

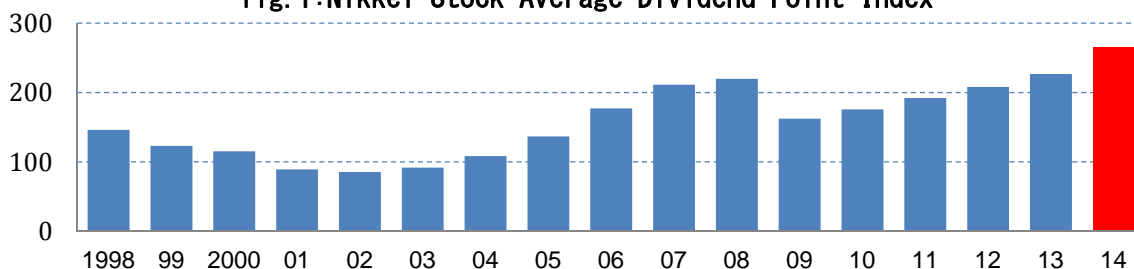
Nikkei 225 in March

As of the end of March, the Nikkei Stock Average (Nikkei 225) stood at 19206.99 up 409.05 points or 2.18% from the end of February 2015. On 23rd in the month, the Nikkei 225 rose to 19754, close to the 20000 yen mark for the first time in 15 years. Significant pay increases agreed at this spring's salary negotiations of big companies have improved consumer sentiment, which led to expectation of corporates' performances. Also the index was buoyed by reporting news on major companies' aggressive stances of returns to shareholders.

This month's Topic : Historical high Nikkei Dividend Index led by exporters

The final value of the Nikkei Stock Average Dividend Point Index was 265.12 in 2014, 38.39 points (16.9%) increase from the 2013's index value. As the index is calculated by accumulating dividends received from the constituent companies on a calendar year basis, the 2014's index final value was determined at the beginning of April in the following year.

fig.1:Nikkei Stock Average Dividend Point Index

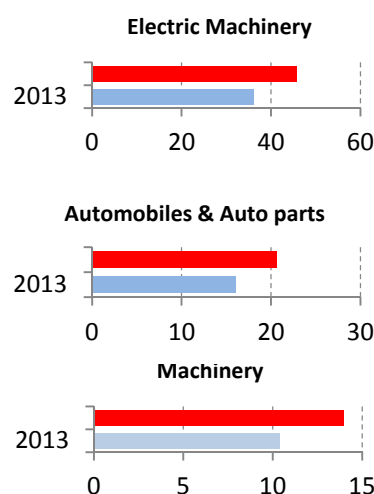


The index is expressed with the year

The Nikkei dividend index recorded its historical high for the second year in a row comparing with the figures since 1998 including the retroactive computed values in years of 1998 to 2009. 69 issues out of the Nikkei 225 constituent companies represented the largest contributions in the dividend value (for the each company history) in the index.

The three largest contributors based on the Nikkei 36 industrial classifications were “Electric Machinery”, “Automobiles & Auto parts” and “Machinery”. The each contribution level to the dividend index expanded around 30 % from that in the 2013 index. Especially, the increase in “Electric Machinery” accounted for a quarter of the expansion in the index in 2014 as a whole. The three industries have “exporters” in common and such sectors were supported by yen depreciation, which resulted in dividend increase

Fig. 2:Exporters contributions



backed by the improvements in company performances.

On the other hand, domestic demand-oriented industries affected decreases in the index such as “Securities” (0.31 yen down) and “Bank” (0.13 yen down). The dividend figures of “Electric Power” industry became zero as a result of zero dividend payment of Chubu Electric Power Co., Inc. (9502) whose only one company in the sector had paid dividends before. However these impacts were limited as the decrease in values was quite small.

It is noticeable that cash-rich companies in strong financial conditions were also significant contributors to increases in the dividend index. A good example was a case of “Amada Holdings Co., Ltd.”(6113), which has expressed 100 percent return to shareholders from its profits in every three year. Increasing companies setting such targets of capital efficiencies would have pushed up the dividend index.

