



Russell/Nomura Japan Equity Indexes add 19 new firms in 20th reconstitution

FTSE Russell, the global index provider, and Nomura Securities Co., Ltd., today announced that 19 new firms were added to the Russell/Nomura Japan Equity Indexes as part of its 20th annual reconstitution process on December 1. The new constituent list for the indexes, which capture 98% of the float-adjusted market capitalization of the Japanese equity market, was posted on the [Nomura Securities website](#).

Ms Jessie Pak, Managing Director, Asia for FTSE Russell, said:

“FTSE Russell is proud to celebrate the 20th reconstitution of this important index series, alongside our partners Nomura. The Russell/Nomura Japan Equity Indexes are seen as one of the leading benchmarks in Japan, and reflect FTSE Russell’s strong offering in Asia. Over the last two decades we have enjoyed collaborating with Nomura, and look forward to develop further products over the next twenty years.”

Slight increase in market capitalization reflects rise in Japan equity markets.

Total constituents in the Russell/Nomura Total Market Index decreased by 91 to 1,400. There were 44 additions to the index, including 19 newcomers, and 135 companies were removed. Total capitalization of the index slightly increased from 362.2 trillion yen to 364.6 trillion yen (as of October 15, 2015, float-adjusted).

Total constituents for the Russell/Nomura Large Cap Index, representing the top 85% of the Russell/Nomura Total Market Index based on float-adjusted market capitalization, remained the same at 350, while the number of stocks in the Russell/Nomura Small Cap Index, representing the bottom 15% of the Total Market Index based on float-adjusted market capitalization, decreased by 90 to 1,050.

The Russell/Nomura Total Market Value Index had 80 additions and 174 deletions, while the Russell/Nomura Total Market Growth Index had 109 additions and 152 deletions. The capitalization turnover ratios for the Total Market Value and Total Market Growth Indexes are 13.1% and 13.5% respectively, higher than last year but still lower than the historical average.

Sector changes in the last year include a move toward a value-orientation for Electrical Appliances, Machinery and Transportation Equipment, while Land Transportation, Information & Communications and Retail Trade are now more oriented toward Growth characteristics.

Russell/Nomura Prime Index adds 24 new companies

The Russell/Nomura Prime Index, which is a sub-index of the Russell/Nomura Total Market Index, was specifically designed for passively managed funds. The index represents all Japanese equity markets and measures the performance of Japan’s top 1,000 float-adjusted stocks. As a result of this year’s reconstitution, 24 companies entered the index for the first time.

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The total market capitalization of the index increased slightly from 354.2 trillion yen to 357.4 trillion yen (as of October 15, 2015, float-adjusted). The turnover ratio was low at 1.6%, following the same trend seen in the previous years. Among the 24 additions overall, lead sectors included Retail Trade (7 stocks), Services (5 stocks) and Real Estate (4 stocks).

- Ends -

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About FTSE Russell:

FTSE Russell is a global index leader that provides innovative benchmarking, analytics and data solutions for investors worldwide. FTSE Russell calculates thousands of indexes that measure and benchmark markets and asset classes in more than 80 countries, covering 98% of the investable market globally.

FTSE Russell index expertise and products are used extensively by institutional and retail investors globally. Approximately \$10 trillion is currently benchmarked to FTSE Russell indexes. For over 30 years, leading asset owners, asset managers, ETF providers and investment banks have chosen FTSE Russell indexes to benchmark their investment performance and create ETFs, structured products and index-based derivatives.

A core set of universal principles guides FTSE Russell index design and management: a transparent rules-based methodology is informed by independent committees of leading market participants. FTSE Russell is focused on applying the highest industry standards in index design and governance, and embraces the IOSCO principles. FTSE Russell is also focused on index innovation and client collaboration as it seeks to enhance the breadth, depth and reach of its offering.

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About Russell/Nomura Japan Equity Indexes:

In 1995, Russell Indexes and Nomura Securities Co., Ltd. jointly developed Russell/Nomura Japan Equity Indexes that serve to measure performance based on various investment policies. The indexes are value weighted and include only common stocks domiciled in Japan. All indexes are subsets of the Russell/Nomura Total Market Index, which represents approximately 98% of the investable Japan equity market.

The Indexes are reconstituted annually on the first business day of December, in order to accurately reflect changes in the Japanese marketplace. The membership list is determined based on the float-adjusted market capitalization as of October 15 (last business day is selected if October 15 is a holiday).

Securities that leave the Russell/Nomura indexes between reconstitution dates due to mergers, acquisitions or other similar corporate activity are not replaced. Thus, the number of securities in the indexes over the year fluctuates according to corporate activity. The only additions between reconstitution dates are as a result of spin-offs and initial public offerings falling in the large segment (as determined by the latest reconstitution).

About Nomura:



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Nomura is an Asia-based financial services group with an integrated global network spanning over 30 countries. By connecting markets East & West, Nomura services the needs of individuals, institutions, corporates and governments through its three business divisions: Retail, Asset Management, and Wholesale (Global Markets and Investment Banking). Founded in 1925, the firm is built on a tradition of disciplined entrepreneurship, serving clients with creative solutions and considered thought leadership. For further information about Nomura, visit www.nomura.com.

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