

FTSE VALUE-STOCKS INDICES

FTSE Value-Stocks Japan Index Review Changes Overview - July 2011

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Sumitomo Mitsui Financial Group (8316) and Tokio Marine Holdings (8766) will account for a turnover of 5.00 per cent each, with Sumitomo Mitsui Trust Holdings (8309) contributing 4.47 per cent of the turnover of the FTSE Value-Stocks Japan Index

Review Overview

The FTSE Value-Stocks Japan Index offers investors an exciting opportunity to access quality value stocks in the Japan market through a unique, transparent, and rules-based value strategy. This value-based equity index combines FTSE's globally recognised index expertise with Value Partners' proven track record in disciplined value investing. The value-based methodology is designed by Value Partners Index Services Limited and the index is calculated and maintained by FTSE Group, capturing the performance of 35 quality value stocks amongst liquid and tradable Japanese companies listed on the Tokyo Stock Exchange and Osaka Securities Exchange.

The following changes will be made to the FTSE Value-Stocks Japan Index after the July review. Effective on Tuesday 19th July 2011, Sumitomo Mitsui Financial Group (8316), Tokio Marine Holdings (8766), Sumitomo Mitsui Trust Holdings (8309) and 15 other companies will be included in the FTSE Value-Stocks Japan Index, replacing 17 existing constituents, including Honda Motor Co (7267), Mitsubishi UFJ Financial (8306) and Bridgestone Corp (5108). The total two-way index turnover is estimated to be 92.21 per cent.

Key changes are highlighted below:

Table One: FTSE Value-Stocks Japan Index Constituent Weightings

Rank	Local Code	Constituent Name	ICB Subsector	Weight in Index before change (%)	Weight in Index after change (%)	Change in Weight (%)	Turnover (2-Way) (%)
1	9433	KDDI Corp	Mobile Telecommunications	5.48	5.00	-0.48	0.48
2	9432	NTT	Fixed Line Telecommunications	5.14	5.00	-0.14	0.14
3	9437	NTT Docomo	Mobile Telecommunications	5.03	5.00	-0.03	0.03
4	4502	Takeda Pharmaceutical	Pharmaceuticals	4.88	5.00	0.12	0.12
5	8053	Sumitomo Corp	Industrial Suppliers	4.29	5.00	0.71	0.71
6	8316	Sumitomo Mitsui Financial Group	Banks	-	5.00	5.00	5.00
7	8766	Tokio Marine Holdings	Property & Casualty Insurance	-	5.00	5.00	5.00
8	9022	Central Japan Railway	Travel & Tourism	4.25	5.00	0.75	0.75
9	8309	Sumitomo Mitsui Trust Holdings	Banks	-	4.47	4.47	4.47
10	5201	Asahi Glass	Building Materials & Fixtures	3.48	4.09	0.61	0.61
11	7741	Hoya	Electronic Equipment	3.36	3.95	0.59	0.59
12	5713	Sumitomo Metal Mng	Nonferrous Metals	3.20	3.76	0.56	0.56
13	8002	Marubeni Corp	Industrial Suppliers	3.05	3.58	0.54	0.54
14	8035	Tokyo Electron	Semiconductors	-	2.98	2.98	2.98
15	1878	Daito Trust Construction	Heavy Construction	2.39	2.81	0.42	0.42
16	3407	Asahi Kasei Corporation	Commodity Chemicals	2.37	2.79	0.42	0.42
17	6988	Nitto Denko Corp	Specialty Chemicals	2.24	2.63	0.39	0.39
18	4005	Sumitomo Chemical	Commodity Chemicals	-	2.45	2.45	2.45
19	3405	Kuraray	Commodity Chemicals	-	2.25	2.25	2.25
20	1925	Daiwa House Industry	Home Construction	-	2.25	2.25	2.25
21	6762	TDK Corp	Electrical Components & Equipment	-	2.12	2.12	2.12
22	8332	Bank of Yokohama	Banks	1.73	2.03	0.30	0.30
23	7270	Fuji Heavy Industries	Automobiles	-	1.81	1.81	1.81
24	4507	Shionogi	Pharmaceuticals	-	1.73	1.73	1.73
25	6448	Brother Industries	Electronic Office Equipment	1.40	1.65	0.25	0.25
26	3861	Oji Paper Co	Paper	1.34	1.58	0.24	0.24
27	4307	Nomura Research Institute	Computer Services	-	1.52	1.52	1.52
28	8354	Fukuoka Financial Group	Banks	-	1.46	1.46	1.46
29	3401	Teijin	Commodity Chemicals	-	1.28	1.28	1.28
30	6302	Sumitomo Heavy Ind	Industrial Machinery	-	1.23	1.23	1.23
31	5711	Mitsubishi Materials Corp	Diversified Industrials	-	1.22	1.22	1.22
32	7013	IHI	Diversified Industrials	-	1.12	1.12	1.12
33	5202	Nippon Sheet Glass	Building Materials & Fixtures	-	1.11	1.11	1.11
34	4183	Mitsui Chemical Inds	Commodity Chemicals	0.92	1.09	0.16	0.16
35	4182	Mitsubishi Gas Chemical	Commodity Chemicals	-	1.04	1.04	1.04
-	7267	Honda Motor Co	Automobiles	5.18	-	-5.18	5.18

