

MSCI®

press release

MSCI QUARTERLY INDEX REBALANCING

Geneva, November 16, 2000. MSCI announced today its regularly scheduled quarterly index rebalancing. All 15 country indices in the **MSCI Europe IndexSM** were reviewed: **Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.** Resulting changes will take effect after the close of trading on Thursday, November 30, 2000, simultaneously with the previously announced changes to the **MSCI Taiwan IndexSM**.

On a pro forma basis, the net changes in the MSCI Standard Indices will add USD 120 billion, or 0.6%, in market capitalization to the **MSCI All Country World Index (ACWI) FreeSM**, which includes 48 developed and emerging markets. The **MSCI Europe Index** will experience a net market capitalization increase of USD 85 billion, or 1.4%, resulting from the addition of 35 companies and 45 deletions.

On a market capitalization basis, the major additions will be **Elan** (USD 16 billion) to the Pharmaceuticals & Biotechnology Industry Group in the MSCI Ireland IndexSM, **Bipop Carire** (USD 12 billion) to the Diversified Financials Industry Group in the MSCI Italy IndexSM and **CMG** (USD 10 billion) to the Software & Services Industry Group in the MSCI United Kingdom IndexSM. These and all other additions will be made to increase the industry representation in their respective country indices.

The major deletions will be **Olivetti** (USD 15 billion), from the Telecommunication Services Industry Group in the MSCI Italy Index, and **FoereningsSparbanken** (USD 8 billion) from the Banks Industry Group in the MSCI Sweden IndexSM.

The following is a brief description of some of the more important changes by industry group.

- **Pharmaceuticals & Biotechnology** – A major change to this industry group will be the addition of **Elan** to the MSCI Ireland Index. Elan is a leading pharmaceutical company focusing on therapeutic products and services in neurology, acute care and pain management, and on products based on proprietary drug delivery technologies. Elan was not previously included in this index as its shares had relatively low liquidity in Europe, and were mainly traded in the United States. This situation has now changed, as the liquidity of Elan shares has improved in Europe. In addition, to represent the Biotechnology Industry in their respective country indices, **Qiagen** will be added to the MSCI Germany IndexSM, and **Zeltia** will be added to the MSCI Spain IndexSM. Qiagen is a world leader in purification of nucleic acids, while Zeltia develops and markets drugs from marine origin used in the treatment of solid tumors.
- **Telecommunication Services** – The only change to this industry group is the deletion of **Olivetti** from the MSCI Italy Index to eliminate double-counting of Telecom Italia's market capitalization in the index. Olivetti's market value is almost entirely derived from Telecom Italia (an MSCI Italy Index constituent), as it owns a significant portion of Telecom Italia through its ownership of Tecnost. After its planned merger with Tecnost, Olivetti will directly own a 55% stake in Telecom Italia voting shares. The deletion of Olivetti will bring the representation of the Telecommunication Services Industry Group in the MSCI Italy Index more in line with its weight in the market.

- **Software & Services** – Four companies will be added to this industry group. The two largest additions are **CMG**, which is being added to the MSCI United Kingdom Index, and **Tiscali**, which will be added to the MSCI Italy Index at 50% of its market capitalization. CMG is one of the largest British software companies and Tiscali is a large independent internet service provider in Europe.
- **Diversified Financials** – The largest addition to this industry group is **Bipop Carire**, which is being added to the MSCI Italy Index. Bipop Carire offers retail banking, asset management and other financial services.
- **Banks** – The major change in this industry group will be the deletion of **FoereningsSparbanken**, also known as Swedbank, from the MSCI Sweden Index. The representation of the Banks Industry Group in the MSCI Sweden Index was significantly increased in April 2000, when Nordic Baltic was added to the index after its acquisition of Unidanmark, which at the time was a constituent of the MSCI Denmark IndexSM. In order to reduce the over representation of the Banks Industry Group in the MSCI Sweden Index, FoereningsSparbanken will be deleted as its business mix is well represented by other index constituents.

Other index additions of note include, **Autostrade** to the MSCI Italy Index, **Assa Abloy** to the MSCI Sweden Index, **Kudelski** to the MSCI Switzerland IndexSM, and **Epcos** and **ProSieben** to the MSCI Germany Index. ProSieben will be added at 80% of its market capitalization.

MSCI also announced today changes to the MSCI Euro IndexSM and the MSCI Pan-Euro IndexSM, to its Small Cap and Extended Indices, as well as event-related changes to certain country indices. For further information on these changes please visit our web site at www.msci.com.

Note: All pro forma information uses data as of November 9, 2000.

Unless otherwise stated all comments relate only to MSCI's Standard Indices.

