

GROUND RULES FOR THE MANAGEMENT OF THE FTSE eTX INDEX SERIES

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SECTION 1

1.0 INTRODUCTION

- 1.1 This paper sets out the Ground Rules for the management of the FTSE eTX Index Series as adopted by the FTSE Index Review Board. Copies of the Ground Rules are available from FTSE (see Appendix G).

The FTSE eTX Index Series consists of the following indices: -

- FTSE eTX All-Share Index
- FTSE eTX Innovation Index
- FTSE eTX 50 Index
- FTSE eTX Euro 50 Index
- FTSE eTX Computer Services Index
- FTSE eTX Electronic Office Equipment
- FTSE eTX Computer Hardware Index
- FTSE eTX Internet Index
- FTSE eTX Semiconductor Index
- FTSE eTX Software Index
- FTSE eTX Telecommunications Equipment Index

- 1.2 The FTSE eTX All-Share Index is a benchmark Index designed to represent the performance of the companies resident and incorporated in Europe, and qualifying as a technology security as defined by the Industry Classification Benchmark (ICB). A complete list of eligible countries and eligible subsectors is set out in Appendix A. The index is calculated in real time in Euros, and on an end of day basis in Sterling, US Dollars and Yen.
- 1.3 The FTSE eTX Innovation Index is a benchmark Index designed to represent the performance of companies resident and incorporated in Europe, providing investors with an index that measures the performance of mid and small cap European technology securities. The FTSE eTX Innovation Index is a subset of the FTSE eTX All-Share Index. A complete list of eligible countries and eligible subsectors is set out in Appendix A. The index is calculated in real time in Euros, and on an end of day basis in Sterling, US Dollars and Yen.
- 1.4 The FTSE eTX 50 Index is a tradable Index designed to represent the performance of the top 50 mid and small cap European technology companies resident and incorporated within Europe. A complete list of eligible countries and eligible subsectors is set out in Appendix A. The Index is calculated in real time in Euros and on an end of day basis in Sterling, US Dollars and Yen.
- 1.5 The FTSE eTX Euro 50 Index is a tradable Index designed to represent the performance of the top 50 mid and small cap European technology companies resident and incorporated in those countries in Europe which belong to the European Monetary Union. A complete list of eligible countries and eligible subsectors is set out in Appendix A. The Index is calculated in real time in Euros and on an end of day basis in Sterling, US Dollars and Yen.

SECTION 1

- 1.6 The FTSE eTX Subsector Indices are a series of benchmark indices designed to represent the performance of the constituents of each qualifying subsector of the FTSE eTX All-Share Index. The Indices are calculated in Euros, Sterling, US Dollars and Yen.

The FTSE eTX Subsector Indices are as follows:-

- FTSE eTX Computer Services Index
- FTSE eTX Electronic Office Equipment
- FTSE eTX Computer Hardware Index
- FTSE eTX Internet Index
- FTSE eTX Semiconductors Index
- FTSE eTX Software Index
- FTSE eTX Telecommunications Equipment Index

SECTION 2

2.0 STATUS OF INDICES

2.1 The FTSE eTX Index Series, which is calculated in real time, may exist in the following states:

(a) **Firm**

The indices are being calculated using trade prices from the relevant European Bourses for all constituents during the hours of the Official Index Period (see Appendix C).

The Official Closing Index for FTSE eTX Index Series is the last index value calculated at the end of the firm period.

(b) **Closed**

When the indices have ceased all calculations for the day, the message '**CLOSED**' is displayed against the index value.

(c) **Held**

During the firm period, the index has exceeded pre-set operating parameters and calculation has been suspended pending resolution of the problem. The message '**HELD**' is displayed against the last index value calculated.

(d) **Indicative**

If there is a system problem or situation in the market that is judged to be affecting the quality of the constituent prices at any time when the index is being calculated, the index will be declared indicative. The message '**IND**' will be displayed against the index value.

(e) **Part**

If the index is being calculated during the normal Official Index Period hours, but there are less than 75% of the constituents by capitalisation available with firm prices, then the index will be displayed with the message '**PART**' to indicate that only a proportion of the securities prices are included. With the exception of the message '**PART**', the index will continue to be calculated and displayed as if it were firm. This rule is applied on an individual index basis.

2.2 The official opening and closing hours of the FTSE eTX Index Series are set out in Appendix C. Variations to the official hours of the indices are published by FTSE as appropriate.

2.3 The indices are calculated on European Bank Holidays whenever at least one major market is trading. For the purpose of this rule a major market is defined as France, Germany, Italy, Netherlands, Spain or the United Kingdom.

SECTION 3

3.0 MANAGEMENT RESPONSIBILITIES

3.1 The FTSE eTX Index series is overseen by the FTSE Index Review Board. The FTSE Index Review Board is responsible for undertaking the periodic review of constituents, approving constituent changes and maintaining these Ground Rules.

3.2 Industry Classification Benchmark (ICB) Advisory Committee

3.2.1 The purpose of the Committee is to advise on changes to ICB regarding structure and classification.

3.3 FTSE

3.3.1 FTSE is responsible for the operation of the FTSE eTX Index Series. FTSE will maintain records of the market capitalisation of all constituents and will make changes to the constituents and their weightings in accordance with the Ground Rules. FTSE will carry out the quarterly review of each Index in the FTSE eTX Index Series and implement the resulting constituent changes as required by the Ground Rules.

3.3.2 Changes to constituent weightings are made by FTSE in accordance with the Ground Rules. FTSE will inform the Secretary to the FTSE Index Review Board of all changes to constituent weightings as soon as possible after the new weightings have been determined. FTSE is responsible for publicising changes to constituent weightings.

3.3.3 FTSE is also responsible for monitoring the performance of each Index in the FTSE eTX Index Series throughout the day and will determine whether the status of each index should be 'firm', 'indicative', 'held' or 'part'. They will inform the Secretary to the FTSE Index Review Board of all occasions when an index is not firm in the Official Index Period.

SECTION 4

4.0 ELIGIBLE SECURITIES

4.1 Any security which belongs to the qualifying subsectors according to ICB and is also incorporated in a qualifying European Country or Market (see Appendix A) will be added to the universe from which each Index in the FTSE eTX Index Series is formed (see Rules 10, 13, 16 and 19). All classes of equity in issue are eligible for inclusion in the FTSE eTX Index Series subject to conforming with Rules 4.2 to 4.9 (see Appendix B).

4.2 The entire quoted equity capital of a constituent company is included in the calculation of its market capitalisation, subject to the following free float restrictions:

4.2.1 Free float restrictions include:

- a) trade investments in an index constituent either by another constituent (i.e. cross-holdings) or non-constituent company or entity,
- b) significant long term holdings by founders, their families and/or directors,
- c) employee share schemes (if restricted),
- d) government holdings,
- e) foreign ownership limits,
- f) Portfolio investments subject to a lock in clause, for the duration of that clause.

