

**Measures to increase market reliability**

**(1) Measures to increase the reliability of financial statements**

- ◎Require audit by Listed Company Audit Firm
- Request the Japanese Institute of Certified Public Accountants (JICPA) to further enrich the Registration System for Listed Company Audit Firms, etc. and its appropriate operation

**(2) Strengthen collaboration, etc. with market-related parties to enhance the effectiveness of listing examination**

- ◎Diversification of information sources on applicants for initial listing
- Request lead managing securities companies, accounting auditors, and finance bureaus to share information and collaborate a response
- Request lead managing securities companies to report the content of underwriting examinations
- Utilize external professionals and research institutions
- Obtain and utilize insider whistle-blowing information
- Exchange information on cases of false statements, etc. in Securities Reports

**(3) Measures to clarify the market concept**

- ◎Review delisting criteria for issues that have been listed for a long time and newly establish a process to check suitability for the market concept

**Measures to stimulate secondary market**

**(1) Efforts aimed at increasing analyst coverage**

- Implement efforts aimed at increasing analyst coverage

**(2) IR support for new companies in the market**

- Hold combined IR events for Mothers-listed companies targeting analysts and institutional investors
- Provide support for utilizing IR advisory services

**Measures to stimulate new listings**

**(1) Introduce listing examination methods in line with the market concept**

- ◎Clarify that good business performance forecasts immediately after listing is not required. Change the evaluation method to one where TSE evaluates the possibility of achieving business plans from a long-term perspective

**(2) Measures, etc. to enhance the efficiency of the listing examination process**

- ◎Review submission deadline of written recommendation by lead managing securities companies
- ◎Set a standard listing examination period (2 months)
- Review and reorganize listing examination process
- Advance provision of listing examination schedule
- Explain clearly in writing the reasons, etc. for not granting a listing
- Review and reorganize the scope that should be checked for examination and handling with regard to involvement, etc. with anti-social forces

**(3) Improve conditions by implementing retroactive audits**

- Consider necessary review of the listing rules in light of future discussions by market-related parties
- Request JICPA to prepare systems and frameworks with regard to retroactive audits

**(4) Enhance listing support for unlisted venture corporations**

- Hold events aimed at providing unlisted venture corporations and market-related parties with opportunities to interact

Meaning of symbols:

- ◎: Measures requiring revision of listing rules (for details, refer to outline of rules)
- : Measures not requiring revision of listing rules