

(Reference Translation)

TSE Index Guidebook  
**(Tokyo Stock Exchange Dividend Focus 100 Index)**

October 1, 2026

JPX Market Innovation & Research, Inc.

Published: March 31, 2026

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese document. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. JPX Market Innovation & Research, Inc., Japan Exchange Group, Inc., Tokyo Stock Exchange, Inc., Osaka Exchange, Inc., Tokyo Commodity Exchange, Inc., Japan Exchange Regulation and/or their affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.

## Content

<b>Record of Changes</b> .....	3
<b>Introduction</b> .....	4
<b>I. Outline of Index</b> .....	4
<b>II. Index Calculation</b> .....	5
1. Calculation Method.....	5
2. Index Type.....	5
3. Constituent Inclusion and Removal.....	5
4. Calculation of coefficients for Tokyo Stock Exchange Dividend Focus 100 Index .....	10
<b>III. Other</b> .....	12
1. Distribution of Index Values and Index Data.....	12
2. Licensing.....	13
3. Contact.....	13

## Record of Changes

DATE	Changes
2018/7/23	<ul style="list-style-type: none"> <li>• First Edition</li> </ul>
2019/8/30	<ul style="list-style-type: none"> <li>• Modified an error</li> </ul>
2020/3/30	<ul style="list-style-type: none"> <li>• Clarified the handling of issues to be delisted due to stock transfer, etc. and cases where less than 100 issues are selected at the periodic review</li> <li>• Revised the date for adjusting base market value following the shortening of stock settlement cycle to T+2</li> </ul>
2020/6/30	<ul style="list-style-type: none"> <li>• Revised to bring forward the date for minor adjustments related to ex-dividend</li> </ul>
2020/12/25	<ul style="list-style-type: none"> <li>• Clarified of the handling of section transfers, etc.</li> </ul>
2022/4/4	<ul style="list-style-type: none"> <li>• Made revisions pertaining to cash equity market restructuring</li> <li>• Added revisions with regard to the business transfer to JPXI (applied on April 1, 2022 retroactively)</li> </ul>
2023/2/13	<ul style="list-style-type: none"> <li>• Revised the structure of the provisions regarding the adjustment of base market value, etc. so that they are in accordance with "Index Calculation Guidebook"</li> <li>• Clarified criteria for the eligible constituents in the periodic review</li> </ul>
2023/10/27	<ul style="list-style-type: none"> <li>• Added a process about Screening of Issues in Portfolios 3 and 4 by Market Capitalization</li> </ul>
2024/1/31	<ul style="list-style-type: none"> <li>• Renamed "Securities on Alert" to "Securities on Special Alert"</li> </ul>
2025/1/31	<ul style="list-style-type: none"> <li>• Aligned terminology in each calculation methodology</li> </ul>
2025/7/31	<ul style="list-style-type: none"> <li>• Added the handling of spin-offs</li> </ul>
2026/3/31	<ul style="list-style-type: none"> <li>• Revised the handling of non-periodic inclusion to constituents (Note) Issues scheduled to be removed from TOPIX on the last business day of July 2028 due to the periodic review will be excluded from the index universe in the 2028 periodic review, as determined based on the index consultation.</li> <li>• Aligned terminology in each calculation methodology</li> </ul>

## **Introduction**

- JPX Market Innovation & Research, Inc. (JPXI) calculates and distributes the Tokyo Stock Exchange Dividend Focus 100 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 impossible to calculate the index using the methods described in this document, JPXI may use an alternative method of index calculation as it deems appropriate.
- Copyright of this document is owned by JPXI and any copies, reprints, or reproductions of this document in whole or in part are prohibited in any form without the prior approval of JPXI. This document is prepared solely for the understanding of indices calculated, distributed, and published by JPXI and is not to be construed as a solicitation for trading any securities or related financial instruments. JPXI shall accept no liability or responsibility for any loss or damage arising from errors, delays, or termination of the calculation, distribution, or publication of Tokyo Stock Exchange Dividend Focus 100 Index, changes to its calculation or publication method, the use of Tokyo Stock Exchange Dividend Focus 100 Index or all or any part of this document or other similar events.
- In this document, the number of beneficiary right units and investment units are referred to as shares and stocks for convenience.