4.2.2 The following are not considered as restricted free float:

- a) portfolio investments,
- b) nominee holdings (including those supporting ADRs & GDRs), unless they represent restricted free float as defined by 4.2.1 above,
- c) holdings by investment companies.

4.2.3 Free float restrictions will be calculated using available published information. The initial weighting of a constituent in the index will be applied in the following bands.

- | | | |
|--|---|----------------|
| a) free float less than or equal to 15% | = | see rule 4.2.4 |
| b) free float greater than 15% but less than or equal to 20% | = | 20% |
| c) free float greater than 20% but less than or equal to 30% | = | 30% |
| d) free float greater than 30% but less than or equal to 40% | = | 40% |
| e) free float greater than 40% but less than or equal to 50% | = | 50% |
| f) free float greater than 50% but less than or equal to 75% | = | 75% |
| g) free float greater than 75% | = | 100% |

4.2.4 However, a company that has a free float greater than 5% but less than or equal to 15% will be eligible for the index providing the market capitalisation of its available float is greater than the average company's free float capitalisation within the country index, and it qualifies in all other respects. The actual free float will be rounded up to the next highest whole number percentage.

SECTION 4

- 4.2.5 A constituent's free float will also be reviewed and adjusted if necessary following a corporate event. If the corporate event includes a corporate action which affects the index, any change in free float will be implemented at the same time as the corporate action. If there is no corporate action, the change in free float will be applied as soon as practicable after the corporate event, subject to Rule 4.2.6 below.
- 4.2.6 Following the application of an initial free float restriction, a constituent's free float will only be changed if its actual free float is more than 5 percentage points above the minimum or 5 percentage points below the maximum of an adjacent band. This 5 percentage points threshold does not apply if the change is greater than 10 percentage points for the bands between 20% and 50% and 25 percentage points for the bands between 50% and 100% or to the 15% limit in 4.2.3(a).
- 4.2.7 Foreign ownership limits, if any, will be applied after calculating the actual free float restriction, but before applying the bands detailed in 4.2.3 above. If the foreign ownership limit is more restrictive than the free float restriction, the precise foreign ownership limit is applied. If the foreign ownership limit is less restrictive or equal to the free float restriction, the free float restriction is applied, subject to the bands in Rule 4.2.3.
- 4.3 Where there are multiple lines of equity capital in a company, all are included and priced separately, provided that the secondary line's full market value i.e. before the application of any investibility weightings, is greater than 25% of the full market capital of the company's main line. Should the market value of a secondary line, which is already a constituent of the indices, fall below 20% at the next review, the secondary line is deleted from the index.
- 4.4 Where a company's shares are issued partly, or nil, paid and the call dates are already determined and known, the market price will, for the purposes of calculating its market capitalisation, be adjusted so as to include all such calls (i.e. the fully paid price).
- 4.5 Convertible preference shares and loan stocks are excluded until converted.

SECTION 4

- 4.6 Securities must be sufficiently liquid to be traded. The following criteria are used to ensure that illiquid securities are excluded:
- (a) Price - The FTSE Index Review Board must be satisfied that an accurate and reliable price exists for the purposes of determining the market value of a company. The FTSE Index Review Board may exclude a security from any Index in the FTSE eTX Index Series should it consider that an accurate and reliable price is not available. The Indices comprising the FTSE eTX Index Series will use last trade prices from the relevant stock exchanges when available.
 - (b) Liquidity - Securities which do not turnover at least 0.5% of their shares in issue, after the application of any free float restrictions (see Rule 4.2), per month for ten of the twelve months prior to the quarterly review by the FTSE Index Review Board in December, will not be eligible for inclusion in any Index in the FTSE eTX Index Series. An existing constituent failing to trade at least 0.5% of its shares in issue, after the application of any free float restrictions, per month for four or more of the twelve months prior to review will be removed after close of the index calculation on the next trading day following the third Friday in December (see Appendix E for details of trading volume sources and calculations). Any period when a share is suspended will be excluded from the above calculation (see Rules 12.4, 15.4 and 18.4).
 - (c) New issues, including demutualisations, which do not qualify as early entrants to any Index in the FTSE eTX Index Series as defined under Rules 12.3.1, 15.3.1 and 18.3.1 will become eligible for inclusion at the next quarterly review of constituents providing they have, since the commencement of official non-conditional trading, a minimum trading record of at least 20 trading days prior to the date of the review and turnover of a minimum of 0.5% of their shares in issue, after the application of any free float restrictions, per month in each month.
 - (d) The inclusion of early entries as defined under Rules 12.3.1, 15.3.1 and 18.3.1, excluding demutualisations, will not require a minimum trading record.
 - (e) In the case of demutualisations qualifying for early entry under Rules 12.3.1, 15.3.1 and 18.3.1 where, upon listing, the entire free float is immediately transferred to private shareholders, the addition to any Index in the FTSE eTX Index Series will be deferred for 20 working days after official non-conditional trading has commenced providing the securities have a turnover of a minimum of 0.5% of their shares in issue, after the application of any free float restrictions, during this period.
 - (f) In assessing liquidity, data will be obtained from a constituent's exchange in the country in which the company is classified by FTSE. If the constituent fails the liquidity screen on this basis, data may also be reviewed from other markets (including trading in ADRs and GDRs) and the trading volumes aggregated for the purpose of this Rule. Trading volumes from other markets will not normally be considered unless the majority of the liquidity is met from the constituent's exchange in the country in which the company is classified. When considering whether to include liquidity from other markets, the FTSE Index Review Board will take into account factors such as currency risk and timezone difference.

SECTION 4

- (g) In exceptional market conditions, if trading volumes are very low, the FTSE Index Review Board may reduce the percentage figure stated above in order to avoid a large number of constituents being removed from any of the Indices of the FTSE eTX Index Series. This discretion may not be applied to individual securities. If the FTSE Index Review Board intends to exercise this discretion, it must make a public statement to that effect at least two weeks prior to its regular December review meeting.

4.7 Nationality

- 4.7.1 In principle, companies are classified by the country where the quoted company is legally incorporated.
- 4.7.2 Where a share listing and significant trading are on an exchange in the country of incorporation, the companies will be allocated to that country.
- 4.7.3 If the criteria in 4.7.2 are not met, the FTSE Index Review Board may make a recommendation to the FTSE Equity Indices Committee, who may make an exception if the stock market listing, share trading and /or share ownership clearly warrant a different allocation.
- 4.7.4 A quoted company will be allocated to the same, single country throughout all FTSE's indices.

