

1. INTRODUCTION

The MSCI Australia Select High Dividend Yield (HDY) Index is a custom market capitalization weighted index based on the MSCI Australia Investable Market Index (IMI).

The MSCI Australia IMI Index is constructed and maintained according to the MSCI Global Investable Market Indices methodology. For more information on the MSCI Global Investable Market Indices (“GIMI”), please visit our website at <http://www.msci.com/products/indices/GIMImethodology.html>.

2. CONSTRUCTING THE MSCI AUSTRALIA SELECT HIGH DIVIDEND YIELD INDEX

The MSCI Australia Select HDY Index is constructed from a domestic version of the MSCI Australia IMI Index (the Parent Index).

The domestic version of the MSCI Australia IMI Index is derived from the MSCI Australia IMI Index by weighting the index constituents according to the free float adjusted market capitalizations available to domestic investors. The MSCI Australia Select HDY Index is then constructed in accordance with the MSCI HDY Index Methodology, except for the following changes:

- Only securities with a dividend yield greater than or equal to the dividend yield of the Parent Index are included.
- Current constituents of the MSCI Australia Select HDY Index are maintained as long as their dividend yield is greater than 0.8x times of the dividend yield of the Parent Index.
- The dividend persistence screening is modified to exclude securities with a 5Y DPS growth rate below -5% instead of below 0%. This rule applies only for the May and November 2010 Semi-Annual Index Reviews.

For more information, please refer to the MSCI High Dividend Yield Index methodology at http://www.msci.com/products/indices/thematic_and_strategy/hdy/methodology.html.

The resulting constituents are weighted according to their free float adjusted market capitalizations applicable to domestic investors. In addition, the weights of the largest index constituents are capped as per the MSCI 10/40 Index methodology. For a description of the MSCI 10/40 Index methodology, please refer to http://www.msci.com/products/indices/thematic_and_strategy/ten_forty/methodology.html

Finally, after applying the MSCI 10/40 Index methodology, securities with a weight below 0.25% are not included in the MSCI Australia Select HDY Index .

3. MAINTAINING THE MSCI AUSTRALIA SELECT HIGH DIVIDEND YIELD INDEX

3.1. Semi-Annual Index Reviews

Coinciding with the semi-annual index reviews of the MSCI Global Investable Market Indices, the MSCI Australia Select HDY Index is generally rebalanced on the last business day of May and November as described under Section 2 above.

Between semi-annual index reviews, security weights will fluctuate according to market movements.

3.2. Ongoing Event Related Changes

In general, the MSCI Australia Select HDY Index follows the event maintenance of the MSCI Australia IMI Index. Changes in the MSCI Australia IMI Index are reflected simultaneously in the MSCI Australia Select HDY Index.

3.2.1. Additions and deletions due to corporate events

The treatment of additions and deletions due to corporate events aims at reducing turnover in the MSCI Australia Select HDY Index

A security added to the MSCI Australia IMI Index following a corporate event (acquisition, spinoff or merger) will also be added to the MSCI Australia Select HDY Index with an estimated capped weight.

A constituent deleted from the MSCI Australia IMI Index following a corporate event will be simultaneously deleted from the MSCI Australia Select HDY Index.

Early inclusions to the MSCI Australia IMI Index, such as Initial Public Offerings (IPOs), will not be included in the MSCI Australia Select HDY Index and will be reviewed at the following SAIR.

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