MSCI A Clear View of Risk and Return

Fourth Quarter and Full Year 2012 Earnings Presentation

February 7, 2013

Forward-Looking Statements and Other Information

- Forward-Looking Statements – Safe Harbor Statements
  - This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond our control and that could materially affect actual results, levels of activity, performance or achievements. For a discussion of risk and uncertainties that could materially affect actual results, levels of activity, performance or achievements, please see the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2011 and its other reports filed with the SEC. The forward-looking statements included in this presentation represent the Company's view as of the date of the presentation. The Company assumes no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise.
- Other Information
  - Percentage changes and totals in this Presentation may not sum due to rounding.
  - Percentage changes are referenced to the comparable period in 2011, unless otherwise noted.
  - Total sales equals recurring subscription sales and non-recurring sales.
  - Definitions of run rate and retention rate provided on page 15.

Summary of Fourth Quarter 2012 Financial Results

- Strong financial results
  - Net income increased 22.4% to $54.5 million in fourth quarter 2012
  - Operating revenues increased 9.3% to $247.1 million in fourth quarter 2012
  - Adjusted EBITDA[1] grew by 12.5% to $116.6 million in fourth quarter 2012
  - Diluted EPS for fourth quarter 2012 rose 22.2% to $0.44
  - Fourth quarter 2012 Adjusted EPS[2] rose 15.6% to $0.52
- Performance and Risk continues with strong performance
  - Index and ESG subscription run rate up 10.6% organically, 25.3% overall
  - Excluding Vanguard ETFs from Q4'11 and Q4'12, ABF run rate grew by 25.0%, aided by $22.0 billion of inflows during Q4'12
  - Portfolio management analytics remains challenging
- Governance segment recovery continues
- Balanced capital deployment
  - IPD acquisition strengthens MSCI's multi-asset class performance measurement offering
  - Repurchased 2.2 million shares as part of authorized $100 million ASR and Board authorized additional $200 million share repurchase

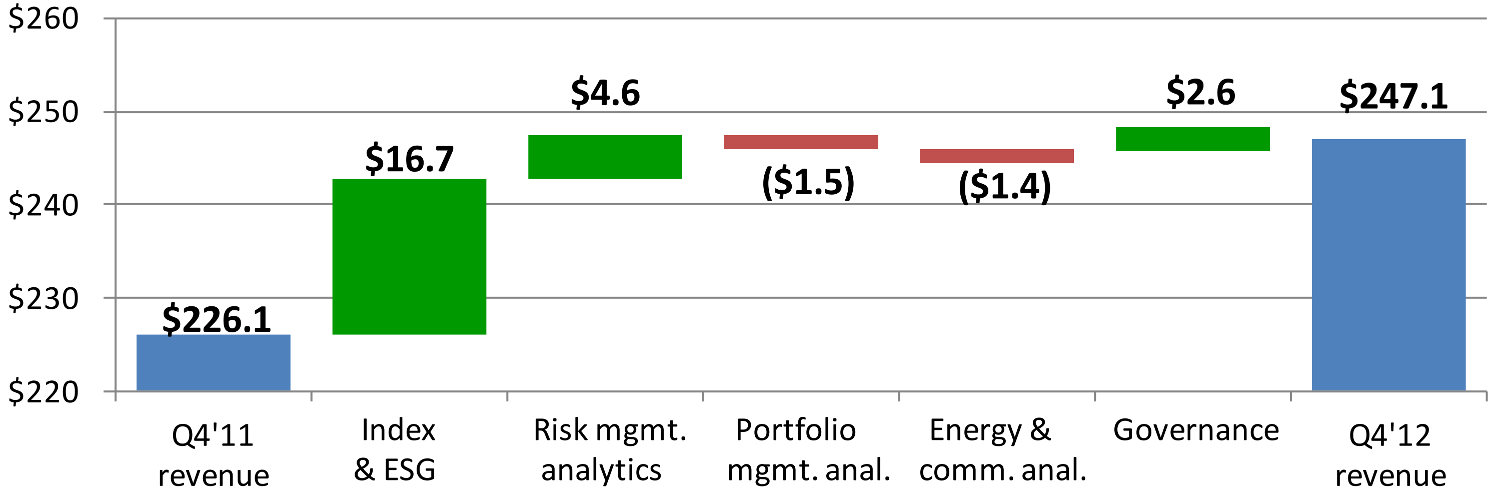
(1) Net income before provision for income taxes, depreciation and amortization, other net expense and income, the lease exit charge, non-recurring stock-based compensation and restructuring costs. Please see pages 15-18 for reconciliation.

(2) For the purposes of calculating Adjusted EPS, the after-tax impact of the lease exit charge, non-recurring stock-based compensation, amortization of intangible assets, debt repayment and refinancing expenses and restructuring costs are excluded from the calculation of EPS. Please see pages 15-18 for reconciliation.

