

## Index Consultation Regarding Sector Structure and Related Constituent Selection Rules of the Nikkei Stock Average

May 18, 2026 – Nikkei Inc. is considering partial revisions to the calculation methodology and constituent selection criteria of the Nikkei Stock Average (Nikkei 225). As a representative benchmark of the Japanese equity market, Nikkei 225 serves not only as an indicator of stock market performance, but also as the underlying index for a wide range of financial products. To date, constituent reviews have been conducted regularly based on factors such as market liquidity and sector balance. However, in order to better reflect changes in Japan’s industrial structure, Nikkei has determined that revisions to the sector-related selection criteria are necessary.

Under the proposed revisions, the fundamental structure of Nikkei 225 will be maintained, as a price-weighted stock average composed of 225 highly liquid stocks, and the continuity of the index built over more than 70 years will be preserved. At the same time, taking into account the scale of financial assets linked to Nikkei 225, Nikkei aims to implement revisions with careful consideration of potential market impact. Based on feedback received through this consultation process, Nikkei will continue to review and revise the rules as appropriate in response to changes in the market environment.

An outline of the proposed revisions for which comments are being sought is as follows:

- Among the Nikkei Stock Average Constituents Selection Rules, partial revisions are proposed to be made to the Nikkei Industry Classification, Medium Classification

---

News Tag : ImportantNotice, Nikkei225, Consultation

### Contact

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))

comprising 36 industries, which serves as the basis for sector classification used for “Deletion/Addition based on the sector balance” under Section 2 (4) of the selection rules. Specifically, the current industry name “Communications” is proposed to be changed to “Information and Communications,” and certain stocks are proposed to be reclassified into different industries to better reflect their business characteristics.

- The sector classification used for “Deletion/Addition based on the sector balance” is also proposed to be revised by increasing the number of sectors from six to seven. As a result, some industries are proposed to be reassigned to different sectors.
- In addition, a new replacement rule within the same sector is proposed to be introduced into the constituent selection criteria.

Details of the proposed revisions are as follows.

#### 1. Revisions to the Nikkei Industry Classification, Medium Classification (36 industries) \*

\* Hereinafter referred to as the “Nikkei Industry Classification”

The Nikkei Industry Classification is proposed to be reviewed as described below.

##### 1-1. Change in industry name

- Among the Nikkei Industry Classification, the industry name “Communications” is proposed to be changed to “Information and Communications.”

##### 1-2. Changes in industry classification

- IT-related stocks are proposed to be reclassified from the “Services” industry to the “Information and Communications” industry.
- Restaurant and food service-related stocks are proposed to be reclassified from the “Services” industry to the “Retail” industry.

*Please refer to Appendix 2 for details of industry reclassifications among the current constituents of Nikkei 225.*

---

**News Tag : ImportantNotice, Nikkei225, Consultation**

#### **Contact**

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))

## 2. Revisions to the sector classification of Nikkei 225

Under the current rules, highly liquid stocks are classified into six sectors based on the Nikkei Industry Classification, namely Technology, Financials, Consumer Goods, Materials, Capital Goods/Others, and Transportation and Utilities, and constituents are selected with consideration given to sector balance. This sector classification is proposed to be revised as follows.

- A new “Information and Communications” sector is proposed to be established, increasing the number of sectors from six to seven.
- The sector to which the “Information and Communications” industry belongs, following the industry name change from “Communications” as described in Section 1, is proposed to be changed from the Technology sector to the Information and Communications sector.
- The sector to which the Pharmaceuticals industry belongs is proposed to be changed from the Technology sector to the Consumer Goods sector.

### Sector classification after the proposed revision

Technology:	Electric Machinery, Automobiles & Auto Parts, Precision Instruments
<u>Information and Communications (New):</u>	<u>Information and Communications (industry name changed from “Communications” and reclassified from the Technology sector)</u>
Financials:	Banking, Other Financial Services, Securities, Insurance
Consumer Goods:	Fishery, Foods, <u>Pharmaceuticals (reclassified from the Technology sector)</u> , Retail, Services
Materials:	Mining, Textiles & Apparel, Pulp & Paper, Chemicals, Petroleum, Rubber, Glass & Ceramics, Steel, Nonferrous Metals, Trading Companies
Capital Goods/Others:	Construction, Machinery, Shipbuilding, Transportation Equipment, Other Manufacturing, Real Estate

---

News Tag : ImportantNotice, Nikkei225, Consultation

#### Contact

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))

Transportation and Utilities:	Railway & Bus, Land Transport, Marine Transport, Air Transport, Warehousing, Electric Power, Gas
-------------------------------	--

*Please refer to Appendix 2 for details of sector reclassifications among the current constituents of Nikkei 225.*

### 3. Introduction of a Within-Sector Replacement Rule

A new rule titled “Deletion/Addition within the Same Sector” will be introduced into the Constituent Selection Rules, Section (2) Rules of the Periodic Review.

