

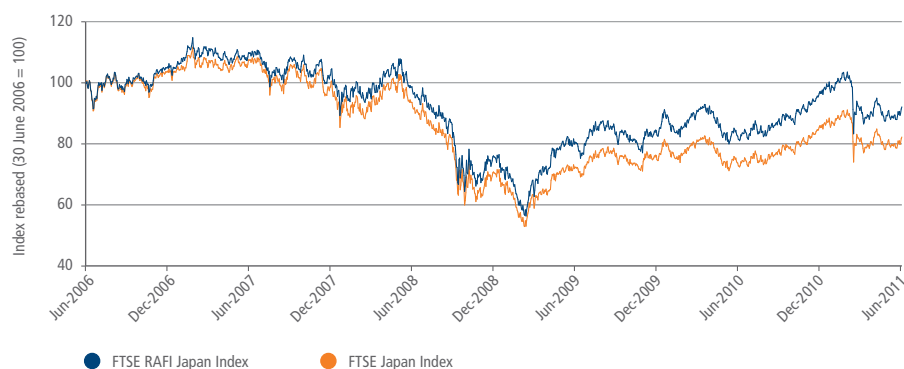
FTSE RAFI JAPAN INDEX

The FTSE RAFI® Japan Index is part of the FTSE RAFI Index Series, launched in association with Research Affiliates, LLC. 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 total cash dividends, free cash flow, total sales and book equity value.

FEATURES

- Part of the FTSE RAFI Country Index Series, the index comprises each Japanese stock in the FTSE RAFI Developed ex US 1000 Index.
- Offers 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 select and weight stocks, reviews of the FTSE RAFI Indexes 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 overexposure to the more overvalued stocks.
- Stocks are free-float weighted to ensure that only the investable opportunity set is included within the index.
- Stocks are liquidity screened to ensure that the index is tradable.
- The index is calculated in accordance with the Industry Classification Benchmark, the global standard for industry sector analysis.
- The index is designed for trading of derivatives, index-tracking funds, exchange traded funds and performance benchmarks.

FTSE RAFI JAPAN INDEX 5 YEAR PERFORMANCE (USD TOTAL RETURN)



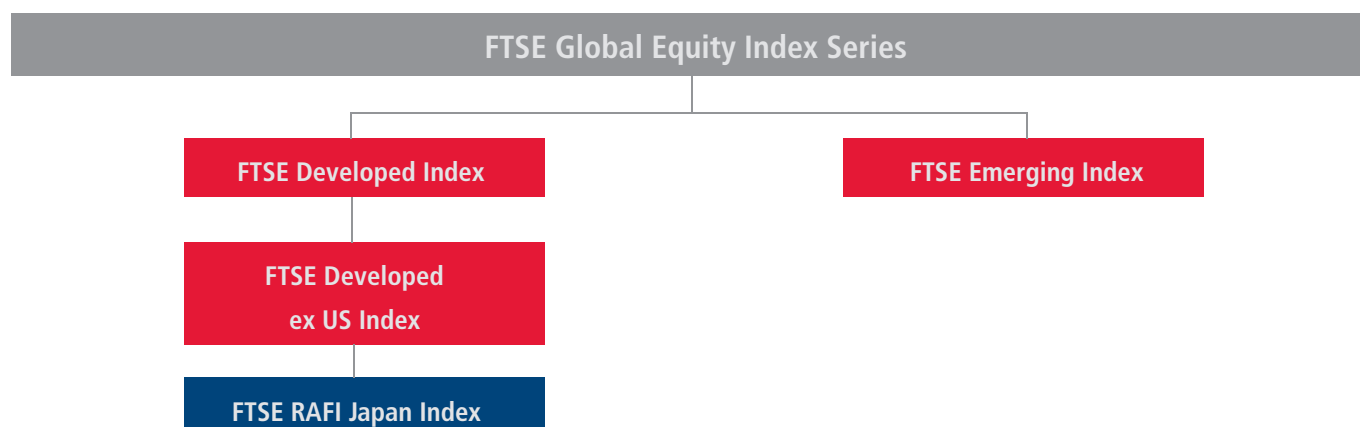
SOURCE: FTSE Group, data as at 30 June, 2011

