

# MSCI<sup>®</sup> Barra<sup>®</sup> press release

## MSCI STANDARD INDEX SERIES MAY 2006 ANNUAL FULL COUNTRY 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 Standard Index Series that will be effective as of the close of May 31, 2006. These changes result from the May 2006 Annual Full Country Index Review, including a full review of the free float of all constituents. As a reminder, the objective of the Annual Full Country Index Review is a systematic re-assessment of the various dimensions of the equity universe, whereby securities may be added to or deleted from the MSCI Standard Index Series in order for each country index to be as close as possible to the 85% free float-adjusted market capitalization representation target at the industry group level. The list of changes in constituents for the MSCI Standard Index Series as well as an updated methodology book have been posted on MSCI's web site at <http://www.msci.com/stdindex>.

Effective as of the close of May 31, 2006, 227 securities will be added to the MSCI Standard Index Series. These additions bring the representation of their respective industry groups in their respective countries closer to MSCI's target of 85% of free float-adjusted market capitalization. The largest additions in the MSCI World Index are Principal Financial Group (USA), Xstrata (United Kingdom), E\*Trade Group (USA), Vallourec (France) and Joy Global (USA). Gazprom (local) (Russia), KT Freetel (Korea) and Novolipetsk Metal GDR (Russia) are the largest inclusions in the MSCI Emerging Markets (EM) Index. The Annual Full Country Index Review will also lead to the deletion of 64 securities. The results of two consultations impacting the MSCI Canada Index and the MSCI Venezuela Index are also included in this May 2006 Index Review.

After conducting a public consultation, MSCI decided to modify the current definition of the MSCI Canada universe. As previously announced, Income Trusts formed under the laws of provinces which have passed limited liability legislation, will be included in the MSCI Canada Equity Universe and will be subject to the same eligibility rules stated in the MSCI Standard Index Series Methodology.

As previously announced following a public consultation conducted beginning of 2006, the MSCI Venezuela Index will be removed from the MSCI Emerging Markets (EM) Index and will be maintained as a Standard stand-alone country Index.

As also previously announced, MSCI will implement the first phase of the FIF increase of Gazprom, as well as the change in price source from Gazprom's ADR to the local share price, as of the close of May 31, 2006. MSCI will delete the ADR listed security (with a FIF of 0.03) from the MSCI Standard Indices and add Gazprom's RTS listed security, priced in USD, with 23,673,512,900 shares outstanding, and a Foreign Inclusion Factor (FIF) of 0.2 (reflecting a Limited Investability Factor (LIF) of 0.5).

MSCI's annual review of the free float for all constituents of the pro forma MSCI ACWI Index will result in changes in Foreign Inclusion Factors (FIFs) for 500 securities in 47 countries. FIFs adjust the market capitalization of securities for free float available to foreign investors. These changes reflect the evolution of shareholdings, changes in Foreign Ownership Limits (FOLs), changes in Limited Investability Factors (LIFs) or the reclassification of certain shareholders.

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

The updated methodology book includes, among other things, an updated set of minimum size guidelines used for additions to and deletions from the MSCI Standard Indices, an updated GICS structure, revised definitions of the Canadian universe and the REIT's universe, and a new appendix describing the stock exchanges and classes of securities that are included in the MSCI Universe. All changes in this newly released methodology book are effective immediately.

Please find below a list of the largest additions to the MSCI World and Emerging Markets (EM) Indices.

### Largest additions to the MSCI World Index for selected countries and regions

Country	Security Name	Industry Group
<b>USA</b>		
US	Principal Financial Grp	INSURANCE
US	E*trade Group	DIVERSIFIED FINANCIALS
US	Joy Global	CAPITAL GOODS
US	Freescale Semiconduct B	SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT
US	Memc Electronic Matrls	SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT
<b>Canada</b>		
CA	Canadian Oil Sands Trust	ENERGY
CA	Enerplus Resources Fund	ENERGY
CA	Western Oil Sands A	ENERGY
CA	Canetic Resources Trust	ENERGY
CA	Yellow Pages Income Fund	MEDIA
<b>Europe ex UK</b>		
FR	Vallourec	CAPITAL GOODS
SE	Boliden	MATERIALS
DK	Jyske Bank	BANKS
NO	Seadrill Ltd	ENERGY
DE	Salzgitter	MATERIALS
<b>United Kingdom</b>		
GB	Xstrata	MATERIALS
GB	Investec Plc	DIVERSIFIED FINANCIALS
GB	Sportingbet	CONSUMER SERVICES
GB	Csr (Gb)	TECHNOLOGY HARDWARE & EQUIPMENT
GB	Collins Stewart Tullett	DIVERSIFIED FINANCIALS
<b>Japan</b>		
JP	Sapporo Hokuyo Holdings	BANKS
JP	Haseko Corp	CONSUMER DURABLES & APPAREL
JP	Japan Steel Works	CAPITAL GOODS
JP	Toho Titanium Co	MATERIALS
JP	Tokyo Seimitsu Co	SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT
<b>Pacific ex Japan</b>		
HK	Foxconn International	TECHNOLOGY HARDWARE & EQUIPMENT
AU	Zinifex	MATERIALS
AU	Worleyparsons	ENERGY
AU	Goodman Fielder	FOOD, BEVERAGE & TOBACCO
AU	Paladin Resources (Au)	ENERGY

**Largest additions to the MSCI Emerging Markets (EM) Index by region**

Country	Security Name	Industry Group
<b>EM Asia</b>		
KR	KT Freetel	TELECOMMUNICATION SERVICES
TW	Novatek Microelectrs	SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT
TW	Catcher Tech Co	TECHNOLOGY HARDWARE & EQUIPMENT
KR	Daewoo Int'L Corp	CAPITAL GOODS
KR	Samsung Techwin Co	CAPITAL GOODS
<b>EM EMEA</b>		
RU	Gazprom (USD)*	ENERGY
RU	Novolipetsk Metal (GDR)	MATERIALS
PL	Polish Oil & Gas	ENERGY
RU	Unified Energy Pref(RUB)	UTILITIES
ZA	Lewis Group	RETAILING
<b>EM Latin America</b>		
BR	All Amer Lat Unit	TRANSPORTATION
BR	Tam Pn	TRANSPORTATION
BR	Cosan On	FOOD, BEVERAGE & TOBACCO
BR	Lojas Renner	RETAILING
BR	Submarino On	RETAILING

\* For Gazprom (USD), the addition only reflects a change in price source from the London-listed ADR to the Russian Trading System (RTS) listing.

**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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