Deletion/Addition within the Same Sector (relative criteria)

1. For each of the seven sectors, the ranking in terms of market liquidity (hereinafter “market liquidity ranking”) difference will be calculated between the lowest-ranked constituent currently included in the index in terms of market liquidity and the highest-ranked eligible stock not currently included in the index.
2. In the sector where the ranking difference is the largest, the constituent currently included in the index with the lowest market liquidity ranking will be deleted, and the eligible stock not currently included in the index with the highest market liquidity ranking within the same sector will be added.

*Note: The rule is described based on seven sectors, reflecting “2. Revisions to the sector classification of Nikkei 225.”*

The current Rules of Periodic Review consist of items (1) through (4). The above rule will be newly added as item (5).

- (1) Assessment of the liquidity (“High Liquidity Group”)
- (2) Deletion of low liquidity constituents (absolute criteria for deletion)
- (3) Addition of high liquidity stocks (absolute criteria for addition)
- (4) Deletion/Addition based on the sector balance (relative criteria)

---

**News Tag : ImportantNotice, Nikkei225, Consultation**

#### Contact

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))



All of the proposed changes described in Sections 1 through 3 are scheduled to be applied from October 1, 2026. The periodic review to be conducted in autumn 2026 will be carried out reflecting these changes. With regard to the Nikkei Industry Classification, it will continue to be reviewed on an ongoing basis, and revisions will be made as necessary.

[Questions]

Q1: Do you agree with the proposed revisions to the Nikkei Industry Classification?

Q2: Do you agree with the proposed revisions to the sector classification of Nikkei 225?

Q3: Do you agree with the introduction of the new rule for deletion/addition within the same sector?

Q4: If there are any other aspects that you believe should be revised in order to maintain the representativeness of Nikkei 225 as an index, please describe them.

Please submit your feedback to the consultation section at the following URL.

<https://indexes.nikkei.co.jp/en/nkave/governance/>

Consultation closing date: June 15, 2026 (JST)

We will inform the results of the consultation by the end of July. Although your contribution will not be published, a summary may be used in our documents preserving anonymity. Your name or your company name will not be disclosed in any case.

---

**News Tag : ImportantNotice, Nikkei225, Consultation**

**Contact**

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))

(Appendix 1)

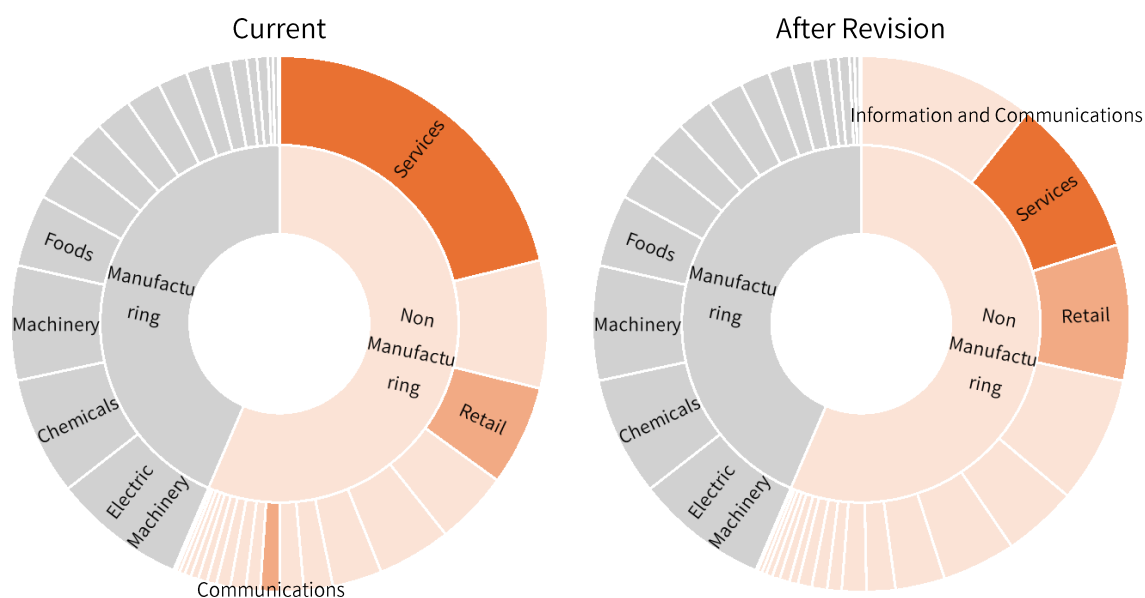
## FAQ for Index Consultation Regarding Sector Structure and Related Constituent Selection Rules of the Nikkei Stock Average

