



# FTSE NASDAQ INDEXES



The FTSE NASDAQ Index Series<sup>SM</sup> is a new tool for investors to analyze and invest in one of the most dynamic stock markets in the world.

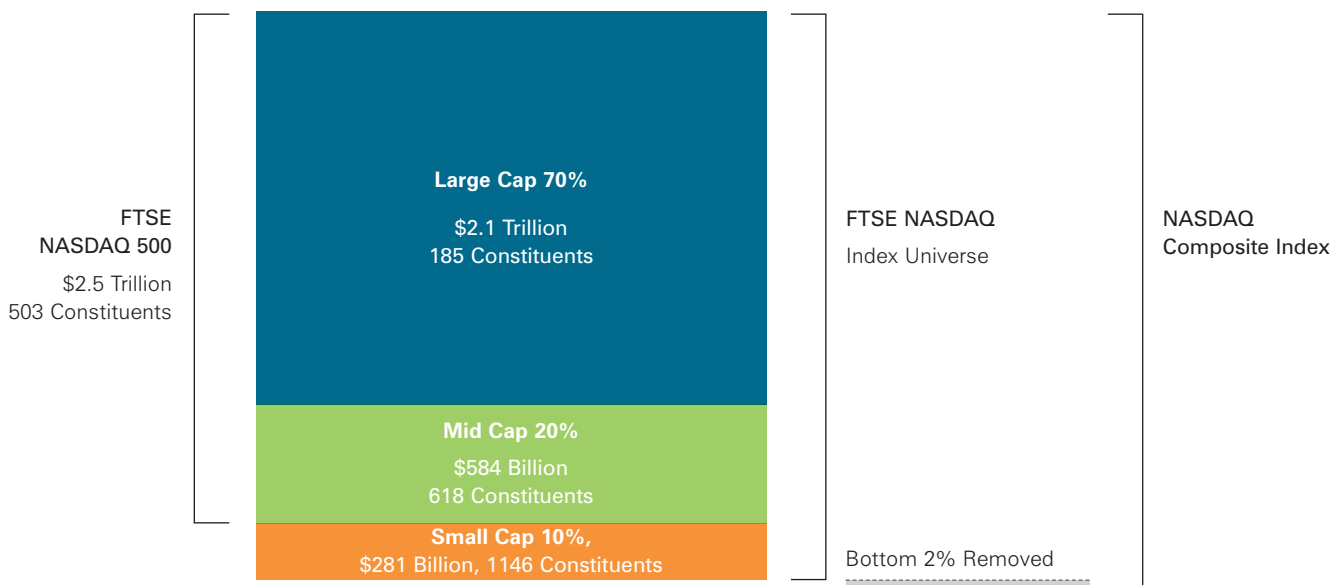
The series consists of four new indexes segmenting The NASDAQ Composite Index<sup>®</sup> — and is a powerful new collaboration between NASDAQ and FTSE Group (FTSE).

By using FTSE's global indexing best practices including application of free float weighting, liquidity screening and independent governance, the series meets the standards that index trackers demand.

## The New Indexes

- **FTSE NASDAQ 500<sup>SM</sup>** – NASDAQ's largest 500 companies\* by market capitalization
- **FTSE NASDAQ Large Cap<sup>SM</sup>** – the largest 70% of NASDAQ-listed companies\*\* by market capitalization
- **FTSE NASDAQ Mid Cap<sup>SM</sup>** – the next 20% of NASDAQ-listed companies\*\* by market capitalization
- **FTSE NASDAQ Small Cap<sup>SM</sup>** – the bottom 10% of NASDAQ-listed companies\*\* by market capitalization

### Ordered by Market Cap



Source: FTSE as of March 31, 2005

To minimize turnover between the indexes, buffers between each of the market cap segments are used. For more information on buffers, please see the ground rules available on [www.ftse.com](http://www.ftse.com).

\* Includes eligible NASDAQ-listed companies included in the NASDAQ Composite Index at the review date.

\*\* Includes 98% of eligible NASDAQ-listed companies included in the NASDAQ Composite Index at the review date.

## A Powerful New Alliance

The combination of a standard setting index company and an innovative electronic stock market creates exciting new opportunities for index-linked products.

### FTSE Group

FTSE is a global leader in the creation and management of market indexes, partnering with the most prestigious financial services organizations worldwide to create a range of domestic and international indexes for investors.

FTSE indexes are used extensively for investment analysis, performance measurement, asset allocation, portfolio hedging and for creating a wide range of index tracking funds.

### NASDAQ

NASDAQ was the first – and is the largest – U.S. electronic stock market. With approximately 3,200 companies, it lists more companies and, on average, trades more shares per day than any other U.S. market.

It is home to innovative companies that are leaders across all areas of business including technology, retail, communications, financial services, transportation, media and biotechnology.

NASDAQ is the only market that lists, licenses, trades and sponsors financial products. It is the innovator of one of the world’s most successful financial indexes, the NASDAQ-100 Index®, a worldwide benchmark that tracks the performance of the largest, nonfinancial companies listed on NASDAQ.

