to a business year subject to examination to a shareholder, etc. record date pertaining to a business year to which the last day of the grace period belongs; the same shall apply to the following sub-item g.), the stock shall be treated as if the number of its shareholders reached at least 2,000. The examination in this case shall be conducted when the listed company submitted a document containing matters prescribed by the Exchange:
(a) Where it is determined that the number of shareholders as of the record date, etc. has reached at least 2,000; and
(b) Where the sum of the number of shareholders as of the record date, etc. immediately prior to a public offering, secondary distribution, or distribution with a quantitative limit of stocks, etc. made by the listed company, if any, and the number of shareholders pertaining to such public offering, secondary distribution, or distribution with a quantitative limit (in case of a distribution with a quantitative limit, the number of shareholders permitted by the Exchange) reached at least 2,000;

(g) If a stock whose number of tradable shares prescribed in Rule 311, Paragraph 1, Item 2, Sub-item a. of the Regulations is less than 10,000 units satisfies the conditions prescribed in either of the following (a) or (b) within the grace period, the stock shall be treated as if the number of its tradable shares reached at least 10,000 units. The examination in this case shall be conducted when the listed company submitted a document containing matters prescribed by the Exchange;

(a) Where it is determined that the number of tradable shares as of the record date, etc. has reached at least 10,000 units; and
(b) Where the sum of the number of tradable shares as of the record date, etc. immediately prior to a public offering, secondary distribution, or distribution with a quantitative limit of stocks, etc. made by the listed company, if any, and the number of stocks, etc. pertaining to such public offering, secondary distribution, or distribution with a quantitative limit (excluding those that will evidently not be tradable shares) reached at least 10,000 units;

(h) With respect to a stock whose number of shareholders is less than 2,000 as prescribed in Rule 311, Paragraph 1, Item 1 of the Regulations, in cases where a listed company passed, by the day on which three (3) months have passed from the day immediately following the ending date of the grace period, a resolution (including a decision made by a director in the case of a company with audit and supervisory committee or by an executive officer in the case of a company with nominating committee, etc.; the same shall apply hereinafter in this Sub-item h.) authorizing a stock split (see Note 1 below) or gratis allotment of shares (see Note 2 below) to be carried out by the first day of the fifth month after the month containing the ending date of the grace period and submitted a document containing matters prescribed by the Exchange, if the sum of the number of shareholders as of the last record date, etc. and the number of shareholders who held only less than one (1) unit of the stock, etc. as of the last record date, etc. but are to hold not less than one (1) unit of the stock, etc. as a result of said stock split or gratis allotment of shares reaches at least 2,000, the stock shall be treated as if the number of its shareholders reached at least 2,000 as of the date of said resolution (or as of the end of the business year subject to examination, if said resolution was passed before the end of the business year subject to
examination; or the ending date of the grace period, if said resolution was passed after the expiration of the grace period;
(Note 1) This is limited to cases in which it is deemed that a stock split has substantially been carried out, if an increase in the number of shares per Share Unit has simultaneously been carried out.
(Note 2) This is limited to those in which the same class of stocks as the stocks pertaining to listed stocks, etc. are allotted and limited to cases in which it is deemed that such gratis allotment of shares has substantially been carried out, if an increase in the number of shares per Share Unit has simultaneously been carried out.

i. With respect to a stock whose number of shareholders is less than 2,000 as prescribed in Rule 311, Paragraph 1, Item 1 of the Regulations, in cases where a listed company passed, by the day on which three (3) months have passed from the day immediately following the ending date of the grace period, a resolution (including a decision made by a director in case the of a company with audit and supervisory committee or by an executive officer in the case of a company with nominating committee, etc., and a resolution of the general meeting of shareholders if said change in the number of shares per Share Unit is submitted to the general meeting of shareholders for decision; the same shall apply hereinafter in this Sub-item i.) authorizing a reduction in the number of shares per Share Unit to be carried out by the first day of the fifth month after the month containing the ending date of the grace period and submitted a document containing matters prescribed by the Exchange, if the sum of the number of shareholders as of the last record date, etc. and the number of shareholders who held only less than one (1) unit of the stock, etc. as of the last record date, etc. but are to hold not less than one (1) unit of the stock, etc. as a result of said change in the number of shares per Share Unit reaches at least 2,000, the stock shall be treated as if the number of its shareholders reached at least 2,000 as of the date of said resolution (or as of the end of the business year subject to examination, if said resolution was passed before the end of the business year subject to examination; or the ending date of the grace period, if said resolution was passed after the expiration of the grace period);

j. In cases where a listed company notifies the Exchange of the results, etc. of a public offering, secondary distribution, or distribution with a quantitative limit made by the listed company during the period from the day immediately following the last day of the grace period (a shareholder, etc. record date pertaining to a business year to which the last day of the grace period belongs for a listed company whose shareholder, etc. record date is changed to a date other than the end of a business year within the grace period and a listed company whose shareholder, etc. record date is not the end of a business year) to the day on which three (3) months have passed since the expiration of the grace period, if the listed company submitted documents certifying the results of said public offering, secondary distribution, or distribution with a quantitative limit within said period, the

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number of shareholders prescribed in Rule 311, Paragraph 1, Item 1 of the Regulations and the number of tradable shares prescribed in Rule 311, Paragraph 1, Item 2 thereof shall be handled in accordance with the provisions of the following Sub-items (a) and (b);

(a) For the purpose of calculating the number of shareholders, the sum of the number of shareholders presented in the "Table of Distribution of Stocks, etc." submitted by the listed company to the Exchange and the number of shareholders pertaining to said public offering, secondary distribution, or distribution with a quantitative limit (in case of a distribution with a quantitative limit, the number of shareholders permitted by the Exchange) shall be deemed to be the number of shareholders as of the ending date of the grace period; and

(b) For the purpose of calculating the number of tradable shares, the sum of the number of tradable shares presented in the "Table of Distribution of Stocks, etc." submitted by the listed company to the Exchange and the number of stocks, etc. pertaining to said public offering, secondary distribution, or distribution with a quantitative limit (excluding those that will evidently not be tradable shares) shall be deemed to be the number of tradable shares as of the ending date of the grace period; and

(2) Timing of reassignment
If the number of shareholders or the number of tradable shares falls under Rule 311, Paragraph 1, Item 1 of the Regulations or Rule 311, Paragraph 1, Item 2, Sub-item a. thereof, reassignment shall, as a general rule, take effect on the first day of the fifth month after the month containing the ending date of the grace period.

2. The handling of the market capitalization of tradable shares prescribed in Rule 311, Paragraph 1, Item 2, Sub-item b. of the Regulations and the timing of reassignment in cases where stocks assigned to the First Section Market fall under the same sub-item shall be prescribed in each of the following items:

(1) Handling of the market capitalization of tradable shares
a. "Where the market capitalization of tradable shares is less than JPY 1 billion as of the end of a business year of a listed company" prescribed in Rule 311, Paragraph 1, Item 2, Sub-item b. of the Regulations means where the number obtained by multiplying the last price of said stock, etc. of the trading session of the Exchange as of the end of a business year of the listed company (a shareholder, etc. record date for a listed company to which Paragraph 2 of the same rule applies; the same shall apply in this Sub-item a.) (or, if there is no such last price, the most recent last price) by the number of tradable shares prescribed in Rule 311, Paragraph 1, Item 2, Sub-item a. thereof as of the end of a business year of the listed company is less than JPY 1 billion;

b. "Where the market capitalization of tradable shares...does not reach at least JPY 1 billion within a year" prescribed in Rule 311, Paragraph 1, Item 2, Sub-item b. of the Regulations means where such market capitalization of tradable shares does not reach at least JPY 1 billion within the grace period.
b-2. With regards to the application of the provisions of the preceding sub-item b. pertaining to an issue whose shareholder, etc. record date is changed to a date other than the end of a business year within the grace period and an issue whose shareholder, etc. record date is not the end of a business year, the market capitalization of tradable shares as of the shareholder, etc. record date pertaining to a business year to which the last day of the grace period belongs shall be deemed to be the market capitalization of tradable shares as of the last day of the grace period.

c. If a stock, whose market capitalization of tradable shares prescribed in Rule 311, Paragraph 1, Item 2, Sub-item b. of the Regulations is less than JPY 1 billion, satisfies the conditions prescribed in either of the following (a) or (b) within the grace period (in the case of an issue whose shareholder, etc. record date is changed to a date other than the end of a business year within the grace period, it means the period from the following day of the end of a business year subject to examination to a shareholder, etc. record date pertaining to a business year to which the last day of the grace period belongs, and in the case of an issue whose shareholder, etc. record date is not the end of a business year, it means the period from the following day of a shareholder, etc. record date pertaining to a business year subject to examination to a shareholder, etc. record date pertaining to a business year to which the last day of the grace period belongs), the stock shall be treated as if the market capitalization of its tradable shares reached at least JPY 1 billion. The examination in this case shall be conducted when the listed company submitted a document containing matters prescribed by the Exchange;

(a) Where it is found that the amount obtained by multiplying the last price of said stock, etc. of the trading session of the Exchange as of the record date, etc. (or, if there is no such last price, the most recent last price) by the number of tradable shares prescribed in Rule 311, Paragraph 1, Item 2, Sub-item a. of the Regulations as of the record date, etc. reached at least JPY 1 billion; and

(b) Where the amount obtained by multiplying the last price of said stock, etc. of the trading session of the Exchange as of the day on which a public offering, secondary distribution, or distribution with a quantitative limit of stocks, etc. was made by the listed company, if any, (or, if there is no such last price, the most recent last price) by the sum of the number of tradable shares as of the record date, etc. immediately prior to such public offering, secondary distribution, or distribution with a quantitative limit of stocks, etc. and the number of stocks, etc. pertaining to such public offering, secondary distribution, or distribution with a quantitative limit (excluding those that will evidently not be tradable shares) reached at least JPY 1 billion.

d. In cases where a listed company notifies the Exchange of the results, etc. of a public offering, secondary distribution, or distribution with a quantitative limit conducted by the listed company during the period from the following...
day of the last day of the grace period (for a listed company whose shareholder, etc. record date is changed to a date other than the end of a business year within the grace period and for a listed company whose shareholder, etc. record date is not the end of a business year, it means the shareholder, etc. record date pertaining to a business year to which the last day of the grace period belongs) to the day on which three (3) months have passed from the expiration of said grace period, if the listed company submitted documents certifying the results of said public offering, secondary distribution, or distribution with a quantitative limit within said period, the market capitalization of tradable shares prescribed in Rule 311, Paragraph 1, Item 2, Sub-item b. of the Regulations shall be handled as follows:

For the purpose of calculating the market capitalization of tradable shares, the amount obtained by multiplying the last price of said stock, etc. of the trading session of the Exchange as of the day on which said public offering, secondary distribution, or distribution with a quantitative limit of stocks, etc. (if there is no such last price, the most recent last price) was made by the sum of the number of tradable shares presented in the "Table of Distribution of Stocks, etc." submitted by the listed company to the Exchange and the number of stocks, etc. pertaining to said public offering, secondary distribution, or distribution with a quantitative limit (excluding those that will evidently not be tradable shares) shall be deemed to be the market capitalization of tradable shares as of the ending date of the grace period;

(2) Timing of reassignment

If the market capitalization of tradable shares falls under Rule 311, Paragraph 1, Item 2, Sub-item b. of the Regulations, reassignment shall, as a general rule, take effect on the first day of the fifth month after the month containing the ending date of the grace period.

3. The handling of the trading volume prescribed in Rule 311, Paragraph 1, Item 3 of the Regulations and the timing of reassignment in cases where stocks assigned to the First Section Market fall under the same item shall be prescribed in each of the following items:

(1) Handling of the trading volume

a. The provisions of Rule 311, Paragraph 1, Item 3 of the Regulations shall not apply before the day on which one (1) year has passed from the day on which assignment was made to the First Section Market. In this case, for the purpose of the day on which one (1) year has passed from the day on which assignment was made, if the day on which assignment was made was not the first day of the month due to it falling on a non-business day, it is deemed that assignment was made on the first day of the month;

b. "The average monthly trading volume of a listed stock, etc. during a year before the end of December of every year" prescribed in Rule 311, Paragraph 1, Item 3 of the Regulations means the per month amount of the total trading volume of the trading of said issue (including newly issued
stocks, etc. pertaining to said issue) executed inside the market during a
year before the end of December of every year; and

c. If the number of stocks, etc. per unit has been changed within a year before
the end of December of every year, the trading volume prescribed in Rule
311, Paragraph 1, Item 3 of the Regulations before such change shall be
calculated based on the number of stocks, etc. per unit before such change
and the trading volume after such change shall be calculated based on the
number of stocks, etc. per unit after such change.

(2) Timing of reassignment

If such trading volume falls under Rule 311, Paragraph 1, Item 3 of the
Regulations, reassignment shall take effect as of the first day of February of the
following year.

4. The handling of the market capitalization prescribed in Rule 311, Paragraph 1, Item
(4) of the Regulations and the timing of reassignment in cases where stocks assigned
to the First Section Market fall under the same item shall be prescribed in each of the
following items:

(1) Handling of the market capitalization

a. "Where the market capitalization of a listed stock, etc. is less than JPY 2
billion" prescribed in Rule 311, Paragraph 1, Item (4) of the Regulations
means where the amount referred to in the following (a) or (b) is less than
JPY 2 billion:

(a) Average monthly market capitalization (meaning the sum of average of
the amount obtained by multiplying the daily last prices of said stock,
etc. of the trading session of the Exchange by the number of listed
stocks, etc. as of the respective day (see Note below) (hereinafter
referred to as "average monthly listed market capitalization") (if the
listed company has listed multiple classes of stocks, etc., the amount
calculated for each class of said stocks, etc. shall be aggregated) and the
average market capitalization (as calculated in accordance with the
provisions prescribed by the Exchange) of all other stocks issued by
said listed company (limited to those listed on a financial instruments
exchange in Japan or those listed or continuously traded on a foreign
financial instruments exchange, etc.); the same shall apply hereinafter
in this paragraph); and

(Note) In cases where the listed company carries out a stock split,
gratis allotment of shares (limited to those in which the same
class of stocks as the stocks pertaining to listed stocks, etc.
are allotted) or reverse stock split, the number of stocks to be
increased/decreased as a result of such stock split, gratis
allotment of shares or reverse stock split shall be
added/deducted as of the day that is one (1) day (excluding
non-business days) prior to the record date for rights (or, if
the record date for rights falls on a non-business day, the day
that is two (2) days (excluding non-business days) prior to
(b) Month-end market capitalization (meaning the sum of the amount obtained by multiplying the last price of said stock, etc. of the trading session of the Exchange as of the last day of every month (or, if there is no such last price, the most recent last price) by the number of listed stocks, etc. as of such last day (hereinafter referred to as "month-end listed market capitalization") (if the listed company has listed multiple classes of stocks, etc., the amount calculated for each class of said stocks, etc. shall be aggregated) and the market capitalization of all other stocks issued by said listed company (limited to those listed on a financial instruments exchange in Japan or those listed or continuously traded on a foreign financial instruments exchange, etc.) as of such last day (as calculated in accordance with the provisions prescribed by the Exchange); the same shall apply hereinafter in this paragraph).

b. In cases where the listed company is a foreign company and the Exchange determines that it is not appropriate to calculate the market capitalization prescribed in Rule 311, Paragraph 1 Item 4 of the Regulations using the last prices of the stock, etc. of the trading sessions of the Exchange prescribed in the preceding sub-item, the term "last prices" and "last price… (or, if there is no such last price, the most recent last price)" in the preceding sub-item shall be deemed to be replaced with "base price(s)";

c. "Where the market capitalization of a listed stock, etc….does not reach at least JPY 2 billion within nine (9) months (three (3) months in cases where the company does not submit to the Exchange a document containing the present status of the business, future development, improvement of business plan and other matters deemed necessary by the Exchange within three (3) months)" prescribed in Rule 311, Paragraph 1, Item 4 of the Regulations means where the average monthly market capitalization and month-end market capitalization do not reach at least JPY 2 billion for every month during a period of nine (9) months from the day immediately following the last day of the month in which such market capitalization fell under Sub-item a. (or during a period of three (3) months from such day in cases where the company does not submit to the Exchange a document containing the present status of the business, future development, improvement of business plan and other matters deemed necessary by the Exchange within three (3) months of such day); and

d. In cases where the Exchange deems it necessary for the purpose of judging the applicability of the provisions of Rule 311, Paragraph 1, Item 4 of the Regulations, a listed company shall submit to the Exchange a document containing the daily number of listed stock, etc. for each month that is subject to examination by the beginning of the following month.

(2) Timing of reassignment
If the market capitalization falls under Rule 311, Paragraph 1, Item 4 of the Regulations, reassignment shall take effect on the first day of the second month after the last day of the month in which the market capitalization fell under the same item.

5. The handling of liabilities in excess of assets prescribed in Rule 311, Paragraph 1, Item (5) of the Regulations and the timing of reassignment in cases where stocks assigned to the First Section Market fall under the same item shall be prescribed in each of the following items:

(1) Handling of liabilities in excess of assets

a. "Status of liabilities in excess of assets" prescribed in Rule 311, Paragraph 1, Item 5 of the Regulations means cases in which the amount of net assets calculated based on the consolidated balance sheet (meaning the amount obtained by adding the total amount of the net assets section of the consolidated balance sheet prepared in accordance with the Consolidated Financial Statements Regulations and the amount of reserves, etc. prescribed in Article 45-2, Paragraph 1 thereof and deducting the amount for subscription warrants and non-controlling interest presented in said net assets section; the same shall apply hereinafter in this paragraph), or in cases of a listed company that is not one that should prepare consolidated financial statements (excluding comparative information; the same shall apply hereinafter in this paragraph), the amount of net assets calculated based on the balance sheet (meaning the amount obtained by adding the total amount of the net assets section of the consolidated balance sheet prepared in accordance with the provisions of the Financial Statements, etc. Regulations and the amount of reserves, etc. prescribed in Article 54-3, Paragraph 1 thereof, and deducting the amount of subscription warrants presented in said net assets section; the same shall apply hereinafter in this paragraph) is negative. However, if the listed company is a company that voluntarily adopts IFRS or a company to which the provisions of Article 95 of the Consolidated Financial Statements Regulation applies, such cases mean those where the amount equivalent to the net asset amount calculated based on such consolidated balance sheet (in the case of a listed company that is not one that should prepare consolidated financial statements, the amount of net assets calculated based on such balance sheet) (meaning the amount that excludes the effects of different accounting standards (limited to amounts deemed necessary by the Exchange) is negative;

b. For purposes of applying the provisions of Rule 311, Paragraph 1, Item 5 of the Regulations, in cases where the amount of net assets is affected by the audit opinion of a certified public accountant or audit firm, the amount of net assets after adjustments based on such opinion shall be subject to examination, unless it is accepted that the amount of net assets before such adjustments reflects a change in accounting standard adopted for a justifiable reason;

c. Examination for determining whether a listed company falls under cases deemed appropriate by the Exchange prescribed in the proviso of Rule 311,
Paragraph 1, Item 5 of the Regulations shall be conducted on listed companies that publicized a restructuring plan (including management plans to clear the status of liabilities in excess of assets within a year prescribed in the proviso of Rule 311, Paragraph 1, Item 5 of the Regulations) before the listed company discloses the details of the account settlement for the business year subject to examination (account settlement for such consolidated accounting year, if the listed company is a company required to prepare consolidated financial statements; otherwise, account settlement for such business year) pursuant to the provisions of Rule 404 of the Regulations based on the restructuring plan submitted by the listed company and the documents specified in the following (a) and (b);

(a) Documents specified in the following (i) through (iii) in accordance with the cases referred to in the classifications of (i) through (iii):

(i) Where the listed company undertakes rehabilitation proceedings or reorganization proceedings pursuant to the provisions of laws: Document certifying that said restructuring plan has been approved by the court as a rehabilitation plan or reorganization plan;

(ii) Where the listed company undertakes business revitalization based on the specific certified dispute resolution procedures prescribed in Article 2, Paragraph 16 of the Industrial Competitiveness Enhancement Act (Act No. 98 of 2013) (including cases based on the specified conciliation procedures to which the special rules prescribed in Article 52 of the Industrial Competitiveness Enhancement Act apply when such specific certified dispute resolution procedures are implemented): Document certifying that said restructuring plan was established in accordance with such procedures; and

(iii) Where the listed company undertakes workouts based on the "Guidelines for Multi-Creditor Out-of-Court Workouts" formulated by the Study Group on Multi-Creditor Out-of-Court Workouts:

Document containing a statement by creditors that said restructuring plan has been established in accordance with the guideline;

(b) Document containing a statement by a certified public accountant, etc., that material matters, etc. underlying the management plan to clear the status of liabilities in excess of assets within a year prescribed in the proviso of Rule 311, Paragraph 1, Item 5 of the Regulations have been examined by the certified public accountant, etc. prescribed in Rule 402, Item 1, Sub-item a. (j);

d. "Within a year" prescribed in the proviso of Rule 311, Paragraph 1, Item 5 of the Regulations means within a period until the day on which one (1) year has passed since the day immediately following the end of the business year subject to examination (or, if such day does not fall on the ending date of a business year of the listed company, within a period until the first...
ending date of a business year after such day).

(2) Timing of reassignment
If the listed company falls under Rule 311, Paragraph 1, Item 5 of the Regulations, reassignment shall, as a general rule, take effect on the first day of the fifth month after the ending date of the business year subject to examination.

Rule 312. Requirements and Timing for Reassignment of a Foreign Company in Case of Multiple Listing

1. The handling of the circulation status prescribed in Rule 311, Paragraph 4, Item (1) of the Regulations and the timing of reassignment in cases where stocks assigned to the First Section Market fall under the same item shall be prescribed in each of the following items:

(1) Handling of the circulation status:
Determination of whether the circulation status of a listed foreign stock, etc. is deemed to be adequate as prescribed in Rule 311, Paragraph 4, Item (1) of the Regulations shall be made in accordance with the provisions of the following Sub-items a. through c.:

a. In cases where the number of listed stocks, etc. is less than 20,000 units, the circulation status of a listed foreign stock, etc. shall not be deemed to be adequate;

b. If a listed foreign stock, etc. does not fall under the preceding Sub-item a., determination of whether the circulation status of the listed foreign stock, etc. in a foreign financial instruments exchange, etc. is deemed to be adequate shall be made in consideration of matters referred to in the following (a) and (b);

(a) The number of holders who hold more than a trading unit of the foreign stocks, etc. in a foreign financial instruments exchange, etc. of the listed issue and the number of foreign stocks, etc. held by such holders; and

(b) Status of trading execution in the foreign financial instruments exchange, etc. of the listed issue:
(Note) In cases where the average monthly trading volume in the foreign financial instruments exchange, etc. during the last year is not less than 40 units, the circulation status of such issue in the foreign financial instruments exchange, etc. shall be deemed to be adequate;

c. In cases where the circulation status of such issue in the foreign financial instruments exchange, etc. is not deemed to be adequate pursuant to the preceding Sub-item b., the circulation status of a listed foreign stock, etc. prescribed in Rule 311, Paragraph 4, Item 1 of the Regulations shall not be deemed to be adequate; provided, however, that this provision shall not apply if it is deemed inappropriate to effect reassignment after considering the circulation status in the Exchange or other relevant facts.

(2) Timing of reassignment
If the circulation status of an issue assigned to the First Section Market that is a foreign stock, etc. falls under Rule 311, Paragraph 4, Item 1 of the Regulations,
reassignment shall take effect on the first day of the second month after the last
day of the month in which the circulation status of said foreign stock, etc. fell
under the same item.

2. The provisions of Paragraph 4, Item 2 of the preceding rule and the provisions of
Paragraph 5, Item 2 of the same rule shall be applied mutatis mutandis to cases in
which the circulation status of an issue assigned to the First Section Market that is a
foreign stock, etc. falls under Rule 311, Paragraph 1, Item 4 or Item 5 of the
Regulations pursuant to the provisions of Paragraph 4, Item 2 of the same rule,
respectively.

Section 4
Alteration of Markets

Sub-section 1
Alteration of Listing Market to Main Market

Rule 313. Handling of Application for Alteration of Listing Market

1. The "Written Oath Pertaining to Application for Alteration of a Listing Market"
prescribed in Rule 312, Paragraph 3 of the Regulations shall be prepared using the
attached forms: Form 1-14 for a domestic company and Form 1-15 for a foreign
company.

2. "Documents specified by the Enforcement Rules" prescribed in Rule 312, Paragraph
4 of the Regulations shall be the documents prescribed in each of the following items
in accordance with the types of listed company referred to in the following items:
(1) Domestic company

   Documents referred to in the following Sub-items a. through c.:
   a. Two (2) copies of "Securities Report for Application for Alteration of a
      Listing Market" containing matters concerning the business group to which
      the applicant for alteration of its listing market belongs and the status of its
      accounts, other important matters concerning the substance of the business,
      etc.;
   b. Documents that are equivalent to documents referred to in Rule 204,
      Paragraph 1, Item (1), Item (6), Item (7), Item (10), Items (12) through (18),
      Items (21) and (27); and
   c. Documents specified in Rule 206, Item (9)-2 (limited to cases where listed
      companies that should prepare consolidated financial statements have
      submitted a quarterly report to the Prime Minister, etc.).

(2) Foreign company

   Documents referred to in the following Sub-items a. through c.:
   a. Two (2) copies of "Securities Report for Application for Alteration of a
      Listing Market" containing matters concerning the business group to which
      the applicant for alteration of its listing market belongs and the status of its
      accounts, other important matters concerning the substance of the business,
      etc.;
   b. Documents that are equivalent to documents referred to in Rule 204,
Paragraph 1, Items (1), (6), (7), (12), and (21) and Rule 204, Paragraph 2, Items (4) through (8); and

3. "Securities Report for Application for Alteration of a Listing Market" referred to in Item (1), Sub-item a. and Item (2), Sub-item a. of the preceding paragraph shall be prepared in accordance with the provisions of each of the following items:

   (1) "Securities Report for Application for Alteration of a Listing Market" shall consist of Part I and Part II, if the applicant for alteration of its listing market is a domestic company, and it shall consist of Part I and other documents determined by the Exchange to be appropriate for purposes of examination of alteration of the listing market, if the applicant for alteration of its listing market is a foreign company;

   (2) "Securities Report for Application for Alteration of a Listing Market (Part I)" shall contain the same information as the securities report for the most recent business year; and

   (3) The provisions of Rule 204, Paragraph 1, Item 4, Sub-item b-2 and Rule 207, Paragraph 1, Item 3 shall be applied mutatis mutandis to "Securities Report for Application for Alteration of a Listing Market (Part I)". In this case, "the computation for 'last' shall be counted retroactively from the end of the most recent business year immediately prior to the initial listing application day; the same shall apply hereinafter in this Chapter." in Rule 204, Paragraph 1, Item 4, Sub-item b-2 shall be "the computation for 'last' shall be counted retroactively from the end of the most recent business year immediately prior to the day of application for alteration of a listing market (meaning the end of the business year preceding such most recent business year in the case of the day of application for alteration of a listing market falling within one (1) month counting from the end of such most recent business year)".

4. "Documents concerning financial calculation prescribed by the Enforcement Rules" prescribed in Rule 312, Paragraph 5 of the Regulations shall be documents that are equivalent to the documents referred to in each item of Rule 209 among documents to be attached pursuant to the provisions of Paragraph 2, Item (1), Sub-item b. or Item (2), Sub-item b., and the reports prescribed in each of said items shall be attached thereto.

Rule 313-2. Handling of Formal Requirements for Alteration of Listing Market

1. The provisions of Rule 212, Paragraph 5 shall be applied mutatis mutandis to the amount of net assets prescribed in Rule 205, Item (5) of the Regulations applied mutatis mutandis to the provisions of Rule 313 of the Regulations. In this case, "case where the initial listing applicant prepared a "Quarterly Report for Initial Listing Application" or quarterly report on or after the first day of the business year to which the initial listing application day belongs" shall be "Quarterly Report for Application for Alteration of Listing Market" or quarterly report on or after the first day of the
business year to which the day of application for alteration of a listing market belongs (in the case where the day of application for alteration of a listing market falls within one (1) month counting from the end of such most recent business year, this shall be the first day of such most recent business year"), "Quarterly Report for Initial Listing Application' or quarterly report" shall be "quarterly report", and "Securities Report for Initial Listing Application" shall be "most recent securities report".

2. The provisions of Rule 212, Paragraph 6 shall be applied mutatis mutandis to the amount of profits or market capitalization prescribed in Rule 205, Item 6 of the Regulations applied mutatis mutandis to the provisions of Rule 313 of the Regulations. In this case, "the first day of the business year containing the initial listing application day" in the same paragraph shall be "the first day of the business year immediately prior to the day of application for alteration of a listing market (in the case where the day of application for alteration of a listing market falls within one (1) month counting from the end of such most recent business year, this shall be the first day of such most recent business year)"), "the end of the most recent business year immediately prior to the initial listing application day" shall be "the end of the most recent business year containing the initial listing application day".

3. The provisions of Rule 212, Paragraph 7 shall be applied mutatis mutandis to false statement or adverse opinion prescribed in Rule 205, Item 7 of the Regulations applied mutatis mutandis to the provisions of Rule 313 of the Regulations. In this case, "the end of the most recent business year immediately prior to the initial listing application day" in the same paragraph shall be "the end of the most recent business year immediately prior to the day of application for alteration of a listing market (in the case where the day of alteration of a listing market falls within one (1) month counting from the end of the most recent business year, this shall be the end of the business year preceding such most recent business year)".

Rule 313-3. Standard Examination Period for Alteration of Listing Market
The "period specified by the Enforcement Rules" prescribed in Rule 313, Paragraph 3 of the Regulations shall be three (3) months after the Exchange begins processing the application for alteration of a listing market.

Sub-section 2
Alteration of Listing Market to Mothers

Rule 313-4. Handling of Application for Alteration of Listing Market
1. The "Written Oath Pertaining to Application for Alteration of a Listing Market" prescribed in Rule 313-2, Paragraph 3 of the Regulations shall be prepared using the attached forms: Form 1-14 for a domestic company and Form 1-15 for a foreign company.

2. "Documents specified by the Enforcement Rules" prescribed in Rule 313-2, Paragraph 4 of the Regulations shall be the documents prescribed in each of the following items in accordance with the types of listed company referred to in the following items:
   (1) Domestic company
Documents referred to in the following Sub-items a. through c.:

a. Two (2) copies of "Securities Report for Application for Alteration of a Listing Market" containing matters concerning the business group to which the applicant for alteration of its listing market belongs and the status of its accounts, other important matters concerning the substance of the business, etc.;

b. Documents that are equivalent to documents referred to in Rule 204, Paragraph 1, Items (1), (6), (10), (12), (21), and (27); and

c. Documents that are equivalent to documents referred to in Rule 219, Paragraph 1, Items (3) through (7).

(2) Foreign company

Documents referred to in the following Sub-items a. through c.:

a. Two (2) copies of "Securities Report for Application for Alteration of a Listing Market" containing matters concerning the business group to which the applicant for alteration of its listing market belongs and the status of its accounts, other important matters concerning the substance of the business, etc.;

b. Documents that are equivalent to documents referred to in Rule 204, Paragraph 1, Items (6), (7), (12), and (21) and Paragraph 2, Items (4) through (6) and (8) thereof; and

c. Documents specified in Rule 206, Item (9)-2 (limited to cases where listed companies that should prepare consolidated financial statements have submitted a quarterly report to the Prime Minister, etc.).

3. "Securities Report for Application for Alteration of a Listing Market" referred to in Item (1), Sub-item a. and Item (2), Sub-item a. of the preceding paragraph shall be prepared in accordance with the provisions of each of the following items:

(1) "Securities Report for Application for Alteration of a Listing Market" shall consist of Part I and other documents determined by the Exchange to be appropriate for purposes of examination of alteration of the listing market;

(2) "Securities Report for Application for Alteration of a Listing Market (Part I)" shall contain the same information as the securities report for the most recent business year; and

(3) The provisions of Rule 204, Paragraph 1, Item 4, Sub-item b-2 and Rule 207, Paragraph 1, Item 3 shall be applied mutatis mutandis to "Securities Report for Application for Alteration of a Listing Market (Part I)". In this case, "the computation for 'last' shall be counted retroactively from the end of the most recent business year immediately prior to the initial listing application date; the same shall apply hereinafter in this Chapter." in Rule 204, Paragraph 1, Item 4, Sub-item b-2 shall be "the computation for 'last' shall be counted retroactively from the end of the most recent business year immediately prior to the day of application for alteration of a listing market (meaning the end of the business year preceding such most recent business year in the case of the day of application for alteration of a listing market falling within one (1) month counting from the end of such most recent business year)".

4. "Documents concerning financial calculation prescribed by the Enforcement Rules" prescribed in Rule 313-2, Paragraph 5 of the Regulations shall be documents that are equivalent to the documents specified in Rule 224 among
documents to be attached pursuant to the provisions of Paragraph 2, Item 1, Sub-item b. or Item 2, Sub-item b.

**Rule 313-5. Standard Examination Period for Alteration of Listing Market**

The "period specified by the Enforcement Rules" prescribed in Rule 313-4, Paragraph 3 of the Regulations shall be two (2) months after the Exchange begins processing the application for alteration of a listing market.

**Sub-section 3**

**Alteration of Listing Market to JASDAQ**

**Rule 313-6. Handling of Application for Alteration of Listing Market**

1. The "Written Oath Pertaining to Application for Alteration of a Listing Market" prescribed in Rule 313-5, Paragraph 3 of the Regulations shall be prepared using the attached forms: Form 1-14 for a domestic company and Form 1-15 for a foreign company.

2. "Documents specified by the Enforcement Rules" prescribed in Rule 313-5, Paragraph 4 of the Regulations shall be the documents prescribed in each of the following items in accordance with the types of listed company referred to in the caption of the following items:

   (1) Domestic company
   - Documents referred to in the following Sub-items a. through d.:
     a. Two (2) copies of "Securities Report for Application for Alteration of a Listing Market" containing matters concerning the business group to which the applicant for alteration of its listing market belongs and the status of its accounts, other important matters concerning the substance of the business, etc.;
     b. Documents that are equivalent to documents referred to in Rule 204, Paragraph 1, Items (1), (6), (7), (10), and (27);
     c. Documents that are equivalent to documents referred to in Rule 229-3, Paragraph 1, Items (3) through (6); and
     d. Documents specified in Rule 206, Item (9)-2 (limited to cases where listed companies that should prepare consolidated financial statements have submitted a quarterly report to the Prime Minister, etc.)

   (2) Foreign company
   - Documents referred to in the following Sub-items a. through d.:
     a. Two (2) copies of "Securities Report for Application for Alteration of a Listing Market" containing matters concerning the business group to which the applicant for alteration of its listing market belongs and the status of its accounts, other important matters concerning the substance of the business, etc.;
     b. Documents that are equivalent to documents referred to in Rule 204, Paragraph 1, Items (1), (6), and (7) and Paragraph 2, Items (4) through (6) and (8) thereof; provided, however, that for Paragraph 1, Item 1 thereof, a document that proves that the board of directors reached a resolution on the initial listing application;
     c. Documents that are equivalent to documents referred to in Rule 229-3, Paragraph 2,
Item (5); and

d. Documents specified in Rule 206, Item (9)-2 (limited to cases where listed companies that should prepare consolidated financial statements have submitted a quarterly report to the Prime Minister, etc.).

3. "Securities Report for Application for Alteration of a Listing Market" referred to in Item (1), Sub-item a. and Item (2), Sub-item a. of the preceding paragraph shall be prepared in accordance with the provisions of each of the following items:

(1) "Securities Report for Application for Alteration of a Listing Market" shall consist of Part I and other documents determined by the Exchange to be appropriate for purposes of examination of alteration of the listing market; and

(2) "Securities Report for Application for Alteration of a Listing Market (Part I)" shall contain the same information as the securities report for the most recent business year; and

(3) The provisions of Rule 229-3, Paragraph 1, Item 2 and Paragraph 2, Item 4 thereof shall be applied mutatis mutandis to "Securities Report for Application for Alteration of a Listing Market (Part I)" in the preceding item. In this case, "the computation for 'last' shall be counted retroactively from the end of the most recent business year immediately prior to the initial listing application day; the same shall apply hereinafter in this Chapter." in Rule 204, Paragraph 1, Item 4, Sub-item b-2 pursuant to the provisions of Paragraph 11, Item 2 of the same rule shall be reworded as "the computation for 'last' shall be counted retroactively from the end of the most recent business year immediately prior to the day of application for alteration of a listing market (meaning the end of the business year preceding such most recent business year in the case of the day of application for alteration of a listing market falling within one (1) month counting from the end of such most recent business year)".

4. "Documents concerning financial calculation prescribed by the Enforcement Rules" prescribed in Rule 313-5, Paragraph 5 of the Regulations shall be documents that are equivalent to the documents referred to in each item of Rule 229-8 among documents to be attached pursuant to the provisions of Paragraph 2, Item (1), Sub-item b. or Item (2), Sub-item b., and the reports prescribed therein shall be attached thereto.

Rule 313-7.  Handling of Formal Requirements for Alteration of Listing Market

1. The provisions of Rule 212, Paragraph 5 (excluding requirements prescribed in Item 3 of the same paragraph) shall be applied mutatis mutandis to the amount of net assets prescribed in Rule 216-3, Item 3 of the Regulations and Rule 216-6, Item 1 thereof applied mutatis mutandis to the provisions of Rule 313-7, Paragraph 1 of the Regulations. In this case, "case where the initial listing applicant prepared a "Quarterly Report for Initial Listing Application" or quarterly report on or after the first day of the business year to which the initial listing application day belongs" shall be "Quarterly Report for Application for Alteration of Listing Market" or quarterly report on or after the first day of the business year to which the day of application for alteration of a listing market belongs (in the case where the day of application for alteration of a listing market falls within one (1) month counting from the end of such most recent business year, this shall be the first day of such most recent business year)". "Quarterly Report for Initial Listing Application' or quarterly report" shall be
"quarterly report", and "Securities Report for Initial Listing Application" shall be "most recent securities report".

2. The provisions of Rule 212, Paragraph 6 shall be applied mutatis mutandis to the amount of profits or market capitalization prescribed in Rule 216-3, Item 4 of the Regulations applied mutatis mutandis in the provisions of Rule 313-7, Paragraph 1 of the Regulations. In this case, "the first day of the business year containing the initial listing application day" in the same paragraph shall be "the first day of the business year containing the day of application for alteration of a listing market (in the case where the day of application for alteration of a listing market falls within one (1) month counting from the end of such most recent business year, this shall be the first day of such most recent business year), "the end of the most recent business year immediately prior to the initial listing application day" shall be reworded as "the end of the most recent business year immediately preceding the day of application for alteration of a listing market (in the case where the day of application for alteration of a listing market falls within one (1) month counting from the end of such most recent business year, this shall be the end of the business year preceding such most recent business year)".

Rule 313-8. Standard Examination Period for Alteration of Listing Market
The "period specified by the Enforcement Rules" prescribed in Rule 313-7, Paragraph 3 of the Regulations shall be two (2) months after the Exchange begins processing the application for alteration of a listing market.

Sub-section 4
Alteration of Listing Market due to Absorption-type Merger, etc.

Rule 314. Handling of Alteration of Listing Market in Cases of Absorption-Type Mergers, etc.

1. "Act prescribed by the Enforcement Rules" as prescribed in Rule 314, Paragraph 1 of the Regulations shall be the act specified in Rule 601, Paragraph 8, Item 1. In this case, the term "unlisted company" in the same item shall be reworded as "non-Mothers-listed company."

2. "Act prescribed by the Enforcement Rules" as prescribed in Rule 314, Paragraph 2 of the Regulations shall be the act specified in Rule 601, Paragraph 8, Item 1. In this case, the term "unlisted company" in the same item shall be reworded as "non-Main-Market-listed company."

3. Examination on whether the listed company is "not a substantial surviving company" as prescribed in Rule 314, Paragraphs 1 through 3 of the Regulations shall be made in manner similar to the examination on whether the listed company is "not a substantial surviving company" as prescribed in Rule 601, Paragraph 1, Item 9 of the Regulations.

4. Within three (3) years as prescribed Rule 314, Paragraphs 1 through 4 of the Regulations means the period until the day when three (3) years have lapsed since the day following the last day of the first business year after the day when the listed
Rule 315. Handling of Assignment to the First Section Market in Cases of Alteration of Listing Market

1. The provision of Rule 310, Paragraph 1 shall be applied mutatis mutandis to the handling of the number of shareholders prescribed Rule 308, Item 1 of the Regulations and the number of tradable shares and the number of listed stocks, etc. prescribed in Item 2 of the same rule, as applied pursuant to the provisions of Rule 315, Paragraph 1 of the Regulations. In this case, the term "Table of Distribution Status of Stocks, etc. concerning the Criteria for Assignment of Stock to the First Section Market" shall be deemed to be replaced with "Table of Distribution of Stocks, etc."

2. The market capitalization of the tradable shares prescribed in Rule 308, Item (2) of the Regulations as applied pursuant to the provisions of Rule 315, Paragraph 1 thereof means the amount calculated by multiplying the price determined in accordance with the provisions of each of the following items for each category of the applicant for alteration of its listing market referred to in the following items by the number of tradable shares calculated in accordance with the provisions of the preceding paragraph:

(1) Where said applicant for alteration of its listing market makes a public offering or secondary distribution pertaining to the application for alteration of its listing market:

Either the public offering or secondary distribution price or the lowest price of said stock, etc. observed during the period of one (1) month prior to the day on which price of the stock, etc. was determined for the public offering or secondary distribution pertaining to the application for alteration of listing market made by said applicant for alteration of its listing market (see Note below), whichever is lower; and

company falls under the cases referred to in said provisions (in the event that such day when three (3) years have lapsed does not fall on the end of the business year of the listed company, the end of the business year that closes immediately prior to the day when three (3) years have lapsed) (hereinafter in this rule referred to as "grace period").

5. Criteria specified in the Enforcement Rules as prescribed in Rule 314, Paragraphs 1 through and 4 of the Regulations; with respect to Paragraph 1 thereof, mean criteria in conformity with Rules 212 and 213 of the Regulations, and Rule 214, Paragraphs 1 thereof; with respect to Rule 314, Paragraphs 2 and 4 thereof, mean criteria equivalent to Rules 205 and 206 of the Regulations, and Rule 207, Paragraph 1 thereof; with respect to Rule 314, Paragraph 3 thereof, mean criteria equivalent to Rules 216-3 and 216-4 of the Regulations, and Rule 216-5, Paragraph 1 thereof, Rules 216-6 and 216-7 thereof, and Rule 216-8, Paragraph 1 thereof.

6. The deadline for a listed company to make an application as specified in Rule 314-2, Paragraph 1 of the Regulations shall be the eighth day (excluding non-business day) counting from the day when the first securities report is submitted after the grace period.
(Note) This means the lowest price among the daily last prices of trading sessions of the Exchange (or equivalent price in case of a foreign company); the same shall apply in the following item.

(2) Where the provisions of the preceding item do not apply:
The lowest price of said stock, etc. observed during the period of one (1) month prior to two (2) days before the day on which the Exchanges approves alteration of listing market of the stock, etc. pertaining to the application for alteration of listing market made by said applicant for alteration of its listing market.

3. The market capitalization prescribed in Rule 308, Item (4) of the Regulations as applied pursuant to the provisions of Rule 315, Item (1) thereof means the sum of the amount obtained by multiplying the below (A) and (B), and the market capitalization (see Note 1 below) of all other stocks issued by said listed company (see Note 2 below).

(Note 1) This shall be calculated in accordance with the provisions prescribed by the Exchange.

(Note 2) This shall be limited to those listed on a financial instruments exchange in Japan or those listed or continuously traded on a foreign financial instruments exchange, etc.

(A) The price determined in accordance with the provisions of each of the items of the preceding paragraph for each category of the applicant for alteration of its listing market referred to in the items thereof.

(B) The expected number of the listed stock, etc. as of the day on which alteration of listing market is made (if the listed company has listed multiple classes of stocks, etc. simultaneously, the amount calculated for each class of said stocks, etc. shall be aggregated).

Sub-section 5
Changes of Sub-Division

Rule 315-2. Handling of Application for Change of Sub-Division
1. The "Written Oath Pertaining to Application for Change of Sub-Division" prescribed in Rule 315-2, Paragraph 3 of the Regulations shall be prepared using the attached forms: Form 1-16 for a domestic company and Form 1-17 for a foreign company.

2. "Documents specified by the Enforcement Rules" prescribed in Rule 315-2, Paragraph 4 of the Regulations shall be the documents prescribed in each of the following items in accordance with the types of listed company referred to in the following items:
   (1) Domestic company
       Documents referred to in the following Sub-items a. through d.:
       a. Two (2) copies of "Securities Report for Application for Change of Sub-Division"
       containing matters concerning the business group to which the sub-division alteration applicant belongs and the status of its accounts, other important matters
concerning the details of the business, etc.;

b. Documents that are equivalent to documents referred to in Rule 204, Paragraph 1, Items (1), (6), (7), (10), and (27);

c. Documents that are equivalent to documents referred to in Rule 229-3, Paragraph 1, Items (3) through (6); and

d. Documents specified in Rule 206, Item (9)-2 (limited to cases where listed companies that should prepare consolidated financial statements have submitted a quarterly report to the Prime Minister, etc.).

(2) Foreign company

Documents referred to in the following Sub-items a. through d.:

a. Two (2) copies of "Securities Report for Application for Change of Sub-Division" containing matters concerning the business group to which the sub-division alteration applicant belongs and the status of its accounts, other important matters concerning the details of the business, etc.;

b. Documents that are equivalent to documents referred to in Rule 204, Paragraph 1, Items (1), (6), and (7), and Paragraph 2, Items (4) through (6), and Item (8) thereof; provided, however, that with respect to Rule 204, Paragraph 1, Item (1), it shall be a document that proves that the board of directors reached a resolution on the initial listing application;

c. Documents referred to in Rule 229-3, Paragraph 2, Item (5); and

d. Documents specified in Rule 206, Item (9)-2 (limited to cases where listed companies that should prepare consolidated financial statements have submitted a quarterly report to the Prime Minister, etc.).

3. "Securities Report for Application for Change of Sub-Division" referred to in Item (1), Sub-item a. of the preceding paragraph and Item (2), Sub-item a. thereof shall be as prescribed in the following items:

(1) The "Securities Report for Application for Change of Sub-Division" shall consist of Part I and other documents determined by the Exchange to be appropriate for purposes of examination of change of sub-division;

(2) "Securities Report for Application for Change of Sub-Division (Part I)" shall contain the same information as the securities report for the most recent business year;

(3) The provisions of Rule 229-3, Paragraph 1, Item 2 and Paragraph 2, Item 4 thereof shall be applied mutatis mutandis to "Securities Report for Application for Change of Sub-Division (Part I)" in the preceding item. In this case, "the computation for 'last' shall be counted retroactively from the end of the most recent business year immediately prior to the initial listing application day; the same shall apply hereinafter in this Chapter." in Rule 204, Paragraph 1, Item 4, Sub-item b-2 pursuant to the provisions of Paragraph 1, Item 2 thereof shall be reworded as "the computation for 'last' shall be counted retroactively from the end of the most recent business year immediately prior to the day of application for alteration of a sub-division (meaning the end of the business year preceding such most recent business year in the case of the day of application for alteration of sub-division falling within one (1) month counting from the end of such most recent business year)."

Rule 315-3. Handling of Formal Requirements for Alteration of Sub-Division
1. The provisions of Rule 212, Paragraph 5 (excluding the requirements prescribed in Item 3 thereof) shall be applied mutatis mutandis to the amount of net assets prescribed in Rule 216-3, Item 3 of the Regulations and Rule 216-6, Item 1 of the Regulations applied mutatis mutandis in the provisions of Rule 315-4 of the Regulations and Rule 315-5 of the Regulations. In this case, "case where the initial listing applicant prepared a "Quarterly Report for Initial Listing Application" or quarterly report on or after the first day of the business year to which the initial listing application day belongs" shall be reworded as "case where the applicant for alteration of a sub-market division prepares a quarterly report on or after the first day of the business year containing the day of application for alteration of a sub-division (in the case where the day of application for alteration of a sub-division falls within one (1) month counting from the end of such most recent business year, this shall be the first day of such most recent business year)", "Quarterly Report for Initial Listing Application' or quarterly report" shall be reworded as "quarterly report," and "Securities Report for Initial Listing Application" shall be reworded as "most recent securities report".

2. The provisions of Rule 212, Paragraph 6 shall be applied mutatis mutandis to the amount of profits or market capitalization prescribed in Rule 216-3, Item 4 of the Regulations applied mutatis mutandis to the provisions of Rule 315-4, Paragraph 1 of the Regulations. In this case, "the first day of the business year containing the initial listing application day" in the same paragraph shall be reworded as "the first day of the business year containing the day of application for alteration of a sub-division (in the case where the day of application for alteration of a sub-division falls within one (1) month counting from the end of such most recent business year, this shall be the first day of such most recent business year)", and "the end of the most recent business year immediately prior to the initial listing application day" shall be reworded as "the end of the business year preceding the most recent business year preceding the most recent business year)".

Rule 315-4. Standard Examination Period for Alteration of Sub-Division
The "period specified by the Enforcement Rules" prescribed in Rule 315-4, Paragraph 3 of the Regulations shall be two (2) months after the Exchange begins processing the application for alteration of a sub-division.

Rule 315-5. Handling of Change of Sub-Division in cases of Absorption-typed Merger
1. The act specified by the Enforcement Rules as prescribed in Rule 315-6, Paragraph 1 of the Regulations means the act specified in Rule 601, Paragraph 8, Item 1. In this case, "unlisted company" shall be reworded as "Growth-listed company".