Nikkei conducts the above consultation from May 18 to June 15. This FAQ is prepared to address questions that are expected to be frequently asked. Please refer to these questions if you need clarification while responding to the consultation.



Q1: Why is the Nikkei Industry Classification being revised?

A1: The services industry has continued to expand and diversify, and the development of technologies such as AI has led to the emergence of new industries and markets. Under the current Nikkei Industry Classification, the “Services” industry includes a broad range of constituents, encompassing not only businesses that provide general services but also IT-related and food service-related businesses. In light of this, Nikkei has determined that reallocating certain groups of stocks to other industries would allow the classification to more appropriately reflect actual business activities. The changes in the distribution of the number of companies listed on the Tokyo Stock Exchange Prime Market across each industry are shown below.



*Note: Based on data as of the end of April*

News Tag : ImportantNotice, Nikkei225, Consultation

### Contact

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))

Q2: Why is an index consultation being conducted with regard to the revisions to the Nikkei Industry Classification?

A2: Under the Rules of the Periodic Review, the deletion and addition of constituents based on sector balance are affected by how each stock is classified into a sector. Since the sector classification is constructed based on the Nikkei Industry Classification, revisions to the Nikkei Industry Classification may indirectly affect constituent selection for Nikkei 225. Taking such potential impacts into account, revisions to the Nikkei Industry Classification and the sector classification have been included as subjects of this consultation.

Q3: Why is a new “Information and Communications” sector being established in the sector classification of Nikkei 225?

A3: As a result of reallocating certain constituents that had previously been classified under the “Services” industry into the “Communications” industry, which will be renamed “Information and Communications,” the weight of the Technology sector would also increase under the existing sector classification. If left unchanged, this would lead to an excessively large sector size for the Technology sector. To address this, industrial technologies and information and communications technologies are separated, and the latter is established as a new, independent sector.

Q4: Why is the sector classification of the “Pharmaceuticals” industry being changed?

A4: In making this change, consideration has been given to the balance among sectors, the proximity of the “Pharmaceuticals” industry to other industries within the same sector, and changes in business models. Under the current sector classification of Nikkei 225, the Technology sector accounts for more than 50 percent of the index. By changing the sector classification of the “Pharmaceuticals” industry, the concentration of sector weights is expected to be alleviated, allowing the index to more appropriately reflect actual market conditions.

In addition, there has been an increasing degree of proximity between the “Pharmaceuticals” industry and the Foods industry, as some food manufacturers have expanded into pharmaceutical businesses, while pharmaceutical companies have increasingly entered the