For further information on the MSCI quarterly index rebalancing, including the full list of company additions and deletions, please visit our web site at www.msci.com or contact:

Baer Pettit/Evert-Jan ten Brundel, MSCI, London + 44 207 425 6660

Ron Cherry, MSCI, New York + 1 212 762 5790

Violet Kim, MSCI, Singapore + 65 834 6114

Daniel Guthrie/Emma Leeds, Luther Pendragon + 44 207 353 1500

Note for editors: MSCI Index Methodology - All standard MSCI indices are market capitalization weighted and built from the industry level up. In doing so, MSCI targets a 60% representation of the market capitalization of each industry group within each country. Industry groups are aggregated into countries and countries are aggregated into regions. MSCI selects stocks with good liquidity and float, avoids cross-ownership and then applies a market capitalization weight to each stock. New index additions with less than 40% float are included at a fraction of their market capitalization in accordance with MSCI's partial inclusion schedule.

The objective of the quarterly index rebalancing is to recognize changes in underlying country markets and to ensure continued alignment of the indices with the relevant market, while minimizing unnecessary turnover.

For a complete description of MSCI's methodology - including corporate actions, dividend treatment, exchange rates and index maintenance - please refer to the MSCI Methodology & Index Policy, available from MSCI Client Services or www.msci.com/method.

This information is the property of Morgan Stanley Capital International Inc. (MSCI). It may not be used to verify or correct data, or any compilation of data or index or in the creation of any indices. Nor may it be used in the writing, trading, marketing or promotion of any financial instruments or products. This information is provided on an "as is" basis. Although MSCI shall obtain information from sources which MSCI considers reliable, neither MSCI nor any other party guarantees the accuracy and/or the completeness of any of this information. Neither MSCI nor any other party makes any representation or warranty, express or implied, as to the results to be obtained by any person or entity from any use of this information, and the user of this information assumes the entire risk of any use made of this information. Neither MSCI nor any other party makes any express or implied warranties, and MSCI hereby expressly disclaims all warranties of merchantability or fitness for a particular purpose with respect to any of this information. Without limiting any of the foregoing, in no event shall MSCI or any other party have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Morgan Stanley Capital International, MSCI, ACWI, EAFE, EMF and all other service marks referred to herein are the exclusive property of MSCI and its affiliates. All MSCI indices are the exclusive property of MSCI and may not be used in any way without the express permission of MSCI.

MSCI is a leading provider of global indices and benchmark related products and services to investors worldwide. Morgan Stanley Dean Witter & Co., a global financial services firm and a market leader in securities, asset management, and credit services, is the majority shareholder of MSCI, and The Capital Group Companies, Inc., a global investment management group, is the minority shareholder.

MSCI Client Services can be reached on:

London	+44 207 425 6660	New York	+1 212 762 5790	Tokyo	+813 5424 5470
Frankfurt	+49 69 2166 5325	San Francisco	+1 415 576 2323	Hong Kong	+852 2848 6740

And at a further eleven locations around the world.

MSCI Europe Standard Indices – November 2000 Index Rebalancing – Additions and Deletions

ADDITIONS		DELETIONS	
MSCI Security Name	Industry Group	MSCI Security Name	Industry Group
Austria			
-		BAU HOLDING STRABAG	Capital Goods
Belgium			
AGFA GEVAERT	Consumer Durables & Apparel	-	
Denmark			
I-DATA INTERNATIONAL	Technology Hardware & Equipment	RADIOMETER B	Health Care Equipment & Services
Finland			
ORION-YHTYMAE A	Pharmaceuticals & Biotechnology	-	
ORION-YHTYMAE B	Pharmaceuticals & Biotechnology		
FORTUM CORP	Energy		
STONESOFT	Software & Services		
France			
		CHARGEURS	Consumer Durables & Apparel
		NORD-EST	Materials
Germany			
QIAGEN	Pharmaceuticals & Biotechnology	AGIV	Capital Goods
EPCOS	Technology Hardware & Equipment	HOLSTEN-BRAUEREI	Food Beverage & Tobacco
PROSIEBEN SAT1 MEDIA VZ	Media	IWKA	Capital Goods
BOSS (HUGO) VORZUG	Consumer Durables & Apparel	DEUTZ	Capital Goods
D. LOGISTICS	Commercial Services & Supplies	RHEINMETALL STAMM	Capital Goods
		RHEINMETALL VORZUG	Capital Goods
		ESCADA STAMM	Consumer Durables & Apparel
		ESCADA VORZUG	Consumer Durables & Apparel
		BRAU & BRUNNEN	Food Beverage & Tobacco
Ireland			
ELAN CORP	Pharmaceuticals & Biotechnology	TULLOW OIL	Energy
IONA TECHNOLOGIES	Software & Services	FYFFES	Food & Drug Retailing
		IRISH CONTINENTAL GROUP	Transportation
Italy			
BIPOP CARIRE	Diversified Financials	OLIVETTI ING & CO ORD	Telecommunication Services
AUTOSTRADA	Transportation	LANE G.MARZOTTO ORD	Consumer Durables & Apparel
GRUPPO EDIT. L'ESPRESSO	Media	LANE G.MARZOTTO RISP	Consumer Durables & Apparel
TISCALI	Software & Services	SIRTI	Capital Goods
		RENO MEDICI A ORD	Materials
		DANIELI & CO ORD	Capital Goods
		DANIELI & CO RNC	Capital Goods

