

June 13, 2005

Morningstar, Inc. announces today the semi-annual reconstitution for its family of 16 U.S. equity indexes. Effective June 20, the total market capitalization of the Morningstar US Market Index, which targets the top 97 percent of U.S. equities by capitalization, is approximately \$13.86 trillion. The median market cap of a company in the Morningstar US Market Index is \$1.55 billion.

During this process, index holdings are adjusted to capture the most accurate landscape of the U.S. market. The total number of stocks in the Morningstar US Market Index is 2,128, an increase of 83 securities from 2,045 at December 2004. One hundred and sixty-three new securities were added to the Morningstar US Market Index, a proxy for the U.S. equity market.

Thirty-seven of the additions were initial public offerings since the last reconstitution, and 13 were added to either the Morningstar Large Cap or the Mid Cap index. Highlighted here are some of these index constituents:

\* Las Vegas Sands (LVS), which owns the Venetian Hotel and has one of three permits to build new casinos on the Chinese island of Macau, was added to the Morningstar Large Growth Index. The company priced its initial public offering of 23.81 million shares at \$29 and currently trades above \$38.

\* Huntsman (HUN), a Utah-based chemical firm, was added to the Morningstar Mid Value Index after the stock debuted at \$23 on February 10. The company is currently the largest IPO of 2005 with proceeds of \$1.6 billion.

\* Dreamworks Animation SKG (DWA), producer of the "Shrek" movies, debuted at \$28 per share last fall and is now trading above \$36 a share. The stock is a constituent of the Morningstar Mid Growth Index.

\* PanAmSat Holding (PA) went public on March 16 at \$18 and is now trading near \$20. The satellite operator was added to the Morningstar Mid Growth Index after it returned to the public market after less than a year as a private company.

\* Nalco Holding (NLC), a specialist in water treatment, was added to the Morningstar Mid Core Index. The company, a former unit of Suez, priced its November 11 offering at \$15 and currently trades around \$17.

For a complete list of IPOs added to the Morningstar U.S. Market Index, click [here](#).
















Also at this reconstitution, Morningstar removed 51 securities from the indexes. All of the securities were part of the Morningstar Small Cap Index and were removed after they fell below the 97% market capitalization threshold.

For a complete list of securities added and deleted from the Morningstar US Market Index, click [here](#).

The sector makeup of the Morningstar US Market Index underwent some changes over the past six months as well. The Healthcare sector, which represented 12.46 percent of the US Market at last reconstitution, increased to 13.42 percent in the newly reconstituted portfolio. The Energy sector further

increased its share of the US Market Index from 7.55 percent to 8.38 percent. Following is the sector distribution of the US Market Index:

**Sector Breakdown for Morningstar US Market Index (%)**

	June 2005	Dec 2004		June 2005	Dec 2004		June 2005	Dec 2004
 <b>Information</b>	19.68	21.33	 <b>Service</b>	47.64	47.53	 <b>Manufacturing</b>	32.68	31.14
 Software	3.75	4.32	 Healthcare Services	13.42	12.46	 Consumer Goods	8.69	8.39
 Hardware	9.01	9.84	 Consumer Services	8.51	8.84	 Industrial Materials	12.08	11.99
 Media	3.88	4.05	 Business Services	4.77	4.76	 Energy	8.38	7.55
 Telecommunication	3.04	3.13	 Financial Services	20.94	21.48	 Utilities	3.53	3.21

For a complete list of securities in the Morningstar US Market Index, click [here](#).