---

**News Tag : ImportantNotice, Nikkei225, Consultation**

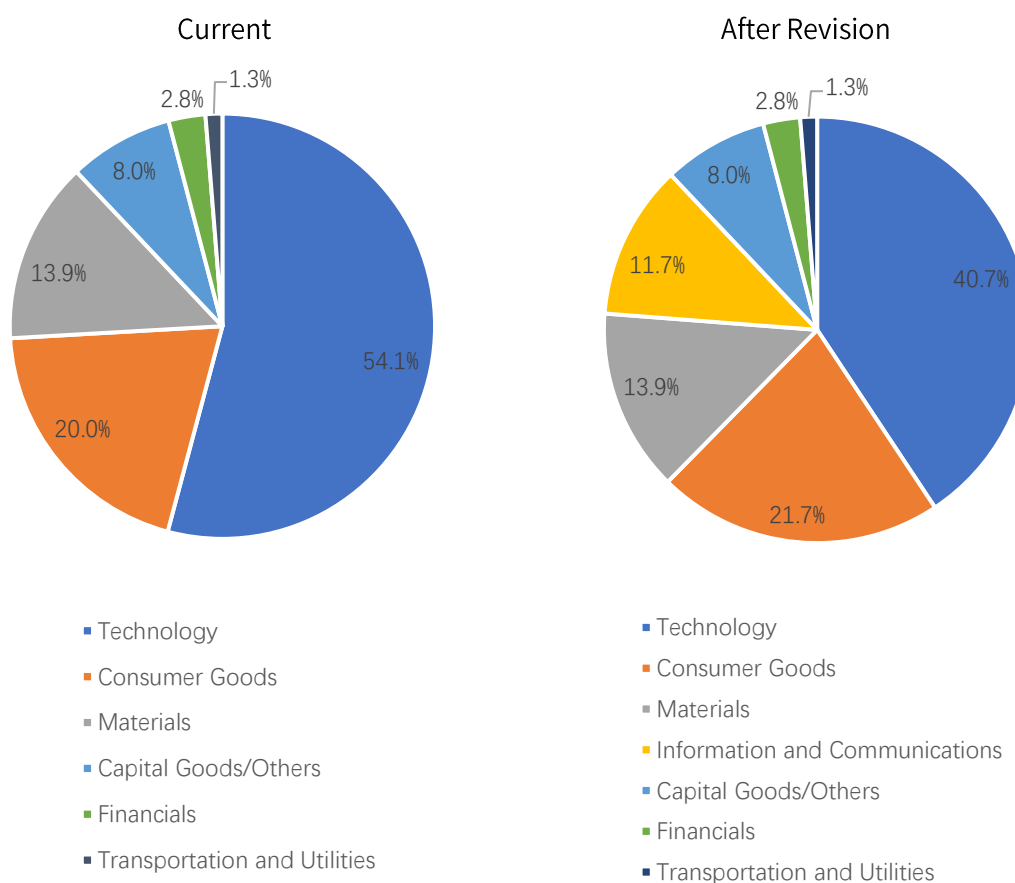
**Contact**

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))

health food business. Taking these factors into comprehensive consideration, the sector classification of the “Pharmaceuticals” industry will be changed from the Technology sector to the Consumer Goods sector.

Q5: How will the sector weights of Nikkei 225 change as a result of the proposed revisions?

A5: The weight of the Technology sector will decline, and the balance of sector weights is expected to improve. For details, please refer to the pie charts below.



Note: Based on data as of the end of April 2026.

Q6: Why is a new rule for deletion and addition within the same sector being introduced?

A6: The purpose of introducing this rule is to further enhance the turnover of index constituents. Under the current Rules of the Periodic Review, in order to avoid excessive constituent changes,

---

News Tag : ImportantNotice, Nikkei225, Consultation

**Contact**

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))

constituents are generally not deleted until their market liquidity ranking falls below a certain threshold, namely 450th, except in cases related to adjustments based on sector balance. In addition, the number of constituent changes per periodic review is capped at three. As a result, particularly in sectors with an excessive number of constituents, stocks with higher market liquidity rankings than existing constituents may nonetheless be unlikely to be added at a periodic review unless they meet the absolute criterion for inclusion, defined as a market liquidity ranking of 75th or higher. By newly introducing a rule for deletion and addition within the same sector, relatively more liquid stocks can be added and relatively less liquid stocks can be deleted while maintaining sector balance, thereby promoting greater turnover of index constituents.

Q7: To what extent will the rule for deletion and addition within the same sector affect constituent changes in Nikkei 225?

A7: With the addition of this rule, constituent changes may occur under this rule in addition to those resulting from the existing Rules of the Periodic Review. However, the maximum number of constituent changes per periodic review will remain unchanged at three.



If you have any other questions, please submit them using the form below. Please select “Index Consultation” from the inquiry item list. We will summarize and address your questions by updating this document as necessary.

