



August 5, 2022

JPX Market Innovation & Research, Inc.

Nikkei Inc.

## Periodic Review of “JPX-Nikkei Index 400” and “JPX-Nikkei Mid and Small Cap Index”

The periodic review of the JPX-Nikkei Index 400 and the JPX-Nikkei Mid and Small Cap Index, jointly calculated by JPX Market Innovation & Research, Inc. and Nikkei Inc., has been conducted as follows.

As a result of the periodic review, 36 issues will be added and 34 issues will be removed from the JPX-Nikkei Index 400 and 48 issues will be added and 45 issues will be removed from the JPX-Nikkei Mid and Small Cap Index<sup>1</sup>. Please refer to website for the list of constituents after the periodic review.

### 1. JPX-Nikkei Index 400

#### ① Inclusions

Code	Issue	Market Division
1407	West Holdings Corporation	S
1414	SHO-BOND Holdings Co.,Ltd.	P
2384	SBS Holdings,Inc.	P
2491	ValueCommerce Co.,Ltd.	P
2531	TAKARA HOLDINGS INC.	P
3186	NEXTAGE Co.,Ltd.	P
3465	KI-STAR REAL ESTATE CO.,LTD	P
3774	Internet Initiative Japan Inc.	P
3962	CHANGE Inc.	P
4062	IBIDEN CO.,LTD.	P
4189	KH Neochem Co.,Ltd.	P
4544	H.U. Group Holdings,Inc.	P
4694	BML,INC.	P
4751	CyberAgent,Inc.	P
4974	TAKARA BIO INC.	P
4980	Dexerials Corporation	P
5344	MARUWA CO.,LTD.	P
5401	NIPPON STEEL CORPORATION	P

Code	Issue	Market Division
5411	JFE Holdings,Inc.	P
5423	TOKYO STEEL MANUFACTURING CO.,LTD.	P
5714	DOWA HOLDINGS CO.,LTD.	P
6323	RORZE CORPORATION	P
6753	Sharp Corporation	P
6890	Ferrotec Holdings Corporation	S
6967	SHINKO ELECTRIC INDUSTRIES CO.,LTD.	P
7518	Net One Systems Co.,Ltd.	P
8078	HANWA CO.,LTD.	P
8174	NIPPON GAS CO.,LTD.	P
8698	Monex Group,Inc.	P
9107	Kawasaki Kisen Kaisha,Ltd.	P
9302	mitsui-soko HOLDINGS Co.,Ltd.	P
9434	SoftBank Corp.	P
9449	GMO internet Inc.	P
9682	DTS CORPORATION	P
9715	transcosmos inc.	P
9759	NSD CO.,LTD.	P

<sup>1</sup> Due to removal in addition to the periodic review (1881: NIPPO CORPORATION, 9375: Kintetsu World Express, Inc.), the current number of JPX-Nikkei Index 400 constituents is 398. As such, 2 more issues will be added in this periodic review.

Similarly, due to removal in addition to the periodic review (1413: Hinokiya Group Co. ,Ltd. , 6541: GRACE TECHNOLOGY, INC., 7748: HOLON CO.,LTD.), the current number of JPX-Nikkei Mid and Small Cap Index constituents is 197. As such, 3 more issues will be added in this periodic review.

## ② Removals

Code	Issue	Market Division
1720	TOKYU CONSTRUCTION CO., LTD.	P
1766	TOKEN CORPORATION	P
1821	Sumitomo Mitsui Construction Co., Ltd.	P
2121	mixi,Inc.	P
2127	Nihon M&A Center Holdings Inc.	P
2337	Ichigo Inc.	P
2427	OUTSOURCING Inc.	P
2593	ITO EN,LTD.	P
2815	ARIAKE JAPAN Co.,Ltd.	P
3048	BIC CAMERA INC.	P
3244	Samty Co.,Ltd.	P
3543	KOMEDA Holdings Co.,Ltd.	P
3932	Akatsuki Inc.	P
4004	Showa Denko K.K.	P
4631	DIC Corporation	P
4661	ORIENTAL LAND CO.,LTD.	P
4887	SAWAI GROUP HOLDINGS Co.,Ltd.	P

Code	Issue	Market Division
4927	POLA ORBIS HOLDINGS INC.	P
5631	The Japan Steel Works,Ltd.	P
6035	IR Japan Holdings,Ltd.	P
6136	OSG Corporation	P
6471	NSK Ltd.	P
6923	Stanley Electric Co.,Ltd.	P
7148	Financial Products Group Co.,Ltd.	P
7205	HINO MOTORS,LTD.	P
7575	Japan Lifeline Co.,Ltd.	P
7717	V Technology Co.,Ltd.	P
8473	SBI Holdings,Inc.	P
9042	Hankyu Hanshin Holdings,Inc.	P
9142	Kyushu Railway Company	P
9504	The Chugoku Electric Power Company,Incorporated	P
9506	Tohoku Electric Power Company,Incorporated	P
9627	AIN HOLDINGS INC.	P
9678	KANAMOTO CO.,LTD.	P

