JONES DAY

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AMENDMENT OF THE ANTI-MONOPOLY ACT OF JAPAN AND ITS IMPACT ON MERGERS AND ACQUISITIONS

On June 3, 2009, the Japanese Diet enacted a bill to amend the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (the "Anti-Monopoly Act" and, as amended, the "Amended Act"), promulgated as of June 10, 2009. The Amended Act will become enforceable on a date to be prescribed by the Cabinet Order within one year from the date of promulgation.[1]

Among the amendments under the Amended Act (the "Amendments")[2] are revisions of the business combination regulations that are expected to have a significant impact on competition reviews of mergers and acquisitions, making Japanese business combination regulations more consistent with international standards. For example, the Amendments introduce a system of preclosing notification to the Japan Fair Trade Commission ("JFTC") for share acquisitions; thoroughly revise the notification thresholds for business combination transactions and uniformly apply notification thresholds based on domestic revenue rather than the previous asset-based approach; adopt a new concept of the "Corporate Group" that will apply, for example, to the calculation of aggregated domestic revenue; and introduce definitions for "subsidiaries" and "parent companies" constituting a Corporate Group.

More specifically, by increasing the notification thresholds, the Amendments are expected to narrow the scope of transactions that will be subject to notification requirements. However, since the same notification thresholds will be applied without distinction to both domestic and foreign companies, it is anticipated that the number of international mergers and acquisitions subject to notification will increase.

1 Reportedly, the Amended Act is expected to become enforceable on January 1, 2010, at the earliest.

2 In addition to revising the merger regulation, the Amendments include such measures as the expansion of the scope of conduct subject to surcharges (fines) and an increase in prison sentences that may be imposed for unreasonable restraints of trade.

Further, the rules governing notification of share acquisitions involving shares owned or acquired by partnerships will be streamlined by clarifying which entity in such transactions is deemed to be a shareholder.

In this *Commentary*, we outline the revisions of business combination regulation under the Amendments.

INTRODUCTION OF PRE-CLOSING NOTIFICATION SYSTEM FOR SHARE ACQUISITIONS

Transition from Post-Closing Reporting to Pre-Closing Notification System. Paragraph 2 of Article 10 of the existing Anti-Monopoly Act (the "Existing Act") provides for post-closing reporting of share acquisitions if prescribed notification thresholds based on the value of total assets of the relevant companies are exceeded. In contrast, the Amendments introduce a pre-closing notification system for share acquisitions in line with the requirements already in place for other types of business combination transactions.

The rationale behind the Existing Act's establishment of a pre-closing notification system for mergers and business or asset acquisitions, while applying a post-closing reporting system for share acquisitions, is that while it is difficult to dissolve a structurally integrated business combination created through a merger, it is less difficult to restore competition in the market through subsequent sale of shares if a share acquisition is found to violate the Anti-Monopoly Act.

However, given that, in practice, it is not always easy to divest the shares once acquired, the ban on establishing holding companies has been lifted, and share acquisitions are frequently and commonly used in the business combinations, it is difficult to justify continuing the different regulatory treatment of mergers and business or asset acquisitions on the one hand, and share acquisitions on the other. Additionally, it is viewed as important to ensure the consistency of Japanese business combination regulations with those of other major jurisdictions, such as the U.S. and EU, which apply a pre-closing notification system for all business combination transactions regardless of the form of a transaction. Along with the adoption of a pre-closing notification system for share acquisitions, the notification thresholds will be revised as described in Table 1 (see page 8).[3]

The revision of notification thresholds seeks to identify transactions that would warrant a substantive review and enable the JFTC to review both domestic and international mergers and acquisitions that pose a substantial likelihood of affecting competition in Japanese markets, by applying the same notification thresholds to transactions by non-Japanese entities as those applicable to transactions between domestic companies. Thus, it is expected that the number of international transactions subject to pre-closing notifications will increase after the Amendments become effective. To reduce the burden on companies engaged in transactions and still cover transactions with a substantial likelihood of raising antitrust concerns, the revision requires notification only if the transaction would result in the acquiring company's ownership exceeding 20 percent or 50 percent of the total voting rights in the acquired company. It should be noted that, under the Amended Act, the measure of such total voting rights include both the voting rights to be acquired by the acquiring company and those owned by other companies in the same Corporate Group.

