

Postponement of Annual Review for Nikkei High Dividend Yield 50

Nikkei Inc. will postpone the annual review for the Nikkei 225 High Dividend Yield Stock 50 Index, which consists of 50 high dividend yield stocks selected from the Nikkei Stock Average (Nikkei 225) constituents. Currently, due to the impact of COVID-19 pandemic, many companies forgo or cancel the disclosure of earnings estimates. Although the rebalance of the constituents as a result of the annual review was originally planned at the end of this June, the rebalance will be postponed to September 25.

This postponement is intended to reflect more accurate information in the process of the annual review. The impact of COVID-19 on the corporate performance and the dividend policy are expected to become clear by this summer when companies disclose the 1st quarter financial results of FY2021. The postponed annual review will be conducted based on the reliable information.

Normally, the annual review is based on the ranks of the expected dividend yield at the end of May (Base Date) using the Nikkei estimates. This time, the ranks are created using the data at the end of August. The base date and the rebalance date after this postponement are as follows.

Target	Before Postponement	After Postponement
Base Date	May 29, 2020	August 31, 2020
Rebalance Date	June 30, 2020	September 25, 2020

In line with this postponement, if a company's expected dividend changes to zero on the last business day of June and July, the stock (excluding the stock which has no dividend estimation) will be removed from the index on the 7th business day of the next month. Also, if a constituent is removed from the Nikkei 225, the same applies to this index and such constituent is deleted on the same day as the Nikkei 225.