Note: New additions after the July 2011 review are highlighted in blue, and deletions are highlighted in red
Source: FTSE Group, data as at 8th July 2011

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Table One: FTSE Value-Stocks Japan Index Constituent Weightings continued

Rank	Local Code	Constituent Name	ICB Subsector	Weight in Index before change (%)	Weight in Index after change (%)	Change in Weight (%)	Turnover (2-Way) (%)
-	8306	Mitsubishi UFJ Financial	Banks	5.06	-	-5.06	5.06
-	5108	Bridgestone Corp	Tires	4.88	-	-4.88	4.88
-	5411	JFE Holdings	Iron & Steel	4.13	-	-4.13	4.13
-	9531	Tokyo Gas	Gas Distribution	3.13	-	-3.13	3.13
-	6702	Fujitsu	Computer Hardware	3.07	-	-3.07	3.07
-	5802	Sumitomo Electric	Auto Parts	2.95	-	-2.95	2.95
-	4523	Eisai	Pharmaceuticals	2.86	-	-2.86	2.86
-	4188	Mitsubishi Chemical Holdings	Specialty Chemicals	2.71	-	-2.71	2.71
-	7202	Isuzu Motors	Commercial Vehicles & Trucks	2.02	-	-2.02	2.02
-	5406	Kobe Steel	Iron & Steel	1.77	-	-1.77	1.77
-	9104	Mitsui O.S.K. Lines	Marine Transportation	1.65	-	-1.65	1.65
-	9101	Nippon Yusen	Marine Transportation	1.60	-	-1.60	1.60
-	8331	Chiba Bank	Banks	1.41	-	-1.41	1.41
-	4185	JSR Corp	Specialty Chemicals	1.28	-	-1.28	1.28
-	8333	Joyo Bank	Banks	0.88	-	-0.88	0.88
-	6417	Sankyo Co Ltd	Gambling	0.85	-	-0.85	0.85
Totals			-	100.00	100.00	-	92.21

Note: New additions after the July 2011 review are highlighted in blue, and deletions are highlighted in red

Source: FTSE Group, data as at 8th July 2011

Honda Motor Co (7267), Mitsubishi UFJ Financial (8306) and Bridgestone Corp (5108) before the Index rebalance accounted for 5.18 per cent, 5.06 per cent and 4.88 per cent of the FTSE Value-Stocks Japan Index respectively

Table Two: FTSE Value-Stocks Japan Index Sector Breakdown

ICB Industry / Sector	Number of Constituents after change	Change in Constituents	Weight in Index before change (%)	Weight in Index after change (%)	Change in Weight (%)	Turnover (2-Way) (%)
Basic Materials	9	0	19.96	18.87	-1.10	18.68
Chemicals	7	2	9.52	13.53	4.01	11.98
Forestry & Paper	1	0	1.34	1.58	0.24	0.24
Industrial Metals & Mining	1	-2	9.10	3.76	-5.34	6.47
Industrials	10	2	21.84	26.23	4.39	14.94
Construction & Materials	3	1	5.86	8.00	2.14	2.14
General Industrials	2	2	0.00	2.35	2.35	2.35
Electronic & Electrical Equipment	2	1	3.36	6.07	2.71	2.71
Industrial Engineering	1	0	2.02	1.23	-0.80	3.25
Industrial Transportation	0	-2	3.25	0.00	-3.25	3.25
Support Services	2	0	7.34	8.58	1.24	1.24
Consumer Goods	2	-1	13.02	4.06	-8.96	17.08
Automobiles & Parts	1	-2	13.02	1.81	-11.21	14.83
Household Goods & Home Construction	1	1	0.00	2.25	2.25	2.25
Health Care	2	0	7.74	6.73	-1.01	4.71
Pharmaceuticals & Biotechnology	2	0	7.74	6.73	-1.01	4.71
Consumer Services	1	-1	5.10	5.00	-0.11	1.60
Travel & Leisure	1	-1	5.10	5.00	-0.11	1.60
Telecommunications	3	0	15.65	15.00	-0.65	0.65
Fixed Line Telecommunications	1	0	5.14	5.00	-0.14	0.14
Mobile Telecommunications	2	0	10.51	10.00	-0.51	0.51
Utilities	0	-1	3.13	0.00	-3.13	3.13
Gas, Water & Multiutilities	0	-1	3.13	0.00	-3.13	3.13
Financials	5	1	9.08	17.96	8.88	23.59
Banks	4	0	9.08	12.96	3.88	18.59
Nonlife Insurance	1	1	0.00	5.00	5.00	5.00
Technology	3	1	4.48	6.15	1.68	7.82
Software & Computer Services	1	1	0.00	1.52	1.52	1.52
Technology Hardware & Equipment	2	0	4.48	4.63	0.15	6.30
Totals	35	35	100.00	100.00	-	92.21

Source: FTSE Group, data as at 8th July 2011

Nonlife Insurance will see the largest change in Index weighting, up 5.00 per cent

Automobiles & Parts will see the largest fall in Index weighting, down 11.21 per cent to 1.81 per cent

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