

FTSE VALUE-STOCKS INDICES

FTSE Value-Stocks Japan Index Review Changes Overview - January 2012

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Mitsubishi Corp (8058), Mitsubishi UFJ Financial (8306) and Toshiba Corp (6502) will each account for 5.00 per cent of the turnover of the FTSE Value-Stocks Japan Index respectively

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 January review. Effective on Monday 23rd January 2012, Mitsubishi Corp (8058), Mitsubishi UFJ Financial (8306), Toshiba Corp (6502) and 13 other companies will be included in the FTSE Value-Stocks Japan Index, replacing 16 existing constituents, including Central Japan Railway (9022), Sumitomo Corp (8053) and Takeda Pharmaceutical (4502). The total two-way index turnover is estimated to be 92.77 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	9432	NTT	Fixed Line Telecommunications	5.84	5.00	-0.84	0.84
2	9437	NTT Docomo	Mobile Telecommunications	5.62	5.00	-0.62	0.62
3	8316	Sumitomo Mitsui Financial Group	Banks	5.27	5.00	-0.27	0.27
4	8309	Sumitomo Mitsui Trust Holdings	Banks	5.24	5.00	-0.24	0.24
5	9433	KDDI Corp	Mobile Telecommunications	5.07	5.00	-0.07	0.07
6	8058	Mitsubishi Corp	Industrial Suppliers	-	5.00	5.00	5.00
7	8306	Mitsubishi UFJ Financial	Banks	-	5.00	5.00	5.00
8	6502	Toshiba Corp	Diversified Industrials	-	5.00	5.00	5.00
9	8267	Aeon Co	Broadline Retailers	-	3.85	3.85	3.85
10	5713	Sumitomo Metal Mng	Nonferrous Metals	3.33	3.79	0.46	0.46
11	5201	Asahi Glass	Building Materials & Fixtures	3.19	3.62	0.44	0.44
12	1878	Daito Trust Constuction	Heavy Construction	3.05	3.46	0.42	0.42
13	3407	Asahi Kasei Corporation	Commodity Chemicals	2.82	3.20	0.39	0.39
14	5802	Sumitomo Electric	Auto Parts	-	3.15	3.15	3.15
15	4188	Mitsubishi Chemical Holdings	Specialty Chemicals	-	3.05	3.05	3.05
16	3405	Kuraray	Commodity Chemicals	2.38	2.71	0.33	0.33
17	8332	Bank of Yokohama	Banks	2.09	2.38	0.29	0.29
18	6988	Nitto Denko Corp	Specialty Chemicals	2.04	2.32	0.28	0.28
19	1928	Sekisui House	Home Construction	-	2.27	2.27	2.27
20	8331	Chiba Bank	Banks	-	2.11	2.11	2.11
21	7259	Aisin Seiki Co	Auto Parts	-	2.11	2.11	2.11
22	7270	Fuji Heavy Industries	Automobiles	1.63	1.85	0.22	0.22
23	4307	Nomura Research Institute	Computer Services	1.62	1.84	0.22	0.22
24	5214	Nippon Electric Glass	Electrical Components & Equipment	-	1.79	1.79	1.79
25	8354	Fukuoka Financial Group	Banks	1.55	1.76	0.21	0.21
26	6448	Brother Industries	Electronic Office Equipment	1.51	1.72	0.21	0.21
27	6586	Makita Corp	Durable Household Products	-	1.71	1.71	1.71
28	4204	Sekisui Chemical	Home Construction	-	1.68	1.68	1.68
29	6473	JTEKT Corp	Auto Parts	-	1.67	1.67	1.67
30	7262	Daihatsu Motor	Automobiles	-	1.57	1.57	1.57
31	5711	Mitsubishi Materials Corpn	Diversified Industrials	1.22	1.38	0.17	0.17
32	6302	Sumitomo Heavy Ind	Industrial Machinery	1.19	1.36	0.16	0.16
33	6471	NSK	Auto Parts	-	1.35	1.35	1.35
34	6417	Sankyo Co Ltd Gunma	Gambling	-	1.15	1.15	1.15
35	4183	Mitsui Chemical Inds	Commodity Chemicals	1.01	1.15	0.14	0.14
-	9022	Central Japan Railway	Travel & Tourism	5.70	-	-5.70	5.70

