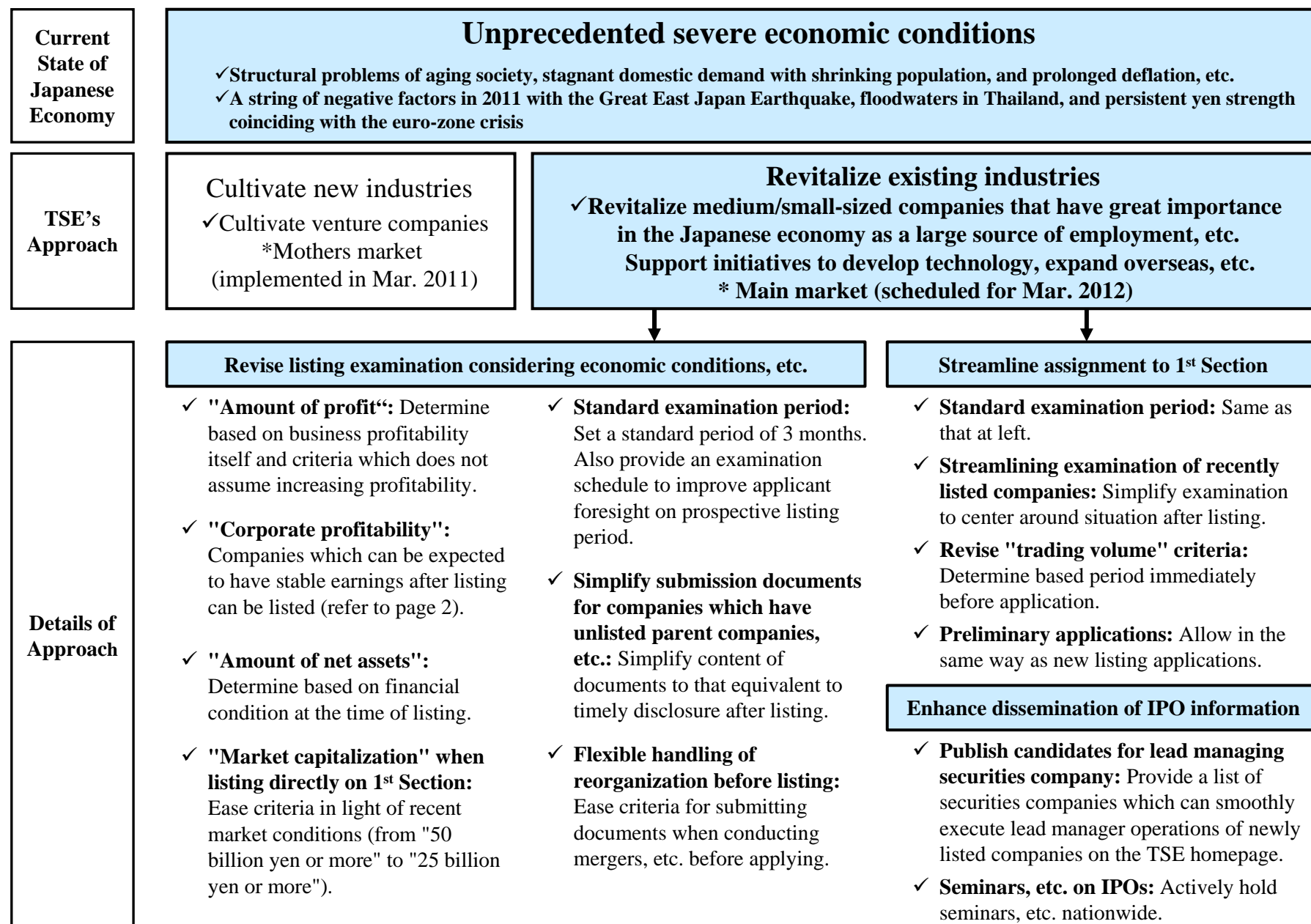


Summary of Initiatives to Invigorate IPOs by Medium/Small-Sized Companies



Reference: Revisions to Listing Examination regarding Corporate Profitability

	Item		Before	After	Remarks
1. "Amount of profits or market capitalization" (Formal requirements)	Amount of profits	Type of profit	Ordinary profit and net income before taxes	Ordinary profit	Allows companies which could not meet the criteria due to extraordinary loss arising from an accidental event to be eligible for qualitative examination.
		Period and level	Satisfy any of the following: - 100 million yen or more with respect to the first year (of the last two (2) years) and 400 million yen or more with respect to the most recent year; or - 100 million yen or more with respect to the first year (of the last three (3) years), 400 million yen or more with respect to the most recent year, and the total amount of profits in the last three (3) years shall be 600 million yen or more	Total amount of 500 million yen or more in the last two (2) years	Allows companies which could not meet the criteria due to short-term deterioration in business performance to be eligible for qualitative examination.
	Market capitalization * Special measures for cases where amount of profits cannot be met		100 billion yen or more	50 billion yen or more	Reflects recent market conditions.
2. "Corporate continuity and profitability" (Qualitative examination)	Outlook on profit/loss and revenue/expenditure		Check that outlook is good before and after listing * Downward trend is not acceptable.	Check that the company can have stable earnings after listing * Downward trend is also acceptable.	Aimed at listing companies that can have stable earnings without over-emphasis on short-term business performance.