

London Stock Exchange Derivatives

MARKET NOTICE 2014/024

Possible Adjustments for Dividends

Stock option strike and future prices will be adjusted if the dividend amount exceeds 5% of the stock price (VWAP) on last day inclusive. The future and option series will be assigned new ISIN and marked with the letter X for deviating contract specifications.

- The board of **Aker Solutions (AKSO)** will at the AGM on 10 April 2014 propose a dividend of NOK 4.10 with ex-date 11 April 2014. Currently the dividend is around 4.1% of the stock price.
- The board of **DNB (DNB)** will at the AGM on 24 April 2014 propose a dividend of NOK 2.70 with ex-date 25 April 2014. Currently the dividend is around 2.5% of the stock price.
- The board of **Gjensidige (GJF)** will at the AGM on 24 April 2014 propose a dividend of NOK 12.80 with ex-date 25 April 2014. Currently the dividend is around 10% of the stock price.
- The board of **Norsk Hydro (NHY)** will at the AGM on 7 May 2014 propose a dividend of NOK 0.75 with ex-date 8 of May 2014. Currently the dividend is around 2.5% of the stock price.
- The board of **Orkla (ORK)** will at the AGM on 10 April 2014 propose a dividend of NOK 2.50 with ex-date 11 April 2014. Currently the dividend is around 5.2% of the stock price.
- The board of **Petroleum Geo-Services (PGS)** will at the AGM on 8 May 2014 propose a dividend of NOK 2.30 with ex-date 9 May 2014. Currently the dividend is around 3.5% of the stock price.
- The board of **Statoil (STL)** will at the AGM on 14 May 2014 propose a dividend of NOK 7.00 with ex-date 15 May 2014. Currently the dividend is around 4.3% of the stock price.
- The board of **Subsea 7 (SUBC)** will at the AGM on 27 June 2014 propose a dividend of NOK 3.60. Ex-date is yet to be announced, but is expected shortly after the AGM. Currently the dividend is around 3.3% of the stock price.
- The board of **Telenor (TEL)** will at the AGM on 14 May 2014 propose a dividend of NOK 7.00 with ex-date 15 May 2014. Currently the dividend is around 5.4% of the stock price.
- The board of **TGS-NOPEC Geophysical (TGS)** will at the AGM on 3 June 2014 propose a dividend of NOK 8.50 with ex-date 4 June 2014. Currently the dividend is around 4.5% of the stock price.

- The board of **Yara International (YAR)** will at the AGM 5th of May 2014 propose a dividend of NOK 10.00 with ex-date 6th of May 2014. Currently the dividend is around 4.0% of the stock price.

Adjustment factors are rounded to six decimals, and adjusted exercise and futures prices are rounded to two decimals. Adjusted contract sizes are rounded to the nearest whole integer.

Stock derivative adjustment:

Adjustment factor, A:

$$A = \frac{P_{cum}^{vwap} - D_{5\%} - D_o}{P_{cum}^{vwap} - D_{5\%}}$$

A = Adjustment factor

P_{cum}^{vwap} = The stock's volume-weighted average price before the ex-date

$D_{5\%}$ = Dividend (5% of P_{cum}^{vwap})

D_o = Excess dividend (dividend that exceeds 5% of P_{cum}^{vwap})

New exercise and price:

$$X_{ex} = X_{cum} * A$$

X_{ex} = Adjusted exercise price or future price

X_{cum} = Exercise price or future price before adjustment

New contract size:

$$N_{ex} = \frac{N_{cum}}{A}$$

N_{ex} = Adjusted contract size

N_{cum} = Contract size before adjustment

If you have any questions please call Derivatives Operations on +44 (0) 207 797 3617.

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