Nikkei Trading Company Stock Top 10 Index

Index Guidebook

Nikkei Inc.

- This document is the index guidebook of the Nikkei Trading Company Stock Top 10 Index calculated and published by Nikkei Inc. (Nikkei). The document is drawn up by Nikkei and it would be changed or modified corresponding to the revision of the index calculation rule etc.
- Copyright of this document is owned by Nikkei, and any copies, reprints and reproduction of this document are prohibited without the prior approval of Nikkei. This document is prepared solely for the understanding of the index that Nikkei calculates and publishes, and it is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments.
- This English document is a translation of the original document in Japanese and may not be an entirely accurate translation of the original Japanese document. In any case where differences arise between the English edition and the original Japanese edition, the original Japanese document will prevail.

(November 13, 2026 Edition)

1: Overview

・The Nikkei Trading Company Stock Top 10 Index is a market capitalization-weighted stock price index composed of the 10 trading-company stocks with the highest market capitalizations listed on the Tokyo Stock Exchange.

2: Name

(Japanese)
Official : 日経商社株トップ 10 指数
(English)
Official : Nikkei Trading Company Stock Top 10 Index

3: Management of Constituents

(1) Basic Information

- The Nikkei Trading Company Stock Top 10 Index consists, in principle, of ten constituent stocks.
- A periodic review of the constituents is conducted each November.
- If a constituent is removed due to an extraordinary event between annual reviews, a replacement is not added in principle during the interim period. The number of constituents is restored to ten at the time of the next annual review. However, if the number falls below nine, replacements are added until the total reaches ten.

(2) Eligible Stocks

- Eligible stocks are selected from trading-company stocks listed on the Tokyo Stock Exchange ("TSE"). Stocks that have been listed for less than two months and those designated as securities to be delisted or securities on alert are not eligible. In cases involving a technical listing, eligibility is determined based on the listing date of the wholly owned subsidiary or the absorbed company, rather than the listing date of the newly listed entity.

(3) Periodic Review

- The last business day of October each year is designated as the “base date.” Constituent changes are implemented on the last business day of November. Constituent changes arising from the regular review are announced in advance with sufficient notice.

Copyright © Nikkei Inc. All rights reserved.

- Trading-company stocks are defined as those whose main business is classified as one of the following categories in the NEEDS Industrial Classification* (sub-categories).
  * The "NEEDS Industrial Classification" is Nikkei NEEDS' original industry classification based on the current industrial structure. Each company is assigned to industry category based on its business and sales structure. In order to fully take into account the diversified businesses of a company, multiple industry categories are assigned to each company in addition to its core business. The classifications are reviewed on a regular basis and also when there is a major change in the core business.

NEEDS Industrial Classification (Sub-categories)
General Trading Company
Energy Trading Company

- Eligible stocks must have a market capitalization of at least JPY 20 billion and average daily trading value of at least JPY 50 million over the most recent one-year period (for stocks listed for less than one year, measured from the listing date through the Base Date). For constituents included in the preceding year, the thresholds are market capitalization of at least JPY 10 billion and average daily trading value of at least JPY 25 million over the most recent one-year period. If fewer than 10 stocks qualify, the market-capitalization threshold is reduced in increments of JPY 5 billion and the trading-value threshold in increments of JPY 5 million until 10 candidates qualify.
- From among trading-company stocks meeting the above requirements, 10 stocks are selected based on their market capitalization ranking, following the order of priority below, starting from those with the highest market capitalization.
  1. Current constituent stocks that rank within the top 12.
  2. Non-constituent stocks.

  If two or more stocks have the same market capitalization, the stock with higher liquidity measured by the average daily trading value over the past year is given priority for selection.

(4) Extraordinary Removals

- When a constituent is designated as a security to be delisted or as security on alert, it is, in principle, removed five business days after the date of designation.
- When a constituent is delisted due to a merger or another similar corporate action, it is, in principle, removed on the delisting date.

Copyright © Nikkei Inc. All rights reserved.

- A constituent that is designated as a security under supervision is, in principle, not subject to removal at the time of designation. However, if it is later determined that the likelihood of future delisting is extremely high, or that maintaining the security as a constituent has become significantly inappropriate, the security may be removed at a later date after an advance public announcement.