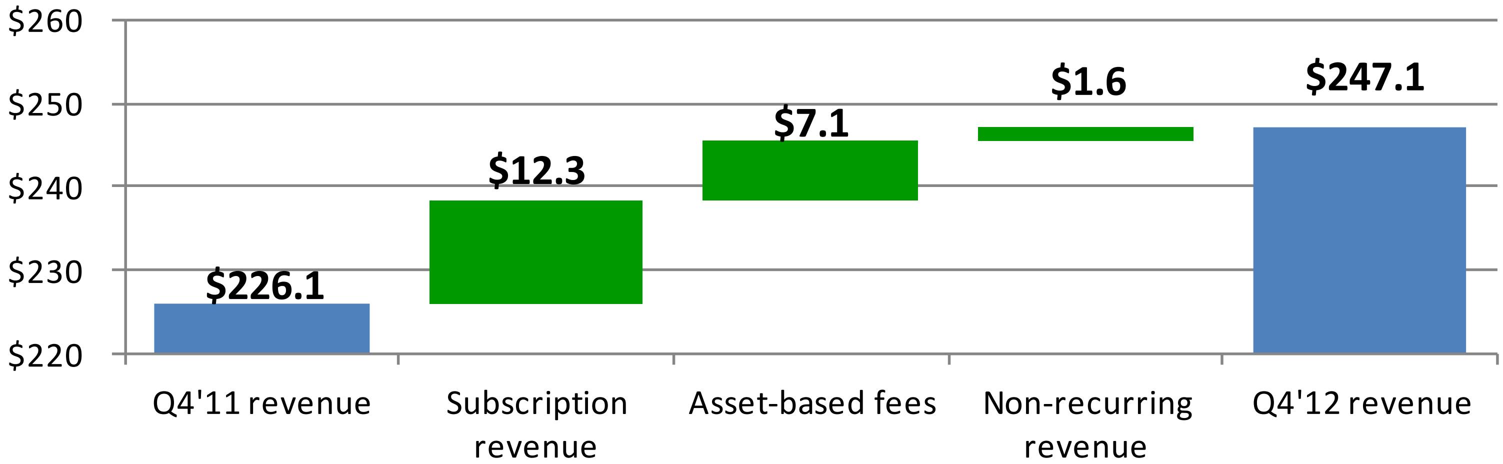
Breakdown of Q4’11 vs Q4’12 Revenue Growth

(Dollars in millions)

- By Product Line



- By Revenue Type

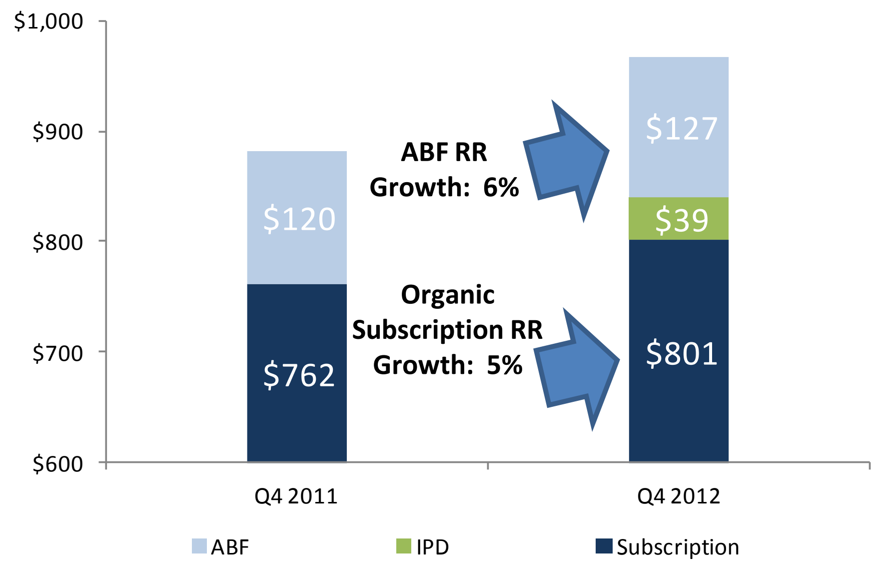


Summary of Fourth Quarter 2012 Operating Results

(Dollars in millions)

- Run rate (RR) grew YoY by **10%** to **$967 million**
  - Subscription run rate grew by 5% on an organic basis
  - Asset-based fee (ABF) run rate increased 6%, even after factoring in loss of Vanguard ETFs
  - IPD run rate is $39.5 million (approximates 80% of 2012 IPD total revenue)
- Total sales of $37 million
- Recurring subscription sales of $30 million down 16% from Q4'11
- Aggregate retention rates stable

MSCI Total Run Rate



Total Sales and Retention

	Q4'11	Q4'12	Diff.	FY'11	FY'12	Diff.
Rec Sub Sales	$ 35	$ 30	-16%	$ 132	$ 119	-10%
Non-Rec. Sales ex ABF	$ 7	$ 7	0%	$ 32	$ 26	-19%
Non-Rec. ABF Sale	$ -	$ -	*n/m*	$ 4	$ -	*n/m*
Total Sales	$ 43	$ 37	-13%	$ 168	$ 145	-14%
Agg. Retention	85%	85%	0%	90%	90%	0%

