

FTSE QUALITY OF MARKETS CRITERIA (ASIA PACIFIC) as at March 2009

CRITERIA	DEV	COUNTRY NAMES																								
		Australia	Hong Kong	Japan	New Zealand	Singapore	South Korea	DEV WATCH	ADV EMG	Taiwan	EMG	China B	China H	India	Indonesia	Malaysia	Pakistan	Philippines	Thailand	EMG WATCH	China A	FRONT	Bangladesh	Sri Lanka	Vietnam	
World Bank GNI Per Capita Rating, 2007		High	High	High	High	High	High			High		Lower Middle	Lower Middle	Lower Middle	Lower Middle	Upper Middle	Low	Lower Middle	Lower Middle		Lower Middle		Low	Lower Middle	Low	
Market and Regulatory Environment																										
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	Pass	Pass	Pass	Pass	Restricted	Pass	X	X	Pass	X	Restricted	Pass	Pass	Restricted	Pass	Pass	Pass	Pass	X	Restricted	X	Pass	Pass	Pass	
Fair and non-prejudicial treatment of minority shareholders	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass		Not Met	Pass	Not Met	Not Met	Pass	Pass	Pass	Pass		Not Met		Restricted	Restricted	Restricted	
Non or selective incidence of foreign ownership restrictions	X	Pass	Pass	Restricted	Restricted	Pass	Pass	X	X	Pass		Not Met	Pass	Not Met	Pass	Restricted	Pass	Pass	Pass		Not Met		Pass	Restricted	Restricted	
No objection to or significant restrictions or penalties applied on the repatriation of capital and income	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	X	Not Met	X	Pass	Pass	Pass	
Free and well-developed equity market	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass		Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass		Pass		Restricted	Restricted	Restricted	
Free and well-developed foreign exchange market	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Restricted		Not Met	Pass	Not Met	Pass	Not Met	Restricted	Pass	Pass		Not Met		Not Met	Not Met	Restricted	
Non or simple registration process for foreign investors	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass		Pass	Pass	Restricted	Pass	Pass	Pass	Pass	Pass		Not Met		Restricted	Restricted	Restricted	
Custody and Settlement																										
Settlement - Rare incidence of failed trades	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	X	Pass	X	Pass	Pass	Pass	
Custody-Sufficient competition to ensure high quality custodian services	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	X	Pass		Pass	Pass	Pass	
Clearing & settlement - T + 3 , T + 7 for Frontier	X	T+3	T+2	T+3	T+3	T+3	T+3	X	X	Restricted	X	T+3	T+3	T+2	T+3	T+2	T+3	T+3	T+3	X	T+3	X	T+1, T+3	T+3	T+3	
Stock Lending is permitted	X	Pass	Pass	Pass	Pass	Pass	Pass	X		Restricted		Not Met	Restricted	Pass	Pass	Restricted	Restricted	Pass	Pass		Not Met		Not Met	Not Met	Pass	
Settlement - Free delivery available	X	Pass	Pass	Pass	Pass	Pass	Pass	X		Pass		Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass		Not Met		Not Met	Not Met	Not Met	
Custody - Omnibus account facilities available to international investors	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass		Pass	Pass	Not Met	Pass	Pass	Restricted	Pass	Pass		Pass		Not Met	Not Met	Pass	
Dealing Landscape																										
Brokerage - Sufficient competition to ensure high quality broker services	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	X	Pass		Pass	Pass	Pass	
Liquidity - Sufficient broad market liquidity to support sizeable global investment	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	X	Pass		Not Met	Not Met	Restricted	
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass	X	Pass	Pass	Pass	Restricted	Pass	Pass	Not Met	Pass	X	Pass		Pass	Pass	Pass	
Short sales permitted	X	Pass	Restricted	Restricted	Pass	Pass	Pass	X		Restricted		Not Met	Restricted	Pass	Pass	Restricted	Restricted	Not Met	Pass		Not Met		Not Met	Not Met	Not Met	
Off-exchange transactions permitted	X	Pass	Pass	Pass	Pass	Pass	Pass	X		Restricted		Not Met	Pass	Not Met	Pass	Pass	Pass	Pass	Pass		Not Met		Not Met	Not Met	Pass	
Efficient trading mechanism	X	Pass	Pass	Pass	Pass	Pass	Pass	X		Pass		Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass		Pass		Restricted	Restricted	Restricted	
Transparency - market depth information / visibility and timely trade reporting process	X	Pass	Pass	Pass	Pass	Pass	Pass	X	X	Pass	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	X	Pass	X	Pass	Pass	Pass	
Derivatives																										
Developed Derivatives Market	X	Pass	Pass	Pass	Pass	Pass	Pass	X		Pass		Not Met	Pass	Restricted	Not Met	Not Met	Not Met	Not Met	Not Met		Not Met		Not Met	Not Met	Not Met	
Size of Market																										
Market Capitalisation \$mn (as at 31st Dec 2008)		692,958	1,328,768	3,356,440	24,210	264,974	470,797			356,711				1,247,486	98,760	189,239	23,618	52,031	103,128					11,559	4,286	7,685
Total Number of Listed Companies (as at 31st Dec 2008)		1924	1251	3769	147	455	1789			718				6327	396	972	653	244	525					276	235	349

*Japan Size of Market data based on combined figures from Tokyo, Osaka & Jasdq Stock Exchanges
 *India Size of Market data based on combined figures from Mumbai & National Stock Exchange of India
 *Pakistan Size of Market data based on Karachi SE & Lahore SE (note: Lahore mcap = 21416.4, w/ 512 companies)
 *Vietnam 2008 Size of Market data based on HoChiMin SE & Hanoi Securities Trading Center