(5) Extraordinary Additions

- When it becomes evident that the number of constituent stocks will fall below 9 as a result of an extraordinary removal, a market capitalization ranking is prepared using the same methodology as in the periodic review. Additional stocks are selected from non-constituent stocks with higher rankings until the total number of constituents reaches 10. The base date for the market capitalization ranking is the last business day of the month preceding the date five business days prior to the extraordinary removal.
- Notwithstanding the above, in cases where a stock is removed due to corporate reorganization, exceptional constituent additions may be applied. Decisions on whether such exceptional additions are implemented are made case by case, taking into account the specific circumstances and the post-reorganization structure.
    i. Under the following cases, the stock of a company that will succeed the business substance of the delisted company will, in principle, be added. The applicable companies are those that are currently not constituents and are listed, or scheduled to be listed within a short period, on the TSE.
        - The stock of the surviving company in the case of a merger where the constituent is absorbed by a non-constituent
        - The stock of the newly established parent company in the case of a stock exchange or stock transfer, where the shares of the constituent are exchanged for shares of the new parent company
    ii. When a company split is carried out through a corporate divestiture and multiple successor companies continue to be listed after the split, the company that succeeds the principal business operations is, in principle, retained as the constituent.
- The effective date of an extraordinary addition is, in principle, the same date as the extraordinary removal. However, when a newly listed company that succeeds the business substance of a stock that is being delisted due to a corporate reorganization is adopted as a replacement, the replacement is, in principle, implemented on the listing date of the new company.

Copyright © Nikkei Inc. All rights reserved.

(6) Constituents for Retroactive Calculation

- The constituent stocks used for the retroactive calculation (see section 4 (8)) are selected based on the market capitalization ranking as of each base date, and the periodic reviews are implemented on the last business day of the month following each base date. The extraordinary removal and extraordinary addition rules described in sections (4) and (5) above are also applied retroactively in the calculation.

4: Index Calculation

(1) Basic Information

- The index is calculated using a market capitalization-weighted methodology.
- The base value is set at 10,000 as of November 29, 2013 (the Inception Date).
- The index value is expressed in points and is rounded to two decimal places, with the third decimal place rounded.
- The index is calculated on an end-of-day basis using the closing prices on the Tokyo Stock Exchange.

(2) Calculation Formula

- The daily index value shall be calculated using the following formula.

$$\text{Index value} = \Sigma \{\text{Share price} \times \text{Weight Factor}\} \div \text{Divisor}$$

(3) Stock Prices

- The priority order for selecting prices is as follows:
  1. Special Quote, Sequential Trade Quote or Temporary Quote
  2. Closing price
  3. Base price

  The base price is the value selected in the following order of priority: the theoretical ex-rights price, the Special Quote, Sequential Trade Quote or Temporary Quote of the previous day, or the previous day's closing price.

Copyright © Nikkei Inc. All rights reserved.

(4) Weight Factors

- The weight factor (number of index shares) used for the calculation of the index for each stock is based on the number of outstanding common shares as of each base date.
- At the time of the periodic review, if the weight (index composition ratio) of any specific stock exceeds 35% of the total index composition, the weight factor is adjusted so that the weight does not exceed 35%.
- After the weight factors have been set, if a constituent stock undergoes a stock split or reverse stock split, the weight factor is adjusted on the ex-rights date of that corporate action in proportion to the split ratio.
- When an extraordinary replacement is made because the number of constituents has fallen below 9, the weight factor of the added stock is determined using data as of the base date used to select that stock. The weight factors of the other constituents remain unchanged at that time.
- When a newly listed stock, such as one resulting from the establishment of a holding company, replaces a removed stock, the weight factor of the added stock is determined by taking into account the removed stock's weight factor and the applicable transfer ratio or similar factor.

(5) Divisor

- The Divisor on November 29, 2013, the Inception Date, is determined by the following formula.

$$\text{Divisor} = \Sigma \{\text{Share prices} \times \text{Weight Factor on the Inception Date}\} \div 10000$$

- After the Inception Date, the Divisor is adjusted each time a constituent replacement occurs using the following formula.

$$\text{Divisor (Next Day)} = \text{Divisor (Today)} \times \frac{\Sigma \{\text{Base Price of each constituent on the next day} \times \text{Weight Factor for the next day}\}}{\Sigma \{\text{Adopted Price of each constituent today} \times \text{Weight Factor today}\}}$$

- The Divisor is rounded to the fourth decimal place (fifth decimal place rounded).