2. The act specified by the Enforcement Rules as prescribed in Rule 315-6, Paragraph 2 of the Regulations means the act specified in Rule 601, Paragraph 8, Item 1. In this case, "unlisted company" shall be reworded as "Standard-listed company".
3. Examination whether it is "not a substantial surviving company" prescribed in Paragraph 315-6, Paragraphs 1 and 2 shall be carried out by equivalent examination whether it is "not a substantial surviving company" prescribed in Rule 601, Paragraph 1, Item 9 of the Regulations.

4. "Within three years" prescribed in Paragraph 315-6, Paragraphs 1 and 2 of the Regulations mean the period from a day on which a listed company falls under the cases referred to in these provisions to a day on which three years elapse from a day following the end of the first business year (if a day on which three years elapse does not fall on the end of the business year of such listed company, it shall be the end of the business year that ends immediately preceding such day on which three (3) years elapse (hereinafter referred to as the "grace period" in this rule).

5. The criteria specified by the Enforcement Rules as prescribed in Rule 315-6, Paragraph 1 of the Regulations shall be criteria equivalent to those in Rule 216-3 of the Regulations, Rule 216-4 of the Regulations, and Rule 216-5, Paragraph 1 of the Regulations.

6. The criteria specified by the Enforcement Rules as prescribed in Rule 315-6, Paragraph 2 of the Regulations shall be criteria equivalent to those in Rule 216-6 of the Regulations, Rule 216-7 of the Regulations, and Rule 216-8, Paragraph 1 of the Regulations.

7. The deadline for application of Rule 315-7, Paragraph 1 of the Regulations that may be filed by a listed company shall be the 8th day (excluding non-business day) from the day of submitting the first securities report after the end of the grace period.

Section 5
Choice of Markets

Rule 316. Handling of Application for Choice of Listing Market

1. The choice of listing market prescribed in Rule 316, Paragraph 1 of the Regulations shall be made within the period that is ten (10) days (excluding non-business days) from the day following the day on which three (3) months have passed counting from the month containing the end of the business year that includes the day on which ten (10) years have passed since listing or the day on which five (5) years have passed since remaining listed on Mothers. However, if an applicant for choice of its listing market falls under any of the cases referred to in the items below within this period, the period for such choice shall be moved down to the period corresponding to such period in the year following the year containing such period. In this case, the handling from such following year onward shall be the same.

(1) Where falling under any of the following a. through g.

a. Where falling within the period specified in Rule 603, Paragraph 1, Item 1 of the Regulations (except where it was confirmed that it no longer falls under such item) (including cases pursuant to the provisions of Rule 604, Paragraph 1, Item 1 of the...
b. Where falling within the period specified in Rule 603, Paragraph 1, Item 2, Sub-item a. of the Regulations (except where it was confirmed that it no longer falls under such item) (including cases pursuant to the provisions of Rule 604, Paragraph 1, Item 1 of the Regulations);

c. Where falling within the period specified in Rule 603, Paragraph 1, Item 2, Sub-item b. of the Regulations (except where it was confirmed that it no longer falls under such item) (including cases pursuant to the provisions of Rule 604, Paragraph 1, Item 1 of the Regulations);

d. Where falling within the period specified in Rule 603, Paragraph 1, Item 2, Sub-item c. of the Regulations (except where it was confirmed that it no longer falls under such item) (including cases pursuant to the provisions of Rule 604, Paragraph 1, Item 1 of the Regulations);

e. Where falling into liabilities in excess of assets specified in Rule 603, Paragraph 1, Item 3 of the Regulations (except where it was confirmed that it no longer falls under such item) (including cases pursuant to the provisions of Rule 604, Paragraph 1, Item 2 and Rule 604, Paragraph 2, Item 4 of the Regulations);

f. Where falling within the period specified in Rule 603, Paragraph 1, Item 5, Sub-item a. or b. of the Regulations (except where it was confirmed that it no longer falls under such a. or b.) (including cases pursuant to the provisions of Rule 604, Paragraph 1, Item 1 or Rule 604, Paragraph 2, Item 4 of the Regulations); or

g. Where falling under Rule 603, Paragraph 1, Item 6 of the Regulations (limited to cases where falling within the period specified in Rule 601, Paragraph 1, Item 9, Sub-item a. or b. of the Regulations (except where it was confirmed that it no longer falls under Item 9 of the same paragraph)) (including cases pursuant to the provisions of Rule 604, Paragraph 1, Item 2 or Rule 604, Paragraph 2, Item 1 of the Regulations).

(2) Where it is designated as Securities Under Supervision pursuant to the provisions of Rule 610 of the Regulations; or

(3) Where it is designated as Securities to Be Delisted pursuant to the provisions of Rule 611 of the Regulations.

2. Documents specified by the Enforcement Rules prescribed in Rule 316, Paragraph 3 of the Regulations shall be documents referred to in each of the following items.

(1) "Written Explanation Concerning the Possibility of High Growth" predetermined by the Exchange; and

(2) "Written Confirmation Concerning the Possibility of High Growth" predetermined by the Exchange prepared by an entity other than such applicant for choice of its listing market who has professional knowledge and experience pertaining to corporate valuation or stock price evaluation.

3. The provisions of Rule 311, Paragraph 4, Item 1, Sub-items a., b., and d. shall be applied mutatis mutandis to the handling of the market capitalization prescribed in the provisions of Rule 316, Paragraph 3 of the Regulations. In this case, "less than JPY 2 billion", "average monthly market capitalization", and "month-end market capitalization" shall be deemed to be replaced with "less than JPY 4 billion", "average monthly market capitalization of the month containing the end of the business year that includes the day on which ten (10) years have passed since listing or the day on
Rule 317. Time of Alteration of Listing Market
The time of alteration of listing market prescribed in Rule 317, Paragraph 2 of the Regulations shall be the first day of the fifth month counting from the month following the month containing the end of the business year that includes the day on which ten (10) years have passed since listing or the day on which five (5) years have passed since remaining listed Mothers pursuant to the provisions of Part 2, Chapter 3, Section 5 of the Regulations.

Section 6
Miscellaneous Provisions

Rule 318. Handling of Special Provisions on Cases where a Listed Company Applying for Assignment to the First Section Market is Scheduled to Conduct a Merger, etc. on or before the Day of such Assignment

1. In the case of applying for assignment to the First Section market in accordance with the provisions of Rule 318, Paragraph 1 of the Regulations, as a general rule, with respect to submission of "Application for Assignment of Listed Stock, etc. to the First Section Market" and other documents, submission of reports and material that serve as reference, cooperation in examination for assignment to the First Section market, payment of fees for examination to the First Section market, etc. and other required procedures, the entity applying for assignment to the First Section market shall conduct such procedures during the period before carrying out a merger, stock swap, or stock transfer, and the entity specified in each of the items of the same paragraph shall conduct such procedures during the period after a merger, stock swap, or stock transfer.

2. The documents specified by the Enforcement Rules prescribed in Rule 318, Paragraph 2 of the Regulations shall be documents referred to in each of the following items.
   (1) A copy of the meeting minutes of the board of directors meeting where a resolution is reached on a merger, stock swap, or stock transfer prescribed in Rule 318, Paragraph 1 of the Regulations (in cases where a resolution is deemed to have been reached in a board of directors meeting pursuant to the provisions of Article 370 of the Companies Act, this shall include documents that prove a situation falling under such cases).
   (2) Documents referred to in Rule 204, Paragraph 1, Items (2), (3), (5), (8), (10), (12), (23), (28), and (30) (in cases of a foreign company that is an issuer of stock, etc. applying for assignment to the First Section market, Items (2), (3), (5), (12), (28), and (30)), which include descriptions on entities specified in Rule 318, Paragraph 1, Item (1) or (2) of the Regulations, as well as documents referred to in Rule 206,
Item (3).
3. A listed company applying for assignment to the First Section market under application of the provisions of Rule 318, Paragraph 1 of the Regulations, shall agree to the Exchange providing, out of documents referred to in Item (2) of the preceding paragraph, documents referred to in Rule 204, Paragraph 1, Items (3), (28), and (30) for public inspection before and after assignment to the First Section market.
4. With regards to the application of the provisions of Rule 310, Paragraph 1 to a listed company applying for assignment to the First Section market under application of the provisions of Rule 318, Paragraph 1 of the Regulations, "Rule 212, Paragraph 1, Item 1" in Item 1 of the same paragraph shall be "Rule 212, Paragraph 1, Item 1 applied with rewording pursuant to the provisions of Rule 265, Paragraph 5", "Rule 212, Paragraph 1, Item 2" in Item 2 of the same paragraph shall be "Rule 212, Paragraph 1, Item 2 applied with rewording pursuant to the provisions of Rule 265, Paragraph 5", "Rule 212, Paragraph 1, Item 6" in Item 5 of the same paragraph shall be "Rule 212, Paragraph 1, Item 6 applied with rewording pursuant to the provisions of Rule 265, Paragraph 5", "Rule 212, Paragraph 1, Item 7, Sub-item a." in Item 6 of the same paragraph shall be "Rule 212, Paragraph 1, Item 7, Sub-item a. applied with rewording pursuant to the provisions of Rule 265, Paragraph 5", and "Rule 212, Paragraph 1, Item 8" in Item 7 of the same paragraph shall be "Rule 212, Paragraph 1, Item 8 applied with rewording pursuant to the provisions of Rule 265, Paragraph 5".
5. With regards to the application of the provisions of Rule 310, Paragraph 4 to a listed company applying for assignment to the First Section market under application of the provisions of Rule 318, Paragraph 1 of the Regulations, "such listed company" in the same paragraph shall be "issuer of such listed stock, etc.".
6. Other than the preceding paragraphs, matters necessary for procedures for assignment to the First Section market, examination for assignment to the First Section market, and application of provisions for cases prescribed in Paragraph 1 shall be specified by the Exchange on a case-by-case basis.

Rule 319. Handling of Special Provisions on Cases where a Listed Company Applying for Alteration of Listing Market to Main Market is Scheduled to Conduct a Merger, etc. on or before the Day of such Alteration
1. In the case of applying for alteration of a listing market to the Main Market in accordance with the provisions of Rule 319, Paragraph 1 of the Regulations, as a general rule, with respect to submission of "Application for Alteration of Listing Market to the Main Market" and other documents, submission of reports and material that serve as reference, cooperation in examination for alteration of a listing market, payment of fees for examination for alteration of a listing market, etc. and other required procedures, the entity applying for alteration of a listing market to the Main Market shall conduct such procedures during the period before carrying out a merger, stock swap, or stock transfer, and the entity specified in each of the items of the same paragraph shall conduct such procedures during the period after a merger, stock swap, or stock transfer.
2. The documents specified by the Enforcement Rules prescribed in Rule 319, Paragraph
3 of the Regulations shall be documents referred to in each of the following items.

(1) A copy of the meeting minutes of the board of directors meeting where a resolution is reached on a merger, stock swap, or stock transfer prescribed in Rule 319, Paragraph 1 of the Regulations (in cases where a resolution is deemed to have been reached in a board of directors meeting pursuant to the provisions of Article 370 of the Companies Act, this shall include documents that prove a situation falling under such cases).

(2) Documents referred to in Rule 204, Paragraph 1, Items (2), (3), (5), (8), (10), (12), (22), (23), (28), and (30) (in cases of a foreign company that is an issuer of stock, etc. applying for alteration of a listing market to the Main Market, Items (2), (3), (5), (12), (28), and (30)), which include descriptions on entities specified in Rule 319, Paragraph 1, Item (1) or (2) of the Regulations, as well as documents referred to in Rule 206, Item (3).

3. A listed company applying for alteration of a listing market to the Main Market under application of the provisions of Rule 319, Paragraph 1 of the Regulations, shall agree to the Exchange providing, out of documents specified in Item (2) of the preceding paragraph, documents referred to in Rule 204, Paragraph 1, Items (3), (28), and (30) for public inspection before and after alteration of a listing market to the Main Market.

4. Other than the preceding three (3) paragraphs, matters necessary for procedures for alteration of a listing market to the Main Market, examination for alteration of a listing market to the Main Market, and application of provisions for cases prescribed in Paragraph 1 shall be specified by the Exchange on a case-by-case basis.

Rule 320. Handling of Special Provisions on Cases where a Listed Company Applying for Alteration of Listing Market to Mothers is Scheduled to Conduct a Merger, etc. on or before the Day of such Alteration

1. When applying for alteration of a listing market to Mothers pursuant to the provisions of Rule 319-2, Paragraph 1 of the Regulations, as a general rule, with respect to submission of "Application for Alteration of Listing Market" and other documents, submission of reports and material that serve as reference, cooperation in examination on alteration of a listing market, payment of fees for examination for alteration of a listing market, etc., an entity applying for alteration of a listing market shall conduct such procedures during the period before a merger, stock swap, or stock transfer, and the entity specified in each of the items of the same paragraph shall conduct such procedures during the period after a merger, stock swap, or stock transfer.

2. The documents specified by the Enforcement Rules prescribed in Rule 319-2, Paragraph 3 of the Regulations shall be those referred to in each of the following items.

(1) A copy of the meeting minutes of the board of directors meeting where a resolution is adopted on a merger, stock swap, or stock transfer prescribed in Rule 319-2, Paragraph 1 of the Regulations (in cases where a resolution is deemed to have been adopted in a board of directors meeting pursuant to the provisions of Article 370 of the Companies Act, this shall include documents that prove a situation falling under such cases).

(2) Documents referred to in Rule 204, Paragraph 1, Items (2), (3), (5), (8), (10), (12), (23), (28), and (30) (in cases of a foreign company applying for alteration of a

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listing market to Mothers, Items (2), (3), (5), (12), (28), and (30)), which include descriptions on entities specified in Rule 319-2, Paragraph 1, Item (1) or Item (2) of the Regulations, as well as documents referred to in Rule 206, Item (3).

3. A listed company applying for alteration of a listing market to Mothers under application of the provisions of Rule 319-2, Paragraph 1 of the Regulations shall agree that the Exchange makes, out of documents referred to in Item (2) of the preceding paragraph, documents referred to in Rule 204, Paragraph 1, Items (3), (28), and (30) for public inspection before and after alteration of a listing market to Mothers.

4. Other than the preceding three (3) paragraphs, matters necessary for procedures of applying for alteration of a listing market to Mothers as prescribed in Paragraph 1, examination on alteration of a listing market to Mothers, and application of other provisions for cases prescribed in Paragraph 1 shall be specified by the Exchange on a case-by-case basis.

Rule 321. Handling of Special Provisions on Cases where a Listed Company Applying for Alteration of Listing Market to JASDAQ is Scheduled to Conduct a Merger, etc. on or before the Day of such Alteration

1. When applying for alteration of a listing market to JASDAQ pursuant to the provisions of Rule 319-3, Paragraph 1 of the Regulations, as a general rule, with respect to submission of "Application for Alteration of Listing Market" and other documents, materials that serve as reference, submission of reports, cooperation in examination on alteration of a listing market, payment of fees for examination for alteration of a listing market, etc., an entity applying for alteration of a listing market shall conduct such procedures during the period before a merger, stock swap, or stock transfer, and an entity specified in each of the items of the same paragraph shall conduct such procedures during the period after a merger, stock swap, or stock transfer.

2. The documents specified by the Enforcement Rules prescribed in Rule 319-3, Paragraph 3 of the Regulations shall be those referred to in each of the following items.

(1) A copy of the minutes of the board of directors meeting where a resolution is adopted on a merger, stock swap, or stock transfer prescribed in Rule 319-3, Paragraph 1 of the Regulations (in cases where a resolution is deemed to have been adopted in a board of directors meeting pursuant to the provisions of Article 370 of the Companies Act, this shall include documents that prove a situation falling under such cases).

(2) Documents referred to in Rule 204, Paragraph 1, Items (2), (3), (5), (8), (10), (23), and (30) (in cases of a foreign company applying for alteration of a listing market to JASDAQ, Items (2), (3), (5), and (30)), which include descriptions on entities specified in Rule 319-3, Paragraph 1, Item (1) and Item (2) of the Regulations, as well as documents referred to in Rule 206, Item (3), Rule 229-3, Item (4) and Item (5).

3. A listed company applying for alteration of a listing market to JASDAQ under application of the provisions of Rule 319-3, Paragraph 1 of the Regulations shall agree that the Exchange makes, out of documents specified in Item (2) of the preceding paragraph, documents referred to in Rule 204, Paragraph 1, Items (3) and
(30) and documents referred to in Rule 229-3, Item (4) for public inspection before and after alteration of a listing market to JASDAQ.

4. Other than the preceding three (3) paragraphs, matters necessary for procedures of applying for alteration of a listing market to JASDAQ as prescribed in Paragraph 1, examination on alteration of a listing market to JASDAQ, and application of other provisions for cases prescribed in Paragraph 1 shall be specified by the Exchange on a case-by-case basis.

Rule 322. Handling of Special Provisions on Cases where a Listed Company Applying for Alteration of Sub-Division is Scheduled to Conduct a Merger, etc. on or before the Day of such Change

1. When applying for alteration of the sub-division of JASDAQ pursuant to the provisions of Rule 320, Paragraph 1 of the Regulations, as a general rule, with respect to submission of "Application for Alteration of Sub-Division" and other documents, materials that serve as reference, submission of reports, cooperation in examination on alteration of a sub-division, payment of fees for examination for alteration of a sub-division, etc., an entity applying for alteration of a sub-division shall conduct such procedures during the period before a merger, stock swap, or stock transfer, and an entity specified in each of the items of the same paragraph shall conduct such procedures during the period after a merger, stock swap, or stock transfer.

2. The documents specified by the Enforcement Rules prescribed in Rule 320, Paragraph 3 of the Regulations shall be those referred to in each of the following items.

   (1) A copy of the minutes of the board of directors meeting where a resolution is adopted on a merger, stock swap, or stock transfer prescribed in Rule 320, Paragraph 1 of the Regulations (in cases where a resolution is deemed to have been adopted in a board of directors meeting pursuant to the provisions of Article 370 of the Companies Act, this shall include documents that prove a situation falling under such cases).

   (2) Documents referred to in Rule 204, Paragraph 1, Items (2), (3), (5), (8), (10), (23), and (30) (in cases of a foreign company applying for alteration of a sub-division of JASDAQ, Items (2), (3), (5), and (30)), which include descriptions on entities specified in Rule 320, Paragraph 1, Item (1) and Item (2) of the Regulations, as well as documents referred to in Rule 206, Item (3) and Rule 229-3, Item (4) and Item (5).

3. A listed company applying for alteration of a sub-division of JASDAQ under application of the provisions of Rule 320, Paragraph 1 of the Regulations shall agree that the Exchange makes, out of documents referred to in Item 2 of the preceding paragraph, documents referred to in Rule 204, Paragraph 1, Items 3 and 30 and documents referred to in Rule 229-3, Item 4 for public inspection before and after alteration of a sub-division of JASDAQ.

4. Other than the preceding three (3) paragraphs, matters necessary for procedures of applying for alteration of a sub-division of JASDAQ as prescribed in Paragraph 1, examination on alteration of a sub-division of JASDAQ, and application of other provisions for cases prescribed in Paragraph 1 shall be specified by the Exchange on a case-by-case basis.
Chapter 4
Listing Supervision

Section 1
Timely Disclosure of Corporate Information, etc.


1. Out of the criteria specified by the Enforcement Rules as prescribed in Rule 402 of the Regulations, those pertaining to the matters referred to in Rule 402, Item (1) of the Regulations shall be specified in each of the following items in accordance with the categories referred to in the classifications of the following items. However, the criteria pertaining to consolidated ordinary profit shall not apply to a company that voluntarily adopts IFRS:

1. Matters referred to in Rule 402, Item (1), Sub-item a. of the Regulations:
The total paid-in amount or total offering value pertaining to an offering of shares to be issued or treasury shares to be disposed of by a stock company as prescribed in the provisions of Article 199, Paragraph 1 of the Companies Act (see Note 1 below) to entities who will subscribe for such shares (see Note 2 below), (see Note 3 below) is expected to be less than JPY 100 million. However, this criterion shall not apply to an offering through share allotment to shareholders (see Note 4 below) or to an offering made as a result of introduction or implementation of takeover defense measures.

(Note 1) The term "offering" shall include an offering prescribed by foreign laws and regulations corresponding thereto in the case of an offering of treasury shares to be disposed of to entities who will subscribe for such shares.
(Note 2) The term "entities who will subscribe for such shares" shall include entities who subscribe for preferred equity contributions issued by a cooperative structured financial institution.
(Note 3) In a case where the securities offered are subscription warrant securities, the term "the total paid-in amount or total offering value" shall be the sum of (i) the total amount of payment or the total offering value pertaining to an offering of the subscription warrants to entities who will subscribe for such offered subscription warrants (including an offering of treasury subscription warrants to be disposed of to entities who will subscribe for such treasury subscription warrants), made pursuant to the provisions of Article 238, Paragraph 1 of the Companies Act, and (ii) the total value of the properties to be contributed upon exercise of the subscription warrants pertaining to said subscription warrant securities.
(Note 4) The term "share allotment to shareholders" shall include share
allotment to preferred equity investors.

(2) Matters referred to in Rule 402, Item (1), Sub-item m. of the Regulations:

a. Where part of the business is transferred:

The transfer shall satisfy all the criteria referred to in the following (a) to (e):

(a) The book value of the assets pertaining to the transfer of such business as of the end of the most recent consolidated accounting year is less than 30/100 of the amount of consolidated net assets (see Note below) as of the same day;

(Note) The term "amount of consolidated net assets" means the amount of net assets in the consolidated financial statement; the same shall apply hereinafter up to Rule 404 inclusive.

(b) For the consolidated accounting year containing the scheduled date for such transfer of business and the following consolidated accounting year, it is expected that the amount of decrease in sales of the consolidated company (see Note below) due to such transfer of business will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year;

(Note) The term "consolidated company" means a consolidated company whereby a listed company submits consolidated financial statements; the same shall apply hereafter up to Rule 404 inclusive.

(c) For the consolidated accounting year containing the scheduled date for such transfer of business and the following consolidated accounting year, it is expected that the amount of increase or decrease in consolidated ordinary profit due to such transfer of business will be less than 30/100 of the amount of consolidated ordinary profit recorded for the most recent consolidated accounting year;

(d) For the consolidated accounting year containing the scheduled date for such transfer of business and the following consolidated accounting year, it is expected that the amount of increase or decrease in net income attributable to the parent company shareholder (see Note below) due to such transfer of business will be less than 30/100 of the amount of consolidated net income recorded for the most recent consolidated accounting year; and

(Note) In the case of a company that voluntarily adopts IFRS, net income attributable to the parent company shareholder; the same shall apply hereinafter up to Rule 404 inclusive.
(e) Matters referred to in Article 49, Item 8, Sub-item (a) of the Cabinet Office Ordinance on Transactions Regulations.

b. Where all or part of the business is acquired:
The acquisition shall satisfy all the criteria referred to in the following (a) to (e):
(a) It is expected that the amount of increase in assets due to such acquisition of business will be less than 30/100 of the amount of consolidated net assets as of the end of the most recent consolidated accounting year;
(b) For the consolidated accounting year containing the scheduled date for such acquisition of business and the following consolidated accounting year, it is expected that the amount of increase in sales of the consolidated company due to such acquisition of business will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year;
(c) For the consolidated accounting year containing the scheduled date for such acquisition of business and the following consolidated accounting year, it is expected that the amount of increase or decrease in consolidated ordinary profit due to such acquisition of business will be less than 30/100 of the amount of consolidated ordinary profit recorded for the most recent consolidated accounting year;
(d) For the business year containing the scheduled date for such acquisition of business and the following business year, it is expected that the amount of increase or decrease in net income attributable to the parent company shareholder due to such acquisition of business will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the most recent business year; and
(e) Matters referred to in Article 49, Item (8), Sub-item (b) or (c) of the Cabinet Office Ordinance on Transactions Regulations.

(3) Matters referred to in Rule 402, Item (1), Sub-item o. of the Regulations:
Matters that satisfy all of the criteria referred to in the following Sub-items a. and b.;
a. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled start date for the business to distribute a new product or use a new technology, it is expected that the amount of increase in sales of the consolidated company due to the commercialization of such new product or new technology will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year. In addition, it is expected that the total amount of special expenditure for starting the business to distribute the new product or use the new technology will be less than 10/100 of the book value of fixed assets of the consolidated company as of the end of the most recent consolidated accounting year; and
b. Matters prescribed in Article 49, Item (9) of the Cabinet Office Ordinance
on Transactions Regulations.

(4) Matters referred to in Rule 402, Item (1), Sub-item p. of the Regulations:
a. Where a business alliance is formed:
The business alliance shall satisfy all the criteria referred to in the following (a) and (b).

(a) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for the formation of such business alliance, it is expected that the amount of increase in sales of the consolidated company due to the formation of such business alliance will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year, and in the case where such business alliance falls under the cases referred to in the following (i) or (ii), it shall satisfy the criteria specified in the respective item:

(i) Where a business alliance is formed in conjunction with a capital tie-up:
With respect to such capital tie-up, in cases where a listed company newly acquires the shares of or equity in the counterparty, it is expected that the acquisition cost of the newly acquired shares or equity will be less than 10/100 of either the amount of the listed company's consolidated net assets or the amount of its consolidated capital (see Note below) as of the end of the most recent consolidated accounting year, whichever is larger; and in cases where the counterparty newly acquires the shares of the listed company, it is expected that the number of shares to be newly acquired by the counterparty will be 5/100 or less of the total number of outstanding shares as of the end of the most recent consolidated accounting year; or

(Note) The term "amount of consolidated capital" means the amount of capital in the consolidated financial statement; the same applies hereinafter in this rule and Rule 403)

(ii) Where a listed company and another company jointly establish a new company through a business alliance (excluding cases in which the new company established is a subsidiary, etc.):
For each business year of the new company starting within three (3) years of the scheduled date for the establishment of the new company, it is expected that the amount obtained by multiplying the book value of the total assets of said new company as of the end of each business year by the equity contribution ratio (see Note below) as of the date of establishment of the new company will be less than 30/100 of the amount of consolidated net assets of the listed company as of the end of the most recent consolidated accounting year.
year. In addition, it is expected that the amount obtained by multiplying the amount of sales of the new company recorded for each consolidated accounting year by the equity contribution ratio will be less than 10/100 of the amount of sales of the consolidated company recorded for the most recent consolidated accounting year.

(Note) The term "equity contribution ratio" shall be the numerical value obtained by dividing the number of shares or equity held by the total number of outstanding shares or the total amount of equity contribution; the same shall apply hereinafter in this rule and Rule 403.

(b) Matters referred to in Article 49, Item (10), Sub-item (a) of the Cabinet Office Ordinance on Transactions Regulations.

b. Where a business alliance is dissolved:
The business alliance shall satisfy all the criteria referred to in the following (a) and (b).

(a) For each business year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for said dissolution of the business alliance, it is expected that the amount of decrease in sales due to such dissolution of the business alliance will be less than 10/100 of the amount of sales of the consolidated company recorded for the most recent consolidated accounting year. In addition, for cases referred to in the following (i) or (ii), the dissolution of the business alliance shall satisfy the criteria specified in (i) and (ii) respectively:

(i) Where a business alliance formed in conjunction with a capital tie-up is dissolved:
With respect to such dissolution of capital alliance, in cases where a listed company newly acquired the shares of or equity in the counterparty, the book value of the acquired shares or equity shall be less than 10/100 of either the amount of the listed company's consolidated net assets as of the end of the most recent consolidated accounting year or the amount of its consolidated capital as of the same day, whichever is larger; and in cases where the counterparty acquired shares of the listed company, that the number of shares acquired by the counterparty shall be 5/100 or less of the total number of outstanding shares as of the end of the most recent business year; or

(ii) Where a business alliance formed through the joint establishment of a new company by a listed company and another company is dissolved:
The amount obtained by multiplying the book value of the total assets of the new company as of the end of the most recent business year by the equity contribution ratio is less than 30/100 of the...
Matters referred to in Rule 402, Item (1), Sub-item q. of the Regulations:
The matters shall be accompanied by change in a subsidiary, etc. (excluding linked subsidiaries) that satisfies all of the criteria referred to in the following Sub-items a. to j. (excluding Sub-items h. and i. for cases of other than that of a listed company carrying out a subsidiary acquisition (meaning making a company a subsidiary, etc. of a listed company by means of acquiring stock or equity issued by said company that was not a subsidiary, etc. or other means (excluding those carried out by tender offer prescribed in Article 27-3, Paragraph 1 of the Act); the same shall apply hereinafter)):
a. The book value of the total assets of the subsidiary, etc. or the company to become a new subsidiary, etc. as of the end of the most recent business year (see Note below) is less than 30/100 of the amount of consolidated net assets of the listed company as of the end of the most recent consolidated accounting year;

(Note) In cases where a new subsidiary, etc. will be established, the term "book value" means the expected book value of the total assets of the subsidiary, etc. as of the end of each business year starting within three (3) years from the scheduled date for the establishment of the new subsidiary, etc.

b. The amount of sales of the subsidiary, etc. or the company to become a new subsidiary, etc. recorded for the most recent business year (see Note below) is less than 10/100 of the amount of sales of the consolidated company recorded for the most recent consolidated accounting year;

(Note) In cases where a new subsidiary, etc. is established, the term "amount of sales" means the expected amount of sales of the subsidiary, etc. for each business year starting within three (3) years from the scheduled date for the establishment of the new subsidiary, etc.

c. The amount of ordinary profit of the subsidiary, etc. or the company to become a new subsidiary, etc. recorded for the most recent business year (see Note below) is less than 30/100 of the amount of consolidated net assets of the listed company as of the end of the most recent consolidated accounting year. In addition, the amount obtained by multiplying the amount of sales of the new company recorded for the most recent business year by the equity contribution ratio is less than 10/100 of the amount of sales of the consolidated company recorded for the most recent consolidated accounting year.

(b) Matters referred to in Article 49, Item (10), Sub-item (b) of the Cabinet Office Ordinance on Transactions Regulations.
ordinary profit of the listed company recorded for the most recent consolidated accounting year;

(Note) In cases where a new subsidiary, etc. is established, the term "amount of ordinary profit" means the expected amount of ordinary profit of the subsidiary, etc. for each business year starting within three (3) years from the scheduled date for the establishment of the new subsidiary, etc.

d. The amount of net income of the subsidiary, etc. or the company to become a new subsidiary, etc. recorded for the most recent business year (see Note below) is less than 30/100 of the amount of net income attributable to the parent company shareholder of the listed company recorded for the most recent consolidated accounting year;

(Note) In cases where a new subsidiary, etc. will be established, the term "amount of net income" shall be the expected amount of net income of the subsidiary, etc. for each business year starting within three years from the scheduled date for the establishment of the new subsidiary, etc.

e. The amount of purchase of the listed company from the subsidiary, etc. or the company to become a new subsidiary, etc. recorded for the most recent business year (see Note below) is less than 10/100 of the total amount of purchase of the listed company recorded for the most recent business year;

(Note) In cases where a new subsidiary, etc. will be established, the term "amount of purchase" shall be the expected amount of purchase of the listed company from said subsidiary, etc. for each business year starting within three (3) years from the scheduled date for the establishment of the new subsidiary, etc.

f. The amount of sales of the listed company to the subsidiary, etc. or the company to become a subsidiary, etc. recorded for the most recent business year (see Note below) is less than 10/100 of the total amount of sales of the listed company recorded for the most recent business year;

(Note) In cases where a new subsidiary, etc. will be established, the term "amount of sales" shall be the expected amount of sales of the listed company to the subsidiary, etc. for each business year starting within three (3) years from the scheduled date for the establishment of the new subsidiary, etc.

g. The amount of capital of or equity contribution in the subsidiary, etc. or the company to become a new subsidiary, etc. is less than 10/100 of the amount
h. The sum of the amount of consideration pertaining to the subsidiary acquisition (meaning the total amount that was paid or should be paid as consideration for the subsidiary acquisition; the same shall apply hereinafter in this item) and the total amount of considerations pertaining to other subsidiary acquisitions that such listed company carried out or will carry out as a part of a series of activities for such subsidiary acquisition, which were decided by the body that decides such listed company's business execution, is less than 15/100 of the amount of consolidated net assets of such listed company as of the end of the most recent consolidated accounting year;

i. The sum of the amount of consideration pertaining to the subsidiary acquisition and the total amount of considerations pertaining to other subsidiary acquisitions that such listed company carried out or will carry out as part of a series of activities for such subsidiary acquisition that were decided by the body that decides such listed company's business execution, is less than 15/100 of the amount of net assets of such listed company as of the end of the most recent business year; and

j. Matters prescribed in Article 49, Item (11) of the Cabinet Office Ordinance on Transactions Regulations.

(6) Matters referred to in Rule 402, Item (1), Sub-item r. of the Regulations:

a. Where fixed assets are transferred:
The transfer shall satisfy all the criteria referred to in the following (a) to (d):

(a) The book value of the transferred fixed assets of the listed company as of the end of the most recent consolidated accounting year is less than 30/100 of the amount of consolidated net assets as of the same day;

(b) For the consolidated accounting year containing the scheduled date for such transfer of fixed assets, it is expected that the amount of increase or decrease in consolidated ordinary profit due to such transfer of said fixed assets will be less than 30/100 of the amount of consolidated ordinary profit of the listed company recorded for the most recent consolidated accounting year;

(c) For the consolidated accounting year containing the scheduled date for such transfer of fixed assets, it is expected that the amount of increase or decrease in net income attributable to the parent company shareholder due to such transfer of fixed assets will be less than 30/100 of the amount of net income attributable to the parent company shareholder of the listed company recorded for the most recent consolidated accounting year; and

(d) Matters referred to in Article 49, Item (12), Sub-item (i) of the Cabinet Office Ordinance on Transactions Regulations.

b. Where fixed assets are acquired:
The fixed assets shall satisfy all the criteria referred to in the following (a)
and (b).

(a) It is expected that the acquisition value of such fixed assets will be less than 30/100 of the amount of consolidated net assets of the listed company as of the end of the most recent consolidated accounting year; and

(b) Matters referred to in Article 49, Item (12), Sub-item (b) of the Cabinet Office Ordinance on Transactions Regulations.

(7) Matters referred to in Rule 402, Item (1), Sub-item s. of the Regulations:

a. Where the listed company lends fixed assets by leasing:
   The book value of the leased fixed assets of the listed company as of the end of the most recent consolidated accounting year is less than 30/100 of the amount of consolidated net assets as of the same day; and

b. Where the listed company rents fixed assets by leasing:
   It is expected that the total lease amount of such fixed assets will be less than 30/100 of the amount of consolidated net assets of the listed company as of the end of the most recent consolidated accounting year.

(8) Matters referred to in Rule 402, Item (1), Sub-item t. of the Regulations:

The suspension or abolition shall satisfy all the criteria referred to in the following Sub-items a. to d.:

a. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for such suspension or abolition of all or part of the business, it is expected that the amount of decrease in sales of the consolidated company due to such suspension or abolition will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year;

b. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for such suspension or abolition of all or part of the business, it is expected that the amount of increase or decrease in consolidated ordinary profit due to such suspension or abolition will be less than 30/100 of the amount of consolidated ordinary profit recorded for the most recent consolidated accounting year;

c. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for such suspension or abolition of all or part of the business, it is expected that the amount of increase or decrease in net income attributable to the parent company shareholder due to such suspension or abolition will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the most recent consolidated accounting year; and

d. Matters prescribed in Article 49, Item (13) of the Cabinet Office Ordinance on Transactions Regulations.

(9) Matters referred to in Rule 402, Item (1), Sub-item w. of the Regulations:

The matters shall satisfy all the criteria referred to in the following a. and b.

a. For each consolidated accounting year starting within three (3) years from
the beginning of the consolidated accounting year containing the scheduled date for the commencement of a new business (see Note below), it is expected that the amount of increase in sales of the consolidated company due to such commencement of a new business will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year, and it is expected that the total amount of expenditure made specifically for such commencement of a new business will be less than 10/100 of the book value of fixed assets of the consolidated company as of the end of the most recent consolidated accounting year; and

(Note) The term "commencement of a new business" shall include commercialization of sales of new products or provisions of new services; the same shall apply hereinafter.

b. Matters prescribed in Article 49, Item 14 of the Cabinet Office Ordinance on Transactions Regulations.

(10) Matters referred to in Rule 402, Item (1), Sub-item ab. of the Regulations:
The rationalization shall satisfy all the criteria referred to in the following Sub-items a. to c.:

a. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for such rationalization, it is expected that the amount of decrease in sales of the consolidated company due to such rationalization will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year;

b. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for such rationalization, it is expected that the amount of increase or decrease in consolidated ordinary profit due to such rationalization will be less than 30/100 of the amount of consolidated ordinary profit recorded for the most recent consolidated accounting year; and

c. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for such rationalization, it is expected that the amount of increase or decrease in net income attributable to the parent company shareholder due to such rationalization will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the most recent consolidated accounting year.

(11) Matters referred to in Rule 402, Item (1), Sub-item ag. of the Regulations:
The total amount of the monetary liabilities subject to mediation under the terms of mediation as desired by the listed company is less than 10/100 of the total amount of liabilities of the consolidated company as of the end of the most recent consolidated accounting year; and
(Provisional Reference Translation)

(12) Matters referred to in Rule 402, Item (1), Sub-item an. of the Regulations:
The reason for the amendment to the articles of incorporation falls under any of the following Sub-items a. through c.:
   a. Changes only in descriptive expression made in conjunction with amendments to laws and regulations, etc.; or
   b. Change in the location of the head office;
   c. Other reasons that are deemed by the Exchange to have minor influence on the investment decisions of investors.

2. With regards to the application of the provisions of the preceding paragraph to a company that is not one that should prepare consolidated financial statements, "consolidated ordinary profit" shall be "ordinary profit"; "consolidated accounting year" shall be "business year"; "amount of consolidated net assets (meaning the amount of net assets based on the consolidated financial statement; the same applies hereinafter up to Rule 404 inclusive.)" shall be "amount of net assets (meaning the amount obtained by deducting the total amount of liabilities from the total amount of assets (any amount of remaining liabilities that could not be deducted shall be deemed to be zero); the same shall apply hereinafter)"; "sales of the consolidated company (meaning a listed company that submits consolidated financial statements; the same shall apply hereinafter up to Rule 404 inclusive.)" shall be "sales"; "net income attributable to the parent company shareholder" shall be "net income"; "amount of consolidated net assets" shall be "amount of net assets"; "fixed assets of the consolidated company" shall be "fixed assets"; "amount of consolidated capital (meaning the amount of capital based on the consolidated financial statement; the same shall apply in this rule and Rule 403)" shall be "amount of capital"; "amount of consolidated capital" shall be "amount of capital"; and "liabilities of the consolidated company" shall be "liabilities".

Rule 402. De Minimis Criteria for Disclosure of Facts That Have Occurred
1. With respect to the facts referred to in Rule 402, Item (2) of the Regulations, the "criteria specified by the Enforcement Rules" as prescribed in Rule 402 of the Regulations shall be prescribed in each of the following items in accordance with the categories referred to in the following items. However, the criteria pertaining to consolidated ordinary profit shall not apply to a company that voluntarily adopts IFRS.

   (1) Facts referred to in Rule 402, Item (2), Sub-item a. of the Regulations:
The facts shall satisfy all the criteria referred to in the following Sub-items a. to d.:
   a. It is expected that the amount of damage incurred due to a disaster or damage that occurs in the course of business execution will be less than 3/100 of the amount of consolidated net assets as of the end of the most recent consolidated accounting year;
   b. It is expected that the amount of damage incurred due to a disaster or damage that occurs in the course of business execution will be less than 30/100 of the amount of consolidated ordinary profit recorded for the most recent consolidated accounting year;
   c. It is expected that the amount of damage incurred due to a disaster or
damage that occurs in the course of business execution will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the most recent consolidated accounting year; and
d. Matters prescribed in Article 50, Item (1) of the Cabinet Office Ordinance on Transactions Regulations.

(2) Facts referred to in Rule 402, Item (2), Sub-item d. of the Regulations:
a. Where a lawsuit is filed:
   Where falling under all the criteria referred to in the following (a) and (b):
   (a) The amount of the claim to which the lawsuit pertains is less than 15/100 of the amount of consolidated net assets as of the end of the most recent consolidated accounting year, and in cases where the claim is accepted by the court as filed by the plaintiff immediately after the lawsuit is filed and the listed company loses the case, it is expected that, for each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the day on which the lawsuit is filed, the amount of decrease in sales of the consolidated company due to the lost case would be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year; and
   (b) Matters referred to in Article 50, Item (3), Sub-item (a) of the Cabinet Office Ordinance on Transactions Regulations.
b. Where a judgment on such lawsuit or all or part of such lawsuit is resolved without a judicial decision:
   A judgment, etc. pertaining to such lawsuit (meaning that a judgment is made on such lawsuit or all or part of such lawsuit is resolved without a judicial decision; the same shall apply hereinafter in this rule and Rule 404) that falls under the criteria referred to in the preceding Sub-item a. (a), or in a case where a lawsuit that does not fall under the criteria referred to in the preceding Sub-item a. (a) is filed, part of the lawsuit is resolved without a judicial decision, all the criteria referred to in the following (a) to (e) are satisfied.
   (a) It is expected that the amount of property to be delivered by the listed company as a result of the judgment, etc. will be less than 3/100 of the amount of consolidated net assets as of the end of the most recent consolidated accounting year;
   (b) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judgment, etc., it is expected that the amount of decrease in sales of the consolidated company due to such judgment, etc. will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year;
   (c) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judgment, etc., it is expected that the amount of decrease in consolidated ordinary profit due to such judgment, etc. will be less than 30/100 of the amount of consolidated ordinary profit recorded for
the most recent consolidated accounting year;
(d) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judgment, etc., it is expected that the amount of decrease in net income attributable to the parent company shareholder due to such judgment, etc. will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the most recent consolidated accounting year; and
(e) Matters referred to in Article 50, Item (3), Sub-item (b) of the Cabinet Office Ordinance on Transactions Regulations.

(3) Facts referred to in Rule 402, Item (2), Sub-item e. of the Regulations:

a. Where a petition for a provisional disposition order is made:
The petition shall satisfy all the criteria referred to in the following (a) and (b).

(a) In cases where a provisional disposition order is issued as petitioned immediately after such petition is made, for each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such petition, it is expected that the amount of decrease in sales of the consolidated company due to such provisional disposition order would be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year; and
(b) Matters referred to in Article 50, Item (4), Sub-item (a) of the Cabinet Office Ordinance on Transactions Regulations.

b. Where there is a judicial decision on such petition, or all or part of the procedures for such petition are resolved without a judicial decision:
A judicial decision, etc. on such petition (meaning that a judicial decision is made on such petition or all or part of the procedures for such petition is resolved without a judicial decision; the same shall apply hereinafter in this rule and Rule 404) is made that satisfies the criteria referred to in Sub-item a. (a), or in cases where part of the procedures for such petition that does not satisfy the criteria referred to in Sub-item a. (a) is completed without a judicial decision, all the criteria referred to in the following (a) through (d) are satisfied.

(a) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judicial decision, etc., it is expected that the amount of decrease in sales of the consolidated company due to such judicial decision, etc. will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year;
(b) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judicial decision, etc., it is expected that the amount of decrease in consolidated ordinary profit due to such judicial decision, etc. will be less than 30/100 of the amount of consolidated ordinary profit.
profit recorded for the most recent consolidated accounting year;

(c) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judicial decision, etc., it is expected that the amount of decrease in net income attributable to the parent company shareholder due to such judicial decision, etc. will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the most recent consolidated accounting year; and

(d) Matters referred to in Article 50, Item (4), Sub-item (b) of the Cabinet Office Ordinance on Transactions Regulations.

(4) Facts referred to in Rule 402, Item (2), Sub-item f. of the Regulations:

a. Where disciplinary action on the basis of laws and regulations is imposed:
The disciplinary action shall satisfy all the criteria referred to in the following (a) and (b).

(a) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such disciplinary action, it is expected that the amount of decrease in sales of the consolidated company due to such disciplinary action will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year; and

(b) Matters prescribed in Article 50, Item 5 of the Cabinet Office Ordinance on Transactions Regulations.

b. Where an accusation of a violation of laws and regulations is made; and

The amount of sales of the business unit, etc. subject to the accusation of a violation of laws and regulations made by an administrative agency recorded for the most recent consolidated accounting year is less than 10/100 of the amount of sales of the consolidated company recorded for the most recent consolidated accounting year.

(5) Facts referred to in Rule 402, Item (2), Sub-item k. of the Regulations

The facts shall satisfy all the criteria referred to in the following Sub-items a. to d.:

a. It is expected that the amount of likely default of accounts receivable, loans or other receivables, or rights to obtain reimbursement will be less than 3/100 of the amount of consolidated net assets as of the end of the most recent consolidated accounting year;

b. It is expected that the amount of likely default of accounts receivable, loans or other receivables, or rights to obtain reimbursement will be less than 30/100 of the amount of consolidated ordinary profit recorded for the most recent consolidated accounting year;

c. It is expected that the amount of likely default of accounts receivable, loans or other receivables, or rights to obtain reimbursement will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the most recent consolidated accounting year; and

(d) Matters prescribed in Article 50, Item 6 of the Cabinet Office Ordinance on Transactions Regulations.
(6) Facts referred to in Rule 402, Item (2), Sub-item l. of the Regulations:
The facts shall satisfy all the criteria referred to in the following a. and b.:
a. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the day on which a suspension of trade with a business partner(s) occurred, it is expected that the amount of decrease in sales of the consolidated company due to such suspension of trade will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year; and
b. Matters prescribed in Article 50, Item 7 of the Cabinet Office Ordinance on Transactions Regulations.

(7) Facts referred to in Rule 402, Item (2), Sub-item m. of the Regulations:
The facts shall satisfy all the criteria referred to in the following Sub-items a. to d.:
a. The amount of exemption of obligations by a creditor or assumption or fulfillment of obligations by a third party (or, for cases of extension of a repayment deadline by a creditor, the amount of the obligation for which the extension was granted) shall be less than 10/100 of the total amount of obligations outstanding of the consolidated company as of the end of the most recent consolidated accounting year;
b. It is expected that the amount of increase in consolidated ordinary profit due to such exemption of obligations or extension of a repayment deadline by a creditor or assumption or fulfillment of obligations by a third party will be less than 30/100 of the amount of consolidated ordinary profit recorded for the most recent consolidated accounting year;
c. It is expected that the amount of increase in net income attributable to the parent company shareholder due to such exemption of obligations or extension of a repayment deadline by a creditor or assumption or fulfillment of obligations by a third party will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the most recent consolidated accounting year; and

d. Matters prescribed in Article 50, Item (8) of the Cabinet Office Ordinance on Transactions Regulations.

(8) Facts referred to in Rule 402, Item (2), Sub-item n. of the Regulations:
The facts shall satisfy all the criteria referred to in the following a. and b.:
a. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year in which mining or extraction of discovered resources starts, it is expected that the amount of increase in sales of the consolidated company due to the business that utilizes the resources will be less than 10/100 of the amount of sales recorded for the most recent consolidated accounting year; and
b. Matters prescribed in Article 50, Item (9) of the Cabinet Office Ordinance on Transactions Regulations.

(9) Facts referred to in Rule 402, Item (2), Sub-item q. of the Regulations:
The facts shall satisfy all the criteria referred to in the following Sub-items a. and b.:
a. The sum of the difference between the book value and the market value of each security whose market value fell below the book value shall be less than 30/100 of the amount of consolidated ordinary profit recorded for the most recent consolidated accounting year; and
b. The sum of the difference between the book value and the market value of each security whose market value fell below the book value shall be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the most recent consolidated accounting year.

2. With regards to the application of the provisions of the preceding paragraph to a company that is not one that should prepare consolidated financial statements, "consolidated ordinary profit" shall be "ordinary profit"; "consolidated accounting year" shall be "business year"; "amount of consolidated net assets" shall be "amount of net assets (meaning the amount obtained by deducting the total amount of liabilities from the total amount of assets (any amount of remaining liabilities that could not be deducted shall be deemed to be zero); the same shall apply hereinafter in this paragraph)"; "net income attributable to the parent company shareholder" shall be "net income"; "sales of the consolidated company" shall be "sales"; "liabilities of the consolidated company" shall be "liabilities".

Rule 402-2. Handling of Disclosure of Company Information
1. The "details" that should be disclosed pursuant to the provisions of Rules 402, 403, and 407 of the Regulations shall, as a general rule, be those referred to in the following items:
   (1) Reason for deciding matters prescribed in Rule 402, Item (1), Rule 403, Item (1), and Rule 407, Paragraph 2 of the Regulations (hereinafter referred to as "decided facts" in this paragraph), or details of the occurrence of the facts prescribed in Rule 402, Item (2), Rule 403, Item (2), and Rule 407 of the Regulations (hereinafter referred to as "facts that occurred" in this paragraph);
   (2) Summary of decided facts and facts that occurred;
   (3) Future prospect related to decided facts and facts that occurred; and
   (4) Other matters that are deemed by the Exchange to have material significance on investment decisions.

2. In cases that fall under Rule 402, Item (1), Sub-Item a. of the Regulations, the details referred to in each of the following items shall be included in the disclosure when conducting an allotment of offered stocks, etc. by a third-party allotment:
   (1) Details of the confirmation regarding the existence of assets required for payment by the recipient of the allotment;
   (2) Matters referred to in the following a. and b. (matters provided in b. are limited to cases deemed necessary by the Exchange):
      a. Calculation base of payment amount and the specific details of such base;
      b. Opinion, etc. of an auditor, auditor and supervisory committee, or audit committee regarding the legality of the allotment, in terms that are not particularly advantageous for the recipient;
   (3) In cases where any of the procedures referred to in each item of Rule 432 of
Rule 403. De Minimis Criteria for Disclosure of Decisions Made by Subsidiaries, etc.

