Cross-Border Listings Guide - Tokyo Stock Exchange

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# Quick Summary

## Initial financial listing requirements

[Last updated: 1 January 2024, unless otherwise noted]

*Prime Market*

The company's expected aggregate market capitalization as of the listing day must be at least ¥25 billion (approx. US$177.50 million) for a listing on the Prime Market. The company's net assets (shareholders' equity) must be at least ¥5 billion (approx. US$35.50 million). In addition, the company must meet either of the following:

*Profit for the two most recent years*. The total amount of profits in the last two years must be at least ¥5 billion (approximately US$17.75 million).

*Market capitalization and sales*. The market capitalization of at least ¥100 billion (approx. US$710.00 million), with sales of ¥10 billion (approx. US$71.00 million) or more in the most recent year.

*Standard Market*

The company's net assets (shareholders' equity) must be larger than zero. In addition, the total amount of profits in the last one year must be at least ¥100 million (approximately US$0.71 million).

## Other initial listing requirements

[Last updated: 1 January 2024, unless otherwise noted]

*Operating history.* A company is required to have continuously carried out its business for three full fiscal years before the listing application.

*Ownership.* A company seeking a primary listing must have by the time of listing at least:

800 or more shareholders worldwide, in the case of a listing on the Prime Market.

400 or more shareholders worldwide, in the case of a listing on the Standard Market.

*Accounting standards*. Financial information must be prepared under Japanese GAAP or (in certain cases) other GAAP that Japan's Financial Services Agency may deem permissible.

*Financial statements*. In order to be listed:

A "false statement" must not have made in any financial statements for the last two years or in the latest quarterly financial statements.

A CPA must have opined that the financial statements represented the company's financial position (i) "fairly," on "unqualified terms" or "fairly" albeit on "qualified terms" in an audit report attached to the financial statements for the next-to-last full business year; and (ii) "fairly," on "unqualified terms" in an audit report attached to the financial statements for the most recent full business year.

[Link to Table](https://resourcehub.bakermckenzie.com/en/-/media/crossborder-listings-handbook/files/2024-update-10th-edition/tokyo-stock-exchange---other-requirements-for-listing.pdf?sc_lang=en)

## Listing process

[Last updated: 1 January 2024 unless otherwise noted]

[Link to Timetable](https://resourcehub.bakermckenzie.com/en/-/media/crossborder-listings-handbook/files/2024-update-10th-edition/tokyo---listing-process.pdf?sc_lang=en)

## Corporate governance and reporting

[Last updated: 1 January 2024, unless otherwise noted]

*Sound corporate management*. The foreign company and its related companies must not be making transactions with interested persons, related companies or other entities under conditions clearly advantageous and/or disadvantageous to the applicant company. In addition, when the applicant company has a parent company, the applicant must be shown to be independent from its parent.

*Effective corporate governance and internal control system*. The company must have an internal control system for a board member to adequately execute his or her duties and for the company to effectively conduct its business activity, which is appropriately secured and operated. The accounting system that the applicant company and its related companies employ is recognized as appropriate for investor protection.

*Corporate governance report*. The company must submit a report concerning corporate governance. TSE will make this information available for public inspection before and after listing.

*Facilitating the exercise of voting rights*. The company must send to each beneficial holder of foreign shares, two weeks prior to the general shareholders' meeting:

An instruction sheet (for the beneficial holder's use in providing voting instructions).

A reference document that explains how the beneficial holder can provide voting instructions.

## Fees

[Last updated: 1 January 2024, unless otherwise noted]

Initial listing and listing examination fees range from an aggregate of ¥4.5 million (plus an additional fee) for a secondary listing to ¥19 million for a primary listing (approx. US$31,950 to US$134,900). If the TSE Prime Market is the company's main market, the annual listing fee ranges from ¥960,000 to ¥4,560,000 (approx. US$6,816 to US$32,376). If the company's main market is not the TSE, the annual listing fee ranges from ¥120,000 to ¥840,000 (approx. US$852 to US$5,964). If the TSE is the main market, a public offering fee/additional listing fee and TD-net user fee are also charged.

# Overview of exchange

## Overview of exchange

[Last updated: 1 January 2024, unless otherwise noted]

The Tokyo Stock Exchange (commonly referred to as the TSE) has five markets:

The Prime Market.

The Standard Market.

The Growth Market.

The TOKYO PRO Market.

The TOKYO PRO-BOND Market.

