**MARKET SEGMENTATION**

**OBJECTIVE**
- Streamline our markets and boards for accurate representation of investment instruments.
- Streamline our industry sectors to reflect Nigerian economic sectors.
- Remove restrictions of the current industry sectors to accommodate prospective issuers.
- Provide a concise list of industry sectors that better reflect the listed stocks.
- Conform to global standards, such as GICS, NAICS, SIC, and ANZSIC.
- Introduce market capitalization and stock classifications to drive deeper understanding and inform investor portfolio construction.

**HIGHLIGHTS**
- Move from 3 to 2 markets - Equities Market, Bond Market.
- Rebranded Equities Market boards - Main Board, ASeM.
- Shift from 33 to 12 industry sectors in the Equities Market.
- Reclassify listed companies within the 12 sectors.
- Introduce Large, Mid and Small Cap classifications, and Growth and Income classifications for equities.

**FORMER MARKETS & BOARDS**
- Industrial Loan
- Government Stock
- Equities
- Emerging Securities
- Preference Stock
- Sub-National Bonds
- Government Bonds of Nigeria
- 1st Tier Securities
- Alternative Securities Market (ASeM)

**NEW MARKETS & BOARDS**
- Corporate Bonds
- Corporate Bonds/Debentures
- Government Bonds-State & Local
- Government Bonds-Federal
- Main Board
- Equities Market

**STOCK CLASSIFICATION**

<table>
<thead>
<tr>
<th><strong>CRITERIA</strong></th>
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<tbody>
<tr>
<td>Income</td>
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<tr>
<td>Growth</td>
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<table>
<thead>
<tr>
<th><strong>MARKET CAP CLASSIFICATION</strong></th>
<th><strong>MARKET CAPITALIZATION (USD)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Cap</td>
<td>≥ 1 billion</td>
</tr>
<tr>
<td>Medium (Mid) Cap</td>
<td>&gt; 150 million but &lt; 1 billion</td>
</tr>
<tr>
<td>Small Cap</td>
<td>&gt; 150 million</td>
</tr>
</tbody>
</table>

**BENEFITS**
- **Issuers (Companies)**
  - Provide listed companies visibility and access to local and foreign portfolios and indices.
  - Facilitate market harmonization of companies performing similar business functions.
- **Broker-Dealers**
  - Enable the development of tradable indices and opportunities to create new products.
  - Facilitate informed retail investing and increased demand for value-added services.
- **Investors**
  - Create simplicity for investors.
  - Increase market and investment knowledge to inform strategic portfolio construction.
- **The Exchange**
  - Make our market more efficient and attractive.
  - Remove unnecessary vulnerabilities from the market.

**OUTCOME**
Contribute to improving liquidity in the market, and to renewing investor and issuer confidence, by increasing competiveness, and creating greater visibility into our capital market for global investors, analysts and data vendors.

**NEW SECTORS**
1. Agriculture
2. Construction/Real Estate
3. Consumer Goods
4. Financial Services
5. Healthcare
6. ICT (Information and Communications Technology)
7. Industrial Goods
8. Natural Resources
9. Oil & Gas
10. Services
11. Utilities
12. Conglomerates
ABOUT THE NSE

The Nigerian Stock Exchange was established in 1960 and services the second largest financial centre in sub-Saharan Africa. Licensed under the Investment Securities Act, for over 50 years, the exchange has been an indispensible vehicle that has contributed to the nation's development.

The exchange provides securities listing services, trading services, market data dissemination services, market indices, and much more. We operate fair, orderly and transparent markets that bring together the best of African enterprises, and the local and global investor communities. The NSE is poised to champion the acceleration of Africa’s economic development, and to become “The Gateway to African Markets”.

For more information: Visit our Web site or email strategy@nigerianstockexchange.com.

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