With respect to the matters referred to in Rule 403, Item 1 of the Regulations, the "criteria specified by the Enforcement Rules" as prescribed in Rule 403 of the Regulations shall be prescribed in accordance with the categories referenced in the captions each of the following items; provided, however, that with respect to a listed foreign company prescribed in Rule 402, Item 1, Sub-item q. of the Regulations (limited to those deemed necessary by the Exchange), such criteria shall be handled pursuant to the provisions prescribed by the Exchange. The criteria pertaining to consolidated ordinary profit shall not apply to a company that voluntarily adopts IFRS.

(1) Matters referred to in Rule 403, Item 1, Sub-item a. of the Regulations:
The exchange of stocks shall satisfy all the criteria referred to in the following Sub-items a. to d.:
   a. It is expected that the amount of decrease or increase in the amount of assets of a consolidated company due to such stock swap will be less than 30/100 of the amount of consolidated net assets as of the end of the immediately preceding consolidated accounting year;
   b. It is expected that the amount of decrease or increase in sales of the consolidated company due to such stock swap will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year;
   c. It is expected that the amount of increase or decrease in consolidated ordinary profit of the consolidated company due to such stock swap will be less than 30/100 of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and
   d. It is expected that the amount of increase or decrease in net income attributable to the parent company shareholder of the consolidated company due to such stock swap will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(2) Matters referred to in Rule 403, Item 1, Sub-item b. of the Regulations:
The stock transfer shall satisfy all the criteria referred to in the following Sub-items a. to d.:
   a. It is expected that the amount of decrease or increase in the amount of assets of the consolidated company due to such stock transfer will be less than 30/100 of the amount of consolidated net assets recorded as of the end of the immediately preceding consolidated accounting year;
   b. It is expected that the amount of decrease or increase in sales of the consolidated company due to such stock transfer will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year;
c. It is expected that the amount of increase or decrease in consolidated ordinary profit of the consolidated company due to such stock transfer will be less than $30/100$ of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and

d. It is expected that the amount of increase or decrease in net income attributable to the parent company shareholder of the consolidated company due to such stock transfer will be less than $30/100$ of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(3) Matters referred to in Rule 403, Item 1, Sub-item c. of the Regulations:
The merger shall satisfy all the criteria referred to in the following Sub-items a. to d.:

a. It is expected that the amount of decrease or increase in the amount of assets of the consolidated company due to such merger will be less than $30/100$ of the amount of consolidated net assets recorded as of the end of the immediately preceding consolidated accounting year;

b. It is expected that the amount of decrease or increase in sales of the consolidated company due to such merger will be less than $10/100$ of the amount of sales recorded for the immediately preceding consolidated accounting year;

c. It is expected that the amount of increase or decrease in consolidated ordinary profit of the consolidated company due to such merger will be less than $30/100$ of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and

d. It is expected that the amount of increase or decrease in net income attributable to the parent company shareholder of the consolidated company due to such merger will be less than $30/100$ of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(4) Matters referred to in Rule 403, Item 1, Sub-item d. of the Regulations:
The demerger shall satisfy all the criteria referred to in the following Sub-items a. to d.:

a. It is expected that the amount of decrease or increase in the amount of assets of the consolidated company due to such demerger will be less than $30/100$ of the amount of consolidated net assets recorded as of the end of the immediately preceding consolidated accounting year;

b. It is expected that the amount of decrease or increase in sales of the consolidated company due to such demerger will be less than $10/100$ of the amount of sales recorded for the immediately preceding consolidated accounting year;

c. It is expected that the amount of increase or decrease in consolidated ordinary profit of the consolidated company due to such demerger will be less than $30/100$ of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and

d. It is expected that the amount of increase or decrease in net income
attributable to the parent company shareholder of the consolidated company due to such demerger will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(5) Matters referred to in Rule 403, Item 1, Sub-item e. of the Regulations:
The transfer or acquisition of business shall satisfy all the criteria referred to in the following Sub-items a. to d.:

a. It is expected that the amount of decrease or increase in the amount of assets of the consolidated company due to such transfer or acquisition of business will be less than 30/100 of the amount of consolidated net assets recorded as of the end of the immediately preceding consolidated accounting year;

b. It is expected that the amount of decrease or increase in sales of the consolidated company due to such transfer or acquisition of business will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year;

c. It is expected that the amount of increase or decrease in consolidated ordinary profit of the consolidated company due to such transfer or acquisition of business will be less than 30/100 of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and

d. It is expected that the amount of increase or decrease in net income attributable to the parent company shareholder of the consolidated company due to such transfer or acquisition of business will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(5)-2 Matters referred to in Rule 403, Item 1, Sub-item f. of the Regulations:
The dissolution shall satisfy all the criteria referred to in the following Sub-items a. to d.:

a. It is expected that the amount of decrease in the amount of assets of the consolidated company due to such dissolution will be less than 30/100 of the amount of consolidated net assets recorded as of the end of the immediately preceding consolidated accounting year;

b. It is expected that the amount of decrease in sales of the consolidated company due to such dissolution will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year;

c. It is expected that the amount of increase or decrease in consolidated ordinary profit of the consolidated company due to such dissolution will be less than 30/100 of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and

d. It is expected that the amount of increase or decrease in net income attributable to the parent company shareholder of the consolidated company due to such dissolution will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(6) Matters referred to in Rule 403, Item 1, Sub-item g. of the Regulations:
For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled start date for the business that will distribute a new product or use a new technology, it is expected that the amount of increase in sales of the consolidated company due to such commercialization of the new product or new technology will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year. In addition, it is expected that the total amount of expenditure made specifically for starting the business that will distribute the new product or use the new technology will be less than 10/100 of the book value of fixed assets of the consolidated company as of the end of the immediately preceding consolidated accounting year;

(7) Matters referred to in Rule 403, Item 1, Sub-item h. of the Regulations:
   a. Where a business alliance is formed:
      For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for the formation of a business alliance, it is expected that the amount of increase in sales of the consolidated company due to such formation of the business alliance will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year, and for cases referred to in the following (a) or (b), the business alliance shall satisfy the criteria specified in (a) or (b), respectively:
         (a) Where a business alliance is formed in conjunction with a capital tie-up:
             With respect to such capital alliance, in cases where a subsidiary, etc. newly acquires the shares of or equity in the counterparty, it is expected that the acquisition cost of the newly acquired shares or equity will be less than 10/100 of either the amount of the consolidated company's consolidated net assets as of the end of the immediately preceding consolidated accounting year or the amount of consolidated capital as of the same end, whichever is larger; and in cases where the counterparty newly acquires shares of the subsidiary, etc., it is expected that the purchase value of shares to be newly acquired by the counterparty will be less than 10/100 of either the amount of the consolidated net assets as of the end of the immediately preceding consolidated accounting year of the consolidated company or the amount of consolidated capital as of the same end, whichever is smaller; or
         (b) Where a subsidiary, etc. and another company jointly establish a new company through a business alliance (excluding cases in which such establishment of a new company is an establishment of a sub-subsidiary (meaning a sub-subsidiary prescribed in Rule 403, Item 1, Sub-item i. of the Regulations; the same shall apply hereinafter)):
             For each business year of the new company starting within three (3) years from the scheduled date for the establishment of the new company,
it is expected that the amount obtained by multiplying the book value of the total assets of the new company as of the end of each business year by the shareholding ratio at the time of the establishment of the new company will be less than 30/100 of the amount of consolidated net assets of the consolidated company as of the end of the immediately preceding consolidated accounting year. In addition, it is expected that the amount obtained by multiplying the amount of sales of the new company recorded for each business year of the new company by the shareholding ratio will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year of the consolidated company;

b. Where a business alliance is dissolved:

For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for the dissolution of a business alliance, it is expected that the amount of decrease in sales of the consolidated company due to such dissolution of the business alliance will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year, and for cases referred to in the following (a) or (b), the dissolution of the business alliance shall satisfy the criteria specified in (a) or (b), respectively:

(a) Where a business alliance formed with a capital tie-up is dissolved:

With respect to such dissolution of capital tie-up, in cases where a subsidiary, etc. newly acquired the shares of or equity in the counterparty, the book value of the acquired shares or equity shall be less than 10/100 of either the amount of the consolidated company's consolidated net assets as of the end of the immediately preceding consolidated accounting year or the amount of its consolidated capital as of the same day, whichever is larger; and in cases where the counterparty has already acquired the shares of the subsidiary, etc., it is expected that the purchase value of the counterparty will be less than 10/100 of either the amount of the consolidated net assets on the last day of the immediately preceding consolidated accounting year of the consolidated company or the amount of the consolidated capital as of the same day, whichever is smaller; or

(b) Where a business alliance operated through a new company jointly established by a subsidiary, etc. and another company is dissolved:

The amount obtained by multiplying the book value of the total assets of the new company as of the end of the immediately preceding business year by the shareholding ratio shall be less than 30/100 of the amount of consolidated net assets of the consolidated company as of the end of the immediately preceding consolidated accounting year, and the amount obtained by multiplying the amount of sales of the new company recorded for the immediately preceding business year by the shareholding ratio shall be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year
of the consolidated company;

(8) Matters referred to in Rule 403, Item 1, Sub-item i. of the Regulations:
The transfer or acquisition shall satisfy all the criteria referred to in the following Sub-items a. to h. (excluding Sub-item h. for cases other than those of a subsidiary, etc. carrying out a sub-subsidiary acquisition (meaning making a company a sub-subsidiary of a listed company by means of acquiring stock or equity issued by said company or other means (excluding those carried out by tender offer prescribed in Article 27-3, Paragraph 1 of the Act); the same shall apply hereinafter):

a. The book value of the total assets of the sub-subsidiary or the company to become a sub-subsidiary as of the end of the immediately preceding business year (or, in cases where a new sub-subsidiary will be established, the expected book value of the total assets of the sub-subsidiary as of the end of each business year starting within three (3) years from the scheduled date for the establishment of the new sub-subsidiary) shall be less than 30/100 of the amount of consolidated net assets of the consolidated company as of the end of the immediately preceding consolidated accounting year, etc.;

b. The amount of sales of the sub-subsidiary or the company to become a sub-subsidiary recorded for the immediately preceding business year (or, in cases where a new sub-subsidiary will be established, the expected amount of sales of the sub-subsidiary for each business year starting within three (3) years from the scheduled date for the establishment of the new sub-subsidiary) shall be less than 10/100 of the amount of sales of the consolidated company recorded for the immediately preceding consolidated accounting year, etc.;

c. The amount of ordinary profit of the sub-subsidiary or the company to become a sub-subsidiary recorded for the immediately preceding business year (or, in cases where a new sub-subsidiary will be established, the expected amount of ordinary profit of the sub-subsidiary for each business year starting within three (3) years from the scheduled date for the establishment of the new sub-subsidiary) shall be less than 30/100 of the amount of consolidated ordinary profit of the consolidated company recorded for the immediately preceding consolidated accounting year, etc.;

d. The amount of net income of the sub-subsidiary or the company to become a sub-subsidiary recorded for the immediately preceding business year (or, in cases where a new sub-subsidiary will be established, the expected amount of net income of the sub-subsidiary for each business year starting within three (3) years from the scheduled date for the establishment of the new sub-subsidiary) shall be less than 30/100 of the amount of net income attributable to the parent company shareholder of the consolidated company recorded for the immediately preceding consolidated accounting year, etc.;

e. The amount of purchase of the listed company from the sub-subsidiary or the company to become a sub-subsidiary recorded for the immediately preceding business year (or, in cases where a new sub-subsidiary will be
established, the expected amount of purchase by the listed company from
the sub-subsidiary for each business year starting within three (3) years
from the scheduled date for the establishment of the new sub-subsidiary
shall be less than 10/100 of the total amount of purchase of the listed
company recorded for the immediately preceding business year;
f. The amount of sales of the listed company to the sub-subsidiary or the
company to become a sub-subsidiary recorded for the immediately
preceding business year (or, in cases where a new sub-subsidiary will be
established, the expected amount of sales by the listed company to the sub-
subsidiary for each business year starting within three (3) years from the
scheduled date for the establishment of the new sub-subsidiary) shall be less
than 10/100 of the total amount of sales of the listed company recorded for
the immediately preceding business year;
g. The amount of capital of or equity contribution in the sub-subsidiary or the
corporation to become a sub-subsidiary shall be less than 10/100 of the
amount of capital of the listed company; and
h. The sum of the amount of consideration pertaining to the sub-subsidiary
acquisition (meaning the total amount that was paid or should be paid as of
consideration for the sub-subsidiary acquisition; the same shall apply
hereinafter in this item) and the total amount of considerations pertaining to
other subsidiary acquisitions that such listed company or sub-subsidiary
acquisitions that such subsidiary, etc. carried out or will carry out as part of
a series of activities for such sub-subsidiary acquisition, which were
decided by the body that decides such listed company's or subsidiary's
business execution, is less than 15/100 of the amount of consolidated net
assets of the consolidated company as of end of the immediately preceding
consolidated accounting year.

(9) Matters referred to in Rule 403, Item 1, Sub-item j. of the Regulations:
a. Where fixed assets are transferred:
The transfer shall satisfy all the criteria referred to in the following (a) to
(c):
(a) The decrease in the amount of assets of the consolidated company due
to the transfer of such fixed assets shall be expected to be less than
30/100 of the amount of consolidated net assets as of the end of the
immediately preceding consolidated accounting year;
(b) For the consolidated accounting year containing the scheduled date for
such transfer of fixed assets, it is expected that the amount of increase
or decrease in consolidated ordinary profit due to such transfer of fixed
assets will be less than 30/100 of the amount of consolidated ordinary
profit of the consolidated company recorded for the immediately
preceding consolidated accounting year; and
(c) For the consolidated accounting year containing the scheduled date for
such transfer of fixed assets, it is expected that the amount of increase
or decrease in net income attributable to the parent company
shareholder due to such transfer of fixed assets will be less than 30/100
of the amount of net income attributable to the parent company shareholder of the consolidated company recorded for the immediately preceding consolidated accounting year; and

b. Where fixed assets are acquired:
It is expected that the increase in the amount of assets of the consolidated company due to the acquisition of such fixed assets will be less than 30/100 of the amount of consolidated net assets of the consolidated company as of the end of the immediately preceding consolidated accounting year.

(10) Matters referred to in Rule 403, Item 1, Sub-item k. of the Regulations:
   a. Where the subsidiary, etc. is the lessor of fixed assets:
      The book value of the leased fixed assets of the consolidated company as of the end of the immediately preceding consolidated accounting year shall be less than 30/100 of the amount of consolidated net assets as of the same day; and
   b. Where the subsidiary, etc. is the lessee of fixed assets:
      It is expected that the total lease amount of such fixed assets will be less than 30/100 of the amount of consolidated net assets of the consolidated company as of the end of the immediately preceding consolidated accounting year.

(11) Matters referred to in Rule 403, Item 1, Sub-item l. of the Regulations:
The suspension or abolition shall satisfy all the criteria referred to in the following Sub-items a. to c.:
   a. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for such suspension or abolition of all or part of the business, it is expected that the amount of decrease in sales of the consolidated company due to such suspension or abolition will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year;
   b. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for such suspension or abolition of all or part of the business, it is expected that the amount of increase or decrease in consolidated ordinary profit due to such suspension or abolition will be less than 30/100 of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and
   c. For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for such suspension or abolition of all or part of the business, it is expected that the amount of increase or decrease in net income attributable to the parent company shareholder due to such suspension or abolition will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(12) Matters referred to in Rule 403, Item 1, Sub-item n. of the Regulations:
For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the scheduled date for the commencement of a new business, it is expected that the amount of increase in sales of the consolidated company due to such commencement of the new business will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year, and it is expected that the total amount of expenditure made specifically for such commencement of the new business will be less than 10/100 of the book value of fixed assets of the consolidated company as of the end of the immediately preceding consolidated accounting year.

(13) Matters referred to in Rule 403, Item 1, Sub-item p. of the Regulations:
The matters shall satisfy all the criteria referred to in the following Sub-items a. to d.:

a. The book value of total assets of the subsidiary, etc. as of the end of the immediately preceding business year shall be less than 30/100 of the amount of consolidated net assets of the consolidated company as of the end of the immediately preceding consolidated accounting year;
b. The amount of sales of the subsidiary, etc. as of the end of the immediately preceding business year shall be less than 10/100 of the amount of sales of the consolidated company in the immediately preceding consolidated accounting year;
c. The amount of ordinary profit of the subsidiary, etc. as of the end of the immediately preceding business year shall be less than 30/100 of the amount of consolidated ordinary profit of the consolidated company in the immediately preceding consolidated accounting year; and
d. The amount of current net income of the subsidiary, etc. as of the end of the immediately preceding business year shall be less than 30/100 of net income attributable to the parent company shareholder of the consolidated company in the immediately preceding consolidated accounting year.

(14) Matters referred to in Rule 403, Item 1, Sub-item r. of the Regulations:
The total amount of monetary liabilities to be mediated in the terms of mediation desired by the subsidiary, etc. shall be less than 10/100 of the total amount of liabilities outstanding of the consolidated company as of the end of the immediately preceding consolidated accounting year.

Rule 404. De Minimis Criteria for Disclosure of Facts Concerning Subsidiaries, etc. That Have Occurred

With respect to the facts referred to in Rule 403, Item 2 of the Regulations, the "criteria specified by the Enforcement Rules" as prescribed in Rule 403 of the Regulations shall be prescribed in each of the following items in accordance with the categories referenced in each of such items; provided, however, that, with respect to a listed foreign company prescribed in Rule 402, Item 1, Sub-item q. of the Regulations (limited to those deemed necessary by the Exchange), such criteria shall be handled pursuant to the provisions prescribed by the Exchange. The criteria pertaining to consolidated ordinary profit shall not apply to a company that voluntarily adopts IFRS.

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(1) Facts referred to in Rule 403, Item 2, Sub-item a. of the Regulations:
   The facts shall satisfy all the criteria referred to in the following Sub-items a. to c.:
   a. The amount of damage incurred due to disaster or damage that occurred in the course of business execution is less than 3/100 of the amount of consolidated net assets of the consolidated company as of the end of the immediately preceding consolidated accounting year;
   b. It is expected that the amount of increase or decrease in consolidated ordinary profit of the consolidated company due to such damage incurred due to a disaster or damage that occurred in the course of business execution will be less than 30/100 of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and
   c. It is expected that the amount of increase or decrease in net income attributable to the parent company shareholder of the consolidated company due to such damage incurred due to a disaster or damage that occurred in the course of business execution will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(2) Facts referred to in Rule 403, Item 2, Sub-item b. of the Regulations:
   a. Where a lawsuit is filed:
      The amount of the claim to which the lawsuit pertains is less than 15/100 of the amount of consolidated net assets as of the end of the immediately preceding consolidated accounting year pertaining to the consolidated company, and in cases where the claim is accepted by the court as filed by the plaintiff immediately after the lawsuit is filed and the subsidiary, etc. loses the case, it is expected that, for each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the day on which the lawsuit is raised, the amount of decrease in sales of the consolidated company due to the lost case would be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year; and
   b. Where a judgment is made as to such lawsuit or all or part of such lawsuit is resolved without a judicial decision:
      A judgment, etc. as to such lawsuit is made that satisfies the criteria specified in Sub-item a., or in cases where part of such lawsuit that does not satisfy the criteria specified in Sub-item a. is resolved without a judicial decision, all the criteria referred to in the following (a) and (d) shall be satisfied:
      (a) It is expected that the amount of property to be delivered as a result of the judgment, etc. will be less than 3/100 of the amount of consolidated net assets as of the end of the immediately preceding consolidated accounting year pertaining to the consolidated company;
      (b) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judgment, etc., it is expected that the amount of decrease in sales of the consolidated company due to such judgment, etc. will be
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less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year;

(c) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judgment, etc., it is expected that the amount of decrease in consolidated ordinary profit due to such judgment, etc. will be less than 30/100 of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and

(d) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judgment, etc., it is expected that the amount of decrease in net income attributable to the parent company shareholder due to such judgment, etc. will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(3) Facts referred to in Rule 403, Item 2, Sub-item c. of the Regulations:

a. Where a petition for a provisional disposition order is made:

In cases where a provisional disposition order is issued as petitioned immediately after such petition is made, for each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such petition, it is expected that the amount of decrease in sales of the consolidated company due to such provisional disposition order would be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year;

b. Where there is a judicial decision on such petition, or all or part of the procedures for such petition are resolved without a judicial decision:

A judicial decision, etc. on such petition is made that satisfies the criteria specified in Sub-item a., or in cases where part of the procedures for such petition that does not satisfy the criteria specified in Sub-item a. is resolved without a judicial decision, all the criteria referred to in the following (a) and (c) are satisfied:

(a) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judicial decision, etc., it is expected that the amount of decrease in sales of the consolidated company due to such judicial decision, etc. will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year;

(b) For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such judicial decision, etc., it is expected that the amount of decrease in consolidated ordinary profit due to such judicial decision, etc. will be less than 30/100 of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year;

(c) For each consolidated accounting year starting within three (3) years...
from the beginning of the consolidated accounting year containing the date of such judicial decision, etc., it is expected that the amount of decrease in net income attributable to the parent company shareholder due to such judicial decision, etc. will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(4) Facts referred to in Rule 403, Item 2, Sub-item d. of the Regulations:
   a. Where a disciplinary action on the basis of laws and regulations is imposed:
      For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the date of such disciplinary action, it is expected that the amount of decrease in sales of the consolidated company due to such disciplinary action will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year; and
   b. Where an accusation of a violation of laws and regulations is made:
      The amount of sales of the business unit, etc. subject to the accusation of violation of laws and regulations made by an administrative agency recorded for the immediately preceding consolidated accounting year shall be less than 10/100 of the amount of sales of the consolidated company recorded for said consolidated accounting year.

(5) Facts referred to in Rule 403, Item 2, Sub-item h. of the Regulations:
   The facts shall satisfy all the criteria referred to in the following Sub-items a. to c.:
   a. It is expected that the amount of likely default of accounts receivable, loans or other receivables, or rights to obtain reimbursement will be less than 3/100 of the amount of consolidated net assets of the consolidated company as of the end of the immediately preceding consolidated accounting year;
   b. It is expected that the amount of likely default of accounts receivable, loans or other receivables, or rights to obtain reimbursement will be less than 30/100 of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and
   c. It is expected that the amount of likely default of accounts receivable, loans or other receivables, or rights to obtain reimbursement will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(6) Facts referred to in Rule 403, Item 2, Sub-item i. of the Regulations:
   For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year containing the day on which a suspension of trade with a business partner(s) occurred, it is expected that the amount of decrease in sales of the consolidated company due to such suspension of trade will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year;

(7) Facts referred to in Rule 403, Item 2, Sub-item j. of the Regulations:
   The facts shall satisfy all the criteria referred to in the following Sub-items a.
to c.:
  a. The amount of exemption of obligations by a creditor or assumption or fulfillment of obligations by a third party (or, for cases of extension of a repayment deadline by a creditor, the amount of the obligation for which the extension was granted) shall be less than 10/100 of the amount of obligations outstanding of the consolidated company as of the end of the immediately preceding consolidated accounting year;
  b. It is expected that the amount of increase in consolidated ordinary profit due to such exemption of obligations or extension of a repayment deadline by a creditor or assumption or fulfillment of obligations by a third party will be less than 30/100 of the amount of consolidated ordinary profit recorded for the immediately preceding consolidated accounting year; and
  c. It is expected that the amount of increase in net income attributable to the parent company shareholder due to such exemption of obligations or extension of a repayment deadline by a creditor or assumption or fulfillment of obligations by a third party will be less than 30/100 of the amount of net income attributable to the parent company shareholder recorded for the immediately preceding consolidated accounting year.

(8) Facts referred to in Rule 403, Item 2, Sub-item k. of the Regulations:
For each consolidated accounting year starting within three (3) years from the beginning of the consolidated accounting year in which mining or extraction of the discovered resources starts, it is expected that the amount of increase in sales of the consolidated company due to the business that uses the resources will be less than 10/100 of the amount of sales recorded for the immediately preceding consolidated accounting year.

Rule 405 and Rule 406 Deleted.

Rule 407. Amendment to Estimated Value, etc. by Listed Company
1. The "criteria specified by the Enforcement Rules as matters that have a material impact on investors' investment decisions" as prescribed in Rule 405, Item 1 of the Regulations shall be prescribed in each of the following items in accordance with the categories referenced in each of such items:
   (1) Sales of a business group
       The numerical value obtained by dividing the newly calculated estimated value or the value as per account settlement for the current consolidated accounting year by the last published estimated value (where there is no such value, the published actual value for the previous consolidated accounting year) shall not be less than 1.1 or not more than 0.9;
   (2) Operating profit of a business group
       The numerical value obtained by dividing the newly calculated estimated value or the value as per account settlement for the current consolidated accounting year by the last published estimated value (where there is no such value, the published actual value for the previous consolidated accounting year) shall not be less than 1.3 or not more than 0.7 (in cases where the last published

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estimated value is zero or where the published actual value for the previous consolidated accounting year is zero when there is no such estimated value, this criteria shall always be deemed to have been met);

(3) Ordinary profit of a business group (In the case of a listed company that is a company that voluntarily adopts IFRS, profit before taxes.)
The numerical value obtained by dividing the newly calculated estimated value or the value as per account settlement for the current consolidated accounting year by the last published estimated value (where there is no such value, the published actual value for the previous consolidated accounting year) shall not be less than 1.3 or not more than 0.7 (in cases where the last published estimated value is zero or where the published actual value for the previous consolidated accounting year is zero when there is no such estimated value, this criteria shall always be deemed to have been met); and

(4) Net income of a business group (In the case of a listed company that is a company that voluntarily adopts IFRS, net income and net income belonging to owner(s) of the parent company.)
The numerical value obtained by dividing the newly calculated estimated value or the value as per account settlement for the current consolidated accounting year by the last published estimated value (where there is no such value, the published actual value for the previous consolidated accounting year) shall not be less than 1.3 or not more than 0.7 (in cases where the last published estimated value is zero or where the published actual value for the previous consolidated accounting year is zero when there is no such estimated value, this criteria shall always be deemed to have been met).

2. With regards to the application of the provisions of the preceding paragraph to a company that is not one that should prepare consolidated financial statements, "business group" in the same paragraph shall be "listed company", and "consolidated accounting year" shall be "business year".

Rule 408. Deleted.

Rule 409. Deleted.

Rule 410. Definition of Latest Investment Unit
The "price specified by the Enforcement Rules as the latest investment unit" as prescribed in Rule 409 of the Regulations means either (i) the average price per unit calculated based on the daily last prices of the listed domestic stock of trading sessions of the Exchange during the period of one (1) year prior to the end of the immediately preceding business year or (ii) the price per unit calculated based on the last price of the listed domestic stock of trading sessions of the Exchange as of the end of the immediately preceding business year (or the most recent last price, if there is no execution of trading on that day), whichever is lower.

The case provided in the Enforcement Rules as prescribed in the proviso of Rule 409-2 of the Regulations refers to the case where the member mark of the Financial Accounting Standards Foundation is displayed when a listed domestic company discloses details of account settlement related to the business year or consolidated accounting year pursuant to Rule 404 of the Regulations.

Rule 411. Definition of MSCBs, etc.

1. "Security that is specified by the Enforcement Rules" as prescribed in Rule 410, Paragraph 1 of the Regulations means the securities referred to in each of the following items issued by a listed company through a third-party allotment:

   (1) Corporate bonds with subscription warrants (including corporate bonds that are offered and allotted simultaneously (meaning a security specified in Article 2, Paragraph 1, Item 5 of the Act or a security specified in Article 2, Paragraph 1, Item 17 thereof that has a characteristic of a security specified in Item 5 of the same paragraph) and subscription warrant securities that are issued and traded as an integral part of such corporate bonds with subscription warrants);

   (2) Subscription warrant securities; and

   (3) Stocks with put options (meaning those in which the consideration to be delivered upon the exercise of such put options is the listed stock, etc. issued by the issuer of such stocks with put options).

2. "Issuance conditions specified by the Enforcement Rules" as prescribed in Rule 410, Paragraph 1 of the Regulations mean the issuance conditions that allow, upon exercise of subscription warrants or put options (hereinafter in the Rule and Rule 436 referred to as "subscription warrants, etc.") that are delivered or represented by such securities, the amount to be paid per share to be adjusted based on the price of the listed stock, etc. to be delivered as a result of exercise of such subscription warrants, etc. at a frequency more than once per six (6) months.

Rule 412. Handling of Disclosure of Matters Relating to Controlling Shareholder, etc.

"Matters relating to a controlling shareholder, etc. specified by the Enforcement Rules" as prescribed in Rule 411, Paragraph 1 of the Regulations mean the matters prescribed in each of the following items:

   (1) The trade name or corporate name of the parent company, etc., the holding ratio of the parent company, etc. with respect to the voting rights of the listed company, and the trade name or corporate name of the financial instruments exchange in Japan on which the stocks, etc. issued by the parent company, etc. or the foreign financial instruments exchange, etc. on which the stocks, etc. issued by the parent company, etc. are listed or continuously traded;

   (2) In cases where there are multiple parent companies, etc., the trade name or corporate name of the company, etc. among them that is determined to have the most significant influence on the listed company (if multiple parent companies, etc. are determined to have equal influence, all such companies, etc.) and the reason for determining that said company, etc. has the most significant impact on the listed company (if multiple parent companies, etc. are determined to have equal influence, the basis for such determination);
(3) In cases where the provisions of Rule 411, Paragraph 3 of the Regulations apply to the parent company, etc. (if there are multiple companies, etc., the company, etc. among them that is determined to have the most significant influence on the listed company; if multiple companies, etc. are determined to have equal impact, any one such company, etc.) (excluding cases in which such parent company, etc. is an issuer of stocks, etc. that are listed on a financial instruments exchange in Japan or an issuer of stocks, etc. that are listed or continuously traded on a foreign financial instruments exchange, etc.), the reason for which the Exchange approved the application of these provisions;

(4) The position of the parent company, etc. within the corporate group and relationship with the other parent companies, etc.;

(5) Matters related to transactions with the controlling shareholder, etc. (meaning the matters related to transactions with the entities referred to in the following Sub-items a. to c., among the matters related to transactions with related parties required to be included in financial statements, etc. or consolidated financial statements, etc. pursuant to the provisions of Article 8-10 of the Financial Statements, etc. Regulation or Article 15-4-2 of the Consolidated Financial Statements Regulation (or matters equivalent to these for a listed foreign company));
   a. Parent company, etc.;
   b. The controlling shareholder (excluding the parent company) and its close relatives; and
   c. Companies, etc. and subsidiaries of such companies, etc. in which the entity specified in the preceding Sub-item b. holds a majority of voting rights in that entity's proprietary account; and

(6) The implementation status of the measures specified in the guidelines prescribed in Rule 211, Paragraph 4, Item 1 or Rule 226, Paragraph 4, Item 1 (including the amendment thereto, if the guidelines have been amended pursuant to the provisions of Rule 419, Paragraph 1 of the Regulations).

Rule 413. Handling of Notification of Persons Responsible for Handling of Information
"Those specified by the Enforcement Rules" as prescribed in Rule 417, Paragraph 1 of the Regulations mean directors or executive officers of a listed company, or persons holding similar positions.

Rule 414. Deleted.

Rule 415. Handling of Report Concerning Corporate Governance
1. Matters concerning Corporate Governance specified by the Enforcement Rules as prescribed in Rule 419, Paragraph 1 of the Regulations mean matters referred to in the following items; provided, however, limited to a case where a listed company is an issuer of domestic stocks in Items 2 and 6.
   (1) Basic approach to corporate governance and basic information about capital structure, corporate attributes, and other information regarding the listing company (including guidelines on measures to protect the interest of minority shareholders in executing transactions, etc. with the controlling shareholder, if
any);
(2) Matters related to Exhibit "The Corporate Governance Code" in the Regulations (including the reasons for non-compliance with principles of the code as indicated in the exhibit prescribed in Rule 436-3 of the Regulations);
(3) Business management organization pertaining to management decision, execution and supervision and other matters on the status of the corporate governance system, and the reason for selecting such organization and system;
(4) Implementation status of measures to protect the interest of shareholders and other stakeholders;
(5) Basic approach to and implementation status of the internal control system (including matters concerning the development of the corporate structure for eliminating anti-social forces);
(6) Status of securing an independent director(s)/auditor(s) (in the case where a person designated as an independent director/author falls under any of the following a. through j., including such fact and its outline);
(7) Other matters deemed necessary by the Exchange.

2. Matters specified by the Enforcement Rules as prescribed in Rule 419, Paragraph 2 of the Regulations mean matters referred to capital structure and corporate attributes, among the matters referred to in Item 1 of the previous paragraph, matters referred to in Item 2 of the previous paragraph, and matters that the Exchange deems to have minor impact on investment decisions.

Section 2
Procedures after Listing

Sub-section 1
Submission of Documents, etc.

Rule 416. Handling of Submission, etc. of Documents
Submission, etc. of the documents prescribed in Rule 421, Paragraph 1 of the Regulations and Rule 421-2, Paragraph 2 of the Regulations shall be in accordance with the provisions of this sub-section.

Rule 417. Submission of Documents Pertaining to Decisions Requiring Disclosure
In cases where a listed company passed a resolution or made a decision (meaning a decision made by the representative director in accordance with a predetermined procedure, in the case of a decision made in the sole discretion of the representative director; including a decision made by a director in the case of a company with audit and supervisory committee or by an executive officer in the case of a company with nominating committee, etc.; the same shall apply hereinafter in this rule and the following rule) on the matters referred to in each of the following items, among matters referred to in Rule 402, Item 1, the listed company shall submit documents to the Exchange in accordance with the provisions of the following items. However, where the Exchange...
deems it appropriate in cases where the details that should be described in documents that should be submitted to the Exchange are deemed to have been sufficiently disclosed through disclosure of corporate information pursuant to the provisions of Part 2, Chapter 4, Section 2 of the Regulations, submission of such documents is not required.

(1) Matters referred to in Rule 402, Item 1, Sub-item a. of the Regulations:
Documents referred to in the following Sub-items a. to g. However, in cases where the listed company submitted a securities registration statement to the Prime Minister, etc. through the electronic data processing system for disclosure (meaning the electronic data processing system for disclosure prescribed in Article 27-30-2 of the Act; the same shall apply hereinafter), submission of the documents specified in Sub-item d. is not required; and in cases where the listed company is a listed foreign company, it may submit a "Security Alteration Listing Application Form" containing said matters in lieu of the documents specified in Sub-item a.:

a. Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

b. Schedule for the offering or secondary distribution: immediately after it is finalized;

c. A copy of notice of effectiveness of securities registration statement: immediately after it is received;

d. Prospectus, preliminary prospectus for registration, and documents pertaining to amendments thereto: immediately after it is prepared.

In this case, the listed company shall agree that such prospectus (excluding those prepared pursuant to the provisions of the first sentence of Article 13, Paragraph 1 of the Act and Article 13, Paragraph 3 thereto) will be made available for public inspection by the Exchange;

e. A copy of the list of parties involved in stabilization transaction (meaning parties that are permitted to accept entrustment, etc. of stabilization transactions prescribed in each item of Article 20, Paragraph 3 of the Enforcement Ordinance): by the day immediately prior to the first day of the period during which stabilization transactions are permitted pursuant to the provisions of Article 22, Paragraph 2 to Paragraph 4 of the Enforcement Ordinance; and

f. A copy of securities notification (including the amendment thereto); without delay after it is submitted to the Prime Minister, etc.

g. In a case where a listed company performs a third-party allotment in an allotment of offered stocks, etc. (excluding cases that all stocks are allotted to the listed company or trading participants of the Exchange and other entities deemed appropriate by the Exchange), a "Written Confirmation Certifying that the Allotted Persons Have No Ties to Anti-Social Forces" predetermined by the Exchange: immediately after it is prepared.

(2) Matters referred to in Rule 402, Item 1, Sub-item b. of the Regulations:
Documents referred to in the following Sub-items a. and b. However, in cases where the listed company submitted a shelf-registration statement and the amendment thereto to the Prime Minister, etc. through the electronic data
processing system for disclosure, submission of the documents specified in Sub-item a.(b) is not required and in cases where the listed company submitted shelf-registration supplementary documents to the Prime Minister, etc. through the electronic data processing system for disclosure, submission of the documents specified in Sub-item a.(c) is not required:

a. Documents related to shelf-registration that are referred to in the following (a) to (e):

(a) A copy of the notice of effectiveness of shelf-registration: immediately after it is received;
(b) Shelf-registration prospectus, preliminary shelf-registration prospectus, and amendment documents thereto: immediately after it is prepared;
(c) Shelf-registration supplementary prospectus: immediately after it is prepared;
(d) A copy of the shelf-registration notification: immediately after it is submitted to the Prime Minister, etc.; and
(e) A copy of the registration for withdrawal of shelf-registration: immediately after it is submitted to the Prime Minister, etc.

b. The following documents pertaining to the commencement of the survey on the state of investor demand:

"Notice of Commencement of the Demand Survey" predetermined by the Exchange: immediately after it is decided (by the day immediately prior to the day on which the survey starts);

(3) Matters referred to in Rule 402, Item 1, Sub-item f. of the Regulations:
In cases where a resolution or decision is reached on gratis allotment of shares, matters referred to in the following Sub-item a., or in cases where a resolution or decision is reached on gratis allotment of subscription warrants, matter referred to in the following Sub-items a. through c.

a. Schedule for gratis allotment of shares or gratis allotment of subscription warrants: immediately after it is finalized;

b. A copy of notice of effectiveness of securities registration statement: immediately after it is received; and

c. A copy of the securities notification and amendment notification: without delay after it is submitted to the Prime Minister, etc.

(3)-2 Matters referred to in Rule 402, Item 1, Sub-item f-2. of the Regulations:
Documents referred to in the following Sub-items a. and b.

a. Documents referred to in the following (a) through (c) concerning shelf registration:

(a) A copy of notice of effectiveness of shelf registration statement: immediately after it is received;
(b) A copy of notice of shelf registration: immediately after it is submitted to the Prime Minister, etc.; and
(c) A copy of registration of withdrawal of shelf registration: immediately after it is submitted to the Prime Minister, etc.

b. The following documents concerning the commencement of a survey on the state of investor demand or expected exercise of rights:
"Notice of Commencement of the Demand Survey or Expected Exercise of Rights" predetermined by the Exchange: immediately after it is decided (by the day immediately prior to the day on which the survey starts).

(4) Matters referred to in Rule 402, Item 1, Sub-item g. of the Regulations:
Documents referred to in the following Sub-items a. and b., provided however, that in the case of a listed foreign company, submission of documents is not required except for those specified in Sub-item a. In this case, a listed company shall agree that the documents specified in Sub-item b. will be made available for public inspection by the Exchange;
   a. Schedule for the stock split or reverse stock split:
      Immediately after it is finalized
   b. In the case of a reverse stock split (limited to reverse stock splits prescribed in Article 182-2, Paragraph 1 of the Companies Act), documents referred to in the following (a) or (b):
      (a) A copy of the documents prescribed in Article 182-2, Paragraph 1 of the Companies Act (statutory before-the-fact disclosure documents):
        By the day of the starting date of the period during which the listed company is required by the provisions of the same paragraph to keep such documents at its head office;
      (b) A copy of the documents prescribed in Article 182-6, Paragraph 1 of the Companies Act (statutory after-the-fact disclosure documents):
        Promptly after the effective date of the reverse stock split.

(5) Matters referred to in Rule 402, Item 1, Sub-item h. of the Regulations:
In cases where the listed company has prepared extraordinary financial statements, extraordinary financial statements as well as accounting audit report and audit report: immediately after they are prepared;

(6) Matters referred to in Rule 402, Item 1, Sub-item i. of the Regulations:
Documents referred to in the following Sub-items a. to e. However, if the listed company is a listed foreign company, submission of documents is not required except for documents specified in Sub-items a. and c. In this case, the listed company shall agree that the documents specified in Sub-items a., b., d., and e.-(b) will be made available for public inspection by the Exchange;
   a. A copy of the agreement on the stock swap: immediately after the agreement is concluded;
   b. A copy of the documents prescribed in Article 782, Paragraph 1 of the Companies Act or Article 794, Paragraph 1 thereof (statutory before-the-fact disclosure documents): by the day of the starting date of the period during which the listed company is required by these provisions to keep such documents at its head office;
   c. Schedule for the stock swap: immediately after it is finalized;
   d. A copy of documents prescribed in Article 801, Paragraph 3, Item 3 of the Companies Act (statutory after-the-fact disclosure documents): promptly after the effective date of the stock swap;
   e. In cases where the listed company falls under the following (a) or (b), the documents specified in such (a) or (b), respectively:
(a) Where the listed company carries out the stock swap with another company (excluding cases in which the listed company carries out the stock swap for the purpose of making an unlisted company a wholly owned subsidiary and the listed company is subject to the provisions of Article 796, Paragraph 3 of the Companies Act):
Document containing a view on the stock swap ratio pertaining to said stock swap expressed by a person other than the companies concerned who has expertise and experience pertaining to the valuation of corporate value or stocks: immediately after it is prepared; and

(b) Where the listed company carries out the stock swap for the purpose of becoming a wholly owned subsidiary of another company (limited to cases in which an initial listing application pertaining to provisions for technical listing is made with respect to stocks, etc. of such other company (limited to cases in which it is an unlisted company) or its parent company (limited to cases in which it is an unlisted company)) or where the listed company carries out the stock swap for the purpose of making an unlisted company a wholly owned subsidiary:
"Summary of Unlisted Company" predetermined by the Exchange that contains the outline of the business, business review, review of equipment and facilities, etc. of the unlisted company: promptly after the resolution is passed or the decision is made.

(7) Matters referred to in Rule 402, Item 1, Sub-item j. of the Regulations:
Documents referred to in the following Sub-items a. to c. However, if the listed company is a listed foreign company, submission of documents is not required except for documents specified in Sub-item b. In this case, the listed company shall agree that the documents specified in Sub-items a. and c.(b) will be made available for public inspection by the Exchange:

a. A copy of the documents prescribed in Article 803, Paragraph 1 of the Companies Act (statutory before-the-fact disclosure documents): by the day of the starting date of the period during which the listed company is required by the provisions thereof to keep such documents at its head office;

b. Schedule for the stock transfer: immediately after it is finalized;

c. In cases where the listed company falls under the following (a) or (b), the documents specified in such (a) or (b), respectively:

(a) Where the listed company carries out a stock transfer jointly with another company:
Document containing a view on the stock transfer ratio pertaining to said stock transfer expressed by a person other than the companies concerned who has expertise and experience in the valuation of corporate value or stocks: immediately after it is prepared; and

(b) Where the listed company carries out a stock transfer jointly with an unlisted company (limited to cases in which an initial listing application pertaining to provisions for technical listing is made with respect to stocks, etc. of the newly established company):
"Summary of Unlisted Company" predetermined by the Exchange that
contains the outline of the business, business review, review of equipment and facilities, etc. of the unlisted company: promptly after the resolution is passed or the decision is made.

(8) Matters referred to in Rule 402, Item 1, Sub-item k. of the Regulations:
Documents referred to in the following Sub-items a. to e. However, if the listed company is a listed foreign company, submission of documents is not required except for documents specified in Sub-items a. and c. In this case, the listed company shall agree that the documents specified in Sub-items a., b., d., and e.-b) will be made available for public inspection by the Exchange:

a. A copy of merger agreement: immediately after the agreement is concluded;
b. A copy of the documents prescribed in Article 782, Paragraph 1 of the Companies Act, Article 794, Paragraph 1 thereof or Article 803, Paragraph 1 thereof (statutory before-the-fact disclosure documents): by the day of the starting date of the period during which the listed company is required by the provisions of these paragraphs to keep such documents at its head office;
c. Schedule for the merger: immediately after it is finalized;
d. A copy of documents prescribed in Article 801, Paragraph 3, Item 1 of the Companies Act (statutory after-the-fact disclosure documents): promptly after the effective date of the merger;
e. In cases where the listed company falls under the following (a) or (b), the documents specified in such (a) or (b), respectively:

(a) Where the listed company carries out a merger with another company (excluding cases in which the listed company carries out an absorption-type merger with an unlisted company and the listed company is subject to the provisions of Article 796, Paragraph 3 of the Companies Act or cases in which the listed company carries out a merger with a wholly owned subsidiary):
Document containing a view on the merger ratio pertaining to said merger expressed by a person other than the merging companies who has expertise and experience in the valuation of corporate value or stocks: immediately after it is prepared; and

(b) Where the listed company carries out a merger with another company and the listed company is dissolved as a result of the merger (limited to cases in which an initial listing application pertaining to the provisions for technical listing is made with respect to stocks, etc. of an unlisted company that is the newly established company or the surviving company, or an unlisted company that is a parent company of such surviving company) or where the listed company carries out an absorption-type merger with an unlisted company:
"Summary of Unlisted Company" predetermined by the Exchange that contains the outline of the business, business review, review of equipment and facilities, etc. of the unlisted company: promptly after the resolution is passed or the decision is made.

(9) Matters referred to in Rule 402, Item 1, Sub-item l. of the Regulations:
Documents referred to in the following Sub-items a. to f. However, if the listed
company is a listed foreign company, submission of documents is not required except for documents specified in Sub-items a. and c. In this case, the listed company shall agree that the documents specified in Sub-items a., b., d., and e. will be made available for public inspection by the Exchange:

- a. Where the listed company carries out an absorption-type demerger, copy of demerger agreement: immediately after the agreement is concluded;
- b. A copy of the documents prescribed in Article 782, Paragraph 1 of the Companies Act, Article 794, Paragraph 1 thereof or Article 803, Paragraph 1 thereof (statutory before-the-fact disclosure documents): by the day of the starting date of the period during which the listed company is required by the provisions of these paragraphs to keep such documents at its head office;
- c. Schedule for the demerger: immediately after it is finalized;
- d. A copy of documents prescribed in Article 791, Paragraph 2 of the Companies Act, Article 801, Paragraph 3, Item 2 thereof, or Article 811, Paragraph 2 (statutory after-the-fact disclosure documents): promptly after the effective date of the demerger;
- e. "Summary of Demerger" predetermined by the Exchange containing the description of the business to be succeeded upon the demerger, the counterparty, etc.: promptly after the resolution is passed or the decision is made; and
- f. In cases where the listed company falls under the following (a) or (b), the documents specified in such (a) or (b), respectively.
  - (a) Where the listed company carries out an absorption-type demerger with another listed company or where the listed company carries out a demerger for creating a new company jointly with another listed company:
    Document containing a view on the stock allotment ratio pertaining to said demerger expressed by a person other than the companies concerned who has expertise and experience in the valuation of corporate value or stocks: immediately after it is prepared; and
  - (b) Where the listed company carries out an absorption-type demerger with an unlisted company or where the listed company carries out a demerger for creating a new company jointly with an unlisted company (excluding cases in which the listed company is subject to the provisions of Article 784, Paragraph 3 of the Companies Act, Article 796, Paragraph 3 thereof, or Article 805 thereof, or cases in which the listed company carries out a demerger with a wholly owned subsidiary):
    Document prescribed in the preceding (a): immediately after it is prepared.

(10) Among the matters referred to in Rule 402, Item 1, Sub-item m. of the Regulations, acquisition of all or part of the business of an unlisted company or transfer of all or part of the business to another person (excluding cases that satisfy the criteria prescribed in Rule 401, Paragraph 1, Item 2): "Summary of Business Acquisition (Transfer)" predetermined by the Exchange: promptly after the resolution is passed or the decision is made.
In this case, the listed company shall agree that said document will be made available for public inspection by the Exchange;

(11) Matters referred to in Rule 402, Item 1, Sub-item q. of the Regulations (excluding cases that satisfy the criteria prescribed in Rule 401, Paragraph 1, Item 5):
"Summary of Changes in Subsidiaries" predetermined by the Exchange: promptly after the changes in subsidiaries
In this case, the listed company shall agree that said document will be made available for public inspection by the Exchange;

(12) Matters referred to in Rule 402, Item 1, Sub-item r. of the Regulations (excluding cases that satisfy the criteria prescribed in Rule 401, Paragraph 1, Item 6):
Where the listed company acquires fixed assets used for business from an unlisted company or where the listed company transfers fixed assets used for business to another person:
"Summary of Acquisition (Transfer) of Fixed Assets Used for Business" predetermined by the Exchange: promptly after the resolution is passed or the decision is made
In this case, the listed company shall agree that said document will be made available for public inspection by the Exchange;

(13) Matters referred to in Rule 402, Item 1, Sub-item x. of the Regulations:
Where it is expected that the stocks, etc. prescribed in Article 27-2, Paragraph 1 of the Act (hereinafter in this item and the following item referred to as "stocks, etc.") that are listed on the Exchange will be delisted as a result of a takeover bid prescribed in the same paragraph (hereinafter in this item and the following item referred to as "takeover bid") or where the listed company carries out a takeover bid for stocks, etc. issued by a subsidiary of the listed company that are listed on the Exchange:
Document containing a view on the price for the takeover bid expressed by a person other than the companies concerned who has expertise and experience in the valuation of corporate value or stock: immediately after it is prepared
However, a listed foreign company is not required to submit said document;

(14) Matters referred to in Rule 402, Item 1, Sub-item y. of the Regulations:
Where it is expected that the stocks, etc. issued by the listed company will be delisted as a result of a takeover bid or where the takeover bid is carried out by an officer of the listed company, a person who carries out the takeover bid based on request by an officer of the listed company where that person and the officer of the listed company share the common interest, or the controlling shareholder of the listed company:
Document containing a view on the price for the takeover bid, etc. expressed by a person other than the companies concerned who has expertise and experience in the valuation of corporate value or stock: immediately after it is prepared
However, a listed foreign company is not required to submit said document;

(14)-2 Matters referred to in Rule 402, Item 1, Sub-item aa. of the Regulations (limited
to changes in the representative director or representative executive officer (including officers who should represent a cooperative structured financial institution) who submitted the "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" predetermined by the Exchange:

"Written Confirmation Regarding Compliance with Exchange Rules and Regulations" predetermined by the Exchange: immediately after the change;

(15) Matters referred to in Rule 402, Item 1, Sub-item ah. of the Regulations (limited to notice of a bondholders meeting):
A copy of the notice of a bondholders meeting and a copy of the notice of resolution pertaining to the bondholders meeting: without delay after the relevant resolution is passed or the decision is made;

(16) Matters referred to in Rule 402, Item 1, Sub-item an. of the Regulations:
Documents referred to in the following Sub-items a. and b. In this case, with respect to submission of the document specified in Item a., a listed domestic company shall submit an electromagnetic record stating the substance of such document (or electromagnetic records of said document prepared pursuant to provisions of laws and regulations, if applicable) and shall agree that said document will be made available for public inspection by the Exchange:
   a. Amended Articles of Incorporation: without delay after it is amended;
   b. Where a record date is prescribed in the Articles of Incorporation or where a record date prescribed in the Articles of Incorporation is changed:
      Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

(17) Matters referred to in Rule 402, Item 1, Sub-item ao. of the Regulations:
Documents describing the scheme after the change: immediately after it is changed.