Prior to the market restructuring, which became effective on 4 April 2022, the TSE had four market divisions, namely, "First Section", "Second Section", "Mothers" and "JASDAQ". These market segments have been reorganized into "Prime Market", "Standard Market" and "Growth Market". There has been no change to "TOKYO PRO Market" and "TOKYO PRO-BOND Market" as a result of this market restructuring. This market restructuring was conducted for the following reasons: (i) the concept of each market segment was vague and not convenient for many investors, and (ii) the criteria for transferring to the First Section from the other market segments were less strict than the criteria for initial listing on the First Section, and thus the system did not encourage active enhancement of corporate value after listing.

The TOKYO PRO-BOND Market was established in 2011 as a new debt securities market for professional investors. Market participants in the TOKYO PRO-BOND Market are limited to "specified investors," which include non-Japanese residents. The term "specified investors" also includes: (i) Japanese banks, insurance companies and other qualified institutional investors; (ii) listed companies; (iii) joint-stock corporations with at least ¥500 million (approximately US$3.55 million) in capital; and other approved corporations, together with approved individuals.

To be listed on the TOKYO PRO-BOND Market, the securities must be designed as transferrable only among the eligible market participants. For that purpose, certain transfer restriction agreements must be incorporated in the bonds or the transaction documents. TOKYO PRO-BOND Market would be convenient for cross-border issuers in the following respects:

The listing procedure is simple and could be completed in a relatively short time.

Japanese language disclosure documents are not required and English disclosure documents may be used.

After the offering, continuous disclosure requirements (the filing of annual and semi-annual securities reports) are largely exempted. Only a limited simple disclosure under the listing regulations of the TSE is required.

EDINET disclosure (filing for public viewing) and printing and distribution of hardcopy prospectus is not required.

As of the end of December 2023, the aggregate market capitalization of listed securities on the TSE was ¥867,406 billion (approximately US$6.16 trillion). This represents an increase of 15.2% since December 2021, when an aggregate market capitalization stood at ¥753,020 billion (approximately US$5.35 trillion).

Each of the Prime Market, Standard Market and Growth Market is for domestic and foreign-listed companies, and companies from all industry sectors may be listed. None of these markets specializes in or encourages listings by particular types of companies. The TSE does not make any specific distinction between primary and secondary listings.

As of the end of December 2023, there were 1,657 companies (January 2022: 1,477) with equity securities listed on the Prime Market, along with 1,621 for the Standard Market; 565 for Growth Market and 90 for TOKYO PRO Market. Of these, 6 (January 2022: 6) were foreign companies.

In Japan, two main regulators are normally involved in the proposed listing on the TSE. They are the TSE and the Kanto Local Finance Bureau (KLFB). The TSE takes the lead role in regulating companies seeking admission to the TSE markets and supervising those companies once they are listed. The KLFB performs a lead role in the registration of the offering of securities and reviewing the disclosure documents. During the listing process, the Listing Division of the TSE is the primary point of contact for listing applicants and their advisers. The Listing Division vets materials submitted by listing applicants for compliance with the TSE's listing rules and prospectus requirements under the local company and securities laws. The KLFB does not actively participate in the listing approval process, but, if it appears to the KLFB that the disclosure materials of a listing applicant contain false or misleading information, the KLFB can intervene in the applicant's offering.

# Principal listing and maintenance requirements and procedures

## Principal listing and maintenance requirements and procedures

[Last updated: 1 January 2024, unless otherwise noted]

The TSE does not consider any jurisdictions of incorporation or industries to be unacceptable for a listed company.

*Financial tests for initial listing*

There is no difference in financial requirements between a foreign company and a domestic company, or between a primary and secondary listing.

For a listing on the Prime Market, the company's expected aggregate market capitalization as of the listing day must be at least ¥25 billion (approximately US$177.50 million). The company's net assets (shareholders' equity) must be at least ¥5 billion (approximately US$35.50 million). In addition, the company must meet either of the following requirements:

*Profit for the two most recent years*. The total amount of profits in the last two years must be at least ¥2.5 billion (approximately US$17.75 million).

*Market capitalization and sales*. The company's total market capitalization must be at least ¥100 billion (approximately US$710.00 million), with sales of ¥10 billion (approximately US$71.00 million) or more in the most recent year.

For a listing on the Standard Market, the company's net assets (shareholders' equity) must be larger than zero. In addition, as for the profit test, the total amount of profits in the last one year must be at least ¥100 million (approximately US$710,000).

*Other requirements for listing*

*Operating history*. A foreign company is required to have continuously carried out its business for three full fiscal years before the date of its listing application.

