

May 9, 2007

**Change to the rule on treatment of style classifications outside of regular  
reconfigurations: Stock swaps, stock transfers, and mergers  
(Russell/Nomura Japan Equity Indexes)**

Russell Investment Group and the Financial & Economic Research Center of Nomura Securities have revised the rule regarding treatment of style classifications outside of regular reconfigurations.

Index rule revisions

(1) Original Rule (of stock swaps, mergers)

In the case of the stock of an assuming parent company or acquirer, the style probability of the stock with changes in shareholders' equity is changed in light of the allocation ratio or the merger ratio.

(2) Original Rule (of stock transfers)

In the case of a newly added stock of an assuming parent company, the style probability of the subsidiary is determined in light of the allocation ratio or the merger ratio.

(3) Additions to both (1) and (2)

However, the above-mentioned 5% rule will not be applied during the period starting from the first business day of the month two months prior to the annual reconstitution and ending on the date of the reconstitution.

(4) Implementation

These revisions to the index rules will take effect from the first business day in October 2007.

Contact

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