

Ljubljana Stock Exchange Indices 2010

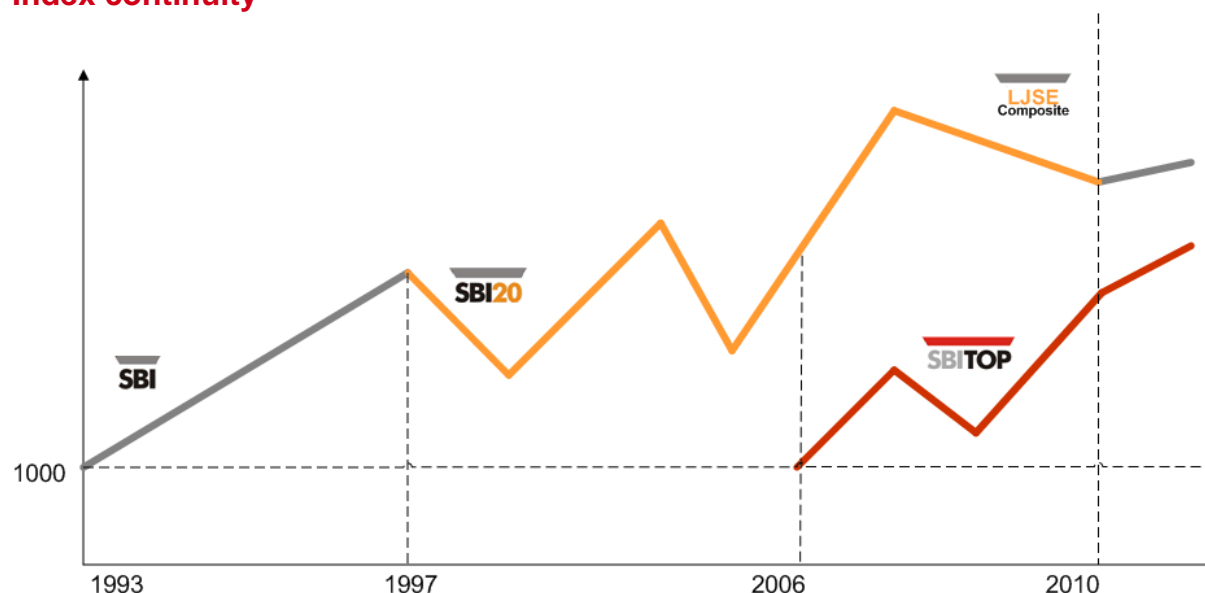
Ljubljana Stock Exchange Indices 2010

LJSE index	Full name	Purpose	Type	Composition	Base value	Official base date
SBI TOP	Slovene Blue-Chip Index	Performance of most liquid LJSE blue-chip stock (weighted base)	Free float weighted price index	5–10 stocks, max. weight of a stock 30 %	31 Mar 2006 = 1,000	31 March 2006
LJSE Composite	LJSE Total Market Index	Performance of the entire LJSE regulated market (weighted base)	Market capitalization weighted price index	All stocks, max. weight of a stock 10 %	31 Dec 1993 = 1,000	20 June 1994

SBI TOP is the first genuine LJSE blue-chip index and serves as the Slovene capital market benchmark index. It measures the performance of the most liquid and highly capitalized stocks on the LJSE Prime Market. It is designed as a tradable index. Due to the liquidity of the constituents, it is intended to serve as underlying for index-linked financial instruments.

SBI 20 has recently been replaced by the **LJSE Composite** index and has thus become the LJSE total market index, measuring the performance of the entire LJSE stock market. Its main purpose is to provide concise aggregate information about the general performance of the entire Slovene regulated stock market and therefore serve as the basis for stock markets analyses in Slovenia.

Index continuity





SBITOP

SBI TOP is the first genuine Slovene blue-chip index in the history of the Ljubljana Stock Exchange. Such indices include only the most liquid and highly capitalized stocks from a single capital market. The purpose of SBI TOP is to follow the performance of LJSE's most important equities and thus serve as underlying for advanced financial products. At the same time it serves as a benchmark index, reflecting the performance of the most liquid and highly capitalized stocks listed on LJSE. The inclusion of shares into the SBI TOP basket increases their visibility and builds their profile, which results in enhanced liquidity over the long-term.

Main features of SBITOP

- LJSE blue-chip index and benchmark index
- free float weighted price index (calculated and disseminated in EUR)
- base value as at 31 March 2006: 1,000
- includes 5–10 ordinary shares
- liquidity criteria for inclusion into SBITOP:
 - minimum free float market capitalization: EUR 50 m
 - minimum average daily trading volume (block trades excluded): EUR 50,000
- Laspeyres formula:

$$SBITOP = \frac{\sum p \times q \times FF \times RF}{Base_value} \times 1000 \times C$$

p – price

q – number of shares listed

FF – free float factor (ranks: 0-0,1-0,2-0,3-0,4-0,5-0,6-0,7-0,8-0,9-1)

RF – representation factor of stock (max 30%)

C – correction factor

- maximum representation rate of a single stock: 30%
- transparent computation parameters (free float and representation rate factors)
- half-yearly index composition reviews and quarterly adjustments of the representation rate factors
- stability rule (max. 2 changes in the composition during regular reviews)
- free float computations and representation factor are rounded to 0.1
- index committee within the CEE Group
- all changes in index composition are implemented after the third Friday in the month of the review, which coincides with the maturity dates of hedge derivatives
- index calculation is real-time (Monday–Friday 9:30–13:00 CET)

LJSE Composite

LJSE Composite is the **LJSE total market index**. It measures the performance of the entire regulated stock market. Its main purpose is to provide concise aggregate information about the general performance of the entire Slovene regulated stock market and therefore offer a basis for stock market analyses in Slovenia.

Main features of LJSE Composite

- successor of the SBI 20 and SBI indices
- total stock market index, includes all shares traded on LJSE
- market cap weighted price index (calculated and disseminated in EUR)
- base value as at 31 December 2003: 1,000
- Laspeyres formula:

$$LJSEX = \frac{\sum p \times q \times RF}{Base_value} \times 1000 \times C$$

p – price

q – number of shares listed

RF – participation rate adjustment factor (max 10%)

C – correction factor

- maximum representation rate of a single stock: 10%
- computed using total market capitalization
- transparent parameters of computation (representation rate factors)
- half-yearly index composition reviews and quarterly adjustments of representation rate factors
- all changes in index composition are implemented after the third Friday in the month of the review, which coincides with the maturity dates of the hedge derivatives
- index calculation is end-of-day

The Ljubljana Stock Exchange enables index licensing for its indices to be used as underlying for index-linked financial instruments in cooperation with the Vienna Stock Exchange.

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