## **I. Outline of Index**

- The Tokyo Stock Exchange Dividend Focus 100 Index is an index of 100 issues selected with the aim of achieving stable quarterly dividend payments. Its constituent universe is comprised of the constituents of TOPIX 1000 and Tokyo Stock Exchange REIT Index. Issue selection is based on market capitalization and estimated dividend yield. However, issues which fall under any of the following criteria will be excluded:
  - (a) Securities that are expected to be delisted due to a share transfer, etc.;
  - (b) Securities designated as Securities to be Delisted as of the base date; or
  - (c) Securities designated as Securities on Special Alert as of the base date.If necessary, the situation between the base date and issue selection may also be taken into account.
- JPXI conducts periodic reviews of its constituents twice a year in January and July.
- The Base date is February 26, 2010. The base value is 1,000 points.

## II. Index Calculation

### 1. Calculation Method

- The calculation formula shall be the market capitalization weighting formula specified in the Index Calculation Guidebook.
- Coefficients used in Tokyo Stock Exchange Dividend Focus 100 Index are in accordance with “4. Calculation of coefficients for Tokyo Stock Exchange Dividend Focus 100 Index”

Current Market Value

$$= \sum (\text{Number of Shares for Each Constituent} \times \text{Stock Price for Each Constituent})$$

$$\text{Index} = \frac{\text{CMV}}{\text{BMV}} \times \text{Base Point}$$

CMV = Current market value (free-float adjusted)

BMV = Base market value

### 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 Index Calculation Guidebook.

### 3. Constituent Inclusion and Removal

#### (1) Periodic Review

##### a. Summary

- In the January and July Periodic Reviews, constituents of TOPIX 1000 and the Tokyo Stock Exchange REIT Index are included in or removed from the Tokyo Stock Exchange Dividend Focus 100 Index based on market capitalization and estimated dividend yield, in accordance with the “Selection Criteria” in b. below as of the base date.
- The base dates of the respective periodic reviews are the first Wednesday of each January and July (if this falls on a holiday, the second Wednesday). The list of constituent changes is published on the fifth business day prior to the day of the periodic review, and index calculation applying such constituent changes begins on the last business day of January/July.
- Market capitalization used for constituent selection is adjusted by free-float ratio after applying a liquidity factor and a cap-adjustment factor applied to the TOPIX calculation

(a transition factor is not applied). In the case of Tokyo Stock Exchange REIT Index constituents, listed market capitalization (with no FFW adjustment) is used for constituent selection.

- For estimated dividend data used in constituent selection, JPXI uses data provided by Toyo Keizai, Inc. for TOPIX 1000 constituents and data provided by each issuer for Tokyo Stock Exchange REIT Index constituents in principle.
- There may be cases where fewer than 100 issues are selected.

#### **b. Selection Criteria**

Issue selection during the periodic review is conducted based on the following process.

Step 1. Constituents of TOPIX 1000 and the Tokyo Stock Exchange REIT Index as of the base date are classified into the following 5 groups. Issues in Portfolio 5 are not included.

Portfolio 1: TOPIX 1000 constituents which settle accounts at the end of the business year in March or September.

Portfolio 2: TOPIX 1000 constituents which settle accounts at the end of the business year in June or December.

Portfolio 3: Out of the Tokyo Stock Exchange REIT Index constituents, those issues which settle accounts at the end of the business year in March or September, and which are selected as a result of screening by market capitalization.

