

FTSE Client Implementation Guide to Industry Classification Benchmark (ICB)



OVERVIEW

Together FTSE Group and Dow Jones Indexes have created a definitive industry classification standard covering over 45,000 equities and corporate bonds worldwide called the Industry Classification Benchmark (ICB).

As a result of the combination of FTSE and Dow Jones' expertise, ICB is the most relevant and user-friendly industry classification standard for trading and investment decisions in the market.

This document contains a detailed timetable explaining how ICB will be implemented into FTSE index products. It has been prepared to help you understand and prepare for the implementation of the new classification system.

IMPLEMENTATION TIMETABLE

All stocks in FTSE indexes will be reclassified at the end of the year.

FTSE index products that contain industry classification information will change after the close of business Friday 30 December 2005. The first files to be received under the new ICB classification system will be files effective Monday 2 January 2006. (Please note that this day is a recognised public holiday in many countries).

A series of product files and supplemental information is being provided throughout the remainder of 2005 as follows:

30 June 2005

- Revised product specification documents for all product files to change under ICB
- Appendix document to show new index code structure rules for industry level indices
- Preview constituent files to show stock level ICB classification. The files will be delivered via the FTSE FTP system in CSV format. The files will be discontinued at year-end

Mid September 2005

- Format replication of product files under ICB. These files will be for format testing. Data will be sample only

Mid October 2005

- Data and format replication of product files under ICB. Data will replicate the full ICB implementation effective for September 2005 month-end. This data is for test purposes only
- Index code transition information to include new code format and continuing index value mapping

Mid November 2005

- Data and format replication of product files under ICB. Data will replicate the full ICB implementation effective for October 2005 month-end. This data is for test purposes only

Mid December 2005

- Data and format replication of product files under ICB. Data will replicate the full ICB implementation effective for November 2005 month-end. This data is for test purposes only

30 December 2005

- Last effective date for product files containing current FGC system information

2 January 2006

- Product migration to ICB effective in product files from this date

PRODUCT CHANGE OVERVIEW

The following is a summary of the product file changes to be expected with the migration to ICB. Product documentation provided in June will confirm the following:

Constituent product files:

- Constituent product files containing three levels of classification will additionally include the new ICB Supersector level (level two). This data will be added as a column at the far right of the existing file format
- Constituent product files containing only one level (subsector) of classification will continue to display only one level of ICB (subsector)
- ICB Classification codes are four digits at all levels. This new code will be substituted into the existing product files where the current FTSE Global Classification System (FGC) two/three digit codes are currently displayed

Index Valuation product files:

- Industry based index codes (mnemonics) may be up to 12 digit (alpha-numeric) in length
- Industry based index values will link to existing indices. History will not be re-stated under ICB. There will be instances where existing indices will stop and new indices will start under the ICB system
- Non-industry based indices and index codes will not change

Tracker/Trader product files:

- The year-end tracker/trader files will show the current FGC to new ICB classification changes for all stocks. Each security will be shown on one line using the change code SS
- On-going tracker/trader files will support ICB in the current format

DELIVERY OF TEST DATA

Test data will be delivered on a secondary FTSE FTP system. Clients will be provided an alternative ISP address in August 2005 to retrieve test data files. Permissions and directory structure will replicate the current live system. Each test file will be re-named to show a leading "i_" to the existing file name.

For instance, the FTSE All-Share Constituent file, alladdmm.csv will be re-named i_alladdmm.csv

TIMELINE

FTSE Index Product Transition Timeline

A detailed indication of the milestones in the ICB implementation project.

Activity	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Timelines released	X								
Constituent files available			X						
New format constituent, value and tracker files						X			
Full month snapshot available for previous month end							X	X	X

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