



August 8, 2019

SMS CO., LTD.

(Company Code: 2175, TSE 1st Section)

<https://www.bm-sms.co.jp/eng/>

<PRESS RELEASE>

### **SMS enters JPX-Nikkei Index 400**

SMS CO., LTD. (the "Company") hereby announces that the Company has been selected as a constituent of the JPX-Nikkei Index 400 in this month's annual index constituent rebalance. The index was jointly developed by the Japan Exchange Group, Tokyo Stock Exchange, and Nikkei Inc.

The JPX-Nikkei Index 400 includes Japan's top 400 companies in terms of capital efficiency and operating performance. The quantitative criteria for becoming a JPX-Nikkei Index 400 constituent are 3-year average ROE, 3-year cumulative operating profit, and market capitalization.

With the Group mission of "We aim to improve the quality of life by providing information infrastructure for aging society," the Company provides more than 40 services in Elderly Care, Medical Care, Healthcare and Senior Life in Japan and abroad, including career business like recruiting agent, management support platform for elderly care operators (Kaipoke) and drug information service in Asia-Oceania.

Based on this Group mission, the Company believes it is essential to contribute to shareholder value by increasing corporate value over the long term through its sustainable growth and its contribution to society. The Company aims to achieve continuous growth in net income, maintaining a high ROE in excess of its cost of capital by efficiently utilizing its limited management resources. The Company has also worked to increase shareholder value by enhancing its communication with the stock market. The Company believes that the above factors led to the selection as a constituent of the JPX-Nikkei Index 400.

The Company will continue to aim for the long-term enhancement of corporate value through its sustainable growth and its contribution to society to meet the investors' expectations.

Details of JPX-Nikkei Index 400 are available on the website of the Tokyo Stock Exchange:

<https://www.jpx.co.jp/english/markets/indices/jpx-nikkei400/>