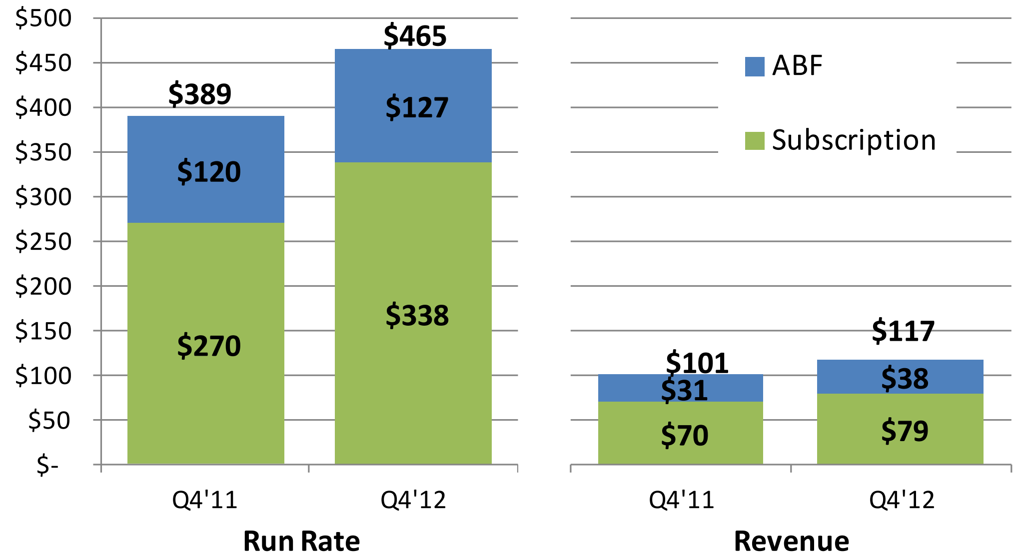
Index and ESG Products

(Dollars in millions)

Fourth Quarter 2012 Highlights:

- Revenues grew **17%** to $**117 million, 13%** organic
- Run rate grew by **19%** YoY to **$465 million**
  - Subscription run rate grew by 25%, or **11%** on an organic basis
  - IPD added $39.5 million
  - Asset-based fee run rate increased by 6% YoY, reflecting the removal of the Vanguard run rate, and by 11% from Q3
  - Demand for ESG products was strong
  - Uptick in sales in Europe offset by weaker demand in other regions, especially the United States
- Total sales of $15 million in Q4'12 were flat from Q4'11
- Retention rates stayed strong at 90% in the fourth quarter and 93% for 2012

Index and ESG Run Rate and Revenue



Index and ESG Sales and Retention

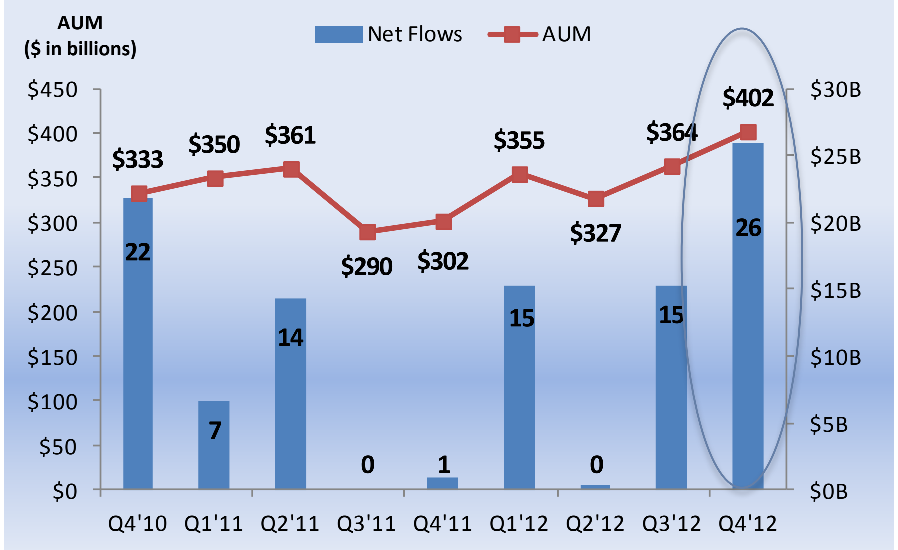
	Q4'11	Q4'12	Diff.	FY'11	FY'12	Diff.
Total Sales ex ABF	$ 15	$ 15	-1%	$ 63	$ 57	-9%
Non-Rec. ABF Sale	$ -	$ -	*n/m*	$ 4	$ -	*n/m*
Total Sales	$ 15	$ 15	-1%	$ 67	$ 57	-15%
Agg. Retention	89%	90%	1%	93%	93%	0%

