



FTSE Global Equity Index Series

THE FTSE GLOBAL EQUITY INDEX SERIES

With an unparalleled record of flexibility, transparency, consistent accuracy and the ability to meet any mandate, FTSE indices are already a benchmark for global investors.

The FTSE Global Equity Index Series offers unparalleled access to more than 7,000 stocks and 60,000 indices in 48 countries across the globe. In real terms, that's 98% of the world's total investable market capitalisation. The series also includes the FTSE All-World Indices (Large/Mid Cap) and the FTSE Global Small Cap Indices.

By combining this broad range of indices, investors can access what is possibly the most comprehensive, performance-driven investment tool ever.

KEY FEATURES

The FTSE Global Equity Index Series covers every equity market and security sector relevant to international investors' needs.

Market Coverage

To ensure the indices meet the needs of international investors, the FTSE Global Equity Index Series only selects stocks with a market capitalisation in excess of US\$100million and those that exhibit sufficient liquidity.

Relevance

Thanks to our investment in extensive, flexible databases, indices can be tailored precisely to global, regional, sector and themed perspectives that are as varied as clients' demands.

Flexibility

Whilst the combined indices offer the investor more options than ever before, we also ensure timely application of corporate actions, investability of stocks and accurate size designations.

Accuracy

The FTSE Global Equity Index Series was designed following extensive consultation with market professionals including our independent index committees, who govern the indices to ensure they continue to meet market needs. The committees are also responsible for making any changes to the Ground Rules, to ensure they evolve with any changes in the market and decide on the treatment of complex corporate actions.

Independent Committees



INDEX CONSTRUCTION

The Methodology

Stocks are selected and weighted by market capitalisation from 48 countries and subjected to four criteria, ensuring that each stock is eligible to meet investors' needs.

Coverage

Includes the top 98% of each geographical region.

Market Cap

Companies with a full market capitalisation of less than US\$100 million are excluded, as they are considered too small by most international investors.

