

Development of Rules in Connection with the 2014 Amendments to the Companies Act

January 30, 2015

Tokyo Stock Exchange, Inc.

I. Purpose

Tokyo Stock Exchange, Inc. (hereinafter referred to as "TSE") will make necessary revisions to its rules, including those on matters requiring timely disclosure, in response to the Act for Partial Amendment of the Companies Act (Act No. 90 of 2014; hereinafter referred to as "the Companies Act Amendment"), which will establish rules on special controlling shareholder's requests for sale of shares, etc. and partially relax the independence requirements for outside directors/auditors, among other amendments.

II. Outline

Item	Content	Remarks
1. Development of Rules in Connection with Establishment of Rules on Special Controlling Shareholder's Request for Sale of Shares, etc. (1) Additional Matters Requiring Timely	- Timely disclosure on a special controlling shareholder's request for sale of shares, etc. shall be	

Item	Content	Remarks
Independent Director/Auditor	listed company or its subsidiary, he/she may be designated as an independent director/auditor. When making such designation, the listed company shall be required to disclose such fact and a summary of such relationship.	auditor, of persons that fall into the new category recognized by the Companies Act Amendment as outside. - The Companies Act Amendment recognizes that persons who have left a listed company for more than ten (10) years will have an insubstantial relationship with the listed company as outside persons, and, thus, can be expected to be effective outside directors/auditors. In line with such amendment, such persons will also be recognized as independent in the TSE rules. In such case, however, depending on the circumstances, investors may raise questions regarding the independence of someone who formerly held a post at the listed company or its subsidiary.

Item	Content	Remarks
		<p>As such, for the purpose of facilitating investment decisions, such fact and a summary shall be disclosed even if more than ten (10) years have elapsed.</p> <ul style="list-style-type: none">- The "Japan's Corporate Governance Code (Exposure Draft)," released by the Council of Experts Concerning the Corporate Governance Code on Dec. 17, 2014 (joint secretariats TSE and the Financial Services Agency), contains a recommendation that, with respect to the independence criteria and related disclosure requirements established by securities exchanges, the Council expects securities exchanges to undertake appropriate reviews as necessary while taking into account future developments. The review in response to the recommendation will be conducted

(Provisional Reference Translation)

Item	Content	Remarks
		separately.
3. Other	- TSE shall make other necessary revisions.	- Other revisions will be made, such as including an audit, etc. committee in addition to the existing list of organs that a listed company should establish, which include a board of auditors and nomination committee.

III. Implementation Date (Scheduled)

These revisions will be implemented from the day on which the Companies Act Amendment comes into effect.