

Policies for Nikkei Indexes Cessation and Transition

January 31, 2019

Nikkei Inc.

1 Purpose

The purpose of this document is to set the policies regarding the cessation and transition as stipulated in clause 10 of "General Policies for Nikkei Indexes Administration" published by Nikkei Inc. ("Nikkei")

2 Suspension under Special Circumstances

Nikkei may suspend the indexes calculation and publication when it is highly difficult to continue to calculate the indexes. Nikkei Indexes may be suspended under the circumstances of the halt of the prices from the exchanges, the system troubles, and/or natural disaster. The decision of the suspension shall promptly be published by Nikkei.

3 Conditions for Cessation (perpetual termination)

Nikkei may cease the Nikkei Indexes when the indexes are no longer representing their intended interest, such representativeness is grossly diminished and/or the use of the indexes as economic indicators or as basis for financial products are extremely decreased.

4 Decision and Procedures for Cessation

- (1) Cessation of the Nikkei Indexes are proposed by "Index Administration Meeting (IAM)" and decided by the "Index Committee". ("IAM" and "Index Committee" as defined in the "General Policies for Nikkei Indexes Administration")
- (2) Where the indexes to be ceased are used in the financial products, Nikkei considers the impact on the providers of the products and stakeholders. Such consideration may include the provision of the alternative indexes or sufficient notice period.

- (3) Cessation is announced, with an advance notice of sufficient period, on Nikkei Official Index Website.

5 Transition to New Indexes

When the introduction of the new indexes replace the existing indexes and the existing indexes cease, users' convenience is considered. Such consideration may include the provision of transitional period.

6 Changes

Contents of this policy may be changed from time to time without a prior notice. Changes are made in accordance with the procedures laid down in the Nikkei's internal rules. Changes are published on Nikkei Official Index Website promptly.

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