FTSE RAFI JAPAN INDEX TOP 10 CONSTITUENTS

Rank	Security	Supersector	FTSE RAFI Japan Index Weight (%)	FTSE Japan Index Weight (%)	Difference (%)
1	Toyota Motor	Automobiles & Parts	5.42	4.16	1.25
2	Mitsubishi UFJ Financial	Banks	3.46	2.96	0.50
3	Canon	Technology	2.40	2.72	-0.32
4	Panasonic Corp	Personal & Household Goods	2.33	1.47	0.86
5	Honda Motor Co	Automobiles & Parts	2.32	2.25	0.08
6	Sumitomo Mitsui Financial Group	Banks	2.08	1.87	0.21
7	NTT	Telecommunications	1.94	1.00	0.94
8	Mizuho Financial Group	Banks	1.58	1.54	0.04
9	Hitachi	Industrial Goods & Services	1.57	0.86	0.71
10	Nissan Motor	Automobiles & Parts	1.55	1.02	0.53
	Total		24.65	19.85	

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

FAMILY TREE



FTSE RAFI JAPAN INDEX ICB SECTOR BREAKDOWN

ICB Code	Sector	FTSE RAFI Japan Index		FTSE Japan Index		Difference (%)
		Weight (%)	No. of Constituents	Weight (%)	No. of Constituents	
0530	Oil & Gas Producers	1.73	5	1.83	7	-0.10
0570	Oil Equipment, Services & Distribution	-	-	-	-	-
0580	Alternative Energy	-	-	-	-	-
1350	Chemicals	4.23	18	4.59	31	-0.36
1730	Forestry & Paper	0.51	2	0.25	2	0.27
1750	Industrial Metals & Mining	3.88	9	3.03	16	0.85
1770	Mining	-	-	0.05	1	-0.05
2350	Construction & Materials	2.62	12	1.94	16	0.68
2710	Aerospace & Defense	-	-	-	-	-
2720	General Industrials	2.18	6	1.30	7	0.88
2730	Electronic & Electrical Equipment	4.75	16	5.86	28	-1.12
2750	Industrial Engineering	4.62	14	7.38	30	-2.76
2770	Industrial Transportation	1.67	6	1.12	10	0.55
2790	Support Services	5.37	8	4.47	11	0.90
3350	Automobiles & Parts	14.51	19	12.08	30	2.43
3530	Beverages	0.86	2	1.01	7	-0.15
3570	Food Producers	1.05	6	1.35	13	-0.30
3720	Household Goods & Home Construction	1.15	5	1.03	8	0.12
3740	Leisure Goods	5.69	9	4.73	12	0.97
3760	Personal Goods	0.74	2	1.58	13	-0.84
3780	Tobacco	0.56	1	0.83	1	-0.27
4530	Health Care Equipment & Services	0.39	2	0.74	4	-0.34
4570	Pharmaceuticals & Biotechnology	3.98	12	4.87	24	-0.89
5330	Food & Drug Retailers	0.16	1	0.38	5	-0.22
5370	General Retailers	3.30	11	3.38	25	-0.08
5550	Media	0.72	3	0.74	10	-0.03
5750	Travel & Leisure	3.32	12	3.49	19	-0.17
6530	Fixed Line Telecommunications	1.94	1	1.00	1	0.94
6570	Mobile Telecommunications	3.38	3	3.72	4	-0.35
7530	Electricity	3.80	10	2.64	10	1.16
7570	Gas, Water & Multiutilities	0.96	3	0.76	3	0.21
8350	Banks	9.55	17	9.98	41	-0.42
8530	Nonlife Insurance	1.32	2	1.84	3	-0.52
8570	Life Insurance	0.99	2	1.00	3	-0.01
8630	Real Estate Investment & Services	1.26	4	2.23	9	-0.97
8670	Real Estate Investment Trusts	-	-	-	-	-
8770	Financial Services	2.25	7	2.18	17	0.08
8980	Equity Investment Instruments	-	-	-	-	-
8990	Nonequity Investment Instruments	-	-	-	-	-
9530	Software & Computer Services	0.31	2	1.00	12	-0.69
9570	Technology Hardware & Equipment	6.23	11	5.62	17	0.62
Total		100.00	243	100.00	450	

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

INDEX RULES AND COMMITTEE

As with all FTSE calculated indexes, the FTSE RAFI Japan Index Series is governed by a strict set of transparent and publicly available index rules, governed and maintained by an independent committee of leading market professionals. A copy of the rules is available at www.ftse.com/rafi

INFORMATION

Index Universe

FTSE Developed 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

Yen

Review Dates

Annually in March

Index Rules

Available at www.ftse.com/rafi

Vendor Codes

Available at www.ftse.com/Indices

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MILAN +39 02 3604 6953 MUMBAI +91 22 6649 4180 NEW YORK (DOMESTIC TOLL-FREE) + 1 888 FTSE (3873)

PARIS +33 (0)1 53 76 82 89 SAN FRANCISCO +1 888 747 FTSE (3873) SYDNEY +61 (2) 9293 2864 TOKYO +81 (3) 3581 2811