(18) Matters referred to in Rule 402, Item 1, Sub-item ap. of the Regulations:
Where it is expected that the stocks, etc. issued by the listed domestic company will be delisted as a result of a whole acquisition of classified shares with whole acquisition clause, documents referred to in the following Sub-items a. and b. In this case, with respect to submission of the documents specified in Item a., a listed domestic company shall agree that said documents will be made available for public inspection by the Exchange:
   a. A copy of the documents prescribed in Article 171-2, Paragraph 1 of the Companies Act (statutory before-the-fact disclosure documents):
      By the day of the starting date of the period during which the listed company is required by the provisions of the same paragraph to keep such documents at its head office;
   b. Document containing a view on the acquisition price expressed by a person other than the companies concerned who has expertise and experience pertaining to the valuation of corporate value or stocks: Immediately after it is prepared.

(19) Matters referred to in Rule 402, Item 1, Sub-item aq. of the Regulations:
Documents referred to in the following Sub-items a. and b. However, with respect to submission of the documents specified in Item b., these shall be
limited to those in the case of approval pertaining to a demand for share, etc. cash-out (meaning, a demand for share, etc. cash-out prescribed in Rule 179-3, Paragraph 1 of the Companies Act; hereinafter the same) and the listed company shall not be required to submit said documents. In this case, with respect to submission of the documents specified in Item a., the listed domestic company shall agree that said documents will be made available for public inspection by the Exchange:

a. A copy of the documents prescribed in Article 179-5, Paragraph 1 of the Companies Act (statutory before-the-fact disclosure documents):
   By the day of the starting date of the period during which the listed company is required by the provisions of the same paragraph to keep such documents at its head office;

b. Document containing a view on the cash-out price expressed by a person other than the companies concerned who has expertise and experience pertaining to the valuation of corporate value or stocks:
   Immediately after it is prepared.

Rule 418. Submission of Documents Pertaining to Decisions Not Requiring Disclosure

In cases when a listed company passed a resolution or made a decision on the matters referred to in each of the following items (including cases where such matters have occurred without a resolution or decision), the listed company shall submit documents to the Exchange in accordance with the provisions of the following items. However, where the Exchange deems it appropriate in cases where the details that should be described in documents that should be submitted to the Exchange are deemed to have been sufficiently disclosed through disclosure of corporate information pursuant to the provisions of Part 2, Chapter 4, Section 2 of the Regulations, submission of such documents is not required.

1. Change in the class of a stock:
   Documents referred to in the following Sub-items a. and b.:
   a. Notice explaining the change: immediately after it is finalized;
   b. Schedule for the change in the class of a stock: immediately after it is finalized;

2. Allotment of stocks issued by a related company of the listed company to the shareholders or granting of the prioritized qualifications to the shareholders pertaining to the subscription of such stocks, provided by the listed company or such related company of the listed company:
   Notice explaining the allotment date and details of the allotment: immediately after they are finalized;

3. Granting of the first refusal rights to the shareholders pertaining to the subscription of such offered stocks by the underwriter of the offered stocks (meaning the underwriter prescribed in Article 2, Paragraph 6 of the Act):
   Notice explaining the allotment date and details of the allotment: immediately after they are finalized;

4. Amendment to the trust agreement, issuance agreement, bond management agent agreement, issuance administration agent agreement, or interim
administration agent agreement pertaining to listed bonds, listed convertible bonds, or listed exchangeable corporate bonds:
A copy of the amendment agreement pertaining to the amendment to the trust agreement, issuance agreement, bond management agent agreement, issuance administration agent agreement, or interim administration agent agreement: immediately after the agreement is amended;

5) Redemption or retirement of a listed security:
Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

6) Establishment of a record date pertaining to stocks (meaning the record date or the period the shareholder registry is closed in the case of a listed foreign company that has issued registered foreign stocks; or the period or date for fixing the persons who are entitled to rights such as the share deposit period or dividend payment date in the case of a listed foreign company that has issued bearer foreign stocks; the same shall apply hereinafter in this item):
Documents referred to in the following Sub-items a. and b.:
a. Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;
b. Schedule related to the record date: three (3) weeks (or, in cases where the resolution is passed or the decision is made after the day that is three (3) weeks before such date, immediately after the resolution is passed or the decision is made) before such record date (or the commencement date of such period or such date in the case of a listed foreign company) (in cases where it is difficult for a listed foreign company to submit the schedule by such date, the listed foreign company may submit the schedule in compliance with the deadline that is required in its home country, etc.);

6)-2 Request for notice to all shareholders by the issuer:
Documents listed in the following Sub-items a. and b.:
a. Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;
b. Schedule related to the date on which shareholders are fixed: three (3) weeks before such date;

7) Offering, secondary distribution and shelf-registration (including withdrawal thereof) of stocks, etc. (excluding foreign stock depositary receipts, etc.), subscription warrant securities, or depositary receipts representing rights pertaining to corporate bond with subscription warrants:
Documents referred to in the following Sub-items a. to g. However, where a securities registration statement was submitted to the Prime Minister, etc. through the electronic data processing system for disclosure, submission of documents referred to in d. is not required. In this case, the listed company shall agree that the document specified in Sub-item d. (excluding those prepared pursuant to the provisions of the first sentence of Article 13, Paragraph 1 of the Act and Article 13, Paragraph 3 thereto) will be made available for public inspection by the Exchange:
a. Notice of resolution or notice of decision of the Board of Directors:
immediately after the resolution is passed or the decision is made;
b. Schedule for the offering or secondary distribution of the depositary receipts: immediately after it is finalized;
c. Copy of notice of effectiveness of securities registration statement: immediately after it is received;
d. Prospectus, preliminary prospectus for registration, and documents pertaining to amendments thereto: immediately after it is prepared.
e. A copy of the list of parties involved in stabilization transactions (meaning parties that are permitted to accept entrustment, etc. of stabilization transactions prescribed in each item of Article 20, Paragraph 3 of the Enforcement Ordinance): by the day immediately prior to the first day of the period during which stabilization transactions are permitted pursuant to the provisions of Article 22, Paragraph 2 to Paragraph 4 of the Enforcement Ordinance; and
f. A copy of the securities notification (including amendment notifications): immediately after it is submitted to the Prime Minister, etc.;
g. Documents pertaining to shelf-registration that are referred to in the following (a) to (f):
   (a) A copy of notice of effectiveness of shelf-registration: immediately after it is received;
   (b) Shelf registration prospectus, preliminary shelf registration prospectus, and documents pertaining to amendments thereto: immediately after it is prepared;
   (c) Shelf-registration supplements prospectus: immediately after it is prepared;
   (d) A copy of the shelf-registration notification: immediately after it is submitted to the Prime Minister, etc.; and
   (e) A copy of the written withdrawal of shelf-registration: immediately after it is submitted to the Prime Minister, etc.;
   (f) Where the listed company made a shelf-registration and determined the commencement of a survey on state of investor demand pertaining to the offering, "Notice of Commencement of the Demand Survey" predetermined by the Exchange: immediately after it is decided (by the day immediately prior to the day on which the survey starts);

(8) Appointment of a person to whom the stabilization transaction prescribed in Article 20, Paragraph 3, Item 5 of the Enforcement Ordinance may be entrusted:
"Notice of Person to whom Stabilization Transaction is Entrusted": by the day immediately prior to the first day of the period during which stabilization transactions are permitted pursuant to the provisions of Article 22, Paragraph 2 to Paragraph 4 of the Enforcement Ordinance;

(9) The financial instruments firm that concludes a principal underwriting contract pertaining to a public offering (including issuance of subscription warrants, corporate bonds with subscription warrants, or depositary receipts representing rights pertaining to these securities by a general offering) or
secondary distribution and the issue price or distribution price pertaining to the offering or secondary distribution (meaning, with respect to stocks that are convertible to another class of stocks (including depositary receipts representing rights pertaining to such securities), issue price and terms of conversion or distribution price; and with respect to subscription warrants or corporate bonds with subscription warrants (including depositary receipts representing rights pertaining to subscription warrants or corporate bonds with subscription warrants), issue price and description of the subscription warrants or distribution price):

Documents referred to in the following Sub-items a. to c.

a. Where the listed company makes a public offering or secondary distribution not requiring the submission of the registration statement prescribed in Article 5, Paragraph 1 of the Act:

"Notice of the Financial Instruments Firm that Concludes a Principal Underwriting Contract" containing the trade name of the financial instruments firm that concludes a principal underwriting contract prescribed in Article 21, Paragraph 4 of the Act with the listed company, and the listed company or the holders of the securities pertaining to the secondary distribution: by the day immediately prior to the first day of the period during which stabilization transactions are permitted pursuant to the provisions of Article 22, Paragraph 2 to Paragraph 4 of the Enforcement Ordinance;

b. Where the issue price or distribution price (meaning, with respect to stocks that are convertible to another class of stocks (including depositary receipts representing rights pertaining to such securities), issue price and terms of conversion or distribution price; and with respect to subscription warrants or corporate bonds with subscription warrants (including depositary receipts representing rights pertaining to subscription warrants or corporate bonds with subscription warrants), issue price and description of the subscription warrants or distribution price) is determined:

"Notice of Issue Price (Distribution Price)" containing the issue price or distribution price and the total issue amount or total distribution amount: immediately after the issue price or the distribution price is determined;

c. Notwithstanding the provisions of the preceding Sub-item b., where the issue price or distribution price is not determined based on a finalized value such as a value obtained by multiplying the last price of a certain day on a financial instruments exchange market by a certain ratio:

(a) "Notice of Issue Price (Distribution Price) Indicated by a Calculation Formula" containing an expected issue price or distribution price and an expected total issue amount or total distribution amount indicated by a calculation formula (meaning those indicated by a calculation formula prescribed in Article 1, Item 30 of the Cabinet Office Ordinance on Disclosure; the same shall apply hereinafter in this item); immediately after the issue price or distribution price indicated by a calculation formula is determined;
(b) "Notice of Final Issue Price (Distribution Price)" containing the final issue price or distribution price and the final total issue amount or total distribution amount: immediately after the final issue price or the distribution price is obtained;

(10) Approval of financial statements:
"Notice of Resolution of the Board of Directors on Account Settlement" predetermined by the Exchange: immediately after the resolution is passed or the decision is made
However, a listed foreign company is not required to submit such notice;

(11) Convocation of an extraordinary general meeting of shareholders:
Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

(12) Change in the terms of subscription warrants or stocks that are convertible to another class of stocks or such other terms:
Notice explaining the change: immediately after it is finalized;

(13) Change in the terms of redemption of corporate bonds with subscription warrants or change in the terms of acquisition of subscription warrants:
Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

(14) Change in the terms of redemption pertaining to redemption of listed exchangeable corporate bonds with domestic stocks or foreign stocks:
Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

(15) Suspension of establishment of a record date:
Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

(16) Where there is a cumulative dividend in arrears with respect to a class of stocks that have precedence on surplus dividends among listed domestic stocks, listed preferred stocks, etc., or listed preferred equity contribution securities, expected amount of the dividend payment: the listed company shall submit a notice explaining the details of the expected dividend payments by two (2) weeks prior to the record date for rights;

(17) Increase in the amount of capital without issuance of new stocks: Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

(18) Change in the Share Handling Regulations: Amended Share Handling Regulations: without delay after it is amended;

(19) Appointment or change of the shareholder services agent: Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

(20) Handling of unclaimed shares Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

(21) Change in the location of the head office:
Notice of resolution or notice of decision of the Board of Directors:
immediately after the resolution is passed or the decision is made;

(22) Issuance of class shares with veto rights or class shares with rights to elect directors by a subsidiary of a listed company that is a holding company, which are to be allotted to parties other than the listed company:
Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

(23) Change in the end of a business year:
Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made;

(24) Material matters related to rights, etc. pertaining to a listed security other than those referred to in each of the preceding items:
Notice of resolution or notice of decision of the Board of Directors: immediately after the resolution is passed or the decision is made.

Rule 419. Submission of Documents Pertaining to Facts That Have Occurred
In cases where a listed company falls under any of the following items, the listed company shall submit documents to the Exchange in accordance with the provisions of the following items. However, where the Exchange deems it appropriate in cases where the details that should be described in documents that should be submitted to the Exchange are deemed to have been sufficiently disclosed through disclosure of corporate information pursuant to the provisions of Part 2, Chapter 4, Section 2 of the Regulations, submission of such documents is not required.

(1) Where an agreement concerning exemption of obligations by a creditor or assumption or fulfillment of obligations by a third party prescribed in Rule 402, Item 2, Sub-item m. of the Regulations was made with such creditor or third party (excluding cases that satisfy the criteria prescribed in Rule 402, Paragraph 1, Item 7 of the Regulations):
Documents concerning the agreement containing the total amount of obligations outstanding as of the end of the immediately preceding business year, the amount of such exemption of obligations or the amount of such assumption or fulfillment of obligations, and the ratio of the amount of such exemption of obligations or the amount of such assumption or fulfillment of obligations to such total amount of obligations: immediately after such agreement is made;

(2) Where the fact prescribed in Rule 402, Item 2, Sub-item r. of the Regulations has occurred:
A copy of the notice pertaining to such acceleration of obligations: without delay after such notice is accepted;

(3) Where the fact prescribed in Rule 402, Item 2, Sub-item s. of the Regulations has occurred:
A copy of the notice of convocation of bondholders meeting and a copy of the notice of resolution pertaining to the bondholders meeting: without delay after each of such notices is accepted;

(4) Where approval prescribed in Rule 402, Item 2, Sub-item u-2 of the Regulations is received:
A copy of the notice pertaining to said approval: without delay after such notice is accepted;

(5) Where the listed company falls under Rule 407, Paragraph 2 of the Regulations (limited to cases in which the listed company decided to amend the deposit agreement, etc. or other agreements and decided to change the custodian, etc.):
   a. Where the deposit agreement, etc. or other agreements are amended:
      A copy of a document certifying the amended deposit agreement, etc. or other agreements: without delay after they are amended
      In this case, the listed company shall agree that said documents will be made available for public inspection by the Exchange;
   b. Where the custodian, etc. is changed:
      Documents referred to in the following (a) and (b): immediately after a deposit agreement, etc. is concluded with the new custodian, etc.:
      (a) A copy of a document certifying the deposit agreement, etc. with the new custodian, etc. pertaining to listed foreign stock depositary receipts, etc.
      (b) A copy of a document certifying that the new custodian, etc. has agreed to the matters prescribed in Rule 204, Paragraph 2, Item 6, Sub-item b.
      In this case, the listed company shall agree that the document specified in the preceding (a) will be made available for public inspection by the Exchange.

**Rule 420. Submission of Documents Sent to Shareholders**

1. In cases where a listed company sends to its shareholders a notice of a general shareholders meeting and its accompanying documents (according to the provisions of Article 94, Paragraph 1 of the Ordinance for Enforcement of the Companies Act, Article 133, Paragraph 3 of the same, and Article 133, Paragraph 4 of the Ordinance on Company Accounting (Ordinance of the Ministry of Justice No. 13 of 2006) or Article 134, Paragraph 4 of the same, this includes cases where documents were deemed to have been submitted to a shareholder; hereinafter the same in this paragraph), such documents shall be submitted to the Exchange by the day they are sent. In such cases, the listed company shall submit an electromagnetic record containing the content of such documents, and agree to the provision of such documents by the Exchange for public inspection.

2. In cases where a listed foreign company sends to its shareholders documents (including those referred to in the following items) (including cases of keeping them at a shareholder services agent, etc. The same shall apply to the next paragraph), such documents shall be submitted to the Exchange by the day they are sent (including the day of keeping them at a shareholder services agent, etc.). In such cases, the listed foreign company shall submit an electromagnetic record containing the content of such documents, and agree to the provision of such documents by the Exchange for public inspection.

   (1) Notice of a general shareholders meeting and accompanying documents; and
   (2) Notice of resolutions of a general shareholders meeting (excluding cases where
Rule 421. Submission of Documents Pertaining to Exercise of Subscription Warrants, etc.

1. In cases where stocks that are convertible to another class of stocks or subscription warrants that are convertible to stocks are converted to listed stocks, etc. or where subscription warrants are exercised, the listed company shall submit documents in accordance with the provisions of the following items. However, where the Exchange deems it appropriate in cases where the details that should be described in documents that should be submitted to the Exchange are deemed to have been sufficiently disclosed through disclosure of corporate information pursuant to the provisions of Part 2, Chapter 4, Section 2 of the Regulations, submission of such documents is not required.

(1) Report on the number of listed stocks:
   a. Listed companies (excluding listed foreign companies that are an issuer of listed foreign stocks, etc. for which an exchange other than the Exchange is the main market) (monthly report): by the first day of the following month;
   b. Listed foreign companies (limited to listed foreign companies that are an issuer of listed foreign stocks, etc. for which an exchange other than the Exchange is the main market):
      (a) Report on listed convertible bonds (monthly report): by the first day of the following month;
      (b) Other reports (annual report): without delay after the beginning of the following business year;

(2) Notice of conversion to stocks or notice of exercise of subscription warrants for cases referred to in the following Sub-items a. to d. (including transmission by facsimile):
   a. When cumulative conversion or cumulative exercise since the beginning of the month or since the last notice during the month reaches 10% or more of the total issue amount of each issue of listed preferred stocks, etc. or listed convertible bonds in issue: without delay after each time this occurs;
   b. When the total listed nominal amount of each issue of the listed convertible bonds has become less than JPY 500 million or JPY 300 million, and when subscription warrants were exercised with respect to the entire amount of such total listed nominal amount or when the number of listed stocks of each issue of listed stocks that are convertible to another class of stocks has
become less than 5,000 units or 2,000 units, and when conversions were made with respect to all such listed stocks: immediately;
c. When, with respect to listed convertible bonds with rights to claim redemption before maturity, after rights to claim redemption before maturity were exercised, subscription warrants were exercised in lieu of such claim for redemption before maturity: without delay after each time the submission is requested by the Exchange;
d. When the number of listed subscription warrant securities becomes less than 1,000 units and when this becomes less than 1 unit: immediately whenever such cases occur.

2. In cases where, with respect to listed convertible bonds with rights to claim redemption before maturity, rights to claim redemption before maturity are exercised, if the conditions specified in each of the following items are met, a listed company shall submit notice of exercise of rights to claim redemption before maturity (including transmission by facsimile) to the Exchange:
   (1) When cumulative exercise since the beginning of the exercise period of rights to claim redemption before maturity or since the last notice during the period reaches 10% or more of the total issue amount of each issue of such bonds in issue: without delay after each time this occurs;
   (2) When the total listed nominal amount of each issue became less than JPY 500 million and JPY 300 million, as well as when such rights were exercised with respect to the entire amount of such total listed nominal amount: immediately.

Rule 422. Submission of New Stock Issuance Status, etc. Report, etc. by Listed Foreign Company
1. A listed foreign company shall submit a "New Stock Issuance Status, etc. Report," containing the issuance status of new stocks (meaning the issuance status of new stocks during the business year pertaining to stocks with respect to a single listing application made pursuant to the provisions of Rule 302, Item 2) and the acquisition status of own stocks (the total acquisition and total disposal during the business year presented separately and the number of treasury stocks as of the end of the business year), with respect to the delivery status of stocks resulting from the exercise of certificates of share-purchasing rights for each business year and the acquisition status of own stocks to the Exchange without delay after the beginning of the following business year.
2. An issuer of listed foreign stock depositary receipts, etc. shall submit a "Depositary Receipt Issuance Status, etc. Report," containing the status, etc. related to the issuance, etc. of listed foreign stock depositary receipts, etc. during the business year and the number of listed foreign stock depositary receipts, etc. in issue as of the end of the business year, with respect to the status, etc. related to issuance of listed foreign stock depositary receipts, etc. for each business year to the Exchange without delay after the beginning of the following business year.

Rule 423. Submission of Table of Distribution
1. A listed domestic company shall submit a "Table of Distribution of Stocks, etc." and
"Table of Distribution of Listed Preferred Stock, etc." prepared in accordance with the form prescribed by the Exchange as of the end of each business year to the Exchange without delay after the distribution status is known, within two (2) months from the end of the business year. However, a domestic listed company whose shareholder, etc. record date is not the end of a business day shall submit a "Table of Distribution of Stocks, etc." and "Table of Distribution of Listed Preferred Stock, etc." as of the shareholder, etc. record date to the Exchange without delay after the distribution status is known, within two (2) months from the shareholder, etc. record date.

2. A listed foreign company (excluding cases of multiple listing where the company is listed on the Main Market or Mothers, and in the case of a company listed on JASDAQ, excluding a foreign listed company whose main market is a market other than the Exchange) shall submit a "Table of Distribution of Stocks, etc." prepared in accordance with the form prescribed by the Exchange as of the end of each business year to the Exchange without delay after the distribution status is known, within six (6) months from the end of the business year. In this case, the matters specified in each of the following items with respect to shareholders who have an address or are resident in a foreign country shall be included in the Table:

(1) The status of shareholders who have an address or are resident in a foreign country (hereinafter in this paragraph referred to as "foreign shareholders") as of the end of the business year shall be included;

(2) Notwithstanding the provision of the preceding item, in cases where it is deemed difficult for a listed foreign company to grasp the status of its foreign shareholders as of the end of the business year, the listed foreign company may include the status of its foreign shareholders as of the first record date for rights, etc. (meaning a day on which voting rights, dividends, preemptive rights or other rights of shareholder or holder of foreign stock depositary receipts, etc. is granted, or a specific day pursuant to laws and regulations in the home country, etc. of a listed foreign company or for a justifiable reason on which the status of shareholders is grasped) after but within six (6) months from the end of the business year or such status as of the day within such period on which the listed foreign company conducted a survey on the status of foreign shareholders, if applicable; and

(3) Notwithstanding the provisions of the preceding two (2) items, if it is impossible to grasp the status of foreign shareholders prescribed in these items, the listed foreign company shall state such status as of the end of a business year as if the number of foreign shareholders were one.

Rule 424. Submission of Documents in Cases where Listed Foreign Company Submits Statutory Disclosure Documents Written in English

Where a listed foreign company has decided to submit a foreign company notification, etc. to the Prime Minister, etc. for the first time, such company shall submit a written document including such decision and a period of submission of such foreign company notification, etc. to the Exchange promptly after such decision. In this case, such listed
Rule 425. Submission of Statutory After-the-Fact Disclosure Documents After Technical Listing
An issuer of domestic stocks that has listed its domestic stocks under the application of the provisions for technical listing shall submit the following documents specified in each of the following items to the Exchange promptly after the listing day. In this case, the issuer shall agree that such documents will be made available for public inspection by the Exchange:

1. Company to which the provisions of Rule 208, Item 1 of the Regulations or Rule 215, Item 1 thereof apply:
   Documents prescribed in Article 801, Paragraph 3, Item 1 of the Companies Act or Article 815, Paragraph 3, Item 1 thereof;
2. Company to which the provisions of Rule 208, Item 3 of the Regulations or Rule 215, Item 3 thereof apply:
   Documents prescribed in Article 801, Paragraph 3, Item 3 of the Companies Act or Article 815, Paragraph 3, Item 3 thereof;
3. Company to which the provisions of Rule 208, Item 5 of the Regulations or Rule 215, Item 5 thereof apply:
   Documents prescribed in Article 801, Paragraph 3, Item 2 of the Companies Act or Article 815, Paragraph 3, Item 2 thereof.

Rule 426. Submission of Documents Submitted to the Administrative Agency, etc. of the Home Country, etc.
In cases when a listed foreign company submitted the documents referred to in each of the following items to the administrative agency, etc. of the home country, etc., the listed foreign company shall submit the same documents to the Exchange without delay. In this case, the listed foreign company is not required to attach Japanese translation to such documents.

1. A copy of registration statement pertaining to offering or secondary distribution (including a copy of the amendment thereto); and

Rule 427. Submission, etc. of Documents Pertaining to Informational Sessions Held by Mothers-Listed Company
In the event that the Mothers-listed company has held an informational session as prescribed in Rule 421-2, Paragraph 1 of the Regulations, it shall submit to the Exchange without delay written documents that contain necessary information such as the date and time of such informational session and the holding method as well as materials such as documents used in such informational session. In this case, the Mothers-listed company shall agree on the Exchange's making what the Exchange deems necessary from among said written document and materials available for public inspection.
Rule 427-2. Deadline for Medium-term Management Plan to be Submitted by Company Listed on Growth
The day specified by the Enforcement Rules as prescribed in Rule 427-3, Paragraph 2 of the Regulations shall be the day when two weeks have elapsed from a day of disclosure of earnings results pertaining to a business year or consolidated fiscal year pursuant to the provision of Rule 404 of the Regulations.

Rule 427-3. Handling of Briefing to Investors, etc.
The investors prescribed in Rule 421-4 of the Regulations mean individual investors, institutional investors (meaning qualified institutional investors prescribed in Article 2, Paragraph 3. Item 1 of the Act, or entities equivalent thereto), financial analysts (meaning those engaged in securities market analysts), or shareholders.
2. Holding informational sessions for investors prescribed in Rule 421-4 of the Regulations means holding briefing sessions on investment in listed stocks, etc. for whole or part of investors (in cases of "part," including multiple investors).
3. Activities equivalent to holding informational sessions as prescribed in Rule 421-4 of the Regulations means continuously posting files of a medium-term management plan or documents relating to details of a medium-term management plan for inspection by the general public on the homepage of such Growth-listed company. In this case, if any change related to Rule 421-3, Paragraph 3 of the Regulations occurs, such change shall be posted on the homepage.

Sub-section 2
Reporting, etc. of Transfer of Stocks Allotted by Third-Party Allotment, etc.

Rule 428. Handling of Reporting, etc. of Transfer of Stocks Allotted by Third-Party Allotment, etc.
Reporting of transfer of offered stocks allotted by third-party allotment or other offering by a listed company and its assurance, etc. prescribed in Rule 422 of the Regulations shall be handled in accordance with the provisions of this sub-section.

Rule 429. Execution of Written Assurance for Cases of Allotment of Offered Stocks by Third-Party Allotment
1. In cases where a listed company carries out allotment of offered stocks by third-party allotment, the listed company shall execute a written assurance with the allotted persons with respect to the matters referred to in each of the following items:
   (1) If an allotted person transferred the stocks that were allotted (hereinafter in this rule referred to as "allotted stocks") within two (2) years from the day on which such allotment was received, the allotted person shall report the details of the transfer in writing to the listed company immediately;
   (2) If an allotted person transferred allotted stocks during the period specified in the preceding item, the listed company shall report the details of the transfer
Rule 430. Reporting, etc. of Transfer of Offered Stocks Allotted by Third-Party Allotment

In cases where a person who received an allotment of offered stocks by third-party allotment transferred the offered stocks during the period specified in the assurance, the listed company shall submit a document containing the matters referred to in each of the following items to the Exchange and shall agree that such document will be made available for public inspection by the Exchange.

1. Name and address of the transferor and the transferee;
2. The number of transferred stocks or transferred units of preferred equity contribution;
3. Date of transfer;
4. Transfer price;
5. Reason for the transfer;
6. Method for the transfer; and
7. Other matters deemed necessary by the Exchange.

Rule 431. Deleted.

Rule 432. Exclusion From Application

The provisions of this sub-section shall not apply to offered stocks that are deemed inappropriate to be subject to the provisions of this sub-section by the Exchange in consideration of the purpose, manner, etc., of the allotment.

Sub-section 3
Shareholder Services, etc.

Rule 433. Handling of Ensuring Appropriate Shareholder Services and Dividend Payment Works

1. "Shareholder services and dividend payment works specified by the Enforcement Rules" as prescribed in Rule 425 of the Regulations mean the making of the notices prescribed in each of the following items; provided, however, that this provision shall not apply to a listed foreign company that does not make such notices to its shareholders:
   1. Notice of measures taken by a listed foreign company (including the custodian,
Rule 434. Handling of Selection of Agents, etc. of Companies

1. The agent prescribed in Rule 426 of the Regulations shall, in principle, be selected from amongst the officers and employees of the listed foreign company. However, if selection from such officers and employees is difficult, the agent shall be the person approved by the Exchange.

2. When a listed foreign company has selected the agent or the representative prescribed in Rule 426 (hereinafter in this rule referred to as "agent, etc.") , the listed foreign company shall promptly submit to the Exchange a document certifying the granting of authority to deputize or represent the listed foreign company. The listed foreign company shall be subject to the same requirement when it changed the agent, etc.

3. The agent, etc. shall be a person who has an address or is resident within Tokyo Metropolitan area or its vicinity approved by the Exchange.

Rule 435. Handling of Notification and Public Notice of Period or Date for Right Allotment

1. "A period or a date specified by the Enforcement Rules" as prescribed in Rule 430, Paragraph 1 of the Regulations means the closing period or the record date for the shareholder registry, if the listed company is a listed foreign company that has issued registered stocks; or the share deposit period, dividend payment date, etc., if the listed company is a listed foreign company that has issued bearer stocks. However, if the listed company is an issuer of listed foreign stock depositary receipts, etc., "a period or a date specified by the Enforcement Rules" as prescribed in Rule 430, Paragraph 1 of the Regulations means a period or date that is equivalent to these periods or dates with respect to the listed foreign stock depositary receipts, etc.

2. "Cases of public notice specified by the Enforcement Rules" as prescribed in the proviso of Rule 430, Paragraph 1 of the Regulations shall be the public notice referred to in each of the following items:

   (1) Public notice of a period or date that is determined to fix the persons who are
entitled to exercise the voting rights at a general meeting of shareholders, if applicable; provided, however, that documents necessary to exercise the voting rights are delivered to beneficial shareholders before the date of said general meeting of shareholders;

(2) Public notice of a period or date that has been determined in advance to fix the persons who are entitled to receive dividend, if applicable;

(3) Public notice of a period or date that is determined to fix the persons who are entitled to exercise rights, from amongst those that are impossible or extremely difficult to exercise in Japan, that are deemed by the Exchange to have particularly low economic value; and

(4) Public notice of matters that correspond to matters to be publicized through public notice, if such matters are disclosed in a manner prescribed by the Exchange.

Section 3
Code of Corporate Conduct

Rule 435-2. Handling of Matters to Be Observed with respect to Third-Party Allotment
1. The ratio of voting rights specified in the Enforcement Rules as prescribed in Rule 432 of the Regulations means the value calculated by the following formula.

Formula:
\[(A/B) \times 100 \, \%\]

Symbols in the formula:

A: Number of voting rights pertaining to offered stocks, etc. allotted by said third-party allotment (including the number of voting rights pertaining to stocks issued by conversion of said offered stocks, etc. or exercise of rights)

B: Total number of voting rights pertaining to outstanding shares before matters regarding offering pertaining to said third-party allotment is decided

2. Notwithstanding the provisions of the preceding paragraph, the ratio of voting rights specified in the Enforcement Regulations as prescribed in Rule 432 of the Regulations when the Exchange deems it in appropriate to use the value obtained by the formula specified in the preceding paragraph in light of the calculation methods for the payment amount for said third-party allotment and the situation of the allotment shall be as specified by the Exchange on a case-by-case basis.

3. Cases specified by the Enforcement Rules that said allotment as prescribed in Rule 432 of the Regulations is extremely urgent mean that the Exchange deems that it is difficult for the listed company to conduct any of procedures referred to in each item of the same rule due to reasons such as rapidly deteriorating financial situations.
Rule 436. Handling of Matters to be Observed with respect to Issues of MSCBs, etc.

1. Measures specified by the Enforcement Rules as prescribed in Rule 434, Paragraph 1 of the Regulations mean that the agreement to be concluded between the listed company and the purchaser (see Note 1 below) includes a provision that in cases where during the calendar month containing the day on which the person who attempts to purchase MSCBs, etc. (see Note 2 below) intends to carry out conversion or exercise of subscription warrants, etc., the number of stocks, etc. to be acquired as a result of such conversion or exercise (see Note 3 below) exceeds 10% of the number of listed stocks, etc. as of the payment date pertaining to the issuance of such MSCBs, etc., the purchaser may not carry out conversion or exercise of such subscription warrants, etc. pertaining to the portion that exceeds 10% (see Note 4 below), as well as other provisions that are prescribed in Paragraph 4.

(Note 1) The term "agreement" shall be referred to as "purchase agreement" hereinafter in this rule.
(Note 2) The term "person" shall be referred to as "purchaser" hereinafter in this rule.
(Note 3) The term "the number of stocks, etc." shall referred to as the "number of stocks pertaining to exercise" hereinafter in this rule.
(Note 4) This shall be referred to as "over-the-limit exercise" hereinafter in this rule.

2. The number of the subscription warrants to be exercised as prescribed in Paragraph 1 shall be calculated in accordance with the provisions of each of the following items, if applicable.

   (1) Where such MSCBs, etc. are held by two or more persons: All the number of the warrants to be exercised by these holders shall be aggregated; and

   (2) Where there are MSCBs, etc. other than said MSCBs, etc. issued by the listed company with a period in which subscription warrants, etc. are convertible or exercisable (see Note 1 below) overlapping that of said MSCBs, etc. (see Note 2 below): All the number of stocks pertaining to exercise of subscription warrants, etc. shall be aggregated for said MSCBs, etc. and the different issue MSCBs, etc.

(Note 1) The term "period" shall be referred to as "exercise period" hereinafter in this rule.
(Note 2) This shall be referred to as "different issue MSCBs, etc." hereinafter in this rule.

3. The number of listed stocks, etc. prescribed in Paragraph 1 shall be as specified in each of the following items, if applicable.

   (1) Where the listed company carried out a stock split, reverse stock split, or gratis allotment of shares after the payment date pertaining to the issuance of said...
MSCBs, etc.: The number of listed stocks, etc. shall be adjusted in a fair and reasonable manner; and

(2) Where there are different issue MSCBs, etc. when the listed company issues said MSCBs, etc.: The number of listed stocks, etc. shall be the number of listed stocks, etc. pertaining to the different issue MSCBs, etc. based on the provisions of Paragraph 1 and the preceding item.

4. Provisions to be included in the purchase agreement prescribed in Paragraph 1 shall be the matters referred to in each of the following items:

(1) The listed company shall not permit the holders of MSCBs, etc. to carry out over-the-limit exercise;

(2) The purchaser shall agree that it will not carry out over-the-limit exercise and when it carries out conversion or exercise of subscription warrants, etc., it shall confirm with the listed company in advance whether the intended exercise of the subscription warrants, etc. would fall under the category of over-the-limit exercise;

(3) If the purchaser resells said MSCBs, etc. to another person, the purchaser shall, in advance, cause the party to whom said MSCBs, etc. are resold to promise the matters prescribed in the preceding two (2) items to the listed company and to cause a third party to promise the matters prescribed in the preceding two (2) items to the listed company if the party to whom said MSCBs, etc. are resold in turn intends to sell said MSCBs, etc. to the third party; and

(4) The listed company shall promise the matters prescribed in Items 1 and 2 with the party to whom said MSCBs, etc. are resold prescribed in the preceding item and shall promise the matters prescribed in Items 1 and 2 with a third party to which the party to whom said MSCBs, etc. are resold further sells said MSCBs, etc., if applicable.

5. The listed company may include a provision in the purchase agreement prescribed in Paragraph 1 that the purchaser may carry out over-the-limit exercise during the period or in cases that are referred to in each of the following items:

(1) Period from the announcement of a merger, stock swap, stock transfer, etc. resulting in delisting of the subject stocks, etc. (see Note below) to the day on which such merger, etc. is consummated or it is announced that such merger, etc. will not be carried out;

(Note) This shall be referred to as "merger, etc." hereinafter in this rule.

(2) Period from the day on which public notice of a takeover bid is given to the listed company to the day on which such takeover bid is consummated or it is announced that such takeover bid will be cancelled;

(3) Period from the day on which the subject stocks, etc. is designated as Securities Under Supervision or Securities to Be Delisted, or assigned to the supervision post or delisting post in a financial instruments exchange market to the day on which such designation or assignment is released;

(4) Where the exercise price of subscription warrants, etc. is not lower than the closing price of the subject stocks, etc. in the trading session of a financial
instruments exchange market as of the date of resolution authorizing the issuance; and

(5) During the last two months of the exercise period of the subscription warrants, etc. (see Note below)

(Note) This shall be limited to cases in which the length of the exercise period is longer than two (2) years at the time of the issuance of MSCBs, etc.

6. Cases specified by the Enforcement Rules as prescribed in Rule 434, Paragraph 2 of the Regulations shall be the cases that satisfy all the requirements referred to in each of the following items and other cases deemed appropriate by the Exchange:

(1) The listed company issues MSCBs, etc. for the purpose of forming a business alliance or capital tie-up;
(2) The listed company and the purchaser promise that the purchaser will continue to hold the subject stocks, etc. (see Note below) for a period of not less than six (6) months after the acquisition and such promise is publicized;
(Note) This means stocks, etc. delivered as a result of conversion or exercise of subscription warrants, etc.; the same shall apply hereinafter in this rule.
(3) The purchaser does not execute stocks, etc. loans for margin transactions pertaining to the subject stocks, etc. during the period for which such continued holding was promised; and
(4) The purchaser does not execute over-the-counter derivatives transactions pertaining to said subject stocks, etc. until the expiration of the period for which such continued holding was promised after said purchase (including cases in which such purchase is decided).

Rule 436-2. Handling of the Securing of Independent Director(s)/Auditor(s)

1. The securing of independent director(s)/auditor(s) provided in Rule 436-2, Paragraph 2 of the Regulations shall be as prescribed in each of the following items.

(1) An issuer of listed domestic stocks shall submit the "Independent Director/Auditor Notification" prescribed by the Exchange regarding independent director(s)/auditor(s) to the Exchange; and
(2) An issuer of listed domestic stocks shall consent to the Exchange making the "Independent Director/Auditor Notification" prescribed in the preceding item available to public inspection.

2. In cases where any change occurs to the details of the "Independent Director/Auditor Notification" prescribed in the preceding paragraph, the issuer of listed domestic stocks shall, as a general rule, submit an "Independent Director/Auditor Notification" containing the changed details to the Exchange by a date two (2) weeks before the occurrence of such change. In this case, such issuer of listed domestic stocks shall consent to the Exchange making the altered "Independent Director/Auditor Notification" available to public inspection.
Rule 436-3. Handling Related to Significant Transactions with Controlling Shareholders, etc.
Persons specified in the Enforcement Rules as prescribed in Rule 441-2 of the Regulations mean the persons referred to in the following items.
(1) A company, etc. that has the same parent company as the listed company (excluding such listed company and such subsidiaries, etc.);
(2) A director(s) of the parent company of the listed company as well as his/her close relatives;
(3) A close relative(s) of a controlling shareholder of the listed company (excluding the parent company of such listed company); or
(4) A controlling shareholder of the listed company (excluding the parent company of such listed company) as well as companies, etc. in which a person referred to in the previous item holds a majority of voting rights on his/her own account and such company's subsidiaries, etc. (excluding such listed company and such subsidiaries, etc.).

Rule 436-4. Involvement of Anti-social forces
Relationships specified in the Enforcement Rules that a listed company is involved in anti-social forces as prescribed in Rule 443 of the Regulations mean the relations referred to in each of the following items:

(1) Relationships with any of the following a through d is an organized crime group, a member of such group, or other similar parties (referred to as "organized crime groups and other anti-social forces" hereinafter in this paragraph)
   a. Listed company
   b. Parent company, etc. of the listed company
   c. Subsidiary of the listed company
   d. Officers of the listed company (see Note below)

   (Note) The term "officers" includes directors, accounting advisors, auditors, and executive officers (including governors, auditors and persons who can be regarded as equivalent thereto).

(2) In addition to the preceding item, relationships with organized crime groups and other anti-social forces that are involved in the management of a listed company

Rule 437. Handling of Framework Improvement to Facilitate Exercise of Voting Rights
Matters specified by the Enforcement Rules as prescribed in Rule 446 of the Regulations shall be the matters referred to in each of the following items:

(1) To avoid holding an annual general shareholders meeting on a day on which other listed companies' annual general shareholders meetings are significantly concentrated;
(2) To send notice of an annual general shareholders meeting earlier than the deadline prescribed in Article 299, Paragraph 1 of the Companies Act;
(3) To provide an environment to the investors in which they can promptly receive notice of an annual general shareholders meeting and reference documents for shareholders meeting prescribed in Article 301, Paragraph 1 of the Companies Act or reference document prescribed in Article 36-2 of the Enforcement Ordinance (see Note below) by an electromagnetic method after such notice, etc. is sent;

(Note) This shall be referred to as "notice, etc." hereinafter in this rule.

(4) To prepare English translation of the summary of notice, etc. and make it available for the investors;

(5) To provide an environment in which the shareholders (where such shareholder holds stocks for others, including beneficial shareholders having instructional rights pertaining to the exercise of voting rights and other rights equivalent thereto to the shareholders; the same shall apply in the following item.) can exercise their voting rights by an electromagnetic method (including instructional rights pertaining to the exercise of voting rights and other rights equivalent thereto; the same shall apply in the following item.); and

(6) Other matters toward framework improvement to facilitate the shareholders' exercise of voting rights at general shareholders meetings.

Chapter 5
Ensuring Effectiveness

Section 1
Securities on Alert

Rule 501. Handling of Designation and Cancellation of Designation of Securities on Alert

The documents specified by the Enforcement Rules as prescribed in Rule 501, Paragraph 2 of the Regulations mean documents that are equivalent to "Securities Report for Initial Listing Application (Part II)" prescribed in Rule 204, Paragraph 1, Item 4 (in cases where, in the examination in Rule 501, Paragraph 3 or Paragraph 6 of the Regulations, the Exchange deems that submission of documents equivalent to "Securities Report for Initial Listing Application (Part II)" are not required, documents specified by the Exchange on a case-by-case basis).

Section 2 and Section 3
Deleted.

Rule 502 and Rule 503 Deleted.

Section 4
Listing Agreement Violation Penalty

Rule 504. Handling of Listing Agreement Violation Penalty

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The handling of the listing agreement violation penalty prescribed in Rule 509, Paragraph 2 of the Regulations shall be prescribed in each of the following items:

1. The amount of the listing agreement violation penalty shall be calculated for each issue of listed stocks, etc. in accordance with the following table:

<table>
<thead>
<tr>
<th>Market Division, etc.</th>
<th>Listed market capitalization</th>
<th>1st Section</th>
<th>2nd Section</th>
<th>Mothers</th>
<th>Foreign stocks, etc. (excluding listed companies whose main market is the Exchange and JASDAQ-listed companies)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>JPY 5 bil. or less</td>
<td>JPY 19.2 mil.</td>
<td>JPY 14.4 mil.</td>
<td>JPY 9.6 mil.</td>
<td>JPY 2.4 mil.</td>
</tr>
<tr>
<td></td>
<td>Over JPY 5 bil., but less</td>
<td>JPY 33.6 mil.</td>
<td>JPY 28.8 mil.</td>
<td>JPY 24 mil.</td>
<td>JPY 4.8 mil.</td>
</tr>
<tr>
<td></td>
<td>JPY 25 bil. or less</td>
<td>JPY 48 mil.</td>
<td>JPY 43.2 mil.</td>
<td>JPY 38.4 mil.</td>
<td>JPY 9.6 mil.</td>
</tr>
<tr>
<td></td>
<td>Over JPY 50 bil., but less</td>
<td>JPY 62.4 mil.</td>
<td>JPY 57.6 mil.</td>
<td>JPY 52.8 mil.</td>
<td>JPY 12 mil.</td>
</tr>
<tr>
<td></td>
<td>JPY 250 bil. or less</td>
<td>JPY 76.8 mil.</td>
<td>JPY 72 mil.</td>
<td>JPY 67.2 mil.</td>
<td>JPY 14.4 mil.</td>
</tr>
<tr>
<td></td>
<td>Over JPY 500 bil.</td>
<td>JPY 91.2 mil.</td>
<td>JPY 86.4 mil.</td>
<td>JPY 81.6 mil.</td>
<td>JPY 16.8 mil.</td>
</tr>
<tr>
<td></td>
<td>JASDAQ</td>
<td>JPY 20 mil.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>JPY 100 bil. or less</td>
<td>JPY 24 mil.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Over JPY 100 bil.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Note) Listed market capitalization shall be calculated as specified in the following items:

a. Domestic stocks, etc.

Listed market capitalization is calculated, using (i) the last price on the last
day of the auction session in December immediately prior to the day on which the Exchange decided to claim the listing agreement violation penalty (if no transaction is executed in the auction session on such last day, the last price in the auction session on the most recent day prior to such last day on which transactions are executed) and (ii) the number of listed domestic shares, etc. at the end of February. However, if the claim for the listing agreement violation penalty is decided before the last day of auction sessions in December that arrives for the first time after listing, the market capitalization on the day of listing is used for such calculation. In addition, adjustments due to a stock split, gratis allotment of share, or reverse stock split shall be made as specified by the Exchange.

b. Foreign stocks, etc.
Listed market capitalization is calculated by using (i) the last price on the last day of the auction session on the last day of the business year immediately prior to the day on which the Exchange decided to claim the listing agreement violation penalty (if no transaction is executed in the auction session on such last day, the base price on such day) and (ii) the number of listed foreign shares, etc. on such day. However, if the claim for the listing agreement violation penalty is decided before the last day of the business year that arrives for the first time after listing, the market capitalization on the day of listing is used for such calculation.

(2) A listed company shall pay the amount specified in the preceding item by the last day of the month immediately following the month containing the day on which the Exchange required payment of the listing agreement violation penalty;

(3) A listed company shall pay the listing agreement violation penalty in yen; and

(4) In cases where a listed company fails to pay the listing agreement violation penalty by the due date, the Exchange may charge the listed company JPY 0.04 per JPY 100 on a daily basis for delinquency damages, tallied from the day following the due date until the date of completion of the payment.

Chapter 6
Delisting

Section 1
Delisting Criteria

Rule 601. Handling of Delisting Criteria for Listed Domestic Companies
1. The number of shareholders as prescribed in Rule 601, Paragraph 1, Item 1 of the Regulations and the number of tradable shares, market capitalization of the tradable shares, and the number of listed stocks, etc. as prescribed in Item 2 of the same
paragraph, shall be treated as specified in each of the following items:

(1) The case where the number of shareholders does not reach at least 400 within a year as prescribed in Rule 601, Paragraph 1, Item 1 of the Regulations and where the number does not reach at least 2,000 units within a year as prescribed in Item 2, Sub-item a. of the same paragraph means a case where such number does not reach 400 or at least 2,000 units within the period (see Note 1 below) until the day when one (1) year has lapsed from the day following the last day of the business year subject to an examination (see Note 2 below).

(Note 1) This period shall be referred to as the "grace period" hereinafter in this paragraph.
(Note 2) In the event that such day when one (1) year lapses is not the last day of the business year of the listed company, the last day of the first business year subsequent to such day when one (1) year has lapsed.

(1)-2. With regards to the application of the provisions of the preceding item pertaining to an issue whose shareholder, etc. record date is changed to a date other than the end of a business year within the grace period and an issue whose shareholder, etc. record date is not the end of a business year, the number of shareholders and tradable shares as of the shareholder, etc. record date pertaining to the business year to which the last day of the grace period belongs shall be deemed to be those as of the last day of the grace period.

(2) The number of shareholders as prescribed in Rule 601, Paragraph 1, Item 1 of the Regulations, and the number of tradable shares and stocks, etc. as prescribed in Item 2 of the same paragraph shall be those stated on the financial statements submitted by a listed company or the "Table of Distribution of Stocks, etc." submitted by a listed company pursuant to the provisions of Rule 423, Paragraph 1.

(2)-2 In the event that a listed company carries out a stock split, gratis allotment of shares (see Note below), reverse stock split or change in the number of shares per Share Unit, and where the Exchange deems appropriate, the number of shareholders, the number of tradable shares and the number of listed stocks, etc. shall be calculated in consideration of influences of such stock split, gratis allotment of shares, reverse stock split or change in Share Unit being considered.

(Note) This shall be limited to share allotment of the same class as that of the shares pertaining to a listed stock, etc.

(3) The provisions of Rule 212, Paragraph 1, Item 1 shall be applied mutatis mutandis to cases where a resolution authorizing disposition of treasury stocks has been passed at the listed company.

(4) The provisions of Rule 212, Paragraph 1, Item 2 shall be applied mutatis mutandis to cases where a resolution authorizing cancellation of treasury stocks has been passed at the listed company.

(5) The provisions of Rule 311, Paragraph 1, Item 1, Sub-item j. shall be applied mutatis mutandis to the number of shareholders prescribed in Rule 601, Paragraph 1, Item 1 of the Regulations, and the number of tradable shares...
prescribed in Item 2 of the same paragraph.

(6) The provisions of Rule 212, Paragraph 1, Item 3, and Rule 311, Paragraph 1, Item 1, Sub-item e. shall be applied mutatis mutandis to the calculation of the number of shareholders as prescribed in Rule 601, Paragraph 1, Item 1 of the Regulations.

(7) The provisions of Rule 311, Paragraph 1, Item 1, Sub-item f. shall be applied mutatis mutandis to the handling of the number of shareholders within the grace period for securities with less than 400 shareholders as prescribed in Rule 601, Paragraph 1, Item 1 of the Regulations. In such instance, "2,000" shall be "400."