[https://www1.entryform.jp/nikkei\\_indexes\\_contact\\_en/](https://www1.entryform.jp/nikkei_indexes_contact_en/)

---

**News Tag : ImportantNotice, Nikkei225, Consultation**

**Contact**

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))

(Appendix 2)

## List of Current Nikkei 225 Constituents with Changes in Industry or Sector Classification

Constituents are listed by sector after the revision. The number in parentheses following each sector name indicates the number of constituents in that sector.

Technology (48): No applicable constituents

### Information and Communications (14)

Constituent Name	Current Industry (Current Sector)	New Industry (New Sector)
2432 DENA CO., LTD.	Services (Consumer Goods)	<u>Information and Communications</u> <u>(Information and Communications)</u>
3659 NEXON CO., LTD.	Services (Consumer Goods)	<u>Information and Communications</u> <u>(Information and Communications)</u>
3697 SHIFT INC.	Services (Consumer Goods)	<u>Information and Communications</u> <u>(Information and Communications)</u>
4307 NOMURA RESEARCH INSTITUTE, LTD.	Services (Consumer Goods)	<u>Information and Communications</u> <u>(Information and Communications)</u>
4385 MERCARI, INC.	Services (Consumer Goods)	<u>Information and Communications</u> <u>(Information and Communications)</u>
4689 LY CORP.	Services (Consumer Goods)	<u>Information and Communications</u> <u>(Information and Communications)</u>
4704 TREND MICRO INC.	Services (Consumer Goods)	<u>Information and Communications</u> <u>(Information and Communications)</u>
7974 NINTENDO CO., LTD.	Services (Consumer Goods)	<u>Information and Communications</u> <u>(Information and Communications)</u>
9432 NTT, INC.	Communications (Technology)	<u>Information and Communications</u> <u>(Information and Communications)</u>
9433 KDDI CORP.	Communications (Technology)	<u>Information and Communications</u> <u>(Information and Communications)</u>
9434 SOFTBANK CORP.	Communications (Technology)	<u>Information and Communications</u> <u>(Information and Communications)</u>
9602 TOHO CO., LTD	Services (Consumer Goods)	<u>Information and Communications</u> <u>(Information and Communications)</u>

---

News Tag : ImportantNotice, Nikkei225, Consultation

#### Contact

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))

9766 KONAMI GROUP CORP.	Services (Consumer Goods)	<u>Information and Communications</u> <u>(Information and Communications)</u>
9984 SOFTBANK GROUP CORP.	Communications (Technology)	<u>Information and Communications</u> <u>(Information and Communications)</u>

Financials (20): No applicable constituents

Consumer Goods (40)

Constituent Name	Current Industry (Current Sector)	New Industry (New Sector)
4151 KYOWA KIRIN CO., LTD.	Pharmaceuticals (Technology)	Pharmaceuticals <u>(Consumer Goods)</u>
4502 TAKEDA PHARMACEUTICAL CO., LTD.	Pharmaceuticals (Technology)	Pharmaceuticals <u>(Consumer Goods)</u>
4503 ASTELLAS PHARMA INC.	Pharmaceuticals (Technology)	Pharmaceuticals <u>(Consumer Goods)</u>
4506 SUMITOMO PHARMA CO., LTD.	Pharmaceuticals (Technology)	Pharmaceuticals <u>(Consumer Goods)</u>
4507 SHIONOGI & CO., LTD.	Pharmaceuticals (Technology)	Pharmaceuticals <u>(Consumer Goods)</u>
4519 CHUGAI PHARMACEUTICAL CO., LTD.	Pharmaceuticals (Technology)	Pharmaceuticals <u>(Consumer Goods)</u>
4523 EISAI CO., LTD.	Pharmaceuticals (Technology)	Pharmaceuticals <u>(Consumer Goods)</u>
4568 DAIICHI SANKYO CO., LTD.	Pharmaceuticals (Technology)	Pharmaceuticals <u>(Consumer Goods)</u>
4578 OTSUKA HOLDINGS CO., LTD.	Pharmaceuticals (Technology)	Pharmaceuticals <u>(Consumer Goods)</u>

Materials (48): No applicable constituents

Capital Goods/Others (35): No applicable constituents

Transportation and Utilities (20): No applicable constituents

---

News Tag : ImportantNotice, Nikkei225, Consultation

**Contact**

Index Business Office, Nikkei Inc. ([index@nex.nikkei.co.jp](mailto:index@nex.nikkei.co.jp))