Domestic Revenue. The Amendments change the basis of the notification thresholds in terms of the sizes of the acquiring company and acquired company from the total assets of the relevant companies to domestic revenues. In the case of the acquiring company, the threshold will be the "Aggregated Domestic Revenues" of the Corporate Group (as defined below), *i.e.*, the aggregated amount of Domestic Revenues (as defined below) of the acquiring company and those of companies belonging to the same Corporate Group. In the case of the acquired company, the threshold will be the total Domestic Revenues of the acquired company and those of its subsidiaries. The term "Domestic Revenues" will be defined specifically in the Rules to be promulgated by the JFTC as the total amounts received for

3 See art. 10, paragraph 2 of the Amended Act.

goods and services supplied or rendered in Japan during the most recent fiscal year.[4]

According to the draft of the Rule published by the JFTC for public comment on July 29, 2009 (the "Draft Rule"), the Domestic Revenue for domestic companies will be defined as the revenues for the most recent fiscal year, after deducting export revenues for sales outside Japan and adding import revenues for sales into Japan by overseas Subsidiaries. In the case of foreign companies, Domestic Revenue will mean the total revenues for domestic sales in Japan, if any, and imports into Japan, after deducting exports from Japan, if any.

In addition, the Draft Rule provides that consolidated financial statements may be used in the calculation of Domestic Revenue in order to clarify the applicability of pre-closing notification requirements and to reduce the administrative burden on the companies.

Corporate Group. In addition to changing the basis of the notification thresholds from total assets to Domestic Revenue, the Amendments introduce the concept of the Corporate Group to clarify, for example, the entities whose revenues will be aggregated when calculating the Aggregated Domestic Revenues of the acquiring company. (*See* below for a discussion of which companies' Domestic Revenues will be included to determine whether the threshold for the acquired company is exceeded.) A "Corporate Group" is defined as "the group composed of the company, its Subsidiaries and the Parent Company that is not a subsidiary of other companies and subsidiaries of such Parent Company (excluding the company and its subsidiaries)."[5]

Under the Existing Act, the threshold takes into account only the company that is a party to the notified transaction and its parent and direct subsidiaries in Japan; the total assets as reflected in balance sheet for the most recent fiscal year are used to calculate thresholds for post-closing reporting. Thus, a foreign acquiring company can easily avoid crossing the threshold of JPY 2 billion in total assets by acquiring the shares through a newly established subsidiary rather than acquiring the shares directly, even if the foreign acquirer has substantial revenues in Japan. Furthermore, since a foreign parent's total assets are not considered in the existing reporting thresholds, a post-closing report on shareholding would not be required under the Existing Act unless the total assets of the Japanese subsidiary conducting the share acquisition exceed JPY 10 billion. Moreover, under the Existing Act, even in the case of a share acquisition by a Japanese operating company, the reporting requirement can easily be avoided using, for example, a small-scale indirect subsidiary as the acquisition vehicle.

Under the Amended Act, since the aggregated amount of domestic revenue of each company constituting the Corporate Group will be the basis for determining whether the notification threshold is met, large-scale Corporate Groups will be no longer able to escape the notification requirement by using a newly incorporated subsidiary or small-scale indirect subsidiary as the acquisition vehicle. These changes are expected to result in an increase in the number of share acquisitions by foreign companies that will be subject to the notification requirements.

Definitions of Subsidiary and Parent Company. Under the Amended Act, the determination of whether a company is a "Subsidiary" or a "Parent Company" of another company will be based on the concept of control, which encompasses considerations of both control of majority voting rights and actual substantive control, as opposed to reliance solely on majority voting rights as is the case under the Existing Act.[6]

4 See art. 10, paragraph 2 of the Amended Act. The purpose of the merger regulation under the Anti-Monopoly Act is to prevent the creation, maintenance, or reinforcement of market power and thereby prevent the market structure from becoming less competitive by the integration of the business activities of multiple companies through shareholdings and mergers. Accordingly, the present status in the Japanese market of the parties to a business combination transaction is an important factor to be considered and, when judging the necessity of pre-closing notification, it is expected that it would be possible to more accurately identify M&A transactions that may affect competition in the Japanese market by adopting thresholds based on revenue in the Japanese market.