Asset-Based Fees

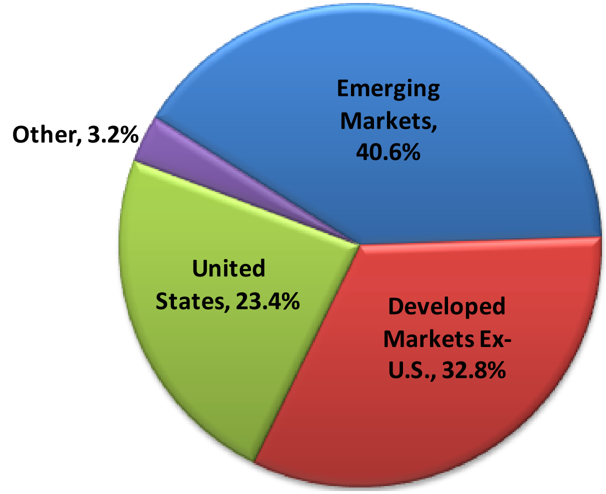
Fourth Quarter 2012 Highlights:

- Total ABF run rate grew by **6%** YoY and **11%** sequentially to **$127 million**
  - Excluding Vanguard ETFs, run rate grew by 25%
- Total ETF AUM increased by 33% YoY and by 11% sequentially to $402 billion at the end of Q4’12
  - Total ETF AUM was $264 billion ex-Vanguard (up 31% YoY)
- Net cash inflows of $26 billion to MSCI-linked ETFs in Q4’12
  - **$22 billion to non-Vanguard ETFs**
- Average basis point fee excluding Vanguard was 3.7 basis points

Total AUM Linked to MSCI Indices of $402bn



MSCI-Linked ETF AUM by Market Exposure



Source: Bloomberg

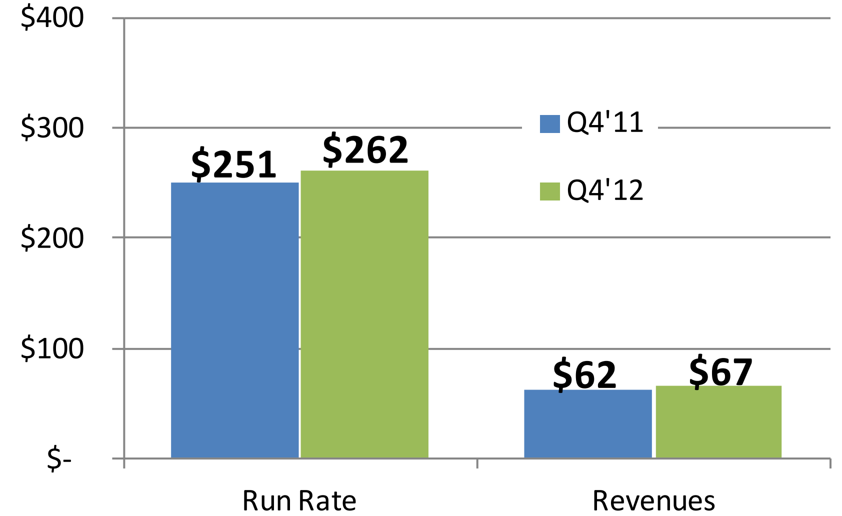
Risk Management Analytics

(Dollars in millions)

Fourth Quarter 2012 Highlights:

- Revenues grew by **7%** to **$67 million**
- Run rate grew by **4%** YoY to **$262 million**
- Total sales of $11 million in Q4'12
  - Solid sales to U.S. banks/broker dealers offset by weaker sales to other client types
  - Cancellations in Europe continued to drag on overall business
- Retention rates in Q4 increased to 84% and remained a very solid 89% in 2012
- InvestorForce acquisition will strengthen links to asset owner community via pension consultants
- Organic investment focus remains on technology and software

Risk Management Analytics Run Rate and Revenue



Risk Management Analytics Sales and Retention

	Q4'11	Q4'12	Diff.	FY'11	FY'12	Diff.
Total Sales	$ 14	$ 11	-24%	$ 49	$ 41	-15%
Agg. Retention	81%	84%	4%	90%	89%	-1%