SECTION 5

5.0 CHANGES TO CONSTITUENT WEIGHTINGS

- 5.1 For the purposes of computing the FTSE eTX All-Share Index, the number of shares in issue for each constituent security is expressed to the nearest share and, to prevent a large number of insignificant weighting changes, the number of shares in issue for each constituent security is amended only when the total shares in issue held within the index system changes by more than 1% on a cumulative basis. Changes will be made quarterly after the close of business on the third Friday of March, June, September and December (subject to 5.2 and 5.3).
- 5.2 If a corporate action is applied to an index constituent which involves a change in the number of shares in issue, the change in shares will be applied simultaneously with the corporate action.
- 5.3 If accumulated changes in the number of shares in issue add up to 10% or more, or when an accumulated share change represents USD 2bn of a company's total market capitalisation, they are implemented between quarters. A minimum of 4 days notice will be given to users of the index. WM/Reuters Spot Rates will be used to convert the market capitalisation into USD. The USD 2bn threshold may be adjusted annually in December, by the FTSE Equity Indices Committee. If an adjustment is made, it will be applied for the first time at the next review in March of the following year.
- 5.4 Any exceptions to the above arrangements will be agreed with the Chairman of the FTSE Index Review Board and notified to all users in advance of being implemented.
- 5.5 All adjustments are made before the start of the index calculation on the day concerned, unless market conditions prevent this.

SECTION 6

6.0 CHANGES TO INDUSTRY CLASSIFICATION OF CONSTITUENTS

- 6.1 Where a constituent is the subject of a merger, restructuring, or complex takeover which results in a constituent, or part of a constituent, being absorbed by another, the industry sector classification of the resulting constituent(s) will be determined by the ICB Advisory Committee.
- 6.2 Any adjustment resulting from a change in a company's classification under Rule 6.1 will be implemented at the same time that any relevant constituent changes are implemented in the Index.
- 6.3 Where FTSE believes a company should be reclassified, it will circulate details to the ICB Advisory Committee members and unless objections are received within two weeks, it shall announce and then implement the change(s) after the close of business on the third Friday each quarter. If an objection is received from a Committee member, the proposed reclassification will be put to the next meeting of the Committee for consideration.
- 6.4 If for what ever reason the classification of a constituent changes so that it is no longer a qualifying security (see Appendix A) the constituent will be deleted from the relevant Indices.
- 6.5 In the case of constituents of the FTSE eTX 50 Index and FTSE eTX Euro 50 Index following the deletion of the constituent a replacement constituent will be added to the relevant Indices (see Rule 18.1)

SECTION 7

7.0 AMENDMENTS TO THE GROUND RULES

- 7.1 Changes and exceptions to these Ground Rules can be authorised only by the FTSE Index Review Board.
- 7.2 Where an exception is granted to the Ground Rules under Rule 7.1, it shall not be deemed to create a precedent for future decisions of the FTSE Index Review Board.

SECTION 8

8.0 APPEALS AGAINST DECISIONS OF THE FTSE INDEX REVIEW BOARD

- 8.1 A constituent or prospective constituent company may appeal against the decisions of the FTSE Index Review Board on two grounds:
- (a) that the FTSE Index Review Board acted outside of the Ground Rules for the Management of the FTSE eTX Index Series, or:
 - (b) that the FTSE Index Review Board when reaching its decision failed to take into consideration a substantial and material fact. A substantial and material fact is defined as a fact which would have influenced the decision of the FTSE Index Review Board if it had been considered.
- 8.2 A request for an appeal must be made in writing to the Secretary of the FTSE Index Review Board and must be received within six months of the application of the event giving rise to the appeal.

SECTION 9

9.0 FTSE eTX INDEX SERIES ALGORITHM AND CALCULATION METHOD

9.1 Prices

9.1.1 All Indices comprising the FTSE eTX Index Series use actual trade prices, where available.

9.1.2 All Indices comprising the FTSE eTX Index Series are based on real-time share prices and currency cross rates. Prices are received from the relevant stock exchanges. Reuters cross currency rates are used in the index calculation.

9.2 Calculation Frequency

9.2.1 All Indices comprising the FTSE eTX Index Series are published during their opening hours, using last trade prices as follows:-

Every one minute :- FTSE eTX All-Share Index
FTSE eTX Innovation Index
and all FTSE eTX Subsector Indices (see Rule 1.6)

Every fifteen seconds :-

FTSE eTX 50 Index
FTSE eTX Euro 50 Index

9.3 Algorithm

9.3.1 The indices algorithm and calculation method are detailed in Appendix D.

SECTION 10

10.0 FTSE eTX ALL-SHARE INDEX – QUALIFICATION CRITERIA

- 10.1 The FTSE eTX All-Share Index consists of the largest 200 qualifying companies as described in Rule 11.3 which qualify under Rule 4 as eligible for inclusion in the index.
- 10.2 The constituents of the FTSE eTX All-Share Index are chosen from a universe of securities derived from applying the qualifying subsectors of ICB as defined in Appendix A, across all of the qualifying markets as defined in Appendix A.
- 10.3 Universe created from Rule 10.2 is then used to create the constituents of the FTSE eTX All-Share Index in accordance with Rules 4.0 and 11.3.
- 10.4 The constituents of the FTSE eTX All-Share Index are then used to create the subsequent Indices in the FTSE eTX Index Series.

SECTION 11

11.0 FTSE eTX ALL-SHARE INDEX – REVIEW OF CONSTITUENTS

11.1 Review Dates

11.1.1 The FTSE eTX All-Share Index review of constituents takes place on a quarterly basis at the meeting of the FTSE Index Review Board. The meetings to review the constituents will be held on the Wednesday after the first Friday of March, June, September and December using data from the close of business on the first Friday of the same months and will take into consideration any constituent changes arising from the concurrent quarterly review of FTSEurofirst 300 and FTSE EuroMid indices. Any constituent changes will be implemented on the next trading day following the third Friday of the same month.

11.1.2 Details of the outcome of the review and the dates on which any changes are to be implemented, will be published after the FTSE Index Review Board meeting has concluded (see Rule 11.2 below). The FTSE Index Review Board meets on the Thursday after the first Friday of March, June, September and December.

11.2 Responsibilities and Reporting

11.2.1 The Secretary to the FTSE Index Review Board is responsible for conducting the quarterly review of constituents for the FTSE eTX All-Share Index and will recommend to the FTSE Index Review Board any constituents to be inserted or deleted as part of the quarterly review as governed by Rule 11.3. All eligible securities will be ranked by their current full market capitalisations i.e., before the application of any investibility weightings.

11.2.2 The FTSE Index Review Board will decide whether to approve the recommendation presented to it or will determine what other action should be taken in consequence of the outcome of the quarterly review of constituents.

11.2.3 The Secretary to the FTSE Index Review Board is responsible for publicising the outcome of the quarterly review (see Rule 11.1.2).