5 See art. 10, paragraph 2 of the Amended Act.

6 See art. 10, paragraphs 6 and 7 of the Amended Act. "Subsidiary" under the Amended Act means a stock company a majority of whose voting rights are owned by a company and such other company, etc. as prescribed by the Rules of the JFTC as a company etc., the management of which is controlled by a company (Paragraph 6, Article 10 of the Amended Act). "Parent Company" under the Amended Act means a company prescribed by the Rules of the JFTC to control the management of a company, etc. (Paragraph 7, Article 10 of the Amended Act).

The Amended Act also provides that, where a partnership plans to acquire shares of the target company as assets of the partnership, the Parent Company of the partnership, if any, is deemed to plan to acquire those shares,[7] and shares of the target company that are assets of the partnership are deemed to be owned by the Parent Company of such partnership.[8] These provisions apply only to: a general partnership (one formed by a partnership agreement prescribed in Paragraph 1 of Article 667 of the Civil Code); an investment limited partnership (as prescribed in Paragraph 2 of Article 2 of the Limited Partnership Act for Investment); a limited liability partnership (as prescribed in Article 2 of the Limited Liability Partnership Act); and a partnership formed under foreign laws that are similar to any of the preceding partnerships.[9]

Under the Existing Act, a share acquisition by an investment fund in the form of a partnership is rarely subject to post-closing reporting because, as a partnership lacks the status of a legal entity, assets of the partnership are owned by each member of the partnership according to its investment ratio, regardless of any possible effect on the market. In contrast, under the Amended Act, since the Parent Company of a partnership will be deemed to be the acquiring company of all shares that the partnership plans to purchase, the Parent Company will be required to make pre-closing notifications for share acquisitions by the partnership, such as investment funds, assuming the thresholds are met. Accordingly, it is anticipated that the Amendments will have a significant impact on business combination transactions by private equity and venture capital.

Calculation of Domestic Revenue for an Acquired Company. Under the Amended Act, the notification threshold for the acquired company is met if the sum of Domestic Revenues of the acquired company and its Subsidiaries (as opposed to those of Corporate Group) exceeds JPY 5 billion, without regard to whether the acquired company is a domestic company or a foreign company.[10]

Voting Ratio Thresholds. The Existing Act calculates the voting ratio thresholds based on the voting rights of shares owned by the acquiring company only. After the Amendments come into force, the voting ratio thresholds will be calculated based on the sum of the voting rights of shares to be acquired by the acquiring company and those owned by companies belonging to the same Corporate Group.[11] The Amendments are consistent with the approach adopted under the Company Act of Japan, which takes into consideration voting rights owned not only by the acquiring company but also by its subsidiaries.

Waiting Period and Grace Period. Along with the introduction of the pre-closing notification system for share acquisitions, the Amended Act establishes a waiting period after a notification is filed, consistent with the Existing Act's approach to other types of business combination transactions for which the prior notification system is in place. After filing the notification of a planned share acquisition, the acquiring company will be prohibited from consummating the acquisition until 30 days after the date the notification is filed. The JFTC may shorten this waiting period if it is deemed appropriate.[12]

If the JFTC intends to issue a cease and desist order prohibiting a share acquisition, in principle it must give advance notice to the acquiring company within the 30-day waiting period (or any shortened period). However, if the JFTC determines that a more in-depth review is warranted, it may request that the relevant company submit additional

7 The Draft Rule provides that the Parent Company of a partnership is determined by the managerial power and authority of a particular partnership, and a company that holds a majority of such power and authority is deemed the Parent Company.

8 See art. 10, paragraph 5 of the Amended Act.

9 See art. 10, paragraph 5 of the Amended Act.

10 See art. 10, paragraph 2 of the Amended Act. Under the Existing Act, the applicability of the reporting requirement is determined, in relation to the acquired company, on the basis of total assets for such company (with the threshold of over JPY 1 billion) in the case that the acquired company is a domestic company and on the basis of revenue (in the case that the issuer is a foreign company) (with the threshold of over JPY 1 billion total for revenue of domestic branches in Japan of such foreign company and revenues of domestic branches in Japan of its direct Japanese subsidiary). Therefore, if the acquired company is a foreign company, the amount of exports to Japan by the company and its overseas subsidiaries are not included under the Existing Act.