Table 1: Ranking of contribution figures by constituents

company name	contribution to increases	contribution in the index
KDDI※	3.25	11.78
Fanuc※	3.03	9.34
Secom※	2.66	6.87
Japan Tobacco ※	2.56	5.89
Nitto Denko※	2.15	4.12
Toyota Motor※	1.91	6.87
Tokyo Electron	1.90	3.93
Bridgestone※	1.67	3.93
Fuji Heavy Industries※	1.33	2.51
Canon※	1.10	8.83
Daikin Industries※	1.00	2.63
Yamaha	0.80	1.30
Denso※	0.79	4.12
Mitsui & Co.※	0.77	2.59
TDK	0.76	3.14
Kyocera※	0.73	6.28
Mitsubishi※	0.68	3.06
Honda Motor	0.64	6.91
Amada Holdings※	0.59	1.02
Fujifilm Holdings※	0.57	2.16

Unit yen. ※= largest contribution in the index for the company history

Performance Summary of March 2015

(Data as of end of March)

Name of Index	Index Value	Monthly Return	Avg Return	Volatility	Yealy High	The Date	Yearly Low	The Date
Nikkei 225	19206.99	2.18%	0.11%	1.12%	19754.36	23-Mar	16795.96	14-Jan
JPX-Nikkei Index 400	14022.96	1.42%	0.11%	1.03%	14475.35	25-Mar	12308.20	7-Jan
Nikkei 225 TR	28452.14	2.78%	0.12%	1.12%	29092.06	23-Mar	24719.38	14-Jan
Nikkei 225 VI (Volatility)	22.71	10.51%	0.11%	5.47%	26.58	6-Jan	18.97	25-Feb
Nikkei 225 VI Futures	33223.11	-8.21%	-0.34%	2.41%	50080.55	6-Jan	30813.87	23-Mar
Nikkei 225 USD Hedged	20429.61	2.21%	0.11%	1.13%	21008.88	23-Mar	17851.30	14-Jan
Nikkei 225 EUR Hedged	18007.28	2.27%	0.11%	1.13%	18526.28	23-Mar	15690.33	14-Jan
Nikkei 225 Covered Call	16712.50	2.19%	0.10%	0.97%	17108.44	25-Mar	14648.80	14-Jan
Nikkei 225 Risk Control	17563.64	1.28%	0.06%	0.67%	17912.32	23-Mar	16255.58	14-Jan
Nikkei 225 Leveraged	15324.19	4.25%	0.22%	2.24%	16217.44	23-Mar	11771.84	14-Jan
Nikkei 225 Inverse	2561.55	-2.27%	-0.11%	1.12%	2942.85	14-Jan	2491.68	23-Mar
Nikkei 225 Double Inverse	3061.27	-4.62%	-0.22%	2.24%	4059.40	14-Jan	2897.82	23-Mar
Nikkei 300	313.39	1.25%	0.11%	1.03%	323.88	25-Mar	274.44	14-Jan
Nikkei China Related 50	1662.57	2.03%	0.11%	1.04%	1714.83	23-Mar	1471.94	14-Jan
Nikkei 500 Average	1715.60	3.48%	0.13%	1.00%	1762.99	23-Mar	1464.27	7-Jan
Nikkei Japan 1000	1823.84	1.30%	0.11%	1.03%	1881.88	23-Mar	1603.46	14-Jan
Nikkei JASDAQ Average	2457.58	0.97%	0.08%	0.63%	2482.91	25-Mar	2329.73	3-Feb

Name of Index	Index Value	Change	Hist. High	The year	Hist. Low	The year
Nikkei 225 DP (2014)	265.12	16.93%	265.12	2014	85.45	2002

Note: Avg Return and Volatility are calculated on the daily return for the past 1 year.

"Change" in the Nikkei 225 Dividend Point Index (Nikkei 225 DP) indicates a comparison with the value at the end of March 2014.

Historical High and Low in the dividend index were based on the values in the same month since 1998.

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