11.3 Rules for Insertion and Deletion at the Quarterly Reviews

11.3.1 Value all eligible companies (see rules 4 and 10.2) by full market capitalisation (shares in issue x price), group secondary lines, and rank companies (not securities) by full market value. Throughout the review process all of a company's eligible securities will remain grouped, and companies as a whole, rather than individual securities are assigned

11.3.2 To be included in the index, an eligible non-constituent company must rank at position 150 or higher.

11.3.3 A constituent will be deleted from the index if at the time of the review it is ranked at position 250 or lower.

11.3.4 Where a greater number of companies qualify to be inserted in an index than those qualifying to be deleted, the lowest ranking constituents presently included in the index will be deleted to ensure that an equal number of companies are inserted and deleted at the periodic review. Likewise, where a greater number of companies qualify to be deleted than those qualifying to be inserted, the securities of the highest ranking companies which are presently not included in the index will be inserted to match the number of companies being deleted at the periodic review

11.4 Reserve Lists

11.4.1 The Secretary to the FTSE Index Review Board is responsible for publishing the ten highest-ranking non-constituents of the FTSE eTX AllShare Index. This Reserve List will be used in the event that one or more constituents is deleted from the FTSE eTX AllShare Index during the period up to the next quarterly review.

11.4.2 Where a company is removed from the Index (under Rule 12.1) after the FTSE Index Review Board has met and approved periodic changes to the index but before the periodic changes have been implemented, the highest ranking company from the new Reserve List (excluding current index constituents) will replace the deleted company.

SECTION 12

12.0 FTSE eTX ALL-SHARE INDEX - CHANGES TO CONSTITUENT COMPANIES

12.1 Removal and Replacement

- 12.1.1 If a constituent is delisted, or ceases to have a firm quotation, or is subject to a takeover offer which has been declared wholly unconditional or has, in the opinion of the Chairman and Deputy Chairman of the FTSE Index Review Board (or their nominated deputies), ceased to be a viable constituent as defined by the Ground Rules, it will be removed from the list of constituents and replaced by the highest ranking company eligible on the Reserve List (see Rule 11.4) as at the close of the index calculation two days prior to the deletion.
- 12.1.2 The removal and replacement are effected simultaneously, before the start of the index calculation on the second business day following the day on which the event justifying removal was announced. Announcements after the close of the index calculation are normally deemed to be made on the following business day. In the case of a takeover, the qualifying event is an announcement that the offer has been approved by any appropriate regulatory body, confirmation that at least 75% acceptance levels have been received and that any new shares of the bidding company (if applicable) are listed. For UK constituents, the qualifying event is that the offer has been declared wholly unconditional.
- 12.1.3 Constituents removed in accordance with Rule 12.1.2, but which continue to trade thereafter will be considered for re-inclusion in the index at the next review, subject to at least 6 months having passed between deletion and the implementation date of the changes arising from the review.

SECTION 12

12.2 Mergers, Restructuring and Complex Takeovers

- 12.2.1 If the effect of a merger or takeover is that one constituent is absorbed by another constituent in the index, the resulting company will remain a constituent of the index and a vacancy will be created. This vacancy will be filled by selecting the highest ranking security from the Reserve List (see Rule 11.4) as at close of the index calculation two days prior to the deletion.
- 12.2.2 If a constituent company is taken over by a non-constituent company, the original constituent will be removed and replaced by the highest ranking non-constituent on the Reserve List. Any eligible company resulting from the takeover will be eligible to become the replacement company if it is ranked higher than any company on the Reserve List as at the close of the index calculation two days prior to completion of the acquisition, based on the combined value of the company after the merger.
- 12.2.3 If a constituent company is split so as to form two or more companies, then the resulting companies will be eligible for inclusion as index constituents in the FTSE eTX AllShare Index based on their respective full market capitalisation(s) i.e. before the application of any investibility weighting and if they qualify in all other respects. If a FTSE eTX AllShare Index constituent splits into two companies, one or both of these companies may remain in the FTSE eTX AllShare Index. Where both of the new companies remain in the FTSE eTX AllShare Index, the smallest FTSE eTX AllShare Index constituent will be deleted.

12.3 Suspension of Dealing

- 12.3.1 In the event that a constituent of the FTSE eTX AllShare Index is suspended on its own bourse, the constituent may remain in the indices, at the price at which it is suspended, for up to 10 business days. During this time, on advice from FTSE, the Chairman and Deputy Chairman of the FTSE Index Review Board (or their deputies) may agree to delete the constituent immediately either at its suspension price, or at zero, and replace it with the highest ranking company on the Reserve List eligible to be included in the indices as at the close of the index calculation on the day preceding the inclusion of the replacement company. This change will be effected after the close of the index calculation and prior to the start of the index calculation on the following day.
- 12.3.2 Where a suspension of a constituent of the FTSE eTX AllShare Index lasts beyond noon on the tenth business day (and the option to remove the constituent has not been exercised), the constituent will normally be deleted from the indices on the eleventh trading day at zero or the suspension price. Where suspension is for a reason not to the detriment of the constituent, it may be retained or removed at its suspension price with the approval of the Chairman and Deputy Chairman (or their deputies) of the FTSE Index Review Board.

SECTION 12

12.4 Relisting of Suspended Constituents

12.4.1 Securities which, on relisting are larger than the smallest constituent of the index shall be re-instated in the index at the price at which they were removed and the lowest ranking constituent will be selected for removal.

12.4.2 Securities which on relisting are smaller than the smallest constituent of the index from which they were removed when suspended shall be initially re-instated in the same index at the price at which they were removed and then included in the index, if any, for which they then meets the size criteria.

12.4.3 After a suspended stock is re-listed the timetable for the events described in 12.4.1 and 12.4.2, above, shall be as follows:

| | |
|----------------------------------|--|
| After close of business on day 1 | The stock will be included in the indices from which it was suspended. |
| After close of business on day 2 | Index constituents will be ranked by full market capitalisation and the smallest constituent will be selected for deletion, using prices as at the close of business. FTSE will release a technical notice detailing and index changes, based on this ranking. |
| After close of business on day 3 | All changes will be implemented as detailed in the technical notice. |

12.4.4 Should a deleted constituent that has been suspended at a price other than zero (which would normally be the suspension price) be subsequently delisted and deemed to be of nil value, this stock will be included for one day's calculation in the index from which it was removed to enable the fall in the stock's value to be reflected in the index value. In this situation, the stock will be re-included at the suspension price, and its price will be zero throughout that day's calculation, including the closing price.

SECTION 13

13.0 FTSE eTX INNOVATION INDEX - QUALIFICATION CRITERIA

- 13.1 The FTSE eTX Innovation Index consists of all the constituents of the FTSE eTX All-Share Index, except those companies which are also current constituents of the FTSEurofirst 300 Index.

