STANDARD & POOR'S

# S&P Asia 50

**EXCHANGE-TRADED PRODUCTS:**

**EXCHANGE-TRADED FUNDS (ETFs)**
iShares S&P Asia 50 Index

Standard & Poor's does not sponsor, endorse, sell or promote any S&P index-based investment product.

## About the Index

The S&P Asia 50 is an equity index drawn from four major Asian markets – Hong Kong, Korea, Singapore, and Taiwan. It is designed for investors seeking broad market exposure through an index that is efficient to replicate.

The index constituents are leading, large, liquid, blue chip companies from the Asian markets. Both the weight of each country and that of the sectors reflect the weight of those respective attributes in the universe of stocks from the four countries. The underlying prices for the S&P Asia 50 are collected in local currencies and index levels are released in U.S. dollars and calculated on a real-time basis.

Like the S&P 500 and five other regional indices, the S&P Asia 50 is the Asian component of the S&P Global 1200.

### Index Methodology

The S&P Index Committee follows a set of published guidelines for maintaining the index. Complete details of these guidelines, including the criteria for index additions and removals, policy statements, and research papers are available on the Web site at www.indices.standardandpoors.com. These guidelines provide the transparency required and fairness needed to enable investors to replicate the index and achieve the same performance as the S&P Asia 50.

### CRITERIA FOR INDEX ADDITIONS

- *Market Capitalization.* Companies with market capitalization that falls in the top 95% of each local Asian exchange.
- *Public Float.* An "Investable Weight Factor" (IWF) is applied to each company's share outstanding. Each company's IWF is adjusted for holdings by governments, corporations, strategic partners and other private individuals. Additionally, statutory limits on foreign ownership are recognized and applied when necessary.
- *Liquidity.* Index constituents are ranked according to liquidity, measured by dollar value traded. Generally, a minimum float turnover of 0.30 is necessary for inclusion.
- *Domicile.* A stock's domicile is determined based on a number of criteria that include headquarters of the company, registration, listing of stock, place of operations, and residence of the senior officers.
- *Eligible Securities.* All common and preferred shares (which are of an equity and not of a fixed income nature) are eligible. Convertible stock, bonds, warrants, rights, and preferred stock that provide a guaranteed fixed return are not eligible.
- *Sector Classification.* Stocks are classified by the Global Industry Classification Standard (GICS®). Standard & Poor's global indices provide geographic and economic balance across the 10 GICS Sectors.

Continued index membership is not necessarily subject to these guidelines. The Index Committee strives to minimize unnecessary turnover in index membership and each removal is determined on a case-by-case basis.

### CRITERIA FOR INDEX REMOVALS

- Companies that substantially violate one or more of the criteria for index inclusion.
- Companies involved in merger, acquisition, or significant restructuring such that they no longer meet the inclusion criteria.


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| | |
|---|---|
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For more information, including current data and index performance, visit our Web site:
**www.indices.standardandpoors.com**

Leading Measures for Global Markets

# S&P Asia 50

## S&P Global Indices

| S&P Global 1200 | | |
|---|---|---|
| S&P 500 (U.S.) | S&P Europe 350 | S&P/TOPIX 150 (Japan) |
| S&P/TSX 60 (Canada) | S&P Latin America 40 | S&P Asia 50 |
| S&P/ASX All Australian 50 | | |

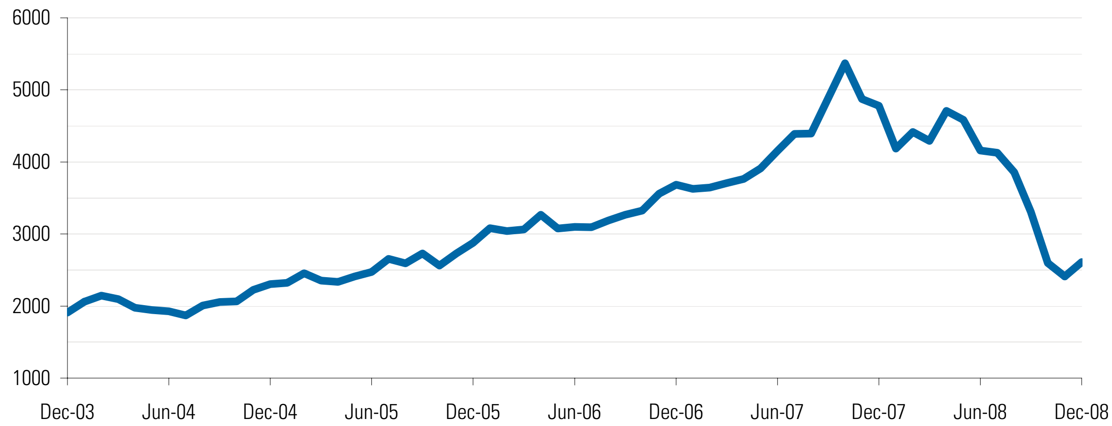
**December 31, 2008**

Measures blue chip companies of four major markets in Asia, including Hong Kong, Korea, Taiwan, and Singapore.

