



News Release

225 West Wacker Drive
Chicago
Illinois 60606

Telephone: +1 312 696-6000
Facsimile: +1 312 696-6001

FOR IMMEDIATE RELEASE

BGI to License Morningstar Indexes, iShares Files for 9 iShares Morningstar Exchange Traded Funds

SAN FRANCISCO, March 8, 2004 — Barclays Global Investors, N.A. today announced that it has entered into an agreement with Morningstar, Inc. to license its 16 style-based indexes. iShares Trust has filed a prospectus for nine iShares Morningstar exchange traded funds (ETFs) with the U.S. Securities and Exchange Commission. The Morningstar Indexes track the U. S. market by capitalization and investment style and are based on the proprietary methodology of the Morningstar Style Box™.

With expense ratios ranging from 0.20%-0.30%, the funds that are listed in the filing are designed to track the following Morningstar style-based indexes:

Morningstar Large Valuesm Index
Morningstar Large Growthsm Index
Morningstar Large Coresm Index
Morningstar Mid Valuesm Index
Morningstar Mid Growthsm Index
Morningstar Mid Coresm Index
Morningstar Small Valuesm Index
Morningstar Small Growthsm Index
Morningstar Small Coresm Index

“The Barclays Global Investors and Morningstar team is great news for investors and advisors,” said Lee Kranefuss, CEO of BGI’s Intermediary Business. “Many advisors follow Morningstar’s research and determine a target asset allocation for their clients based on the Morningstar Style Box™ and they rely on BGI to create a broad ETF product line and tools to help them serve their clients.”

“We created the Morningstar Indexes to serve as better building blocks for portfolio construction,” said Don Phillips, managing director for Morningstar. “BGI is a market leader in creating exchange traded funds, and our interests in serving investors and financial advisors are clearly aligned. We’re delighted that BGI has selected the Morningstar Indexes as benchmarks for creating investment vehicles that will help investors build better diversified portfolios.”

- more -

The Morningstar Indexes were constructed as a complete, integrated system with each index representing a unique opportunity to invest in distinct and non-overlapping areas of the market. Morningstar determines the investment style of each underlying security using a 10-factor methodology that separately evaluates value and growth characteristics based on historical and forward-looking financial measures. The Morningstar US Market Index achieves a very broad total market representation — approximately 97% of the U.S. market.

The iShares® Funds are index funds that are bought and sold like common stocks on securities exchanges. iShares are attractive to many individual and institutional investors and financial intermediaries because of their relatively low cost, tax efficiency and trading flexibility. Investors can purchase and sell shares through any brokerage firm, financial advisor, or online broker, and hold the funds in any type of brokerage account. For a list of currently available iShares, visit www.ishares.com.

Barclays Global Investors is one of the world's largest asset managers¹ providing structured investment strategies such as indexing and risk-controlled active strategies. In the U.S., BGI is one of the largest active managers,² set apart by its risk-controlled approach. BGI managed over \$1 trillion in assets as of 12/31/03, and over 2,000 funds for more than 2,200 clients in 39 countries around the world. BGI is an innovator in investment management, applying science and technology to the investment process. BGI is owned by Barclays PLC.

Morningstar, Inc. is a global investment research firm that offers an extensive line of print, software, and Internet-based products and services for individuals, financial advisors, and institutions. The company is a trusted source of investment information and analysis for stocks, mutual funds, exchange traded funds, closed-end funds, variable annuities and separate accounts. With operations in 17 countries, Morningstar tracks nearly 100,000 investment securities worldwide.

Contacts for Press:

BGI Christine Hudacko 415-597-2687 christine.hudacko@barclaysglobal.com

Morningstar Margaret Kirch Cohen 312-696-6383 margaret.cohen@morningstar.com

¹ Source: "P&I/Watson Wyatt Mega Managers," Pensions & Investments, September 01, 2003.

² Source: "Special Report: Money Manager Directory," Pensions & Investments, May 26, 2003.

All Other Inquiries:

1-800-iShares (1-800-474-2737)

iShares are distributed by SEI Investments Distribution Co. (SEI). Barclays Global Fund Advisors (BGFA) serves as an advisor to iShares. Barclays Global Investor Services (BGIS) assists in the marketing of iShares. BGFA and BGIS are subsidiaries of Barclays Global Investors, N.A., which is a wholly owned subsidiary of Barclays Bank PLC, none of which is affiliated with SEI.

Although a registration statement relating to the securities described herein has been filed with the Securities and Exchange Commission, that registration statement has not yet become effective. Consequently, the securities described herein are not available for sale and will not be available for sale, nor may offers to buy these securities be accepted, prior to the time the registration statement becomes effective. This communication shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

To determine if the fund(s) are an appropriate investment for you, carefully consider the funds' investment objectives, risk factors and charges and expenses before investing. This and other information can be found in the funds' prospectuses, which may be obtained by calling 1-800-iShares or by visiting www.ishares.com. Read the prospectus carefully before investing.

There are risks involved with investing, including possible loss of principal. iShares transactions will result in brokerage commissions and will generate tax consequences. Mutual funds and iShares are obliged to distribute portfolio gains to shareholders.

iShares are not sponsored, endorsed, sold or promoted Morningstar, and Morningstar makes no representation regarding the advisability of investing in iShares. Morningstar Small Coresm Index, Morningstar Small Growthsm Index, Morningstar Small Valuesm Index, Morningstar Large Coresm Index, Morningstar Large Growthsm Index, Morningstar Large Valuesm Index, Morningstar Mid Valuesm Index, Morningstar Mid Growthsm Index, Morningstar Mid Coresm Index are service marks of Morningstar, Inc. and have been licensed for use for certain purposes by Barclays Global Investors, N.A.

© 2004 Barclays Global Investors. All rights reserved. iShares is a registered trademark of Barclays Global Investors, N.A. All other trademarks, servicemarks or registered trademarks are the property of their respective owners. 2003-1854

###