

# FTSE RAFI DEVELOPED EX US 1000 INDEX

The FTSE RAFI Developed ex US 1000 Index is part of the FTSE RAFI Index Series, launched in association with Research Affiliates. As part of FTSE Group's range of non-market cap weighted indexes, the FTSE RAFI Index Series weights index constituents using four fundamental factors, rather than market capitalization. These factors include dividends, cash flow, sales and book value.

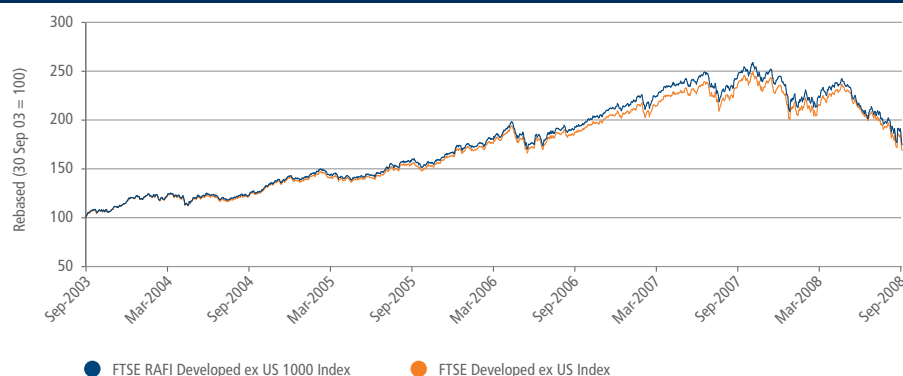
The FTSE RAFI Developed ex US 1000 Index comprises the largest 1000 non US-listed companies by fundamental value, selected from the constituents of the FTSE Developed ex US Index.

The FTSE RAFI Developed ex US 1000 Index is divided into 23 separate country indexes, made up of the stocks from each country represented amongst the constituents of the FTSE RAFI Developed ex US 1000 Index. The following country indexes are available: Australia, Austria, Belgium/Luxembourg, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong SAR, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the UK.

## 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, while 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 index is calculated in accordance with the Industry Classification Benchmark (ICB) system, a global standard developed in partnership between FTSE Group and Dow Jones Indexes
- The index has been designed for the creation of derivatives, index tracking funds and ETFs
- A capital and total return index is available

## FTSE RAFI DEVELOPED EX US1000 INDEX 5 PERFORMANCE (USD TOTAL RETURN)



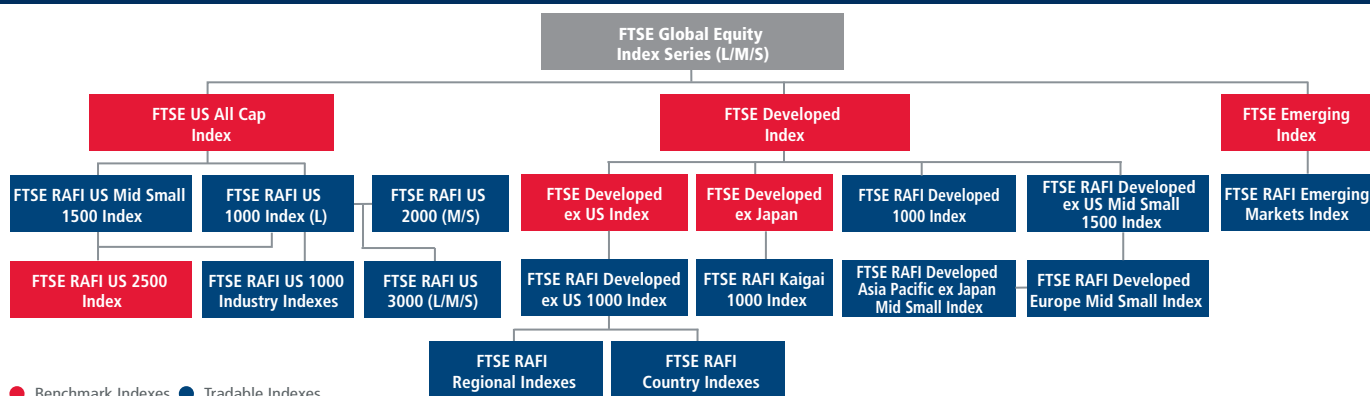
Source: FTSE Group, data as at Sep 30, 2008

## FTSE RAFI DEVELOPED EX US 1000 TOP 10 CONSTITUENTS

| Rank | Security                     | Country        | ICB Supersector     | FTSE RAFI Developed ex US 1000 Index Weight (%) | FTSE Developed ex US Index Weight (%) | Difference (%) |
|------|------------------------------|----------------|---------------------|---|---------------------------------------|----------------|
| 1    | HSBC Hldgs                   | United Kingdom | Banks               | 2.51  | 1.72                                  | 0.79           |
| 2    | BP                           | United Kingdom | Oil & Gas           | 2.11  | 1.39                                  | 0.72           |
| 3    | Total                        | France         | Oil & Gas           | 1.52  | 1.28                                  | 0.25           |
| 4    | Vodafone Group               | United Kingdom | Telecommunications  | 1.34  | 1.03                                  | 0.31           |
| 5    | Royal Dutch Shell A          | United Kingdom | Oil & Gas           | 1.18  | 0.91                                  | 0.27           |
| 6    | ING Group CVA                | Netherlands    | Insurance           | 1.16  | 0.39                                  | 0.77           |
| 7    | BNP Paribas                  | France         | Banks               | 1.08  | 0.75                                  | 0.33           |
| 8    | GlaxoSmithKline              | United Kingdom | Health Care         | 1.06  | 1.01                                  | 0.05           |
| 9    | Toyota Motor                 | Japan          | Automobiles & Parts | 1.03  | 0.95                                  | 0.07           |
| 10   | Royal Bank Of Scotland Group | United Kingdom | Banks               | 1.02  | 0.47                                  | 0.55           |
|      | <b>Total</b>                 |                |                     | <b>14.01</b>                                    | <b>4.10</b>                           |                |