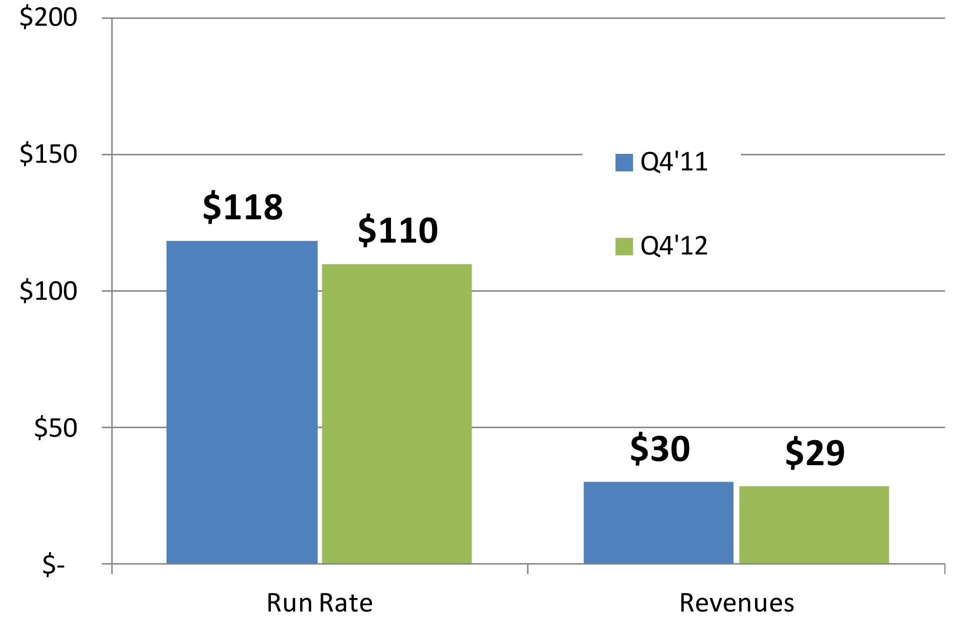
Portfolio Management Analytics

(Dollars in millions)

Fourth Quarter 2012 Highlights:

- Revenues declined **5%** to **$29 million**
- Run rate declined by **7%** YoY to **$110 million**
  - Run rate growth hurt by foreign exchange impact of $2 million (primarily related to Japanese Yen)
  - Product swaps to BarraOne also impacted run rate by $3 million YoY, including $2 million in Q4'12
- Total sales of $2 million
  - Selling environment remains competitive
- Retention rates dipped to 78%
  - Few competitive losses but competition is impacting price
  - Core retention rate still healthy at 84% in Q4'12 and 87% for 2012

Portfolio Management Analytics
Run Rate and Revenue



Portfolio Management Analytics
Sales and Retention

	Q4'11	Q4'12	Diff.	FY'11	FY'12	Diff.
Total Sales	$ 4	$ 2	-37%	$ 16	$ 12	-24%
Agg. Retention	87%	78%	-9%	88%	85%	-4%
Core Retention	88%	84%	-4%	90%	87%	-3%

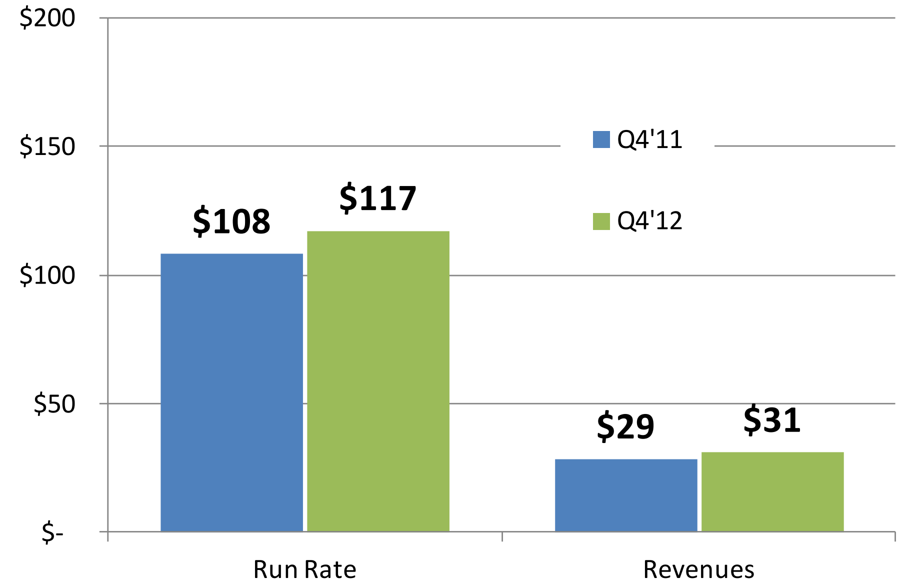
Governance

(Dollars in millions)

Fourth Quarter 2012 Highlights:

- Revenues up **9%** to **$31 million**
- Run rate grew by **8%** YoY to **$117 million**
- Total sales for Q4'12 were $9 million
  - Driven by success of our executive compensation data and analytics products
- Retention rates increased to 84% and 89% for Q4'12 and 2012, respectively
  - Core proxy research and voting retention rates above 90% for 2012, continuing post-crisis recovery