Copyright © Nikkei Inc. All rights reserved.

(6) Spin-Offs

- When shares of the spun-off independent company are distributed to the shareholders of a constituent company and the spun-off company is going to be listed in the short period, the spun-off company is temporarily incorporated into the index calculation between the spin-off ex-date and the listing date. The spun-off company is to be excluded from the index calculation on the next business day after the listing date.
- The offering price or the reference price submitted by the listing sponsor is to be used as the price of the stock temporarily included in the index calculation until the market price is determined after its listing. The Weight Factor is to be set by considering the original component stock's Weight Factor and the spin-off distribution ratio.

(7) Modification of the index value

- If any event occurs and comes out at a later date where it is necessary to modify the index value, as a general rule, Nikkei reflects the modified data into the index value on the index calculation date coming subsequently after the event comes out, as the date when the event occurs. Retroactive calculation for the modification will not be conducted in principle.

(8) Retroactive calculation in the past

- The index is retroactively calculated to the Inception Date (November 29, 2013=10,000) on an end-of-day basis.
- The constituents used for the retroactive calculation are as described in section 3-(6).

5: Others

(1) Total Return Index calculation

As related indices to the "Nikkei Trading Company Stock Top 10 Index," the following indices, which take dividends into account, are calculated on an end-of-day basis:

- "Nikkei Trading Company Stock Top 10 Index (Total Return)"
- "Nikkei Trading Company Stock Top 10 Index (Net Total Return)"

The basic calculation principles, including the treatment of dividends, follow those of the "Nikkei 225 Total Return Index."

Copyright © Nikkei Inc. All rights reserved.

(2) Index License

- “Nikkei Trading Company Stock Top 10 Index” (including the Nikkei Trading Company Stock Top 10 Index (Total Return) and the Nikkei Trading Company Stock Top 10 Index (Net Total Return); the same applies hereinafter) is a copyrighted material calculated in a methodology independently developed and created by Nikkei Inc. Nikkei Inc. is the sole exclusive owner of the copyright and other intellectual property rights in the Nikkei Trading Company Stock Top 10 Index itself and the methodology to calculate the Nikkei Trading Company Stock Top 10 Index. A licensing agreement with Nikkei is necessary if companies intend to use the Nikkei Trading Company Stock Top 10 Index commercially, such as by offering financial derivatives including futures and options based on the index, creating and offering financial products such as funds and linked bonds, or providing data.

(3) Disclaimer

- Nikkei has no obligation to publish the Nikkei Trading Company Stock Top 10 Index (including the Nikkei Trading Company Stock Top 10 Index (Total Return) and the Nikkei Trading Company Stock Top 10 Index (Net Total Return); the same applies hereinafter) continuously, and Nikkei is not responsible for any error, delay or omission in the Nikkei Trading Company Stock Top 10 Index. Nikkei is entitled to change the details of the Nikkei Trading Company Stock Top 10 Index and to suspend or stop the calculation and the announcement of the index.

- Although, in principle, the Nikkei Trading Company Stock Top 10 Index is calculated and maintained in accordance with the information provided here, Nikkei has discretion to take measures Nikkei deems appropriate when the events which are not covered in this document happen or under the circumstances where it is difficult to continue to calculate the index using the current rules. In addition, the specifications described may be amended without notice. Nikkei does not assume any loss or damage caused by the use of this document.

- This English document may not be an entirely accurate translation of the original Japanese document. In any case where differences arise between the English edition and the original Japanese edition, the original Japanese document will prevail.

Copyright © Nikkei Inc. All rights reserved.

(4) Contact

Index Business Office, Nikkei Inc.
Mail: index@nex.nikkei.co.jp

Copyright © Nikkei Inc. All rights reserved.

(Appendix) Index Guidebook Change History

November 13, 2026 Edition	First Edition

Copyright © Nikkei Inc. All rights reserved.