

## **BOLSA MEXICANA DE VALORES, S.A.B. DE C.V INFORMA: Methodology Changes announced for BMV indices**

**Mexico City, November 1<sup>st</sup>, 2016:** Bolsa Mexicana de Valores, S.A.B. de C.V. (BMV) announce the following methodology changes:

- Effective immediately, additions and deletions will be announced with one to five days advanced notice prior to any changes becoming effective.
- New shares and float change policy:
  - Share/Float factor changes due to mergers or acquisitions of publicly held companies that trade on a major exchange are implemented when the transaction occurs regardless of the size of the share change. At BMV's discretion, de minimus share changes may be accumulated and implemented at the next rebalancing.
  - Effective December 1, 2016, non M&A changes of 5% or more are applied weekly and are announced after the market close on Fridays for implementation after the close of trading the following Friday (i.e. one week later).

**Examples of such changes include:** secondary public offerings (also known as placements), tender offers, exchange offers, company stock repurchases, private placements, redemptions, exercise of options, warrants, conversion of derivative securities, and acquisitions of private companies or non-index companies that do not trade on a major exchange.

If an exchange holiday/closure falls on a Friday, the weekly share change announcement will be made the day before the exchange holiday/closure, and the implementation date will remain after the close of trading the following Friday (i.e. one week later).

- If a 5% or more change in total shares outstanding causes a company's float factor to change by five (5) percentage points or more, the float factor is updated at the same time as the share change.

**Exception:** When total shares outstanding increase by more than 5%, but the new share issuance is directed to a strategic or major shareholder, it implies that there is no change in float-adjusted shares. However, in such instances, BMV will implement a total shares outstanding and resulting float change regardless of whether the float change is more than 5%.

*The information herein contained does not guarantee the future behavior of the values mentioned, nor it constitutes buy / sell advice. Mexican Stock Exchange will not take any responsibility on the use given to this information, nor the decisions made based on it.*

For more information on MSE indices' reviews and rebalances, please refer to the website:  
[http://www.bmv.com.mx/en/Grupo\\_BMV/Informacion\\_especial](http://www.bmv.com.mx/en/Grupo_BMV/Informacion_especial)

For the Indices Team Contact information please refer to: [http://www.bmv.com.mx/en/Grupo\\_BMV/Contacto](http://www.bmv.com.mx/en/Grupo_BMV/Contacto)

# S&P Dow Jones Indices

An S&P Global Division



- For weekly share reviews involving companies with multiple share class lines, the 5% share change threshold is based on each individual share class line rather than total company shares.
- Changes of less than 5% of the total shares are accumulated and made at the next rebalance.
  
- New replacement policy:
  - Effective immediately, all BMV indices with the exception of the BMV IPC and BMV IRT, will change its replacement policy. Intra-quarter replacements will no longer enter an index at the time that a current constituent is removed due to mergers, acquisitions, takeovers, delisting, bankruptcy, suspensions or other reasons that warrant ineligibility. Replacement companies will only be added to the index at the next rebalance.

Please contact us if you have any questions, [indices@grupobmv.com.mx](mailto:indices@grupobmv.com.mx)

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