## Index Data

### Index Coverage

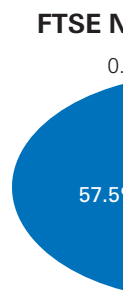
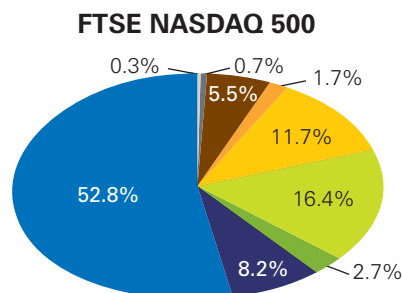
Index	Number of Constituents	Full Mkt Cap (\$ Billions)	Full Coverage of NASDAQ Composite	Investable Mkt Cap (\$ Billions)	Investable Coverage of NASDAQ Composite
FTSE NASDAQ 500	503*	2,472	82.0%	2,345	83.7%
FTSE NASDAQ Large Cap	185	2,073	68.8%	1,989	71.0%
FTSE NASDAQ Mid Cap	618	584	19.4%	519	18.5%
FTSE NASDAQ Small Cap	1,146	281	9.3%	243	8.7%

Full Market Cap is total market cap before adjustment for free float. Investable Market Cap is market cap after adjustment for free float. Data as of March 31, 2005.

\* FTSE NASDAQ 500 companies total 503 lines of stock, as some companies have more than one line of stock issued.

## FTSE NASDAQ Index Series: Industry Classification Benchmark (ICB) Analysis

- Oil & Gas
- Basic Materials
- Industrials
- Consumer Goods
- Health Care
- Consumer Services
- Telecommunications
- Utilities
- Financials
- Technology



**Top 10 Constituents**

**FTSE NASDAQ 500**

Name	Mkt Cap (\$ Millions)	% Wt.
Microsoft	272,059	10.92%
Intel	169,250	6.79%
Cisco Systems	126,344	5.07%
Dell	99,393	3.99%
Amgen	79,223	3.18%
Oracle	64,473	2.59%
Google	60,027	2.41%
Qualcomm	57,800	2.32%
Comcast A	43,687	1.75%
Yahoo!	38,453	1.54%

**FTSE NASDAQ Large Cap**

Name	Mkt Cap (\$ Millions)	% Wt.
Microsoft	272,059	12.84%
Intel	169,250	7.99%
Cisco Systems	126,344	5.96%
Dell	99,393	4.69%
Amgen	79,223	3.74%
Oracle	64,473	3.04%
Google	60,027	2.83%
Qualcomm	57,800	2.73%
Comcast A	43,687	2.06%
Yahoo!	38,453	1.81%

**FTSE NASDAQ Mid Cap**

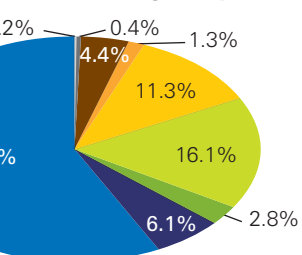
Name	Mkt Cap (\$ Millions)	% Wt.
LifePoint Hospitals	2,600	0.48%
Respironics	2,582	0.48%
ADC Telecommunications	2,490	0.46%
Cerner	2,375	0.44%
Novell	2,319	0.43%
Jetblue Airways	2,289	0.42%
Stericycle	2,280	0.42%
Accredo Health	2,192	0.41%
UTI Worldwide	2,188	0.41%
Andrew	2,136	0.40%

**FTSE NASDAQ Small Cap**

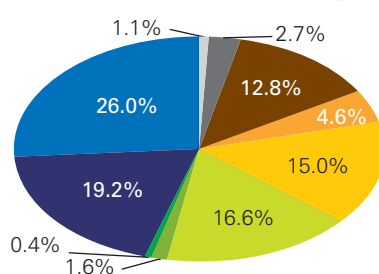
Name	Mkt Cap (\$ Millions)	% Wt.
Itron	106	0.42%
Hansen Natural	71	0.28%
Randgold Resources ADR	63	0.25%
Merge Technologies	62.8	0.25%
Genesis Microchip	62.4	0.25%
Shanda Interactive Entertainment ADS	61.8	0.24%
TALX	61.5	0.24%
Source Interlink Cos	61.2	0.24%
Plexus	61.1	0.24%
Zoran	58	0.23%

\* Data as of June 21, 2005.

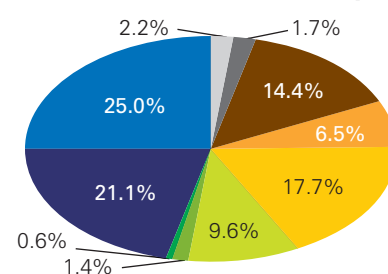
**FTSE NASDAQ Large Cap**



**FTSE NASDAQ Mid Cap**



**FTSE NASDAQ Small Cap**



## Index Series Overview

Index Series Universe**	<b>NASDAQ Composite, FTSE NASDAQ Review Universe*</b>
Index Series Review	<b>Annual, Last Business Day of November</b>
Implementation of Changes	<b>Third Friday of December at the Close of Business</b>
Index Series Type	<b>Market Cap Basis, Free Float Adjusted and Liquidity Screened</b>
Index Series Governance	<b>FTSE NASDAQ Index Series Advisory Group</b>
Calculation Frequency	<b>Real Time</b>
Index Series Currency	<b>U.S. Dollars</b>
Launch Date	<b>July 7, 2005</b>
Base Date	<b>April 1, 2005</b>
Base Value	<b>5,000</b>

## Data Products

The following products are available:

- End of day index values on [www.ftse.com](http://www.ftse.com)
- Real time index values through data vendors
- End of day data packages for trackers with detailed constituent lists

## Contact Details

For more detailed information about the index methodology, supporting data products or licensing information, please visit [www.ftse.com/nasdaq](http://www.ftse.com/nasdaq) or contact your local FTSE sales representative:

U.S. +1.877.747.FTSE (domestic) | London +44 20.7448.1810 | Hong Kong +852.2230.5800 | Japan +813.3581.2796



\* Includes eligible NASDAQ-listed companies included in the NASDAQ Composite Index, at the review date.

\*\* Includes 98% of eligible NASDAQ-listed companies included in the NASDAQ Composite Index at the review date.

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