Governance Run Rate and Revenue

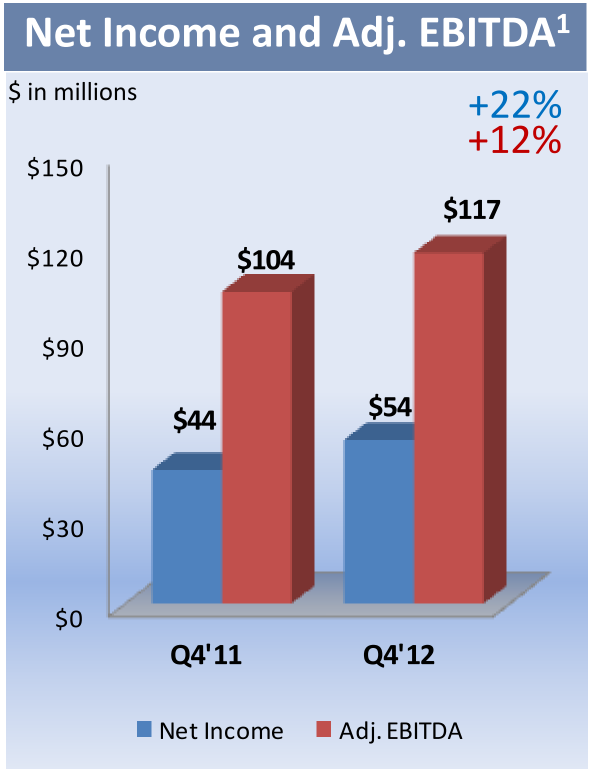


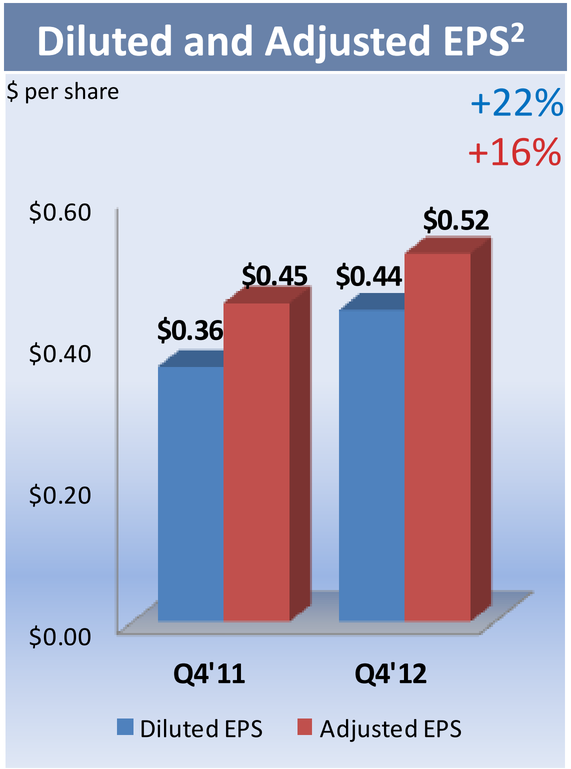
Governance Sales and Retention

	Q4'11	Q4'12	Diff.	FY'11	FY'12	Diff.
Total Sales	$ 9	$ 9	-8%	$ 34	$ 33	-3%
Agg. Retention	81%	84%	3%	86%	89%	3%

Summary of Profitability Metrics: Net Income, EPS and Adjusted EBITDA[1]

- Net Income increased 22%
  - Driven by index and ESG and risk management analytics revenues
  - Tight expense management kept non-comp costs in check
  - Interest expense declined $6 million
- Adjusted EBITDA[1] was $117 million, up 12%
- Diluted EPS increased 8 cents to $0.44
- Adjusted EPS[2] increased 7 cents to $0.52





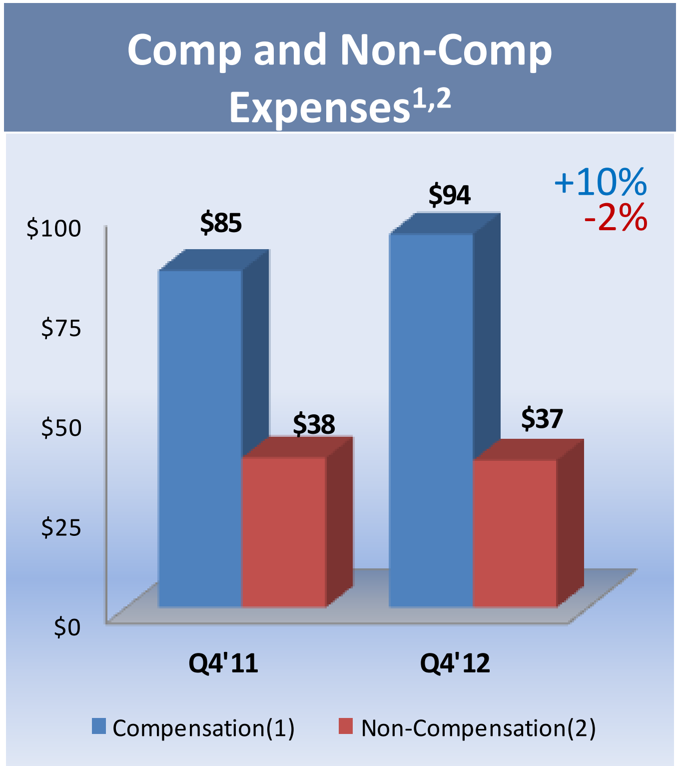
(1) Net income before provision for income taxes, depreciation and amortization, other net expense and income, the lease exit charge, non-recurring stock-based compensation and restructuring costs. Please see pages 15-18 for reconciliation.

