

FTSE RAFI REAL ESTATE INDEXES

The FTSE RAFI Real Estate Indexes are part of the FTSE RAFI Index Series, launched in association with Research Affiliates, and comprise the FTSE RAFI Global Real Estate ex US Index and the FTSE RAFI Real Estate US 100 Index. As part of FTSE Group's range of non-market cap weighted indices, the FTSE RAFI Index Series weights index constituents using four fundamental factors, rather than market capitalisation. These four factors include dividends, cash flow, sales and book value.

The FTSE RAFI Real Estate Global ex US Index comprises of the 150 companies with the largest RAFI fundamental values selected from the constituents of the FTSE Global All Cap ex US Index that are classified by the Industry Classification Benchmark (ICB) as Real Estate (8730). The FTSE RAFI Real Estate US 100 Index comprises of the 100 US companies with the largest RAFI fundamental values selected from the constituents of the FTSE USA All Cap Index that are classified by the Industry Classification Benchmark (ICB) as Real Estate (8730).

FEATURES

- FTSE RAFI Index-linked products can offer the advantages of an active management strategy with the highlights of passive investment: lower turnover costs and transparent rules-based selection, whilst retaining high investment capacity
- By using fundamental factors rather than prices to 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 weighting does 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
- Both indexes have been designed applying a real estate-orientated fundamental value calculation. Please refer to section 5.4 of the index rules for further details

FTSE RAFI REAL ESTATE GLOBAL EX US INDEX TOP 10 CONSTITUENTS

Rank	Security	FTSE RAFI Real Estate Global ex US Index Weight (%)	FTSE Global All Cap ex US Index (Real Estate) Weight (%)*	Difference (%)
1	Sun Hung Kai Props	4.58	4.72	-0.14
2	Westfield Group	4.54	5.19	-0.66
3	Mitsui Fudosan Co.	3.84	3.22	0.61
4	Mitsubishi Estate	3.43	4.07	-0.64
5	Cheung Kong (Hldgs)	3.30	4.51	-1.21
6	Brookfield Asset Management CI A LV	2.75	3.14	-0.39
7	Lend Lease Corp	2.61	1.00	1.62
8	Sumitomo Realty & Development	2.52	2.22	0.30
9	Land Securities Group	2.06	2.14	-0.08
10	Unibail - Rodamco	1.71	2.69	-0.99
	Total	31.34	32.91	-1.57

Source: FTSE Group, data as at Oct 31, 2007

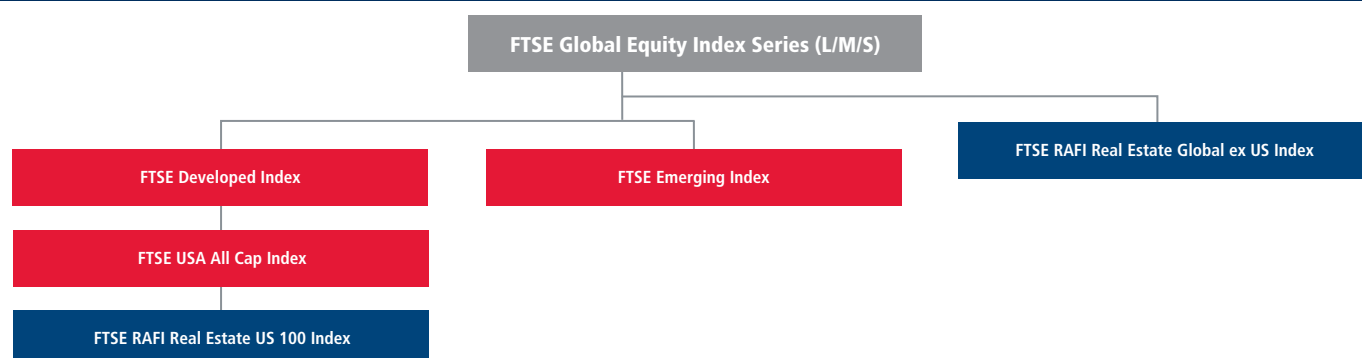
*Constituents used in the FTSE Global All Cap ex US Index (Real Estate) are classified by ICB as Real Estate (8730).