*Corporate form*. A foreign company does not need to adopt a specific type of corporate organization. The soundness of corporate management and the effectiveness of corporate governance and internal control system, however, will be examined, as discussed in Section 5 below.

*Financial statements*. In order to be listed:

A "false statement" must not have been made in any of the year-end financial statements for the last two years or in any quarterly financial statements for a quarterly accounting period ending in the current year.

A CPA must have opined that the financial statements represented the company's financial position "fairly," on "unqualified terms" or "fairly" albeit on "qualified terms" in an audit report attached to the financial statements for the next-to-last full business year.

A CPA must have opined that the financial statements represented the company's financial position "fairly," on "unqualified terms" in an audit report attached to the financial statements for the most recent full business year, as a general rule.

*Ownership*. A company seeking a primary listing must have by the time of listing at least:

800 or more shareholders worldwide, in the case of a listing on the Prime Market.

400 or more shareholders worldwide, in the case of a listing on the Standard Market.

*Minimum price, escrow and "lock-in."* A listed foreign company is not required to have or maintain a minimum trading price for its securities, and in connection with the listing, the TSE does not require any shares to be placed in escrow (or otherwise be restrained from being traded, such as through "lock-in" or "lockup" arrangements). However, on an initial listing, the underwriters will typically require that the directors and major selling shareholders agree to a "lock-in" arrangement.

*Public float*. The company must satisfy public float requirements in order to list its securities, as follows:

[Link to Table](https://resourcehub.bakermckenzie.com/en/-/media/crossborder-listings-handbook/files/2024-update-10th-edition/tokyo---principal-listing.pdf?sc_lang=en)

*Sponsors and advisers*. A company that applies for a listing is not required to appoint a sponsor, though it is common for a securities company that is a TSE participant to act as a professional adviser to an applicant company during the preparation phase and as the lead underwriter of the issuance of new securities at the time the listing is made.

*Interviews*. A foreign company must conduct one or more interviews with the TSE, including the management interview.

*Book-entry transfer*. If listed securities are not already subject to the custody and book-entry transfer operation for foreign stocks or the book-entry transfer operation of the Japan Securities Depository Center, Inc., they are expected to become so by the time of listing. In addition, the company may need to enter into a deposit agreement for foreign stock depositary receipts and/or other agreements pertaining to an initial listing application.

*Continued listing requirements*

*Public float / Ownership*. Even after the listing, a listed company must satisfy public float / ownership requirements applied at the time of initial listing for each market as described above.

*Trading Volume*. For a company listed on the Prime Market, the average daily trading amount for the calendar year needs to be ¥20 million or more (approximately US$142,000), and for a company listed on the Standard Market, the average monthly trading volume for the calendar year needs to be 10 units or more.

*Net Asset*. A listed company must maintain net assets (shareholders' equity) of more than zero for both the Prime Market and Standard Market.

# Listing documentation and process

## Listing documentation and process

[Last updated: 1 January 2024, unless otherwise noted]

For both a primary listing and a secondary listing, the applicant company must prepare a "Securities Report for Initial Listing Application" to be reviewed by the TSE. The contents of this report are similar to the securities registration statement that would be filed with the KLFB if the applicant company were to conduct a public offering. The TSE then will review the draft report and comment on it before accepting the listing application.

The report must discuss, among other topics:

An outline of the legal and corporate system in the company's home country.

History of the company.

Information on the company's capital and shares.

Information on the executives and employees.

Status of the parent company and its subsidiaries.

Description of the company's business.

Description of approach and efforts concerning sustainability.

Description of the company's production, distribution, sales and similar matters.

Description of the company's facilities.

Financial statements (with the audit report attached).

Risk factors to be considered by investors (such as short length of operations, state of accumulated losses, competition with other companies, dependence on certain executives for management, uncertainty surrounding certain business fields and technologies, reliance on a third party for business support or involvement in management by major shareholders).

The financial statements mentioned above should include audited historical financial information for the two most recent fiscal years, together with the audit report for each year. The financial information should be prepared under Japanese GAAP or (in certain cases) other GAAP that Japan's Financial Services Agency (FSA) may deem permissible, as appropriate for the public interest or protection of investors.

In addition, the company must file certain additional documents with the TSE for its examination, including:

Articles of incorporation.

A written confirmation that the company does not have "ties to any anti-social forces," in the form adopted the TSE.

A report on the listing eligibility of the managing trading participant of the initial listing , in the form adopted by the TSE.