(8) The provisions of Rule 311, Paragraph 1, Items 1, Sub-items h. and i. shall be applied mutatis mutandis to the handling of the number of shareholders subsequent to the grace period for securities with less than 400 shareholders as prescribed in Rule 601, Paragraph 1, Item 1 of the Regulations. In such instance, "2,000" shall be "400."

(9) The provisions of Rule 311, Paragraph 1, Item 1, Sub-item g. shall be applied mutatis mutandis to the handling of the number of tradable shares within the grace period for securities with less than 2,000 units as prescribed in Rule 601, Paragraph 1, Item 2, Sub-item a. of the Regulations. In such instance, "10,000 units" shall be "2,000 units."

(10) The provisions of Rule 311, Paragraph 2, Item 1 shall be applied mutatis mutandis to the market capitalization of the tradable shares as prescribed in Rule 601, Paragraph 1, Item 2, Sub-item b. of the Regulations. In such instance, "JPY 1 billion" shall be "JPY 500 million."

(11) The day specified by the Enforcement Rules as prescribed in Rule 601, Paragraph 1, Sub-item c. of the Regulations means the point when a listed company submits its securities report, or the end of the period as specified in Article 24, Paragraph 1 of the Act, whichever is earlier.

(12) Where a listed company, subsequent to the end of the business year subject to an examination (for a listed company whose shareholder, etc. record date is not the end of a business year, a shareholder, etc. record date pertaining to a business year subject to examination) and on or before the date prescribed in the preceding item, carries out a public offering, secondary distribution or distribution with a quantitative limit, and submits a document evidencing the details of such public offering and secondary distribution, and the result of distribution with a quantitative limit to the Exchange by such date; if the sum of the number of tradable shares stated on the "Table of Distribution of Stocks, etc." submitted by such listed company to the Exchange and the number of stocks, etc. pertaining to the public offering, secondary distribution or distribution with a quantitative limit (see Note below) is equal to or larger than 5% of the sum of listed stocks, etc. at the end of the business year subject to an examination and the number of stocks, etc. pertaining to such public offering, Rule 601, Paragraph 1, Item 2, Sub-item c. of the Regulations shall not be deemed applicable.

(Note) This shall exclude the number of stocks, etc., which are clearly not

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deemed to become tradable securities from such stocks, etc.

2. Handling of trading volume prescribed in Rule 601, Paragraph 1, Item 3 of the Regulations shall be as specified in each of the following items:

(1) The provisions of Rule 601, Paragraph 1, Item 3, Sub-item a. of the Regulations shall not be applicable before the date when one (1) year has lapsed from the listing day.

(Note) In calculating "one (1) year from the listing day," in the event the listing day is not the first day of the month due to the first day of the month falling on a non-business day, the calculation shall be performed by deeming that listing was on the first day of such month.

(2) The average monthly trading volume of a listed stock, etc. for each year ending December 31 as prescribed in Rule 601, Paragraph 1, Item 3 of the Regulations, means the monthly average of the total volume of such issue (including the newly issued stock, etc. for the issue) traded in the market for such period.

(3) Where the number of stocks, etc. per unit is changed within one year before each year ending December 31, the number of stocks, etc. per unit prior to change for the period prior to such change, and the number of stocks, etc. per unit subsequent to change for the period subsequent to such change, shall be used in calculating the trading volume.

(4) Handling of public offering, secondary distribution or off-auction distribution prescribed in the proviso of Rule 601, Paragraph 1, Item 3 of the Regulations shall be as specified in Sub-items a. through e. below:

a. The provisions of Rule 212, Paragraph 1, Item 6, Sub-items a. and c. shall be applied mutatis mutandis to handling of public offerings and secondary distributions.

b. A public offering or secondary distribution shall be carried out within three (3) months from the date when the Exchange acknowledges that the listed domestic stock, etc. falls under Rule 601, Paragraph 1, Item 3, Sub-item a. or b. of the Regulations, to the general public, by units of up to five units, at the same price. In such instance, the public offering or secondary distribution shall be treated as having been carried out on the first day of the subscription period.

c. Off-auction distribution shall be carried out within three (3) months from the day the Exchange acknowledges that the listed domestic stock, etc., falls under Rule 601, Paragraph 1, Items 3, Sub-item a. or b. of the Regulations, with a limit to the purchase application quantity set up at five (5) units or less.

d. The number of stocks, etc. necessary for public offering, secondary distribution or off-auction distribution shall be 500 units or more, determined by the Exchange on a case-by-case basis.

e. When public offering, secondary distribution, or off-auction distribution is to be carried out, for the period between when Rule 601, Paragraph 1, Item 3, Sub-item a. or b. of the Regulations becomes applicable and the end of the month when the public offering, secondary distribution or off-auction
distribution is to be carried out, Item 3, Sub-item b. shall not be applicable to such listed domestic stock, etc.

(5) Where Rule 601, Paragraph 1, Item 3, Sub-item a. or b. of the Regulations is applicable to a listed stock, etc., and a written report from such listed company that the public offering, secondary distribution or off-auction distribution prescribed in the preceding item will not be carried out, it shall be treated as falling under the preceding item.

3. Handling of market capitalization as prescribed in Rule 601, Paragraph 1, Item 4 of the Regulations shall be as specified in each of the following items:

(1) The provisions of Rule 311, Paragraph 4, Item 1, Sub-items a. through c. shall be applied mutatis mutandis to Rule 601, Paragraph 1, Item 4, Sub-item a. of the Regulations. In such instance, "JPY 2 billion" shall be "JPY 1 billion."

(2) The case where the market capitalization of said stock, etc. is less than the amount obtained by multiplying the number of listed stock, etc. by two (2), as prescribed in Rule 601, Paragraph 1, Item 4, Sub-item b. of the Regulations, means a case where the average monthly listed market capitalization or the month-end listed market capitalization is less than the amount obtained by multiplying the monthly average number of listed stocks (see Note below) for the relevant month by two (2).

(Note) The monthly average number of listed stocks means the average number of daily listed stocks, etc. for the relevant stock, etc. (where a listed company is to carry out a stock split, gratis allotment of shares limited to share allocation of the same class as that of the shares pertaining to a listed stock, etc.), or reverse stock split, add or subtract the number of stocks, etc. to increase or decrease by such stock split, gratis allotment of shares, or reverse stock split, on the day that is one (1) day (excluding non-business days) prior to the date for right allotment (in the event the date for fixing rights falls on a non-business day, the day that is two (2) days (excluding non-business days) prior to the date of right allotment); the same shall apply hereinafter in this paragraph.

(3) Where the number does not reach at least such amount within three (3) months, as prescribed in Rule 601, Paragraph 1, Item 4, Sub-item b. of the Regulations, means where the average monthly listed market capitalization and the month-end listed market capitalization for such stock, etc. does not reach at least the number obtained by multiplying the number of monthly average listed stocks for the relevant stock, etc. during the period commencing on the day following the month-end when the preceding item became applicable until the day when three (3) months have lapsed, by two (2).

(4) The market capitalization for the month of the listing day shall not be included in the examination pertaining to the standard prescribed in Rule 601, Paragraph 1, Item 4 of the Regulations.

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(5) Where the Exchange deems it necessary to decide whether a listed company falls under Rule 601, Paragraph 1, Item 4 of the Regulations, the listed company must submit a document stating the number of listed stocks on a daily basis, etc. for each of the month subject to an examination, by the beginning of the following month.

4. Handling of liabilities in excess of assets as prescribed in Rule 601, Paragraph 1, Item 5 of the Regulations shall be as prescribed in each of the following items:

(1) Where a listed company has liabilities in excess of assets as prescribed in Rule 601, Paragraph 1, Item 5 of the Regulations means that the amount of net assets calculated pursuant to the consolidated balance sheet prescribed in Rule 311, Paragraph 5, Item 1, Sub-item a. is negative, or in the case of a company that is not one that should prepare consolidated financial statements, the amount of net assets calculated based on the balance sheet prescribed in a. of the same item is negative. However, if the listed company is a company that voluntary adopts IFRS or a company to which the provisions of Article 95 of the Consolidated Financial Statements Regulation applies, the amount equivalent (see Note 1 below) to the amount of net assets calculated based on such balance sheet (see Note 2 below).

(Note 1) The amount shall exclude the effects of different accounting standards (limited to amounts deemed necessary by the Exchange).

(Note 2) In the case of a listed company that is not one that should prepare consolidated financial statements, the amount of net assets shall be calculated based on such balance sheet. In the case of a company under application of the provisions of Article 95 of the Consolidated Financial Statements Rules, the amount equivalent thereto.

(2) Where the amount of net asset will be affected by an opinion issued by certified public accountants or an audit firm, the amount of net asset subsequent to adjustment in accordance with such auditors’ opinion shall be subject to the examination, except where such effect is deemed to be caused by a change in corporate accounting standard for due reason.

(3) Where the liabilities in excess of assets is not cleared within a year as prescribed in Rule 601, Paragraph 1, Item 5 of the Regulations means, where the liabilities in excess of assets is not cleared during the period commencing from the day after the end of the business year when the liabilities in excess of assets as prescribed in the item occurred until the day when one (1) year has lapsed from such day (see Notes 1 and 2 below).

(Note 1) In the event such day when one (1) year has lapsed does not fall on the end of the business year of the listed company, the end of the first business year after such day when one (1) year has lapsed.

(Note 2) This shall be referred to as the "grace period" hereinafter in this paragraph.

(4) Examination on whether or not a case is deemed appropriate by the Exchange.
as prescribed in the proviso of Rule 601, Paragraph 1, Item 5 of the Regulations shall be performed for a listed company that has announced a restructuring plan (see Note 1 below) by the time of disclosure of details of account settlement pertaining to the consolidated accounting year for the last day of the grace period (see Note 2 below) as prescribed in Rule 404 of the Regulations, based on such restructuring plan submitted by the listed company and documents prescribed in Sub-items a. and b. below:

(Note 1) This shall include a plan to clear liabilities in excess of assets within a year prescribed in proviso of Rule 601, Paragraph 1, Item 5 of the Regulations.
(Note 2) This shall be a business year when a listed company is not a company that should prepare consolidated financial statements.

a. Documents prescribed in the following (a) through (c), in accordance with the relevant classifications:
   (a) In the case of reorganization proceedings or rehabilitation proceedings on the basis of the provisions of laws:
       A document proving that such restructuring plan has been approved by the court as a reorganization plan or rehabilitation plan.
   (b) In the case of business revitalization based on the specific certified dispute resolution procedures prescribed in Article 2, Paragraph 16 of the Industrial Competitiveness Enhancement Act (see Note below):
       A document proving that said restructuring plan was established in accordance with such procedures.
       (Note) This shall include cases based on the specified conciliation procedures to which the special rules prescribed in Article 52 of the Industrial Competitiveness Enhancement Act apply when such specific certified dispute resolution procedures are implemented.
   (c) In the case of workouts based on the "Guidelines for Multi-Creditor Out-of-Court Workouts" formulated by the Study Group on Multi-Creditor Out-of-Court Workouts:
       A document with statement from the creditor that the restructuring plan has been established based on the guideline.

b. A written statement from certified public accountant, etc. that important matters, etc., that were preconditions for the plan prescribed in the proviso of Rule 601, Paragraph 1, Item 5 of the Regulations to clear liabilities in excess of assets within a year were those prescribed in Rule 402, Item 1, Sub-items aj, reviewed by such certified public accountants, etc.

(5) Within one (1) year as prescribed in the proviso of Rule 601, Paragraph 1, Item 5 of the Regulations means the period commencing from the day after the end of the grace period until the day when one (1) year has lapsed (see Note below).
(Note) In the event that such day when one (1) year has lapsed does not fall on the end of the business year of the listed company, this shall be the end of the first business year after the day when one (1) year has lapsed.

(6) Within two (2) years as prescribed in the proviso of Rule 601, Paragraph 1, Item 5 of the Regulations means the period commencing from the day after the end of the business year that is being examined until the day when two (2) years have lapsed from such day (see Note below).

(Note) In the event that such day when one (1) year has lapsed does not fall on the end of the business year of the listed company, the end of the first business year after the day when one (1) year has lapsed.

5. When the suspension becomes certain as prescribed in Rule 601, Paragraph 1, Item 6 of the Regulations means when a bill, etc. issued by a listed company is dishonored and a written report from such listed company that the suspension of bank transactions have become certain is received.

6. Handling of bankruptcy proceedings, reorganization proceedings or rehabilitation proceedings as prescribed in Rule 601, Paragraph 1, Item 7 of the Regulations shall be as prescribed in each of the following items:

(1) Where a listed company becomes necessary to enter its bankruptcy proceedings, reorganization proceedings or rehabilitation proceedings on the basis of the provisions of laws as prescribed in Rule 601, Paragraph 1, Item 7 of the Regulations means where a listed company determines that bankruptcy proceedings, reorganization proceedings, or rehabilitation proceedings are necessary due to occurrence of a cause as prescribed in the laws for such bankruptcy proceedings, reorganization proceedings or rehabilitation proceedings.

(2) Where it falls under a situation corresponding to these as prescribed in Rule 601, Paragraph 1, Item 7 of the Regulations means where the Exchange deems that a listed company has fallen under cases listed in Sub-items a. through c. below, or a situation corresponding to cases where it becomes necessary for a listed company to enter its bankruptcy proceedings, reorganization proceedings, or rehabilitation proceedings pursuant to the provisions of laws; the first sentence of the same item shall be deemed to be applicable to cases falling under Sub-items a. through c. on the dates prescribed respectively in Sub-items a. through c.

a. Where a listed company has liabilities in excess of assets or is insolvent or is likely to incur liabilities in excess of assets or become insolvent, and is to undergo private liquidation that does not aim for reconstruction:
   The day when a written report concerning such liquidation is received from such listed company.

b. Where a listed company resolves or determines at its board of directors meeting, etc. that continuing business activities is difficult or will be terminated due to incurring liabilities in excess of assets or becoming insolvent, or the likelihood of incurring such liabilities or becoming...
insolvent, and the board resolves to present the transfer of all or most of its business or dissolution to the general shareholder meeting or general meeting of ordinary equity investors for its resolution:
The day when a written report concerning the resolution of the board concerning such transfer of business or dissolution is received from such listed company (in the event of transfer of most of its business, the day when the Exchange deems that such transfer of business is a transfer of most of its business).
c. Where a listed company, in order to improve its financial conditions, executes an agreement on exemption of obligations from a creditor or assumption or fulfillment of obligations by a third party, with such creditor or third party (see Note below):
The day when a written report concerning such agreement is received from such listed company.

(Note) This shall be limited to cases where the amount of exemption of obligation or the amount of assumption or fulfillment is equal to or more than 10% of the total obligations as of the end of the immediately preceding business year.

(3) A restructuring plan prescribed by the Enforcement Rules as prescribed in the second sentence of Rule 601, Paragraph 1, Item 7, means those falling under Sub-items a. through c. below:
   a. In cases provided in (a) or (b) below, that the matters prescribed in (a) or (b) are applicable:
      (a) Where it becomes necessary for a listed company to enter its reorganization proceedings or rehabilitation proceedings:
The restructuring plan is likely to receive approval from the court as a reorganization plan or a rehabilitation plan.
      (b) Where a listed company enters an agreement prescribed in Sub-item c. in the preceding item:
The restructuring plan has been agreed to by the creditor or the third party prescribed in Sub-item c. of the preceding item.
   b. The restructuring plan states matters prescribed in (a) and (b) below:
      (a) Not all of such listed securities are being cancelled.
      (b) That there is likelihood as prescribed in Sub-item a. (a) above and the reason for such likelihood, or that there is an agreement as prescribed in Sub-item a. (b) above and details of the evidence.
   c. The restructuring plan does not include statement of matters that shall cause delisting, and is not otherwise inappropriate from the perspective of public interest or investor protection.

(4) Where the market capitalization is not JPY 1 billion or more as prescribed in the second sentence of the Rule 601, Paragraph 1, Item 7 of the Regulations means when the amount prescribed in Sub-item a. or b. below is not JPY 1 billion or more:
a. The average market capitalization (see Note below) for the month prescribed in the second sentence of Rule 601, Paragraph 1, Item 7; or

(Note) The term "average market capitalization" means the amount calculated by adding the average of the amount calculated by multiplying the daily last price of such stocks, etc. in the trading sessions of the Exchange by the number of the listed stocks, etc. for the day (meaning the number of listed stocks, etc. as prescribed in Rule 311, Paragraph 4, Item 1; the same shall apply hereinafter in this paragraph) (where two or more classes of stocks, etc. are listed, aggregate of amount calculated for each class of such stocks, etc.) to the average of market capitalization (calculated pursuant to the provisions of the Exchange) for all other stocks issued by the listed company (limited to those listed on a domestic financial instruments exchange or those listed or continuously traded on a foreign financial instruments exchange).

b. The market capitalization as of the last day of such month (see Note below)

(Note) The term "market capitalization as of last day of such month" means the amount calculated by adding the amount calculated by multiplying the last price (in the event that there is no such last price, the most recent last price) of such stocks, etc. in the trading session of the Exchange on such last day by the number of listed stocks, etc. on such last day (where two or more classes of stocks, etc. are listed, aggregate of amount calculated for each class of such stocks, etc.), to the market capitalization (calculated pursuant to the provisions of the Exchange) for all other stocks issued by the listed company (limited to those listed on a domestic financial instruments exchange or those listed or continuously traded on a foreign financial instruments exchange).

(5) The provisions of Rule 311, Paragraph 4, Item 1, Sub-item b. shall be applied mutatis mutandis to the calculation of market capitalization as prescribed in Rule 601, Paragraph 1, Item 7 of the Regulations.

(6) Where the Exchange deems it necessary for determination of whether or not its market capitalization as prescribed in the second sentence of Rule 601, Paragraph 1, Item 7 of the Regulations is JPY 1 billion or more, a listed company must submit a document stating the daily number of listed stocks, etc. for the month subject to an examination, by the day following the end of such month, to the Exchange.

7. Handling of suspension of business activities as prescribed in Rule 601, Paragraph 1, Item 8 of the Regulations shall be as specified in each of the following items:
   (1) Where a listed company suspends its business activities as prescribed in Rule 601, Paragraph 1, Item 8, mean where the Exchange deems that the business...
activities of a listed company and its consolidated subsidiary have been suspended (excluding cases where the Exchange deems that such business activities have been temporarily suspended due to natural disaster, etc.)

(2) Where it falls into a situation corresponding to this as prescribed in Rule 601, Paragraph 1, Item 8 of the Regulations mean cases listed in Sub-items a. through c. below, or where the Exchange deems that a listed company is in a situation corresponding to suspending its business activities; cases falling under Sub-items a. through c. shall be deemed to fall under the item on the dates prescribed respectively in Sub-items a. through c.

a. Where a listed company is to dissolve due to a merger, and to deliver stocks, etc. falling under (a) or (b) below as all or part of its assets in lieu of its stocks, etc. to the listed company's shareholders: in general, the day that is two (2) days (excluding non-business days) prior to such merger becoming effective.

(a) Stocks, etc. listed on the Exchange;
(b) Stocks, etc. that are likely to be promptly listed under application of provisions of Rule 208, Paragraph 1 of the Regulations (for Mothers listed companies, Rule 215, Item 1 of the Regulations, and for JASDAQ-listed companies, Rule 216-9, Item 1 of the Regulations).

b. Where a listed company is to dissolve due to a merger other than a merger prescribed in Sub-item a. above, the day when a written report on the resolution of the general shareholders meeting (including general meeting of ordinary equity investors) concerning such merger is received from such listed company (in the event an approval through resolution of the general shareholders meeting is not required for such merger, the day when a written report on the resolution of the board of directors (see Note below) is received).

(Note) This shall include a decision made by a director in the case of a company with audit and supervisory committee or a decision made by an executive officer in the case of a company with nominating committee, etc.

c. Where a listed company is to dissolve for reasons other than those prescribed in Sub-items a. and b. above (excluding where the provisions of Item 2, Sub-item b. of the preceding paragraph is applicable), the day when a written report on the occurrence of a reason for such dissolution is received from such listed company.

8. Handling of inappropriate mergers, etc. as prescribed in Rule 601, Paragraph 1, Item 9 of the Regulations shall be as prescribed in Sub-items a. through h. below:

(1) An act specified by the Enforcement Rules as an act classified as this as prescribed in Rule 601, Paragraph 1, Item 9, Sub-item a. of the Regulations means acts listed in Sub-items a. through h. below:

a. Stock swap that makes an unlisted company becomes a wholly-owned subsidiary;

b. Succession of a business from an unlisted company through demerger;

c. Business acquisition from an unlisted company;

d. Succession of a business to another person through demerger;
e. Transfer of business to another party;

f. Business alliance with an unlisted company;

g. Allocation of stocks or preferred equity contributions by third-party allotment; or

h. Other absorption-type merger of an unlisted company, or acts deemed to have similar effects as Sub-items a. through g. above.

(2) If a listed company falls under any of Sub-items a. through e. below, such case will not be treated as falling under the provisions of Rule 601, Paragraph 1, Item 9, Sub-items a. and b. where the Exchange deems that the listed company is not a substantial surviving company:

a. Where such listed company is to undergo an absorption-type merger, etc. with a consolidated subsidiary (see Note 1 below), and such consolidated subsidiary, for the previous three (3) years starting from the day when the body that decides the business execution of such listed company makes a decision on the absorption-type merger, etc. (see Note 2 below), has not engaged in, or its body that decides the business execution has not decided to engage in, a merger, stock swap, acts listed in Sub-items b. through g. in the preceding item, transfer of stocks in cooperation with an unlisted company, or other acts that are deemed to have the same effect as these acts, with an unlisted company (see Note 3 below).

(Note 1) This means an absorption-type merger of an unlisted company or an act listed in Sub-items a. through h. of the preceding item, and including acts prescribed in Rule 208, Item 1, 3 or 5 of the Regulations; the same shall apply hereinafter in this sub-item.

(Note 2) This shall be referred to as the "Decision Date" herein after in this item.

(Note 3) This shall exclude consolidated subsidiaries; the same shall apply hereinafter in this item.

b. Where such listed company is to engage in an absorption-type merger, a stock swap to make an unlisted company a wholly-owned subsidiary (see Note below), or other acts that are deemed to have the same effect as these acts, and all of (a) through (d) are applicable:

(Note) This shall include acts prescribed in Rule 208, Item 1 or 3 of the Regulations, with an unlisted company.

(a) For three (3) years prior to the Decision Date, it has not engaged in, or its body that decides the business execution has not decided to engage in, a merger, stock swap, acts listed in Sub-items b. through g. in the preceding item, transfer of stocks in cooperation with an unlisted company, or other acts that are deemed to have the same effect as these acts, with such unlisted company (including its related companies);

(b) The amount of total assets of the consolidated company that such
unlisted company is the consolidated financial statements submitting company (see Note 1 below) in the consolidated financial statements as of the end of the immediately preceding consolidated accounting year (see Note 2 below) is less than the amount of total assets of the consolidated company that the listed company is the consolidated financial statements submitting company (see Note 3 below) in the consolidated financial statements as of the end of the immediately preceding consolidated accounting year (see Note 4 below);

(Note 1) This shall be referred to as the "unlisted consolidated company" hereinafter in this sub-item.
(Note 2) In the event such unlisted company is not the consolidated financial statements submitting company, this shall be an amount of total assets as of the end of the immediately preceding business year of the unlisted company.
(Note 3) This shall be referred to as the "Consolidated Company" hereinafter in this sub-item and Sub-item c. below.
(Note 4) In the event the listed company is not the consolidated financial statements submitting company, the amount of total assets as of the end of the immediately preceding business year of the listed company.

(c) The sales of the unlisted consolidated company for the immediately preceding accounting year (see Note 1 below) is less than the sales of the Consolidated Company for the immediately preceding accounting year (see Note 2 below); and

(Note 1) In the event such unlisted company is not the consolidated financial statements submitting company, this shall be the sales of such unlisted company for the immediately preceding business year.
(Note 2) In the event such listed company is not the consolidated financial statements submitting company, this shall be the sales of such listed company for the immediately preceding business year.

(d) The consolidated ordinary profits of the unlisted consolidated company for the immediately preceding accounting year (see Note 1 below) is less than the consolidated ordinary profits of the Consolidated Company for the immediately preceding accounting year (see Note 2 below); and

(Note 1) In the event such unlisted company is not the consolidated financial statements submitting company, this shall be the ordinary profits of such unlisted company for the immediately preceding business year.
preceding business year. In cases where such unlisted company is a company that voluntarily adopts IFRS, it shall be the amount of net income belonging to the owner of the parent company.

(Note 2) In the event such listed company is not the consolidated financial statements submitting company, this shall be the ordinary profits of such listed company for the immediately preceding business year. In cases where such listed company is a company that voluntarily adopts IFRS, it shall be the amount of net income belonging to the owner of the parent company.

c. Where succession of business through demerger from an unlisted company, business acquisition from an unlisted company, or other acts that are deemed to have the same effect as these acts are to be performed, and the listed company shall fall under all of (a) through (d) below:

(a) For three (3) years prior to the Decision Date, it has not engaged in, or its body that decides the business execution has not decided to engage in, a merger, stock swap, acts listed in Sub-items b. through g. in the preceding item, transfer of stocks in cooperation with an unlisted company, or other acts that are deemed to have the same effect as these acts, with such unlisted company (including its related companies);

(b) The amount of asset subject to succession or acquisition of business is less than the amount of total assets of the Consolidated Company in the consolidated financial statements as of the end of the immediately preceding consolidated accounting year (see Note below);

(Note) In the event such listed company is not the consolidated financial statements submitting company, this shall be the ordinary profits of such listed company for the immediately preceding business year.

(c) The amount deemed to be equivalent to the sales of the business unit, etc. subject to succession or acquisition of business is less than the amount of sales of the Consolidated Company for the immediately preceding consolidated accounting year (see Note below);

(Note) In the event such listed company is not the consolidated financial statements submitting company, this shall be the amount of sales of such listed company for the immediately preceding business year.

(d) The amount deemed to be equivalent to the ordinary profits of the business unit, etc. subject to succession or acquisition of business is less than the amount of consolidated ordinary profits of the Consolidated
Company for the immediately preceding consolidated accounting year (see Note below);

(Note) In the event such listed company is not the consolidated financial statements submitting company, this shall be the amount of ordinary profits of such listed company for the immediately preceding business year. In cases where such listed company is a company that voluntarily adopts IFRS, it shall be the amount of net income belonging to the owner of the parent company.

d. Where succession of a business to another person through demerger (see Note 1 below), transfer of a business to another person, business alliance with an unlisted company, allocation of stocks or preferred investments by third-party allotment, or other acts that are deemed to have the same effect as these is carried out, that it has not engaged in, or its body that decides the business execution has not decided to engage in, a merger, stock swap, acts listed in Sub-items b. through g. in the preceding item, transfer of stocks in cooperation with a party engaged in such act, or other acts that are deemed to have the same effect as these acts, with such party (see Note 2 below) in the previous three (3) years starting from the Decision Date.

(Note 1) This shall exclude those prescribed in Sub-item e. below.
(Note 2) This shall include its related companies.

e. Where the listed company is to engage in an act prescribed in Rule 208, Item 5 of the Regulations with an unlisted company (limited to absorption-type demergers), and the listed company shall fall under all of (a) through (d):

(a) For three (3) years prior to the Decision Date, it has not engaged in, or its body that decides the business execution has not decided to engage in, a merger, stock swap, acts listed in Sub-items b. through g. in the preceding item, transfer of stocks in cooperation with an unlisted company, or other acts that are deemed to have the same effect as these acts, with such unlisted company (including its related companies);

(b) The amount of total assets of the consolidated company that such unlisted company is the consolidated financial statements submitting company (see Note 1 below) in the consolidated financial statements as of the end of the immediately preceding consolidated accounting year (see Note 2 below) shall be less than the amount of assets subject to the succession of business from such listed company;

(Note 1) This shall be referred to as the "unlisted consolidated company" hereinafter in this sub-item.
(Note 2) In the event such unlisted company is not the consolidated...
financial statements submitting company, this shall be amount of total assets as of the end of the immediately preceding business year of the unlisted company.

(c) The sales of the unlisted consolidated company for the immediately preceding accounting year (see Note below) shall be less than the amount deemed to be equivalent to sales of the business unit, etc. subject to the succession of business from such listed company; and

(Note) In the event such unlisted company is not the consolidated financial statements submitting company, the sales of such unlisted company for the immediately preceding business year.

(d) The consolidated ordinary profits of the unlisted consolidated company for the immediately preceding accounting year (see Note) shall be less than the amount deemed to be equivalent to the ordinary profits of the business unit, etc. subject to the succession of business from such listed company.

(Note) In the event such unlisted company is not the consolidated financial statements submitting company, this shall be the ordinary profits of such unlisted company for the immediately preceding business year. In cases where such unlisted company is a company that voluntarily adopts IFRS, it shall be the amount of net income belonging to the owner of the parent company.

(3) The person specified by the Enforcement Rules as an unlisted company that is the party involved as prescribed in Rule 601, Paragraph 1, Item 9, Sub-item a. of the Regulations means such unlisted company involved in an absorption-type merger of an unlisted company or a stock swap that makes an unlisted company become a wholly-owned subsidiary.

(4) The person specified by the Enforcement Rules as an unlisted company that is subject to an examination as prescribed in Rule 601, Paragraph 1, Item 9, Sub-item b. of the Regulations shall be the unlisted company referred to in the following a. through d.

a. Where said unlisted company merges with an unlisted company or a subsidiary of an unlisted company (limited to cases where the provisions of Rule 208, Item 1 apply to said unlisted company)

b. Where said unlisted company becomes a wholly-owned subsidiary of an unlisted company or subsidiary of an unlisted company or said unlisted company falls under cases equivalent thereto (limited to cases where the provisions of Rule 208, Item 3 apply to said unlisted company) (excluding cases referred to in Sub-item c.)
c. Where said unlisted company becomes a wholly-owned subsidiary of another company (limited to cases where said unlisted company and an unlisted company jointly conduct stock transfer (including cases where they conduct an act(s) that is deemed to bring about an effect(s) equivalent thereto) or where said unlisted company falls under a state equivalent thereto (limited to cases where the provisions of Rule 208, Item 3 apply to such other company)

d. Where said unlisted company conducts a company split with an unlisted company (limited to cases where the provisions of Rule 208, Item 5 apply to such unlisted company)

(5) Within three (3) years as prescribed in Rule 601, Paragraph 1, Item 9 of the Regulations means the period between the last day of the first business year from the day when the listed company falls under Sub-item a. or b. of the same paragraph and the day when three (3) years have lapsed from such day (see Note 1 and 2 below).

(Note 1) In the event such day when three (3) years have lapsed does not fall on the last day of the business year of the listed company, this shall be the last day of the business year ending immediately prior to the day when three (3) years have lapsed.

(Note 2) This shall be referred to as the "grace period" hereinafter in this paragraph.

(6) The criteria specified by the Enforcement Rules as prescribed in Rule 601, Paragraph 1, Item 9 of the Regulations mean the criteria in accordance with Rules 205, 206, and 207, Paragraph 1 of the Regulations (see Note below).

(Note) In the case of a Mothers listed company, this shall be Rules 212, 213 and 214, Paragraph 1 of the Regulations, and in the case of a JASDAQ-listed company, this shall be Rule 216-3, Rule 216-4, Rule 216-5, Paragraph 1, Rule 216-6, Rule 216-7, and Rule 216-8, Paragraph 1 of the Regulations.

(7) The deadline for a listed company to make an application as prescribed in Rule 605, Paragraph 2 of the Regulations shall be the eighth day (see Note below) from the day when the first securities report is submitted after the grace period.

(Note) This shall exclude non-business days.

9. Handling in the case of damaging the soundness of transactions with controlling shareholders as prescribed in Rule 601, Paragraph 1, Item 9-2 of the Regulations shall be as specified in each of the following item:

(1) Cases where controlling shareholders are changed due to third-party allotment as prescribed in Rule 601, Paragraph 1, Item 9-2 of the Regulations mean cases
where controlling shareholders are changed due to said placement and where controlling shareholders are expected to be changed due to conversion of offered stocks issued due to said placement or exercise of voting rights.

(2) Within three (3) years prescribed in Rule 601, Paragraph 1, Item 9-2 of the Regulations means the period when the day when three (3) years have lapsed since the day following the end of the business day containing the day the listed company falls under the cases where controlling shareholders are transferred due to the third-party allotment as prescribed in the same item.

(3) A listed company that falls under the case where controlling shareholders are changed due to third-party allotment as prescribed in Rule 601, Paragraph 1, Item 9-2 of the Regulations shall, as a general rule, promptly submit written documents on a transaction status with controlling shareholders (see Note 1 below) in each business year, whenever one (1) lapses (see Note 2 below) after the end of the day of the business year containing the day when the listed company falls under said case and from the day following said end of the day of the business year.

(Note 1) Controlling shareholders include entities that receive the placement of offered stocks, etc. when controlling shareholders are expected to be changed due to conversion of the offered stocks, etc. issued by said third-party allotment or exercise of voting rights, or entities that transfer offered stocks, etc. when said offered stocks, etc. are transferred.

(Note 2) This shall be limited to a period specified in the preceding item.

(4) A listed company that fall under the case where controlling shareholders are changed due to third-party allotment as prescribed in Rule 601, Paragraph 1, Item 9-2 shall accurately report reference when the Exchange deems necessary and makes an inquiry about a transaction status, etc. with controlling shareholders.

(5) Examinations on whether a case falls under the criteria that the Exchange concludes that the soundness regarding transaction with controlling shareholders as prescribed in Rule 601, Paragraph 1, Item 9-2 is remarkably damaged shall be conducted in accordance with the written documents prescribed in Item 3 and the details of a report prescribed in the preceding item.

10. The cases specified in the Enforcement Rules as prescribed in Rule 601, Paragraph 1, Item 10 of the Regulations shall be cases in each of the following items, and the periods specified by the Enforcement Rules as prescribed in Item 10 of the same paragraph shall be those specified in the following items in accordance with the classification of such items:

(1) Where the approval prescribed in Article 15-2, Paragraph 3, Article 15-2-2, Paragraph 4, Article 17-4, Paragraph 4, or Article 17-15-2, Paragraph 4 of the Cabinet Office Ordinance on Disclosure is obtained;

By the eighth day (excluding non-business days) after the day on which such approved period has elapsed, or

(2) Where the case is due to reasons not attributable to the listed company such as act of providence (excluding cases falling under the preceding item);

Within three (3) months since the period specified by Article 24, Paragraph 1
11. Where a listed company has committed a material breach of the listing agreement as prescribed by the Enforcement Rules, as prescribed in Rule 601, Paragraph 1, Item 12 of the Regulations means the cases listed in each of the items below:

(1) Where the listed company does not promptly submit an Improvement Report that must be submitted pursuant to the provisions of Rule 502, Paragraph 3 of the Regulations (see Note below) or the document prescribed in Rule 606, Paragraph 2 of the Regulations, and despite establishment of a new deadline for submission after a reasonable period and notification of matters prescribed in Sub-items a. to c. below to such listed company in writing by the Exchange, such listed company still fails to submit a document stating its agreement or the Improvement Report by such deadline.

(Note) This shall include mutatis mutandis application in Rule 503, Paragraph 7 of the Regulations.

a. If the listed company fails to submit such the Improvement Report as prescribed in Rule 502, Paragraph 3 (including mutatis mutandis application in Rule 503, Paragraph 7) of the Regulations or the document prescribed in Rule 606, Paragraph 2 of the Regulations, it will fall under Rule 601, Paragraph 1, Item 12 of the Regulations;

b. Reason for the request; and

c. Submission Deadline.

(2) In addition to the preceding item, where it is deemed that the disclosure of corporate information, etc. is unlikely to be improved despite the Exchange making a request to submit an Improvement Report pursuant to the provisions of Rule 502, Paragraph 1 or Rule 503, Paragraph 6 of the Regulations;

(3) In addition to the preceding items, where the Exchange deems that the listed company has committed a material breach of the listing agreement.

12. Handling of restriction on transfer of shares as prescribed in Rule 601, Paragraph 1, Item 14 of the Regulations shall be as prescribed in each of the following items:

(1) The provisions of Rule 212, Paragraph 10 shall be applied mutatis mutandis to Rule 601, Paragraph 1, Item 14 of the Regulations;

(2) Where transfer of shares is to be restricted, if a written report from such listed company concerning a resolution of a general shareholders meeting on the restriction of transfer is received, Rule 601, Paragraph 1, Item 14 of the Regulations shall be deemed applicable.

13. The date when Rule 601, Paragraph 1, Item 15 of the Regulations becomes applicable shall be as prescribed in each of the following items:

(1) In the case of a stock swap or stock transfer, where stocks, etc. falling under Sub-item a. or b. below is to be delivered as all or part of its assets in lieu of its stocks, etc. to the listed company's shareholders, in general, the day that is two (2) days (excluding non-business days) prior to such stock swap or stock transfer becoming effective.

    a. Stocks listed on the Exchange, etc.;
b. Stocks that are likely to be promptly listed under application of provisions of Rule 208, Paragraph 3 of the Regulations (for Mothers listed companies, Rule 215, Paragraph 3 of the Regulations, and for JASDAQ-listed companies, Rule 216-9, Item 3 of the Regulations), etc.

(2) In cases other than the preceding item, on the day when a written report from such listed company concerning a resolution of the general shareholders meeting on such stock swap or stock transfer is received (see Note below).

(Note) In the event an approval through resolution of the general shareholders meeting is not required for such stock swap, this shall be the day when a written report on the resolution of the board of directors (including a decision made by a director in the case of a company with audit and supervisory committee or a decision made by an executive officer in the case of a company with nominating committee, etc.) is received.

14. The cases prescribed in Rule 601, Paragraph 1, Item 17 in the Enforcement Rules mean the cases where the Exchange deems that a listed company conducts any of the acts referred to in each of the following items and other shareholder rights and the exercise of the rights are unduly limited:

(1) Out of takeover defense measures that subscription warrants to be allotted on condition that shareholders are not acquirers at the time of exercise and allotment (see Note 1 below) are issued as share allotment to shareholders, etc., the introduction of a rights plan that a subscription warrant whose exercise price is remarkably lower than the market price of the stock is allotted to shareholders, etc. as of the introduction of the plan (see Note 2 below).

(Note 1) This shall be hereinafter referred to as "rights plans".
(Note 2) This shall exclude cases where the subscription warrant is temporarily allotted to specified entities as of the introduction of the plan in order to allot the subscription warrant to beneficial shareholders when the measure is implemented.

(2) Out of rights plans, the introduction of a rights plan that may not be abandoned (Note) or implemented

(Note) This means "abandon" as prescribed in Rule 440, Item 2 of the Regulations.

(3) Out of classified stocks with vetoes, resolutions or decisions pertaining to issuance of those subject to the clause that a resolution at a general shareholders' meeting of classified stocks is required on the selection and dismissal of a majority of directors and other important matters (see Note below). However, this shall not apply to the case where the Exchange deems that it is unlikely to undermine the interests of shareholders and investors.
(Note) In cases where a subsidiary that conducts the principal business of the listed company, a holding company, issues classified stocks with vetoes or classified stocks with rights of selecting directors to parties except said listed company as allotted parties and the Exchange deems that the issuance of said classified stocks is a measure to make an acquisition by said listed company difficult, this case shall be treated as a case where said listed company will issue classified stocks subject to the clause that a resolution at a general shareholders' meeting of classified stocks is required on important matters.

(4) With respect to listed stock certificates, etc., out of matters to which voting rights can be exercised at a general shareholders' meeting, resolutions or decisions pertaining to change to classified stocks with limitations to selection and dismissal of a majority of directors and other important matters. However, this shall not apply to the case where the Exchange deems that it is unlikely to undermine the interests of shareholders and investors.

(5) Resolutions or decisions (see Note 1 below) pertaining to issuance of stocks that have more voting rights than listed stocks, etc. (see Note 2 below).

(Nota 1) This shall be limited to resolutions and decisions that the Exchange deems that it is highly likely to undermine the interests of shareholders and investors.

(Nota 2) This means the stocks whose values of rights, etc. are lower than those of listed stocks, etc. The rights are those to claim dividends from surplus pertaining to the number of stocks with which one voting right can be exercised at a general shareholder meeting on selection and dismissal of directors and other important matters as well as other rights to receive economic benefits.

(6) Resolutions or decisions pertaining to third-party allotment whose ratio of voting rights as prescribed in Rule 435-2 exceeds 300%. However, this shall not apply to the case where the Exchange deems that it is unlikely to undermine the interests of shareholders and investors.

(7) Resolutions or decisions pertaining to reverse stock splits and other acts generating equivalent effects by which some shareholders lose voting rights at a general shareholders' meeting.

15. The date when Rule 601, Paragraph 1, Item 18 of the Regulations becomes applicable shall be as prescribed in each of the following items:

(1) Where another stock is to be delivered in exchange for a stock, and the provisions of Rule 303 of the Regulations are applicable, and stocks, etc. pertaining to such stock are likely to be listed promptly, in general, the day that is two (2) days (excluding non-business days) prior to the date when the acquisition of the stock becomes effective; or
(2) In a case other than the above Item, on the day when a written report is received from the listed company that acquisition of all stocks have been confirmed.

16. The date when Rule 601, Paragraph 1, Item 18-2 of the Regulations becomes applicable shall be the day when a written report is received from the listed company to the effect that a demand for a share, etc. cash-out has been approved.

17. The provisions of Rule 436-4 shall be applied mutatis mutandis to relationships as specified in the Enforcement Rules that a listed company engages with anti-social groups prescribed in Rule 601, Paragraph 1, Item 19.

**Rule 602. Handling of Delisting Criteria for Listed Foreign Companies**

1. The provisions of Rule 213, Paragraphs 1 and 2, and Paragraph 12, Item 2 of the preceding rule shall be applied mutatis mutandis to cases falling under Rule 602, Paragraph 1, Item 3 of the Regulations.

2. If a listed company falls under any of the following items (see Note below), it shall be deemed that the status of trading has radically deteriorated as prescribed in Rule 602, Paragraph 2, Item 2 of the Regulations:

(Note) For Mothers listed foreign companies, limited to cases where they fall under Item 2.

(1) Where the number of listed stocks, etc., is less than 4,000 units;

(2) Where it is deemed that the status of trading has radically deteriorated for a listed foreign stock, etc. (see Note 1 below) in a foreign financial instruments exchange considering the matters prescribed in Sub-items a. through c. below (see Note 2 below): 

(Note 1) For listed foreign stocks, this shall include foreign depositary receipt, etc., which represents a right pertaining to such listed foreign stock, that is listed or continuously traded on a foreign financial instruments exchange; and for listed foreign depositary receipt, etc., this shall include a foreign stock, which such foreign depositary receipt, etc. represents, that is listed or continuously traded on a foreign financial instruments exchange, etc.

(Note 2) This shall exclude cases where delisting is deemed inappropriate considering the status of trading in the Exchange and other reasons.

a. The number of persons owning a number of foreign stocks, etc. equal to or more than the trading unit for the listed foreign stock, etc. in a foreign financial instruments exchange, etc. and the number of foreign stocks, etc. owned by such persons;

b. The status of executed orders for the listed foreign stock, etc. on the foreign financial instruments exchange, etc.; and

c. Details of public offering or secondary distribution of listed foreign stock, etc. in foreign countries.

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Rule 603. Handling of Delisting Criteria for Mothers

1. Provisions of Rule 601, Paragraph 1 shall be applied mutatis mutandis to the number of shareholders as prescribed in Rule 603, Paragraph 1, Item 1 of the Regulations, and the number of tradable shares and handling of number of listed stocks, etc. as prescribed in Item 2 of the same paragraph. In such instance, in the period of ten (10) years since listing, "400" shall be "150," and "2,000 units" shall be "1,000 units."

2. The provisions of Rule 311, Paragraph 2, Item 1 shall be applied mutatis mutandis to the case prescribed in Rule 603, Paragraph 1, Item 2, Sub-item b. of the Regulations. In such instance, in the period of ten (10) years since listing, "JPY 1 billion" shall be "JPY 250 million."

3. The provisions of Rule 601, Paragraph 4 shall be applied mutatis mutandis to the case prescribed in Rule 603, Paragraph 1, Item 3 of the Regulations.

4. Handling of sales as prescribed in Rule 603, Paragraph 1, Item 4 of the Regulations shall be as specified in each of the following items:
   (1) Sales as prescribed in Rule 603, Paragraph 1, Item 4 of the Regulations mean the sales stated in the consolidated income statement, etc. (see Note below).

   (Note) In the event the listed company is not a company that should prepare consolidated financial statements, it means the income statement; the same shall apply hereinafter in the following item.

   (2) "The amount of profits" as prescribed in Rule 603, Paragraph 1, Item 4 of the Regulations means the amount of ordinary profits stated in the consolidated income statement, etc.

   (3) The provisions of Rule 212, Paragraph 6, Item 8 shall be applied mutatis mutandis to the amount of sales and profits as prescribed in Rule 603, Paragraph 1, Item 4 of the Regulations respectively.

   (4) Where a listed company or its subsidiary has engaged in a merger (see Note 1 below) within the period subject to an examination, for the period prior to merger, the amount of sales and profits stated in the consolidated income statement, etc. of the main merging company shall be examined (see Note 2 below); provided, however, if such listed company is a foreign company, the amount equivalent to the amount of sales and profits of the main merging company or the amount of sales and profits stated in the combined income statements of the merged party shall be examined.

   (Note 1) This shall exclude a merger between a listed company and its subsidiary, and a merger between subsidiaries of a listed company.

   (Note 2) In the event that the main merging company is not a company that should prepare consolidated financial statements, it means the income statement.

   (5) The provisions of Rule 212, Paragraph 5, Item 6 shall be applied mutatis mutandis to the amount of sales and profits as prescribed in Rule 603, Paragraph 1, Item 4 of the Regulations respectively. In such instance, "the most recent business
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year immediately prior to the initial listing application day" shall be "the period subject to examination."

(6) Where the sales for the most recent year is less than JPY 100 million within five (5) years after listing, as prescribed in Rule 603, Paragraph 1, Item 4 of the Regulations means where the sales is less than JPY 100 million in the business year commencing on or before the day when five (5) years lapse from listing.

(7) The cases of high growth potential specified by the Enforcement Rules as prescribed in Rule 603, Paragraph 1, Item (4) of the Regulations mean cases where the documents referred to in the following Sub-items a. and b. are submitted to the Exchange in a manner specified by the Exchange (excluding cases where such content is deemed to be clearly inadequate by the Exchange) by the time of disclosure of the details of the account settlement pertaining to the most recent business year (In the case of a listed company that should prepare consolidated financial statements, this shall be the account settlement pertaining to the consolidated accounting year, and in the case of a listed company that should not prepare consolidated financial statements, this shall be the account settlement pertaining to the business year.) or cases where the market capitalization is JPY four (4) billion or more.

a. "Written Explanation Concerning the High Growth Potential" predetermined by the Exchange; and

b. "Written Confirmation Concerning the High Growth Potential" predetermined by the Exchange prepared by an entity other than such listed company who has professional knowledge and experience pertaining to corporate valuation or stock price evaluation.

(8) Where the Exchange deems it necessary to confirm whether the contents of the documents prescribed in the previous item are inadequate, the Exchange may request the cooperation of the listed company on matters such as the submission of other informational reports or materials.

(9) The provisions of Rule 311, Paragraph 4, Item (1), Sub-items a., b., and d. shall be applied mutatis mutandis to the handling of market capitalization prescribed in Item (7). In this case, "the amount referred to in the following (a) or (b)" shall be "the amount referred to in the following (a) and (b)", "JPY two (2) billion or less" shall be "JPY four (4) billion or more", "average monthly listed market capitalization" shall be "average monthly listed market capitalization for the month containing the end of the most recent business year", "month-end market capitalization" shall be "month-end market capitalization of the month containing the end of the most recent business year".

5. Handling of market capitalization as prescribed in Rule 603, Paragraph 1, Item 5 of the Regulations shall be as prescribed in each of the following items:

(1) The provisions of Rule 311, Paragraph 4, Item 1, Sub-items a. through c. shall be applied mutatis mutandis to Rule 603, Paragraph 1, Item 5, Sub-item a. of the Regulations. In such instance, in the period of ten (10) years since listing, "JPY 2 billion" shall be "JPY 500 million."

(2) The provisions of Rule 601, Paragraph 3, Items 2 and 3 shall be applied mutatis mutandis to the case prescribed in Rule 603, Paragraph 1, Item 5, Sub-item b. of
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(3) The provisions of Rule 601, Paragraph 3, Items 4 and 5 shall be applied mutatis mutandis to the case prescribed in Rule 603, Paragraph 1, Item 5 of the Regulations.

6. Handling of stock prices prescribed in Rule 603, Paragraph 1, Item 5-2 shall be as specified in each of the following items

(1) The case where, by the point of time when three (3) years have elapsed since listing, the stock price falls below 10% of the price of the public offering at the time of initial listing as prescribed in Rule 603, Paragraph 1, Item 5-2 means a case where, by the day on which three (3) years have passed counting from the day following the last day of the month that contains the day of listing, the price referenced in the following Sub-item a. or b. falls below 10% of the price of the public offering at the time of initial listing (meaning the public offering at the time of initial listing as prescribed in Rule 408, Item 6 of the Regulations; the same shall apply hereinafter).

a. A average stock price (meaning the calendar month-based average of daily final prices of said stock, etc. in the trading sessions of the Exchange (if the Exchange deems appropriate, they shall be adjusted daily final prices, taking into account stock splits, gratis allotment of shares, reverse stock splits and other actions); the same shall apply in this paragraph)

b. The end-of-month stock price (meaning the final price (if no such final price, it shall be the most recent final price) of said stock, etc. in trading sessions of the Exchange on the last day of every month; the same shall apply herein after in this paragraph)

(2) Where the listed company is a foreign company, and, furthermore, the Exchange does not deem it appropriate to use the final price of stock, etc. in the previous Item in the trading sessions of the Exchange, the term "the final price" and the term "the final price (if no such final price, it shall be the most recent final price)" shall be the "base price".