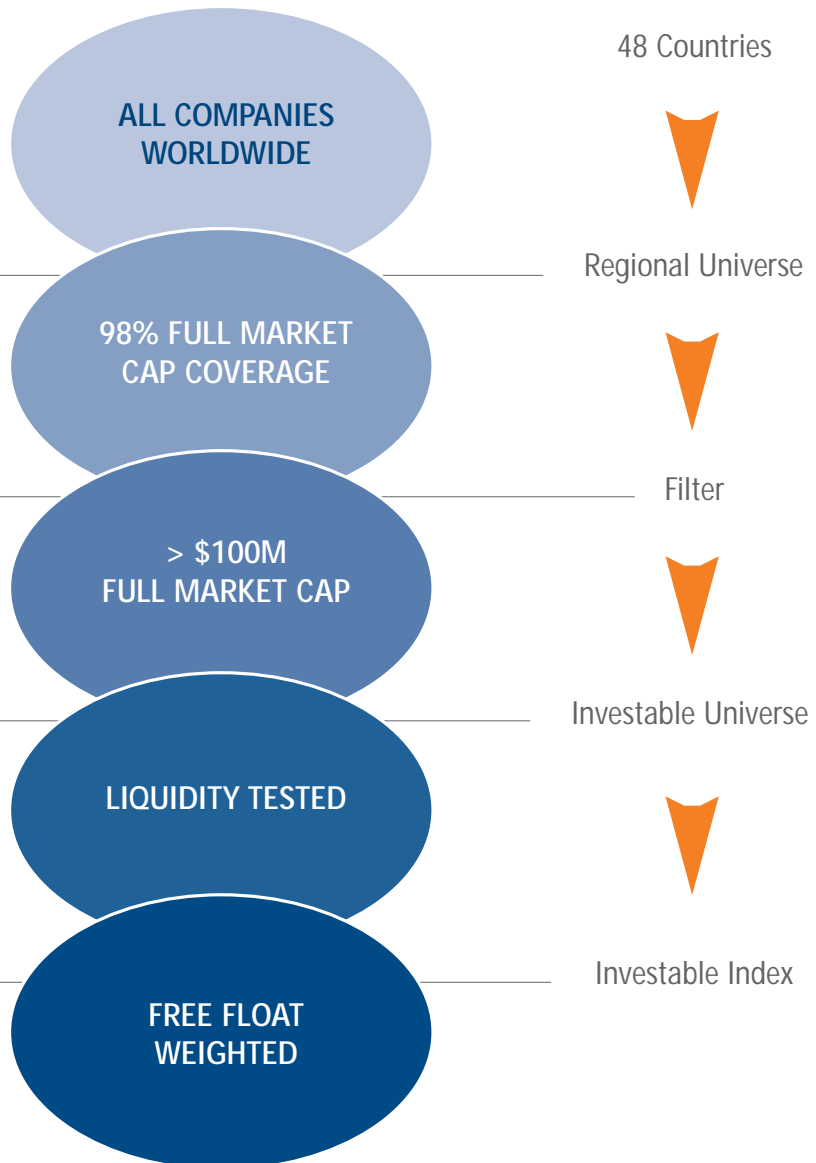
Liquidity

Companies must trade at least 0.5% of their available shares in issue, in ten out of twelve months prior to review. This ensures every stock is liquid, keeps trading impact lower and reduces turnover.

Free Float

Ensures weights within an index reflect the capitalisation available to invest. Bands are narrower at the lower end of the scale for greater sensitivity, and broader at the top.

The weightings of companies therefore remain stable unless a significant corporate event occurs. The system is proven to accurately reflect the investability of a company, without subjecting investors to unnecessary re-balancing and transaction costs.



The Countries

As well as offering the global coverage demanded by investors, indices are reviewed regionally by an independent committee of market professionals. The Large, Mid and Small Cap allocations are made at a regional level, to minimise turnover and reflect international mandates.

With impartial, specialised management, we assure that the indices are objectively governed and accurately reflect market conditions.

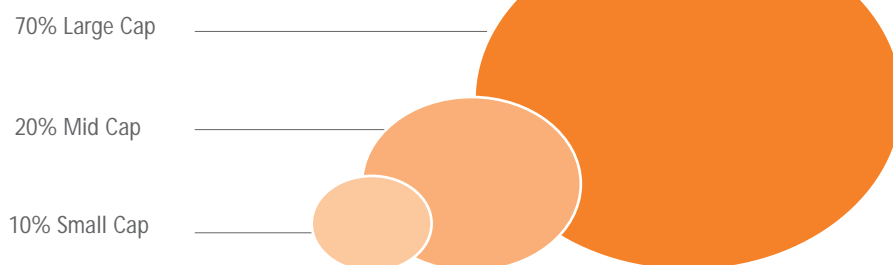
Asia Pacific ex Japan	Latin America	Emerging Europe	Middle East & Africa	Developed Europe	Japan	North America
Australia China Hong Kong India Indonesia Malaysia New Zealand Pakistan Philippines Singapore South Korea Taiwan Thailand	Argentina Brazil Chile Colombia Mexico Peru	Czech Republic Hungary Poland Russia Turkey	Egypt Israel Morocco South Africa	Austria Belgium Denmark Finland France Germany Greece Ireland Italy Luxembourg Netherlands Norway Portugal Spain Sweden Switzerland UK	Japan	Canada USA
Regional Review – March	Regional Review – June	Regional Review – June	Regional Review – June	Regional Review – September	Regional Review – September	Regional Review – December

Size Allocation

Each of the seven regions is cut according to their market capitalisation: 70% to Large Cap, 20% to Mid Cap and 10% to Small Cap. In this way the indices are segmented according to Market Cap, eliminating double counting and duplication of stocks between indices.

