



JOINT NEWS RELEASE

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Launch of CES China 120 Index on 10 December

China Exchanges Services Company Limited (CESC) today (Tuesday) announced that it will introduce its first cross-border index which tracks the performance of shares in Mainland China and Hong Kong on 10 December 2012. The CES China 120 Index (CES120) is the first index in the new CESC Cross Border Index Series.

To develop the cross-border index series, CESC has entered into an Index Service Agreement with China Securities Index Co., Ltd. (CSI). CSI is commissioned to calculate the new Cross Border Index Series, provide index maintenance and service dissemination of the indices.

CESC will also develop sub-indices including a pure A-shares index and a Hong Kong Mainland index based on CES120 constituents in the future. Index compilation is expected to be completed soon.

“The CES120, the first cross-border index of CESC, covers HKEx-listed Mainland companies as well as companies listed on the Mainland exchanges. It will provide a new benchmark for products tracking the performance of and seeking exposure to Mainland assets traded on the two markets,” said CESC Chief Executive Bryan Chan. “The cooperation with CSI marks an important milestone in the business development of CESC. We believe the two parties will work closely together towards further development of the cross-border indices covering the Mainland and Hong Kong markets.”

“CESC and CSI share the same mission and responsibility in promoting the development of Mainland China and Hong Kong financial markets,” said CSI CEO Ma Zhigang. “We will cooperate and complement each other, and jointly promote the cross-border index as well as the development and application of its derivative products to provide the market with more investment alternatives.”

The CES120 is comprised of the 80 most liquid and largest stocks in terms of market value trading on the Shanghai and Shenzhen stock exchanges as well as the 40 most liquid and largest Mainland companies in terms of market value listed on HKEx. The index will be disseminated via information vendors in Mainland China and Hong Kong, and will be available on the CESC, CSI and HKEx websites starting on 10 December 2012. (Please refer to the appendix for detailed index methodology.)

Further information about CESC’s indices and real-time index values are available on its website (www.cesc.com).

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About CESC

CESC is a joint venture formed and equally owned by Hong Kong Exchanges and Clearing Limited, the Shanghai Stock Exchange and Shenzhen Stock Exchange. The company is designed to contribute to the development of China's capital markets. Registered and incorporated in Hong Kong, CESC was officially launched in September 2012 and commenced operations on 30 October. CESC's principal business includes the compilation of cross-border indices based on products traded on the three markets, the development of industry classification for listed companies, and development of information standards and information products. CESC will also develop new financial products to link the Mainland and Hong Kong markets with global investors.

About CSI

As a joint venture between the Shanghai Stock Exchange and the Shenzhen Stock Exchange, CSI is a professional business entity specialising in the creation and management of indices and index-related services. Focusing on the series of CSI indices, exchange indices and customized indices, CSI aims to become the leading index provider in China.

Appendix 1

CESC Cross Border Index Series

Index Overview

CES120	
Launch Date	10 December 2012
Base Date	31 December 2004
Base Value	2,000
Currency	CNY
Number of Constituents (at launch)	120
Dissemination	Real time at 15-second intervals
Calculation Methodology	Free float-adjusted market capitalization weighted
Review Frequency	Half-yearly
End of Day Index (currency)	CNY & HKD
Total Return Index (currency)	CNY & HKD