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Trends in Individual Shareholders of Japanese Corporations

Considering the impact of the increasing number of individual shareholders

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Summary

- The number of individual shareholders in Japanese listed companies continues to increase. On the other hand, the average amount of stock per individual shareholder (adjusted for market conditions) has been gradually shrinking, suggesting that the small shareholder base may be expanding.
- Measures focused on the increasing number of individual shareholders include stock splits and shareholder benefits. Many have pointed out that stock splits increase the number of individual shareholders, and in fact, in FY2023, companies that implemented stock splits had a significant effect in boosting the total number of individual shareholders. On the other hand, the introduction of shareholder benefits is also thought to increase the number of individual shareholders, but in recent years there have been many companies that have both introduced and discontinued such benefits, and companies are divided in their decisions on such benefits.
- The increase in the number of individual shareholders brings a variety of benefits and costs to corporations. It is also important to note that the awareness of individual shareholders is changing, as evidenced by the rising rate of the exercising of voting rights by individual shareholders. With the new NISA (Nippon Individual Savings Account) and other factors facilitating an increase in the number of individual shareholders, now is a good time for companies to reconsider the role of individual shareholders in their operations.

Attention

This report is a summary translation. The official document is only in Japanese.