FTSE Global Equity Index Series

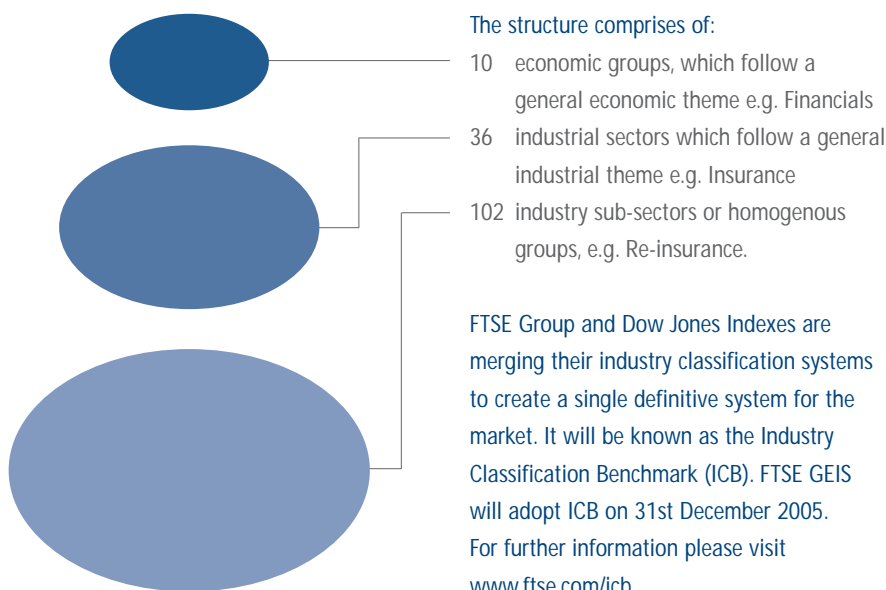
Based on 7 regions



FTSE Global Classification System

Each company within the FTSE Global Equity Index Series is classified against the FTSE Global Classification System. The system allocates companies to sub-sectors whose definition most closely describes the nature of its business. The nature of a company's business is determined by studying the proportion of overall profit arising from each of its business areas.

The three tiered structure allows you to choose your level of sector analysis from top-level economic groups or drill down to over 100 industry sub-sectors.



GLOBAL STRATEGY INDICES

The table below shows a cross-section of our products:

FTSE GLOBAL STYLE INDEX SERIES

The next generation in international value and growth indices is the FTSE Global Style Index Series. The design uses nine measures in a multifactor approach to clearly identify a company's value and growth and value characteristics. The series is the best benchmark for passive and active style managers and asset owners, for assisting in asset allocation, performance measurement and benchmarking.

FTSE4GOOD INDEX SERIES

FTSE4Good benchmark and tradable indices have been designed to measure the performance of companies that meet globally recognised corporate responsibility standards, and to facilitate investment in those companies. Transparent management and criteria alongside the FTSE brand make FTSE4Good the index of choice for the creation of Socially Responsible Investment products. FTSE Group contributes income including license fees for FTSE4Good to UNICEF.

FTSE GLOBAL SECTOR INDEX SERIES

Thirteen key global sector indices ranging from Global Autos to Global Technology make up the FTSE Global Sector Index Series. These highly tradable indices support a wide range of OTC products. They are useful tools for sector-based investment and are employed by fund managers worldwide as a wide-ranging portfolio analysis tool.

FTSE MULTINATIONALS INDEX SERIES

The series was developed in conjunction with Hewitt Associates and Barclays Global Investors following an extensive research and consultation process to define a multinational company. From this approach three key indices are formed. The FTSE Multinationals Index comprises companies who derive more than 30% of their revenue outside their region. The FTSE Global 100 Index is formed of the top 100 from the FTSE Multinationals Index. The remaining stocks (companies which have 70% or more of their revenue in their domestic region), are classified as local companies and form truly local indices.

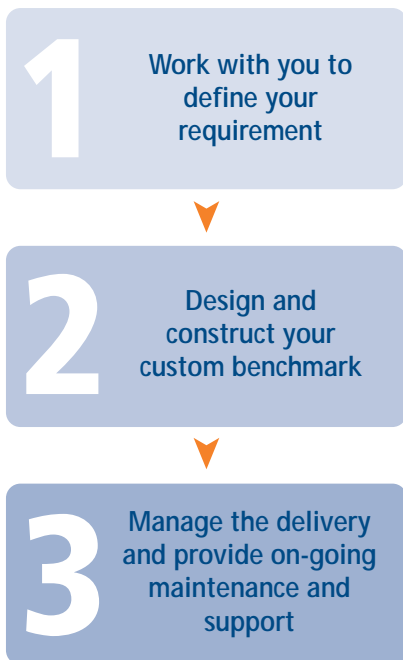
FTSE GLOBAL ISLAMIC INDEX SERIES

The series consists of equity benchmark indices designed to track the performance of leading publicly traded companies whose activities are consistent with Islamic Sharia law. Designed for those who wish to invest according to Islamic investment guidelines.

