

# MSCI<sup>®</sup> press release

## MSCI SMALL CAP INDEX SERIES MAY 2004 SEMI-ANNUAL INDEX REVIEW

**Geneva, May 11, 2004.** MSCI announced today changes to the MSCI Small Cap Index Series that will be effective as of the close of May 28, 2004. These changes result from the May 2004 Semi-Annual Index Review, including a full review of the free float of all constituents. The list of changes in constituents for the MSCI Small Cap Index Series as well as an updated methodology book have been posted on MSCI's web site at [www.msci.com/smallcap](http://www.msci.com/smallcap).

Effective as of the close of May 28, 2004, 195 securities will be added to the MSCI Small Cap Index Series and 129 will be deleted. In addition, MSCI reviewed the free float of all constituents of the MSCI Small Cap Index Series leading to changes in Foreign Inclusion Factors (FIFs) for 372 securities. FIFs adjust the market capitalization of securities for free float available to foreign investors.

The MSCI Small Cap Index Series attempts to represent the business activities of small capitalization companies across developed markets. Companies with a full market capitalization between USD 200 and 1,500 million are eligible for inclusion. MSCI then selects the most liquid securities relative to their market capitalization, and targets for index inclusion 40% of the full universe within each industry group, within each country. Finally, the market capitalization of index constituents is free float-adjusted.

Below is a brief pro forma analysis of the changes that will occur in the MSCI Small Cap Index Series for some of the more frequently used global and regional composite indices, using data as of April 21, 2004.

**World Index** - The MSCI World Small Cap Index represents the small cap segment in 23 of the world's developed equity markets. On a pro forma basis, the market capitalization of the index will be USD 1,136 billion, and the index will include 1,757 securities.

**EAFE (Europe, Australasia, Far East) Index** - The MSCI EAFE Small Cap Index represents the small cap segment in 21 developed equity markets outside of North America. On a pro forma basis, the market capitalization of the index will be USD 548 billion, and the index will include 974 securities.

**Europe Index** - The MSCI Europe Small Cap Index represents the small cap segment in 16 developed equity markets in Europe. On a pro forma basis, the market capitalization of the index will be USD 278 billion, and the index will include 466 securities.

The results of the May 2004 Annual Index Review for the MSCI Standard Index Series and the MSCI Pan-Euro and Euro Indices as well as the May 2004 Semi-Annual Index Review for the MSCI Global Value and Growth Index Series and the MSCI US Equity Indices have also been posted on MSCI's web site at [www.msci.com](http://www.msci.com).

As a reminder, MSCI will exceptionally implement the changes resulting from the May 2004 Index Reviews as of the close of May 28, 2004, instead of May 31, 2004, due to market holidays.

# MSCI<sup>®</sup> press release (continued)

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For further information on MSCI indices or MSCI data, please visit our web site at [www.msci.com](http://www.msci.com) or contact:

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