

(Reference Translation)

TSE Index Guidebook

(TSE Prime Market Index, TSE Standard Market Index and TSE Growth Market index)

April 4, 2022
Tokyo Stock Exchange, Inc.

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Record of Changes

DATE	Changes
2022/4/4	• Launch

Introduction

- Tokyo Stock Exchange, Inc. (TSE) calculates and publishes the Tokyo Stock Exchange Prime Market Index, Tokyo Stock Exchange Standard Market Index and Tokyo Stock Exchange Growth Market Index (hereafter, "TSE Prime Market Index, etc.") in accordance with the methods described in this document. If an event not specified in this document occurs, or if TSE determines that it is difficult to use the methods described in this document, TSE may use an alternative method of index calculation as it deems appropriate.
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I. Outline of Indices

- TSE Prime Market Index, etc. are composed of the common stocks of all issues listed on each respective segment although the timing of additions and exclusions differ from that of the listing system (please refer to part II below).
- Securities such as subscription warrants, preferred stock, and equity contribution securities are not included.
- The base date for weighting calculations (hereinafter, the "weighting base date") is the last business day of every August.
- The base date and base value are as below.

Index name	Market	Base Date	Base value
TSE Prime Market Index	TSE Prime Market	April 1, 2022	1,000
TSE Standard Market Index	TSE Standard Market	April 1, 2022	1,000
TSE Growth Market Index	TSE Growth Market	April 1, 2022	1,000

II. Index Calculation

1. Outline

- TSE Prime Market Index, etc. are 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.
- The upper weighting limit for any one constituent is 20%.
- If an issue's weight calculated by free-float adjusted market capitalization as of the weighting base date is over the upper limit, a cap-adjustment ratio will be applied to said issue on the last business day of October. Even if the weight again exceeds the upper limit due to stock price movements or other reasons, the cap-adjustment ratio will not be changed until the last business day of the next October.

2. Index Type

- For TSE Prime Market Index, etc., 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, designated as Securities to be Delisted, or transfer to a different segment shall be removed.

(2) Non-periodic inclusion

- Stocks which carry out initial listings (excluding technical listings) on one of the relevant markets will be included in the corresponding index on the last business day of the month following the month containing the listing date.
- Stocks which transfer from another market segment will be included in the relevant index on the transfer date.
- In the event a constituent of TSE Prime Market Index, etc. 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, TSE will add the new company, etc. to the index.

(3) Data used for calculation

- The free-float market capitalization used in the calculation of cap-adjustment ratio is the

market capitalization for each index as of the weighting base date.

(4) Dates of constituent inclusion and removal

	Event Requiring Adjustment		Adjustment Date
Inclusion	New listings (excluding technical listing)		Last business day of the month following listing
	New listing of a newly formed company resulting from a stock transfer, etc. (*1) that results in a TSE Prime Market Index, etc. constituent being delisted and the newly formed company being included in TSE Prime Market Index, etc.		New listing date (*2)
	Market segment transfer (added to index of new segment)		Transfer date (*3)
Removal	Delisting	New listing of a newly formed company resulting from a stock transfer, etc. (*1) that results in a TSE Prime Market Index, etc. constituent being delisted and the newly formed company being included in TSE Prime Market Index, etc.	Listing date of the newly formed company (normally two business days following delisting date)
		Delisting other than those stated above (e.g. mergers/stock swaps between two TSE Prime Market Index, etc. constituents with surviving company remaining as a TSE Prime Market Index, etc. constituent, etc.)	Delisting date
	Market segment transfer (excluded from index of previous segment)		Transfer date (*3)
	Designation as Securities to be Delisted		Four business days after designation (*4)

*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 transfer date falls on a holiday.

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

III. Other

1. Publication/Dissemination of Index Data

1) Index Value

- TSE Prime Market Index, etc. are calculated daily at market close.

2) Index Data

- Index data relating to TSE Prime Market Index, etc. (base market value, number of shares for each constituent, etc.) is provided for a fee through the Tokyo Market Information service

2. Licensing

- TSE reserves all calculation, publication and other rights pertaining to TSE Prime Market Index, etc. 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 TSE.

3. Contact

Tokyo Stock Exchange, Inc. Information Services, Index Group

Email: index@jpx.co.jp