SECTION 14

14.0 FTSE eTX INNOVATION INDEX - QUARTERLY REVIEW OF CONSTITUENTS

14.1 Review Dates

14.1.1 The FTSE Index Review Board will meet quarterly to review the constituents of the FTSE eTX Innovation Index. The meetings to review the constituents will be held on the Wednesday after the first Friday of March, June, September and December using data from the close of business on the first Friday of March, June, September and December accordingly. The review will take into consideration any constituent changes arising from the quarterly review of the FTSE eTX All-Share Index. Any constituent changes will be implemented on the next trading day following the third Friday of the same month.

14.1.2 Details of the outcome of the review and the dates on which any changes are to be implemented, will be published after the FTSE Index Review Board meeting has concluded (see Rule 14.2 below) The FTSE Index Review Board meets on the Thursday after the first Friday of March, June, September and December. Any changes will be announced after the close of the calculation of the FTSE All-World Index on the Friday following this meeting.

14.2 Responsibilities and Reporting

14.2.1 The Secretary to the FTSE Index Review Board is responsible for conducting the quarterly review of constituents for the FTSE eTX Innovation Index and will recommend to the FTSE Index Review Board any constituents to be inserted or deleted as part of the quarterly review as governed by Rule 14.3. For each index, all eligible securities will be ranked by their current full market capitalisations i.e. before the application of any investibility weightings.

14.2.2 The FTSE Index Review Board will decide whether to approve the recommendation presented to it or will determine what other action should be taken in consequence of the outcome of the quarterly review of constituents.

14.2.3 The Secretary to the FTSE Index Review Board is responsible for publicising the outcome of the quarterly review (see Rule 14.1.2).

14.3 Rules for Insertion and Deletion at the Quarterly Review

14.3.1 The rules for inserting and deleting companies at the quarterly review are designed to ensure that the Index continues to be representative of the market by including or excluding those companies which have risen or fallen significantly.

15.2.3 All constituents of the FTSE eTX All-Share Index at the quarterly review are eligible to become constituents of the FTSE eTX Innovation Index. However, those constituents which are also constituents of the FTSEurofirst 300 Index will not be eligible for inclusion.

14.3.3 A company in the FTSE eTX Innovation Index will be deleted at the quarterly review if it has ceased being a constituent of the FTSE eTX All-Share Index at the same quarterly review or becomes a constituent of the FTSEurofirst 300 Index.

SECTION 14

14.3.4 At all times, qualifying constituents of the FTSE eTX Innovation Index will also be constituents of the FTSE eTX All-Share Index.

14.3.5 At no time will constituents of the FTSEurofirst 300 Index be constituents of the FTSE eTX Innovation Index.

14.3.6 The FTSE eTX Innovation Index does not have a fixed number of securities and therefore can comprise of any number of constituents.

14.4 Monitoring of eligible companies

14.4.1 The market capitalisations of European technology companies eligible for inclusion in the FTSE eTX Innovation Index will be monitored by FTSE.

SECTION 15

15.0 FTSE eTX INNOVATION INDEX - CHANGES TO CONSTITUENT COMPANIES

15.1 Removal and Replacement

- 15.1.1 If a constituent is delisted, or ceases to have a firm quotation, or is subject to a takeover offer which has been declared wholly unconditional or becomes a constituent of the FTSEurofirst 300 Index or has, in the opinion of the Chairman and Deputy Chairman of the FTSE Index Review Board (or their nominated deputies), ceased to be a viable constituent as defined by the Ground Rules, it will be removed from the list of constituents.
- 15.1.2 The removal is effected before the start of the index calculation on the day following the day on which the event justifying removal was announced. Announcements after the close of the index calculation are normally deemed to be made on the following business day. In the case of a takeover, the qualifying event is an announcement that the offer has been approved by any appropriate regulatory body, confirmation that at least 75% acceptance levels have been received and that any new shares of the bidding company (if applicable) are listed. For UK constituents, the qualifying event is that the offer has been declared wholly unconditional.
- 15.1.3 Constituents removed in accordance with Rule 15.1.2, but which continue to trade thereafter will be considered for re-inclusion in the index at the next quarterly review, subject to Ground Rule 4.0 and that at least 6 months has passed between deletion and the implementation date of the changes arising from the review.

15.2 Mergers, Restructuring and Complex Takeovers

- 15.2.1 If the effect of a merger or takeover is that one constituent is absorbed by another constituent in the index, the resulting company will remain a constituent of the index.
- 15.2.2 If a constituent company is taken over by a non-constituent company any eligible company resulting from the takeover will be eligible to remain in the Index.
- 15.2.3 If a constituent company is split so as to form two or more companies, then the resulting companies will be eligible for inclusion as index constituents in the FTSE eTX Innovation Index based on their respective full market capitalisation(s) i.e. before the application of any investibility weighting and if they qualify in all other respects. If a FTSE eTX Innovation Index constituent splits into two companies, one or both of these companies may remain in the FTSE eTX Innovation Index.

SECTION 15

15.3 New Issues

- 15.3.1 New issues of companies which meet the criteria for eligible securities set out in Rule 4 will be eligible for inclusion at the next quarterly review.
- 15.3.2 For the purpose of this Rule, a company which is relisted following suspension or is reorganised or renamed or which arises from a demerger or complex reorganisation of another company which is not an existing constituent, shall not be considered to be a new issue. However, an Initial Public Offering (IPO) which arises from a demerger shall be considered as a new issue.
- 15.3.3 If the FTSE Index Review Board decides to include a new issue as a constituent security other than as part of the normal quarterly review procedure, this decision must be publicly announced at the earliest practicable time.

15.4 Suspension of Dealing

- 15.4.1 If a constituent is suspended on its home exchange it may remain in the indices, at the price at which it is suspended, for up to 10 business days. During this time, on advice from FTSE, the Chairman and Deputy Chairman of the FTSE Index Review Board (or their deputies) may agree to delete the constituent immediately either at its suspension price, or at zero.
- 15.4.2 Where a suspension of a constituent lasts beyond noon on the tenth business day (and the option to remove the constituent has not been exercised), the constituent will normally be deleted from the indices on the eleventh trading day at zero or the suspension price. Where suspension is for a reason not to the detriment of the constituent, it may be retained or removed at its suspension price with the approval of the Chairman and Deputy Chairman (or their deputies) of the FTSE Index Review Board.