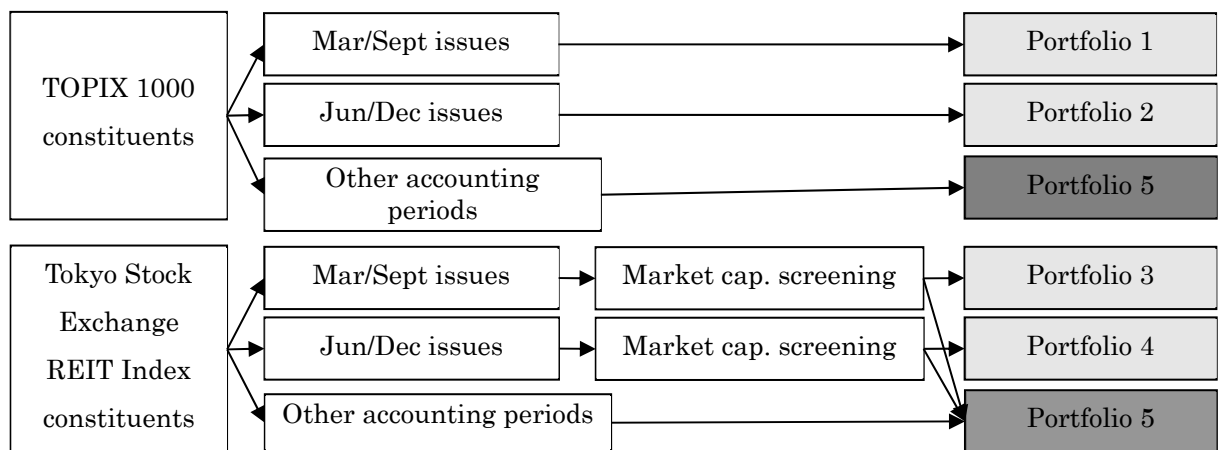
Portfolio 4: Out of the Tokyo Stock Exchange REIT Index constituents, those issues which settle accounts at the end of the business year in June or December, and which are selected as a result of screening by market capitalization.

Portfolio 5: Issues that do not fall under the above portfolios.

### Screening of Issues in Portfolios 3 and 4 by Market Capitalization

Issues in Portfolios 3 and 4 will be screened based on market capitalization.

1. Issues which fall in the top 80% of cumulative market capitalization.
2. In the case where the number of selected issues in Portfolios 3 or 4 based on the above screening criteria 1. is less than 5, issues will be included based on market capitalization so that there are 5 issues in both portfolios.
3. In the case where the number of selected issues in Portfolios 3 or 4 based on the above screening criteria 2. is less than 5, issues with settle accounts at the end of the business year in February or August for Portfolio 3 and issues with settle accounts at the end of the business year in May or November for Portfolio 4 will be included based on market capitalization so that there are 5 issues in both portfolios.



Step 2. JPXI ranks the issues in each of Portfolios 1 to 4 in descending order of dividend yield (in the case where more than one issue share the same dividend yield, the issues will be ranked in descending order of market capitalization). JPXI classifies such issues into the following 4 groups based on the market capitalization ratio in each of the portfolios.

Group A: JPXI ranks the issues in the portfolio in descending order of dividend yield and select the issues whose cumulative market capitalization occupies the top one-third (1/3) of the market capitalization of the entire portfolio.

