

# Is Japan Ready for a Buyout Boom?

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Room 540, Geffen Hall, Columbia Business School



*Featuring:*

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*Moderator:*

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The Japanese market has long been priced as if hostile takeovers do not exist. Roughly half of publicly-listed companies trade at below book value. Historically, an unwillingness by banks to provide financing for hostile takeover bids and an extensive system of cross-shareholding have offered protection for entrenched management. Finally, the submissive attitude of domestic shareholders has left such inefficient firms unchallenged and has allowed them to continue to stagnate without consequences. However, the value of hostile TOBs in Japan has quadrupled over the past five years and shows no signs of slowing down. The speakers addressed the questions: (1) How is the reorganization of the Tokyo Stock Exchange, which will force companies not meeting basic standards of liquidity and governance to merge or take themselves private, accelerating this change?; (2) What role are shareholder activists playing?; and (3) Which investors are fueling this movement and who stands to gain? To view the recording of the event, please visit <https://youtu.be/ypDa3j-6O6E>.