

TSEC TAIWAN INDEX SERIES

FTSE Group has partnered with the Taiwan Stock Exchange (TWSE) to calculate the TSEC Taiwan Index Series, combining both local knowledge and international indexing capabilities, to create a superior set of indices for both domestic and international investors.

The TSEC Taiwan Index Series comprises 8 indices that the TSEC Taiwan 50 Index forms the headline index, and represents the performance of the top 50 Taiwanese companies by market capitalization that meet the relevant investability screening requirements set by FTSE.

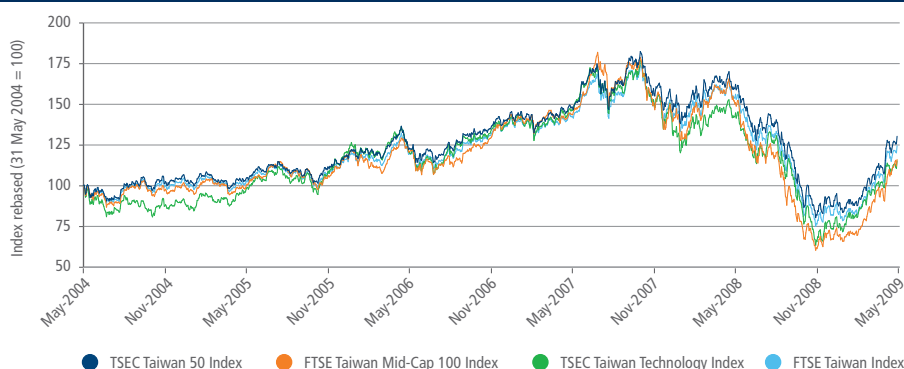
FEATURES

- Provides exposure of the Taiwanese market with coverage of up to 150 stocks
- TSEC Taiwan 50 Index represents over 70% of the Taiwanese market
- TSEC Taiwan Mid-Cap 100 Index represents over 20% of the Taiwanese market
- The indices are designed for the creation of derivatives, index tracking funds, ETFs, and as performance benchmarks
- Capital and Total Return Indices are available
- The series is calculated in accordance with the Industry Classification Benchmark (ICB), a global standard developed in partnership between FTSE Group and Dow Jones Indexes
- Stocks are free-float weighted to ensure that only the investable opportunity set is included within the indices
- Stocks are liquidity screened to ensure that the indices are tradable
- Regular index reviews are conducted to ensure that a continuous and accurate representation of the market is maintained

TSEC TAIWAN INDEX SERIES

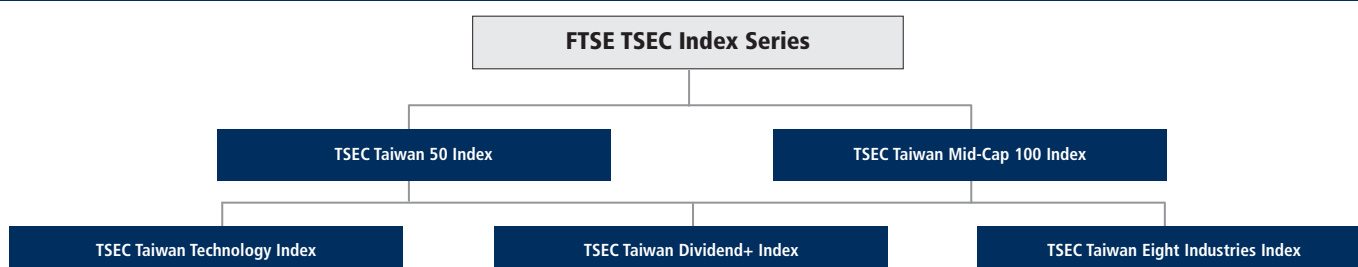
TSEC Taiwan 50 Index	Comprising the largest 50 companies by full market capitalisation that meet stated eligibility requirements. The index was the first of its kind designed specially for derivative products in Taiwan.
TSEC Taiwan Mid-Cap 100 Index	Comprising the next 100 largest companies by full market capitalisation after the TSEC Taiwan 50 Index.
TSEC Taiwan Technology Index	Comprising all the information technology stocks from the TSEC Taiwan 50 and TSEC Taiwan Mid-Cap 100 indices, can be used as the performance benchmark for the Taiwanese technology sector
TSEC Taiwan Dividend+ Index	Designed to provide a daily measure of the performance of the 30 higher yielding stocks within the TSEC Taiwan 50 and Mid-Cap 100 indices.
TSEC Taiwan Eight Industries Index	Based on the combined constituents of the TSEC Taiwan 50 and the TSEC Mid-Cap 100 indices, representing the performance of key industry sectors in the Taiwan stock market.
TSEC RAFI Taiwan 50 Index	Comprising the top Taiwanese companies with the largest RAFI fundamental values.
TSEC RAFI Taiwan 100 Index	Comprising the next 100 Taiwanese companies (outside the top 50) with the largest RAFI fundamental values.
TSEC Taiwan Shariah Index	Comprising companies from Large and Mid Cap Taiwanese companies from the FTSE Global Equity Index Series that meet a strict set of Shariah principles.

