



ATHEXGROUP
Athens Exchange Group

FTSE/XA Mid & Small Cap Factor Weighted Index Presentation

June 2017

Issuer support Division

Synopsis

About FTSEMSFW Index

Nutshell

The **FTSE/ATHEX Mid & Small Cap Factor Weighted** index uses techniques that take into account the analysis of the fundamentals of the listed companies, according to the published annual financial reports, in order to determine the fair value of smaller companies, in relation to current market value.

The index highlights companies that combine:

- ✓ **sound economic fundamentals**
- ✓ **efficient investments**
- ✓ **potential of business development**
- ✓ **attractive valuation**
- ✓ **Appreciable management**

Benefits

- Increase of **brand awareness** of the companies participating in the index
- **Promotion** of companies with attractive fundamentals, small capitalization and low transactions to potentials investors
- **Enhancing of market's interest** to be more visible the investment opportunities.

Basic principles of Calculation Methodology

Selection
Universe

Companies trading in ATHEX Main Market & Low dispersion segment

Exclude :

Companies classified in the Supersector Banks, Insurance, Real Estate

Calculation

Calculate the financial ratios for each company and each ratio is normalised within the industry that the company is classified, in order to give comparable scale. Aggregate the normalised ratios by summing the normalised final value of each metric groups (profitability + value + growth), to obtain company's final score.

Capping

Free float Market Capitalization weight

upper limit is 20% for each company with a weight greater than 20% of the index weight

Rank

In ascending order based on company final score

Exclude companies :

With **negative value** into all three factors, **negative Ebitda**, **high Debt ratio**, in **Low dispersion** segment, companies constituents of **FTSE Large Cap & FTSE Mid Cap**

Constituents

The 20 companies with the largest company ranking value and 10 reserve list companies

Validation

The index constituents are validated by FTSE/ATHEX Committee

Index calculation

The selection of FTSE/ATHEX Mid & Small Cap Factor Weighted constituents based on **financial ratios** commonly used to the companies' evaluation as calculating by the company's annual financial statements.

3 Fiscal Years (Average)

Profitability ratios

Net Margin = Net income t / Sales t

Return on Equity (ROE) = Net income t / {(Book value t + Book value $t-1$)/2}

Return on Assets (ROA) = EBIT t / {(Total Assets t + Total Assets $t-1$)/2}

Growth ratios

Sales Growth

Earnings (Net Income) Growth

Debt ratios

Debt ratio (DB) = (Debt t – Cash & Cash Equivalents t) / Ebitda t

Last fiscal Year

Value ratios

Book Value to Price (BPR) = Book Value t / Market Cap t

Dividend Yield (DY) = Dividends t / Market Cap t

Cash Flow Yield (CFY) = Cash flow (operating activities) t / Market Cap t

Index Characteristics

Index name	FTSE/ATHEX Mid & Small cap Factor Weighted
HELEX code	FTSEMSFW
Reuters code	.FTSEMSFW
Bloomberg code	FTSEMSFW
Constituents	20 companies with the best financial metrics + 10 reserves list companies
Capitalisation type	Weight Mkt Capitalization
Cap Weight	at 20% capping weight for each company with a weight greater than 20% of the index weight
Calculation frequency	Real time every 30''
Procedure	Data from companies' annual financial reports
Review	Annually every April
Valuation	The index composition is validated by index committee
Implementation	After the close of business on the 3 rd Friday of June