11 See art. 10, paragraph 2 of the Amended Act.

12 See art. 10, paragraph 8 of the Amended Act.

reports, information, or materials within the 30-day (or shortened) waiting period, and if such request is made by the JFTC, the JFTC must give the acquiring company advance notice of such matters as the content of a contemplated cease and desist order, relevant facts found by the JFTC, and the laws applicable to the case, prior to the later of (a) the date 120 days after notification is filed or (b) the date 90 days after the date on which all requested reports, information, or materials are provided to the JFTC.[13] Furthermore, if the JFTC approves a share acquisition on the condition that the acquiring company take certain remedial measures (*e.g.*, divesting part of its business) within a certain period of time in order to resolve anti-competitive concerns, but if such measures are not taken within such period, the JFTC must give advance notice of the contents of the cease and desist order it intends to issue within one year after the end of the period during which the remedial measure was supposed to be taken.[14]

Penalties. The Amendments impose a fine of up to JPY 2 million for failure to file a required pre-closing notification, submission of a notification containing a false statement, or acquisition of shares prior to the expiration of the applicable waiting period.[15] Under the Existing Act, there is no criminal penalty for companies consummating business combination transactions (other than share acquisitions), even if the transaction may substantially restrain competition. Consistent with this approach, the Amendments will abolish the criminal penalty[16] for the acquisition or holding of shares that may substantially restrain competition.

Impact on Practice. The Amendments will require acquiring companies to consider carefully whether they must file with the JFTC a pre-closing notification of any contemplated share acquisition. Pre-notification consultation with the JFTC has played an important role domestically in the context of merger review practice in Japan. In Japan, parties to contemplated business combination transactions often consult with the JFTC to see whether the contemplated transaction may raise any serious antitrust issues before filing a notification, in particular for important transactions as to which parties are concerned about potential antitrust issues. In such instances, the JFTC usually engages in substantial review of the contemplated transactions before the filing is formally made. For such share acquisitions under the post-closing reporting system currently in effect, except where there is clearly no anticompetitive effect, many transactions are executed after consultation with the JFTC, and the post-closing report is filed afterward. If speaking only about domestic important cases for which pre-notification consultation is practical, the introduction of the pre-closing notification system may not have a critical impact on practice.

Along with the introduction of the pre-closing notification system for share acquisitions, however, it should be noted that the JFTC may well become more active and more thorough in conducting analysis of the impact of transactions on competition, and it may require more detailed materials than were previously required.

The Amended Act provides for certain exceptions to the pre-closing notification requirement that will be prescribed in the Rules of the JFTC, where prior notification is impracticable.[17] For example, the Draft Rule exempts from the pre-closing notification requirement share acquisitions that cause the acquirer's voting ratio to exceed the 20 percent or 50 percent thresholds through the implementation of a takeover defense measure.[18]

REVISION OF NOTIFICATION THRESHOLDS FOR MERGERS, CORPORATE DIVISIONS, AND BUSINESS TRANSFERS

Under the Amended Act, together with the introduction of the pre-closing notification system and the revision of

13 See art. 10, paragraph 9 of the Amended Act.

14 See art. 10, paragraph 9 of the Amended Act.

15 See Items 3 and 4 of art. 91-2, paragraph 1 of the Amended Act.

16 See Item 1 of Article 91 of the Existing Act.

17 See art. 10, paragraph 2 of the Amended Act.

18 In the case that pre-closing notification is exempted for share acquisitions exceeding the voting ratio threshold, even if more shares are acquired subsequently, pre-closing notification will not be required until and unless the next level of voting ratio threshold is exceeded.

notification thresholds for share acquisitions, notification thresholds have been revised for other types of business combination transactions from the viewpoint of ensuring consistency with that for share acquisition. The notification thresholds set forth in the tables below will apply to both for domestic and foreign companies. In the column for the Amended Act, "Domestic Revenue" means domestic revenue of a company unit unless otherwise specified, and "Aggregated Domestic Revenues" means the sum of the Domestic Revenue of a given company and the Domestic Revenues of the other companies that belong to the same Corporate Group to which the company belongs, aggregated in accordance with the calculation method prescribed by the Rules of the JFTC.[19]

Merger. The Amendments will require pre-closing notification of mergers that meet the thresholds in Table 2 (see page 8), on the basis of the Corporate Groups to which the parties belong.[20]

Corporate Divisions. The notification thresholds for joint "incorporation type demerger (or *shinsetsu bunkatsu*)" and "absorption-type demerger (or *kyuushuu bunkatsu*)" under the Amended Act are set out in Tables 3 and 4, (see page 9).[21] For purposes of the tables, "Transferring Company of Entire Businesses" means a company that proposes to transfer all of its businesses to a new company being incorporated in an incorporation-type demerger or a transferee company in an absorption-type demerger,[22] and "Substantial Part Transferring Company" means a company that proposes to transfer a substantial part of its business to a new company being incorporated in an incorporation-type demerger or a transferee company in an absorption-type demerger.