15.5 Relisting of Suspended Constituents

- 15.5.1 Securities which, on relisting are larger than the smallest constituent of the index shall be re-instated in the index at the price at which they were removed. The re-instatement shall be after the close of business on the first day after then stock is re-listed.
- 15.5.2 Securities which on relisting are smaller than the smallest constituent of the index from which they were removed when suspended shall be initially re-instated in the same index at the price at which they were removed and then included in the index, if any, for which they then meet the size criteria. The re-instatement shall be after the close of business on the first day after then stock is re-listed.
- 15.5.3 Should a deleted constituent that has been suspended at a price other than zero be subsequently delisted and deemed to be of nil value, this stock will be included for one day's calculation in the index from which it was removed to enable the fall in the stock's value to be reflected in the index value. In this situation, the stock will be re-included at the suspension price, and its price will be zero throughout that day's calculation, including the closing price

SECTION 15

15.5.4 If a company relists after a continuous period of suspension lasting more than a year, the FTSE Index Review Board reserve the right to treat the company as a new issue for the purposes of index eligibility

SECTION 16

16.0 FTSE eTX 50 and FTSE eTX EURO 50 INDICES - QUALIFICATION CRITERIA

- 16.1 The FTSE eTX 50 Index consists of the 50 largest companies within the FTSE eTX Innovation Index.
- 16.2 The FTSE eTX Euro 50 Index consists of the 50 largest companies whose country of incorporation is a member of the European Monetary Union (see Appendix A) and are constituents of the FTSE eTX Innovation Index.

SECTION 17

17.0 FTSE eTX 50 INDEX and FTSE eTX EURO 50 INDEX - QUARTERLY REVIEW OF CONSTITUENTS

17.1 Review Dates

17.1.1 The FTSE eTX 50 Index and the FTSE eTX Euro 50 Index will be reviewed quarterly in March, June, September and December by the FTSE Index Review Board. The review will be conducted using data as at the close of business on the Friday before the first Wednesday in December and will take into consideration any constituent changes arising from the quarterly review of the FTSE eTX Innovation Index. Any constituent changes will be implemented on the next trading day following the third Friday of the same month.

17.1.2 Details of the outcome of each review and the dates on which any changes are to be implemented, will be published after the FTSE Index Review Board meeting has concluded (see Rule 17.2 below).

17.2 Responsibilities and Reporting

17.2.1 The Secretary to the FTSE Index Review Board is responsible for conducting the quarterly review of constituents for the FTSE eTX 50 Index and FTSE eTX Euro 50 Index and will recommend to the FTSE Index Review Board any constituents to be inserted or deleted as part of the quarterly review as governed by Rule 17.3. All eligible securities will be ranked by their current full market capitalisations i.e. before the application of any investibility weightings.

17.2.2 The FTSE Index Review Board will decide whether to approve the recommendation presented to it or will determine what other action should be taken in consequence of the outcome of the quarterly review of constituents.

17.2.3 The Secretary to the FTSE Index Review Board is responsible for publicising the outcome of the quarterly review (see Rule 17.1.2).

17.3 Rules for Insertion and Deletion at the Quarterly Review

17.3.1 The rules for inserting and deleting companies at the quarterly review are designed to provide stability in the selection of constituents of the FTSE eTX 50 Index and FTSE eTX Euro 50 Index while ensuring that the Index continues to be representative of the market by including or excluding those companies which have risen or fallen significantly.

17.3.2 The quarterly review of the FTSE eTX 50 Index and FTSE eTX Euro 50 Index is conducted as follows:

Step 1: Using the FTSE eTX Innovation Index as the universe, rank all eligible companies by full market capitalisation i.e. before the application of any investibility weightings.

SECTION 17

Step 2: In the case of the FTSE eTX 50 Index, any non-constituent companies will be added to the Index if ranked at position 40 or above. In the case of the FTSE eTX Euro 50 Index, only those securities that are incorporated in a country which is a member state of European Monetary Union (see Appendix A) are ranked (see Step 1) and then any constituent companies will be added if ranked at position 40 or above.

Step 3: In the case of the FTSE eTX 50 Index, any constituent companies will be deleted from the Index if ranked at position 61 or below. In the case of the FTSE eTX Euro 50 Index, only those securities that are incorporated in a country which is a member state of European Monetary Union (see Appendix A) are ranked (see Step 1) and then any non-constituent companies will be deleted from the index if ranked at position 61 or below.

Step 4: If after carrying out Steps 1-3 more additions than deletions are created, or vice versa then the process is repeated so that an equal number of additions and deletions is achieved.

SECTION 18

18.0 FTSE eTX 50 INDEX AND eTX EURO 50 INDEX - CHANGES TO CONSTITUENT COMPANIES

18.1 Removal and Replacement

18.1.1 If a constituent ceases to be a constituent of the FTSE eTX 50 Index or FTSE eTX Euro 50 Index, is delisted, or ceases to have a firm quotation, or is subject to a takeover offer which has been declared wholly unconditional or has been subject to a change in classification such that it is no longer a qualifying security or has, in the opinion of the Chairman and Deputy Chairman of the FTSE Index Review Board (or their nominated deputies), ceased to be a viable constituent as defined by the Ground Rules, it will be removed from the list of constituents and the largest eligible non-constituent of the FTSE eTX 50 Index or FTSE eTX Euro 50 Index, will be added to the relevant Index.

18.1.2 The removal and replacement are effected simultaneously, before the start of the index calculation on the day following the day on which the event justifying removal was announced. Announcements after the close of the index calculation are normally deemed to be made on the following business day. In the case of a takeover, the qualifying event is an announcement that the offer has been approved by any appropriate regulatory body, confirmation that at least 75% acceptance levels have been received and that any new shares of the bidding company (if applicable) are listed. For UK constituents, the qualifying event is that the offer has been declared wholly unconditional.

18.1.3 Constituents removed in accordance with Rule 18.1.2, but which continue to trade thereafter will be considered for re-inclusion to the index at the next review, subject to Ground Rule 4.0 and that at least 6 months has passed between deletion and the implementation date of the changes arising from the review.

18.2 Mergers, Restructuring and Complex Takeovers

18.2.1 If the effect of a merger or takeover is that one constituent is absorbed by another constituent in the Index, the resulting company will remain a constituent of the Index and a vacancy will be created. This vacancy will be filled by selecting the largest eligible non-constituent of the FTSE eTX 50 Index or FTSE eTX Euro 50 Index.

18.2.2 If a constituent company is taken over by a non-constituent company, the original constituent will be removed and replaced by the largest eligible non-constituent of the FTSE eTX 50 Index or FTSE eTX Euro 50 Index as the case may be.

18.2.3 If a constituent company is split so as to form two or more companies, then both companies will be deleted and replaced by the largest eligible non-constituent of the FTSE eTX 50 Index or FTSE eTX Euro Index as the case may be. The two or more companies arising from the split will be eligible for consideration if they are also index constituents in the FTSE eTX Innovation Index.

SECTION 18

18.3 New Issues

- 18.3.1 New issues of companies which meet the criteria for eligible securities set out in Rule 4 will be eligible for inclusion at the next quarterly review.
- 18.3.2 For the purpose of this Rule, a company which is relisted following suspension or is reorganised or renamed or which arises from a demerger or complex reorganisation of another company which is not an existing constituent, shall not be considered to be a new issue. However, an Initial Public Offering (IPO) which arises from a demerger shall be considered as a new issue.
- 18.3.3 If the FTSE Index Review Board decides to include a new issue as a constituent security other than as part of the normal quarterly review procedure, this decision must be publicly announced at the earliest practicable time.