## 2. JPX-Nikkei Mid and Small Cap Index

### ① Inclusions

Code	Issue	Market Division
2146	UT Group Co.,Ltd.	P
2148	ITmedia Inc.	P
2150	CareNet,Inc.	G
2168	Pasona Group Inc.	P
2292	S Foods Inc.	P
2389	DIGITAL HOLDINGS,INC.	P
2395	SHIN NIPPON BIOMEDICAL LABORATORIES,LTD.	P
2737	TOMEN DEVICES CORPORATION	P
2760	TOKYO ELECTRON DEVICE LIMITED	P
2929	Pharma Foods International Co.,Ltd.	P
2986	LA Holdings Co.,Ltd.	G
3046	JINS HOLDINGS Inc.	P
3182	Oisix ra daichi Inc.	P
3371	SOFTCREATE HOLDINGS CORP.	P
3480	J.S.B.Co.,Ltd.	P
3539	JM HOLDINGS CO.,LTD.	P
3772	Wealth Management,Inc.	S
3793	Drecom Co.,Ltd.	G
3853	ASTERIA Corporation	P
3854	PLL INC	P
3983	ORO Co.,Ltd.	P
4318	QUICK CO.,LTD.	P
4549	EIKEN CHEMICAL CO.,LTD.	P
4595	MIZUHO MEDY CO.,LTD.	S

Code	Issue	Market Division
4708	Relia,Inc.	P
4726	SB Technology Corp.	P
4763	CREEK & RIVER Co.,Ltd.	P
4849	en Japan Inc.	P
4931	Shinnihonseyaku Co.,Ltd.	P
6030	Adventure,Inc.	G
6036	KeePer Technical Laboratory Co.,Ltd.	P
6080	M&A Capital Partners Co.,Ltd.	P
6200	Insource Co.,Ltd.	P
6533	Orchestra Holdings Inc.	P
6564	MIDAC HOLDINGS CO.,LTD.	P
6676	MELCO HOLDINGS INC.	P
6941	YAMAICHI ELECTRONICS CO.,LTD.	P
7187	J-LEASE CO.,LTD.	P
7593	VT HOLDINGS CO.,LTD.	P
7599	IDOM Inc.	P
7990	GLOBERIDE,Inc.	P
8005	Scroll Corporation	P
8698	Monex Group,Inc.	P
9110	NS United Kaiun Kaisha,Ltd.	P
9308	Inui Global Logistics Co.,Ltd.	S
9757	Funai Soken Holdings Incorporated	P
9842	ARCLAND SAKAMOTO CO.,LTD.	P
9873	KFC Holdings Japan,Ltd.	S

## ② Removals

Code	Issue	Market Division
1720	TOKYU CONSTRUCTION CO., LTD.	P
1726	Br.Holdings Corporation	P
1805	TOBISHIMA CORPORATION	P
1821	Sumitomo Mitsui Construction Co., Ltd.	P
1822	DAIHO CORPORATION	P
1852	ASANUMA CORPORATION	P
1898	SEKITOKYU KOGYO CO.,LTD.	P
2154	BeNext-Yumeshin Group Co.	P
2157	KOSHIDAKA HOLDINGS Co.,LTD.	P
2453	Japan Best Rescue System Co.,Ltd.	P
2497	UNITED,Inc.	G
3244	Samty Co.,Ltd.	P
3276	Japan Property Management Center Co.,Ltd.	P
3546	Alleanza Holdings Co.,Ltd.	P
3662	Ateam Inc.	P
3677	SYSTEM INFORMATION CO.,LTD.	P
3912	Mobile Factory,Inc.	P
3939	Kanamic Network Co.,LTD	P
4215	C.I. TAKIRON Corporation	P
4345	CTS Co.,Ltd.	P
4574	TAIKO PHARMACEUTICAL CO.,LTD.	P
4651	SANIX INCORPORATED	P
4745	Tokyo Individualized Educational Institute,INC.	P

Code	Issue	Market Division
4800	Oricon Inc.	S
5304	SEC CARBON,LIMITED	S
5352	KROSAKI HARIMA CORPORATION	P
6125	OKAMOTO MACHINE TOOL WORKS,LTD.	S
6464	TSUBAKI NAKASHIMA CO.,LTD.	P
7172	Japan Investment Adviser Co.,Ltd.	P
7191	Entrust Inc.	P
7192	Mortgage Service Japan Limited	S
7244	ICHIKOH INDUSTRIES,LTD.	P
7818	TRANSACTION CO.,Ltd.	P
7820	NIHON FLUSH CO.,LTD.	P
7839	SHOEI CO.,LTD.	P
7844	Marvelous Inc.	P
7867	TOMY COMPANY,LTD.	P
9270	Valuence Holdings Inc.	G
9422	CONEXIO Corporation	P
9436	OKINAWA CELLULAR TELEPHONE COMPANY	S
9514	EF-ON INC.	P
9682	DTS CORPORATION	P
9716	NOMURA Co.,Ltd.	P
9743	TANSEISHA CO.,LTD.	P
9810	NIPPON STEEL TRADING CORPORATION	P

\*As for the market division, "P"= Prime Market, "S"= Standard Market, "G"= Growth Market.