FTSE CUSTOM SOLUTIONS

FTSE Custom Solutions creates customised benchmark solutions utilising a database of over 40,000 companies across 48 countries. Sample customised indices include “ex countries”, “ex sectors”, currency hedging, specific tax returns and specific stock inclusion/ exclusions.

FTSE Custom Solutions team will:



And the benefits for the client are:

Saving time and money – by outsourcing to an independent global index design and calculation specialist.

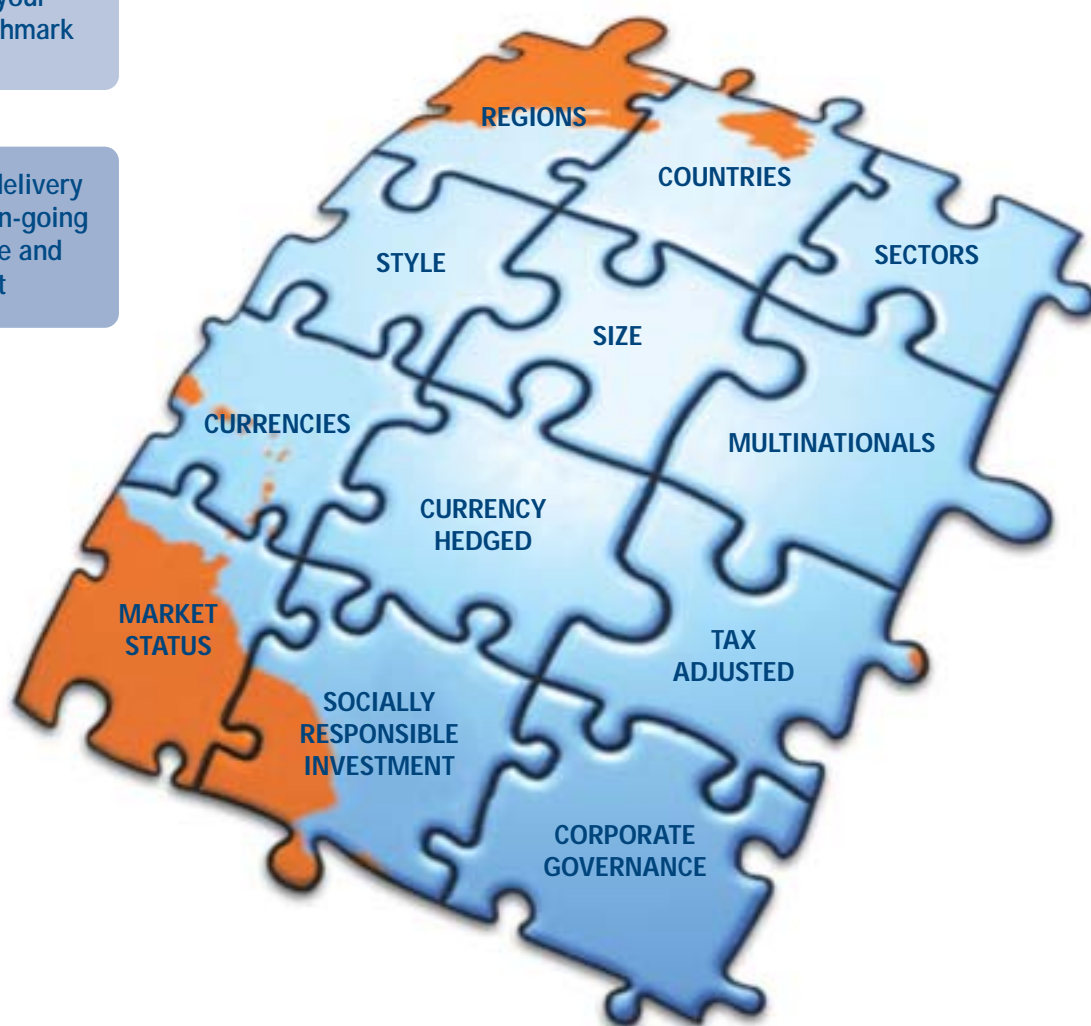
Technically superior indices – FTSE’s index design specialists apply their knowledge to your customised solution.