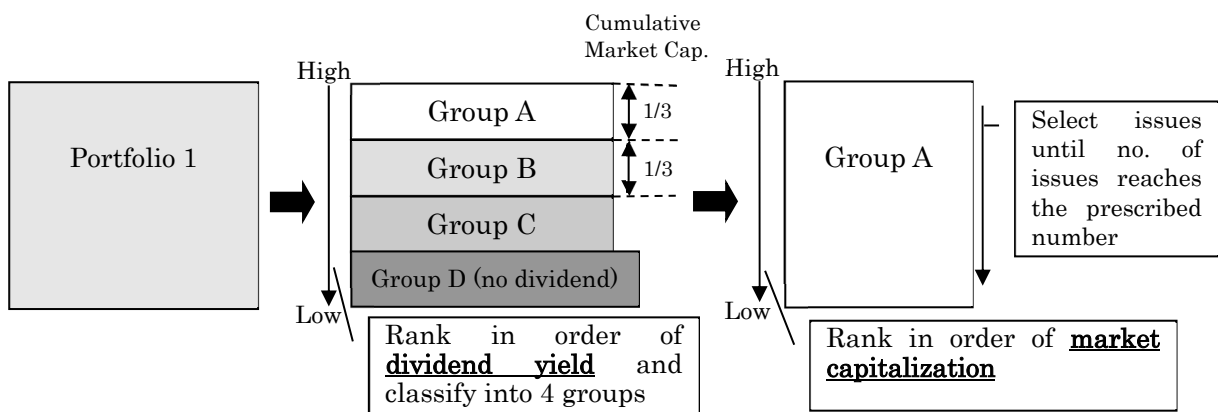
Group B: From issues in the portfolio other than those included in Group A, JPXI ranks issues in descending order of dividend yield and selects the issues so that the cumulative market capitalization of all issues included in Groups A and B occupies the top two-thirds (2/3) of the market capitalization of the entire

portfolio.

Group C: Issues that do not fall under Groups A, B, and D.

Group D: Non-dividend-paying issues.

- Step 3. From issues that fall under Group A of each of Portfolios 1 to 4, JPXI selects, in descending order of market capitalization, 45 issues each from Portfolios 1 and 2, and 5 issues each from Portfolios 3 and 4.
- Step 4. If, as a result of Step 3, the number of selected issues does not reach 45 from Portfolios 1 and/or 2, or 5 from Portfolios 3 and/or 4, JPXI selects issues from Group B of each of the portfolios in descending order of market capitalization until the number of issues reaches the prescribed number (i.e., 45 or 5) for the respective portfolios.
- Step 5. If, as a result of Step 4, the number of selected issues does not reach 45 from Portfolios 1 and/or 2, or 5 from Portfolios 3 and/or 4, JPXI selects issues from Group C of each of the portfolios in descending order of market capitalization until the number of issues reaches the prescribed number (i.e., 45 or 5) for the respective portfolios.
- Step 6. If, as a result of Step 5, the number of selected issues does not reach 45 from Portfolios 1 and/or 2, or 5 from Portfolios 3 and/or 4, JPXI selects issues from Group D of each of the portfolios in descending order of market capitalization until the number of issues reach the prescribed number (i.e., 45 or 5) for the respective portfolios.



## (2) Non-periodic Removal from Constituents

- Constituents that have been delisted, designated as Securities to Be Delisted, designated as Securities on Special Alert, or removed from TOPIX or Tokyo Stock Exchange REIT Index will be removed from the Tokyo Stock Exchange Dividend Focus

100 Index.

### (3) Non-periodic Inclusion to Constituents

- When a constituent has been delisted due to a share transfer, merger, share exchange, or company split (hereinafter “share transfer, etc.”), and the newly created, surviving, parent, or succeeding company (hereinafter “newly created company, etc.”) is included into TOPIX or listed on the TSE REIT market without delay, said company will be included in the index.
- When a spin-off (an allocation of shares of a spun-off subsidiary or business division through surplus dividends) of a constituent results in a new listing of the company that has become independent via the spin-off (hereinafter “spun-off company”) between the ex-rights date and the effective date, the spun-off company will be included in the index.
- When a constituent has been delisted due to a share exchange or absorption-type merger, and the surviving or parent company is not a constituent of the Tokyo Stock Exchange Dividend Focus 100 Index (constituents of TOPIX or Tokyo Stock Exchange REIT Index), then said company will be included in the index.
- Even though the number of constituents in the Tokyo Stock Exchange Dividend Focus 100 Index may decrease between periodic reviews due to the removal of constituents by means other than the periodic review as described in the previous item (2), no supplementary inclusions are made to meet the intended number of constituents (inclusions to meet the intended number of constituents are only made during the periodic reviews in January and July).