(3) The case of failure in increasing back to 10% or more of such public offering price within nine (9) months (meaning three (3) months if the company fails to submit to the Exchange within three (3) months a written statement that includes the current state of the business, future business development, improvement of the business plan and other items that the Exchange deems necessary) means cases where the average stock price and the end-of-month stock price of every month do not increase to 10% or more of the price of the public offering at the time of initial listing by the day on which nine (9) months counted from the day following the last day of the month that falls under Item 1 have elapsed (meaning the day on which three (3) months have elapsed if the company fails to submit to the Exchange by the day on which three months have elapsed written documents that include the current state of the business, future business development, improvement of the business plan and other items that the Exchange deems necessary).

(4) Where the listed company is a company listed by the application of the proviso of Item 3 of Rule 212 of the Regulations, the price of the public offering at the
time of initial listing as prescribed in Rule 603, Paragraph 1, Item 5-2 shall be a price specified by the Exchange on a case-by-case basis.

(5) The Exchange, if it deems appropriate, shall adjust the price of the public offering at the time of initial listing that is prescribed in Rule 603, Paragraph 1, Item 5-2 of the Regulations, taking into account the influence of stock splits, gratis allotment of shares, reverse stock splits and other actions.

Rule 603-2. Handling of Delisting Criteria for JASDAQ Standard-Listed Domestic Company

1. The provisions of Rule 604-2, Paragraph 1, Item 1 of the Regulations shall be handled as prescribed in each of the following items:

(1) Cases where stock prices prescribed in Rule 604-2, Paragraph 1, Item 1 of the Regulations has fall below JPY 10 shall mean closing prices at the end of the month (see Note 1 below) or monthly average closing prices (see Note 2 below) have fallen below JPY 10.

(Note 1) The closing prices at the end of the month means that closing prices of said stock, etc. (including the final special quotes displayed pursuant to the provisions of Rule 10 of the Rules concerning Bids and Offers and the final sequential trade quotes displayed pursuant to the provisions of Rule 11 of the same rule; the same shall apply hereinafter in this item) in auction trading at the Exchange at the end of every month. However, in cases where there is no final price, the price shall be the one specified by the Exchange on a case-by-case basis; the same shall apply hereinafter in this paragraph.

(Note 2) The monthly average closing prices means that the calendar month-based average daily final prices of such stock prices, etc. in auction trading at the Exchange (meaning, in cases where the Exchange deems it appropriate, prices adjusted after the impact of stock split, gratis allotment of shares, reverse split and other acts is considered); the same shall apply hereinafter in this item.

(2) Cases where the stock price does not reach at least JPY 10 within three (3) months as prescribed in Rule 604-2, Paragraph 1, Item 1 shall mean cases where during three (3) months from the month following the month of falling under the preceding item, the closing price or monthly closing average of the month does not reach at least JPY 10.

2. The provisions of Rule 604-2, Paragraph 1, Item 2 of the Regulations shall be handled as prescribed in each of the following items:

(1) The 4 most recent consolidated accounting years prescribed in Rule 604-2, Paragraph 1, Item 2 of the Regulations shall be the 4 consolidated accounting years (in cases where it is not a company that should prepare consolidated financial statements shall be 4 business years backdated from the last day of the last business
year) backdated from the last day of the last consolidated accounting year.

(2) Operating income prescribed in Rule 604-2, Paragraph 1, Item 2 means operating income recorded in consolidated income statements, etc. (excluding comparative information; the same shall apply hereinafter in this paragraph) (see Note below); provided, however, that, in the case of listed companies that adopt IFRS, it means the amount equivalent to operating income recorded on consolidated income statements, etc..

(Note) If the listed company is in a period where the listed company should not prepare income statement during the period subject to examination, such statements, etc. shall be non-consolidated income statement (excluding comparative information); the same shall apply hereinafter in this rule).

(3) Cash flow in business operations prescribed in Rule 604-2, Paragraph 1, Item 2 means cash flow in business operations recorded on consolidated cash flow statements (where the listed company should not prepare consolidated financial statements during the period subject to examination, such statements shall be cash flow statements); provided, however, that if Article 93 or Article 95 of the Consolidated Financial Statements Regulation is applied to the listed company, such cash flow shall be an amount equivalent to cash flow in the business operations recorded on the consolidated cash flow statements.

(4) Where operating income or cash flow in business operations does not cease to be negative within one (1) year means that operating income or cash flow in business operations does not cease to be negative during a period from the day following the end of the consolidated accounting year in which operating income and cash flow in business operations for the most recent 4 consolidated accounting years to the day on which one (1) year elapses from such day (see Note below).

(Note) Where such day on which one (1) year elapses does not fall on the end of a business year of an issuer of a listed stock, etc. due to a change in the end of the business year, it shall be the end of the first consolidate accounting year after the end of such business year.

3. When applying the provisions of Rule 601, Paragraph 1, Item 2, Sub-item b of the Regulations pursuant to Rule 604-2, Paragraph 1, Item 3 of the Regulations, "the last price ….(*snip*)…. (or, if there is no such last price, the most recent last price)" in the provision of Rule 311, Paragraph 2, Item 1 applied mutatis mutandis in Rule 601, Paragraph 1, Item 10" shall be reworded as "the last price ….(*snip*)…. (the last special quote price displayed pursuant to the provision of Rule 10 of the Rules Concerning Bids and Offers and the last sequential trade quote price displayed pursuant to the provision of Rule 11 of the same rules)."

Rule 603-3. Handling of Delisting Criteria for JASDAQ Growth-Listed Domestic Company
1. The provisions of Paragraph 2, Item 2 of the preceding paragraph shall be applied mutatis mutandis to the operating income prescribed in Rule 604-4, Paragraph 1, Item 3 of the Regulations.

2. The provisions of Paragraph 3 of the preceding rule shall be applied mutatis mutandis to the application of the provisions of Rule 601, Paragraph 1, Item 2, Sub-item b pursuant to Rule 604-4, Paragraph 1, Item 2 of the Regulations.

3. "Operating income for the 9 consolidated accounting years following listing is negative" prescribed in Rule 604-4, Paragraph 1, Item 3 of the Regulations means that operating income (meaning operating income recorded in consolidated income statements, etc. (excluding comparative information; the same shall apply hereinafter in this rule) (see Note below); provided, however, that, in the case of companies that adopt IFRS, it means the amount equivalent to operating income recorded on consolidated income statements, etc.) does not become negative during 9 consolidated accounting years from the consolidated accounting year following the consolidated accounting year of the initial listing application.

(Note) Where, in a period subject to examination, there is a period when the listed company should not prepare income statement, it means a non-consolidated income statement (excluding comparative information); the same shall apply hereinafter in this rule.

4. "Where the operating income of the corporate group of such listed company does not cease to be negative within 1 year" prescribed in Rule 604-4, Paragraph 1, Item 3 of the Regulations means that the operating income does not cease to be negative in a period between the day following the end of 9 consolidated accounting years after the consolidated accounting year following the consolidated accounting year of the initial listing application and a day on which one (1) year elapses from such end of 9 consolidated accounting years (see Note below).

(Note) Where such day on which one (1) year elapses does not fall on the end of a business year of an issuer of a listed stock, etc. due to a change in the end of the business year, it shall be the end of the first consolidate accounting year after the end of such business year.

Section 2
Procedures, etc. pertaining to Delisting

Rule 604. Handling of the Delisting Day

1. The delisting day as prescribed in Rule 609 of the Regulations shall be, as a general rule, as specified in each of the following items in accordance with the classifications referred to in each of the following items:

   (1) Listed stocks, etc. falling under Rule 601, Paragraph 1, Item 3 of the Regulations (see Note 1 below) or Rule 602, Paragraph 2, Item 2 of the Regulations:
       The day when ten (10) days (see Note 2 below) have lapsed from the day after the...
date when the Exchange decides to delist such listed stocks, etc.

(Note 1) This shall include listed stocks prescribed in Rule 602, Paragraph 1, Item 1 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, or Rule 604, Paragraph 1, Item 2 of the Regulations.

(Note 2) This shall exclude non-business days.

(2) Listed stocks, etc. falling under Rule 601, Paragraph 1, Item 7 of the Regulations (see Note 1 below) (limited to the case where a listing company has received a court decision for commencement of bankruptcy proceedings), or among the listed stocks, etc. falling under Rule 601, Paragraph 1, Item 8 of the Regulations (see Note 2 below), those falling under the provisions of Rule 601, Paragraph 7, Item 2, Sub-item c. (see Note 3 below):

The day when ten (10) days (see Note 4 below) have lapsed from the day after the date when the Exchange determines delisting of such listed stocks, etc. (see Note 5 below)

(Note 1) This shall include cases where Rule 602, Paragraph 1, Item 1 and Paragraph 2, Item 3 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2, Rule 604, Paragraph 2, Item 1, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 2) This shall include cases where Rule 602, Paragraph 1, Item 1 and Paragraph 2, Item 3 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 or Paragraph 2, Item 1 of the Regulations, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 3) This shall be limited to the cases where dissolution becomes effective within one (1) month from the day following the day on which the Exchange determines delisting of such listed stocks, etc.

(Note 4) This shall exclude non-business days.

(Note 5) In the event that the day when the dissolution becomes effective is after such period has lapsed, this shall be the day after such day.

(3) Listed stocks, etc. falling under Rule 601, Paragraph 1, Item 8 of the Regulations (see Note below) in the case of dissolution through merger as prescribed in Rule 601, Paragraph 7, Item 2, Sub-item a. or b.:

The day that is two (2) days (excluding non-business days) prior to the day when the merger becomes effective.

(Note) This shall include cases where Rule 602, Paragraph 1, Item 1 and Paragraph 2, Item 3 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 or Paragraph 2,

(4) Listed stocks, etc. that fall under Rule 601, Paragraph 1, Item 12 of the Regulations (see Note 1 below) that fall under a case prescribed in Rule 208, Item 5 of the Regulations or Rule 215, Item 5 of the Regulations:

The day (excluding non-business days) prior to the record date pertaining to the delivery of the new stocks (see Note 2 below) before the record date.

(Note 1) This shall include cases where Rule 602, Paragraph 1, Item 1 and Paragraph 2, Item 3 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 or Paragraph 2, Item 1 of the Regulations, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1 Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 2) In the event such day falls on a non-business day, this shall be the day that is two (2) days (excluding non-business days) prior to the record date.

(5) Listed stocks, etc. falling under Rule 601, Paragraph 1, Item 15 of the Regulations (see Note below) that fall under Rule 601, Paragraph 12, Item 1 or 2:

The day that is two (2) days (excluding non-business days) prior to the day when the stock swap or stock transfer becomes effective.

(Note) This shall include cases where Rule 602, Paragraph 1, Item 1 and Paragraph 2, Item 3 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(6) Listed stocks, etc. that fall under Rule 601, Paragraph 1, Item 18 of the Regulations (see Note below):

The day that is two (2) days (excluding non-business days) prior to the day when the acquisition of stocks becomes effective.

(Note) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1,
(6)-2 Listed stocks, etc. that fall under Rule 601, Paragraph 1, Item 18-2 of the Regulations (see Note below):

The day that is two (2) days (excluding non-business days) prior to the day when the acquisition of stocks becomes effective.

(Note) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(7) Listed stocks, etc. that fall under Rule 601, Paragraph 1, Item 20 (see Note below), where a listed company has engaged in wrongful issuance of stocks, etc.: Without delay after decision to delist

(Note) This shall be limited to those falling under Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 604, Paragraph 1, Items 2 of the Regulations or Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(8) Listed stocks, etc. that fall under Rule 601, Paragraph 1, Item 20 of the Regulations (see Note 1 below) (see Note 2 below):

The date determined on a case-by-case basis, on or before the day when one (1) month lapses from the day after the day when the Exchange determines delisting of such listed stocks, etc.

(Note 1) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 2) This shall exclude those falling under the preceding item.

(8)-2 Stock without voting rights falling under Rule 601, Paragraph 3 of the Regulations, Rule 603, Paragraph 3 of the Regulations, Rule 604-2, Paragraph 2 of the Regulations, or Rule 604-4, Paragraph 2 of the Regulations:
The same day as the delisting day of the listed stock with voting rights issued by such issuer of the stock without voting rights; provided, however, that the same shall not apply where the Exchange deems it necessary to delist such stock promptly.

(9) Listed stocks, etc. (excluding listed foreign stock trust beneficiary certificates referred to in the following item) falling under Rule 602, Paragraph 1, Item 4 of the Regulations (see Note 1 below):
The day (excluding non-business days) prior to the day when other agreements such as the deposit agreement, etc. prescribed in Rule 206, Paragraph 1, Item 4 of the Regulations are terminated (see Note 2 below); provided, however, that the same shall not apply where the Exchange deems it necessary to delist such stocks, etc. promptly.

(9)-2 Listed foreign stock beneficiary certificates that fall under Rule 602, Paragraph 1, Item 4 of the Regulations (see Note below) due to consolidation of trusts
The day that is two (2) days (excluding non-business days) prior to the day when the consolidation of trusts comes into effect

(Note) This shall include cases where Rule 602, Paragraph 2, Item 4 of the Regulations, Rule 604, Paragraph 1, Item 3 of the Regulations, Paragraph 2, Item 2 of the same rule, Rule 604-3, Item 3 of the Regulations, or Rule 604-5, Item 3 of the Regulations applies.
(Note) In the event such date of termination falls on a non-business day, this shall be the day that is two (2) days (excluding non-business days) prior to such date of termination.

(9)-2 Listed foreign stock beneficiary certificates that fall under Rule 602, Paragraph 1, Item 4 of the Regulations (see Note below) due to consolidation of trusts
The day that is two (2) days (excluding non-business days) prior to the day when the consolidation of trusts comes into effect

(Note) This shall include cases where Rule 602, Paragraph 2, Item 4 of the Regulations, Rule 604, Paragraph 1, Item 3 of the Regulations, Paragraph 2, Item 2 of the same rule, Rule 604-3, Item 3 of the Regulations, or Rule 604-5, Item 3 of the Regulations applies.

(10) Listed stocks, etc. other than listed stocks, etc. prescribed in each of the above items:
The day when one (1) month lapses from the day after the day when the Exchange determines delisting of such listed stocks, etc. (see Note below); provided, however, that the same shall not apply where the Exchange deems it necessary to delist such stocks promptly.

(Note) Within two (2) weeks from the day after the day when the Exchange determines delisting of such listed stocks, etc., where the Japan Securities Dealers Association determines to designate such listed stocks, etc. after the delisting as Phoenix issues, or the Exchange deems that is likely to be designated as such, the day when two (2) months lapse from the day after the day when delisting is determined.

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Rule 605. Handling of Designation of Securities Under Supervision

1. Where a listed stock, etc. falls under any of the following items, the Exchange may, designate such listed stock, etc. as a Security Under Supervision as prescribed in Rule 610 of the Regulations. In such instance, if Items 12-2, 12-3, 14, 14-3, 15, 21-3, or 22 is applicable, such stock, etc. shall be designated as a Security Under Supervision (Examination), and others shall be designated as a Security Under Supervision (Confirmation).

   (1) Where it cannot be confirmed that the number of shareholders will be at least 400 (see Note 1 below) by the last day of the period prescribed in Rule 601, Paragraph 1, Item 1 of the Regulations (see Note 2 below), or it cannot be confirmed that the number of shareholders will be at least 400 (in the period of ten (10) years since listing, at least 150) by the last day of the period prescribed in Rule 603, Paragraph 1, Item 1 of the Regulations (see Note 3 below);

   (Note 1) This shall be "at least 150" in cases of application by rewording pursuant to the provisions of Rule 604-2, Paragraph 1, Item 3 of the Regulations or Rule 604-4, Paragraph 1, Item 2, and "at least 150 in Japan" in cases of application by rewording pursuant to the provisions of Rule 604-3, Item 2 of the Regulations or Rule 604-5, Item 2 of the Regulations.

   (Note 2) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

   (Note 3) This shall include cases where Rule 604, Paragraph 1, Item 1 of the Regulations applies.

   (2) Where it cannot be confirmed that the number of tradable shares will be at least 2,000 units (see Note 1 below) by the last day of the period prescribed in Rule 601, Paragraph 1, Sub-item a. of the Regulations (see Note 2 below), or it cannot be confirmed that the number of tradable shares will be at least 2,000 units (in the period of ten (10) years since listing, at least 1,000 units) by the last day of the period prescribed in Rule 603, Paragraph 1, Item 2, Sub-item a. of the Regulations (see Note 3 below);

   (Note 1) This shall be, in cases of application by rewording pursuant to the provisions of Rule 604-2, Paragraph 1, Item 3 or Rule 604-4, Paragraph 1, Item 2 of the Regulations, "at least 500 units", and, in cases of application by rewording pursuant to the provisions of Rule 604-3, Item 2 of the Regulations or Rule 604-5, Item 2 of the Regulations, "at least 500,000 shares" for an issue whose unit is 1,000, "at least 250,000 shares" for an issue whose unit is 500, "at least 50,000 shares" for an issue whose unit is 100, "at least 25,000 shares" for an issue whose unit is 50, "at least 5,000 shares" for an issue whose unit is 10, and "at least 500 shares" for an issue whose unit is 1.
(Note 2) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 3) This shall include cases where Rule 604, Paragraph 1, Item 1 of the Regulations applies.

(3) Where it cannot be confirmed that the market capitalization of tradable shares will be at least JPY 500 million (see Note 1 below) by the last day of the period prescribed in Rule 601, Paragraph 1, Item 2, Sub-item b. of the Regulations (see Note 2 below), or it cannot be confirmed that the market capitalization of tradable shares will be at least JPY 500 million (in the period of ten (10) years since listing, at least JPY 250 million) by the last day of the period prescribed in Rule 603, Paragraph 1, Item 2, Sub-item b. of the Regulations (see Note 3 below);

(Note 1) In cases of application of the provisions of Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations by rewording, it shall be at least JPY 250 million.

(Note 2) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Rule 604-2, Paragraph 1, Item 3, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 3) This shall include cases where Rule 604, Paragraph 1, Item 1 of the Regulations applies.

(4) Where the ratio of tradable shares prescribed in Rule 601, Paragraph 1, Item 2, Sub-item c. of the Regulations (see Note 1 below) or Rule 603, Paragraph 1, Item 2, Sub-item c. of the Regulations (see Note 2 below), to the total number of listed stock, etc. is calculated to be less than 5% based on "Table of Distribution of Stocks, etc.," etc. prescribed in Rule 601, Paragraph 1, Item 2 (see Note 3 below), and the document prescribed in Rule 601, Paragraph 1, Item 2, Sub-item c. of the Regulations or Rule 603, Paragraph 1, Item 2, Sub-item c. of the Regulations have not been submitted;

(Note 1) This shall include cases where Rule 602, Item 1 of the Regulations applies.

(Note 2) This shall include cases where Rule 604, Paragraph 1, Item 1 applies.

(Note 3) This shall include cases where Rule 603, Paragraph 1 applies.

(5) Where Rule 601, Paragraph 1, Item 3, Sub-item a. or b. is applicable (see Note 1 below), and it cannot be confirmed whether or not the public offering, secondary distribution, or off-auction distribution prescribed in the proviso of Rule 601, Paragraph 1, Item 3 of the Regulations (see Note 2 below) will be carried out;
(Note 1) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, or Rule 604, Paragraph 1, Item 2 of the Regulations applies.

(Note 2) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, or Rule 604, Paragraph 1, Item 2 of the Regulations applies.

(6) Where it cannot be confirmed that Rule 601, Paragraph 1, Item 4, Sub-item a. or b. (see Note 1 below), or Rule 603, Paragraph 1, Item 5, Sub-item a. or b. of the Regulations (see Note 2 below) no longer applies, by the last day of the period prescribed in Rule 601, Paragraph 1, Item 4, Sub-item a. or b. of the Regulations, or Rule 603, Paragraph 1, Item 5, Sub-item a. or b. of the Regulations;

(Note 1) This shall include cases where Rule 602, Paragraph 1, Item 1 or Paragraph 2, Item 3 of the Regulations applies.

(Note 2) This shall include cases where Rule 604, Paragraph 1, Item 1, or Paragraph 2, Item 4 of the Regulations applies.

(7) Where the listed company has made an announcement, etc. that Rule 601, Paragraph 1, Item 5 of the Regulations (see Note 1 below) or Rule 603, Paragraph 1, Items 3 or 4 of the Regulations (see Note 2 below), and it cannot be confirmed whether or not such provisions are applicable;

(Note 1) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 2) This shall include cases where Rule 604, Paragraph 1, Item 1, or Paragraph 2, Item 4 of the Regulations applies.

(8) Where the Exchange deems that the details of a resolution or decision by a listed company may fall under Rule 601, Paragraph 1, Item 7 of the Regulations (see Note 1 below) (see Note 2 below);

(Note 1) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies, and the same shall apply hereinafter in this item.

(Note 2) This shall exclude cases where an announcement was made as prescribed in Rule 601, Paragraph 1, Item 7 of the Regulations.
(9) Where it cannot be confirmed that the second sentence of Rule 601, Paragraph 1, Item 7 of the Regulations (see Note below) is no longer applicable by the last day of the period prescribed in such item;

(Note) This shall include cases where Rule 602, Paragraph 1, Item 1 and Paragraph 2, Item 3 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(10) Where the Exchange deems that the first sentence of the Rule 601, Paragraph 1, Item 8 of the Regulations (see Note below) is likely to become applicable;

(Note) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(11) Where a listed company adopts a resolution of the board of directors concerning a merger as prescribed in Rule 601, Paragraph 7, Item 2, Sub-item b. (see Note 1 below), or where a listed company adopts a resolution of the board of directors concerning dissolution where it is to dissolve for reasons other than merger and based on a resolution of the general shareholders meeting (see Note 2 below), or a listed company is to dissolve for reasons other than merger, and not based on a resolution of the general shareholders meeting, and the Exchange deems that it is likely to fall under Rule 601, Paragraph 1, Item 8 of the Regulations (see Note 3);

(Note 1) This shall include a decision made by a director in the case of a company with audit and supervisory committee or a decision made by an executive officer in the case of a company with nominating committee, etc.

(Note 2) This shall exclude cases where Rule 601, Paragraph 6, Item 2, Sub-item b. applies.

(Note 3) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 3 of the Regulations, Rule 604-5, Item 2 of the Regulations applies.
of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(12) Where it cannot be confirmed that the criteria prescribed in Rule 601, Paragraph 8, Item 6 is met, by the last day of the grace period prescribed in Item 5 of the same paragraph (excluding events referred to in the following item);

(12)-2 When it cannot be confirmed that the criteria prescribed in Rule 601, Paragraph 8, Item 6 is met, by the last day of the grace period prescribed in Item 5 of the same paragraph, and an examination is being conducted on whether such criteria is not satisfied.

(12)-3 Where the Exchange deems that a listed stock, etc. is likely to fall under Rule 601, Paragraph 1, Item 9-2 of the Regulations (see Note below);

(Note) This shall include cases pursuant to Rule 602, Paragraph 1, Item 1 of the Regulations Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(13) Where Sub-item a. or b. below is applicable to a securities report or a quarterly report to which an audit report or quarterly review report (see Note below) in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification by two (2) or more certified public accountants or an audit firm is attached:

a. A disclosure has been made that it is unlikely to be submitted to the Prime Minister, etc. by the last day of the period prescribed in Article 24, Paragraph 1 or Article 24, Paragraph 4-7, Item 1 of the Act, by such last day; or

b. It is not submitted to the Prime Minister, etc. by such last day.

(Note) This shall include an audit report or quarterly review report pertaining to certification corresponding to audit certification by persons corresponding to certified public accountants or an audit firm; the same shall apply hereinafter.

(14) Where a listed company falls under the first sentence of Rule 601, Paragraph 1, Item 11 of the Regulations (see Note 1 below) (see Note 2 below); provided, however, that this shall not apply where it is clear that the second sentence of Rule 601, Paragraph 1, Item 11 of the Regulations (see Note 3 below) is not applicable.

(Note 1) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 2) This shall include cases where the Exchange deems that there is adequate reason to believe that they are applicable.

(Note 3) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(14)-2 Where eighteen (18) months have elapsed since the designation of a security on alert pursuant to the provisions of Rule 501, Paragraph 1 of the Regulations

(14)-3 Where the Exchange deems that the listed company is likely to fall under Rule 601, Paragraph 1, Item 11-2 of the Regulations

(15) Where the Exchange deems that a listed stock, etc. is likely to fall under Rule 601, Paragraph 1, Item 12 of the Regulations (see Note 1 below) (see Note 2 below);

(Note 1) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 2) This shall exclude those falling under Rule 604, Item 4.

(16) Where a listed domestic company (see Note below) discloses that it has received a notice of cancellation of a shareholder services agent agreement, and other instances where the Exchange deems that a listed domestic company is likely to not entrust shareholder services to a shareholder services agent approved by the Exchange;

(Note) This shall exclude listed companies that fall under the proviso of Rule 205, Item 8 of the Regulations; the same shall apply hereinafter in this item.

(17) Where a listed company adopts a resolution of the board of directors concerning restriction on transfer of shares that falls under Rule 601, Paragraph 1, Item 14 of the Regulations (see Note 1 below) or Rule 602, Paragraph 1, Item 3 (see Note 2 below);
(Note 1) This shall include cases where Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations applies.

(Note 2) This shall include cases where Rule 602, Paragraph 2, Item 4 of the Regulations, Rule 604, Paragraph 1, Item 3 of the Regulations, Paragraph 2, Item 2 of the of the same rule, Rule 604-3, Item 3 of the Regulations, or Rule 604-5, Item 3 of the Regulations applies.

(18) Where a listed company adopts a resolution of the board of directors (see Note below) concerning the stock swap or stock transfer as prescribed in Rule 601, Paragraph 13, Item 2;

(Note) This shall include a decision made by a director in the case of a company with audit and supervisory committee or a decision made by an executive officer in the case of a company with nominating committee, etc.

(19) Where the Exchange deems that there is a likelihood of falling under Rule 601, Paragraph 1, Item 16 of the Regulations (see Note below);

(Note) This shall include cases where Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604-2, Paragraph 1, Item 3 of the Regulations, or Rule 604-4, Paragraph 1, Item 2 of the Regulations applies.

(20) Where the Exchange deems that a case deemed by the Exchange that the details and exercise of shareholders rights as prescribed in Rule 601, Paragraph 1, Item 17 of the Regulations (see Note below) are unduly restricted, is likely to become applicable;

(Note) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, or Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(21) Where a listed company makes an announcement, etc. that it will acquire all shares as prescribed in Rule 601, Paragraph 15, Item 2;

(21)-2 Where a listed company makes disclosure pursuant to the provisions of the first sentence of Rule 402, Item 2, Sub-item n-2 of the Regulations or an announcement, etc. equivalent thereto;

(21)-3 Where a listed stock, etc. falls under the first sentence of Rule 601, Paragraph...
1, Item 19 of the Regulations (see Note 1 below). However, this shall not apply where it is clear that it does not fall under the second sentence of Rule 601, Paragraph 1, Item 19 (see Note 2 below).

(Note 1) This shall include cases pursuant to Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 2) This shall include cases pursuant to Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(22) Where the Exchange deems that Rule 601, Paragraph 1, Item 20 of the Regulations (see Note 1 below) (see Note 2 below) is likely to become applicable;

(Note 1) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Paragraph 2, Item 3 of the same rule, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

(Note 2) This shall exclude wrongful issuance of stocks, etc.

(23) Where the Exchange deems that there is a likelihood of falling under the main clause of Rule 602, Paragraph 2, Item 1 of the Regulations (see Note below); provided however, that the same shall not apply where the provisions of Rule 208, Item 2 or 4 of the Regulations, Rule 215, Item 2 or 4 of the Regulations, or Rule 216-9, Item 2 or 4 of the Regulations applies;

(Note) This shall include cases where Rule 604, Paragraph 2, Item 3 of the Regulations, Rule 604-3, Item 3 of the Regulations, or Rule 604-5, Item 3 of the Regulations applies.

(24) Where the Exchange deems that a listed stock, etc. is likely to fall under Rule 602, Paragraph 1, Item 2 of the Regulations (see Note below):
(Note) This shall include cases where Rule 602, Paragraph 2, Item 4 of the Regulations, Rule 604, Paragraph 1, Item 3 of the Regulations, Paragraph 2, Item 2 of the same rule, Rule 604-3, Item 3 of the Regulations, or Rule 604-5, Item 3 of the Regulations applies.

(25) Where the Exchange deems that a listed stock, etc. is likely to fall under Rule 602, Paragraph 1, Item 4 of the Regulations (see Note below); or

(25)-2 Where, on or after the 5th business day prior to the last day of the last month of the period specified in Rule 603-2, Paragraph 1, Item 2, the average of daily last prices (in cases where the Exchange deems appropriate, daily last prices adjusted in consideration of a stock split, gratis allotment of shares, reverse stock split, and other actions) of a stock, etc. in the trading session of the Exchange in such month has fallen below JPY 10

(25)-3 Where a JASDAQ-listed company has announced that it is likely to fall under Rule 604-2, Paragraph 1, Item 2 of the Regulations (including cases pursuant to Rule 604-3, Item 1 of the Regulations, Rule 604-4, Paragraph 1, Item 1 of the Regulations, or Rule 604-5, Item 1 of the Regulations; the same shall apply hereinafter in this item) and the Exchange cannot confirm whether such company falls under Rule 604-2, Paragraph 1, Item 2 of the Regulations

(25)-4 Where a JASDAQ-listed company has announced that it is likely to fall under Rule 604-4, Paragraph 1, Item 3 of the Regulations (including cases pursuant to Rule 604-5, Item 1 of the Regulations; the same shall apply hereinafter in this item) and the Exchange cannot confirm whether such company falls under Rule 604-4, Paragraph 1, Item 3 of the Regulations

(26) Where both stocks with voting rights and stocks without voting rights by the same issuer are listed, and such stocks with voting rights are designated as a Security Under Supervision.

2. The Exchange may designate a listed stock, etc. that is subject to a delisting application pursuant to the provisions of Rule 608 of the Regulations as a Security Under Supervision. In such instance, it shall be designated as a Security Under Supervision (Confirmation).

3. The period of designation as a Security Under Supervision as prescribed in the preceding two (2) paragraphs shall be, in accordance with the classifications in each of the following items, from the day prescribed in such item until the day when the
Exchange determines whether or not to delist such listed stock, etc.; provided, however, in a case falling under Paragraph 1, Item 22, if the period is longer than one (1) year from the date prescribed in Item 5, it shall be until the day on or after the day when one (1) year has lapsed from such date, as prescribed by the Exchange on a case-by-case basis.

(1) In the case of Paragraph 1, Items 8, 11, 17, and 18:
   The day after the day when the Exchange receives a written report from a listed company

(2) In the case of Paragraph 1, Items 1 through 3:
   The day after the last day of the grace period as prescribed in Rule 601, Paragraph 1, Item 1 (including cases where Rule 603, Paragraph 1 applies mutatis mutandis).

(3) In the case of Paragraph 1, Items 6, 9 and 12:
   The day after the last day of, the period prescribed in Rule 601, Paragraph 3, Item 1 or Rule 311, Paragraph 4, Item 1, Sub-item c. as applied mutatis mutandis to Rule 603, Paragraph 5, Item 1, or the period prescribed in Rule 601, Paragraph 3, Item 3 (see Note below), or the grace period as prescribed in the second sentence of Rule 601, Paragraph 1, Item 7 of the Regulations or Rule 601, Paragraph 8, Item 5.

   (Note) This shall include cases where Rule 603, Paragraph 5, Item 2 applies mutatis mutandis.

(4) In the case of Paragraph 1, Item 13:
   Where Paragraph 1, Item 13, Sub-item a. is applicable, the day when such disclosure is made, and where Item 13, Sub-item b. is applicable, the day after such last day.

(5) In the case of Paragraph 1, Items 4, 5, 7, 10, 12-2, 12-3, 14 through 16, and 19 through 25-4:
   The day when the Exchange deems it necessary

(5)-2 In the case of Paragraph 1, Item 26:
   The day when the listed stock with voting rights issued by the issuer of the listed stock without voting rights is designated as a Security Under Supervision.

(6) Where a delisting application as prescribed in the preceding paragraph is made:
   The day when the delisting application is made

4. Notwithstanding the provisions of the preceding paragraph, where the Exchange deems necessary, the commencement of the period of designation as a Security Under Supervision shall be as prescribed in each of the following items, pursuant to the classifications prescribed in such items, and the end of the period of designation as a Security Under Supervision shall be, the time prescribed by the Exchange on a case-by-case basis, of the day prescribed as the last day of the period of designation as a Security Under Supervision in the same paragraph:

(1) In the case of Item 1 of the preceding paragraph:
   The time prescribed by the Exchange on a case-by-case basis, of the day when such written report is received.
(2) In the case of Items 4 through 6 of the preceding paragraph:
The time prescribed by the Exchange on a case-by-case basis.

Rule 606. Handling of Designation of Securities to Be Delisted
The Exchange may, where delisting of a listed stock, etc. is decided, designate such stock, etc. as a security to be delisted, from the day when the Exchange decides to delist such stock, etc. until the day before the delisting day, pursuant to the provisions of Rule 611 of the Regulations; provided, however, that the same shall not apply where the provisions of Rule 208, Item 2 or 4 of the Regulations, Rule 215, Item 2 or 4 of the Regulations, Rule 216-9, Item 2 or 4 of the Regulations, Rule 601, Paragraph 7, Item 2, Sub-item a., Paragraph 13, Item 1 or Paragraph 15, Item 1, or Rule 604, Item 4 or 7 applies.

Chapter 7
Miscellaneous Provisions

Section 1
Listing Fees, etc.

Sub-section 1
General Provisions

Rule 701. Handling of Fees Relating to Listing
The listing examination fee, initial listing fee, annual listing fee, and other fees related to listing as prescribed in Rule 701 of the Regulations shall be as prescribed in this section.

Sub-section 2
Stocks, etc.

Rule 702. Examination Fee, etc.
1. An initial listing applicant of stocks, etc. shall, pay as listing examination fee, pursuant to the classifications prescribed in each of the following items, such amount prescribed in the relevant item, by the last day of the month following the month of the initial listing application; provided however, for a stock, etc. that made a preliminary application pursuant to the provisions of Rule 202 of the Regulations, the payment of listing examination fee shall not be required if an initial listing application is made during the business year of the planned day for making initial listing application as stated on the Securities Initial Listing Preliminary Application.

(1) In the case that the initial listing applicant is an initial listing applicant for Mothers or JASDAQ: JPY 2 million (see Note below);

(Note) In the case that there are two or more securities pertaining to the initial listing application, this shall be JPY 3 million.
(2) In the case that the initial listing applicant is a foreign company (see Note 1 below): JPY 2 million (see Note 2 below).

(Note 1) This shall be limited to cases where a foreign stock, etc. issued by the foreign company is principally traded on the market other than the Exchange.

(Note 2) In the case that there are two or more securities pertaining to the initial listing application, this shall be JPY 3 million.

(3) In a case other than cases prescribed in the preceding two (2) items: JPY 4 million (see Note below).

(Note) In the case that there are two or more securities pertaining to the initial listing application, this shall be JPY 6 million.

2. Notwithstanding the provisions of the main clause of the preceding paragraph, listing examination fees shall be half of the amount prescribed in each of the items of the preceding paragraph for cases prescribed in each of the following items:

(1) Where an initial listing applicant that is subject to application of the provisions for technical listing makes an application to list stocks, etc. issued by such initial listing applicant within six (6) months from the delisting day pertaining to listed stocks, etc. prescribed in the provisions for technical listing; or

(2) Where an initial listing applicant has made an initial listing application or a preliminary application prior to such initial listing application, and the initial listing application is being made within three (3) years from the first day of the business year of the most recent initial listing application date (see Note below).

(Note) In the case that a preliminary application was made, this shall be the planned day for initial listing application stated on the Securities Initial Listing Preliminary Application.

3. An initial listing applicant shall, in addition to the listing examination fee prescribed in the preceding two (2) paragraphs, where the Exchange deems particularly necessary, pay the expenses pertaining to on-site examinations and other examinations deemed particularly necessary for listing examinations by the Exchange, by the date prescribed by the Exchange.

4. The amount of expenses prescribed in the preceding paragraph shall be as prescribed by the Exchange for each initial listing applicant based on the amount actually disbursed by the Exchange for such examination.

Rule 703. Preliminary Examination Fee, etc.

1. A person making a preliminary application shall pay the preliminary examination fee by the last day of the month following the month of the preliminary application.

2. The provisions of Paragraphs 1 and 2 (excluding Item 1) of the preceding rule shall be applied mutatis mutandis to the amount of the preliminary examination fee.
Rule 703-2. Special Provisions on Listing Examination Fees, etc. in view of the Great East Japan Earthquake

1. Notwithstanding the provisions of Rule 702, Paragraph 2, Item 2 and Paragraph 2 of the preceding rule, an initial listing applicant shall not be required to pay the listing examination fee or preliminary examination fee if it falls under the case where (i) such applicant has made an initial listing application or a preliminary application prior to such initial listing application and, in addition, makes the initial listing application or preliminary application within three (3) years counting from the first day of the business year containing the most recent initial listing application date (in a case where such applicant has made a preliminary application, the planned day for making an initial listing application as stated in the Securities Initial Listing Preliminary Application), and (ii) if the Exchange deems that such applicant's failure to gain a listing from its most recent initial listing application or preliminary application was attributable to the Great East Japan Earthquake.

2. Where an initial listing applicant falls under the provisions of Rule 707-2, Paragraph 1 or Paragraph 2 of the Regulations, such applicant shall not be required to pay listing examination fees and preliminary examination fees.

Rule 703-3. Special Provisions on Listing Examination Fees, etc. in view of the 2016 Kumamoto Earthquake

Notwithstanding the provisions of Rule 702, Paragraph 2, Item 2 and Rule 703, Paragraph 2, an initial listing applicant shall not be required to pay the listing examination fee or preliminary examination fee if it falls under the case where (i) such applicant has made an initial listing application or a preliminary application prior to such initial listing application and, in addition, makes the initial listing application or preliminary application within three (3) years counting from the first day of the business year containing the most recent initial listing application date (in a case where such applicant has made a preliminary application, this shall mean the planned day for making an initial listing application as stated in the Securities Initial Listing Preliminary Application), and (ii) if the Exchange deems that such applicant's failure to gain a listing from its most recent initial listing application or preliminary application, prior to such initial listing application or preliminary application, was attributable to the 2016 Kumamoto Earthquake.

Rule 704. Examination Fees, etc. for Assignment to the First Section Market

1. An entity making application for assignment of listed stocks, etc. (see Note 1 below) to the First Section Market pursuant to the provisions of Rule 307 of the Regulations shall, pursuant to the classifications in each of the following items, pay the amount prescribed in the relevant item as the examination fee for assignment to the First Section Market, by the last day of the month following the month of the application date for the assignment of the listed stocks, etc. to the First Section Market. However, with respect to listed stock, etc. for which a preliminary application for assignment to the First Section market made based on the provisions of Rule 307-2 of the

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Regulations, where the application for assignment to the First Section market is made during the business year containing the intended day of application for assignment to the First Section market described in such preliminary application belongs (see Note 2 below), such entity shall not be required to pay the examination fee for assignment to the First Section market.

1. In cases where an entity making application for the assignment of the listed stocks, etc. to the First Section Market is a foreign company (see Note 3 below):
   JPY 2 million; or

2. In a case other than the case prescribed in the preceding item: JPY 4 million.

(Note 1) This shall exclude listed preferred equity contribution securities; the same shall apply hereinafter in this rule and the Rule 705.

(Note 2) In the case where the intended day of application for assignment to the First Section market falls within one (1) month counting from the end of such most recent business year, this shall be the business year preceding such most recent business year.

(Note 3) This shall be limited to cases where a listed foreign stock, etc. issued by the foreign company is principally traded on the market other than the Exchange.

2. An entity making an application for the assignment of listed stocks, etc. to the First Section Market pursuant to the provisions of Rule 307 of the Regulations shall, in addition to the examination fee for assignment to the First Section Market prescribed in the preceding paragraph, where the Exchange deems particularly necessary, pay the expenses pertaining to on-site examinations and other examinations deemed particularly necessary for examination for assignment to the First Section Market by the Exchange, by the date prescribed by the Exchange.

3. The amount of expenses prescribed in the preceding paragraph shall be as prescribed by the Exchange for each examination for assignment to the First Section Market based on the amount actually disbursed by the Exchange for such examination.

Rule 704-2. Preliminary Examination Fees, etc. for Assignment to the First Section Market

1. An entity making a preliminary application for assignment to the First Section market shall pay the preliminary examination fee for assignment to the First Section market by the end of the month following the month to which the day of preliminary application for assignment to the First Section market belongs.

2. The provisions of Paragraph 1 of the preceding rule shall be applied mutatis mutandis to the amount of preliminary examination fee for assignment to the First Section market prescribed in the provisions of the preceding paragraph.

Rule 705. Examination Fees, etc. for Alteration of Listing Market

1. An applicant for alteration of a listing market (meaning an applicant for alteration of its listing market to the main markets, an applicant for alteration of its listing market to Mothers, and an applicant for alteration of its listing market to JASDAQ; the same
shall apply hereinafter in this rule and Rule 713) or an applicant for alteration of the sub-division shall pay as examination fees for the alteration of listing market or sub-division alteration examination fees, pursuant to the classifications prescribed in each of the following items, such amount prescribed in the relevant item, by the last day of the month following the month of the application day for the alteration of listing market or the application day for alteration of the sub-division. However, with respect to listed stock, etc. for which a preliminary application for alteration of a listing market or a preliminary application for alteration of the sub-division made based on the provisions of Rule 312-2, Rule 315-3, Rule315-8, or Rule 315-13 of the Regulations, where the application for alteration of the listing market or the sub-division is made during the business year containing the intended day of such application for the alteration of listing market or sub-division described in such preliminary application belongs (see Note below), such entity shall not be required to pay the examination fee for alteration of listing market or sub-division.

(Note) In the case where the intended day of application for alteration of a listing market or sub-division falls within one (1) month counting from the end of such most recent business year, this shall be the business year preceding such most recent business year.

(1) In cases where the applicant for alteration of a listing market is an applicant for alteration of a listing market to Mothers: JPY 2 million;
(2) In cases where the applicant for alteration of a listing market is an applicant for alteration of the listing market to JASDAQ or alteration of the sub-division; JPY 1 million;
(3) In cases where the applicant for alteration of a listing market is a foreign company (see Note below): JPY 2 million; or

(Note) This shall be limited to cases where a listed foreign stock, etc. issued by the foreign company (excluding a company prescribed in the preceding item) is principally traded on the market other than the Exchange.

(4) In cases other than the case prescribed in the preceding three (3) items: JPY 4 million.

2. In addition to the examination fee for the alteration of listing market or the examination fee for the alteration of sub-division prescribed in the preceding paragraph, where the Exchange deems particularly necessary, an applicant for alteration of listing market or an applicant for alteration of sub-division shall pay the expenses pertaining to on-site examinations and other examinations deemed particularly necessary for examinations of alteration of listing market or sub-market division by the Exchange, by the date prescribed by the Exchange.

3. The amount prescribed in the preceding paragraph shall be as prescribed by the Exchange for each applicant for alteration of a listing market or each applicant for alteration of the sub-division based on the amount actually disbursed by the Exchange.
Rule 705-2. Preliminary Examination Fees, etc. for Alteration of Listing Market  
1. An entity making a preliminary application for alteration of a listing market or sub-division shall pay the preliminary examination fee for alteration of a listing market or sub-division by the end of the month following the month to which the day of preliminary application for alteration of a listing market or sub-division belongs.  
2. The provisions of Paragraph 1 of the preceding rule shall be applied mutatis mutandis to the amount of preliminary examination fee for alteration of a listing market or preliminary examination fee for alteration of sub-division prescribed in the provisions of the preceding paragraph.

Rule 705-3. Examination Fee for Alteration of Listing Market in Cases of Absorption-Type Mergers, etc.  
Where a listed company applies for an examination prescribed in Rule 314-2, Paragraph 1 of the Regulations or Rule 315-7, Paragraph 1 of the Regulations, said listed company shall pay the amount of money specified in each of the following items in accordance with the classifications referred to in each of the following items by the end of the month following the month when such application day belongs:  
(1) In cases of the examination prescribed in Rule 314-2, Paragraph 1 of the Regulations or Rule 315-7, Paragraph 1 of the Regulations pertaining to the criteria prescribed in Rule 314, Paragraph 3 of the Regulations: JPY 1 million;  
(2) In cases where the listed company is a foreign company (limited to cases where a listed foreign stock, etc. issued by the foreign company is principally traded on the market other than the Exchange) (excluding the case referred to in the preceding item): JPY 2 million;  
(3) In cases other than the cases prescribed in the preceding two (2) items: JPY 4 million;  

Rule 706. Examination Fee for Delisting  
1. When making an application for an examination prescribed in Rule 605, Paragraph 1 of the Regulations, a listed company shall pay JPY 1 million (in cases of examination based on the application from a JASAQ-listed company, JPY 500,000) as the examination fee, by the last day of the month following the month of the application date.  
2. When making an application for an examination prescribed in Rule 605, Paragraph 2 of the Regulations, pursuant to the classifications prescribed in each of the following items, a listed company shall pay such amount prescribed in the relevant item, by the last day of the month following the month of the application date:  
(1) In the case that the listed company is a listed company in Mothers: JPY 2 million;  
(2) In cases where the listed company is a company listed on JASDAQ: JPY 1 million;  
(3) In cases where the listed company is a foreign company (limited to cases where a listed foreign stock, etc. issued by the foreign company is principally traded on the market other than the Exchange) (excluding the case referred to in the preceding item): JPY 2 million; or
(4) In a case other than the cases prescribed in the preceding three (3) items: JPY 4 million.

Rule 707. Initial Listing Fee
1. An initial listing applicant of stocks, etc. shall, for each security approved for listing, pay as initial listing fee, pursuant to the classification of the initial listing as prescribed in each of the following items, the amount prescribed in the relevant item, by the last day of the month following the month of the listing day of the stock, etc. pertaining to such initial listing application:
   (1) Initial listing as to a domestic stock, etc. and a foreign stock, etc. for which the Exchange is a main market (see Note below): JPY 12 million

   (Note) This shall exclude initial listings prescribed in the following item, Item 3, and Item 4).

   (2) Initial listing as to a domestic stock and a foreign stock, etc. for which the Exchange is a main market (see Note below): JPY 15 million

   (Note) This shall be limited to those assigned to the First Section Market simultaneously with the initial listing.

   (3) Initial listing on Mothers: JPY 1 million
   (4) Initial listing on JASDAQ: JPY 6 million
   (5) Initial listing as to a foreign stock, etc. for which an exchange other than the Exchange is the main market (see Note below): the amount calculated by adding the following fixed rate fee to JPY 2,500,000.

   The fixed rate fee shall be the amount calculated by multiplying the number of listed foreign stock, etc. by JPY 0.0225, and multiplying such figure by the figures prescribed in Sub-items a. through c. below, corresponding to the ratio of the foreign stock, etc. held by a corporation or an individual that owns address or residence in Japan against the total number of such listed foreign stock, etc. as prescribed in Sub-items a. through c. below:
   a. More than 5%: one tenth (1/10)
   b. More than 2%, and 5% or less: one twentieth (1/20)
   c. 2% or less: one fiftieth (1/50)

   (Note) This shall exclude initial listing prescribed in the preceding two (2) items.

2. Notwithstanding the provisions of the preceding paragraph, in the event a delisted stock, etc. is to be re-listed within six (6) months from the delisting (see Note 1 below), the initial listing fee shall be, the amount calculated by subtracting the listed market capitalization of the delisted stock, etc. (see Note 2 below); the same shall apply hereinafter in this rule and Rule 709), and shall be paid by the last day of the month following the month of the listing day of the stock, etc. subject to the initial listing application.

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(Note 1) For a foreign stocks, etc., this shall be limited to those re-listed with the Exchange as the main market.

(Note 2) In the event that there are two or more issuers of delisted stocks, etc., limited to the stock, etc. issued by the issuer with the largest listed market capitalization (meaning the amount calculated by multiplying the last price at the end of the trading session on the last trading date prior to delisting by the number of listed stock, etc. as of such last trading date (in the event no trading is effected in the trading session of such last trading date, the amount calculated by multiplying the last price of the most recent trading date when a trading was effected in the trading session by the number of listed stock, etc. as of such last trading date). The same shall apply hereinafter in this paragraph.) prior to delisting) prior to delisting from the market capitalization at initial listing as of the initial listing day for the stocks, etc. subject to the initial listing application (meaning the amount calculated by multiplying the last price at the trading session on the listing day by the number of listed stock, etc. as of the listing day (in the event no trading is effected on the listing day, the amount calculated by multiplying the last price at the trading session of the first day when a trading is effected subsequent to listing by the number of listed stock, etc. as of such date).

3. The provisions of the preceding paragraph shall be applied mutatis mutandis to the initial listing fee where a delisted stock, etc. is deemed to be re-listed as stock, etc. due to reasons such as merger (see Note below).

(Note) For foreign stocks, etc., this shall be limited to those deemed to be re-listed with the Exchange as the main market.

4. Notwithstanding the provisions of the preceding three (3) paragraphs, where a delisted stock, etc. is deemed to be re-listed as stock, etc. of another company through application of provisions of Rule 208, Item 5 of the Regulations or Rule 215, Item 5 of the Regulations (see Note below), the initial listing fee shall be, the amount calculated by multiplying the listed market capitalization as of the listing day of the stock, etc. subject to initial listing application by two ten-thousandth (2/10,000), and paid by the last day of the month following the month of the listing day of the stock, etc. subject to the initial listing application.