Flexibility – specify your universe from FTSE’s database of over 40,000 stocks over 48 countries.

The best fit solutions – the benchmark solution to meet your exact mandate requirement.

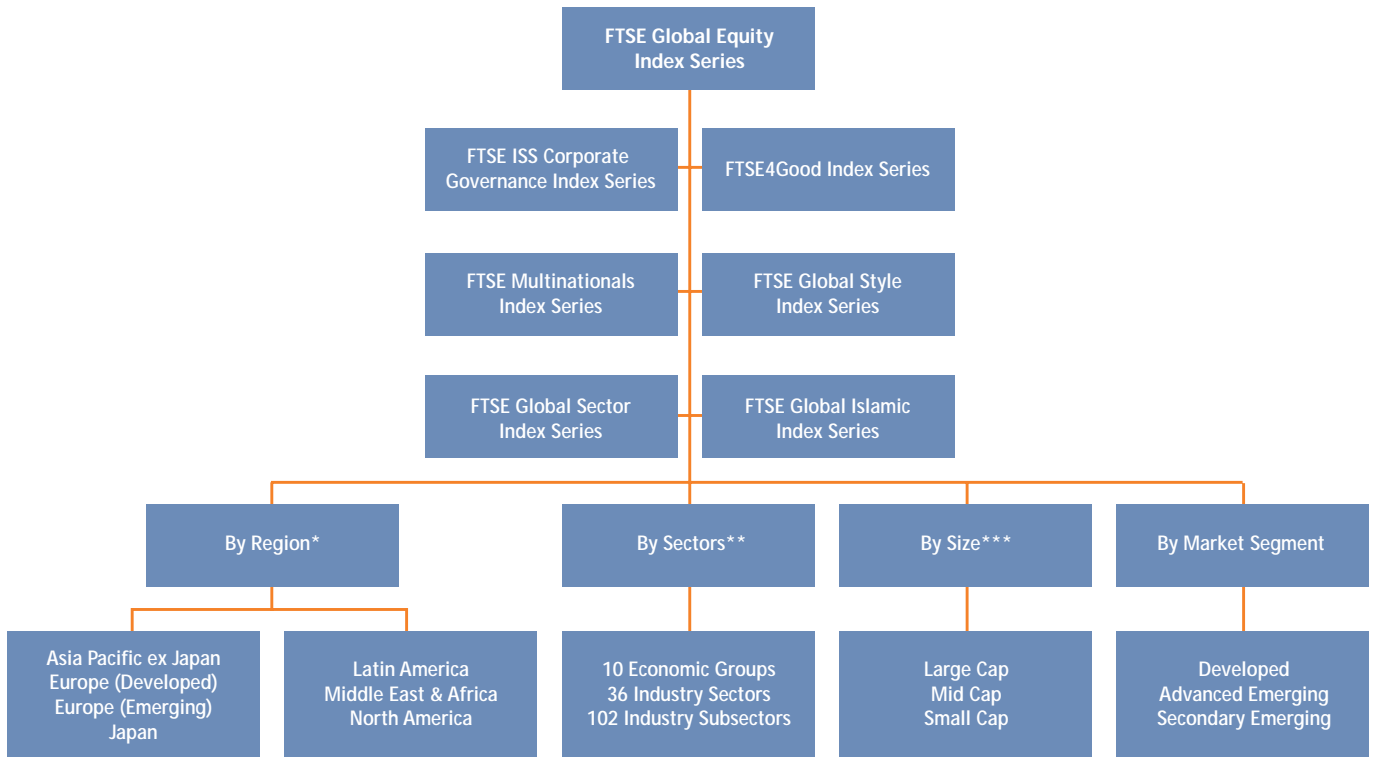
FTSE has many examples of where it has helped clients to develop solutions to suit their needs, some of which include:

- Developing a custom benchmark based on the FTSE All-World Index for the California Public Employees Retirement System (CalPERS).
- Providing a custom benchmark for the Hong Kong Mandatory Provident Funds (MPF), a privately managed framework, established in 1995 by the Government of the Hong Kong Social Administrative Region for Hong Kong’s entire workforce.