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

		Event Requiring Adjustment	Adjustment Date
Inclusion	Initial listing	When a constituent has been delisted due to a share transfer, etc. and the resulting newly created company, etc. is included as a constituent	Initial listing date (*)
		When a spin-off of a constituent results in a new listing of the spun-off company between the ex-rights date and the effective date (*)	Initial listing date (*)

	Event Requiring Adjustment		Adjustment Date
	When a constituent has been delisted due to a share exchange or absorption-type merger, and the surviving or parent company, which was not a constituent of TOPIX or Tokyo Stock Exchange REIT Index, is included as a constituent		Delisting date (*)
	Periodic review in January and July		Last business day of January and July
Removal	Delisting	When a constituent has been delisted due to a share transfer, etc. and the resulting newly created company, etc. is included as a constituent	Initial listing date of the newly created company, etc. (normally two business days following the delisting date) (*)
		Other than the above (e.g., non-surviving company as a result of a merger, share exchange, etc.)	Delisting date (*)
	Designation as Securities to be Delisted or Securities on Special Alert		Four business days after the date of designation (*)
	Removal from TOPIX or Tokyo Stock Exchange REIT Index		Date of removal from TOPIX or Tokyo Stock Exchange REIT Index
	Periodic review in January and July		Last business day of January and July

\* Next business day when the date in question falls on a non-business day.

#### 4. Calculation of coefficients for Tokyo Stock Exchange Dividend Focus 100 Index

##### (1) Summary

- The investment ratio for each constituent of the Tokyo Stock Exchange Dividend Focus 100 Index is determined at the time of the periodic review. The index indicates the trend of price movements of its constituents (please refer to II. 6. for constituent selection). Therefore, a different method is used to determine the constituent ratio from those for indices which show the movement of market capitalization, such as TOPIX and the Tokyo

Stock Exchange REIT Index.

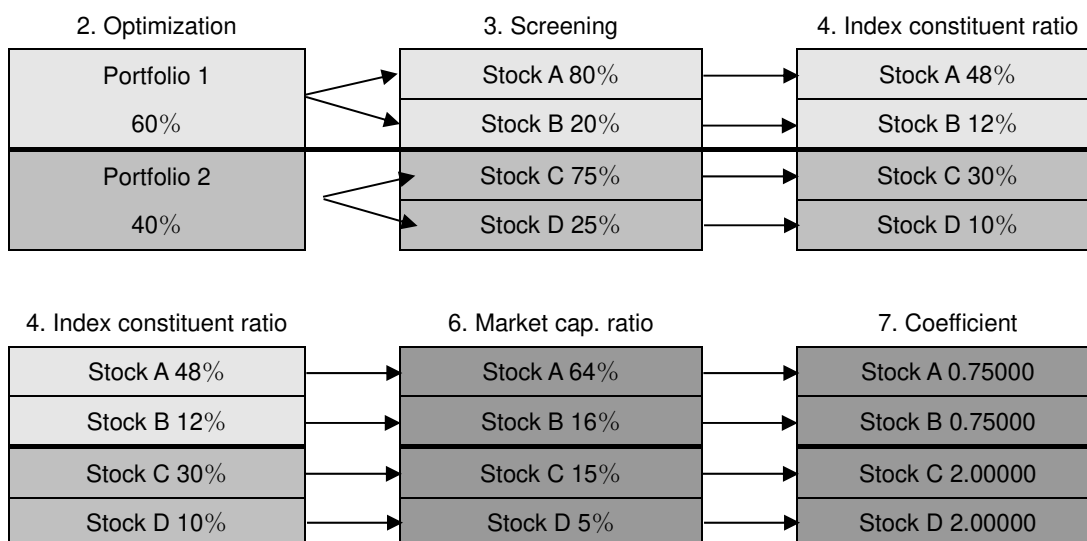
- When determining the constituent ratios of the Tokyo Stock Exchange Dividend Focus 100 Index, a different coefficient from the FFW is calculated during the periodic review to make such constituent ratios correspond to the investment ratio of each constituent. The value derived by multiplying the number of shares used for index calculation by the coefficient is used as the market capitalization for calculation of the Tokyo Stock Exchange Dividend Focus 100 Index.
- The coefficient is calculated during the periodic review. In the case of a change in the number of shares in a constituent (excluding cases of a stock-split, reverse stock-split, allotment to shareholders), there will be an extraordinary review. The coefficient varies with each constituent, and has a value between a minimum of 0.00001 and a maximum of 9.99999 in increments of 0.00001.

