

MSCI® client communication

MSCI PROVISIONAL EAFE⁰ INDEX--BASIS FOR NEW iSHARES EXCHANGE TRADED FUND

New York, August 17, 2001. MSCI announced that the MSCI Provisional EAFE Index is the index underlying a new exchange traded fund (ETF) launched today on the American Stock Exchange by Barclays Global Investors (BGI) – the iShares MSCI EAFE Fund. This is the first time the MSCI EAFE Index has been licensed for use in connection with an ETF.

The MSCI EAFE Index is recognized as the preeminent benchmark in the United States for international equity performance¹. It comprises 21 MSCI country indices, representing the developed markets outside of North America: Europe, Australasia and the Far East.

Commenting on the start of trading in this newest MSCI-linked ETF, Henry Fernandez, President and CEO of MSCI said, “We are pleased that BGI has launched an ETF based on the Provisional variant of our most popular international equity benchmark – the MSCI EAFE Index. The MSCI Provisional EAFE Index already reflects the MSCI Enhanced Methodology and therefore provides increased flexibility for investors wishing to transition to the Enhanced Methodology on their own schedule.”

MSCI has recently launched the MSCI Enhanced Methodology, free float-adjusting constituents' index weights, and targeting for index inclusion 85% of free float-adjusted market capitalization in each industry group, within each country. The Enhanced Methodology will be implemented in the MSCI Standard Indices in two phases, as of the close of November 30, 2001 and May 31, 2002. In the interim, MSCI has provided Provisional Indices that fully reflect the enhancements.

In addition to the MSCI EAFE Index in the USA, MSCI has licensed 21 country and regional indices to BGI, including the MSCI Japan, UK, Germany, Taiwan and EMU Indices that are the basis for ETFs currently trading on the American Stock Exchange.

For further information on MSCI indices or MSCI data, please visit our web site at www.msci.com or contact:

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¹Pensions and Investments Magazine Survey, July 2000.

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The shares of these exchange traded funds may be offered and sold only pursuant to a prospectus, and the distribution of their prospectus and the offering, subscription or sale of the shares of these funds may in certain jurisdictions be restricted subject to regulations and restrictions. ETFs in the USA may not be marketed or sold in a number of jurisdictions and may not be suitable for all investors.

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.

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