THE FAMILY TREE

FTSE calculates around 60,000 indices daily. This enables us to dissect the index series by region, sector, size or market segment



* These regions can be further divided by individual countries

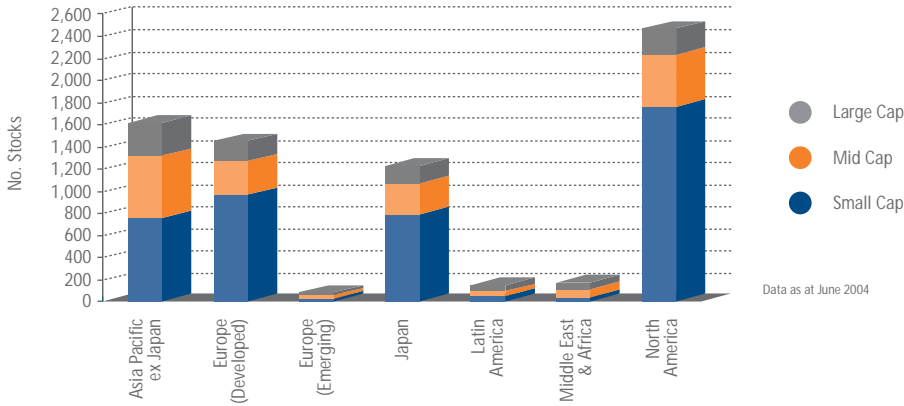
** Will be migrated to the Industry Classification Benchmark (ICB) by 31st December 2005

*** Includes the FTSE All-World index, an aggregate of the Large Cap and Mid Cap Indices

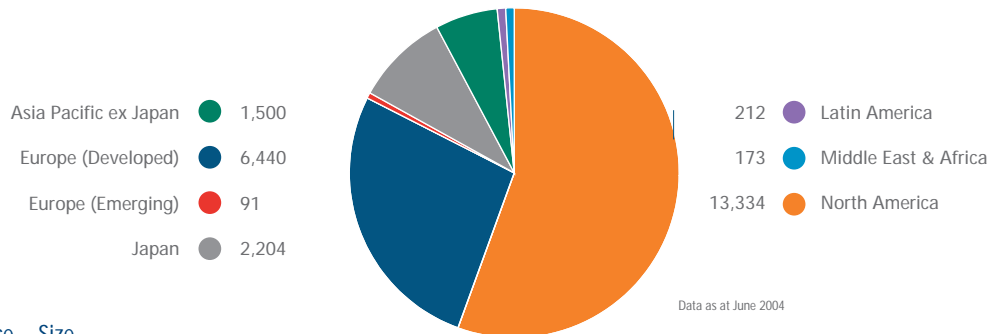


PERFORMANCE

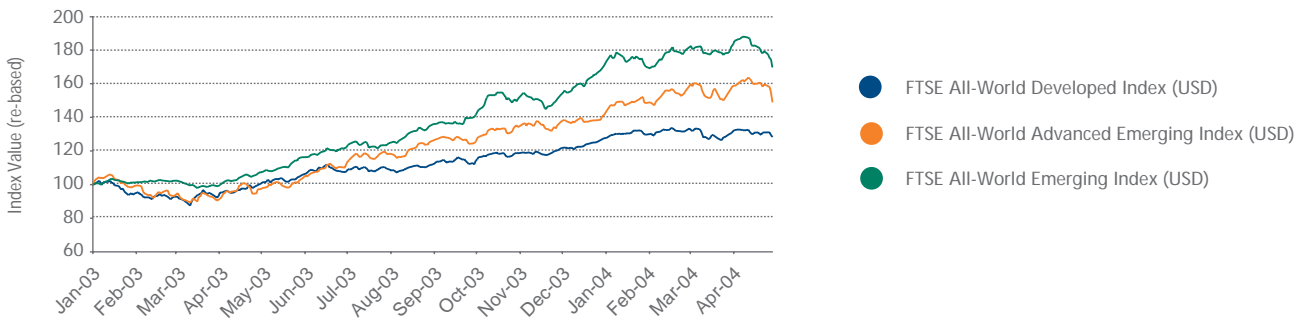
FTSE Global Equity Indices Region by Region - No. Of Stocks