18.4 Suspension of Dealing

- 18.4.1 If a constituent is suspended on its home exchange it may remain in the indices, at the price at which it is suspended, for up to 10 business days. During this time, on advice from FTSE, the Chairman and Deputy Chairman of the relevant Regional Committee (or their deputies) may agree to delete the constituent immediately either at its suspension price, or at zero.
- 18.4.2 Where a suspension of a constituent lasts beyond noon on the tenth business day (and the option to remove the constituent has not been exercised), the constituent will normally be deleted from the indices on the eleventh trading day at zero or the suspension price. Where suspension is for a reason not to the detriment of the constituent, it may be retained or removed at its suspension price with the approval of the Chairman and Deputy Chairman (or their deputies) of the relevant Regional Committee.
- 18.4.3 If the suspended company is deleted from the indices, it will be replaced with the highest ranking company on the Reserve List eligible to be included in the indices as at the close of the index calculation on the day preceding the inclusion of the replacement company. This change will be effected after the close of the index calculation and prior to the start of the index calculation on the following day.

18.5 Relisting of Suspended Constituents

- 18.5.1 Securities which, on relisting are larger than the smallest constituent of the index shall be re-instated in the index at the price at which they were removed and the lowest ranking constituent will be selected for removal.
- 18.5.2 Securities which on relisting are smaller than the smallest constituent of the index from which they were removed when suspended shall be initially re-instated in the same index at the price at which they were removed and then included in the index, if any, for which they then meet the size criteria.
- 18.5.3 After a suspended stock is re-listed the timetable for the events described in 18.5.1 and 18.5.2, above, shall be as follows:

| | |
|----------------------------------|--|
| After close of business on day 1 | The stock will be included in the indices from which it was suspended. |
|----------------------------------|--|

SECTION 18

| | |
|----------------------------------|--|
| After close of business on day 2 | Index constituents will be ranked by full market capitalisation and the smallest constituent will be selected for deletion, using prices as at the close of business. FTSE will release a technical notice detailing any index changes, based on this ranking. |
| After close of business on day 3 | All changes will be implemented as detailed in the technical notice. |

- 18.5.4 Should a deleted constituent that has been suspended at a price other than zero (which would normally be the suspension price) be subsequently delisted and deemed to be of nil value, this stock will be included for one day's calculation in the index from which it was removed to enable the fall in the stock's value to be reflected in the index value. In this situation, the stock will be re-included at the suspension price, and its price will be zero throughout that day's calculation, including the closing price
- 18.4.5 If a company relists after a continuous period of suspension lasting more than a year, the FTSE index Review Board reserve the right to treat the company as a new issue for the purposes of index eligibility

SECTION 19

19.0 FTSE eTX SUBSECTOR INDICES - QUALIFICATION CRITERIA

- 19.1 The FTSE eTX Subsector Indices consist of all the constituents of the FTSE eTX All-Share Index with each Index representing each subsector belonging to the FTSE eTX All-Share Index as defined by ICB (see Appendix A).
- 19.2 The Indices belonging to the FTSE eTX Subsector Indices are shown in Rule 1.6.

APPENDIX A

FTSE eTX Index Series - Classification, Regions and Countries

Subsectors:

| | |
|-------------------------------------|--------------------------|
| Computer Services (9533) | Internet (9535) |
| Software (9537) | Computer Hardware (9572) |
| Electronic Office Equipment (9574) | Semiconductors (9576) |
| Telecommunications Equipment (9578) | |

Countries:

| | | |
|---------------------------|--------------------|-----------------------|
| <i>Austria</i> | <i>Greece</i> | <i>Portugal</i> |
| <i>Belgium/Luxembourg</i> | <i>Ireland</i> | <i>Spain</i> |
| <i>Denmark</i> | <i>Italy</i> | <i>Sweden</i> |
| <i>Finland</i> | <i>Netherlands</i> | <i>Switzerland</i> |
| <i>France</i> | <i>Norway</i> | <i>United Kingdom</i> |
| <i>Germany</i> | | |

Eurobloc:

As identified by the EU Commission as qualifying for the initial phase of European Monetary Union, commencing 1st January 1999.

The countries included are:

| | | |
|----------------|----------------|--------------------|
| <i>Austria</i> | <i>Germany</i> | <i>Luxembourg</i> |
| <i>Belgium</i> | <i>Greece*</i> | <i>Netherlands</i> |
| <i>Finland</i> | <i>Ireland</i> | <i>Portugal</i> |
| <i>France</i> | <i>Italy</i> | <i>Spain</i> |

** Greece entered the European Monetary Union on January 1 2001*

APPENDIX B

LIST OF ELIGIBLE EUROPEAN COUNTRIES, MULTIPLE LINES & EXCHANGES

Note: Multiple lines information taken from the FTSE World Index Series Ground Rules.

| Country/Bourse | Class | Translation | FTSE Abbreviation | Exchange |
|------------------------|--|---|--|-----------------------------------|
| Austria | Namensaktie Inhaberaktie Vorzugsaktie Partizipationsscheine | Ord Registered Ord Bearer Preferred Participation Cert | - BR PREF PC | Vienna |
| Belgium/ Luxembourg | Ordinaire Action AFV | Ordinary Fiscal Advantage Share | - AFV | Brussels/ Luxembourg |
| Denmark | "A" aktie "B" aktie | Ordinary Voting Limited Voting or Non-Voting | -/A B | Copenhagen |
| NASDAQ Europe | | | | NASDAQ Europe |
| Finland | Vapaa Osakkeet Etuoiikeudetut vapaa osakkeet | Ordinary Voting Limited Voting or Non-Voting | -/A B or K | Helsinki |
| France | Action Action a' dividende prioritaire Certificat d' Investissement Titre participatif | Ordinary Preferred Cert of Investment Cert of Participation | - PREF CI CIP | Paris |
| Germany | Stammaktie Namensaktie Vorzugsaktie Inhaberaktie | Ordinary Ord Registered Preferred Bearer | - REGD PREF BR | Deutsche Boerse Neuer Markt |
| Greece | Κοινή Όνομαστική Κοινή Όνομαστική Κοινή Ανώνυμη Προνομιοχούζ Όνομαστική η Προνομιοχούζ Ανώνυμη Προνομιοχούζ Άνευ Ψηφών Όνομαστική Προνομιοχούζ Μετα Ψηφών Όνομαστική | Common Registered Common Registered Common Bearer Preference Registered Preference Bearer Preferred Non- Voting Right Registered Preferred With Voting-Right Registered | C R CR CB PR PB PNVR PWVR | Athens |
| Ireland | Ordinary Preference | Ordinary Preference | - PREF | Dublin |
| Italy | Azione Azione di Risparmio Azione privilegiate | Ordinary Savings (CNV/Non CNV) Preferred | - SVGS PREF | Milan Nuovo Mercato |
| Netherlands | Aandeel op naam Certificaten Aandeelaantoonder | Registered Depository Receipt Bearer | - DEP REC BR | Amsterdam |
| Norway | "A" aksje "B" aksje | Ordinary Voting Limited Voting or Non-Voting | -/A B | Oslo |
| Portugal | ACÇÕES ORDINÁRIAS ACÇÕES PREFERENCIAIS ACÇÕES REGISTADAS | Bearer Preferred Registered | - PREF REGD | Lisbon |
| Spain | Acciones nominativas Acciones al portador Acciones preferentes | Ord Registered Ord Bearer Preferred | - BR PREF | Madrid |
| Sweden | "A" aktie "B" aktie "C" aktie | Ordinary Voting Limited Voting or Non-Voting | -/A B C | Stockholm |
| Switzerland | Namensaktie Inhaberaktie Partizipationsschein Genusschein | Registered Bearer Participation Cert Profit Sharing Cert | REGD BR PC GEN | Zurich |
| UK | Ordinary | Ordinary | - | London |