## Index Performance

| | | |
|---|---|---|
| Returns | 1 Month | 8.38% |
| | 3 Month | -20.97% |
| | YTD | -45.34% |
| Annualized | 1 Year | -45.34% |
| Returns | 3 Years | -3.18% |
| | 5 Years | 6.46% |
| | 7 Years | 8.08% |
| Annualized | 3 Years Std Dev | 25.00% |
| Risk | 5 Years Std Dev | 21.71% |
| Sharpe Ratio | 3 Years | -0.1470 |
| | 5 Years | 0.2606 |

## 5 Year Historical Performance




## Top 10 Companies By Weight

| Country | Company | Float Adjusted Market Cap ($ Million) | Index Weight | Sector Weight | Investable Weight Factor | GICS® Sector |
|---|---|---|---|---|---|---|
| Hong Kong | China Mobile Ltd. | 51,703.0 | 9.27% | 64.16% | 0.26 | Telecommunication Services |
| Korea | Samsung Electronics Company Limited | 44,109.6 | 7.91% | 36.51% | 0.83 | Information Technology |
| Taiwan | Taiwan Semiconductor Manufacturing Company Limited | 35,047.2 | 6.29% | 29.01% | 1.00 | Information Technology |
| Hong Kong | Industrial and Commercial Bank of China Ltd. - H Shares | 24,237.2 | 4.35% | 13.70% | 0.55 | Financials |
| Hong Kong | China Life Insurance Co. Ltd. - H | 22,611.9 | 4.06% | 12.78% | 1.00 | Financials |
| Korea | POSCO | 21,570.6 | 3.87% | 45.88% | 0.82 | Materials |
| Hong Kong | PetroChina Co. Ltd. - H Shares | 18,485.6 | 3.32% | 49.73% | 1.00 | Energy |
| Hong Kong | China Construction Bank Corporation - H Shares | 18,371.8 | 3.29% | 10.39% | 0.15 | Financials |
| Hong Kong | CNOOC Ltd. | 14,847.6 | 2.66% | 39.94% | 0.36 | Energy |
| Hong Kong | Cheung Kong (Holdings) Ltd. | 13,792.5 | 2.47% | 7.80% | 0.63 | Financials |

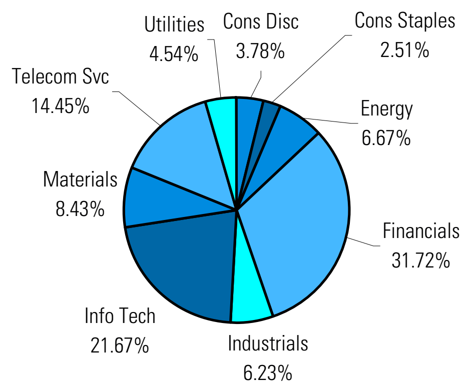
## Country Coverage

| | Country Weight | No. of Co.'s |
|---|---|---|
| Hong Kong | 45.07% | 18 |
| Korea | 23.54% | 12 |
| Singapore | 10.12% | 7 |
| Taiwan | 21.28% | 13 |

## Tickers

| | |
|---|---|
| S&P Asia 50 | |
| BLOOMBERG℠ | SPAS50 |
| Reuters | .SPASIA |
| S&P Asia 50 Net Return | |
| BLOOMBERG℠ | SPAS50NT |

## Sector Breakdown




## Index Portfolio Characteristics

| | | |
|---|---|---|
| Number of Companies | | 50 |
| Number of Countries | | 4 |
| Adjusted Market Cap ($ Billion) | | 557.61 |
| Company Size By Market Cap (Adjusted $ Billion): | | |
| | Average | 11.15 |
| | Largest | 51.70 |
| | Smallest | 3.15 |
| | Median | 7.37 |
| % Weight Largest Company | | 9.27% |
| Top 10 Holdings (% Market Cap Share) | | 47.48% |