

FTSE SHARIAH JAPAN 100 INDEX

The FTSE Shariah Japan 100 Index has been designed to be used as the basis of Shariah compliant investment products that meet the requirements of Islamic investors in Japan and internationally. Using the Large and Mid Cap stocks from the FTSE Global Equity Index Series as a base universe, constituents are then screened against a clear set of Shariah principles to create the FTSE Shariah Global Equity Index Series. The top 100 Shariah compliant Japanese constituents, by market capitalisation, are then selected to form the FTSE Shariah Japan 100 Index. Shariah screening is undertaken by the leading global Shariah consultancy, Yasaar Research Inc., to create a Shariah compliant index.

FEATURES

- **Comprehensive coverage:** The FTSE Shariah Global Equity Index Series covers all regions across both developed and emerging markets, to create a comprehensive Shariah indexing solution. For the latest details of indices in this series, visit: www.ftse.com/shariah
- **Impartial:** By partnering with Yasaar Ltd., an impartial consultancy and leading authority on Shariah, FTSE remains neutral and fully up to date with latest practices
- **Fatwa-certified:** The FTSE Shariah Global Equity Index Series has been fully certified as Shariah-compliant through the issue of a Fatwa (Islamic legal opinion) by Yasaar's principals. To view this document please visit: www.ftse.com/shariah
- **Asset-based debt screening:** Unlike other competitor methodologies, a more conservative approach to Shariah compliance is ensured by rating debt ratio limits that are measured as a percentage of total assets, rather than more volatile measures that use 12 month trailing market capitalisation. This ensures that companies do not pass the screening criteria due to market price fluctuation, allowing the methodology to be less speculative and more in keeping with Shariah principles
- **School-neutral:** Yasaar Research Inc. scholars represent all of the major Shariah schools of thought, creating a best practices approach that has credibility across all regions of the Islamic world
- The index is calculated in accordance with the Industry Classification Benchmark, the global standard for industry sector analysis

Further details on Yasaar Ltd can be found at www.yasaar.org

FTSE SHARIAH GLOBAL EQUITY INDEX SERIES SCREENING METHODOLOGY

UNIVERSE: FTSE GLOBAL EQUITY INDEX SERIES (LARGE & MID CAP STOCKS ONLY)

BUSINESS ACTIVITY SCREENING

Initially, companies involved in any of the following activities will be filtered out as non Shariah-compliant:

- Conventional Finance (non-Islamic Banking, Finance and Insurance, etc.)
- Alcohol
- Pork related products and non-halal food production, packaging and processing or any other activity related to pork and non-halal food
- Entertainment (Casinos, Gambling and Pornography)
- Tobacco
- Weapons, arms and defence manufacturing

FINANCIAL RATIOS SCREENING

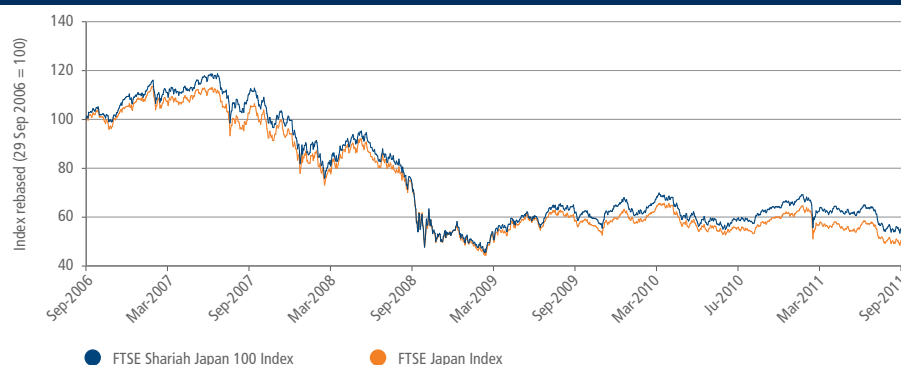
The remaining companies are then further screened on a financial basis. The following financial ratios must be met for companies to be considered Shariah-compliant:

- Debt is less than 33% of total assets
- Cash and Interest bearing items are less than 33% of total assets
- Accounts receivable and cash are less than 50% of total assets
- Total interest and non compliant activities income should not exceed 5% of total revenue

