

(Reference Translation)

# TSE Index Guidebook (Ex-TSE First Section Index)

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JPX Market Innovation & Research, Inc.

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## Contents

Record of Changes.....	3
Introduction.....	4
I. Outline of Index.....	4
II. Index Calculation.....	4
1. Outline .....	4
2. Index Type.....	4
3. Inclusion or Removal of Constituents.....	5
III. Other .....	6
1. Publication/Dissemination of Index Data.....	6
2. Licensing.....	6
3. Contact .....	6

## Record of Changes

DATE	Changes
2022/4/4	• Launch

## **Introduction**

- JPX Market Innovation & Research, Inc. (hereinafter the “JPXI”) calculates and publishes Ex-Tokyo Stock Exchange First Section Index (hereinafter the “Ex-TSE First Section Index”) in accordance with the methods described in this document. If an event not specified in this document occurs, or if JPXI determines that it is difficult to use the methods described in this document, JPXI may use an alternative method of index calculation as it deems appropriate.
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## **I. Outline of Index**

- The Ex-TSE First Section Index is calculated based on TOPIX constituents as of April 1, 2022.
- There will be no periodic review of constituents.
- The Ex-TSE First Section Index is calculated until January 31, 2025.
- The base date is January 4, 1968. The base value is 100\*.

\*The index value from January 4, 1968 to April 1, 2022 is the same as TOPIX.

## **II. Index Calculation**

### **1. Outline**

- The Ex-TSE First Section Index is calculated using market capitalization weighting.
- The calculation formula and method for adjustments of base market value, etc. are in accordance with the Index Calculation Guidebook.

### **2. Index Type**

- A price return index and a total return index are calculated.

- The method of reflecting dividends in index values is in accordance with the Index Calculation Guidebook.

### 3. Inclusion or Removal of Constituents

#### (1) Non-periodic removal

- Constituents which are delisted or designated as Securities to be Delisted shall be removed.

#### (2) Non-periodic inclusion

- In the event a constituent of the Ex-TSE First Section Index is delisted due to a stock transfer, stock swap, merger for creating a new company or demerger, and the newly created, surviving, or succeeding company undergoing such a stock transfer, etc. is listed without delay, JPXI will add the new company to the index.
- In the event a constituent of the Ex-TSE First Section Index is delisted due to a stock swap or absorption-type merger, in which the surviving company or the parent company holding all shares of the constituent company is not a constituent of the Ex-TSE First Section Index, then JPXI will add of the surviving company or the parent company to the index.

#### (3) Dates of constituent inclusion and removal

	Event Requiring Adjustment		Adjustment Date
Inclusion	New listing of a newly formed company resulting from a stock transfer, etc. (*1) that results in an Ex-TSE First Section Index constituent being delisted and the new company being included in the Ex-TSE First Section Index.		New listing date (*2)
	Delisting of an Ex-TSE First Section Index constituent due to a stock swap or an absorption-type merger with a surviving stock that is not an Ex-TSE First Section Index constituent, and the surviving stock is included in the Ex-TSE First Section Index.		Delisting date
Removal	Delisting	New listing of a newly formed company resulting from a stock transfer, etc. (*1) that results in an Ex-TSE First Section Index constituent being delisted and the newly	Listing date of the newly formed company (normally two business days following delisting date)

	Event Requiring Adjustment		Adjustment Date
		formed company being included in the Ex-TSE First Section Index.	
		Delisting other than those stated above (e.g. mergers/stock swaps between two Ex-TSE First Section Index constituents with the surviving company remaining as an Ex-TSE First Section Index constituent, etc.)	Delisting date
	Designation as Securities to be Delisted		Four business days after designation (*3)

\*1: Stock transfer, stock swap, merger for creating a new company, or demerger.

\*2: Next business day when the new listing date falls on a holiday.

\*3: Next business day when the designation date falls on a holiday.

### III. Other

#### 1. Publication/Dissemination of Index Data

##### 1) Index Values

- The Ex-TSE First Section Index is calculated daily at market close.

##### 2) Index Data

- Index data relating to the Ex-TSE First Section Index (base market value, etc.) is provided for a fee through the Tokyo Market Information service.

#### 2. Licensing

- JPXI and/or its affiliates reserve all calculation, publication and other rights pertaining to the Ex-TSE First Section Index. As such, commercial use of such indices in the composition and/or sale of financial products such as funds or linked bonds (including using the index as the basis for options, swaps, warrants, or other OTC derivatives) or provision of index data requires a license from JPXI.

#### 3. Contact

JPX Market Innovation & Research, Inc.

Index Business Department

Email: [index@jpx.co.jp](mailto:index@jpx.co.jp)