Acquisition of Businesses, etc. The notification thresholds have been changed as described in Table 5 (see page 10) for acquisitions of businesses, etc.[23]

19 See art. 10, paragraph 2 of the Amended Act.

20 See art. 15, paragraph 2 of the Amended Act.

21 See art. 15-2, paragraphs 2 and 3 of the Amended Act.

22 See Item 1 of art. 15-2, paragraph 2 of the Amended Act.

23 See art. 16, paragraph 2 of the Amended Act.

NEW PROVISIONS FOR JOINT SHARE TRANSFERS

Under the Existing Act, joint share transfers (*e.g.*, a share transfer by two or more companies, where they jointly incorporate a holding company and each company causes all of its shares to be exchanged for shares in the new holding company, thereby each becoming a wholly owned subsidiary of the new holding company) are regulated under Article 10 as share acquisitions by a newly incorporated holding company.

However, since joint share transfers by multiple companies are completed through the incorporation of a new holding company simultaneously with the share transfer, before the completion of such joint share transfer there would be no acquiring company in existence that would be the party subject to an order by the JFTC under the new pre-closing notification system applicable to share acquisitions. The Amendments therefore establish new provisions to cover joint share transfers that, in the case of substantial restraint of competition or an unfair trade practice, will prohibit the joint share transfer.[24] Companies planning to effect a joint share transfer will be required to file a prior notification if the Aggregated Domestic Revenues of one party exceed JPY 20 billion and the Aggregated Domestic Revenues of any other party company exceed JPY 5 billion.[25] If all parties to a joint share transfer belong to the same Corporate Group, they will be exempt from the pre-closing notification obligation.[26] The waiting period and procedural provisions for cease and desist orders for share acquisition[27] will apply to joint share transfers *mutatis mutandis*.[28]

Table 6 (see page 10) lists the notification thresholds for joint share transfers.

24 See art. 15-3, paragraph 1 of the Amended Act.

25 See art. 15-3, paragraph 2 of the Amended Act.

26 See proviso of art. 15-3, paragraph 2 of the Amended Act.

27 See art. 10, paragraphs 8-10 of the Amended Act.

28 See art. 15-3, paragraph 3 of the Amended Act.

NOTIFICATION EXEMPTION FOR BUSINESS COMBINATION TRANSACTIONS BETWEEN COMPANIES IN THE SAME CORPORATE GROUP

After the Amendments become enforceable, the scope of the exemptions from the pre-closing notification requirement will be expanded for transactions between companies in the same Corporate Group.[29] Under the Existing Act, business combination transactions between a parent and its subsidiary and between fellow subsidiaries are exempt from the pre-closing notification requirement. However, since pre-closing notification is required for mergers and certain other transactions between indirect subsidiaries, situations arise where notification may be required for intra-group mergers that clearly would not have any substantial anticompetitive effect on the market.[30] The Amendments will address these circumstances by not requiring notification of the mergers and acquisitions among parties that all belong to the same Corporate Group.

CONCLUSION

As described in this article, the Amendments introduce a pre-closing notification system for share acquisitions, a method frequently used for business combinations, and will apply the same notification thresholds for domestic and foreign companies. These revisions seek to make Japanese merger review regulations consistent with international standards and to ensure proper review by the JFTC of business combination transactions that may have an effect on competition in the domestic markets of Japan. After the Amendments become enforceable, it will be more important for companies to carefully analyze the potential applicability of the revised notification requirements and the possible effects of contemplated business combination transactions on competition in Japan.

29 See the proviso of art. 15, paragraph 2 of the Amended Act for mergers, the proviso of art. 15, paragraph 2 of the Amended Act for joint incorporation-type demergers, the proviso of art. 15, paragraph 3 of the Amended Act for absorption-type demergers, the proviso of art. 15-3, paragraph 2 of the Amended Act for joint share transfers, and the proviso of art. 16, paragraph 2 of the Amended Act for acquisitions of businesses, etc.

