



New FTSE AIM Index Series

Investability and liquidity

Since the launch of the market in 1995, AIM™ has developed rapidly both in terms of the number and diversity of companies admitted to the market. The emergence of AIM as the most successful growth market of its type in the world and the involvement of a range of both institutional and retail investors has provided an opportunity to enhance the benchmark index and launch two new tradable indices. The new indices will provide a more accurate measure of market performance and better reflect the characteristics of AIM today.

Following consultation with market participants, London Stock Exchange plc has commissioned FTSE Group to develop a brand new family of indices for AIM. These new indices will improve the liquidity of the market by creating increased transparency and profile and by extending the range of investment opportunities available to AIM investors.

New indices

On 16 May 2005 we will launch two new large cap indices and revise the existing FTSE AIM Index. The new index series will comprise the following real-time indices:

- FTSE AIM UK 50 Index
- FTSE AIM 100 Index
- FTSE AIM All-Share Index (the revised and renamed FTSE AIM Index)

The two new tradable indices will provide specific tools for measuring performance of the largest companies on AIM and provide a basis for the creation of tradable products.

The revised FTSE AIM All-Share Index, with its new eligibility criteria, will provide a highly accurate measure of the performance of the whole investable market.

Greater liquidity

The new investable indices will attract additional investment in AIM and improve liquidity as a result. As the indices become established we expect new products such as Exchange Traded Funds to be launched, providing investors with a new way of gaining exposure to the market. This will attract new investors and improve liquidity in the underlying AIM companies.

Improved investability

With the introduction of eligibility criteria to the indices, investors will have an accurate benchmark for AIM based on the securities that can be effectively traded.

The structure of the new AIM indices

FTSE AIM UK 50 Index

The largest 50 UK companies*

FTSE AIM 100 Index

The largest 100 companies*

FTSE AIM All-Share Index

All AIM quoted companies that meet FTSE's eligibility criteria. This replaces the existing FTSE AIM Index.

* The companies are ranked before the application of free float weighting.
Existing history will be retained for the revised FTSE AIM All-Share Index.

Main criteria can be summarised as follows

	FTSE AIM UK 50 Index	FTSE AIM 100 Index	FTSE AIM All-Share Index
Definition	The largest 50 eligible UK companies by full market capitalisation*	The largest 100 eligible companies by full market capitalisation*	All AIM quoted companies that meet the eligibility criteria
Class of share	All classes of ordinary shares quoted on AIM		
Nationality	UK domiciled only	UK and international	UK and international
Free float	Minimum of 15%		
Liquidity requirements	See key ground rules overpage		
Review	1. Annual review of free float & liquidity 2. Quarterly constituent review		
Review period	March, June, September & December		
Update frequency	Real-time, every 60 seconds		
Hours of calculation	08:00 to 16:30 (GMT or BST)		
Currency of calculation	Sterling		

Key ground rules for inclusion in the new AIM indices

Eligibility criteria

To be eligible for the new AIM indices all stocks must pass FTSE's eligibility criteria relating to liquidity and free float.

Liquidity

The new liquidity screen ensures that every index stock is liquid, readily tradable and more attractive to investors.

Companies must trade at least 0.25% of their available shares in issue, in ten out of twelve months prior to review, to be eligible for inclusion in the indices. An existing constituent failing to trade at least 0.25% of its shares in issue for more than four of the twelve months prior to review will be removed on the next trading day following the third Friday in December. Any period when a share is suspended will be excluded from the above calculation.

New issues will become eligible for inclusion at the next quarterly review of constituents providing they have, since the commencement of official non-conditional trading:

- A minimum trading record of at least 20 trading days prior to the date of the review; and
- A minimum turnover of 0.25% of their shares in issue, after the application of any free float restrictions, per month in each month.

Free float

FTSE's free float methodology ensures that constituent weights within the indices reflect the proportion of their capitalisation that is actually available to investors, by excluding the holdings of directors and other strategic shareholders. This approach ensures that only that proportion of the company's securities that can be easily traded is included in the indices and thereby increases the ease of trading the index constituents. Each company is assigned to a band according to its free float. Bands are narrower at the lower end of the scale for greater sensitivity, and broader at the top.

- Free float <= 15% = Ineligible
- Free float > 15% but <= 20% = 20%
- Free float > 20% but <= 30% = 30%
- Free float > 30% but <= 40% = 40%
- Free float > 40% but <= 50% = 50%
- Free float > 50% but <= 75% = 75%
- Free float > 75% = 100%

Top 10 constituents for FTSE AIM UK 50 Index

Company	Country code	Gross Mkt Cap (£m)*
1 Sportingbet	UK	871.0
2 NETeller	UK	733.2
3 Monsoon	UK	526.0
4 Regal Petroleum	UK	517.9
5 Peter Hambro Mining	UK	468.0
6 Sibir Energy	UK	365.7
7 IP2IPO Group	UK	302.3
8 Highland Gold Mining Ltd	UK	302.0
9 Asia Energy	UK	289.9
10 Islamic Bank of Britain	UK	280.7

