
Hong Kong Treasury chooses FTSE MPF Hong Kong Index to include "H" shares in fund benchmark

21 February 2007, Hong Kong – FTSE Group ("FTSE"), the global index provider, today announced that the Subsidized Schools Provident Fund (SSPF) and Grant Schools Provident Fund (GSPF) have transitioned the benchmark used for their Hong Kong equity portfolio from the FTSE Hong Kong Index to the FTSE MPF Hong Kong Index. The FTSE MPF Hong Kong Index includes "H" shares, reflecting the effect of including this share class in indexes for a more comprehensive representation of the Hong Kong equity market.

The Hong Kong Treasury manages the SSPF and GPSF, with combined assets under management of approximately HKD65 billion (as at 30 November 2007) with the migration of benchmarks being completed by the end of October 2007.

Mr Paul Hoff, Managing Director of FTSE Asia Pacific, commented on the change of benchmark, "FTSE is pleased to continue to work with Hong Kong asset owners such as the Treasury to provide representative benchmarks for domestic provident funds. In this case, the change to the FTSE MPF Hong Kong Index demonstrates that the inclusion of "H" shares provides a more representative benchmark for Hong Kong equity investments."

FTSE has calculated the FTSE MPF Hong Kong Index Series since 2001, when it was selected by Watson Wyatt and the Hong Kong Investment Funds Association (HKIFA) to create a range of country and regional benchmarks hedged into HKD for the local investment community. More information on the series is available at www.ftse.com/mpf.

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About FTSE Group

FTSE Group is a world-leader in the creation and management of indexes. With offices in Beijing, London, Frankfurt, Hong Kong, Madrid, Paris, New York, San Francisco, Boston, Shanghai, Sydney and Tokyo, FTSE Group services clients in 77 countries worldwide. It calculates and manages the FTSE Global Equity Index Series, which includes world-recognized indexes ranging from the FTSE All-World Index, the FTSE4Good series and the FTSEurofirst Index series, as well as domestic indexes such as the prestigious FTSE 100. The company has collaborative arrangements with the Athens, AMEX, Cyprus, Euronext, Johannesburg, London, Madrid, NASDAQ, Thailand and Taiwan exchanges, as well as Nomura Securities and Xinhua Finance of China. FTSE also has a collaborative agreement with Dow Jones Indexes to develop a single sector classification system for global investors.

FTSE indexes are used extensively by investors world-wide for investment analysis, performance measurement, asset allocation, portfolio hedging and for creating a wide range of index tracking funds. Independent committees of senior fund managers, derivatives experts, actuaries and other experienced practitioners review all changes to the indexes to ensure that they are made objectively and without bias. Real-time FTSE indexes are calculated on systems managed by Reuters. Prices and FX rates used are supplied by Reuters.