FTSE SHARIAH GLOBAL EQUITY INDEX SERIES

UNIVERSE THEN FILTERED ACCORDING TO EACH INDEX'S REQUIRED COUNTRY REPRESENTATION

FTSE SHARIAH JAPAN 100 INDEX 5 YEAR PERFORMANCE (JPY TOTAL RETURN)



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

FTSE SHARIAH JAPAN 100 INDEX TOP 10 CONSTITUENTS

Rank	Constituent	ICB Supersector	Net Market Cap (JPYbn)	Index Weight (%)
1	Canon	Technology	4,726.0	7.13
2	NTT Docomo	Telecommunications	2,491.1	3.76
3	Takeda Pharmaceutical	Health Care	2,179.5	3.29
4	Mitsubishi Corp	Industrial Goods & Services	1,974.3	2.98
5	KDDI Corp	Telecommunications	1,802.9	2.72
6	NTT	Telecommunications	1,801.0	2.72
7	Panasonic Corp	Personal & Household Goods	1,743.4	2.63
8	Komatsu	Industrial Goods & Services	1,712.0	2.58
9	Mitsui & Co	Industrial Goods & Services	1,549.2	2.34
10	INPEX CORPORATION	Oil & Gas	1,327.1	2.00
Total			21,306.5	32.16

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

FTSE SHARIAH JAPAN 100 INDEX SECTOR BREAKDOWN

ICB Code	ICB Sector	No. of Constituents	Net Market Cap (JPYbn)	Index Weight (%)
0530	Oil & Gas Producers	3	2,402.9	3.63
1350	Chemicals	7	4,062.0	6.13
1750	Industrial Metals & Mining	5	2,370.9	3.58
2350	Construction & Materials	3	1,759.8	2.66
2720	General Industrials	1	1,017.0	1.54
2730	Electronic & Electrical Equipment	9	5,583.3	8.43
2750	Industrial Engineering	9	5,500.6	8.30
2770	Industrial Transportation	2	762.6	1.15
2790	Support Services	3	3,822.0	5.77
3350	Automobiles & Parts	12	5,789.6	8.74
3570	Food Producers	3	1,186.2	1.79
3720	Household Goods & Home Construction	4	1,384.5	2.09
3740	Leisure Goods	3	2,844.2	4.29
3760	Personal Goods	3	1,976.3	2.98
4530	Health Care Equipment & Services	1	642.9	0.97
4570	Pharmaceuticals & Biotechnology	11	7,532.6	11.37
5370	General Retailers	3	1,016.9	1.54
5550	Media	2	768.6	1.16
6530	Fixed Line Telecommunications	1	1,801.0	2.72
6570	Mobile Telecommunications	2	4,294.0	6.48
7570	Gas, Water & Multiutilities	2	1,204.6	1.82
8630	Real Estate Investment & Services	1	161.8	0.24
9530	Software & Computer Services	3	640.6	0.97
9570	Technology Hardware & Equipment	7	7,721.6	11.66
Total		100	66,246.4	100.00

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

PORTFOLIO CHARACTERISTICS

Attribute	FTSE Shariah Japan 100 Index
Number of Constituents	100
Net Market Cap (JPYbn)	66,246.4
Constituent Sizes: (Net Market Cap JPYbn)	
Average	662.5
Largest	4,726.0
Smallest	70.2
Median	451.9
Weight Largest Constituent (%)	7.13
Top 10 Holdings (% Index Market Cap)	32.16

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

INFORMATION

Index Universe

FTSE Japan Index

Index Launch

30 July 2007

Base Date

29 September 2003

Base Value

1000

Investability Screen

Free float adjusted and liquidity screened

Index Calculation

Real-time and end-of-day indices available with real-time index calculated every 15 seconds

End-of-Day Distribution

Indices available at 18:30 Local time (09:30 hours London time GMT or 10:30 hours British Summertime) via FTP and email

Currency

Index available in either JPY or USD

Review Dates

Quarterly in March, June, September and December

Index Rules

Available at www.ftse.com/shariah

Vendor Codes

Available at www.ftse.com/shariah



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