

## PRESS RELEASE

### S&P U.S. Indices Methodology Update

**New York, NY, January 21, 2015** – S&P Dow Jones Indices today announces changes to the S&P U.S. Indices methodology after reviewing feedback received from its recent client consultation:

**Multiple Share Class Treatment:** Effective with the September 2015 rebalance, S&P Dow Jones Indices will include all publicly listed multiple share class lines separately in its float market cap (FMC) weighted indices subject to liquidity and float criteria currently in place for each index. Index membership eligibility for a company with multiple share class lines will continue to be based on the total market capitalization of the company. The decision to include each publicly listed line will be evaluated line by line; the weight of each line will only reflect its own float, not the combined float of all company lines. There will no longer be consolidated lines in S&P U.S. FMC indices. It is possible that one listed share class line may be included in an index while a second listed share class line of the same company is excluded. Unlisted share class lines will not be combined with any other listed share class lines, but these unlisted share class lines will be included in the company total market capitalization.

For S&P 1500 constituents, listed share class lines not currently in the index would need to pass current liquidity and float criteria, but not market capitalization criteria (which is only considered at the company level). Once a listed share class line is added to an index, it will be retained in the index even though it may appear to violate certain addition criteria. Listed share class line deletions will be at the discretion of the governing Index committee. Alternatively weighted indices that follow the composition of an S&P Dow Jones FMC index will continue to utilize the same composition as the parent index.

Below is a summary of the anticipated index changes on the major US headline indices resulting from this methodology change. Please note that final index changes effective with the September rebalance will be officially communicated through the standard channels at a later date.

#### S&P 500

There are currently 13 companies with two or more publicly listed share class lines in the S&P 500. Two of these companies, Discovery Communications Inc. (NYSE: DISCA/DISCK) and Google Inc. (NASDAQ:GOOG/GOOGL) are already represented by two share class lines each in the index.

Under the new methodology, it is anticipated that current S&P 500 index constituents Comcast Corp. (NASDAQ:CMCSA/CMCSK), Twenty-First Century Fox Inc. (NASDAQ:FOXA/FOX) and News Corp. (NASDAQ:NWSA/NWS) will have an additional share class line added to the S&P 500. The current weight of these companies in the S&P 500 will be distributed between the two lines representing the company in the index. The second share class lines of these companies all meet current liquidity and float criteria for the index. Market capitalization is measured at the company level only.

Under current methodology, there are 500 companies and 502 trading lines in the index. Effective with the methodology change, it is anticipated there will be 500 companies and 505 trading lines in the index.

Due to turnover and liquidity concerns, S&P 500 constituent Berkshire Hathaway Inc. (NYSE:BRK.B) will be an exception to this rule. S&P Dow Jones Indices will continue to consolidate the share count for this company under the B share class line.

#### S&P MidCap 400

There are currently eight companies with two or more publicly listed share class lines in the S&P MidCap 400. It is anticipated that no additional share class lines will meet the necessary liquidity and float thresholds for index inclusion.

#### S&P SmallCap 600

There are currently eight companies with two or more publicly listed share class lines in the S&P SmallCap 600. It is anticipated that S&P SmallCap 600 index constituent Central Pet & Garden Inc. (NASDAQ:CENTA/CENT) will have an additional listed share class line added to the S&P SmallCap 600. This second listed line meets current liquidity and float criteria for the index. Market capitalization is measured at the company level only.

For the above indices, it is possible that certain multiple share class companies will see a weight decrease in the indices reflecting the lower market cap impact of only including the share count from a single listed share class line rather than the current consolidated share count. Turnover for this change across indices is expected to be minimal as most currently consolidated lines already reflect float shares.

For weekly share reviews, 5% share changes will be based on each multiple share class line rather than total company shares.

**Public Secondary Offerings:** Effective immediately, new language will be added to the US Indices methodology to clarify the criteria for recognizing next day secondary offerings in the S&P 1500. The new language will state that “public secondaries eligible for next day share implementation must be underwritten, must have a publicly available prospectus or prospectus summary filed with the SEC, and must include a public confirmation that the offering has been completed. Block trades and spot secondaries are not eligible for next day implementation.”

**Securities Eligible for inclusion in U.S. Indices:** Feedback from the client consultation favored no change in eligible securities. Therefore, Limited Partnerships (LP's), Limited Liability Corporations (LLCs) Master Limited Partnerships (MLPs) and other types of securities will not be considered for inclusion in headline indices at this time.

A summary of the methodology changes can be found in the following table:

Change	Current Methodology	New Methodology
<p><b>Multiple Share Class Lines:</b> S&amp;P Dow Jones Indices is allowing certain listed multiple share class lines to be included separately in its indices. There will no longer be consolidated lines in S&amp;P U.S. FMC indices. <b>Change to be effective with the September 2015 rebalance.</b></p>	<p>Companies that have more than one class of common stock outstanding are represented only once in an index. The stock price is based on one class, and the share count is based on the total shares outstanding of all classes.</p>	<p>There will no longer be consolidated lines in the index. All multiple share class companies that have listed share class lines will be adjusted for shares and float such that each share class line will only represent that line's shares and float. All multiple share class companies that have an unlisted class line will also be adjusted.</p>
<p><b>Secondary Offerings:</b> Clarifying the criteria for recognizing next day secondary offerings in the S&amp;P 1500. <b>Change to be effective immediately.</b></p>	<p>Changes in a company's total shares outstanding of 5% or more due to public offerings... are made as soon as reasonably possible.</p>	<p>Public secondary offerings eligible for next day share implementation must be underwritten, must have a publicly available prospectus or prospectus summary filed with the SEC, and must include a public confirmation that the offering has been completed. Block trades and spot secondaries are not eligible for next day implementation.</p>

The S&P U.S. Indices methodology document will be updated on [www.spindices.com](http://www.spindices.com) to reflect these changes on or about their effective date.

## About S&P Dow Jones Indices

S&P Dow Jones Indices LLC, a part of McGraw Hill Financial, is the world's largest, global resource for index-based concepts, data and research. Home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®, S&P Dow Jones Indices LLC has over 115 years of experience constructing innovative and transparent solutions that fulfill the needs of investors. More assets are invested in products based upon our indices than any other provider in the world. With over 1,000,000 indices covering a wide range of asset classes across the globe, S&P Dow Jones Indices LLC defines the way investors measure and trade the markets. To learn more about our company, please visit [www.spdji.com](http://www.spdji.com).

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