

QUICK Corp.  
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## **QUICK Calculates Reference Rates of New Alternative Benchmarks to LIBOR**

QUICK Corp. (Head Office: Chuo-ku, Tokyo, President & CEO: Katsuyoshi Kondo, hereinafter referred to as “QUICK”) was selected as a Calculating and Publishing Entity of “Prototype Rates for Term Reference Rates (Swap)” (hereinafter referred to as “New Interest Rate Benchmarks”) at the Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks (hereinafter referred to as “Committee”).

Going forward, QUICK intends to promptly commence publishing prototype rates, while at the same time, cooperate with the Task Force on Term Reference Rates, which was established under the Committee, to engage in activities to spread the New Interest Rate Benchmarks and to determine the calculation method.

The timing for the commencement of the calculation of prototype rates, the method of publication, the calculation methods and other matters will be announced, as soon as preparations are completed.

### **[Term Reference Rates (Swap)]**

The term reference rate (Swap) is an interest rate benchmark, the creation of which is being deliberated by the Committee as an alternative benchmark to replace the London Interbank Offered Rate (LIBOR), which is expected to be abolished by the end of 2021. It is an interest rate benchmark calculated based on the Japanese overnight index swap (OIS), and it is characterized by its “Advance Fixing” method whereby the applied interest rate is fixed prior to the commencement of the application of the interest rate. In the results of the public consultation announced by the Committee at the end of November 2019, it received overwhelming support from a wide range of industries including financial institutions, institutional investors, and non-financial corporates.

In publishing the rate, a two-phase approach will be taken, i.e., phase 1 to publish the “prototype rate,” which will be used by market participants and interest rate benchmark users to make administrative preparations, and phase 2 to publish the “production rate,” which will be used for actual transactions.

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