### 3. Effective Date of Periodic Review

August 31, 2022

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## Annex1. Referencial Data for JPX-Nikkei Index 400 Periodic Review

## (1) 3-year ROE simple average

Issues	FY2022	FY2021
JPX-Nikkei 400 constituents	13.0%	12.3%
Prime Market Issues (*1)	7.9%	-
non-constituents (*1,*2)	3.8%	3.8%

\*1 Issues a) with liabilities in excess of assets during any of 3 periods, b) their 3-year average ROE is more than 200% or less than -200%, or c) those financial data are not available for calculation are excluded. 3-year simple average ROE is as of the announce date of periodic review.

\*2 All the eligible constituents for JPX-Nikkei 400 excluding the JPX-Nikkei 400 constituents.

## (2) Market division balance

Market	FY2022	FY2021
Prime Market	388	-
Standard Market	12	-
Growth Market	0	-

\* Market division balance is as of the announce date of periodic review.

## (3) Fulfilling situation for qualitative factors

Criteria	FY2022		FY2021	
	No. of issues	Percentage	No. of issues	Percentage
Appointment of independent directors *1	68 (338)	17.0% (9.0%)	368 (2283)	92.0% (61.2%)
Appointment of female board members/executive officers	374 (2358)	93.5% (62.5%)	-	-
Adoption of IFRS	126 (256)	31.5% (6.8%)	117 (230)	29.3% (6.2%)
Disclosure of English earnings information	243 (1168)	60.8% (31.0%)	235 (883)	58.8% (23.7%)
Disclosure of English Corporate Governance Report	206 (369)	51.5% (9.8%)	187(290)	46.8% (7.8%)

\*1 This criteria was changed from 2022 periodic review as below.

" Out of the total number of directors, a majority are independent directors. "

\*2 Figures in ( ) mean the fulfilling situation for qualitative factors of all the eligible constituents for JPX-Nikkei 400

## (4) Turnover Ratio

Turnover ratio (Market capitalization-based, one-way)	5.0%
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\* Sum of increments (decrements) in market capitalization weight for each constituent before and after the periodic review

Turnover ratio = Sum of weight increments = Sum of weight decrements

\* Turnover ratio is calculated based on market capitalization for index calculation as of the end of July 2022.

## Annex2. Referencial Data for JPX-Nikkei Mid and Small Cap Index Periodic Review

## (1) 3-year ROE simple average

Issues	FY2022	FY2021
JPX-Nikkei Mid and Small constituents	18.7%	18.2%
Prime Market Issues (*1)	7.9%	-
non-constituents (*1,*2)	4.0%	4.0%

\*1 Issues a) with liabilities in excess of assets during any of 3 periods, b) their 3-year average ROE is more than 200% or less than -200%, or c) those financial data are not available for calculation are excluded. 3-year simple average ROE is as of the announce date of periodic review.

\*2 All the eligible constituents for JPX-Nikkei Mid and Small excluding the JPX-Nikkei Mid and Small constituents.

## (2) Market division balance

Market	FY2022	FY2021
Prime Market	182	-
Standard Market	13	-
Growth Market	5	-

\* Market division balance is as of the announce date of periodic review.

## (3) Fulfilling situation for qualitative factors

Criteria	FY2022		FY2021	
	No. of issues	Percentage	No. of issues	Percentage
Appointment of independent outside directors *1	30 (338)	15.0% (9.0%)	169 (2283)	84.5% (61.2%)
Appointment of female board members/executive officers	160 (2358)	80.0% (62.5%)	-	-
Adoption of IFRS	18 (256)	9.0% (6.8%)	13 (230)	6.5% (6.2%)
Disclosure of English earnings information	118 (1168)	59.0% (31.0%)	92 (883)	46.0% (23.7%)
Disclosure of English Corporate Governance Report	35 (369)	17.5% (9.8%)	23 (290)	11.5% (7.8%)

\*1 This criteria was changed from 2022 periodic review as below.

" Out of the total number of directors, a majority are independent directors. "

\*2 Figures in ( ) mean the fulfilling situation for qualitative factors of all the eligible constituents for JPX-Nikkei Mid and Small Cap Index

## (4) Turnover Ratio

Turnover ratio (Market capitalization-based, one-way)	21.9%
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\* Sum of increments (decrements) in market capitalization weight for each constituent before and after the periodic review

Turnover ratio = Sum of weight increments = Sum of weight decrements

\* Turnover ratio is calculated based on market capitalization for index calculation as of the end of July 2022.