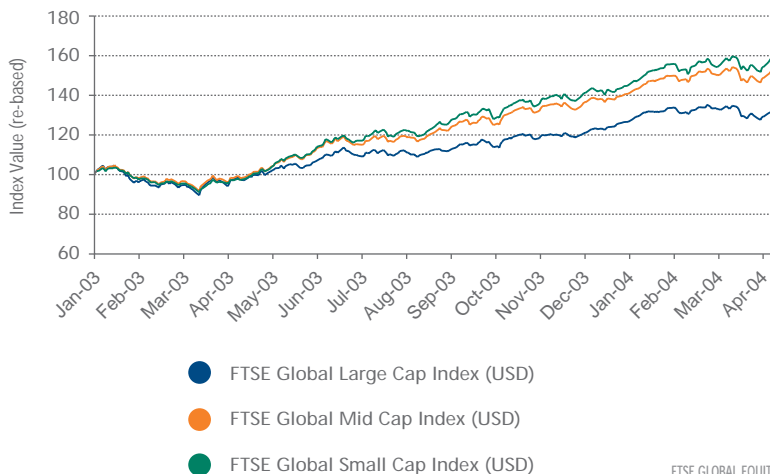
FTSE Global Equity Indices Region by Region - Market Cap (\$bn)



FTSE Global Equity Indices Performance – Size



FTSE Global Equity Indices Performance – Market Segments



FTSE PRODUCT PACKAGES

FTSE product packages provide detailed constituent and index level data for over 60,000 indices. The data products offer a choice of service options to meet all requirements.

Option One

Structured on a file-by-file basis, you can select from the following:

- Index Valuation Service
- Constituent Service
- Tracker Service

Option Two

The service combines all three Option One service files with additional data items. The deeper data set enables users to carry out detailed analysis for stock attribution or performance measurement. Highlights include:

- Adjusted price
- Pre-calculated stock price returns (adjusted for splits) for one day, one month and year-to-date
- Actual dividends
- Pre-calculated stock total returns (i.e. with dividends reinvested) for one day, one month and year-to-date

Both services are distributed directly from FTSE via FTP or from one of FTSE's third party distributors.

File Descriptions

Index Valuation Service

The Index Valuation Service provides index level data for the following packages:

FTSE Global All Cap (Large/Mid/Small Cap)

FTSE All-World (Large/Mid Cap)

FTSE Global Small Cap

FTSE Global Style

FTSE Multinationals

FTSE Global Islamic

Index level data is provided in USD, Sterling, Euro, Yen and local currency.

Constituent Service

The Constituent Service provides index constituent data on a daily basis.

Option One is available for the FTSE Global All Cap Index (Large/Mid/Small Cap) the FTSE All-World Index (Large/Mid Cap) packages, and the FTSE Global Small Cap Index.

Option Two offers an expanded set of data including dividends, risk data and calculated returns.

Tracker Service

FTSE Tracker Service highlights corporate actions, dividend activity and other changes to the index and company constituents on a daily basis, and provides key items (for both Intermediate and Advanced Service).



ABOUT FTSE GROUP

FTSE Group is the index provider of choice for the world's leading investors.

From the world-famous FTSE 100 Index to a suite of global, regional, sector and themed indices, FTSE's services have established themselves as a global benchmark in their own right. Our equity classification services, hedge fund and global fixed income indices are also backed by our global client services team.

FTSE Group's current partnerships with a range of organisations from NASDAQ in the USA to Xinhua Financial News in China has enabled us to bring international index expertise to domestic investors around the world.

The very fact that FTSE Group now serves clients in 77 countries is proof of our versatility; and with offices in Boston, Frankfurt, Hong Kong, London, Madrid, New York, Paris, San Francisco, Tokyo and Beijing, FTSE's global reputation is set to continue.

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