

FTSE QUALITY OF MARKETS CRITERIA (ASIA PACIFIC) as at September 2011

| CRITERIA | DEV | COUNTRY NAMES | | | | | | | | | | | | | | | | | | | | | | | |
|---|-----|---------------|------------|------------|-------------|------------|-------------|-----------|---------|------------|--------------|--------------|-----|--------------|--------------|--------------|--------------|--------------|--------------|-----------|--------------|-------|------------|--------------|--------------|
| | | Australia | Hong Kong | Japan | New Zealand | Singapore | South Korea | DEV WATCH | ADV EMG | Taiwan | Malaysia | Thailand* | EMG | China B | China H | India | Indonesia | Pakistan | Philippines | EMG WATCH | China A | FRONT | Bangladesh | Sri Lanka | Vietnam |
| World Bank GNI Per Capita Rating, 2010 | | High | High | High | High | High | High | | | Upper | Upper Middle | Upper Middle | | Upper Middle | Upper Middle | Lower Middle | Lower Middle | Lower Middle | Lower Middle | | Upper Middle | | Low | Lower Middle | Lower Middle |
| 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 | Pass | Pass | X | Restricted | Pass | Pass | Restricted | 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 | Pass | Pass | | Not Met | Pass | Not Met | Not Met | 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 | Restricted | Restricted | | Pass | Pass | Not Met | Pass | Pass | Pass | | Not Met | | Pass | Restricted | Restricted |
| No objection to or significant restrictions or penalties applied to the investment of capital or the repatriation of capital and income | X | Pass | Pass | Pass | Pass | Pass | Pass | X | X | Pass | Pass | Pass | X | Pass | Pass | Pass | Pass | Pass | Pass | 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 | Restricted | X | X | Restricted | Restricted | Pass | | Not Met | Pass | Not Met | Pass | Restricted | 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 | | Pass | Pass | Restricted | 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 | Pass | Pass | X | 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 | Pass | Pass | X | Pass | Pass | Pass | Pass | Pass | Pass | X | Pass | | Pass | Pass | Pass |
| Clearing & settlement - T + 3, T + 5 for Frontier | X | T+3 | T+2 | T+3 | T+3 | T+3 | T+3 | X | X | Restricted | T+2 | T+3 | X | T+3 | 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 | Restricted | Pass | | Not Met | Restricted | Pass | Pass | Restricted | Pass | | Not Met | | Not Met | Not Met | Restricted |
| Settlement - Free delivery available | X | Pass | Pass | Pass | Pass | Pass | Restricted | X | | Restricted | Pass | Pass | | Pass | Pass | Pass | Restricted | 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 | | Pass | Pass | Not Met | Pass | Restricted | 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 | Pass | Pass | X | 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 | Pass | Pass | X | 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 | Pass | Pass | X | Pass | Pass | Pass | Restricted | Pass | Not Met | X | Pass | | Pass | Pass | Pass |
| Short sales permitted | X | Pass | Restricted | Restricted | Pass | Pass | Pass | X | | Restricted | Restricted | Pass | | Not Met | Restricted | Pass | Pass | Restricted | Not Met | | Not Met | | Not Met | Not Met | Not Met |
| Off-exchange transactions permitted | X | Pass | Pass | Pass | Pass | Pass | Restricted | X | | Restricted | Pass | Pass | | Not Met | Pass | Not Met | Pass | Pass | Pass | | Not Met | | Not Met | Not Met | Pass |
| Efficient trading mechanism | X | Pass | Pass | Pass | Pass | Pass | Restricted | 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 | Pass | Pass | X | Pass | Pass | Pass | Pass | Pass | Pass | X | Pass | X | Pass | Pass | Pass |
| Derivatives | | | | | | | | | | | | | | | | | | | | | | | | | |
| Developed Derivatives Market | X | Pass | Pass | Pass | Restricted | Pass | Pass | X | | Pass | Not Met | Restricted | | Not Met | Pass | Restricted | Not Met | Not Met | Not Met | | Not Met | | Not Met | Not Met | Not Met |
| Size of Market | | | | | | | | | | | | | | | | | | | | | | | | | |
| Market Capitalisation \$mn (as at 31st Dec 2010) | | 1,454,491 | 2,711,316 | 3,944,899 | 56,100 | 647,226 | 1,091,911 | | | 818,490 | 408,689 | 277,732 | | 33,417 | 672,847 | 3,228,455 | 360,388 | 38,055 | 157,321 | | 3,994,424 | | 42,494 | 19,924 | 35,088 |
| Total Number of Listed Companies (as at 31st Dec 2010) | | 1913 | 1396 | 3278 | 146 | 461 | 1781 | | | 752 | 948 | 541 | | 108 | 163 | 6585 | 420 | 644 | 251 | | 2041 | | 218 | 241 | 654 |

* Thailand will be promoted to Advanced Emerging market status from March 2012

*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

*Vietnam Size of Market data based on Ho Chi Minh SE & Hanoi Securities Trading Center

*Bangladesh Size of Market data based on Dhaka Stock Exchange Ltd

*China A & B Size of Market data based on Shanghai Stock Exchange & Shenzhen Stock Exchange

 Shading indicates a change from March 2011