(Note) For foreign stocks, etc., this shall be limited to those deemed to be re-listed with the Exchange as the main market.

5. Notwithstanding the provisions of Paragraph 1, where a delisted foreign stock, etc. is to be re-listed within six (6) months from delisting (see Note below), the initial listing fee may be deducted from the amount payable for the listing of such stock, etc., up to the amount of initial listing fee paid by such issuer of the delisted foreign stock, etc. prior to delisting. In such instance, the amount of initial listing fee paid prior to delisting.
delisting means the amount calculated based on the provisions effective as of the date of payment of the initial listing fee pertaining to re-listing.

(Note) This shall exclude cases where it is to be re-listed with the Exchange as the main market.

6. The provisions of the preceding paragraph shall be applied mutatis mutandis to the initial listing fee where a delisted foreign stock, etc. is deemed to be re-listed due to reasons such as merger (see Note below).

(Note) This shall exclude cases where it is deemed to be re-listed with the Exchange as the main market.

7. Notwithstanding each of the preceding paragraphs, where a stock, etc. that were delisted are re-listed on JASDAQ within six (6) months of the delisting, or where such a stock, etc. are re-listed as another company through application of the provisions of Rule 216-9, Item 5 of the Regulations, the initial listing fee may be obtained by deducting the amount of the initial listing fee that the issuer of such delisted stock, etc. paid before delisting, with the limit of the amount of such fee, from the amount payable at the time of re-listing of such stock, etc. In this case, the amount of the initial listing fee paid by the issuer of such delisted stock, etc. shall be calculated in accordance with the provisions that are effective on the due date of the initial listing fee pertaining to such re-listing.

8. The provisions of the preceding paragraph shall be applied mutatis mutandis to the initial listing fee in cases where a delisted stock, etc. are deemed to be re-listed on JASDAQ as a stock, etc. due to events such as a merger.

Rule 708. Fees for Public Offering or Secondary Distribution Pertaining to Initial Listing Application
1. An initial listing applicant of stocks, etc. (see Note below) shall pay, as a fee for the public offering or secondary distribution of a stock, etc. pertaining to the initial listing application to be carried out during the period from the day of approval of listing to the listing day, in accordance with the classification of acts prescribed in each of the following items, the amount prescribed in such relevant item, by the last day of the month following the month of listing:

(1) Public offering of stock, etc. pertaining to the initial listing application: The amount equivalent to nine ten-thousandth (9/10,000) of the amount calculated by multiplying the number of publicly offered stock, etc. by the public offering price; or

(Note) This shall exclude an applicant for initial listing on JASDAQ and an issuer of a foreign stock, etc. that are principally traded on a market other than the Exchange.

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(2) Secondary offering of stock, etc. pertaining to the initial listing application (limited to those falling under cases referred to in Article 2, Paragraph 4, Item 1 of the Act): The amount equivalent to one ten-thousandth (1/10,000) of the amount calculated by multiplying the number of the offered stock, etc. by the secondary distribution price.

Rule 709. Annual Listing Fee

1. A listed domestic company (excluding a JASDAQ-listed company) shall pay, half of the annual listing fee prescribed in Paragraph 3, by the end of August as annual listing fee corresponding to the period between April and September, and by the end of February of the following year as the annual listing fee corresponding to the period between October and March of the following year, respectively.

2. A listed foreign company (excluding a JASDAQ-listed company) shall pay, half of the annual listing fee prescribed in the following paragraph, by the end of the fifth month from the month following the month of the end of the business year of such listed foreign company as annual listing fee corresponding to the period of six (6) months starting from the month following the month of the end of business year, and by the end of the eleventh month from the month following the month of the end of business year as annual listing fee corresponding to the period of six (6) months starting from the seventh month from the month following the month of the end of the business year.

3. The annual listing fee to be paid by a listed company shall be the amount calculated by adding JPY 120,000 as TDnet user fees to the total amount calculated for each issue of listed stock, etc. pursuant to the following table:

<table>
<thead>
<tr>
<th>Market Capitalization</th>
<th>Market, etc. 1st Section</th>
<th>2nd Section (including preferred equity contribution security)</th>
<th>Mothers</th>
<th>Foreign stock, etc. (excluding cases where the Exchange is a main market)</th>
</tr>
</thead>
<tbody>
<tr>
<td>JPY 5 billion or less</td>
<td>JPY 0.96 million</td>
<td>JPY 0.72 million</td>
<td>JPY 0.48 million</td>
<td>JPY 0.12 million</td>
</tr>
<tr>
<td>Over JPY 5 billion to JPY 25 billion or less</td>
<td>JPY 1.68 million</td>
<td>JPY 1.44 million</td>
<td>JPY 1.2 million</td>
<td>JPY 0.24 million</td>
</tr>
<tr>
<td>Over JPY 25 billion to JPY 50 billion or less</td>
<td>JPY 2.4 million</td>
<td>JPY 2.16 million</td>
<td>JPY 1.92 million</td>
<td>JPY 0.48 million</td>
</tr>
<tr>
<td>Over JPY 50 billion to JPY 250 billion or less</td>
<td>JPY 3.12 million</td>
<td>JPY 2.88 million</td>
<td>JPY 2.64 million</td>
<td>JPY 0.6 million</td>
</tr>
<tr>
<td>Over JPY 250 billion to JPY 500 billion or less</td>
<td>JPY 3.84 million</td>
<td>JPY 3.6 million</td>
<td>JPY 3.36 million</td>
<td>JPY 0.72 million</td>
</tr>
<tr>
<td>Over JPY 500 billion</td>
<td>JPY 4.56 million</td>
<td>JPY 4.32 million</td>
<td>JPY 4.08 million</td>
<td>JPY 0.84 million</td>
</tr>
</tbody>
</table>
* 1. Listed market capitalization shall be calculated pursuant to the provisions of each of the following items:

(1) Domestic stock, etc.
   Calculate using the last price of the last day of trading sessions in December immediately prior to the payment date (see Note below) and the number of listed domestic stock, etc. as of the end of December each year; provided, however, the annual listing fee pertaining to the first payment date after listing that arrives prior to the last day of trading sessions in December, shall be calculated using the listed market capitalization as of the listing day. Furthermore, adjustment in the case of stock split, gratis allotment of shares, or reverse stock split, shall be as specified by the Exchange.

(Note) In the event that no trading is effected in the trading session of such date, the last price of the most recent day when a trading was effected.

(2) Foreign stock, etc.
   Calculate using the last price of the last day of trading sessions in the business year of each listed foreign company that arrives immediately prior to the payment date (see Note below) and the number of listed foreign stock, etc. as of such date; provided, however, that the annual listing fee pertaining to the first payment date after listing that arrives prior to the end of the first business year, shall be calculated using the listed market capitalization as of the listing day.

(Note) In the event no trading is effected in the trading session of such date, this shall be the base price for such date.

*2. Annual listing fee pertaining to the payment date arriving on or prior to the last day of the year when three (3) years lapse after listing for a listed company on Mothers (excluding those that became a listed company on Mothers through application of the provisions for technical listing) shall be the amount calculated by adding JPY 120,000 as TDnet user fee to half of the amount prescribed in the table.

4. With respect to annual listing fee for initial listing, assignment of stock to the First Section Market from the Second Section Market, alteration of a listing market from Mothers to the Main Market, alteration of a listing market from JASDAQ to the Main Market, alteration of a listing market from JASDAQ to Mothers, or alteration of the main market of a foreign stock, etc. from another exchange to the Exchange, a listed company shall pay the amount obtained by calculating the annual listing fee prescribed in the preceding paragraph and Paragraph 2 of the next rule by month, by the payment date prescribed in Paragraphs 1 or 2, and for the purpose of this calculation, such act shall be deemed to have been carried out on the first day of the month following the month of the actual date of the act.

5. In the case of the preceding paragraph, if the initial listing day is in the month of the
payment date prescribed in Paragraph 1 or 2, the payment of the amount prescribed in the preceding paragraph shall be made by the first payment date that arrives after such initial payment day.

6. In the case of Paragraph 4, if the date of assignment to the First Section Market from the Second Section Market, alteration of a listing market from JASDAQ to the Main Market, alteration of a listing market from JASDAQ to Mothers or alteration of the listing market from Mothers to the Main Market, or alteration of the main market of a foreign stock, etc. from another exchange to the Exchange, is in the month of the payment date prescribed in Paragraph 1 or 2, the payment of the amount calculated by subtracting half of the annual listing price, which is calculated when these acts are not carried out, from the amount prescribed in Paragraph 4, shall be made by the first payment date that arrives after such payment date; provided, however, that if the amount obtained by subtracting a half of the annual listing fee calculated in cases of such acts not being conducted from the amount referred to in Paragraph 4 is negative, the Exchange shall subtract the absolute figure of such negative figure from the amount claimable on the first due date arriving such payment date.

7. With respect to annual listing fees for assignment of a stock to the First Section Market from the Second Section Market, or alteration of the main market of a foreign stock, etc. from the Exchange to another exchange, a listed company shall pay the amount obtained by calculating the annual listing fee prescribed in Paragraph 3 by month, by the payment date prescribed in Paragraph 1 or 2, and for the purpose of this calculation, such act shall be deemed to have been carried out on the first day of the month of the actual date of the act.

8. With respect to annual listing fee in the event of delisting, a listed company shall pay the amount obtained by calculating the annual listing fee prescribed in Paragraph 3 by month by the day before the delisting day, and for the purpose of this calculation, the delisting will be deemed to have occurred on the first day of the month of decision of delisting.

9. In cases prescribed in the preceding two (2) paragraphs, where excess payment of annual listing fee occurs, the Exchange shall return the amount of the excess payment without delay.

10. With respect to a stock, etc. that is listed through application of the provisions of Rule 303 of the Regulations, the provisions of each of the preceding paragraphs shall be applied by deeming that the stock, etc. is the same as those delisted in exchange for such stock, etc.

**Rule 709-2. Annual Listing Fee for JASDAQ**

1. A JASDAQ-listed company shall pay, half of the annual listing fee prescribed in the following paragraph by the end of August as annual listing fee corresponding to the period between April and September, and by the end of February of the following year as the annual listing fee corresponding to the period between October and March of the following year, respectively.

2. The annual listing fee to be paid by a JASDAQ-listed company shall be the amount calculated by adding JPY 85,000 as TDnet user fees to the total amount calculated for each issue of listed stock, etc. pursuant to the following table:
3. With respect to annual listing fee for alteration of listing market from the Main Market to JASDAQ and alteration of listing market from Mothers to JASDAQ, a listed company shall pay the amount obtained by calculating the annual listing fee prescribed in Paragraph 3 of the preceding rule and preceding paragraph by month, by the payment day prescribed in Paragraph 1, and for the purpose of this calculation, such payment shall be deemed to have been carried out on the first day of the month following the month of the actual payment.

4. In the case of the preceding paragraph, if the initial listing day is in the month of the payment date prescribed in Paragraph 1, the payment of the amount prescribed in the preceding paragraph shall be made by the first payment date that arrives after such initial payment day.

5. In the case of Paragraph 3, if the day of alteration of a listing market from the Main Market to JASDAQ or alteration of a listing market from Mothers to JASDAQ is in the month of the payment date prescribed in Paragraph 1, the payment of the amount calculated by subtracting a half of the annual listing price, which is calculated when these acts are not carried out, from the amount prescribed in Paragraph 3 shall be made by the first payment date that arrives after such payment date; provided, however, that if the amount obtained by subtracting a half of the annual listing fee calculated in cases of such acts not being conducted from the amount referred to in the same paragraph is negative, the Exchange shall subtract the absolute figure of such negative figure from the amount claimable on the first due date arriving after such payment date.

6. With respect to annual listing fee in the event of delisting, a JASDAQ-listed company shall pay the amount obtained by calculating the annual listing fee prescribed in Paragraph 2 by month by the day before the delisting day, and in this calculation, the delisting will be deemed to have occurred on the first day of the month of decision of delisting.

7. In the case prescribed in the preceding paragraph, where excess payment of annual listing fee occurs, the Exchange shall return the amount of the excess payment without
8. With respect to a stock, etc. that is listed through application of the provisions of Rule 303 of the Regulations, the provisions of each of the preceding paragraphs shall be applied by deeming that such stock, etc. is the same as those delisted in exchange for such stock, etc.

**Rule 709-3. Handling of Annual Listing Fees, etc.**

Notwithstanding the provisions of the main clause of Rule 709, Paragraph 3 and the main clause of Paragraph 2 of the preceding rule, in cases where an initial listing, assignment from the Second Section to the First Section, reassignment from the First Section to the Second Section, alteration of a listing market, delisting, change in the main market for foreign stock, etc. from the Exchange to other exchange, etc. or from other exchange, etc. to the Exchange has occurred in row, the annual listing fee shall be as specified by the Exchange.

**Rule 710. Fees Pertaining to Issuance, etc. of New Shares, etc.**

1. A listed company (see Note 1 below) shall pay, as fees pertaining to issuance, etc. of new stocks, etc. pursuant to the classification of acts prescribed in each of the following items, the amount prescribed in such relevant items, by the end of the month following the month when such issuance, etc. of new stocks, etc. was carried out (see Note 2 below):

   (Note 1) This shall exclude JASDAQ-listed companies and foreign companies that are listed on the Main Market or Mothers and have another exchange as the main market; the same shall apply hereinafter in this rule.

   (Note 2) For listed foreign companies, this shall be by the end of the second month after the month when such issuance, etc. of new stocks, etc. was carried out.

(1) Issuance or disposal (see Note 1 below) of listed stock, etc. (see Note 2 below)

   (Note 1) "Issuance or disposal" shall be limited to a solicitation for subscription as prescribed in Article 199, Paragraph 1 of the Companies Act (for a foreign company, an equivalent law).

   (Note 2) "Listed stock, etc." shall include new stocks, etc. that involve delivery of a listed stock, etc. through conversion to other class of equity shares.

   (Note 3) Excluding issuance or disposal through a third-party allotment in connection with exercise of rights to obtain securities subject to such offering or secondary distribution (*1) from issuers or holders of such issues subject to offering, etc. that were granted when a principal underwriting financial instruments firm, etc. (*2), which conducts over-allotment pertaining to an initial listing (*3), concludes a delay.
principal underwriting contract pertaining to such offering, etc.

*1 Such securities and offering shall be referred to as "issues subject to offering, etc." and "offering, etc.", respectively hereinafter in this item.

*2 Such firm means a financial instruments firm or foreign securities firm that concludes a principal underwriting contract.

*3 Such over-allotment means where a principal underwriting financial instruments firm, etc. that concludes a principal underwriting contract conducts an additional secondary distribution under the same conditions as that for the same issue subject to offering, etc. other than the scheduled amount of such offering, etc. during an offering, etc.

The amount equivalent to one ten-thousandth (1/10,000) of the amount calculated by multiplying the issue price per share, etc. (in the event of issuance or disposal of listed stock, etc. when conducting a takeover bid offering listed shares, etc. in exchange, this shall be the final price of such listed share, etc. on the day of commencing the settlement of such takeover bid (in the case where no trade is effected during the trading session on such day of commencing such settlement, this shall be the final price on a day, after such day of commencing such settlement, on which the first trade is effected during a trading session)) by the number of shares, etc. to be issued or disposed.

(2) Issuance of a new subscription warrant for which the stock subject to the subscription warrant is a listed stock, etc. (see Note 1 below)
The amount equivalent to one ten-thousandth (1/10,000) of the amount calculated by sum of the amount obtained by multiplying the issue price of the subscription warrant by the total number of subscription warrants, and the amount obtained by multiplying the price of the asset to be invested upon exercise of the subscription warrant (see Note 2 below) by the number of stocks that are the subject of the subscription warrant.

(Note 1) This shall be limited to those issued through a solicitation for subscription as prescribed in Article 238, Paragraph 1 of the Companies Act or a gratis allotment of subscription warrants as prescribed in Article 277 of the same act (for a foreign company, an equivalent to these).

(Note 2) This shall be hereinafter referred to as the "Subscription Warrant Exercise Payment Amount".

(3) Secondary offering of a listed stock, etc. (limited to those falling under cases referred to in Article 2, Paragraph 4, Item 1 of the Act):
The amount equivalent to one ten-thousandth (1/10,000) of the amount obtained by multiplying the number of stocks, etc. to be offered by the secondary
distribution price

2. With respect to a case falling under Item 2 of the preceding paragraph, where a subscription warrant, for which the Subscription Warrant Exercise Payment Amount will be lowered in the event a person holding more than a certain ratio of stocks appears, is created, and a document prescribed by the Exchange stating its details is submitted to the Exchange, the calculation shall be made deeming that such lowered payment amount as the Subscription Warrant Exercise Payment Amount in the item.

3. With respect to a case falling under the preceding paragraph, if the lowered payment amount in the paragraph is based on the price of the stock that is the subject of the subscription warrant for a certain period, the last price (see Note below) for such stock on the day of issuance of the subscription warrant shall be deemed the price for such certain period, and if the calculation of the lowered payment amount in the paragraph is based on two or more methods, the lowest amount provided by the calculations shall be the lowered payment amount.

(Note) In the event there is no contract price on such day, this shall be the most recent last price.

4. With respect to the preceding three (3) paragraphs, where the issue price per stock, etc., issue price of the subscription warrant, the Subscription Warrant Exercise Payment Amount or the distribution price is not denominated in Japanese currency, the conversion to Japanese currency shall, in general, be carried out using the middle rate between the Telegraphic Transfer Selling rate and the Telegraphic Transfer Buying rate in the Tokyo foreign exchange market on the day of the issuance, etc.

Rule 711. Fees Pertaining to Listing of New Shares, etc.

1. A listed company (see Note 1 below) shall pay, as a fee pertaining to listing of newly issued stock, etc., the amount equivalent to eight ten-thousandth (8/10,000) (see Note 2 below) of the amount calculated by multiplying the issue price per share (in the event of issuance of listed shares, etc. when conducting a takeover bid offering listed stock, etc. in exchange, this shall be the final price of such listed shares, etc. on the day of commencing the settlement of such takeover bid (in the case where no trade is effected in the trading session on such day of commencing such settlement, this shall be the final price on a day, after such day of commencing such settlement, on which the first trade is effected during a trading session)) by the number of new shares, etc. (see Note 3 below) to be issued (see Note 4 below), by the end of the month following the month of the listing day for such new shares, etc. to be issued (see Note 5 below). In this case, the maximum of fees related to listing of stocks, etc. newly issued by the JASDAQ-listed company shall be JPY 60 million.

(Note 1) This shall exclude the foreign company that is listed on the Main Market or Mothers and has another exchange as the main market for listed foreign stocks, etc. it issues.

(Note 2) This shall be one ten-thousand (1/10,000) in cases where a JASDAQ-listed company lists stocks, etc. newly issued due to conversion of stocks, etc. that
are converted to other class of stocks, where such company lists stocks, etc. newly issued due to exercise of subscription warrants, or where such company lists stocks, etc. newly issued in connection with acquisition by such company of subscription warrants with acquisition clause.

(Note 3) In the case of a JASDAQ-listed foreign company, if stocks, etc. issued by such JASDAQ-listed foreign company are listed on a foreign financial instruments exchange or continuously traded, this shall be, out of the number of such stocks, etc., stocks, etc. to be listed in connection with an offering in Japan.

(Note 4) This shall exclude stocks, etc. to be listed through application of the provisions of Rule 303 of the Regulations; the same shall apply hereinafter in this rule.

(Note 5) For listed foreign companies, this shall be by the end of second month after the month of the listing day for such new stocks, etc. to be issued.

2. A listed company (see Note 1 below) shall pay, as a fee pertaining to listing of new stocks, etc. to be issued, the amount equivalent to 0.18/10,000 of the amount calculated by multiplying the issue price per stock by such number of new stocks, etc. to be listed in conjunction with the domestic offering (see Note 1 below) (see Note 3 below), by the end of the second month after the month of the listing day of such new stocks, etc. to be listed.

(Note 1) This shall be limited to a Main Market-listed or Mothers-listed foreign company that has another exchange as the main market for the listed foreign stocks, etc. it issues.

(Note 2) This shall include the number of stocks, etc. to be listed through conversion of shares, etc. that will be converted to another type of shares, or through exercise of subscription warrants or the right to purchase concerning stock purchase warrants.

(Note 3) In the event that such listed foreign stock, etc. is not listed or continuously traded on a foreign financial instruments exchange, etc., this shall be the amount calculated by multiplying the issue price per stock by the number of new stocks, etc. to be listed.

3. In the case of the preceding two (2) paragraphs, where new stocks, etc. issued through conversion of shares, etc. that will be converted to another type of shares is being listed, the issue price per stock based on the issue price of such stocks (see Note 1 below) shall be deemed as the issue price per stock as prescribed in the preceding two paragraphs; where new stocks, etc. issued through exercise of subscription warrants is being listed, the amount per stock, etc. derived from the amount equivalent to the sum of the amount calculated by multiplying the issue price of each subscription warrant by the total number of subscription warrants and the Subscription Warrant Exercise Payment Amount by the number of stocks, etc. to be exercised (see Note 2 below), shall be deemed as the issue price per stock; and where new stocks, etc. issued in conjunction with the company's acquisition of subscription warrants with provisions of acquisition is being listed, the amount per stock derived from the amount calculated...
by multiplying the issue price of each subscription warrant by the total number of subscription warrants (see Note 3 below) shall be deemed as the issue price per stock, etc., for the purpose of calculation.

(Note 1) In the event that such stock is not issued through solicitation for subscription as prescribed in Article 199, Paragraph 1 of the Companies Act, this shall be the amount equivalent to this.

(Note 2) In the event that such subscription warrant is not issued through an offering as prescribed in Article 238, Paragraph 1 of the Companies Act, this shall be the amount equivalent to this.

(Note 3) In the event that such subscription warrant is attached to a bond with a subscription warrant, this shall be the sum of such amount and the amount of bonds pertaining to the subscription warrants to be acquired.

4. Notwithstanding the provisions of Paragraphs 1 and 2, where new stocks, etc. issued through conversion of shares, etc. that will be converted to another type of shares is being listed; where new stocks, etc. that were issued through exercise of subscription warrants are being listed; or where new stocks, etc. that were issued in conjunction with acquisition of subscription warrants with provisions of acquisition are being listed, the payment date shall be as follows:

(1) Payment date for the fees prescribed in Paragraph 1:
   For those listed between January 1 and the end of June, the payment day shall be the end of August of the same year (see Note 1 below), and for those listed between July 1 and the end of December, the payment day shall be the end of February of the following year (see Note 2 below)

   (Note 1) For listed foreign companies, the payment day shall be the end of September.
   (Note 2) For listed foreign companies, the payment day shall be the end of March.

(2) Payment date for the fees prescribed in Paragraph 2:
   For those listed between the first day of the business year and the end of such business year, the end of the fourth month from the month following the month of the end of such business year (see Note below).

   (Note) If payment on such date is deemed difficult, the payment shall be made on such date determined by the Exchange on a case-by-case basis.

5. With respect to listing fees for new stocks, etc. pertaining to alteration of a listing market from a Main Market or Mothers to JASDAQ or alteration of a listing market from JASDAQ to a Main Market or Mothers, a listed company shall pay the amount obtained by calculating the fees (limited to the fees to be paid in the case prescribed in the preceding paragraph) prescribed in Paragraph 1 and Paragraph 2 by month by the payment date prescribed in the preceding paragraph, and such payment shall be deemed

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to be made on the first day following the month including the day of such payment.

6. The provisions of Rule 709, Paragraph 6, and Rule 709-2, Paragraph 5 shall be applied mutatis mutandis to the cases referred to in the preceding paragraph.

7. In the case of Paragraph 2, if new stocks, etc. are being listed in relation to a merger, demerger or stock swap, the amount of capitalization per stock, etc. shall be deemed as the issue price per stock, etc. in the calculation.

8. Notwithstanding the provisions of Paragraph 2, where delisted stocks, etc. are deemed to be listed additionally as stocks, etc. of another listed foreign company (see Note below), the listing fee pertaining to the new stocks, etc. to be issued may be deducted from the amount payable for the listing of such stock, etc., up to the amount of fees paid by the issuer of delisted stocks, etc. prior to the delisting, pertaining to the listing of new stocks, etc. to be issued. In such instance, the amount of fees pertaining to the listing of new stocks, etc. being issued prior to delisting means the amount calculated based on the provisions effective on the payment date for the fees pertaining to the listing of new stocks, etc. being issued pertaining to the additional listing.

(Note) This shall exclude a listed foreign company that has another exchange as the main market for listed foreign stocks, etc. it issues.

9. In each of the preceding items, the conversion of the payment amount per stock, etc. to Japanese currency where the listed company is a listed foreign company shall, in general, be carried out using the middle rate between the Telegraphic Transfer Selling rate and the Telegraphic Transfer Buying rate in the Tokyo foreign exchange market on the day of the listing application.

Rule 711-2. Listing Examination Fee for Stocks, etc. That Are Different Class from the Listed Stocks, etc.

A listed company shall, where it makes an initial listing application for stocks, etc. that are different class from the listed stocks, etc., pay as listing examination fees, pursuant to the classifications prescribed in each of the following items, such amount prescribed in the relevant item, by the last day of the month following the month of the initial listing application:

(1) Mothers listed company: JPY 1 million
(2) Listed foreign company (see Note below): JPY 1 million

(Note) This shall be limited to a listed foreign company that has another exchange as the main market for the listed foreign stocks, etc. it issues.

(3) Listed company other than those prescribed in the preceding two (2) items: JPY 2 million.

Rule 711-3. Initial Listing Fee for Stocks, etc. That Are Different Class from the Listed Stocks, etc.

A listed company that has made an initial listing application for stocks, etc. that are different in class from listed stocks, etc. shall, pay as initial listing fee for the issue newly
approved for listing, pursuant to the classification of the initial listing as prescribed in each of the items in Rule 707, the amount prescribed in the relevant item, by the last day of the month following the month of listing of the stock, etc. pertaining to such initial listing application:

**Rule 712. Fees Pertaining to Mergers, etc.**
1. A listed company (see Note 1 below) shall pay as fees pertaining to absorption-type mergers, etc. (see Note 2 below), the amount equivalent to two ten-thousandth (2/10,000) of the amount calculated by multiplying the sum of the number of stocks, etc. to be issued in such absorption type merger, etc. and the number of treasury stocks, etc. to be delivered, by the last price of such stocks, etc. at the trading session on the effective date of such absorption-type merger (see Note 3 below), by the end of the month following the month of the effective date (see Note 4 below).

(Note 1) This shall exclude a JASAQ-listed company and a foreign company that has another exchange as the main market for listed foreign stocks, etc. it issues.
(Note 2) This means an absorption-type merger, absorption-type demerger or stock swap: the same shall apply hereinafter in this rule.
(Note 3) In the event that no trading is effected in the trading session of the effective date, this shall be the last price on the first day when a trading is effected in the trading session after the effective date.
(Note 4) For listed foreign companies, this shall be the end of the second month after the month of the effective date.

2. A JASDAQ-listed company shall pay, as fee pertaining to an absorption-type merger, etc., the amount corresponding to eight ten-thousands (8/10,000) of the amount obtained by multiplying the per-share amount incorporated to the capita by the number of newly issued stocks, etc. by the end of the month following the month of listing such newly issued stocks, etc. (in the case of a foreign listed company, by the end of two months from the month of listing such newly issued stocks, etc.; provided, however, that the maximum of the fee shall be JPY 10 million.

**Rule 713. Fees for Alteration of Listing Market**
An applicant for alteration of a listing market shall pay as fee for the alteration of listing market, pursuant to the classifications prescribed in each of the following items, such amount prescribed in the relevant item, by the last day of the month following the month of the alteration day of the listing market:

(1) Domestic stocks and foreign stocks, etc. whose main market is the Exchange:
   The amounts specified in the following sub-item a to c in accordance with the classification in such sub-items;
   a. In the case of alteration of a listing market from Mothers to the Main Market:
      The amount obtained by subtracting a total of the amount prescribed in Rule 707, Paragraph 1, Item 3 and the amount prescribed in Rule 708 that a listing market alteration applicant has already paid from the amount prescribed Item
1 or 2 of the same paragraph
b. In the case of alteration of a listing market from JASDAQ to the Main Market;
   The amount obtained by subtracting JPY 6 million from the amount prescribed
   in Rule 707, Paragraph 1, Item 1 or 2
c. In the case of alteration of a listing market from Mothers to JASDAQ;
   The amount obtained by subtracting a total of the amount prescribed in Rule
   707, Paragraph 1, Item 3 and the amount prescribed in Rule 708 that a listing
   market alteration applicant has already paid from the amount prescribed Item
   4 of the same paragraph.

(2) Foreign stocks, etc. that have another exchange as their main market:
The amounts specified in the following sub-item a to c in accordance with the
classification in such sub-items
a. In the case of alteration of a listing market from Mothers to the Main Market
   The amount obtained by subtracting a total of the amount prescribed in Rule
   707, Paragraph 1, Item 3 that a listing market alteration applicant has already
   paid from the amount prescribed in Item 5 of the same paragraph.
b. In the case of alteration of a listing market from JASDAQ to the Main Market
   The amount obtained by subtracting JPY 6 million from the amount prescribed
   in Rule 707, Paragraph 1, Item 5
c. In the case of alteration of a listing market from Mothers to JASDAQ
   The amount obtained by subtracting the amount prescribed in Rule 707, Paragraph
   1, Item 3 that a listing market alteration applicant has already paid
   from the amount prescribed in Item 4 of the same paragraph.

Sub-section 3
Subscription Warrant Securities

Rule 714. Initial Listing Fee for Subscription Warrant Securities
An issuer of a subscription warrant security pertaining to initial listing application shall
pay, as initial listing fees, pursuant to the classifications prescribed in each of the
following items, such amount prescribed in the relevant item, by the end of the following
month of that containing the listing date of the new subscription warrant securities
pertaining to such initial listing application; provided, however, that if such initial listing
applicant is a company listed on the Main Market or Mothers, a half of either the sum of
the amount obtained through Rule 710, Paragraph 1, Item 2 and the amount obtained
through Rule 711, Paragraph 1, or the amount obtained through Rule 711, Paragraph 2,
shall be the limit, and where such initial listing applicant is a company listed on JASDAQ
and a half of the amount obtained pursuant to the main clause of Rule 711, Paragraph 1
is less than JPY 170,000, such amount shall be the initial listing fee pertaining to a
subscription warrant security. Moreover,
(1) Where the amount calculated by multiplying the Subscription Warrant Exercise
   Payment Amount by the number of stocks that are subject of the subscription warrant
   is JPY 5 billion or less:
JPY 170,000 (for subscription warrant securities to be issued by a foreign company listed on the Main Market or Mothers, JPY 17,000)

(2) Where the amount calculated by multiplying the Subscription Warrant Exercise Payment Amount by the number of stocks that are subject of the subscription warrant is more than JPY 5 billion:
340,000 yen (for subscription warrant securities to be issued by a foreign company listed on the Main Market or Mothers, JPY 34,000)

Sub-section 4
Miscellaneous Provisions

Rule 715. Treatment for Calculation Purposes, etc.
1. An amount less than JPY 100 obtained in this section shall be rounded off (see Note below).
   (Note) This shall exclude the amount of consumption tax and local consumption tax to be added pursuant to the provisions of the following paragraph.

2. The fees prescribed in this section shall be paid with the amount of consumption tax and local consumption tax added (see Note below).
   (Note) This shall exclude an initial listing applicant and cases where the listed company is a foreign company.

3. The payment of fees prescribed in this section shall be made in Japanese currency.

4. Where an initial listing applicant or a listed company fails to pay the fees prescribed in this section by the payment date, the Exchange may claim against such initial listing applicant or listed company, an overdue interest from the day after the payment date until the day of full payment, at the daily rate of JPY 0.04 (four hundredths) per JPY 100.

Rule 715-2 Exemption from Annual Listing Fee, etc. in cases where JASDAQ-Listed Company Discloses Reconstruction Plan
Where a JASDAQ-listed company applies for examination on market capitalization and whether the reconstruction plan specified in the Enforcement Rule as prescribed in Rule 605, Paragraph 1 (limited to cases referred to in Rule 604-2, Paragraph, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations) and submits a "Application for Exemption from Listing Fees, etc." predetermined by the Exchange that contains the period of reconstruction (meaning the reconstruction plan specified by the Enforcement Rules as prescribed in Rule 706, Paragraph 1), the Exchange shall exempt the JASDAQ-listed company from the examination fee pertaining to delisting prescribed in Rule 706, Paragraph 1, as well as the annual listing fees specified Rule 709-2, Paragraph 1 on payment dates that arrive in three years after the disclosure of the reconstruction plan (limited to
Section 2
Miscellaneous Provisions

Rule 716. Handling of the Listing Day in Case of an Absorption-type Merger, etc. of a Listed Domestic Company, etc. by Another Listed Domestic Company

The listing day of domestic stocks, etc. prescribed in each of the following items shall be as prescribed in the relevant item; provided, however, that the same shall not apply if it is impossible or difficult to list on such date due to the timing of listing application, etc.

(1) Domestic stocks, etc. being issued due to an absorption-type merger of a listed domestic company or a domestic company that has domestic stocks, etc. listed on another domestic financial instruments exchange (see Note 1 below) (see Note 2 below), by another listed domestic company:
   The day when the absorption-type merger becomes effective

(Note 1) The term "domestic company" shall exclude listed domestic companies.
(Note 2) The term "domestic company" shall be hereinafter referred to as "another listed domestic company, etc."

(2) Domestic stocks, etc. being listed through application of Rule 208, Item 1 of the Regulations, Rule 215, Item 1 of the Regulations, or Rule 216-9, Item 1 of the Regulations:
   The day when the absorption-type merger or a merger for creating a new company becomes effective

(3) Domestic stocks, etc. being issued by a listed domestic company for a stock swap that makes another listed domestic company, etc. its wholly-owned subsidiary:
   The day when the stock swap becomes effective

(4) Domestic stocks, etc. of other domestic companies being listed through application of Rule 208, Item 3 of the Regulations, Rule 215, Item 3 of the Regulations, or Rule 216-9, Item 3 of the Regulations, where a listed domestic company is to become a wholly-owned subsidiary of such another domestic company through a stock swap:
   The day prescribed in the preceding item

(5) Domestic stocks, etc. of another domestic company being listed through application of Rule 208, Item 3 of the Regulations, Rule 215, Item 3 of the Regulations, or Rule 216-9, Item 3 of the Regulations, where a listed domestic company is to become a wholly-owned subsidiary of such another domestic company through stock transfer:
   The day when the stock transfer becomes effective

(6) Domestic stocks, etc. being issued in conjunction with a shareholder directed spin-off where a listed domestic company will assume the business of another listed domestic company:
The day when the absorption-type demerger becomes effective

(7) Where a listed domestic company creates a domestic company through a demerger for creating a new company, which is a shareholder directed spin-off, or makes another domestic company assume its business through an absorption-type demerger, which is a shareholder directed spin-off, the domestic stock, etc. of such domestic company created or such domestic company that assumed business through application of the initial listing application prior to such shareholder directed spin-off, or Rule 208, Item 5 of the Regulations, Rule 215, Item 5 of the Regulations, or Rule 216-9, Item 5 of the Regulations:

The day when the demerger for creating a new company or absorption-type demerger becomes effective

Rule 717. Handling of Application, etc. of Accounting Standards for Retirement Benefits

The handling of cases where the accounting standards pertaining to retirement benefits publicly announced by the Business Accounting Council as of June 16, 1998 (see Note 1 below) are applied to an applicant for initial listing or a listed company (see Note 2 below) as prescribed in Rule 705 of the Regulations shall be as follows:

(Note 1) Hereinafter this shall be referred to as the "Accounting Standards for Retirement Benefits".
(Note 2) This shall exclude foreign companies; the same shall apply hereinafter in this rule.

(1) Handling of the difference at the time of the amendment of the accounting standard created by the application of the Accounting Standards for Retirement Benefits:

a. With respect to an examination pertaining to an initial listing or an assignment to the First Section Market, an initial listing applicant or a listed company seeking application of the provisions of Sub-item b. below shall, submit a document stating the amount of net assets calculated based on the provisions of Sub-item b. below and the process of such calculation. In such instance, evidence that the appropriateness of the calculation of such amount of net assets has been confirmed by a certified public accountant or an audit firm is required.

b. In applying the provisions of Rule 205, Item 5, and Item 6, Sub-item a. of the Regulations, Rule 308, Item 5, and Item 6, Sub-item a. of the Regulations, Rule 216-3, Item 3 and Item 4 of the Regulations, or Rule 216-6, Item 1 of the Regulations to an initial listing applicant or a listed company that incurred a difference at the time of amendment of accounting standards through application of the Accounting Standards for Retirement Benefits (see Note 1 below), the amount equivalent to the tax effect shall be added after deduction of non-appropriated difference at the time of amendment of accounting standards (see Note 2 below) pertaining to the amount of net assets calculated based on quarterly consolidated balance sheet prescribed in Rule 212, Paragraph 5, Item 2, and the amount of net assets calculated...
based on the quarterly balance sheet prescribed in Items 3 and 4 of the same paragraph; and the amount recognized as expenses as the difference at the time of amendment of accounting standards in the business year subject to the examination may be added to the amount of profits calculated based on the consolidated income statements, etc. prescribed in Rule 212, Paragraph 6, Item 1, and the amount of profits calculated based on the income statements prescribed in Item 2 of the same paragraph (see Note 3 below).

(Note 1) This shall exclude items in which costs should be written off.
(Note 2) This means the amount calculated by deducting the amount recognized as expense prior to the most recent quarterly accounting period from the difference at the time of amendment of accounting standards.
(Note 3) In the case of mutatis mutandis application pursuant to rewording prescribed in Rule 212, Paragraph 5, Item 13, with regard to the amount of net assets calculated based on quarterly consolidated balance sheet prescribed in Rule 212, Paragraph 5, Item 2, and the amount of net assets calculated based on the quarterly balance sheet prescribed in Items 3 and 4 of the same paragraph, the amount equivalent to the tax effect shall be added respectively to the amounts after deduction of non-appropriated difference at the time of amendment of accounting standards (meaning the amount calculated by deducting the amount recognized as expense prior to the most recent business year from the difference at the time of amendment of accounting standards).

(2) Handling of the amount of effect where retirement benefits reserve is increased due to the amendment of Accounting Standards Pertaining to Retirement Benefits Reserve in the business year before the business year when the Retirement Benefits is applied:
In the business year before the business year when the Accounting Standards for Retirement Benefits is applied (see Note 1 below), when applying the provisions of Rule 205, Items 6, Sub-item a of the Regulations, Rule 308, Items 6, Sub-item a of the Regulations, Rule 216-3, Item 3 and Item 4 of the Regulations, or Rule 216-6, Items 1 of the Regulations to an initial listing applicant or a listed company that has increased retirement benefit reserves through amendment of the accounting standards pertaining to retirement benefit reserves, if such amendment of the accounting standard is understood to be based on adequate reasons, the amount of effect (see Note 2 below) due to such amendment of accounting standards for the business year subject to examination shall be added to the amount of profits calculated based on consolidated income statements, etc. as prescribed in Rule 212, Paragraph 6, Item 1, and the amount of profits calculated based on the income statements prescribed in Item 2 of the same paragraph, respectively.
Rule 718. Handling of Succession at the Time of Technical Listing

The provisions prescribed in the Enforcement Rules as prescribed in Rule 706 of the Regulations mean those prescribed in each of the following items:

1. Rule 316, Paragraph 1 of the Regulations;
2. Rule 316, Paragraphs 1 and 3;
3. Rule 317;
4. Rule 408, Item 5 and Item 6 of the Regulations;
5. From Rules 501 through 505 of the Regulations;
6. Rule 601, Paragraph 1, Item 9, Sub-item a. or b. of the Regulations (see Note below);

(Note) This shall include cases where Rule 602, Paragraph 1, Item 1 and Paragraph 2, Item 3 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Paragraph 2, Item 1 of the same rule, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

7. Rule 601, Paragraph 1, Item 9-2 of the Regulations (see Note below);

(Note) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Rule 602, Paragraph 2, Item 3 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

8. Rule 601, Paragraph 11, Items 1 and 2 (see Note below);

(Note) This shall include cases where Rule 602, Paragraph 1, Item 1 of the Regulations, Rule 602, Paragraph 2, Item 3 of the Regulations, Rule 603, Paragraph 1, Item 6 of the Regulations, Rule 604, Paragraph 1, Item 2 of the Regulations, Rule 604, Paragraph 2, Item 1 of the Regulations, Rule 604-2, Paragraph 1, Item 3 of the Regulations, Rule 604-3, Item 2 of the Regulations, Rule 604-4, Paragraph 1, Item 2 of the Regulations, or Rule 604-5, Item 2 of the Regulations applies.

9. Rule 603, Paragraph 1, Item 1, Item 2, Sub-items a. and b., Item 5, Sub-item a., Item 5-2 (including cases where Rule 604, Paragraph 1, Item 1 of the Regulations or Paragraph 2, Item 4 of the same rule applies) and Item 6 of the Regulations;
(10) Rule 604, Paragraph 1, Item 2, and Rule 604, Paragraph 2, Item 1 of the Regulations.

(11) Rule 604-2, Paragraph 1, Item 1 and Item 2 of the Regulations (including cases where Rule 604-3, Item 1 of the Regulations, Rule 604-4, Paragraph 1, Item 1 of the Regulations, and Rule 604-5, Item 1 of the Regulations applies)

(12) Rule 604-4, Paragraph 1, Item 3 of the Regulations (including cases where Rule 604-5, Item 1 of the Regulations)

(13) Rule 712, Paragraph 2 and Rule 713, Paragraph 2 of the Regulations

Rule 719. Handling of Stock Issued by a Company Whose Revitalization Is Supported by the Regional Economy Vitalization Corporation of Japan

1. An initial listing applicant to which Rule 707, Paragraph 1 of the Regulations applies shall be handled as specified in each of the following items.
   (1) The provisions of Rule 204, Paragraph 1, Item 4, Sub-item c. shall not apply.
   (2) The provisions of Rule 212, Paragraphs 6 and 7 shall be applied mutatis mutandis.

2. The provisions of Rule 310, Paragraphs 6 and 7 shall be applied mutatis mutandis to a listed company to which Rule 707, Paragraph 2 of the Regulations applies.

3. Stock issued by the listed company to which Rule 707, Paragraph 3 of the Regulations applies shall be handled as specified in each of the following items.
   (1) Rule 311, Paragraph 5, Item 1 shall be applied mutatis mutandis to stock issued by the listed company to which Rule 707, Paragraph 3 of the Regulations applies. In this case, Rule 311, Paragraph 5, Item 1, Sub-item c. shall apply by being read as follows.

   c. The examination for determining whether a listed company falls under cases deemed appropriate by the Exchange as prescribed in Rule 311, Paragraph 1, Item 5 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 3 of the Regulations, shall be as provided in the following (a) and (b). (a) The following (b) shall be applied mutatis mutandis to cases of examinations for determining whether a listed company falls under cases deemed appropriate by the Exchange as prescribed in the main clause of Rule 311, Paragraph 1, Item 5 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 3 of the Regulations.

In such cases, "the proviso of Item 5" shall be "the main clause of Item 5," "within one (1) year… (in the case of conducting matters referenced in Sub-item d., limited to when such period ends on or before the end of a business year that starts within five (5) years from the day of announcement of the revitalization support decision by REVIC)" shall be "within one (1) year… (limited to cases when such period ends on or before the end of a business year that starts within five (5) years from the day of announcement of the revitalization support decision by REVIC)," and "a written document certifying that… has made a purchase decision, etc." shall be "a written document certifying that… has made a revitalization support decision," respectively. Moreover, the provisions of i. (i) through (iii) shall not apply.
(b) The examination for determining whether a listed company falls under cases deemed appropriate by the Exchange as prescribed in the proviso of Rule 311, Paragraph 1, Item 5 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 3 of the Regulations shall cover the listed company that has announced the restructuring plan (see Note 1 below) until the point of time when said listed company discloses details of the account settlement (see Note 2 below) of the business year subject to the examination as provided in Rule 404 of the Regulations. The Exchange shall conduct the examination based on said restructuring plan submitted by the listed company and written documents specified in the following i and ii.

(Note 1) The restructuring plan includes a management plan for coming out of the state of liabilities in excess of assets within one (1) year (in the case of conducting matters referenced in Sub-item d., limited to when such period ends on or before the end of a business year that starts within five (5) years from the day of the announcement of a revitalization support decision by REVIC, as prescribed in the proviso of Item 5 of Rule 311, Paragraph 1 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 3 of the Regulations).

(Note 2) This shall be the account settlement for a consolidated accounting year in the case of the listed company that has to create consolidated financial statements, as well as the account settlement for a business year in the case of the listed company that should not create consolidated financial statements.

i. Written documents specified in the following (i) to (iv) in accordance with the classification described in these (i) to (iv)

(i) Where rehabilitation proceedings or reorganization proceedings are taken pursuant to the laws:

A written document certifying that said restructuring plan is approved by the court as a rehabilitation plan or reorganization plan;

(ii) Where business revitalization is carried out based on the specific certified dispute resolution procedures prescribed in Article 2, Paragraph 16 of the Industrial Competitiveness Enhancement Act:

Document certifying that said restructuring plan was established in accordance with such procedures

(Note) This shall include cases based on the specified conciliation procedure to which the special rules prescribed in Article 52 of the Industrial Competitiveness Enhancement Act apply when such procedure is conducted.

(iii) Where workouts are carried out based on the "Guidelines for Multi-Creditor Out-of-Court Workouts" formulated by the Study Group on Multi-Creditor Out-of-Court Workouts:

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A written document in which creditors state that said restructuring plan has been formulated by said Guidelines;

(iv) Where business revitalization is conducted based on the revitalization support decision by REVIC:

A written document certifying that REVIC has made a purchase decision, etc. pertaining to the debt of said listed company

ii. A written document in which the certified public accountant, etc. prescribed in Rule 402, Item 1, Sub-item aj state that said certified public accountant, etc. has examined material items, etc. that are the premise of the management plan for coming out of the state of liabilities in excess of assets within one (1) year (see Note below) as prescribed in the proviso of Rule 311, Paragraph 1, Item 5 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 3.

(Note) In the case of conducting matters referenced in Sub-item d., limited to when such period ends on or before the end of a business year that starts within five (5) years from the day of the revitalization support decision by REVIC.

(2) Rule 311, Paragraph 5, Item 2 shall apply by being read as follows.

(2) Timing of reassignment

If the listed company falls under Rule 311, Paragraph 1, Item 5 of the Regulations, reassignment shall take effect on the first day of the fifth month counted from the month following the last day of the business year subject to the examination (or, in the case of falling under the parentheses of the main clause of Item 5 of Rule 311, Paragraph 1 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 3 of the Regulations, it shall be the first day of the second month counted from the month following the month that contains a day on which the Exchange confirms that the purchase decision, etc. are not made).

4. Rule 601, Paragraph 4 (including cases where the provision is applied mutatis mutandis in Rule 603, Paragraph 3; the same shall apply in this paragraph) shall be applied mutatis mutandis to stocks issued by the listed company to which Rule 707, Paragraph 4 or Paragraph 5 of the Regulations applies. In this case, Rule 601, Paragraph 4, Item 4 shall apply by being read as follows.

(4) Examination for determining whether a listed company falls under cases deemed appropriate by the Exchange as prescribed in Rule 601, Paragraph 1, Item 5 of the Regulations or Rule 603, Paragraph 1, Item 3 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 4 of the Regulations or Paragraph 5 of the same paragraph, shall be performed as provided in the following a. or b.
a. The provision of the following b. shall be applied mutatis mutandis to the case of the examination for determining whether a listed company falls under cases deemed appropriate by the Exchange as prescribed in the main clause of Rule 601, Paragraph 1, Item 5 of the Regulations or the main clause of Rule 603, Paragraph 1, Item 3 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 4 or Paragraph 5 of the Regulations.

In this case, "the proviso of Item 5" shall be "the main clause of Item 5," "the proviso of Item 3" shall be "the main clause of Item 3," "within one (1) year… (in the case of conducting matters referenced in Sub-item d., limited to when such period ends on or before the end of a business year that starts within five (5) years from the day of the announcement of the revitalization support decision by REVIC)" shall be "within one (1) year… (limited to when such period ends on or before the end of a business year that starts within five (5) years from the day the revitalization support decision made by REVIC)," and "a written document certifying that… has made a purchase decision, etc." shall be "a written document certifying… has made a revitalization support decision" respectively. Moreover, the provisions of (a), i. through iii. shall not apply.

b. The examination for determining whether a listed company falls under cases deemed appropriate by the Exchange as prescribed in the proviso of Rule 601, Paragraph 1, Item 5 of the Regulations or the proviso of Rule 603, Paragraph 1, Item 3 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 4 or Paragraph 5, shall cover the listed company that has announced the restructuring plan (see Note below) until the point of time when said listed company discloses, as specified by Rule 404 of the Regulations, details of the account settlement of the consolidated accounting year (or the business year in the case of the listed company that should not create consolidated financial statements) that contains the last day of the grace period. The Exchange shall conduct the examination based on said restructuring plan submitted by the listed company and written documents specified in the following (a) and (b).

(Note) The restructuring plan includes a management plan for coming out of the state of liabilities in excess of assets within one (1) year (in the case of conducting matters referenced in Sub-item d., limited to when such period ends on or before the end of a business year that starts within five (5) years from the day of the announcement of a revitalization support decision by REVIC, as prescribed in the proviso of Rule 601, Paragraph 1, Item 5 of the Regulations or the proviso of Rule 603, Paragraph 1, Item 3 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 4 or Paragraph 5 of the Regulations.