## **(2) Calculation of coefficients during periodic review**

The coefficient for an issue selected in II.3. (1) b. is calculated according to the following procedure.

- Step 1. If the constituent ratio of a certain issue (within a portfolio) exceeds a certain level, adjust this constituent ratio to fall within a certain ratio.
- Step 2. Determine the quantitative constituent ratio of Portfolios 1 to 4 (within the index) using the optimization method. This constituent ratio is set in increments of 1%.
- Step 3. Calculate the market capitalization ratio of each issue in the respective portfolio to which the issue belongs.
- Step 4. Calculate the constituent ratio of each issue in the Tokyo Stock Exchange Dividend Focus 100 Index by multiplying the market capitalization ratio obtained in Step 3 by the constituent ratio calculated in Step 2.
- Step 5. Calculate the market capitalization for coefficient calculation by multiplying the number of listed shares of each issue for index calculation on the day of the periodic review by the final share price for index calculation six business days prior to the day of the periodic review.
- Step 6. Calculate the market capitalization ratio (of each constituent within the index) for coefficient calculation by using the market capitalization calculated in Step 5.
- Step 7. The coefficient of an issue shall be the value derived by dividing the market capitalization ratio (of each constituent within the index) for coefficient calculation computed in Step 6 by the constituent ratio of each issue in the Tokyo Stock Exchange Dividend Focus 100 Index calculated in Step 4 (the 6th decimal place is rounded off).

(Example: Portfolios 1 and 2)



### (3) Extraordinary review of coefficients

In the case of a change in the number of shares of a constituent of the index (excluding cases of a stock split, reverse stock split, or share allotment to shareholders), the extraordinary review of the coefficient will be conducted as follows (the 6th decimal place is rounded off).

$$\text{New coefficient} = \frac{\text{Number of listed shares for index on business day before the day of increase in number of shares} \times \text{Coefficient on business day before the day of increase in number of shares}}{\text{Number of listed shares for index after increase in number of shares}}$$

An extraordinary review of a coefficient is conducted only if the new coefficient and the value of the coefficient on the business day before the day of the increase in the number of shares changes by 0.00001 or more.

## III. Other

### 1. Distribution of Index Values and Index Data

#### (1) Index Values

- The index values of the Tokyo Stock Exchange Dividend Focus 100 price return Index are disseminated in real-time (15 second intervals) through the Market Information System to securities companies, news media, and other institutions all over the country.
- Only the closing values of the Tokyo Stock Exchange Dividend Focus 100 total return

Index are distributed.

## **(2) Index Data**

- Index data related to Tokyo Stock Exchange Dividend Focus 100 Index (e.g. base market value) is distributed through the Index Data Service.

## **2. Licensing**

- JPXI and/or its affiliates reserve all calculation, distribution, publication, usage, and other rights pertaining to Tokyo Stock Exchange Dividend Focus 100 Index. Because of this, the use of Tokyo Stock Exchange Dividend Focus 100 Index in the composition and/or sale of financial products such as funds or linked bonds (including its use as the basis for options, swaps, warrants, or other OTC derivatives) requires a license from JPXI. A license from JPXI is also required for the provision, distribution, etc. of Tokyo Stock Exchange Dividend Focus 100 Index to third parties.

## **3. Contact**

Index Business Department

JPX Market Innovation & Research, Inc.

E-mail : [index@jpx.co.jp](mailto:index@jpx.co.jp)