

FTSE QUALITY OF MARKETS CRITERIA (EUROPE Developed) as at September 2008

CRITERIA	COUNTRY NAMES																
	DEV	Austria	Belg/Lux	Denmark	Finland	France	Germany	Greece	Ireland	Italy	Netherlands	Norway	Portugal	Spain	Sweden	Switzerland	UK
World Bank GNI Per Capita Rating, 2007		High	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
Market and Regulatory Environment																	
Formal stock market regulatory authorities actively monitor market (e.g., SEC, FSA, SFC)	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Fair and non-prejudicial treatment of minority shareholders	X	Pass	Pass	Pass	Pass	Restricted	Restricted	Pass	Pass	Restricted	Pass	Pass	Pass	Pass	Restricted	Restricted	Pass
Non or selective incidence of foreign ownership restrictions	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
No objection to or significant restrictions or penalties applied on the repatriation of capital and income	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Free and well-developed equity market	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Free and well-developed foreign exchange market	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Non or simple registration process for foreign investors	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Custody and Settlement																	
Settlement - Rare incidence of failed trades	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Custody-Sufficient competition to ensure high quality custodian services	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Clearing & settlement - T + 3 , T + 7 for Frontier	X	T+3	T+3	T+3	T+3	T+3	T+2	T+3	T+3	T+3	T+3	T+3	T+3	T+3	T+3	T+3	T+3
Stock Lending is permitted	X	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Settlement - Free delivery available	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass
Custody - Omnibus account facilities available to international investors	X	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Dealing Landscape																	
Brokerage - Sufficient competition to ensure high quality broker services	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Liquidity - Sufficient broad market liquidity to support sizeable global investment	X	Restricted	Restricted	Restricted	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass
Transaction costs - implicit and explicit costs to be reasonable and competitive	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Restricted
Short sales permitted	X	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass	Restricted	Restricted	Pass	Pass	Pass
Off-exchange transactions permitted	X	Pass	Pass	Pass	Pass	Pass	Pass	Restricted	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Efficient trading mechanism	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Transparency - market depth information / visibility and timely trade reporting process	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Derivatives																	
Developed Derivatives Market	X	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass	Pass
Size of Market																	
Market Capitalisation \$mn (as at 31st Dec 2007)		236,448	551,663	277,790	368,000	*2,740,461	2,105,198	264,961	143,905	1,072,535	*956,200	353,353	*132,244	1,322,915	611	1,271,048	3,851,706
Total Number of Listed Companies (as at 31st Dec 2007)		119	239	204	141	*707	866	283	73	307	*221	248	*51	2,235	283	341	3,307

* Euronext reported figures