

Nikkei Stock Average DP
Nikkei Stock Average EDP
Index Guidebook

Nikkei Inc.

- This document is the index guidebook of the Nikkei Stock Average Dividend Point Index (DP) and Nikkei Stock Average Estimated Dividend Point Index (EDP) calculated and published by Nikkei Inc. (Nikkei). The document is drawn up by Nikkei and it would be changed or modified corresponding to the revision of the index calculation rule etc.;
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1 : Concept

Nikkei Stock Average Dividend Point Index (DP) and Nikkei Stock Average Estimated Dividend Point Index (EDP) are indexes that accumulate dividends received from the companies when investors are supposed to hold the constituents of the Nikkei Stock Average (Nikkei Average) corresponding to its formula for a calendar year. The difference between DP and EDP is the timing to add dividends to the index. While DP accumulates the dividends when the amount is fixed by the events such as shareholder's meetings, EDP accumulates in two steps, first on the day of ex-dividend, and then, adjust it when the dividend amount is fixed if the estimate by Nikkei on the ex-dividend is different from the amount fixed. The indices for each year are calculated.

2 : Index names

(1) (Japanese) Official : 日経平均・配当指数 (CY)

Abbreviation : 日経配当指数 (CY)

(English) Official : Nikkei Stock Average Dividend Point Index (CY)

Abbreviation : Nikkei 225 Dividend Point Index (CY)

Nikkei Stock Average DP (CY), Nikkei 225 DP (CY)

(2) (Japanese) Official : 日経平均・予想配当指数 (CY)

Abbreviation : 日経予想配当指数 (CY)

(English) Official : Nikkei Stock Average Estimated Dividend Point Index (CY)

Abbreviation : Nikkei 225 Estimated Dividend Point Index (CY)

Nikkei Stock Average EDP (CY), Nikkei 225 EDP (CY)

Annual notation in the parentheses at the end of index names can be omitted when you do not put down the indexes of multiple years.

3 : Formula

The DP or EDP on any date t is the accumulated value of $IDIV_{i,x}$ included until the day of t

$$IDIV_{i,x} = \frac{d_{i,x} \times f_{i,x}}{D_x}$$

(Definition of the each term and those indexes)

i : the i th constituent of the Nikkei Average

x : its ex-dividend date

$IDIV_{i,x}$: dividend of the i th component on the day x , adjusted to the level of the Nikkei Average

$d_{i,x}$: dividend per share of the i th component corresponding to the day x

$f_{i,x}$: price adjustment factor of the i th component on the day x

D_x : divisor of the Nikkei Average on the day x

Note) To avoid calculation error, the index is calculated by accumulating the dividends for days between the beginning of the year and the calculation date (instead of adding a day's increased value on the previous day's index value).

4 : Condition of the index calculation

- ① Coverage stocks : *Constituents of the Nikkei Average*
- ② Coverage dividends : *Cash dividends before tax whose ex-dividend dates are between January 1 and December 31, including special dividends and commemorative dividends*
- ③ When to fix:
 - (i) Dividend paid corresponding to the annual accounting period : *on the dates of the annual regular shareholder meetings*
 - (ii) Dividends paid on the other dates : *on the dates of the publication of the financial results by the companies*
- ④ Timing to include:
 - (i) DP
Fixed dividend (actual) : *on the next business day when the each dividend is fixed*
 - (ii) EDP
Estimated dividend (by Nikkei on the ex-dividend date) : *ex-dividend date*
Fixed dividend (actual) : *on the next business day when the each dividend is fixed*
- ⑤ Frequency : *Daily (Business date)*
- ⑥ Unit : *Two decimal places, yen in Japanese, the same as the Nikkei Average*

5 : Index Calculation

(1) Dividend index for each year

- ① When to start : *on the second business day of January (zero until the first dividend in the constituents is fixed)*
- ② When to end (when to publish the final price) : *on the first business day of April in the subsequent year.*

(2) Modification

If any event occurs and comes out at a later date where it is necessary to modify the index value, as a general rule, Nikkei reflects the modified data into the index value on the index calculation date coming subsequently after the event comes out, as the date when the event occurs. Retroactive calculation for the modification will not be conducted in principle.

6 : Treatment of the index value

(1) Publication of the index value

As a general rule, those are calculated on every business date, and becomes able to disseminate around at 3pm.

(2) Retroactive calculation in the past

Nikkei Stock Average DP started to be published from April 9th, 2010 and has been retroactively calculated in the past to 1998. Nikkei Stock Average EDP started to be published from March 7th, 2019 and has been also retroactively calculated in the past same as DP.

7 : Relationship between accounting months and times to fix the dividends

Annual accounting month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
January	A						2Q(Intr)									
February		A						2Q(Intr)								
March			A			1Q			2Q(Intr)			3Q				
April				A						2Q(Intr)						
May					A						2Q(Intr)					
Jun						A						2Q(Intr)				
July	2Q(Intr)						A									
August		2Q(Intr)						A								
September			2Q(Intr)						A							
October				2Q(Intr)						A						
November					2Q(Intr)						A					
December						2Q(Intr)						A				

(Note) A=Annual accounting, 1Q=First quarter, 2Q(intr)=2nd quarter(interim) 3Q=3rd quarter,

The starting points for arrow lines indicate the times for ex-dividend, and the end points represent the times to fix the actual dividends (possible to be earlier).

8 : Others

(1) Licensing

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Contact:

Inquires on Nikkei Stock Average DP and Nikkei Stock Average EDP

Index Business Office, Nikkei Inc.

Tel : +813-6256-7341、 Mail : index@nex.nikkei.co.jp