This information is the property of Morgan Stanley Capital International Inc. (MSCI). It may not be used to verify or correct data, or any compilation of data or index or in the creation of any indices. Nor may it be used in the writing, trading, marketing or promotion of any financial instruments or products. This information is provided on an “as is” basis. Although MSCI shall obtain information from sources which MSCI considers reliable, neither MSCI nor any other party guarantees the accuracy and/or the completeness of any of this information. Neither MSCI nor any other party makes any representation or warranty, express or implied, as to the results to be obtained by any person or entity from any use of this information, and the user of this information assumes the entire risk of any use made of this information. Neither MSCI nor any other party makes any express or implied warranties, and MSCI hereby expressly disclaims all warranties of merchantability or fitness for a particular purpose with respect to any of this information. Without limiting any of the foregoing, in no event shall MSCI or any other party have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

MSCI Europe Standard Indices – November 2000 Index Rebalancing – Additions and Deletions (Continued)

ADDITIONS		DELETIONS	
MSCI Security Name	Industry Group	MSCI Security Name	Industry Group
Netherlands			
VENDEX KBB	Retailing	NEDLLOYD (KON.)	Transportation
		STORK (VER MACHINE.)	Capital Goods
		HOLLANDSCHE BETON GROEP	Capital Goods
Norway			
OPTICOM	Technology Hardware & Equipment	LEIF HOEGH	Transportation
FRONTLINE	Transportation	UNITOR	Transportation
TANDBERG	Technology Hardware & Equipment		
NERA	Technology Hardware & Equipment		
Portugal			
IMPRESA SGPS	Media	INAPA	Materials
		CORTICEIRA AMORIM	Materials
		CIN CORP IND'L DO NORTE	Materials
		EFACEC CAPITAL SGPS	Capital Goods
		SOARES DA COSTA	Capital Goods
Spain			
ZELTIA	Pharmaceuticals & Biotechnology	ALBA (CORP FINANCIERA)	Diversified Financials
		ERCROS	Materials
Sweden			
ASSA ABLOY B	Capital Goods	FOERENINGSSPARBANKEN	Banks
MTG MODERN TIMES GROUP B	Media	ESSELTE B	Commercial Services & Supplies
		ESSELTE A	Commercial Services & Supplies
Switzerland			
KUDELSKI	Consumer Durables & Apparel	MOEVENPICK INHABER	Hotels Restaurants & Leisure
UNAXIS NAMEN(OERLIKON-BU	Technology Hardware & Equipment	SIKA FINANZ INHABER	Materials
VOEGELE CHARLES HOLDING	Retailing		
ASCOM HOLDING	Technology Hardware & Equipment		
PUBLIGROUPE	Media		
LOGITECH NAMEN	Technology Hardware & Equipment		
United Kingdom			
CMG	Software & Services	HEPWORTH	Capital Goods
BTG	Commercial Services & Supplies	UNIQ (UNIGATE)	Food Beverage & Tobacco
PACE MICRO TECHNOLOGY	Consumer Durables & Apparel	LEX SERVICE	Retailing
		COATS VIYELLA	Consumer Durables & Apparel
		JARVIS	Capital Goods

This information is the property of Morgan Stanley Capital International Inc. (MSCI). It may not be used to verify or correct data, or any compilation of data or index or in the creation of any indices. Nor may it be used in the writing, trading, marketing or promotion of any financial instruments or products. This information is provided on an “as is” basis. Although MSCI shall obtain information from sources which MSCI considers reliable, neither MSCI nor any other party guarantees the accuracy and/or the completeness of any of this information. Neither MSCI nor any other party makes any representation or warranty, express or implied, as to the results to be obtained by any person or entity from any use of this information, and the user of this information assumes the entire risk of any use made of this information. Neither MSCI nor any other party makes any express or implied warranties, and MSCI hereby expressly disclaims all warranties of merchantability or fitness for a particular purpose with respect to any of this information. Without limiting any of the foregoing, in no event shall MSCI or any other party have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.