

FTSE VALUE-STOCKS INDICES

FTSE Value-Stocks Taiwan Index Review Changes Overview - May 2011

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Formosa Plastics Corp (1301), Nan Ya Plastics (1303) and Fubon Financial Holdings (2881) will account for 10.00 per cent, 10.00 per cent and 4.85 per cent of the turnover of the FTSE Value-Stocks Taiwan Index respectively

Review Overview

The FTSE Value-Stocks Taiwan Index offers investors an exciting opportunity to access quality value stocks in the Taiwan 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 50 quality value stocks amongst liquid and tradable Taiwanese companies listed on the Taiwan Stock Exchange ("TWSE") and GreTai Securities Market ("GTSM").

The following changes will be made to the FTSE Value-Stocks Taiwan Index after the May review. Effective on Monday 23rd May 2011, Formosa Plastics Corp (1301), Nan Ya Plastics (1303), Fubon Financial Holdings (2881) and 19 other companies will be included in the FTSE Value-Stocks Taiwan Index, replacing 22 existing constituents, including Hon Hai Precision Industry (2317), MediaTek (2454) and Quanta Computer (2382). The total two-way index turnover is estimated to be 92.47 per cent.

Key changes are highlighted below:

Table One: FTSE Value-Stocks Taiwan 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	2330	Taiwan Semiconductor Manufacturing	Semiconductors	11.69	10.00	-1.69	1.69
2	1301	Formosa Plastics Corp	Commodity Chemicals	-	10.00	10.00	10.00
3	1303	Nan Ya Plastics	Commodity Chemicals	-	10.00	10.00	10.00
4	1326	Formosa Chemicals & Fibre	Commodity Chemicals	9.42	8.29	-1.13	1.13
5	2002	China Steel	Iron & Steel	7.29	6.42	-0.87	0.87
6	2881	Fubon Financial Holdings	Life Insurance	-	4.85	4.85	4.85
7	2891	Chinatrust Financial Holding	Banks	-	4.49	4.49	4.49
8	2303	United Microelectronics	Semiconductors	3.97	3.49	-0.47	0.47
9	2357	Asustek Computer Inc	Computer Hardware	3.36	2.96	-0.40	0.40
10	2885	Yuanta Financial Holding	Investment Services	-	2.89	2.89	2.89
11	2311	Advanced Semiconductor Engineering	Semiconductors	3.17	2.79	-0.38	0.38
12	2324	Compal Electronics	Computer Hardware	2.95	2.60	-0.35	0.35
13	2353	Acer	Computer Hardware	2.91	2.56	-0.35	0.35
14	5854	Taiwan Cooperative Bank	Banks	-	1.97	1.97	1.97
15	3231	Wistron Corp	Computer Hardware	2.00	1.76	-0.24	0.24
16	2890	SinoPac Financial Holdings Co. Ltd.	Banks	-	1.72	1.72	1.72
17	2105	Cheng Shin Rubber Industry	Tires	-	1.47	1.47	1.47
18	9904	Pou Chen	Footwear	1.61	1.42	-0.19	0.19
19	2448	Epistar Corp	Electrical Components & Equipment	-	1.40	1.40	1.40
20	3702	WPG Holdings	Semiconductors	1.55	1.37	-0.19	0.19
21	3037	Unimicron Technology	Electrical Components & Equipment	-	1.37	1.37	1.37
22	6239	Powertech Technology	Semiconductors	1.49	1.31	-0.18	0.18
23	2337	Macronix International	Semiconductors	1.27	1.12	-0.15	0.15
24	2103	TSRC Corp	Commodity Chemicals	1.06	0.94	-0.13	0.13
25	3034	Novatek Microelectronics	Semiconductors	0.84	0.74	-0.10	0.10
26	1504	TECO Electric & Machinery	Durable Household Products	-	0.70	0.70	0.70
27	5483	Sino-American Silicon Products Inc.	Semiconductors	-	0.68	0.68	0.68
28	2395	Advantech	Computer Hardware	-	0.65	0.65	0.65
29	2385	Chicony Electronics	Computer Hardware	0.72	0.63	-0.09	0.09
30	2327	Yageo Corp	Electrical Components & Equipment	-	0.62	0.62	0.62
31	2393	Everlight Electronics	Electrical Components & Equipment	0.69	0.61	-0.08	0.08
32	6286	Richtek Technology	Semiconductors	0.64	0.56	-0.08	0.08
33	8299	Phison Electronics Corp	Computer Hardware	0.63	0.55	-0.08	0.08
34	2379	Realtek Semiconductor	Semiconductors	0.62	0.55	-0.07	0.07
35	6244	Motech Industries	Renewable Energy Equipment	-	0.54	0.54	0.54
36	9921	Giant Manufacturing	Recreational Products	-	0.53	0.53	0.53

Note: New additions after May 2011 review are highlighted in blue, and deletions are highlighted in red
Source: FTSE Group, data as at 13th May 2011