Written description of approvals and authorizations relating to the corporate group's principal business or products/merchandise.

For a primary listing, a table of the company's stock distribution, in a form adopted by the TSE.

For a secondary listing, a table that summarizes changes in the company's number of shareholders (or holders of foreign stock depositary receipts), in the form adopted by the TSE.

Documents that have been prepared in a manner similar to that of a securities report by the parent company and that are deemed appropriate by the TSE, if the parent company's stock is not listed on a financial instruments exchange in Japan or if the parent company is not subject to ongoing disclosure requirements.

A specimen of the foreign stock certificate for the securities to be listed.

A certified board resolution authorizing the initial listing application.

A legal opinion stating that the disclosures concerning laws and regulations in the company's initial application form (and the documents attached thereto) are true and accurate.

A certified board resolution authorizing the company's representative, named in the initial application form, to have proper authority concerning the listing of the foreign stock (however, if there are provisions in the company's articles of incorporation or similar document, specifying the persons who have the proper authority, a copy of this document may be submitted in lieu of the board resolution).

A document certifying that the company's agent in Japan who will contact the TSE has been appointed, or that the company has received from the agent its informal acceptance of the appointment.

The securities registration statement and prospectus, if the applicant conducts a public offering upon listing.

After the listing application is made, the TSE's examination process for a foreign company's application takes approximately three to four months. If the listing is approved, another month is required for the equity offering process. Therefore, a company applying for listing should expect the process to take approximately four to five months between application and actual listing.

*Sample timeline for listing on the TSE*

[Link to Timeline](https://resourcehub.bakermckenzie.com/en/-/media/crossborder-listings-handbook/files/2024-update-10th-edition/tokyo--listing-documentation-timeline.pdf?sc_lang=en)

The content of the securities registration statement and prospectus should be similar to that of the Securities Report for Initial Listing Application, described above. The securities registration statement generally becomes effective on the 16th day after its filing. Once the price is determined, pricing information will need to be filed as an amendment to the securities registration statement. If such an amendment with pricing information is filed, the securities registration statement will be subject to a further one-day seasoning period before it becomes effective. However, if the price is determined by a book-building formula, no such seasoning period is applicable.

# Continuing obligations/periodic reporting

## Continuing obligations/periodic reporting

[Last updated: 1 January 2024, unless otherwise noted]

The TSE requires listed foreign companies as well as Japanese companies to make adequate disclosure after listing and to notify the TSE of specified matters in order to protect investors. A listed foreign company must appoint an attorney-in-fact residing in the Tokyo area and, through that person, fulfill the following continuous disclosure obligations:

[Link to Image](https://resourcehub.bakermckenzie.com/en/-/media/crossborder-listings-handbook/files/2024-update-10th-edition/tokyo-continuing-obligations.pdf?sc_lang=en)

A listed foreign company whose main market is the TSE must generally appoint an "Officer Responsible for Handling Information" (ORHI) in Japan. The ORHI, who plays the role of a liaison for investors in Japan as well as for the TSE, should generally be selected from among the executives or officers who are fluent in Japanese.

For a listed foreign company whose main market is not the TSE, the TSE requests the company designate a "Corporate Information Handling Officer" in order to keep close contact with the TSE and enhance timely disclosure. A Corporate Information Handling Officer is tasked with communicating with the TSE in Japanese or English and is in charge of corporate disclosure in the home country.

*Timely disclosure*

As shown in the diagram above, the TSE requires a listed company to disclose immediately to the public any information that might be expected to materially affect the prices of the company's stock. The following are considered to be major items with respect to the company's business results and material corporate information that must be disclosed to the public:

*Business results (annual, interim, quarterly)*. These must include sales and net profit as well as a profit forecast. However, for a listed foreign company whose main market is not the TSE, the TSE will consider the legal system or similar standards in the company's home country.

*Material corporate information*. These include decisions by the company regarding:

The issuance or public sale of stocks, convertible bonds or bonds with warrants.

A decrease in paid-in capital.

A stock split or reverse split.

A merger.

A corporate dissolution.

The purchase or sale of stocks or equity resulting in change in the composition of subsidiaries.

The change of a representative director.

Change of the company's trade name or corporate name.

Material corporate information also includes the occurrence of a material fact, such as:

Damage caused by a natural disaster or business operations.

Change in the composition of major shareholders.

Institution of litigation or judicial decision.

Commencement of bankruptcy or reorganization proceedings.

Dishonoring of a bill of exchange or a check.

