

The JPX-Nikkei Index 400 is composed of companies with high appeal for investors, which meet requirements of global investment standards, such as efficient use of capital and investor-focused management perspectives. The index was jointly developed by Nikkei, Japan Exchange Group and Tokyo Stock Exchange.

■(Constituents)

JPX-Nikkei 400 is composed common stocks whose main market is the TSE 1st section, 2nd section, Mothers or JASDAQ market (in principle).

■(Review)

The components are reviewed annually to keep the representativeness of the market. The Annual Review shall be conducted at the end of August as follows.(1)1000 stocks are selected based on trading value in the past 3 years and the market value on the selection base date (the end of June) of the Annual Review, (2)Each stock is scored by 3-year average ROE, 3-year cumulative operating profit and market value on the selection base date with the weights on the each indicator 40%, 40%, 20% respectively, (3)400 stocks are selected by the final ranking with the scores calculated in (2) and qualitative factors from the perspectives of corporate governance and disclosure. In case of delisting of the components due to a merger or bankruptcy etc, new stocks shall not be added in principle. When the Annual Review is conducted, the number of components is back to 400, therefore the index is calculated with less than 400 components until then.

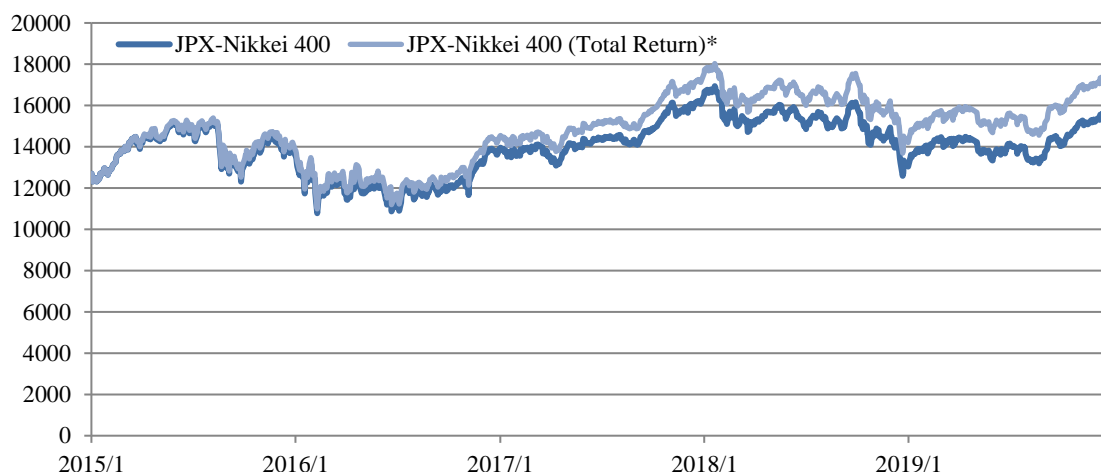
■(Calculation)

The index is calculated based on market capitalization adjusted by FFW (Free Float Weight). The index is calculated by dividing the current total free float adjusted market value by "base market value". Base market value is adjusted to maintain continuity in the index when the market value of constituents changes for non-market reasons. In case where the cap maximum of the components exceed 1.5% at the Annual Review, the each weight to the total market value of the index shall be adjusted within 1.5% at the end of June, the selection base date of the Annual Review.

■(Base Date)

The index was calculated from January 6, 2014. The inception value was 10,000 points on August 30, 2013 (calculation base date) and calculated retroactively back to August 31st, 2006. The index is calculated every 1 second during the trading hours of the Tokyo Stock Exchange.

■Graph (Dec/30/2019)



*JPX-Nikkei 400 (Total Return) : The value were converted based on the level of JPX-Nikkei 400 on Jan/05/2015 (=12697.59).

