



## MSCI SMALL CAP INDEX SERIES MAY 2006 SEMI-ANNUAL INDEX REVIEW

**Geneva, May 10, 2006.** MSCI Barra, a leading provider of benchmark indices and risk management analytics products, announced today changes to the MSCI Small Cap Index Series that will be effective as of the close of May 31, 2006. These changes result from the May 2006 Semi-Annual Index Review. 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 31, 2006, 411 securities will be added to the MSCI Small Cap Index Series and 113 securities 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 482 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 20, 2006.

**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 1,395 billion, and the index will include 2,177 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 717 billion, and the index will include 1,269 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 363 billion, and the index will include 577 securities.

The results of the May 2006 Annual Index Review for the MSCI Standard Index Series, the MSCI Pan-Euro and Euro Indices, the MSCI China A Index as well as the May 2006 Semi-Annual Index Review for the MSCI Global Value and Growth Index Series, the MSCI US Equity Indices, the MSCI US REIT Index, the MSCI Kokunai Japan Equity Indices have also been posted on MSCI's web site at [www.msci.com](http://www.msci.com).

MSCI SMALL CAP INDEX SERIES  
PRO FORMA DATA FOR MAIN REGIONAL INDICES

MSCI WORLD SMALL CAP INDEX

<b>Top 10 Country Weights</b>	<b>Weight</b>	<b>Top 10 Industry Group Weights</b>	<b>Weight</b>
USA	42.87%	Capital Goods	13.00%
Japan	18.71%	Materials	7.99%
United Kingdom	8.53%	Real Estate	6.76%
Canada	5.76%	Energy	6.31%
Australia	3.56%	Technology Hardware & Equipment	5.85%
France	2.28%	Software & Services	5.73%
Germany	2.13%	Banks	5.42%
Switzerland	1.96%	Retailing	5.40%
Sweden	1.91%	Consumer Durables & Apparel	4.60%
Norway	1.70%	Health Care Equipment & Services	4.35%

MSCI EAFE SMALL CAP INDEX

<b>Top 10 Country Weights</b>	<b>Weight</b>	<b>Top 10 Industry Group Weights</b>	<b>Weight</b>
Japan	36.43%	Capital Goods	17.01%
United Kingdom	16.60%	Real Estate	7.94%
Australia	6.93%	Materials	7.80%
France	4.44%	Retailing	5.95%
Germany	4.15%	Consumer Durables & Apparel	5.85%
Switzerland	3.82%	Technology Hardware & Equipment	5.43%
Sweden	3.71%	Diversified Financials	5.41%
Norway	3.32%	Software & Services	4.67%
Hong Kong	2.70%	Commercial Services & Supplies	4.49%
Italy	2.54%	Energy	3.96%

MSCI EUROPE SMALL CAP INDEX

<b>Top 10 Country Weights</b>	<b>Weight</b>	<b>Top 10 Industry Group Weights</b>	<b>Weight</b>
United Kingdom	32.73%	Capital Goods	17.22%
France	8.75%	Real Estate	8.28%
Germany	8.17%	Diversified Financials	6.77%
Switzerland	7.54%	Energy	5.96%
Sweden	7.32%	Technology Hardware & Equipment	5.53%
Norway	6.54%	Consumer Durables & Apparel	5.48%
Italy	5.02%	Commercial Services & Supplies	5.29%
Netherlands	4.97%	Software & Services	5.06%
Belgium	3.59%	Retailing	5.04%
Denmark	3.53%	Materials	4.71%

Note: all pro forma data uses data as of April 20, 2006.

**About MSCI Barra**

MSCI ([www.msci.com](http://www.msci.com)) develops and maintains equity, fixed income, multi-asset class, REIT and hedge fund indices that serve as benchmarks for an estimated USD 3 trillion on a worldwide basis and owns Barra, Inc. (“Barra”). Barra ([www.barra.com](http://www.barra.com)) analytics help the world’s largest investors analyze, measure and manage portfolio and firm-wide investment risk. MSCI Barra is headquartered in New York, with research and commercial offices around the world. Morgan Stanley, a global financial services firm and a market leader in securities, asset management, and credit services, is the majority shareholder of MSCI, and Capital Group International, Inc. is the minority shareholder. MSCI Barra is a service mark of Morgan Stanley Capital International Inc. (“MSCI” or “MSCI Barra”).

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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 for Barra products, please visit our web site at [www.barra.com](http://www.barra.com)**

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