

FTSE RAFI DEVELOPED MID SMALL 1500 INDEX

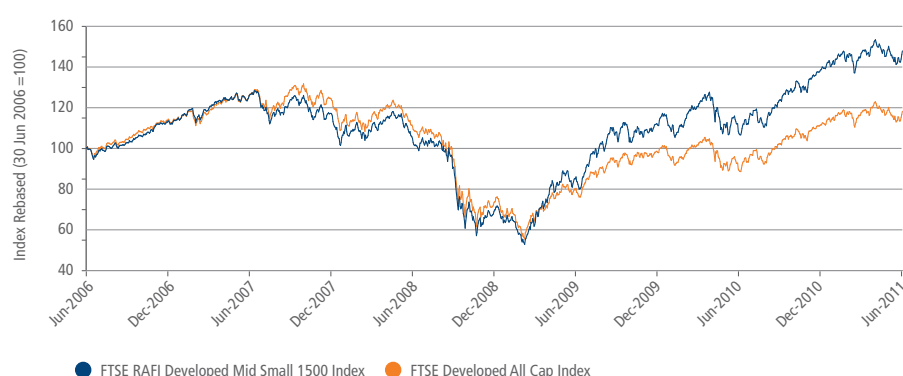
The FTSE RAFI® Developed Mid Small 1500 Index is part of the FTSE RAFI Index Series, launched in association with Research Affiliates, LLC. As part of FTSE Group's range of nonmarket cap weighted indices, the FTSE RAFI Index Series selects and weights index constituents using four fundamental factors, rather than market capitalisation. These four factors include dividends, cash flow, sales and book value.

The FTSE Developed Mid Small 1500 Index comprises of the next 1500 companies with the largest RAFI fundamental values after the FTSE RAFI Developed 1000 Index. Both indices are selected from the constituents of the FTSE Developed All Cap Index.

FEATURES

- FTSE RAFI Index-linked products offer the a better beta, while maintaining the best features of passive index investment: broad market exposure, low turnover, and transparent rules-based selection, whilst retaining high investment capacity
- By using fundamental factors rather than prices to select and weight stocks, reviews of the FTSE RAFI Indices take advantage of price movements by reducing the index's holdings in constituents whose prices have risen relative to other constituents, and increasing holdings in companies whose prices have fallen behind
- Fundamentals Weighted® indices do not increase exposure to high P/E stocks during episodes of unsustainable P/E expansion. It therefore avoids over-exposure to the more overvalued stocks
- The indices have been designed to support index-linked funds, ETFs and over-the counter (OTC) products
- Transparent, independently governed and freely available index rules, overseen by an independent committee of leading market professionals

FTSE RAFI DEVELOPED MID SMALL 1500 INDEX 5-YEAR PERFORMANCE (USD TOTAL RETURN)



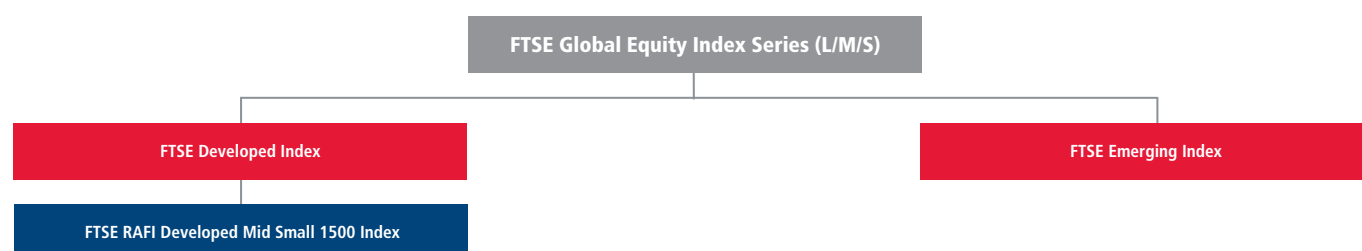
Source: FTSE Group, data as at 30 June 2011

FTSE RAFI DEVELOPED MID SMALL 1500 INDEX TOP 10 CONSTITUENTS

Rank	Constituent	Country	Sector	FTSE RAFI Developed Mid Small 1500 Index Weight (%)	FTSE Developed All Cap Index Weight (%)	Difference (%)
1	Arkema	France	Chemicals	0.18	0.02	0.16
2	Daelim Industrial	Korea	Construction & Materials	0.17	0.01	0.16
3	Aurubis AG	Germany	Industrial Metals & Mining	0.16	0.01	0.15
4	LS Corp	Korea	Electronic & Electrical Equipment	0.16	0.01	0.15
5	Fletcher Building	New Zealand	Construction & Materials	0.15	0.02	0.14
6	Level 3 Communications	USA	Fixed Line Telecommunications	0.15	0.01	0.14
7	Expedia	USA	Travel & Leisure	0.15	0.02	0.13
8	Hyosung Corp	Korea	General Industrials	0.15	0.01	0.14
9	Olympus	Japan	Health Care Equipment & Services	0.15	0.02	0.13
10	KBR	USA	Construction & Materials	0.15	0.02	0.13
Total				1.56	0.16	