FTSE RAFI REAL ESTATE US 100 INDEX TOP 10 CONSTITUENTS

Rank	Security	FTSE RAFI Real Estate US 100 Index Weight (%)	FTSE NAREIT US Composite Index Weight (%)	Difference (%)
1	Simon Property Group	3.31	6.67	-3.36
2	Equity Residential	3.18	3.32	-0.15
3	General Growth Properties	3.11	3.82	-0.71
4	Vornado Realty	3.07	4.86	-1.79
5	Annaly Capital Management	2.87	1.82	1.05
6	Boston Property	2.86	3.70	-0.83
7	Host Hotels & Resorts	2.53	3.33	-0.80
8	Apartment Inv Management	2.50	1.30	1.19
9	Prologis	2.28	5.27	-2.99
10	Plum Creek Timber Co	2.09	2.24	-0.15
	Total	27.79	36.32	-8.53

Source: FTSE Group, data as at Oct 31, 2007

FAMILY TREE



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

FTSE RAFI REAL ESTATE GLOBAL EX US INDEX COUNTRY WEIGHTS

ISO Code	Country	FTSE RAFI Real Estate Global ex US Index Weight (%)	FTSE Global All Cap ex US Index (Real Estate) Weight (%)*	Difference (%)
ARG	Argentina	-	-	0.00
AU	Australia	15.82	17.17	-1.35
BELG	Belgium	0.79	0.51	0.28
BRAZ	Brazil	-	0.78	-0.78
CAN	Canada	7.11	6.72	0.39
CHL	Chile	-	-	0.00
CHN	China	1.78	1.80	-0.03
COL	Colombia	-	-	0.00
CZE	Czech Republik	-	-	0.00
DEN	Denmark	-	0.14	-0.14
EGY	Egypt	-	0.14	-0.14
FIN	Finland	0.30	0.29	0.01
FRA	France	5.68	5.02	0.66
GER	Germany	0.97	1.22	-0.25
GRC	Greece	-	0.30	-0.30
HK	Hong Kong SAR	23.90	24.90	-1.00
HUN	Hungary	-	-	0.00
IDA	India	-	0.78	-0.78
INDO	Indonesia	-	0.22	-0.22
IRE	Ireland	-	0.04	-0.04
ISR	Israel	0.44	0.32	0.12
ITA	Italy	1.82	0.61	1.21
JA	Japan	19.73	13.44	6.29
KOR	Korea	-	-	0.00
MAL	Malaysia	-	0.45	-0.45
MAR	Morocco	-	0.30	-0.30
MEX	Mexico	-	0.02	-0.02
NETH	Netherlands	2.47	1.94	0.54
NOR	Norway	-	0.12	-0.12
NZ	New Zealand	-	0.18	-0.18
OEST	Austria	0.61	2.55	-1.94
PAK	Pakistan	-	-	0.00
PER	Peru	-	-	0.00
PHIL	Philippines	0.67	0.54	0.13
POL	Poland	-	0.46	-0.46
PTL	Portugal	-	-	0.00
RUS	Russia	-	-	0.00
SAF	South Africa	0.97	0.72	0.25
SI	Singapore	4.38	4.36	0.02
SP	Spain	1.51	0.85	0.66
SWED	Sweden	1.99	1.43	0.56
SWIT	Switzerland	0.95	0.75	0.20
THAI	Thailand	-	0.13	-0.13
TUR	Turkey	-	0.04	-0.04
TWN	Taiwan	0.59	0.76	-0.17
UK	UK	7.50	9.99	-2.49
Total		100.00	100.00	

Source: FTSE Group, data as at Oct 31, 2007

*Constituents used in the FTSE Global All Cap ex US Index (Real Estate) are classified by ICB as Real Estate (8730).

FTSE RAFI REAL ESTATE INDEXES PORTFOLIO CHARACTERISTICS

Attribute	FTSE RAFI Real Estate Global ex US Index	FTSE RAFI Real Estate US 100 Index
Number of Constituents*	148	95
Index Market Cap (USDmn)	25,658	17,406
Constituent Wts (%)		
Average	0.676	1.053
Largest	4.579	3.306
Smallest	0.060	0.092
Median	0.393	0.802
Top 10 Holdings (% Index Market Cap Share)	31.340	27.787

Source: FTSE Group, data as at Oct 31, 2007

*FTSE RAFI Real Estate US 100 Index has a fixed set of 100 companies at the annual March review, but currently it consists of 95 constituents due to corporate events.

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 October 2007

Source: FTSE Group & Research Affiliates

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