(2) For the purpose of calculating Adjusted EPS, the after-tax impact of the lease exit charge, non-recurring stock-based compensation, amortization of intangible assets, debt repayment expenses and restructuring costs are excluded from the calculation of EPS; see pages 15-18 for reconciliation.

Compensation and Non-Compensation EBITDA Expense

(Dollars in millions)

- Comp[1] and Non-comp expenses[2] increased 7% to $131 million
  - Compensation expense rose 10%
    - Addition of 312 IPD employees reduced mix of employees in EMCs to 41% from 44% in Q3'12. Still up from 39% in Q4'11
    - Q4'11 Comp expense reduced by $3 million reversal of bonus accrual
  - Non-compensation costs down 2% as a result of strong expense management



(1) Compensation expense excludes non-recurring stock-based compensation. Please see page 18 for reconciliation to operating expenses.

(2) Non-compensation excludes the lease exit charge, depreciation, amortization and restructuring costs. Please see page 18 for reconciliation to operating expenses.

Capital Allocation

Key Principles of MSCI Capital Allocation

- MSCI will require ongoing organic and in-organic investment in order to maintain its leadership position in the marketplace
- Funding organic investment is first priority
- Focus is on bolt-on transactions that fit with our strategy and meet MSCI financial criteria (currently mid-teens ROIC within 3-5 years)
- Share repurchase is current vehicle for returning capital

2012 Net Cash from Operations **$347 million**

2012 Significant Cash Out-Flows		**2013 Selected Cash Out-Flows**	
Capital Expenditures	$45 million	Capital Expenditures	$30-35 million
Acquisition of IPD	$125 million	Acquisition of InvestorForce	$24 million
Debt repayments	$224 million	Scheduled debt repayments	$44 million
Accelerated Share Repurchase	$100 million	----------------------------	
		2013-2014 Share Repurchase Authorization	up to $200 million

Summary Balance Sheet

In thousands	As of December 31, 2012	December 31, 2011
Cash and cash equivalents	$ 183,309	$ 252,211
Short-term investments	70,898	140,490
Trade receivables, net of allowances	153,557	180,566
Deferred revenue	$ 308,022	$ 289,217
Current maturities of long-term debt	43,093	10,339
Long-term debt, net of current maturities	811,623	1,066,548

Total Cash & Investments

$254M

Total Debt

$855M

Use of Non-GAAP Financial Measures

- MSCI has presented supplemental non-GAAP financial measures as part of this presentation. A reconciliation is provided that reconciles each non-GAAP financial measure with the most comparable GAAP measure. The presentation of non-GAAP financial measures should not be considered as alternative measures for the most directly comparable GAAP financial measures. These measures are used by management to monitor the financial performance of the business, inform business decision making and forecast future results.
- Adjusted EBITDA is defined as net income before provision for income taxes, other net expense and income, depreciation and amortization, the lease exit charge, non-recurring stock-based compensation expense and restructuring costs .
- Adjusted Net Income and Adjusted EPS are defined as net income and EPS, respectively, before provision for the lease exit charge, non-recurring stock-based compensation expenses, amortization of intangible assets, restructuring costs and the accelerated amortization or write off of deferred financing and debt discount costs as a result of debt repayment (debt repayment and refinancing expenses), as well as for any related tax effects.
- We believe that adjustments related to the lease exit charge, restructuring costs and debt repayment and refinancing expenses are useful to management and investors because it allows for an evaluation of MSCI's underlying operating performance. Additionally, we believe that adjusting for non-recurring stock-based compensation expenses, debt repayment and refinancing expenses and depreciation and amortization may help investors compare our performance to that of other companies in our industry as we do not believe that other companies in our industry have as significant a portion of their operating expenses represented by these items. We believe that the non-GAAP financial measures presented in this earnings release facilitate meaningful period-to-period comparisons and provide a baseline for the evaluation of future results.
- Adjusted EBITDA, Adjusted net income and Adjusted EPS are not defined in the same manner by all companies and may not be comparable to other similarly titled measures of other companies.
- The run rate at a particular point in time represents the forward-looking revenues for the next 12 months from all subscriptions and investment product licenses we currently provide to our clients under renewable contracts assuming all contracts that come up for renewal are renewed and assuming then-current exchange rates. For any subscription or license whose fees are linked to an investment product's assets or trading volume, the run rate calculation reflects an annualization of the most recent periodic revenue earned under such license or subscription. The run rate does not include revenues associated with "one-time" and other non-recurring transactions. In addition, we remove from the run rate the revenues associated with any subscription or investment product license agreement with respect to which we have received a notice of termination or non-renewal during the period and we have determined that such notice evidences the client's final decision to terminate or not renew the applicable subscription or agreement, even though the notice is not effective until a later date. The run rate for IPD Group Limited was approximated using the trailing twelve months of revenue primarily adjusted for estimates for non-recurring sales, new sales, and cancellations.
- The quarterly Aggregate Retention Rates are calculated by annualizing the cancellations for which we have received a notice of termination or non-renewal during the quarter and we have determined that such notice evidences the client's final decision to terminate or not renew the applicable subscription or agreement, even though such notice is not effective until a later date. This annualized cancellation figure is then divided by the subscription Run Rate at the beginning of the year to calculate a cancellation rate. This cancellation rate is then subtracted from 100% to derive the annualized Retention Rate for the quarter. The Aggregate Retention Rate is computed on a product-by-product basis. Therefore, if a client reduces the number of products to which it subscribes or switches between our products, we treat it as a cancellation. In addition, we treat any reduction in fees resulting from renegotiated contracts as a cancellation in the calculation to the extent of the reduction. For the calculation of the Core Retention Rate the same methodology is used except the amount of cancellations in the quarter is reduced by the amount of product swaps.

