

October 28, 2016

Exchange Notice

Derivatives – Product Information 100/16

Anticipated adjustment due to extraordinary dividend in Swedish Match

The following information is based on a press release from Swedish Match AB (Swedish Match) published on October 27, 2016 and may be subject to change.

The board of Swedish Match has proposed that the Extraordinary General Meeting (EGM) scheduled for December 16, 2016, approves an extraordinary dividend of SEK 9.50 per share. The Ex-date is yet to be decided. Provided that the EGM approves the proposal, NASDAQ Derivatives Markets will carry out a re-calculation of options, forwards and futures in Swedish Match (SWMA).

Re-calculation of stock options, forwards and futures

Conditions	Extraordinary dividend SEK 9.50 per share.
Ex-date	TBD
Adjustment factor ¹	$A = \frac{VWAP_{cum} - DIV_{special}}{VWAP_{cum}}$
New exercise and forward/future price	Old exercise and forward/future price * A
New contract size	Old contract size / A
Date of re-calculation	After 19.30 (CET), Bank day prior to the Ex-date
Rules and Regulations of NASDAQ Derivatives Markets	3.5.3.6.2

¹ VWAP_{cum} = volume weighted average price at the bank day prior to the Ex-day (8 decimals are used)

DIV= Dividend

Following the adjustment the number of shares per contract will increase, whereas exercise and forward/future prices will decrease. Further information regarding the adjustment of the options and forward/futures contracts will be published when further information is available.

Members are encouraged to ensure that clients are aware of the above-mentioned adjustment.



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NASDAQ Derivatives Markets

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