Change of laws and the like in the company's home country, if it would significantly influence the company's shareholders or business results, such as a restriction on transfer of stocks or the nationalization of the company.

A tender offer for the company's stock.

The occurrence of facts causing the company's delisting from its home stock exchange in the foreign country.

All disclosure documents must be prepared in Japanese.

The Japanese version of the annual report (to be sent to the beneficial shareholders in Japan) may be either a summary of the original report or a summary of the annual securities report filed with the KLFB. The semi-annual report and the like may be either a summary or the earnings digest.

# Corporate governance

## Corporate governance

[Last updated: 1 January 2024, unless otherwise noted]

*Listing requirements*

When it considers the listing of a foreign company, the TSE takes into consideration the legal framework and business practices of the company's home country and/or the country of its chief business operations. The following aspects of a foreign company's corporate governance will be examined:

*Sound corporate management*. The foreign company and its related companies must not be making transactions with interested persons, related companies or other entities under conditions clearly advantageous and/or disadvantageous to the applicant company. In addition, when the applicant company has a parent company, the applicant must be shown to be independent from its parent.

*Effective corporate governance and internal control system*. The company must have an internal control system for a board member to adequately execute his or her duties and for the company to effectively conduct its business activity, which is appropriately secured and operated. The accounting system that the applicant company and its related companies employ is recognized as appropriate for investor protection. In connection with this, it should be noted that a wider range of the Corporate Governance Code applies to a company listed on the Prime Market than to a company listed on the Standard Market, and so the TSE's review on the effective corporate governance and internal control system will be not the same for a company applying for a listing on the Prime Market as for a company applying for a listing on the Standard Market.

*Corporate governance report*

A foreign company that applies for a primary listing on the TSE of its foreign stock must submit a report concerning corporate governance, addressing the following matters, and must agree that the TSE will make this information available for public inspection before and after listing:

The company's basic approach to corporate governance and basic information about its capital structure, corporate attributes and other information, including guidelines on measures to protect minority shareholders' interest in dealings with any controlling shareholder.

The organization of the company's business management function, as regards its management decision, execution and supervision and other matters pertaining to the corporate governance system, and the reasons for selecting this organization and system.

The implementation status of any measures to protect the interests of shareholders and other stakeholders.

The company's basic approach to, and implementation status of, its internal control system, including matters concerning the development of the corporate structure for eliminating anti-social forces.

Other matters deemed necessary by the TSE.

If any change occurs in the information contained in the company's corporate governance report, the company must submit a report after the change, without delay. In this case, the foreign company will also need to agree that the TSE will make the updated report available for public inspection as well.

*Facilitating the exercise of voting rights*

If a foreign company whose stock is traded principally on the TSE convenes a general shareholders' meeting, the company must send certain materials to each beneficial holder of foreign shares, two weeks prior to the meeting. These materials consist of:

An instruction sheet (for the beneficial holder's use in providing voting instructions).

A reference document that explains how the beneficial holder can provide voting instructions.

A company listed on the Prime Market must make voting through an electronic voting platform available for institutional investors under the Corporate Governance Code.

# Specific situations

## Specific situations

[Last updated: 1 January 2024, unless otherwise noted]

There are no additional requirements, or changes in the normal requirements, that apply to very large multinational companies, smaller companies or companies in particular industries.

Small- or medium-sized foreign companies considering an IPO in Japan may consider applying for listing in the Growth Market. The listing criteria and procedures for the listing on the Growth Marketare different from those of the Prime Market or Standard Market, as described above. The Growth Market listing criteria include, among others:

*Novelty*. A listed company must have strong growth potential. The lead underwriter judges the eligibility of the applicant company through the underwriting examination, and submits in written form the reasons for this judgment to the TSE.

*Liquidity*. The company must have prospects of circulating at least 1,000 trading units of its shares (1,000 times the trading unit on the TSE market) at the time of listing. It must also have prospects of obtaining at least 150 new shareholders in Japan in its public offering, as well as forecasted market capitalization (calculated by multiplying the number of shares to be listed by the public offering price) of at least ¥500 million (approximately US$3.55 million) at the time of listing. Furthermore, it must project that at least 25% of its total outstanding shares will be in circulation.

*Business*. The company must have conducted business continuously for one year at the time of the listing application.

*Auditor's opinion/financial statements*. The company must meet the following requirements:

The audit report attached to a "Securities Report for Initial Listing Application" (excluding an audit report attached to financial statements for the business year or the consolidated business year ended in the last 12 months) shall contain an "unqualified opinion" or a "qualified opinion with exceptions" of certified public accountants.