■Performance (Dec/30/2019)

	Annual Return(%)					Annualized Returns (%)		Annualized Standard Deviation(%)	
	2015	2016	2017	2018	2019	3years	5 years	3 years	5 years
JPX-Nikkei 400	9.27	-2.42	18.06	-17.55	16.02	4.14	3.79	12.68	15.48
(Total Return)	11.39	-0.25	20.62	-15.67	18.96	6.56	6.10	12.84	15.50
(Net Total Return)	11.06	-0.58	20.22	-15.96	18.51	6.19	5.74	12.80	15.49

■ Top 10 Components by weight (Dec/30/2019)

Company	Code	TOPIX-17 series categories	Weight (%)	1.5% Cap Application(*)
Sony Corp.	6758	Electric Appliances & Precision Instruments	1.69	*
Mitsubishi UFJ Financial Group, Inc.	8306	Banks	1.58	*
Toyota Motor Corp.	7203	Automobiles & Transportation Equipment	1.58	*
Recruit Holdings Co., Ltd.	6098	IT & Services, Others	1.50	
Takeda Pharmaceutical Co., Ltd.	4502	Pharmaceutical	1.48	*
Keyence Corp.	6861	Electric Appliances & Precision Instruments	1.47	*
Nippon Telegraph And Telephone Corp.	9432	IT & Services, Others	1.47	*
Nintendo Co., Ltd.	7974	IT & Services, Others	1.44	
Sumitomo Mitsui Financial Group, Inc.	8316	Banks	1.42	*
Honda Motor Co., Ltd.	7267	Automobiles & Transportation Equipment	1.30	

(*) 1.5% Cap applies to these components.

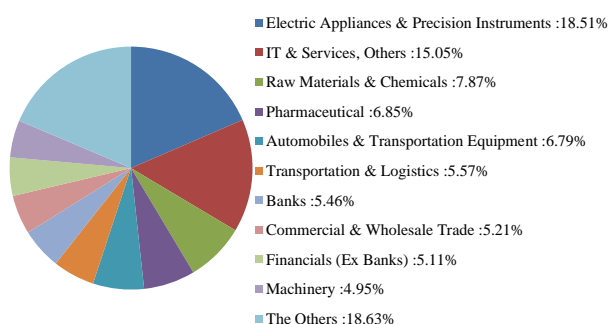
■ Number of issues by Market division and 3-year average ROE (Aug/30/2019)

Market division	No. of issues	3-year Avg. ROE (%)	
1st Section	394	2015	11.7%
2nd Section	0	2016	12.5%
Mothers	1	2017	12.5%
JASDAQ	5	2018	12.8%
		2019	13.5%

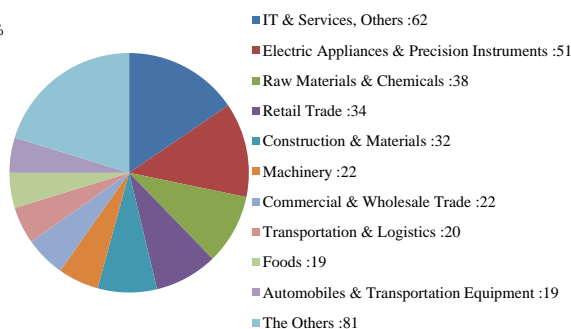
(*) Simple Average as of the periodic review

■ Top 10 Industrial Categories (Dec/30/2019) *based on TOPIX-17 series categories

Top 10 Categories by Weight



Top 10 Categories by issues



■ Vendor Code

		(Total Return)	(Net Total Return)
QUICK	105	S105/TSX	S105#NR/TSE
Bloomberg	JPNK400	JPNK400D	JPNKNTR
THOMSON REUTERS	.JPXNK400	.JPXNK400DV	.JPXNK400NTR

■ Reference

Please refer to the "Index Guidebook" for the detail of the calculation method or constituents selection rules.

→(Nikkei) <https://indexes.nikkei.co.jp/nkave/index/profile?idx=jpxnk400>

(TSE) <https://www.jpx.co.jp/english/markets/indices/jpx-nikkei400/index.html>

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