

Live Webinar

## Japan's New Stock Market

February 16, 2022



*Featuring:*

**Hiromi Yamaji**, President & CEO, Tokyo Stock Exchange, Inc.; Director & Representative Executive Officer; Group COO, Japan Exchange Group, Inc.

*Moderator:*

**Alicia Ogawa**, Project Director for Japanese Corporate Governance and Stewardship, Project on Japanese Corporate Governance and Stewardship, CJEB

On February 16, 2022, CJEB presented a live webinar featuring Hiromi Yamaji, in which he discussed changes to the TSE. JPX, the company which owns Japan's major stock exchanges, has announced a complete overhaul of listing requirements. For decades, investors have complained that becoming a publicly-traded company in Japan has been nothing but an exercise in publicity and status-seeking. Many investors feel that once a company becomes listed on the exchange, little effort has been made to support its share price, to engage with investors, and to promote liquidity of its shares. The aim is to winnow down the "top" segment of the market and to allow only companies which are actively traded and which demonstrate good corporate governance into the "prime" segment. This is expected, among other things, to create competition among the best-run Japanese companies to improve their corporate governance and their attention to share price even further. The reforms are expected to have far-ranging consequences. The composition of stock market indices, the make-up of boards of directors, and the commitment to holding cross-shareholdings will be affected. Indeed, in anticipation of the reforms, many Japanese companies have been seeking corporate reforms such as mergers and spin-offs in order to better comply with new requirements or have been considering going private (through MBOs or sales to private equity firms) in order to avoid the new requirements altogether. To view the video recording of the webinar, please visit <https://youtu.be/Q7qw51Ct6FI>.