Source: FTSE Group, data as at Sep 30, 2008

## FAMILY TREE



## FTSE RAFI DEVELOPED EX US 1000 INDEX COUNTRY BREAKDOWN

| ISO Code      | Country       | FTSE RAFI Developed ex US 1000 Index Weight (%) | FTSE Developed ex US Index Weight (%) | Difference (%) |
|---------------|---------------|---|---------------------------------------|----------------|
| UK            | UK            | 22.33   | 18.81                                 | 3.52           |
| JA            | Japan         | 20.57   | 18.87                                 | 1.70           |
| FRA           | France        | 11.71   | 10.96                                 | 0.75           |
| GER           | Germany       | 9.32  | 8.03                                  | 1.28           |
| SWIT          | Switzerland   | 5.34  | 6.85                                  | -1.51          |
| CAN           | Canada        | 5.21  | 7.66                                  | -2.45          |
| ITA           | Italy         | 4.65  | 3.52                                  | 1.13           |
| AU            | Australia     | 4.29  | 5.89                                  | -1.60          |
| SP            | Spain         | 3.42  | 4.33                                  | -0.92          |
| NETH          | Netherlands   | 3.31  | 2.33                                  | 0.97           |
| SWED          | Sweden        | 2.24  | 1.95                                  | 0.29           |
| HK            | Hong Kong SAR | 2.15  | 3.55                                  | -1.40          |
| FIN           | Finland       | 1.05  | 1.17                                  | -0.12          |
| BELG          | Belgium       | 0.88  | 0.74                                  | 0.14           |
| NOR           | Norway        | 0.75  | 0.75                                  | 0.00           |
| SI            | Singapore     | 0.74  | 1.14                                  | -0.40          |
| DEN           | Denmark       | 0.57  | 0.94                                  | -0.37          |
| GRC           | Greece        | 0.40  | 0.61                                  | -0.21          |
| PTL           | Portugal      | 0.35  | 0.36                                  | -0.01          |
| OEST          | Austria       | 0.33  | 0.41                                  | -0.08          |
| IRE           | Ireland       | 0.31  | 0.37                                  | -0.05          |
| NZ            | New Zealand   | 0.11  | 0.12                                  | -0.01          |
| ISR           | Israel        | 0.00  | 0.65                                  | -0.65          |
| <b>Totals</b> |               | <b>100.00</b>                                   | <b>100.00</b>                         |                |

Source: FTSE Group, data as at Sep 30, 2008

## FTSE RAFI DEVELOPED EX US 1000 INDEX ICB SUPERSECTOR BREAKDOWN

| ICB Code      | ICB Supersector                  | FTSE RAFI Developed ex US 1000 Index Weight (%) | FTSE Developed ex US Index Weight (%) | Difference (%) |
|---------------|----------------------------------|---|---------------------------------------|----------------|
| 0500          | Oil & Gas                        | 9.45  | 9.32                                  | 0.13           |
| 1300          | Chemicals                        | 2.65  | 3.47                                  | -0.82          |
| 1700          | Basic Resources                  | 3.02  | 5.43                                  | -2.41          |
| 2300          | Construction & Materials         | 2.13  | 1.88                                  | 0.25           |
| 2700          | Industrial Goods & Services      | 8.25  | 9.11                                  | -0.86          |
| 3300          | Automobiles & Parts              | 5.63  | 3.89                                  | 1.74           |
| 3500          | Food & Beverage                  | 3.47  | 4.80                                  | -1.33          |
| 3700          | Personal Goods & Household Goods | 3.87  | 5.00                                  | -1.13          |
| 4500          | Health Care                      | 4.74  | 7.05                                  | -2.31          |
| 5300          | Retail                           | 4.00  | 3.17                                  | 0.84           |
| 5500          | Media                            | 1.75  | 1.61                                  | 0.14           |
| 5700          | Travel & Leisure                 | 2.79  | 1.86                                  | 0.93           |
| 6500          | Telecommunications               | 7.16  | 6.26                                  | 0.90           |
| 7500          | Utilities                        | 6.77  | 6.53                                  | 0.24           |
| 8300          | Banks                            | 19.57   | 16.90                                 | 2.67           |
| 8500          | Insurance                        | 8.56  | 5.78                                  | 2.78           |
| 8700          | Financial Services               | 3.67  | 4.57                                  | -0.90          |
| 9500          | Technology                       | 2.52  | 3.36                                  | -0.84          |
| <b>Totals</b> |                                  | <b>100.00</b>                                   | <b>100.00</b>                         |                |

Source: FTSE Group, data as at Sep 30, 2008

## INFORMATION

### Index Universe

FTSE Developed ex US Index

### Index Launch

28 November 2005

### Base Date

30 September 2005

### 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 via FTP and email

### Currency

USD

### Review Dates

Annually in March

### Index Rules

Available at [www.ftse.com/rafi](http://www.ftse.com/rafi)

### Vendor Codes

Available at [www.ftse.com/Indices](http://www.ftse.com/Indices)

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