* as at 31/03/05

Top 10 constituents for FTSE AIM 100 Index

Company	Country code	Gross Mkt Cap (£m)*
1 First Calgary Petroleums Ltd	Canada	1589.1
2 Sportingbet	UK	871.0
3 NETeller	UK	733.2
4 Monsoon	UK	526.0
5 Regal Petroleum	UK	517.9
6 Hardman Resources	Australia	480.4
7 Peter Hambro Mining	UK	468.0
8 Sibir Energy	UK	365.7
9 IP2IPO Group	UK	302.3
10 Highland Gold Mining Ltd	UK	302.0

For further information regarding eligibility for the indices please contact:

FTSE Group Client Services by email at info@ftse.com or by telephone on +44(0)20 7448 1810

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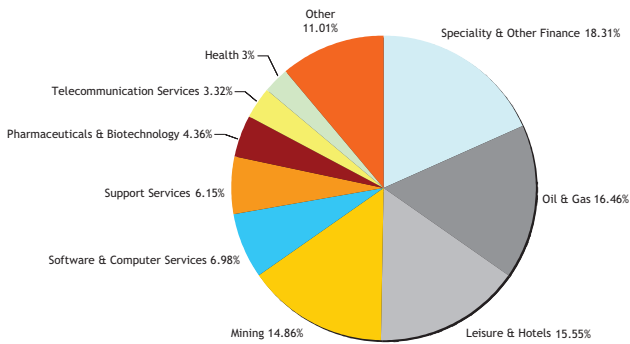


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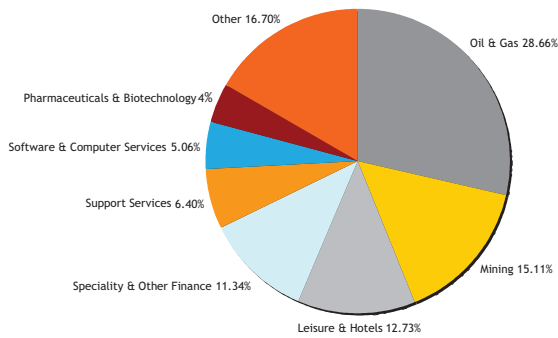
Sector breakdown

FTSE AIM UK 50 Index



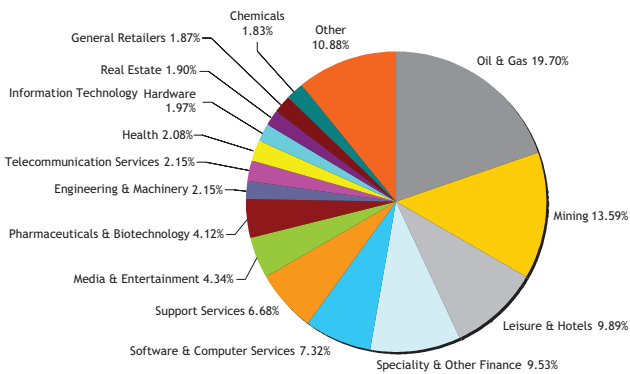
Other			
Real Estate	2.39%	Media & Entertainment	0.89%
Food & Drug Retailers	1.84%	Engineering & Machinery	0.79%
General Retailers	1.79%	Information Technology Hardware	0.79%
Construction & Building Materials	1.20%	Food Producers & Processors	0.42%
Diversified Industrials	0.90%		

FTSE AIM 100 Index



Other			
Media & Entertainment	2.44%	Chemicals	1.04%
Telecommunication Services	1.94%	Engineering & Machinery	1.04%
Health	1.76%	Food Producers & Processors	0.91%
Real Estate	1.55%	Construction & Building Materials	0.70%
General Retailers	1.49%	Diversified Industrials	0.53%
Information Technology Hardware	1.45%	Electronic & Electrical Equipment	0.50%
Food & Drug Retailers	1.08%	Personal Care & Household Products	0.27%

FTSE AIM All-Share Index

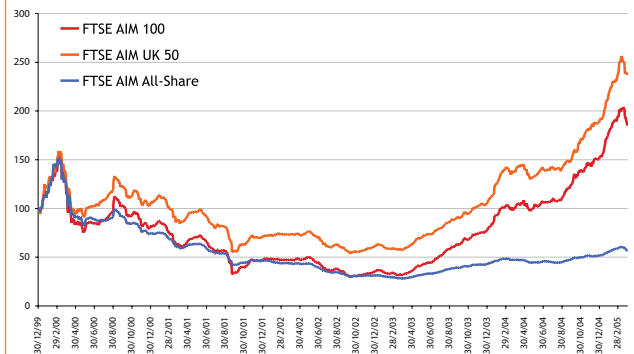


Other			
Construction & Building Materials	1.61%	Aerospace & Defence	0.49%
Electronic & Electrical Equipment	1.59%	Transport	0.49%
Food Producers & Processors	1.33%	Beverages	0.31%
Investment Companies	1.16%	Insurance	0.21%
Household Goods & Textiles	1.08%	Personal Care & Household Products	0.18%
Diversified Industrials	0.80%	Forestry & Paper	0.08%
Automobiles & Parts	0.79%	Steel & Other Metals	0.04%
Food & Drug Retailers	0.72%		

Data as at 31/3/05

Historical performance

AIM index series (rebased 30/12/1999)



Historical performance

Index comparison (rebased 30/12/1999)