The audit report (limited to an audit report attached to financial statements for the business year or the consolidated business year ended in the last 12 months), an interim audit report or a quarterly review report attached to a "Securities Report for Initial Listing Application" shall contain an "unqualified opinion", an "opinion that the interim financial statements provide useful information" or an "unqualified conclusion" of certified public accountants.

No false statement shall be made in a Securities Report, containing or making reference to financial statements, interim financial statements or quarterly financial statements, pertaining to the audit report, the interim audit report, or the quarterly review report prescribed by the two bullet points above.

*Shares*. There must be no restrictions on the transfer of shares in the law and regulations of the company's home country, its articles of association or other regulations. However, this is not applicable if the restriction is based on special regulation and is not deemed to obstruct any trading in the TSE. In addition, the company must appoint (or agree to appoint) a shareholder service agent and dividend paying bank(s) in Japan by the listing application date. Furthermore, the shares must be treated or expected to be treated under "Custody and Book-Entry Transfer System for Foreign Stocks" by a custody and book-entry transfer institution.

*Disclosure of company profile and risk information.* Information such as the company's profile and risk information must be appropriately disclosed in the "Securities Report for Application for Listing" and similar documents.

*Sound corporate management*. The company must not be conducting any transaction with certain officers and their relatives under terms and conditions clearly disadvantageous to the company. Furthermore, the applicant company and its parent company must not be conducting any transaction under non-standard terms and conditions. The range of the Corporate Governance Code that applies to a company listed on the Growth Market is narrower than a company listed on the Standard Market.

*Other*. The purpose or the content of the company's business must not offend public order and morals. In addition, there must be no pending legal matter that would have material impact on the company's business performance.

There are no situations in which a "fast-track" or expedited listing can be procured on the TSE.

# Presence in the jurisdiction

## Presence in the jurisdiction

[Last updated: 1 January 2024, unless otherwise noted]

A foreign company must appoint an attorney-in-fact for the filing of an annual securities report with the FSA and a notice to the TSE. There are no other requirements on listed foreign companies to maintain a presence in Japan.

# Fees

## Fees

[Last updated: 1 January 2024, unless otherwise noted]

Various fees apply to a foreign company's listing on the TSE, including:

A listing examination fee, to be paid by the end of the month following the listing application filing, of ¥4 million (approximately US$28,400) for the Prime Market, ¥3 million (approximately US$21,300) for the Standard Market or ¥2 million (approximately US$14,200) for the Growth Market or a secondary listing.

An initial listing fee, to be paid by the end of the month following the listing application filing, of ¥15 million (approximately US$106,500) (Prime Market), ¥8 million (approximately US$56,800) (Standard Market) or ¥1 million (approximately US$7,100) (Growth Market) for a primary listing or ¥2.5 million (approximately US$17,750) (plus an additional fee) for a secondary listing.

If the TSE is the main market for the company's securities, the company must pay a public offering fee/additional listing fee by the end of the month following the listing application filing. The fee depends on the following formula:

For the public offering of newly issued shares at the time of listing

0.0009 × the number of newly issued shares publicly offered × the offering price

For the public offering of previously issued shares at the time of listing

0.0001 × the number of previously issued shares publicly offered × the offering price

If the TSE is the main market for the company's securities, it must pay a TD-net user fee of ¥120,000 (approximately US$852).

The company must pay an annual listing fee that varies depending on market capitalization. If the TSE Prime Market is the company's main market, this fee ranges from ¥960,000 (approximately US$6,816) to ¥4,560,000 (approximately US$32,376). If the company's main market is not the TSE Prime Market, this fee ranges from ¥120,000 (approximately US$852) to ¥840,000 (approximately US$5,964).

# Additional Information

## Additional Information

[Last updated: 1 January 2024, unless otherwise noted]

All information and materials submitted to the TSE and the KLFB or disclosed to the market in Japan must be prepared in, or translated into, the Japanese language (save for the listing on PRO-BOND MARKET).

*Key differences in requirements for domestic companies*

Listing requirements for domestic companies are generally the same as those for foreign companies. However, Japanese companies must prepare financial statements in accordance with Japanese GAAP or IFRS, whereas a foreign company may use the accounting standard in its home jurisdiction, subject to the approval of Japanese authorities.

# Contacts

## Contacts within Baker McKenzie

Seiji Matsuzoe and Hiroki Watanabe in the Tokyo office are the most appropriate contacts within Baker McKenzie for inquiries about prospective listings on the TSE.

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