TSEC TAIWAN INDEX SERIES FIVE YEAR PERFORMANCE (TWD, TOTAL RETURN)



Source: FTSE Group, data as at 27 May 2009

FAMILY TREE



TSEC TAIWAN 50 INDEX TOP 10 CONSTITUENTS

Rank	Constituent Name	Country	ICB Supersector	Net Market Cap (TWDm)	Index Weight (%)
1	Taiwan Semiconductor Manufacturing	Taiwan	Technology	1,547,768	17.34
2	Hon Hai Precision Industry	Taiwan	Industrial Goods & Services	911,999	10.22
3	High Tech Computer	Taiwan	Technology	395,826	4.44
4	Formosa Plastics Corp	Taiwan	Chemicals	360,386	4.04
5	MediaTek	Taiwan	Technology	321,946	3.61
6	Chunghwa Telecom	Taiwan	Telecommunications	294,589	3.30
7	AU Optronics	Taiwan	Technology	285,790	3.20
8	Nan Ya Plastics	Taiwan	Chemicals	265,873	2.98
9	China Steel	Taiwan	Basic Resources	260,883	2.92
10	Cathay Financial Holding	Taiwan	Financial Services	256,672	2.88
				4,901,732	54.93

Source: FTSE Group, data as at 27 May 2009

TSEC TAIWAN 50 INDEX ICB SUPERSECTOR BREAKDOWN

ICB Supersector	No. of Constituents	Net Market Cap (TWDm)	Index Weight (%)
Technology	18	4,010,088	44.93
Financial Services	10	1,383,451	15.50
Industrial Goods & Services	4	1,088,558	12.20
Chemicals	4	926,450	10.38
Telecommunications	3	456,731	5.12
Basic Resources	1	260,883	2.92
Personal & Household Goods	2	185,989	2.08
Oil & Gas	1	151,041	1.69
Banks	2	146,066	1.64
Food & Beverage	1	134,580	1.51
Construction & Materials	2	108,652	1.22
Automobiles & Parts	1	41,058	0.46
Retail	1	30,749	0.34
Total	50	8,924,296	100.00

Source: FTSE Group, data as at 27 May 2009

TSEC TAIWAN INDEX SERIES PORTFOLIO CHARACTERISTICS

	TSEC Taiwan 50 Index
Number of Constituents	50
Net Market Cap (TWDm)	8,924,296
Constituent Sizes (Net Market Cap TWDm)	
Average	178,486
Largest	1,547,768
Smallest	17,071
Median	108,306
Weight of Largest Constituent (%)	17.34
Top 10 Holdings (% Index Market Cap)	54.93

Source: FTSE Group, data as at 27 May 2009

COMMITTEES & REVIEWS

The indices are managed according to a transparent and public set of index rules and also overseen by an independent committee, to ensure that the rules are correctly applied and adhered to. Reviews take place to ensure that a continuous and accurate representation of the market is maintained.

INFORMATION

Index Universe

TWSE Board Universe

Index Launches

29 October 2002: TSEC Taiwan 50 Index
 29 November 2004: TSEC Taiwan Mid-Cap 100 & TSEC Taiwan Technology Indices
 15 January 2007: TSEC Taiwan Dividend+ & TSEC 8 Industries Indices

Base Date

30 April 2002: TSEC Taiwan 50, TWSE Taiwan Dividend+ & TSEC Taiwan 8 Industries Indices
 30 June 2003: TSEC Taiwan Mid-Cap 100 & TSEC Taiwan Technology Indices

Base Value

5000

Investability Screens

Free float adjusted and liquidity screened

Index Calculation

Real-time and end-of-day indices available.
 Real-time Index calculated every 15 seconds

End of Day Distribution

Indices available at 17:30 Local time (9:30 hours London time GMT or 10:30 hours BST) via FTP and email

Currency

TWD & USD. Real-time calculated in TWD only

Review Dates

TSEC Taiwan Index Series: quarterly in January, April, July & October
 TSEC Dividend+ Index: semi-annually in January and July
 TSEC RAFI Index Series: Annually in March
 TSEC Shariah Taiwan Index: quarterly in March, June, September & December

Index Rules

Available at www.ftse.com/taiwan

Historical Data

Available from April 1997

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