Note: New additions after the January 2012 review are highlighted in blue, and deletions are highlighted in red

Source: FTSE Group, data as at 13th January 2012

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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) (%)
-	8053	Sumitomo Corp	Industrial Suppliers	5.55	-	-5.55	5.55
-	4502	Takeda Pharmaceutical	Pharmaceuticals	4.96	-	-4.96	4.96
-	8766	Tokio Marine Holdings	Property & Casualty Insurance	4.38	-	-4.38	4.38
-	7741	Hoya	Electronic Equipment	4.02	-	-4.02	4.02
-	8002	Marubeni Corp	Industrial Suppliers	3.57	-	-3.57	3.57
-	8035	Tokyo Electron	Semiconductors	3.13	-	-3.13	3.13
-	1925	Daiwa House Industry	Home Construction	2.36	-	-2.36	2.36
-	4005	Sumitomo Chemical	Commodity Chemicals	2.00	-	-2.00	2.00
-	6762	TDK Corp	Electrical Components & Equipment	1.82	-	-1.82	1.82
-	3861	Oji Paper Co	Paper	1.75	-	-1.75	1.75
-	4507	Shionogi	Pharmaceuticals	1.42	-	-1.42	1.42
-	7013	IHI	Diversified Industrials	1.18	-	-1.18	1.18
-	3401	Teijin	Commodity Chemicals	0.95	-	-0.95	0.95
-	4182	Mitsubishi Gas Chemical	Commodity Chemicals	0.85	-	-0.85	0.85
-	5202	Nippon Sheet Glass	Building Materials & Fixtures	0.70	-	-0.70	0.70
		Totals	-	100.00	100.00	-	92.77

Note: New additions after the January 2012 review are highlighted in blue, and deletions are highlighted in red
Source: FTSE Group, data as at 13th January 2012

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	6	-3	17.13	16.21	-0.91	10.19
Chemicals	5	-2	12.05	12.42	0.38	7.99
Forestry & Paper	0	-1	1.75	0.00	-1.75	1.75
Industrial Metals & Mining	1	0	3.33	3.79	0.46	0.46
Industrials	7	-3	25.48	21.62	-3.87	29.82
Construction & Materials	2	-1	6.93	7.09	0.15	1.56
General Industrials	2	0	2.40	6.38	3.98	6.35
Electronic & Electrical Equipment	1	-1	5.83	1.79	-4.04	7.62
Industrial Engineering	1	0	1.19	1.36	0.16	0.16
Support Services	1	-1	9.12	5.00	-4.12	14.12
Consumer Goods	9	7	3.99	17.36	13.37	18.09
Automobiles & Parts	6	5	1.63	11.71	10.08	10.08
Household Goods & Home Construction	3	2	2.36	5.65	3.29	8.01
Health Care	0	-2	6.38	0.00	-6.38	6.38
Pharmaceuticals & Biotechnology	0	-2	6.38	0.00	-6.38	6.38
Consumer Services	2	1	5.70	5.00	-0.70	10.70
General Retailers	1	1	0.00	3.85	3.85	3.85
Travel & Leisure	1	0	5.70	1.15	-4.54	6.85
Telecommunications	3	0	16.53	15.00	-1.53	1.53
Fixed Line Telecommunications	1	0	5.84	5.00	-0.84	0.84
Mobile Telecommunications	2	0	10.69	10.00	-0.69	0.69
Financials	6	1	18.54	21.25	2.71	12.51
Banks	6	2	14.16	21.25	7.10	8.12
Nonlife Insurance	0	-1	4.38	0.00	-4.38	4.38
Technology	2	-1	6.26	3.55	-2.70	3.56
Software & Computer Services	1	0	1.62	1.84	0.22	0.22
Technology Hardware & Equipment	1	-1	4.64	1.72	-2.92	3.34
Totals	35	32	100.00	100.00	-	92.77

Source: FTSE Group, data as at 13th January 2012

Central Japan Railway (9022), Sumitomo Corp (8053) and Takeda Pharmaceutical (4502) before the Index rebalance accounted for 5.70 per cent, 5.55 per cent and 4.96 per cent of the FTSE Value-Stocks Japan Index respectively

Automobiles & Parts will see the largest change in Index weighting, up 10.08 per cent to 11.71 per cent

Pharmaceuticals & Biotechnology will see the largest fall in Index weighting, down 6.38 per cent

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