



August 5, 2016

Japan Exchange Group, Inc.
Nikkei Inc.

Revision of the Guidebook for JPX-Nikkei Index 400

The guidebook for JPX-Nikkei Index 400, which is jointly calculated by Japan Exchange Group, Inc. (JPX), Tokyo Stock Exchange, Inc. (TSE), and Nikkei Inc. (Nikkei), has been revised as follows.

1. Key changes

(1) Criteria used for determining qualitative scores

Among the criteria used for determining qualitative scores, JPX, TSE, and Nikkei hereby announce that they will revise the criteria under "Appointment of independent outside directors" to take into account levels of conformity, etc., as follows.

Item	New criteria (Effective in the next periodic review in 2017)	Existing criteria
Appointment of independent outside directors	Out of the total number of directors, at least one-third or a minimum of three directors are appointed as independent outside directors on the base date. If one-third of the total number of directors is less than two, at least two independent outside directors are appointed.	At least 2 independent outside directors appointed on the base date

*Other items (Adoption of IFRS, Disclosure of English earnings information) used for scoring qualitative scores will not be revised at this time.

(2) Treatment of Securities on Alert in "Removal of Constituents in addition to the Periodic Review"

Title	New	Old
III. JPX-Nikkei Index 400 Constituent Selection 2. Removal of Constituents in addition to the Periodic Review	- In cases where constituents are delisted, designated as Securities to be Delisted, <u>or designated as Securities on Alert</u> , they shall be removed from JPX-Nikkei 400 (see	- In cases where constituents are delisted or designated as Securities to be Delisted, they shall be removed from JPX-Nikkei 400 (see Chapter IV).

Title	New	Old
	Chapter IV).	

2. Effective Date

Changes in 1.(1) will go into effect on the next periodic review (August 2017), and those in 1.(2) will go into effect immediately.

(Appendix) Levels of conformity with qualitative factors

Item	FY2016	
	No. of issues	Percentage
Appointment of independent outside directors	357 (2071)	89.3% (59.0%)
Adoption of IFRS	65 (111)	16.3% (3.2%)
Disclosure of English earnings information	180 (549)	45.0% (15.6%)

*Figures in "(" indicate the levels of conformity with qualitative factors for all the eligible constituents of JPX-Nikkei Index 400

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