FTSE VALUE-STOCKS INDICES

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Table One: FTSE Value-Stocks Taiwan 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) (%)
37	2606	U-Ming Marine Transport	Marine Transportation	0.54	0.48	-0.06	0.06
38	3189	Kinsus Interconnect Technology	Semiconductors	-	0.46	0.46	0.46
39	2006	Tung Ho Steel	Iron & Steel	-	0.44	0.44	0.44
40	1717	Eternal Chemical	Specialty Chemicals	0.48	0.42	-0.06	0.06
41	2392	Cheng Uei Precision Industry	Electronic Equipment	-	0.42	0.42	0.42
42	1507	Yung Tay Engineering	Industrial Machinery	0.47	0.41	-0.06	0.06
43	5522	Farglory Land Development Co	Real Estate Holding & Development	0.43	0.38	-0.05	0.05
44	9939	Taiwan Hon Chuan	Containers & Packaging	-	0.37	0.37	0.37
45	1319	Tong Yang Industry	Auto Parts	0.41	0.36	-0.05	0.05
46	3622	Young Fast Optoelectronics Co. Ltd.	Electrical Components & Equipment	0.40	0.35	-0.05	0.05
47	3519	Green Energy Technology	Renewable Energy Equipment	-	0.35	0.35	0.35
48	2489	AmTRAN Technology	Consumer Electronics	0.40	0.35	-0.05	0.05
49	2376	Gigabyte Technology	Semiconductors	0.39	0.34	-0.05	0.05
50	6153	Career Technology	Electrical Components & Equipment	-	0.34	0.34	0.34
-	2317	Hon Hai Precision Industry	Electrical Components & Equipment	8.89	-	-8.89	8.89
-	2454	MediaTek	Semiconductors	6.94	-	-6.94	6.94
-	2382	Quanta Computer	Computer Hardware	3.55	-	-3.55	3.55
-	3045	Taiwan Mobile	Mobile Telecommunications	2.82	-	-2.82	2.82
-	2325	Siliconware Precision Industries	Semiconductors	2.48	-	-2.48	2.48
-	2801	Chang Hwa Commercial Bank	Banks	1.86	-	-1.86	1.86
-	1102	Asia Cement	Building Materials & Fixtures	1.81	-	-1.81	1.81
-	2474	Catcher Technology	Industrial Machinery	1.76	-	-1.76	1.76
-	2301	Lite-On Technology	Electrical Components & Equipment	1.66	-	-1.66	1.66
-	3044	Tripod Technology Corp	Electrical Components & Equipment	1.29	-	-1.29	1.29
-	2356	Inventec Co.	Computer Hardware	0.91	-	-0.91	0.91
-	1434	Formosa Taffeta	Clothing & Accessories	0.79	-	-0.79	0.79
-	5371	Coretronic	Electronic Equipment	0.66	-	-0.66	0.66
-	2548	Huaku Development	Real Estate Holding & Development	0.46	-	-0.46	0.46
-	9933	CTCI	Heavy Construction	0.40	-	-0.40	0.40
-	2106	Kenda Rubber Industrial	Tires	0.39	-	-0.39	0.39
-	9917	Taiwan Secom	Business Support Services	0.39	-	-0.39	0.39
-	2451	Transcend Information	Semiconductors	0.37	-	-0.37	0.37
-	2332	D-Link	Telecommunications Equipment	0.34	-	-0.34	0.34
-	3042	TXC Corp	Electrical Components & Equipment	0.34	-	-0.34	0.34
-	2374	Ability Enterprise	Electronic Office Equipment	0.26	-	-0.26	0.26
-	3061	Formosa Epitaxy	Semiconductors	0.24	-	-0.24	0.24
Totals			-	100.00	100.00	-	92.47

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

Source: FTSE Group, data as at 13th May 2011

Hon Hai Precision Industry (2317), MediaTek (2454) and Quanta Computer (2382) before the Index rebalance accounted for 8.89 per cent, 6.94 per cent and 3.55 per cent of the FTSE Value-Stocks Taiwan Index respectively

Table Two: FTSE Value-Stocks Taiwan 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) (%)
Oil & Gas	2	2	0.00	0.89	0.89	0.89
Alternative Energy	2	2	0.00	0.89	0.89	0.89
Basic Materials	7	3	18.25	36.50	18.26	22.62
Chemicals	5	2	10.96	29.65	18.69	21.31
Industrial Metals & Mining	2	1	7.29	6.85	-0.43	1.31
Industrials	10	-3	19.29	6.36	-12.93	21.95
Construction & Materials	0	-2	2.21	0.00	-2.21	2.21
General Industrials	1	1	0.00	0.37	0.37	0.37
Electronic & Electrical Equipment	7	0	13.93	5.11	-8.82	17.10
Industrial Engineering	1	-1	2.23	0.41	-1.82	1.82
Industrial Transportation	1	0	0.54	0.48	-0.06	0.06
Support Services	0	-1	0.39	0.00	-0.39	0.39

Source: FTSE Group, data as at 13th May 2011

Chemicals will see the largest change in Index weighting, up 18.69 per cent to 29.65 per cent

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Table Two: FTSE Value-Stocks Taiwan Index Sector Breakdown continued

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) (%)
Consumer Goods	6	1	3.60	4.83	1.24	4.17
Automobiles & Parts	2	0	0.80	1.84	1.04	1.91
Household Goods & Home Construction	1	1	0.00	0.70	0.70	0.70
Leisure Goods	2	1	0.40	0.88	0.48	0.58
Personal Goods	1	-1	2.40	1.42	-0.98	0.98
Telecommunications	0	-1	2.82	0.00	-2.82	2.82
Mobile Telecommunications	0	-1	2.82	0.00	-2.82	2.82
Financials	6	3	2.75	16.28	13.54	18.28
Banks	3	2	1.86	8.17	6.31	10.03
Life Insurance	1	1	0.00	4.85	4.85	4.85
Real Estate Investment & Services	1	-1	0.89	0.38	-0.51	0.51
Financial Services	1	1	0.00	2.89	2.89	2.89
Technology	19	-5	53.30	35.13	-18.17	21.74
Technology Hardware & Equipment	19	-5	53.30	35.13	-18.17	21.74
Totals	50	44	100.00	100.00	-	92.47

Source: FTSE Group, data as at 13th May 2011

Technology Hardware & Equipment will see the largest fall in Index weighting, down 18.17 per cent to 35.13 per cent

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