(a) Written documents specified in the following i. to iv. in accordance with the classification of cases referenced in such i to iv.
i. Where rehabilitation proceedings or reorganization proceedings are taken pursuant to the laws:
   A written document certifying that said restructuring plan is approved by the court as a rehabilitation plan or reorganization plan;

ii. Where business revitalization is carried out based on the specific certified dispute resolution procedures prescribed in Article 2, Paragraph 16 of the Industrial Competitiveness Enhancement Act (see Note below):
   Document certifying that said restructuring plan was established in accordance with such procedures

(Note) This shall include cases based on the specified conciliation procedures to which the special rules prescribed in Article 52 of the Industrial Competitiveness Enhancement Act apply when such procedures are implemented.

iii. Where workouts are carried out based on the "Guidelines for Multi-Creditor Out-of-Court Workouts" formulated by the Study Group on Multi-Creditor Out-of-Court Workouts
   A written document in which creditors state that said restructuring plan has been formulated by said Guidelines

iv. Where business revitalization is conducted based on a revitalization support decision by REVIC
   A written document certifying that REVIC has made a purchase decision, etc. pertaining to debt of said listed company

(b) A written document in which the certified public accountant, etc. prescribed in Rule 402, Item 1, Sub-item aj state that said certified public accountant, etc. has examined material items, etc. that are the premise of the management plan for coming out of the state of liabilities in excess of assets within one (1) year (see Note below) as prescribed in the proviso of Rule 601, Paragraph 1, Item 5 of the Regulations or the proviso of Rule 603, Paragraph 1, Item 3 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 4 or Paragraph 5 of the Regulations.

(Note) In the case of conducting matters referenced in Sub-item d., limited to when such period ends on or before the end of a business year that starts within five (5) years from the day of the revitalization support decision by REVIC.

5. Notwithstanding the provisions of Rule 605, the designation of stocks issued by a listed company that is the supported company as Securities Under Supervision shall be conducted as specified in each of the following items

(1) Where stocks issued by a listed company that is the supported company fall under any of the following a. to c., the Exchange may designate said stocks as Securities Under Supervision. In this case, the Exchange, if said stocks fall under Sub-item a., designates as "Securities Under Supervision (examination)", and, if they fall under
Sub-item b. or c., designates as "Securities Under Supervision (confirmation)".

a. Where any of Rule 605, Paragraph 1, Item 12-2, Item 14, Item 15, Item 21-2 or Item 22 is met;
b. Where any of Rule 605, Paragraph 1, Items 1 to 12, Item 13, Items 16 to 21 or Items 23 to 26 is met.

In addition, in the case of Item 7, the phrase "Rule 601, Paragraph 1, Item 5 of the Regulations (including cases where Rule 602, Paragraph 1, Item 1 of the Regulations, or Paragraph 2, Item 3 of the same rule applies) or Rule 603, Paragraph 1, Item 3 or Item 4 of the Regulations (including cases where Rule 604, Paragraph 1, Item 1 of the Regulations, or Paragraph 2, Item 4 of the same rule applies)" shall be "Rule 601, Paragraph 1, Item 5, Rule 603, Paragraph 1, Item 3, or Rule 603, Paragraph 1, Item 4 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 4 or 5."

c. Where a listed company that is the supported company (excluding cases where a purchase decision, etc., for debt obligations of said listed company has been made) has made an announcement or the like that it is falling under the main clause (excluding the parentheses) of Rule 601, Paragraph 1, Item 5 of the Regulations or the main clause (excluding the parentheses) of Rule 603, Paragraph 1, Item 3 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 4 or Paragraph 5 of the Regulations, and said listed company plans to come out of the state of liabilities in excess of assets within one (1) year (see Note below), and, however, where it is not confirmed that REVIC will make a purchase decision, etc. pertaining to debt of said listed company.

(Note) This shall be limited to cases deemed appropriate by the Exchange as prescribed in the main clause of Rule 601, Paragraph 1, Item 5 of the Regulations or the main clause of Rule 603, Paragraph 1, Item 3 of the Regulations, which is applied by replacement reading in Rule 707, Paragraph 4 or Paragraph 5 of the Regulations. In this case, the examination for determining whether a listed company falls under cases deemed appropriate by the Exchange shall be conducted pursuant to the provisions of Rule 601, Paragraph 4, Item 4, Sub-item a., which is applied by replacement reading in the preceding Paragraph.

(2) The period of the designation as Securities Under Supervision in the cases of the preceding Item shall is from the day specified in the following Sub-item a. or b. to a day on which the Exchange determines whether or not it will delist said stocks.

a. In the case of Sub-item a. or b.
The day specified in each Item of Paragraph 3, of Rule 605
b. In the case of Sub-item c.
The day that the Exchange deems necessary

(3) In the case of the preceding item, the Exchange may, if it deems necessary, start the period of designation to Securities Under Supervision at the point of time specified in the following Sub-item a. or b., and terminate the period of designation to Securities Under Supervision at the point of time, which the
Exchange specifies on a case-by-case basis, on the last day of the period of designation to Securities Under Supervision as prescribed in the preceding item.  

- In the case of Item 1, Sub-item a. or b.  
  The point of time specified in each Item of Paragraph 4, Rule 605  
- In the case of Item 1, Sub-item c  
  The point of time that the Exchange specifies on a case-by-case basis.

**Rule 720. Handling of Special Provisions on Formal Requirements for Domestic Companies in view of the Great East Japan Earthquake**

1. With regard to the application of the provisions of Rule 212, Paragraph 7 to an initial listing applicant who is eligible for the application of the provisions of Rule 708 of the Regulations (limited to an applicant who applies for an initial listing on a Main Market), "cases in which the certified public accountant, etc. did not issue … going concern" in Item 2 of said Paragraph 7 shall be "cases in which the certified public accountant, etc. did not issue … going concern as well as cases in which the certified public accountant, etc. issued 'a qualified fair opinion with exceptions' or 'a qualified conclusion with exceptions' due to the Great East Japan Earthquake in an audit report or a quarterly review report".

2. With regard to the application of the provisions of Rule 227, Paragraph 6 to an initial listing applicant who is applicable to the provisions of Rule 708 of the Regulations (limited to an applicant who applies for an initial listing on Mothers), "case in which the certified public accountant, etc. did not issue … going concern" in Item 2 of said Paragraph 6 shall be "cases in which the certified public accountant, etc. did not issue … going concern as well as cases in which the certified public accountant, etc. issued "a qualified fair opinion with exceptions" or "a qualified conclusion with exceptions" due to the Great East Japan Earthquake in an audit report, an interim audit report and a quarterly review report".

Rule 721. Deleted.


The provisions of Rule 311, Paragraph 5 (excluding Item 1, Sub-item c) shall be applied mutatis mutandis to a listed company that is eligible for the application of the provisions of Rule 710 of the Regulations. In this case, "Rule 311, Paragraph 1, Item 5 of the Regulations" in Rule 311, Paragraph 5, Item 1, Sub-items a. and b. as well as Item 2 shall be replaced with "Rule 311, Paragraph 1, Item 5 of the Regulations, which applies by replacing the terms in Rule 710 of the Regulations", and "the proviso of Rule 311, Paragraph 1, Item 5 of the Regulations" in Item 1, Sub-item d. of the same paragraph, shall be replaced with "Rule 311, Paragraph 1, Item 5 of the Regulations, which applies by replacing the terms in Rule 710 of the Regulations".

**Rule 723. Handling of Special Provisions on Delisting Criteria in view of the Great East Japan Earthquake**

1. The provisions of Rule 601, Paragraph 4 (including cases where the provisions shall
be applied mutatis mutandis to Rule 603, Paragraph 3) shall be applied mutatis mutandis to a listed company that is eligible for the application of the provisions of Rule 712, Paragraph 1, or Rule 713, Paragraph 1 of the Regulations. In this case, "Rule 601, Paragraph 1, Item 5" in Rule 601, Paragraph 4 shall be replaced with "Rule 601, Paragraph 1, Item 5 or Rule 603, Paragraph 1, Item 3 of the Regulations, which applies by replacing the terms in Rule 712, Paragraph 1, or Rule 713, Paragraph 1 of the Regulations", and "one (1) year" in Item 3 of the same paragraph, shall be replaced with "two (2) years".

2. With regard to the application of the provisions of Rule 605 to a listed company that is eligible for the application of the provisions of Rule 712, Paragraph 1, or Rule 713, Paragraph 1 of the Regulations, "Rule 601, Paragraph 1, Item 5 of the Regulations (including cases of delisting pursuant to the provisions of Rule 602, Paragraph 1, Item 1, Paragraph 2, Item 3 of the same rule, Rule 604-2, Paragraph 1, item 3, Rule 604-3, Item 2, Rule 604-4, Paragraph 1, Item 2 or Rule 604-5, Item 2 of the Regulations) or Rule 603, Paragraph 1, Item 3 or 4 of the Regulations (including cases of delisting pursuant to Rule 604, Paragraph 1, Item 1 or Paragraph 2, Item 4 of the same rule)" in Paragraph 1, Item 7 of Rule 605 shall be "Rule 601, Paragraph 1, Item 5, or Rule 603, Paragraph 1, Item 3 or Item 4 of the same paragraph of the Regulations, which applies by replacing the terms in Rule 712, Paragraph 1, or Rule 713, Paragraph 1 of the Regulations."

3. Those specified by the Enforcement Rules as prescribed in Rule 712, Paragraph 2 of the Regulations shall mean shares, etc. referred to in each of the following items.

(1) Domestic shares, etc. listed on the main markets of a company whose market capitalization of tradable shares prescribed in Rule 601, Paragraph 1, Item 2, Sub-item b of the Regulations is less than JPY 500 million at the end of the immediately preceding business year of the listed company, which arrives by the end of December 2013 or whose market capitalization prescribed in Item 4, Sub-item a of the same paragraph is less than JPY 1 billion in October, November, or December the same year.

(2) JASDAQ-listed domestic shares whose market capitalization of tradable shares prescribed in Rule 601, Paragraph 1, Item 2, Sub-item b of the Regulations, which is applied by rewording in Rule 604-2, Paragraph 1, Item 3 of the Regulations or Rule 604-4, Paragraph 1, Item 2 of the Regulations, becomes less than JPY 250 million at the end of the immediately preceding business year of the listed company, which arrives by the end of December 2013

4. The time specified by the Enforcement Rules as prescribed in Rule 712, Paragraph 2 of the Regulations means the time specified in each of the following items in accordance with the classification of shares, etc. referred to in each such item.

(1) Shares, etc. referred to in Item 1 of the preceding paragraph

The time when four (4) months elapse since the market capitalization prescribed in Rule 601, Paragraph 1, Item 4, Sub-item a of the Regulations continues to be at least JPY 1 billion for twelve (12) months, and the market capitalization of tradable shares prescribed in Item 2, Sub-item b of the same paragraph reaches at least JPY 500 million at the end of the business year of the listed company, which arrives during such twelve (12) months
(2) Shares referred to in Item 2 of the preceding paragraph
The time when four (4) months elapse since the market capitalization of tradable shares prescribed in Rule 601, Paragraph 1, Item 2, Sub-item b of the Regulations, which is applied by rewording in Rule 604-2, Paragraph 1, Item 3 of the Regulations or Rule 604-4, Paragraph 1, Item 2 of the Regulations, reaches at least JPY 250 million at the end of the business year of the listed company.

5. Those specified by the Enforcement Rules as prescribed in Rule 713, Paragraph 2 of the Regulations means stocks, etc., whose market capitalization of tradable shares prescribed in Rule 603, Paragraph 1, Item 2, Sub-item b is less than JPY 250 million at the end of the immediately preceding business year of the listed company, which arrives by the end of December 2013 or whose market capitalization prescribed in Item 5, Sub-item a of the same paragraph is less than JPY 500 million in October, November, or December 2013.

6. The time specified by the Enforcement Rules as prescribed in Rule 713, Paragraph 2 of the Regulations means the time when four (4) months elapse since the market capitalization prescribed in Rule 603, Paragraph 1, Item 5, Sub-item a of the Regulations continues to be at least JPY 1 billion for twelve (12) months (or at least JPY 500 million for ten (10) years after listing), and the market capitalization of tradable shares prescribed in Item 2, Sub-item b of the same paragraph reaches at least JPY 500 million at the end of the business year of the listed company, which arrives during such twelve (12) months (or at least JPY 250 million for ten (10) years after listing).

7. In applying the provisions of Rule 605 to stocks, etc. to which the provisions of Rule 712, Paragraph 2 of the Regulations or Rule 713, Paragraph 2 of the Regulations, "JPY 500 million" and "JPY 250 million" in Rule 605, Paragraph 1, Item 3 shall be reworded as "JPY 300 million" and "JPY 150" respectively. Moreover, "Rule 601, Paragraph 1, Item 4, Sub-item a. or b. (including cases where Rule 602, Paragraph 1, Item 1 or Paragraph 2, Item 3 of the Regulations applies) or Rule 603, Paragraph 1, Item 5, Sub-item a. or b. of the Regulations (including cases where Rule 604, Paragraph 1, Item 1, or Paragraph 2, Item 4 of the Regulations applies)" in Rule 605, Paragraph 1, Item 6 shall be reworded as "Rule 601, Paragraph 1, Item 4, Sub-item a of the Regulations, which is applied by rewording pursuant to the provisions of Rule 712, Paragraph 2 of the Regulations or Rule 603, Paragraph 1, Item 5, Sub-item a, which is applied by rewording pursuant to the provisions of Rule 713, Paragraph 2."

Rule 724. Special Provisions on Handling of Initial Listing Application pertaining to Japan Post Holdings, Co., Ltd.
The provisions of the proviso in Rule 201, Paragraph 1, Item 1, Sub-item b. shall not apply to Japan Post Holdings, Co., Ltd.

Rule 725. Handling of Special Provisions on Formal Requirements for Domestic Companies in view of the 2016 Kumamoto Earthquake
1. With regard to the application of the provisions of Rule 212, Paragraph 7 (including cases where the provisions shall be applied mutatis mutandis to Rule 313-2, Paragraph 3; the same shall apply hereinafter in this paragraph) to an initial listing applicant for
a Main Market who is eligible for the application (in cases where the provisions shall be applied mutatis mutandis pursuant to Rule 718 of the Regulations, this shall mean an applicant for alteration of a listing market to a Main Market) of the provisions of Rule 716 of the Regulations (including cases where the provisions shall be applied mutatis mutandis to Rule 718), "cases in which the certified public accountant, etc. did not issue … going concern" in Rule 212, Paragraph 7, Item 2 shall be "cases in which the certified public accountant, etc. did not issue … going concern as well as cases in which the certified public accountant, etc. issued 'a qualified fair opinion with exceptions' or 'a qualified conclusion with exceptions' due to the 2016 Kumamoto Earthquake in an audit report or a quarterly review report".

2. With regard to the application of the provisions of Rule 227, Paragraph 6 to an initial listing applicant for Mothers or JASDAQ (in cases where the provisions shall be applied mutatis mutandis to Rule 718, an applicant for alteration of a listing market to a Main Market, or the one to JASDAQ, or a sub-division alteration applicant) on whom the provisions of Rule 716 of the Regulations (including cases where the provisions shall be applied mutatis mutandis to Rule 718 of the Regulations) are applicable, "case in which the certified public accountant, etc. did not issue … going concern" in Item 2 of said Paragraph 6 shall be "cases in which the certified public accountant, etc. did not issue … going concern as well as cases in which the certified public accountant, etc. issued 'a qualified fair opinion with exceptions' or 'a qualified conclusion with exceptions' due to the 2016 Kumamoto Earthquake in an audit report, an interim audit report, or a quarterly review report".

**Rule 726. Handling of Special Provisions on Criteria for Reassignment in view of the 2016 Kumamoto Earthquake**

The provisions of Rule 311, Paragraph 5 (excluding Item 1, Sub-item c) shall be applied mutatis mutandis to a listed company that is eligible for the application of the provisions of Rule 717 of the Regulations. In this case, "Rule 311, Paragraph 1, Item 5 of the Regulations" in Rule 311, Paragraph 5, Item 1, Sub-items a. and b., as well as Item 2, shall be replaced with "Rule 311, Paragraph 1, Item 5 of the Regulations, which applies by replacing the terms in Rule 717 of the Regulations", and "the proviso of Rule 311, Paragraph 1, Item 5 of the Regulations" in Item 1, Sub-item d. of the same paragraph shall be replaced with "Rule 311, Paragraph 1, Item 5 of the Regulations, which applies by replacing the terms in Rule 717 of the Regulations".

**Rule 727. Handling of Special Provisions on Delisting Criteria for Main Markets, Mothers and JASDAQ in view of the 2016 Kumamoto Earthquake**

1. The provisions of Rule 601, Paragraph 4 (including cases where the provisions shall be applied mutatis mutandis to Rule 603, Paragraph 3) shall be applied mutatis mutandis to a listed company that is eligible for the application of the provisions of Rule 719 (including cases where the provisions shall be applied mutatis mutandis to Rule 721, Paragraph 1 of the Regulations) or Rule 720 of the Regulations. In this case, "Rule 601, Paragraph 1, Item 5" in Rule 601, Paragraph 4 shall be replaced with "Rule 601, Paragraph 1, Item 5 or Rule 603, Paragraph 1, Item 3 of the Regulations, which applies by replacing the terms in Rule 719 of the Regulations (including cases where
Rule 801. Format of the Listing Agreement
A "Listing Agreement for a Preferred Stock, etc." predetermined by the Exchange as specified by the Enforcement Rules as prescribed in Rule 802, Paragraph 1 of the Regulations shall be prepared by using Form 2-1 of the appendix.
Rule 802. Handling of Documents to Be Submitted Pertaining to Initial Listing Application, etc.

1. "Documents specified by the Enforcement Rules" as prescribed in Rule 803, Paragraph 2 of the Regulations mean the documents referenced in each of the following items:

   (1) "Securities Report for Initial Listing Application";
   In this case, the securities report for initial listing application shall be prepared in accordance with "Form 2" as prescribed in Article 8, Paragraph 1, Item 1 of the Cabinet Office Ordinance on Disclosure, "Form 2-2" as prescribed in Article 9-3, Paragraph 4 of the same Ordinance, or "Form 2-3" as prescribed in Article 9-4, Paragraph 1 of the same Ordinance;

   (2) "Summary of Earnings Plan, etc." predetermined by the Exchange;

   (3) "Table of Distribution of Preferred Stock, etc." predetermined by the Exchange;

   (4) For an initial listing applicant that did not have a controlling shareholder (limited to initial listing applicants of non-participating preferred stock), in the case where it will have a controlling shareholder after listing preferred stock, etc. pertaining to the initial listing application, a document assuring that it will take measures to protect the interest of minority shareholders in executing transactions, etc. with the controlling shareholder;

   (5) For an issuer of a subsidiary-linked dividend stock, where such subsidiary is a company that will assume the business of such listed company through demerger, etc. of the listed company (limited to where the business assumed from such listed company will be the main business of the initial listing applicant) on or after the day two (2) years prior to the end of the most recent business year, a document concerning financial calculations pertaining to the business to be assumed from the listed company during the period before the assumption within the above stated period;
   In such case, such document shall have a written statement of an opinion given by a certified public accountant or an audit firm concerning the financial numerical values, etc. pursuant to a reasonable procedure; and

   (6) In addition to the documents prescribed in each of the preceding items, documents whose submission that the Exchange request as it deems necessary for listing examination.

2. "Documents specified by the Enforcement Rules" as prescribed in Rule 803, Paragraph 3 of the Regulations mean the documents prescribed in Item 1 of the preceding paragraph.

3. The provisions of Rule 211, Paragraph 4 shall be applied mutatis mutandis to matters concerning the corporate governance specified by the Enforcement Rules as prescribed in Rule 803, Paragraph 5 of the Regulations.

Rule 803. Handling of Formal Requirements for Listing Examination

1. The provisions of Rule 212, Paragraphs 1 and 2 shall be applied mutatis mutandis to the cases in Rule 804, Items 2, Sub-items a. and b. of the Regulations.

2. The provisions of Rule 212, Paragraph 10 shall be applied mutatis mutandis to the cases in Rule 804, Item 2, Sub-item d. of the Regulations.
Rule 804. Handling of Disclosure of Corporate Information
1. The provisions of Rules 401 and 402 shall be applied mutatis mutandis to the criteria prescribed by the Enforcement Rules as those that have an effect of minor significance on investment decision of such listed subsidiary-linked dividend stock as prescribed in Rule 806, Paragraph 4 of the Regulations. The provisions of Rule 407 shall be applied mutatis mutandis to the criteria specified by the Enforcement Rules as matters that have a material impact on investment decisions of such listed subsidiary-linked dividend stock as prescribed in Rule 806, Paragraph 4 of the Regulations. The provisions of Rules 403 and 404 shall be applied mutatis mutandis to the criteria specified by the Enforcement Rules as matters that have an effect of minor significance on investment decisions of such listed subsidiary-linked dividend stock as prescribed in Rule 806, Paragraph 7 of the Regulations.
2. The provisions of Rule 402-2, Paragraph 1 shall be applied mutatis mutandis to the details that should be disclosed pursuant to the provisions of Rule 806, Paragraph 3, Paragraph 4 (limited to cases that fall under Item 1 or Item 2), and Paragraph 7.
3. The provisions of Rule 412 (excluding Items 2 and 3) shall be applied mutatis mutandis to the disclosures on a subject subsidiary pursuant to the provisions of Rule 806, Paragraph 5 of the Regulations.

Rule 805. Handling of the Report Concerning Corporate Governance
The provisions of Rule 415 shall be applied mutatis mutandis to matters specified by the Enforcement Rules as prescribed in Rule 807, Paragraph 2 of the Regulations.

Rule 806. Handling of the Delisting Criteria
1. The provisions of Rule 601, Paragraph 11 shall be applied mutatis mutandis to the cases specified by the Enforcement Rules as prescribed in Rule 808, Paragraph 1, Item 1 of the Regulations.
2. The provisions of Rule 601, Paragraph 1, Items 1 through 3, and Items 5 through 8 of the same paragraph shall be applied mutatis mutandis to the criteria prescribed in Rule 808, Paragraph 2, Item 1 of the Regulations. The provisions of Rule 311, Paragraph 2, Item 1 as applied mutatis mutandis to Rule 601, Paragraph 1, Item 10 by replacing terms shall be applied mutatis mutandis to cases in Rule 808, Paragraph 2, Item 2 of the Regulations.
3. Handling of "trading volume" prescribed in Rule 808, Paragraph 2, Item 4 of the Regulations shall be as prescribed in each of the following items:
   (1) The provisions of Rule 808, Paragraph 2, Item 4 of the Regulations shall not apply to an issue that has been listed for less than one (1) year from listing.
      * In calculating "one (1) year from listing," if the listing day is not the first day of the month due to first day of the month falling on a non-business day, the calculation shall be performed by deeming that listing was made on the first day of such month.
   (2) The average monthly trading volume for each year ending December 31 means the average monthly volume of the total trading volume for such issue in the market for one (1) year counted backward from December 31 of each year.
4. The provisions of Rule 601, Paragraph 3, Items 2 through 5 shall be applied mutatis mutandis to the case in Rule 808, Paragraph 2, Item 5-2 of the Regulations.

5. The provisions of Rule 212, Paragraph 10, and Rule 601, Paragraph 12, Item 2 shall be applied mutatis mutandis to the case in Rule 808, Paragraph 2, Item 7 of the Regulations.

6. The provisions of Rule 601, Paragraph 15 shall be applied mutatis mutandis to the case in Rule 808, Paragraph 2, Item 8 of the Regulations.

**Rule 807. Handling of the Delisting Day**

The delisting day as prescribed in Rule 809 of the Regulations shall, as a general rule, be in accordance with the classifications provided in each of the following items, and as prescribed in the applicable item:

1. An issue that falls under Rule 808, Paragraph 1, Item 1 or any of the items in Paragraph 2 (excluding those prescribed in Items 3, 5-2, and 8 for which the provisions of Rule 601, Paragraph 15, Item 1 are applied mutatis mutandis to Paragraph 6 of the preceding rule);
   - The day when ten (10) days (excluding non-business days) have lapsed from the day after the day when the decision is made by the Exchange to delist such issue; provided, however, that the same shall not apply where the Exchange deems it necessary to delist such issue promptly,

2. An issue that falls under Rule 808, Paragraph 1, Item 2;
   - The same day as the delisting day of the stocks, etc. issued by the issuer of such securities; provided, however, that the same shall not apply where the Exchange deems it necessary to delist such issue promptly,

3. An issue that falls under Rule 808, Paragraph 2, Item 3;
   - The day that is two (2) days (excluding non-business days) prior to the maturity of the remaining period,

4. An issue that falls under the provisions of Rule 601, Paragraph 15, Item 1 as applied mutatis mutandis to Paragraph 6 of the preceding rule, out of those that fall under Rule 808, Paragraph 2, Item 8 of the Regulations;
   - The day that is two (2) days (excluding non-business days) prior to the day on which the acquisition of shares becomes effective,

5. An issue that has been decided to be delisted pursuant to an application prescribed in Rule 608 of the Regulations as applied mutatis mutandis to Rule 826, Paragraph 1 of the Regulations, and an issue that falls under Rule 808, Paragraph 2, Item 5-2 of the Regulations;
   - The day on which one (1) month has lapsed from the day after the day on which the decision is made by the Exchange to delist such issue; provided, however, that the same shall not apply where the Exchange deems it necessary to delist such issue promptly.

**Rule 808. Handling of Designation of Securities Under Supervision**

1. The Exchange may, where a listed preferred stock, etc. falls under any of the following items, designate such listed preferred stock, etc. as a Security Under Supervision as prescribed in Rule 810 of the Regulations. In such instance, if Item 5
is applicable, such preferred stock, etc. shall be designated as a Security Under Supervision (Examination), and others shall be designated as a Security Under Supervision (Confirmation);

(1) Where it cannot be confirmed that the number of holders of one or more unit of preferred stocks, etc. has reached at least 400, or the number of tradable shares has reached at least 2,000 units, or the market capitalization of the tradable shares has reached at least JPY 500 million, by the last day of the grace period prescribed in Rule 601, Paragraph 1, Item 1 of the Regulations as applied mutatis mutandis to Rule 806, Paragraph 2;

(2) Where the ratio of tradable shares against listed preferred stocks, etc. as prescribed in Rule 808, Paragraph 2, Item 2, Sub-item c. of the Regulations is calculated to be less than 5% based on "Table of Distribution of Stocks, etc." etc. prescribed in Rule 601, Paragraph 1, Item 2 as applied mutatis mutandis to Rule 806, Paragraph 2, and the document prescribed in Rule 808, Paragraph 2, Item 2, Sub-item c. of the Regulations have not been submitted;

(3) Where the Exchange deems that Rule 808, Paragraph 2, Item 3 is likely to be applicable;

(3)-2 Where the Exchange deems that Rule 808, Paragraph 2, Item 5-2 is likely to be applicable;

(4) Where the Exchange deems that Rule 808, Paragraph 2, Item 6 is likely to be applicable;

(5) Where the Exchange deems that Rule 808, Paragraph 2, Item 7 is likely to be applicable;

(6) Where the Exchange deems that Rule 808, Paragraph 2, Item 8 is likely to be applicable;

(7) Where the Exchange deems that Rule 808, Paragraph 2, Item 9 is likely to be applicable; or

(8) Where listed stocks with voting rights issued by the issuer of such preferred stocks, etc. has been designated as a Security Under Supervision.

2. The Exchange may designate a listed preferred stock, etc. for which a delisting application is made pursuant to the provisions of Rule 608 of the Regulations as applied mutatis mutandis to Rule 826, Paragraph 1 of the Regulations as a Security Under Supervision. In such instance, it shall be designated as a Security Under Supervision (Confirmation).

3. The period of designation as a Security Under Supervision in cases of the preceding two (2) paragraphs shall be as prescribed in each of the following items:

(1) Where Paragraph 1, Item 1 is applicable, a period from the day after the last day of the grace period as prescribed in Rule 601, Paragraph 1, Item 1 as applied mutatis mutandis to Rule 806, Paragraph 2 until the day when the Exchange determines whether or not Rule 808, Paragraph 2, Item 1, or Item 2, Sub-item a. or b. of the same paragraph of the Regulations is applicable;

(2) Where Paragraph 1, Item 2 is applicable, a period from the day when the Exchange decides it is necessary until the day when it determines whether or not Rule 808, Paragraph 2, Item 2, Sub-item c. of the Regulations is applicable;

(3) Where Paragraph 1, Item 3 is applicable, a period from the day when the
Exchange decides it is necessary until the day when it determines whether or not Rule 808, Paragraph 2, Item 3 of the Regulations is applicable;

(3)-2 Where Paragraph 1, Item 3-2 is applicable, a period from the day when the Exchange decides it is necessary until the day when it determines whether or not Rule 808, Paragraph 2, Item 5-2 of the Regulations is applicable;

(4) Where Paragraph 1, Item 4 is applicable, a period from the day when the Exchange decides it is necessary until the day when it determines whether or not Rule 808, Paragraph 2, Item 6 of the Regulations is applicable;

(5) Where Paragraph 1, Item 5 is applicable, a period from the day when the Exchange decides it is necessary until the day when it determines whether or not Rule 808, Paragraph 2, Item 7 of the Regulations is applicable;

(6) Where Paragraph 1, Item 6 is applicable, a period from the day when the Exchange decides it is necessary until the day when it determines whether or not Rule 808, Paragraph 2, Item 8 of the Regulations is applicable;

(7) Where Paragraph 1, Item 7 is applicable, a period from the day when the Exchange decides it is necessary until the day when it determines whether or not Rule 808, Paragraph 2, Item 9 of the Regulations is applicable; provided, however, if it is more than one (1) year after the day when the Exchange decides it is necessary, it shall be until the day on or after one (1) year has lapsed since such day as prescribed by the Exchange on a case-by-case basis;

(8) Where Paragraph 1, Item 8 is applicable, the same as the period for which the listed stock with voting rights issued by the issuer of the listed preferred stocks, etc. is designated as a Security Under Supervision; or

(9) Where a delisting application as prescribed in the preceding paragraph is made, a period from the day of the delisting application until the day when the Exchange decides whether or not such listed preferred stock, etc. shall be delisted.

4. In the case of the preceding paragraph (excluding Item 1), where the Exchange deems necessary, the commencement of the period of designation as a Security Under Supervision shall be as prescribed by the Exchange on a case-by-case basis. The end of the period of designation as a Security Under Supervision shall be at the time prescribed by the Exchange on the day prescribed as the last day of the period of designation as a Security Under Supervision in each of the items of the same paragraph.

Rule 809. Handling of Designation of Securities to Be Delisted

The Exchange may, where a listed preferred stock, etc. falls under any of the Items in Rule 808, Paragraph 1 of the Regulations (excluding a dissolution as a result of merger as prescribed in Rule 601, Paragraph 7, Item 2, Sub-item a., or becoming a wholly-owned subsidiary through stock swap or transfer of stocks as prescribed in Rule 601, Paragraph 13, Item 1, and the preferred stock, etc. to be delivered in exchange of a listed stock is likely to be listed promptly) or Rule 808, Paragraph 2, Items 1, 2, 4 through 8, or 9 of the Regulations; or an application prescribed in Rule 608 of the Regulations as applied mutatis mutandis to Rule 826, Paragraph 1 is made and delisting has been decided, pursuant to the provisions of Rule 811 of the Regulations, designate such preferred stock,
etc. as a Security to Be Delisted, for the period from the day when the Exchange decides to delist the preferred stock, etc. until the day prior to the delisting day.

**Rule 810. Handling of Fees Relating to Listing of Preferred Stocks, etc., Issued by Company Listed on the Main Market or Mothers**

1. The listing examination fee, initial listing fee, additional listing fee, annual listing fee, and other fees related to listing as prescribed in Rule 812 of the Regulations (limited to cases where the listed company that issues preferred stocks, etc. is a company listed on the Main Market or Mothers) shall be in accordance with the classifications of the fees provided in each of the following items, and as prescribed in the applicable item:

   (1) **Listing Examination Fee**
   An issuer that makes an initial listing application for a preferred stock without participation rights (limited to cases where such issuer is a company listed on the Main Market or Mothers) shall pay JPY 2 million (for initial listing application for Mothers, JPY 1 million) as the listing examination fee, by the end of the month following the month of the initial listing application day.

   (2) **Initial Listing Fee**
   An issuer that makes an initial listing application for a preferred stock, etc. (limited to cases where such issuer is a company listed on the Main Market or Mothers) shall pay 4.5/10,000 of the amount calculated by multiplying the issue price per stock by the number of listed stocks as the initial listing fee, by the end of the month following the month of the listing day of such stock (or, where an initial listing application is made pursuant to the provisions of Rule 801, Paragraph 2 of the Regulations, on or after such date and immediately after incorporation).

   (3) **Additional Listing Fee**
   a. An issuer of a listed preferred stock, etc. (limited to cases where such issuer is a company listed on the Main Market or Mothers; the same shall apply in this rule) shall pay, as a fee pertaining to the preferred stock, etc. to be newly issued, 4.5/10,000 of the amount calculated by multiplying the issue price per stock by the number of preferred stocks, etc. to be newly issued, by the end of the month following the month of the listing day of the preferred stock, etc. to be newly issued.

   b. The provisions of Rule 711, Paragraph 3 shall be applied mutatis mutandis to the issue price per stock as prescribed in Sub-item a. above.

   (4) **Annual Listing Fee**
   a. An issuer of listed preferred stock, etc. shall pay, as an annual listing fee for one (1) year from April to March of the following year, in accordance with the classifications provided in Sub-items (a) through (f) below, the amount prescribed in the relevant sub-item:

      (a) Where the listed market capitalization is JPY 5 billion or less: JPY 600,000
      (b) Where the listed market capitalization is more than JPY 5 billion but JPY 25 billion or less: JPY 780,000
      (c) Where the listed market capitalization is more than JPY 25 billion, but
Rule 810-2. Handling of Fees Relating to Listing of Preferred Stocks, etc. Issued by Company Listed on JASDAQ

1. The listing examination fee, initial listing fee, annual listing fee, and other fees related to listing as prescribed in Rule 812 of the Regulations (limited to cases where the listed company that issues preferred stocks, etc. is a company listed on JASDAQ) shall be as provided in each of the following items in accordance with the classification of the fees referred to in such items:

(1) Listing Examination Fee
An issuer that makes an initial listing application for a preferred stock, etc. (limited to cases where such issuer is a company listed on JASDAQ; the same shall apply in the following item) shall pay JPY 2 million as the listing examination fee by the end of the month following the month of the initial listing application.

(2) Initial Listing Fee
An issuer that makes an initial listing application for a preferred stock, etc. shall pay JPY 2 million as the initial listing fee by the end of the month following the month of the initial listing.

(3) Annual Listing Fee
As prescribed in Sub-items a. through c. below:

a. An issuer of listed preferred stock, etc. (limited to cases where such issuer is a company listed on JASDAQ) shall pay the amount specified in the following (a) through (f) as annual listing fees for one (1) year from April to March of the following year, in accordance with the classification referred to in such (a) through (f):

(a) Where the number of listed shares, etc. is less than 10,000 Share Units: JPY 720,000,
(b) Where the number of listed shares, etc. is 10,000 Share Units or more but less than 30,000 Share Units: JPY 840,000
(c) Where the number of listed shares, etc. is 30,000 Share Units or more but less than 50,000 Share Units: JPY 960,000
(d) Where the number of listed shares, etc. is 50,000 Share Units or more but less than 70,000 Share Units: JPY 1,080,000
(e) Where the number of listed shares, etc. is 70,000 Share Units or more but less than 90,000 Share Units: JPY 1,200,000
(f) Where the number of listed shares, etc. is 90,000 Share Units or more; JPY 1,320,000

b. The number of listed shares, etc. used to calculate annual listing fees shall be the number of listed shares, etc. at the end of December of every year.
c. The provisions of Rule 709-2, Paragraph 1 shall be applied mutatis mutandis to the payment date, and the provisions of Paragraphs 3 to 7 of the same rule and rule 709-3 shall be applied mutatis mutandis to annual listed fees at the time of initial listing and delisting.

2. The provisions of Rule 715 shall be applied mutatis mutandis to payment of fees pursuant to the provisions of the preceding paragraph.

Chapter 2
Senior Securities

Rule 811. Definitions of the Subject Parent Corporation
"Entity prescribed by the Enforcement Rules" as prescribed in Rule 813, Paragraph 1 of the Regulations means a listed company that substantially holds all beneficiary certificates with voting rights issued by the issuer of such senior securities.

Rule 812. Form of the Listing Agreement
"Listing Agreement for a Senior Security" predetermined by the Exchange as specified by the Enforcement Rules as prescribed in Rule 814, Paragraph 1 of the Regulations shall be as specified by Form 2-2 of the attachment.

Rule 813. Handling of Documents to Be Submitted Pertaining to Initial Listing Application, etc.
1. "Documents specified by the Enforcement Rules" as prescribed in Rule 815, Paragraph 2 of the Regulations mean the documents prescribed in each of the following items:
   (1) "Table of Senior Securities Distribution" in a form predetermined by the Exchange;
   (2) A trust deed of the issuer of such senior security, or documents similar thereto;
   (3) A written document stating the details of guarantee by the listed company pertaining to the profit distribution payment, redemption payment, and payment at liquidation pertaining to such senior security;
   (4) A copy of the minutes of the meeting of the board of directors of the subject
parent company, which resolved the establishment of the issuer of the senior security, the issuance of the senior security, and guarantee as prescribed in the preceding item (see Note below) and other documents proving that required procedures concerning these matters have been implemented;

(Note) This shall include a document certifying that such decision was made by a director, if the initial listing applicant is a company with audit and supervisory committee, or a document certifying that such decision was made by an executive officer, if the initial listing applicant is a company with nominating committee, etc.

(5) A document proving that the agent as prescribed in Rule 820 of the Regulations have been selected, or that an informal consent of undertaking have been received from such agent;

(6) Where the subject parent company is to establish a subsidiary corporation other than the issuer of the senior security for the purpose of issuance of the senior security, the documents prescribed in Items 2 through 4 pertaining to such subsidiary corporation; and

(7) In addition to the documents prescribed in each of the preceding items, documents that the Exchange request submission of, as deemed necessary for listing examination.

2. Documents specified by the Enforcement Rules as prescribed in Rule 815, Paragraph 3 of the Regulations mean the documents prescribed in Item 2 of the preceding paragraph.

Rule 814. Handling of Formal Requirements of Listing Examination
1. The provisions of Rule 212, Paragraphs 1 and 2 shall be applied mutatis mutandis to cases in Rule 816, Items 1, Sub-items a. and b. of the Regulations.

2. The provisions of Rule 213, Paragraphs 1 and 2 shall be applied mutatis mutandis to cases in Rule 816, Item 1, Sub-item c. of the Regulations.

Rule 815. Handling of Ensuring Appropriate Shareholder Services and Profit Distribution Payment Works
1. "Shareholder services specified by the Enforcement Rules" as prescribed in Rule 818 of the Regulations mean the notices prescribed in each of the following items; provided, however, that the same shall not apply where a listed foreign company that is the subject parent corporation of the listed senior security does not make such notices:

   (1) A notice pertaining to the alteration of profit distribution payment, redemption payment, or trust deed (excluding those deemed to be matters of minor significance), cancellation and other measures taken by the issuer of the senior security concerning the rights or benefits of the beneficial shareholders of a foreign stock;

   (2) A notice of management report; and

   (3) A notice of statement of operations. In such instance, the report may, as prescribed by the Exchange, be prepared in summary or substituted by another document.
2. Among the shareholder services prescribed in the preceding paragraph, various notices to the beneficial shareholders of a foreign stock, etc. shall be made in Japanese language.

3. Various notices prescribed in Paragraph 1 may be made, subject to approval by the Exchange, by public notice in Japan (in accordance with the public notice made by an issuer of a listed domestic stock), available at an institution handling the shareholder services, etc., or through other methods prescribed by the Exchange.

Rule 816. Handling of Written Confirmation Regarding the Appropriateness and Accuracy of Securities Reports, etc.

1. Documents prescribed in Rule 819 of the Regulations must have the signature of the representative of the issuer of listed senior securities.

2. When stating the reason as prescribed in Rule 819 of the Regulations, details stated shall be those confirmed by the representative of the issuer of the listed senior securities for preparation of a securities report or an interim report.

Rule 817. Handling of the Delisting Criteria

1. The provisions of Rule 601, Paragraph 1, Items 1 through 3, and Items 5 through 8 of the same paragraph shall be applied mutatis mutandis to the criteria prescribed in Rule 821, Paragraph 2, Item 1 of the Regulations. The provisions of Rule 311, Paragraph 2, Item 1, as applied mutatis mutandis by replacing terms to Rule 601, Paragraph 1, Item 10, shall be applied mutatis mutandis to cases in Rule 821, Paragraph 2, Item 2 of the Regulations.

2. The provisions of Rule 213, Paragraphs 1 and 2, and Rule 601, Paragraph 12, Item 2, shall be applied mutatis mutandis to cases falling under Rule 821, Paragraph 2, Item 5 of the Regulations.

Rule 818. Handling of the Delisting Day

The delisting day as prescribed in Rule 822 of the Regulations shall, as a general rule, be in accordance with the classifications provided in each of the following items, and as prescribed in the applicable item:

(1) A security that falls under any of the items (excluding Item 2) of Rule 821 of the Regulations, or any of the Items (excluding Item 3) of Paragraph 2 of the same rule:

   The day when ten (10) days (excluding non-business days) have lapsed from the day after the day when the decision is made by the Exchange to delist such security; provided, however, that the same shall not apply where the Exchange deems it necessary to delist such security promptly,

(2) A security that falls under Rule 821, Paragraph 1, Item 2:

   The same day as the delisting day of the stocks, etc. issued by such issuer of the security; provided, however, that the same shall not apply where the Exchange deems it necessary to delist such security promptly.

(3) A security that falls under Rule 821, Paragraph 2, Item 3:

   Anniversary date one (1) month prior to the redemption date (where no anniversary date exists, the end of the month; and where the anniversary date
Rule 819. Handling of Designation of Securities Under Supervision

1. The Exchange may, where a listed senior security falls under any of the following items, designate such listed senior security as a Security Under Supervision as prescribed in Rule 823 of the Regulations. In such instance, if Item 5 is applicable, such security shall be designated as a Security Under Supervision (Examination), and others shall be designated as a Security Under Supervision (Confirmation):
   (1) Where a domestic stock or foreign stock, etc. issued by the listed company pertaining to such senior securities has been designated as a Security Under Supervision;
   (2) Where the Exchange deems that a resolution or decision by the issuer of the listed senior security may fall under the first sentence of Rule 601, Paragraph 1, Item 7 of the Regulations;
   (3) Where the Exchange deems that Rule 821, Paragraph 2, Item 4 is likely to be applicable;
   (4) Where the issuer of the listed senior securities adopts a resolution of the board of directors or a decision by a similar institution concerning restriction on transfer of a senior security falling under Rule 821, Paragraph 2, Item 5 of the Regulations; or
   (5) Where the Exchange deems that Rule 821, Paragraph 2, Item 6 (excluding wrongful issuance of senior securities) is likely to be applicable.

2. The Exchange may designate a listed senior security that is subject to a delisting application pursuant to the provisions of Rule 608 of the Regulations as applied mutatis mutandis to Rule 826, Paragraph 1 of the Regulations as a Security Under Supervision. In such instance, it shall be designated as a Security Under Supervision (Confirmation).

3. The period of designation as a Security Under Supervision in cases of the preceding two (2) paragraphs shall be as prescribed in each of the following items:
   (1) Where Paragraph 1, Item 1 is applicable, the same as the period for which the domestic stock or foreign stock, etc. issued by the listed company pertaining to the listed senior security is designated as a Security Under Supervision;
   (2) Where Paragraph 1, Item 2 is applicable, a period from one (1) day after the day when the Exchange receives a written report from the issuer of the listed senior security until the day when the Exchange determines whether or not such issuer falls under the first sentence of Rule 601, Paragraph 1, Item 7;
   (3) Where Paragraph 1, Item 3 is applicable, a period from the day when the Exchange decides it is necessary until the day when it determines whether or
not Rule 821, Paragraph 2, Item 4 of the Regulations is applicable;

(4) Where Paragraph 1, Item 4 is applicable, a period from one (1) day after the day when the Exchange receives a written report from the issuer of the listed senior security until the day when the Exchange determines whether or not such issuer falls under Rule 821, Paragraph 2, Item 5;

(5) Where Paragraph 1, Item 5 is applicable, a period from the day when the Exchange decides necessary until the day when it determines whether or not Rule 821, Paragraph 2, Item 6 of the Regulations is applicable; provided, however, if it is more than one (1) year after the day when the Exchange decides necessary, it shall be from such day until the day on or after one (1) year has lapsed since such day as specified by the Exchange on a case-by-case basis; or

(6) Where a delisting application as prescribed in the preceding paragraph is made, a period from the day of the delisting application until the day when the Exchange decides whether or not such listed senior security shall be delisted.

4. In cases of the preceding paragraph, where the Exchange deems necessary, the period of designation as a Security Under Supervision shall commence from the time prescribed in each of the following items, pursuant to the classifications prescribed in such items. The end of the period of designation as a Security Under Supervision may be the time prescribed by the Exchange on a case-by-case basis on the day prescribed as the last day of the period of designation as a Security Under Supervision in each item of the same paragraph:

(1) In the case prescribed in Items 2 or 4 of the preceding paragraph:
   The time prescribed by the Exchange on a case-by-case basis on the day when such written report is received.

(2) In the case prescribed in Items 1, 3, 5, or 6 of the preceding paragraph:
   The time prescribed by the Exchange on a case-by-case basis.

Rule 820. Handling of Designation of Securities to Be Delisted
The Exchange may, where a listed senior security falls under any of the Items in Rule 821, Paragraphs 1 or 2 of the Regulations; or an application prescribed in Rule 608 of the Regulations as applied mutatis mutandis to Rule 826, Paragraph 1 has been made and delisting has been decided, pursuant to the provisions of Rule 824 of the Regulations, designate such senior security as a Security to Be Delisted for the period between the day when the Exchange decides to delist the senior security until the day prior to the delisting day.

Rule 821. Handling of Fees Relating to Listing
1. The initial listing fee, annual listing fee, and other fees related to listing as prescribed in Rule 825 of the Regulations shall be in accordance with the classifications of the fees provided in each of the following items, and as prescribed in the applicable item:

   (1) Initial Listing Fee
   A subject parent corporation that makes an initial listing application for senior securities shall pay 9/10,000 of the amount calculated by multiplying the issue price per senior security by the number of listed senior securities as the initial listing fee by the end of the month following the month of the listing day of
such security (where an initial listing application is made pursuant to the provisions of Rule 813, Paragraph 2 of the Regulations, on or after such date and immediately after incorporation).

(2) Annual Listing Fee

a. A subject parent corporation of listed senior securities shall pay, as an annual listing fee for one (1) year from April to March of the following year, in accordance with the classifications provided in Sub-items (a) through (f) below, the amount prescribed in the relevant sub-item:

(a) Where the listed market capitalization is JPY 5 billion or less: JPY 600,000

(b) Where the listed market capitalization is over JPY 5 billion but JPY 25 billion or less: JPY 780,000

(c) Where the listed market capitalization is over JPY 25 billion, but JPY 50 billion or less: JPY 1,140,000

(d) Where the listed market capitalization is over JPY 50 billion, but JPY 250 billion or less: JPY 1,500,000

(e) Where the listed market capitalization is over JPY 250 billion, but JPY 500 billion or less: JPY 1,860,000

(f) Where the listed market capitalization is over JPY 500 billion: JPY 2,220,000

b. The provisions of Rule 709, Paragraph 1 shall be applied mutatis mutandis to the payment date. The provisions of Paragraph 3 of the same rule shall be applied mutatis mutandis to the calculation of listed market capitalization. The provisions of Paragraphs 4 through 9 of the same rule and Rule 709-3 shall be applied mutatis mutandis to the annual listing fee in the case of initial listing or delisting.

2. The provisions of Rule 715 shall be applied mutatis mutandis to payment of fees pursuant to the provisions of the preceding paragraph.

Chapter 3
Miscellaneous Provisions

Rule 822. Handling of Provisions Applied Mutatis Mutandis

1. The provisions of Rule 302, Item 1 shall be applied mutatis mutandis to the details of listing application as prescribed in Rule 301, Paragraph 2 of the Regulations as applied mutatis mutandis in Rule 826, Paragraph 1 of the Regulations; and the provisions of Rule 308, Items 1 and 2 shall be applied mutatis mutandis to the handling of the alteration listing application as prescribed in Rule 306, Paragraph 1 as applied mutatis mutandis in Rule 826, Paragraph 1 of the Regulations.

2. The provisions of Rule 303 shall apply to those specified by the Enforcement Rules as prescribed in Rule 302, Item 1 of the Regulations as applied mutatis mutandis to Rule 826, Paragraph 2 of the Regulations; the provisions of Rule 304 shall apply to the criteria prescribed by the Enforcement Rules as prescribed in Rule 302, Item 2 of the Regulations as applied mutatis mutandis to Rule 826, Paragraph 2 of the Regulations.
regulations; and the provisions of Rule 305, Item 1 shall apply to the criteria provided by the Enforcement Rules prescribed in Rule 303 of the Regulations as applied mutatis mutandis to Rule 826, Paragraph 2 of the Regulations. In such instance, the term "Rule 205, Items 8 through 11 of the Regulations" prescribed in Rule 305, Item 1 shall be deemed to be replaced with "Rule 804, Items 2, Sub-items c. and d. of the Regulations"; and the term "where the Exchange determined that the rights of shareholders and exercise thereof prescribed in Rule 601, Paragraph 1, Item 17 of the Regulations were unduly restricted and…Rule 601, Paragraph 1, Items 19 and 20" shall be deemed to be replaced with "Rule 808, Paragraph 2, Item 9 of the Regulations."

3. The amount of the listing agreement violation penalty prescribed in Rule 509, Paragraph 2 of the Regulations that is applied mutatis mutandis in Rule 826, Paragraph 4 of the Regulations shall be JPY 10 million.