

(Reference Translation)

May 22, 2020
Tokyo Stock Exchange, Inc.
Nikkei Inc.

Index Consultation on Postponement of Periodic Reviews for JPX-Nikkei Index 400 and JPX-Nikkei Mid and Small Cap Index

Tokyo Stock Exchange, Inc. and Nikkei Inc. (hereinafter "the Index Providers") are proposing to postpone the periodic reviews for JPX-Nikkei Index 400 and JPX-Nikkei Mid and Small Cap Index due in FY2020 and are conducting an Index Consultation on said proposal. Details are as follows:

1. Reason for postponement

According to the procedure defined in the Guidebooks, the periodic reviews for JPX-Nikkei Index 400 and JPX-Nikkei Mid and Small Cap Index are conducted on the last business day of August, using earnings reports, internal control reports and corporate governance reports¹ submitted by the periodic selection base date (the last business day of June).

On April 17, 2020 the Financial Services Agency promulgated and enforced the "Cabinet Office Ordinance on Partial Amendment of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc." (hereinafter "Cabinet Office Ordinance") which will extend filing deadlines due to the impact of COVID-19. Specifically, for statutory reports such as annual securities reports and quarterly reports (collectively "securities reports, etc.") due between April 20 and September 29, 2020, the deadline for submission will be extended to September 30, 2020 uniformly. The Cabinet Office Ordinance will also extend the deadline for submitting internal control reports and confirmations, which are submitted with securities reports, etc. to September 30, 2020.

In addition, the Tokyo Stock Exchange Listing Department is requesting listed companies to reconsider the timing of their financial results announcements².

As there is a possibility that earnings reports, internal control reports and corporate governance reports will not be submitted by the periodic selection base date due to the

¹ Corporate governance reports submitted by the 10th business day of July are eligible.

² Handling of Timely Disclosure of the Effects of the Novel Coronavirus Outbreak on Business

<https://www.jpx.co.jp/english/news/1023/20200210-01.html>

Request for reconsideration of timing of financial results announcements in relation to the extension of filing deadlines for annual securities reports, etc. (Japanese only)

<https://www.jpx.co.jp/news/1020/20200414-01.html>

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effects of COVID-19 as described above, the Index Providers propose to postpone the periodic reviews for JPX-Nikkei Index 400 and JPX-Nikkei Mid and Small Cap Index as follows.

2. Proposal

(1) Outline

The periodic reviews due for FY2020 will be postponed by three months.

(2) Details

Dates including the effective date of periodic review as defined in the Guidebooks will be changed in accordance with the following table. For anything not included in the following table, the periodic review will be conducted in accordance with the Guidebook.

	Before	After
Base date for periodic review	June 30, 2020	September 30, 2020
Announcement date for result of periodic review (Release of list of issues to be added/removed)	August 7, 2020	November 9, 2020
Effective date of Periodic review (Date of index calculation using the new constituents)	August 31, 2020	November 30, 2020
Deadline for submission of Corporate Governance Reports	July 14, 2020	October 14, 2020
Deadline for disclosure of English earnings information	The end of the 3rd month after the end date of the most recent fiscal year	The end of the 6th month after the end date of the most recent fiscal year
Eligible dates for disclosure of English Corporate Governance Report	Within the past one year before the base date	Within the past one year and three months before the base date

Financial data used in the periodic reviews shall be the earnings reports of a listed company from the fiscal year ended in April, 3 years prior to the year (in which the base date falls) to the fiscal year ended in March, immediately preceding the base date in accordance with the Guidebooks.

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3. Timeline and related procedures

Date	Procedures
May 22, 2020 to June 21, 2020	Opinions gathered through Index Consultation *Opinions can be submitted via the JPX official website. Submissions must specify the following: (i) Name of submitter, (ii) Occupation of submitter, (iii) Name and business type of the corporation, organization, etc. to which the submitter belongs, (iv) Contact information (i.e., phone number and email address), and (v) Opinions on the proposed matter(s).
June 29, 2020 (planned)	Final decision by the Index Providers *The Index Providers will make the final decision on the proposed matter(s) taking into consideration the opinions submitted. The finalized measures will be published on the Index Providers' official website.