Source: FTSE Group, data as at 30 June 2011

FAMILY TREE



The complete FTSE RAFI Index Series family tree can be found at www.ftse.com/rafi

FTSE RAFI DEVELOPED MID SMALL 1500 INDEX COUNTRY WEIGHTS

Country	FTSE RAFI Developed Mid Small 1500 Index		FTSE Developed All Cap Index		Difference (%)
	Weight (%)	No. of Constituents	Weight (%)	No. of Constituents	
Australia	3.56	52	3.70	265	-0.14
Belgium	0.59	11	0.45	42	0.14
Canada	5.03	76	4.95	242	0.09
Denmark	0.54	9	0.52	32	0.02
Finland	1.34	19	0.49	45	0.85
France	2.83	40	4.64	161	-1.81
Germany	2.11	32	3.79	142	-1.68
Greece	0.26	4	0.12	31	0.14
Hong Kong	2.67	40	2.05	293	0.61
Ireland	0.42	7	0.15	20	0.27
Israel	0.50	9	0.33	71	0.17
Italy	1.48	26	1.37	117	0.11
Japan	14.75	242	8.21	1216	6.54
Korea	5.43	73	2.48	267	2.95
Netherlands	1.07	16	1.19	56	-0.12
Norway	0.59	11	0.51	46	0.08
New Zealand	0.20	2	0.07	20	0.13
Austria	0.50	8	0.21	26	0.29
Portugal	0.52	9	0.14	23	0.38
Singapore	1.24	19	0.79	104	0.44
Spain	1.39	20	1.59	67	-0.20
Sweden	1.78	26	1.40	87	0.38
Switzerland	1.92	31	3.43	109	-1.51
UK	7.21	106	9.02	333	-1.81
USA	42.08	611	48.40	2007	-6.32
Total	100.00	1,499	100.00	5,822	

Source: FTSE Group, data as at 30 June 2011

FTSE RAFI DEVELOPED MID SMALL 1500 INDEX SUPERSECTOR BREAKDOWN

ICB Code	ICB Supersector	FTSE RAFI Developed Mid Small 1500 Index		FTSE Developed All Cap Index		Difference (%)
		Weight (%)	No. of Constituents	Weight (%)	No. of Constituents	
0500	Oil & Gas	5.95	91	10.16	328	-4.21
1300	Chemicals	4.88	68	3.18	209	1.70
1700	Basic Resources	4.51	66	4.84	346	-0.33
2300	Construction & Materials	4.85	69	1.70	249	3.14
2700	Industrial Goods & Services	17.47	264	12.25	1021	5.23
3300	Automobiles & Parts	1.80	29	2.67	145	-0.87
3500	Food & Beverage	3.95	60	4.67	229	-0.72
3700	Personal & Household Goods	5.31	81	4.95	310	0.36
4500	Health Care	5.34	76	8.57	374	-3.23
5300	Retail	7.45	108	5.02	379	2.43
5500	Media	2.36	43	2.47	166	-0.11
5700	Travel & Leisure	4.65	69	2.26	238	2.39
6500	Telecommunications	1.54	20	3.67	85	-2.13
7500	Utilities	4.26	55	3.77	180	0.48
8300	Banks	4.56	72	9.52	300	-4.97
8500	Insurance	4.04	59	4.32	178	-0.28
8600	Real Estate	7.11	110	3.16	369	3.95
8700	Financial Services	4.45	76	3.09	239	1.36
9500	Technology	5.54	83	9.72	477	-4.19
Total		100.00	1,499	100.00	5,822	

Source: FTSE Group, data as at 30 June, 2011

FTSE RAFI DEVELOPED MID SMALL 1500 INDEX PORTFOLIO CHARACTERISTICS

Attribute	FTSE RAFI Developed Mid Small 1500 Index	FTSE Developed All Cap Index
Number of Constituents	1,499	5,822
Net Market Cap (USDm)	94,234	31,132,436
Constituent Wts (%)		
Average	0.07	0.02
Largest	0.18	1.29
Smallest	0.001	0.00003
Median	0.06	0.004
Top 10 Holdings (% Index Market Cap Share)	1.56	7.41

Source: FTSE Group, data as at 30 June, 2011

INFORMATION

Index Universe

FTSE Global Equity Index Series

Index Launch

19 November 2007

Base Date

19 March 2007

Base Value

5000

Investability Screen

Free float adjusted and liquidity screened

Index Calculation

Real-time (every 15 seconds) and end-of-day

End-of-Day Distribution

Index available at 23:30 GMT & BST via FTP and email

Currency

USD (real-time); Euro, USD, GBP, Yen, AUD & Local (end-of-day)

Review Dates

The index is reviewed annually in March

Index Rules

Available at www.ftse.com/rafi

Vendor Codes

Available at www.ftse.com/indices

Factsheet Data

Data as at 31 Mar, 2009

Source: FTSE Group & Research Affiliates

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