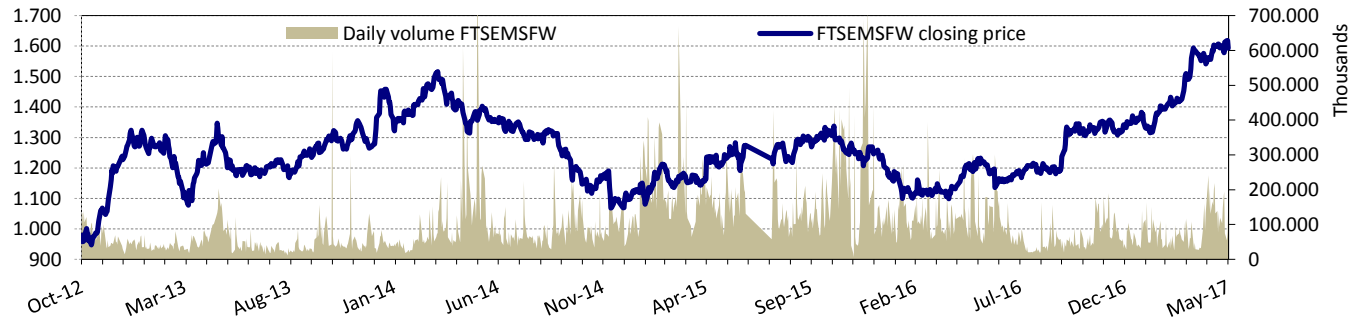
Index Constituents

New composition from June 19th 2017

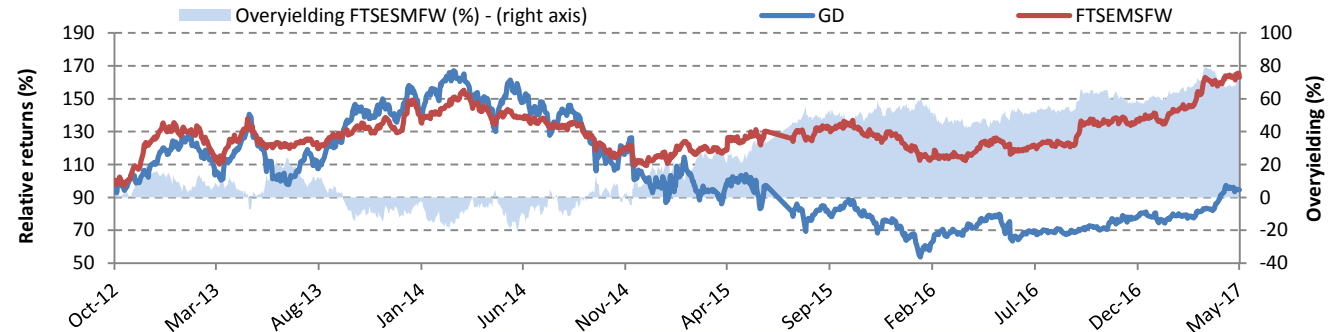
Constituents FTSE/ATHEX Mid & Small Factor Weighted Index

A/A	Trade code	Company	Sector
1	OLTH	THESSALONIKI PORT AUTHORITY S.A.	2777 Industrial Goods & Services
2	GMF	GALAXIDI FISH FARMING S.A.	3573 Food & Beverage
3	KRI	KRI-KRI MILK INDUSTRY SA	3577 Food & Beverage
4	SPACE	Space Hellas S.A. Telecommunications, IT, Security Services Private Enterprise for Provision of Secu	9578 Technology
5	OTOEL	AUTOHELLAS S.A.	5759 Travel & Leisure
6	KEPEN	FLOUR MILLS KEPENOS S.A.	3577 Food & Beverage
7	FLEXO	FLEXOPACK S.A.	2723 Industrial Goods & Services
8	EYAPS	THESSALONIKI WATER AND SEWAGE COMPANY SA	7577 Utilities
9	PETRO	PETROS PETROPOULOS S.A.	2753 Industrial Goods & Services
10	KANAK	STELIOS KANAKIS SA	3577 Food & Beverage
11	KARTZ	KARATZIS S.A.	2723 Industrial Goods & Services
12	ELTON	ELTON S.A.	1353 Chemicals
13	ELTRK	ELTRAK S.A.	2753 Industrial Goods & Services
14	TENERGY	TERNA ENERGY S.A.	7535 Utilities
15	ELIN	ELINOIL HELLENIC PETROLEUM COMPANY S.A	537 Oil & Gas
16	NAKAS	PHILIPPOS NAKAS S.A.	5379 Retail
17	QUEST	QUEST HOLDINGS S.A.	9533 Technology
18	INKAT	INTRACOM CONSTRUCTIONS S.A. TECHN & STEEL CONSTRUCTIONS	2357 Construction & Materials
19	EKTER	EKTER S.A.	2357 Construction & Materials
20	PLAKR	CRETE PLASTICS S.A.	1357 Chemicals

FTSE/ATHEX Mid & Small Factor Weighted Index Prices & Liquidity



Relative Returns GD & FTSE/ATHEX Mid & Small Factor Weighted



More info

The analytical factsheets of index constituents are available in ATHEX GROUP website [Factsheets - athexgroup.gr](http://www.athexgroup.gr)

The ground rules for the FTSE/XA Mid & Small Cap Factor Weighted Index are available in website <http://www.athexgroup.gr/web/guest/index-information-ground-rules>

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