30 Under the Existing Act, after a merger between overseas parent companies, for example, another notification is required for a merger between indirect subsidiaries in Japan, even if the pre-closing notification and investigation have been made and completed for the preceding merger between the parent companies.

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Table 1: Amendments to the Thresholds for Share Acquisitions

	Existing Act (thresholds for post-closing report on shareholding)	**Amended Act (thresholds for pre-closing notification)**
Acquiring Company	Total assets of acquiring company exceed JPY 2 billion; and aggregated total assets of acquiring company, its parent, and subsidiaries in Japan exceed JPY 10 billion	Aggregated Domestic Revenues of Corporate Group Group exceed JPY 20 billion
Acquired Company	Total assets of acquired company exceed JPY 1 billion (domestic company); or domestic revenue of acquired company exceeds JPY 1 billion (foreign company)	Total of Domestic Revenues of acquired company and its subsidiaries exceeds JPY 5 billion
Voting Ratio	3 stages (acquisition of voting ratio exceeds 10 percent, 25 percent, or 50 percent)	2 stages (acquisition of voting ratio exceeds 20 percent or 50 percent)
Scope of Voting Ratio	Voting ratio of acquiring company only	Total of voting ratio of acquiring company and that of other companies in the same Corporate Group

Table 2: Revisions of Notification Thresholds for Mergers

	Existing Act	**Amended Act**
One of the Merging Companies	Aggregated total assets exceeding JPY 10 billion	Aggregated Domestic Revenues exceeding JPY 20 billion
Other Merging Company	Aggregated total assets exceeding JPY 1 billion	Aggregated Domestic Revenues exceeding JPY 5 billion

Table 3: Notification Thresholds for Joint Incorporation-Type Demerger (or *Shinsetsu Bunkatsu*)

Transaction type	Notification thresholds
Transferring Company of Entire Businesses	Aggregated Domestic Revenues exceed JPY 20 billion
Other Entire Business Transferring Company	Aggregated Domestic Revenues exceed JPY 5 billion
Transferring Company of Entire Businesses	Aggregated Domestic Revenues exceed JPY 20 billion
Substantial Part Transferring company	Domestic Revenues related to part to be transferred exceed JPY 3 billion
Transferring Company of Entire Businesses	Aggregated Domestic Revenues exceed JPY 5 billion
Substantial Part Transferring Company	Domestic Revenues related to part to be transferred exceed JPY 10 billion
Substantial Part Transferring Company	Domestic Revenues related to part to be transferred exceed JPY 10 billion
Other Substantial Part Transferring Company	Domestic Revenues related to part to be transferred exceed JPY 3 billion

Table 4: Notification Thresholds for Absorption-Type Demerger (or *Kyuushuu Bunkatsu*)

Transaction type	Notification thresholds
Transferring Company of Entire Businesses	Aggregated Domestic Revenues exceed JPY 20 billion
Transferee Company	Aggregated Domestic Revenues exceed JPY 5 billion
Transferring Company of Entire Businesses	Aggregated Domestic Revenues exceed JPY 5 billion
Transferee Company	Aggregated Domestic Revenues exceed JPY 20 billion
Substantial Part Transferring Company	Domestic Revenues related to part to be transferred exceed JPY 10 billion
Transferee Company	Aggregated Domestic Revenues exceed JPY 5 billion
Substantial Part Transferring Company	Domestic Revenues related to part to be transferred exceed JPY 3 billion
Transferee Company	Aggregated Domestic Revenues exceed JPY 20 billion

Table 5: Revisions of Notification Thresholds for Acquisitions of Businesses, etc.

	Existing Act	Amended Act
Acquiring Company	Aggregated total assets exceed JPY 10 billion	Aggregated Domestic Revenues exceed JPY 20 billion
Acquired Company	Total assets exceed JPY 1 billion (in the case of acquisition of entire business of domestic company), or Domestic Revenues exceed JPY 1 billion (in the case of both domestic companies and foreign companies)	Domestic Revenues exceed JPY 3 billion

Table 6: Notification Thresholds for Joint Share Transfers

	Amended Act
One Company Intending to Conduct Joint Share Transfer	Aggregated Domestic Revenues exceed JPY 20 billion
Any of the Other Companies	Aggregated Domestic Revenues exceed JPY 5 billion