Media Information

FTSE Group and Dow Jones Indexes to Merge Industry-Classification Systems

NEW YORK, February 19, 2004 - FTSE Group and Dow Jones Indexes, two of the world’s most successful index providers, signed a Memorandum of Understanding today to merge their industry-classification systems to create a single, seamless structure covering equities and corporate bonds world-wide. The new system will be known as the Industry Classification Benchmark (ICB), and will cover 50,000 companies worldwide. It is expected to take effect by the end of 2004.

The ICB, which is owned equally by both companies, is expected to become an instant global industry standard. The existing FTSE and Dow Jones Indexes systems are already used by the world’s largest stock exchanges, including NASDAQ and the New York Stock Exchange in the U.S., Euronext, the JSE in South Africa, the London Stock Exchange and SWX Swiss Exchange across Europe and Africa. Other major index providers that use the system include FXI (FTSE/Xinhua) in China, the Hang Seng (HSI) in Hong Kong, the Russell 3000 Index family in the U.S. and STOXX Ltd. for its indexes across Europe. Additionally, leading global publications, such as The Financial Times, Smart Money, and The Wall Street Journal, already use one of these systems. Current users of the existing classifications standards are expected to switch to the new, joint
Industry Classification Benchmark. FTSE and Dow Jones Indexes expect the ICB to be adopted by additional users after the launch.

"By merging our industry classification systems, FTSE and Dow Jones Indexes create the industry’s most powerful single standard, uniting the classification structures of the world’s major exchanges, financial media and index providers,” said Mark Makepeace, chief executive of FTSE Group.

"This cooperation is an important step toward enriching the usefulness of corporate classifications to investors globally,” said Michael A Petronella, president of Dow Jones Indexes/Ventures.

The new ICB will be totally transparent and rules-based. An advisory committee of markets experts will guide Dow Jones Indexes and FTSE on the future development of the ICB and, in certain cases, on the classification of individual stocks.

The existing FTSE and Dow Jones Indexes Industry Classification systems are scheduled to be fully converted to the ICB by the end of 2004.

Indicative data will be available at the end of the second quarter to ensure a low cost and seamless transition for users of the existing FTSE and Dow Jones Indexes classification systems.

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About FTSE
FTSE Group is a world-leader in the creation and management of indices. With offices in London, Frankfurt, Hong Kong, Madrid, Paris, New York, San Francisco and Tokyo, FTSE Group services clients in 77 countries worldwide. It manages and develops globally recognised indices ranging from the FTSE All-World Index to the FTSE 100, the FTSE4Good indices and the recently launched FTSEurofirst Index Series. The company has collaborative arrangements with the Athens, Cyprus, Euronext, Johannesburg, London, Luxembourg, and Madrid exchanges, as well as with Nikkei of Japan (Nihon Keizai Shimbun, Inc) and Xinhua Financial Network of China.

FTSE indices are used extensively by investors world-wide for investment analysis, performance measurement, asset allocation, portfolio hedging and for creating a wide range of index tracking funds. Independent committees of senior fund managers, derivatives experts, actuaries and other experienced practitioners review all changes to the indices to ensure that they are made objectively and without bias. Real-time FTSE indices are calculated on systems managed by Reuters. Prices and FX rates used are supplied by Reuters. More details are available at www.ftse.com

About Dow Jones Indexes
Dow Jones Indexes is a premier global provider of investable indexes, including the Dow Jones Averages, the Dow Jones Global Titans 50, the Dow Jones Asian Titans 50, the Dow Jones Sector Titans 30, the Dow Jones Country Titans Indexes and co-owner of the Pan-European Dow Jones STOXX Indexes. Dow Jones Indexes is part of Dow Jones & Company, which publishes the world’s most vital business and financial news and information.
In addition to Dow Jones Indexes, Dow Jones & Company (NYSE: DJ; dowjones.com) publishes The Wall Street Journal and its international and online editions, Barron’s and the Far Eastern Economic Review, Dow Jones Newswires and the Ottaway group of community newspapers.