INDEX OPENING AND CLOSING HOURS

| The FTSE eTX Indices | OPEN | CLOSE |
|---|-------------|--------------|
| Real-time: | | |
| 1. FTSE eTX All-Share | 9.00 | 17.30 |
| 2. FTSE eTX Innovation | 9.00 | 17.30 |
| 3. FTSE eTX 50 Index | 9.00 | 17.30 |
| 4. FTSE eTX Euro 50 Index | 9.00 | 17.30 |
| 5. FTSE eTX Computer Services | 9.00 | 17.30 |
| 6. FTSE eTX Electronic Office Equipment | 9.00 | 17.30 |
| 7. FTSE eTX Computer Hardware | 9.00 | 17.30 |
| 8. FTSE eTX Internet | 9.00 | 17.30 |
| 9. FTSE eTX Semiconductors | 9.00 | 17.30 |
| 10. FTSE eTX Software | 9.00 | 17.30 |
| 11. FTSE eTX Telecommunications Equipment | 9.00 | 17.30 |

All times are Local Central European Time

INDICES ALGORITHM AND CALCULATION METHOD

APPENDIX D

The actual trade price of constituent securities is converted into Euros and the indices are then calculated using the algorithm described below.

$$\frac{\sum_{i=1}^n ((p_i \bullet e) \bullet s_i \bullet c_i \bullet f_i)}{d}$$

$$i = 1,2,3,\dots,n$$

| | | | |
|---|---|-------------------|---|
| n | = | | The number of securities in the Index. |
| P | = | Price | The latest trade price of the component security (or the price at the close of the Index on the previous day) |
| e | = | Exchange Rate | The exchange rate required to convert the security's home currency into the index's base currency. |
| s | = | Shares in Issue | The number of shares in issue used by FTSE for the security, as defined in these Ground Rules. |
| f | = | Free Float Factor | The factor to be applied to each security to allow amendments to its weighting, expressed as a number between 0 and 1, where 1 represents a 100% free float. The free float factor for each security is published by FTSE. |
| c | = | Capping Factor | The factor applied to each security to allow its weight within the index to be capped, expressed as a number between 0 and 1 where 1 represents 100%, i.e. no cap. The capping factor is published by FTSE. |
| d | = | Divisor | A figure that represents the total issued share capital of the Index at the base date. The divisor can be adjusted to allow changes in the issued share capital of individual securities to be made without distorting the Index. |

APPENDIX E

ELIGIBLE MARKETS AND TRADING VOLUME SOURCES

Markets eligible for the FTSE European indices and sources of trading volume data used in accordance with Ground Rule 4.8 (b):

Please note: Datastream International Limited, the Primark Group, London Stock Exchange, FTSE, the FTSE Actuaries Practitioner Committees and any other source of data cannot accept liability for any incorrect information, including the consequences of relying on this information, detailed below.

For those markets which disseminate double-counted volumes, the data will be normalised to single-counted values when screening securities in accordance with Ground Rule 4.8 (b).

| COUNTRY | EXCHANGE LOCATION | MARKET SECTION(S) | SOURCE OF VOLUME DATA | NOTES |
|------------------------|--------------------------------|--|-----------------------|---|
| Austria | Vienna | Official Market (Amtliche Notierung) | Primark Datastream | Double Counted - Both buy and sell sides counted |
| Belgium/ Luxembourg | Brussels | First Market (Premier Marché). Official Stock Exchange (Marché officiel de la Bourse de Luxembourg) | Primark Datastream | Single Counted - Sell side only |
| Denmark | Copenhagen | Official List | Primark Datastream | Single Counted |
| Finland | Helsinki | Main List | Primark Datastream | Single Counted - Sell side only |
| France | Paris (Le Marché National) | First Market (Premier Marché) | Primark Datastream | Single Counted - Sell side only |
| Germany | Deutsche Börse (all exchanges) | Official Market (Amtlicher Handel) Regulated Market (Geregelter Markt) | Primark Datastream | Double Counted - Both buy and sell sides counted, except XETRA trades which are single counted |
| Greece | Athens | Main Market Parallel Market | Primark Datastream | Single Counted - Sell side only |
| Ireland | Dublin | Full List | Other Source | |
| Italy | Milan | Official List (Listino della Borsa) | Primark Datastream | Single Counted - Sell side only |
| Netherlands | Amsterdam | Official Market | Primark Datastream | Double Counted - Both buy and sell sides counted |
| Norway | Oslo | Main List | Primark Datastream | Single Counted - Sell side only |

APPENDIX E

ELIGIBLE MARKETS AND TRADING VOLUME SOURCES

| COUNTRY | EXCHANGE LOCATION | MARKET SECTION(S) | SOURCE OF VOLUME DATA | NOTES |
|----------------|-------------------|---------------------------------|---------------------------|--|
| Portugal | Lisbon | Market with Official Quotations | Primark Datastream | Single Counted - Sell side only |
| Spain | Madrid | Regular Market (Primer Mercado) | Primark Datastream | Single Counted - Sell side only |
| Sweden | Stockholm | A -list O - list | Primark Datastream | Single Counted - Sell side only |
| Switzerland | Swiss Exchange | Main Market | Primark Datastream | Single Counted - Sell side only |
| United Kingdom | London | Official List | The London Stock Exchange | Adjustment to 75% of total for stocks trading on SETS and SETSmm and 50% for those that trade on SEAQ. |

FURTHER INFORMATION

Further information on the FTSE European Indices is available from FTSE, who will also welcome comments on these Ground Rules and on the Index Series.

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