

# NYSE Versus Nasdaq Global Market Principal Quantitative Listing Requirements

The following table summarizes the principal quantitative listing requirements; there are also qualitative requirements.

SELECTED LISTING REQUIREMENT	NYSE	NASDAQ GLOBAL MARKET
MINIMUM NUMBER OF SHAREHOLDERS	400 round lot holders for U.S. companies and 5,000 round lot holders for non-U.S. companies. <sup>1,2</sup>	Same. <sup>3</sup>
MINIMUM NUMBER OF PUBLICLY HELD SHARES	1,100,000 for U.S. companies and 2,500,000 for non-U.S. companies. <sup>1,2</sup>	Same, with similar exclusions.
MINIMUM AGGREGATE MARKET VALUE OF PUBLICLY HELD SHARES	\$40 million for U.S. companies and \$100 million for non-U.S. companies (\$60 million if the non-U.S. company has a parent or affiliate that is a listed company and retains control of the company or is under common control with the company). <sup>1,2</sup>	<b>ANY OF:</b> <ul style="list-style-type: none"> <li>• \$8 million under the Income Standard;</li> <li>• \$18 million under the Equity Standard; or</li> <li>• \$20 million under the Market Value Standard<sup>4</sup> or the Total Assets/Total Revenue Standard.<sup>5</sup></li> </ul>
MINIMUM PER PRICE SHARE	At least \$4.00 at initial listing.	Same. <sup>6</sup>
MINIMUM NUMBER OF MARKET MAKERS	N/A.	Four; unless company qualifies for listing under the Income or Equity Standards, which each require three. <sup>7</sup>
MINIMUM FINANCIAL STANDARDS	<b>FOR U.S. COMPANIES, ONE OF THE FOLLOWING:<sup>8</sup></b> <ul style="list-style-type: none"> <li>• <b>EARNINGS TEST:</b> Adjusted pre-tax earnings from continuing operations must total for the last three fiscal years,<sup>9</sup> including a minimum of \$2 million in each (1) \$10 million of the two most recent fiscal years and positive amounts in all three years, or (2) if there is a loss in the third fiscal year, \$12 million for the last three fiscal years, including a minimum of \$5 million in the most recent fiscal year and \$2 million in the next most recent fiscal year;<sup>10</sup> or</li> <li>• <b>GLOBAL MARKET CAPITALIZATION TEST:</b> \$200 million in global market capitalization (existing public companies must meet the minimum global market capitalization for a minimum of 90 consecutive trading days prior to listing on the NYSE).</li> </ul>	<b>ONE OF THE FOLLOWING:<sup>11</sup></b> <ul style="list-style-type: none"> <li>• <b>Income Standard:</b> (1) \$1 million in annual pre-tax income from continuing operations in most recently completed fiscal year or in two of the three most recently completed fiscal years; and (2) stockholders' equity of \$15 million; or</li> <li>• <b>Equity Standard:</b> (1) stockholders' equity of \$30 million; and (2) two-year operating history; or</li> <li>• <b>Market Value Standard:</b> N/A for IPO; or</li> </ul>
	<b>FOR NON-U.S. COMPANIES, ONE OF THE FOLLOWING:</b> <ul style="list-style-type: none"> <li>• <b>EARNINGS TEST:</b> Adjusted pre-tax earnings from continuing operations must total \$100 million for the last three fiscal years (two years if company is an EGC), including a minimum of \$25 million in each of the two most recent fiscal years; or</li> <li>• <b>VALUATION/REVENUE WITH CASH FLOW TEST:</b> (1) \$500 million in global market capitalization; (2) \$100 million in revenues during the most recent 12-month period; and (3) \$100 million aggregate adjusted cash flows for the last three fiscal years with at least \$25 million in each of the two most recent fiscal years; or</li> <li>• <b>PURE VALUATION/REVENUE TEST:</b> (1) \$750 million in global market capitalization; and (2) \$75 million in revenues during most recent fiscal year; or</li> <li>• <b>AFFILIATED COMPANY TEST:</b> (1) \$500 million in global market capitalization; (2) parent or affiliated company is a listed company in good standing; (3) parent or affiliated company retains control of, or is under common control with, the entity; and (4) operating history of 12 months.</li> </ul>	

1. An FPI may also avail itself of the requirement applicable to U.S. companies.

2. The number of shareholders includes shareholders of record and beneficial holders of shares held in street name. Shares held by directors, officers, or immediate families and other concentrated holdings of 10% or more are excluded. When considering a listing application from a company organized under the laws of Canada, Mexico, or the United States ("North America"), the NYSE will include all North American holders in applying the minimum shareholder requirement. When listing a company from outside North America, the NYSE may, in its discretion, include holders in the company's home country or primary trading market outside the United States in applying the minimum shareholder requirement, provided that such market is a regulated stock exchange. In exercising this discretion, the NYSE will consider all relevant factors including: (i) whether the information is derived from a reliable source, preferably either a government-regulated securities market or a transfer agent that is subject to governmental regulation; (ii) whether there exist efficient mechanisms for the transfer of securities between the company's non-U.S. trading market and the United States; and (iii) the number of shareholders and the extent of trading in the company's securities in the United States prior to the listing.

3. For the Nasdaq Global Select Market, at least 550 total holders and an average monthly trading volume over the prior 12 months of at least 1,100,000 shares; or at least 2,200 total holders; or a minimum of 450 round lot

holders. For the Nasdaq Capital Market, a minimum of 300 round lot holders.

4. Market Value Standard is not applicable to IPOs.

5. For the Nasdaq Global Select Market, \$45 million. For the Nasdaq Capital Market, \$15 million under the Equity or the Market Value of Listed Securities Standards and \$5 million under the Net Income Standard.

6. For the Nasdaq Capital Market, \$4 bid price or \$3 or \$2 closing price under certain conditions.

7. For the Nasdaq Capital Market, three.

8. Real estate investment companies (REITs), closed-end management investment companies and business development companies (BDCs) have different requirements.

9. Under certain circumstances, a company may qualify with \$10 million in aggregate for two years and nine months.

10. A company that qualifies as an EGC and avails itself of the provisions of the Securities Act of 1933, as amended (the "Securities Act"), and the Exchange Act permitting EGCs to report only two years of audited financial statements can qualify under the Earnings Test by meeting the following requirements: adjusted pre-tax earnings from continuing operations must total at least \$10 million in the aggregate for the last two fiscal years together with a minimum of \$2 million in both years.

11. The other tiers (Nasdaq Global Select Market and Nasdaq Capital Market) have different requirements.