Reconciliation of Adjusted Net Income and Adjusted EPS

(Dollars in thousands, except per share figures)

		Three Months Ended			Year Ended	
In thousands		December 31, 2012	December 31, 2011	September 30, 2012	December 31, 2012	December 31, 2011
Net Income		$ 54,452	$ 44,486	$ 48,274	$ 184,238	$ 173,454
Plus:	Non-recurring stock-based compensation	381	1,144	626	1,781	7,918
Plus:	Amortization of intangible assets	15,421	16,268	15,959	63,298	65,805
Plus:	Debt repayment and refinancing expenses	-	-	-	20,639	6,404
Plus:	Lease exit charge	469	-	3,327	3,796	-
Plus:	Restructuring costs	-	126	-	(51)	3,594
Less:	Income tax effect	(6,556)	(6,463)	(7,280)	(32,510)	(29,913)
Adjusted net income		**$ 64,167**	**$ 55,561**	**$ 60,906**	**$ 241,191**	**$ 227,262**
Diluted EPS		**$ 0.44**	**$ 0.36**	**$ 0.39**	**$ 1.48**	**$ 1.41**
Plus:	Non-recurring stock-based compensation	$ -	$ 0.01	$ 0.01	$ 0.01	$ 0.06
Plus:	Amortization of intangible assets	$ 0.12	$ 0.13	$ 0.13	$ 0.51	$ 0.54
Plus:	Debt repayment and refinancing expenses	$ -	$ -	$ -	$ 0.17	$ 0.05
Plus:	Lease exit charge	$ -	$ -	$ 0.03	$ 0.03	$ -
Plus:	Restructuring costs	$ -	$ -	$ -	$ -	$ 0.03
Less:	Income tax effect	$ (0.04)	$ (0.05)	$ (0.07)	$ (0.26)	$ (0.24)
Adjusted EPS		**$ 0.52**	**$ 0.45**	**$ 0.49**	**$ 1.94**	**$ 1.85**

Reconciliation of Adjusted EBITDA to Net Income

(Dollars in thousands)

In thousands	Three Months Ended December 31, 2012 Performance and Risk	Governance	Total	Three Months Ended December 31, 2011 Performance and Risk	Governance	Total
Net Income			$ 54,452			$ 44,486
Plus: Provision for income taxes			33,863			25,642
Plus: Other expense (income), net			6,992			11,505
Operating income	**$ 90,620**	**$ 4,687**	**$ 95,307**	**$ 79,046**	**$ 2,587**	**$ 81,633**
Plus: Non-recurring stock-based compensation	342	39	381	1,015	129	1,144
Plus: Depreciation and amortization of property, equipment and leasehold improvements	4,028	961	4,989	3,595	883	4,478
Plus: Amortization of intangible assets	12,101	3,320	15,421	12,927	3,341	16,268
Plus: Lease exit charge	411	58	469	-	-	-
Plus: Restructuring costs	-	-	-	381	(256)	125
Adjusted EBITDA	**$ 107,502**	**$ 9,065**	**$ 116,567**	**$ 96,964**	**$ 6,684**	**$ 103,648**

In thousands	Year Ended December 31, 2012 Performance and Risk	Governance	Total	Year Ended December 31, 2011 Performance and Risk	Governance	Total
Net Income			$ 184,238			$ 173,454
Plus: Provision for income taxes			105,171			89,959
Plus: Other expense (income), net			57,527			58,585
Operating income	**$ 334,547**	**$ 12,389**	**$ 346,936**	**$ 310,504**	**$ 11,494**	**$ 321,998**
Plus: Non-recurring stock-based compensation	1,611	170	1,781	7,446	472	7,918
Plus: Depreciation and amortization of property, equipment and leasehold improvements	15,165	3,535	18,700	15,144	4,281	19,425
Plus: Amortization of intangible assets	50,017	13,281	63,298	52,414	13,391	65,805
Plus: Lease exit charge	3,336	460	3,796	-	-	-
Plus: Restructuring costs	(32)	(19)	(51)	1,951	1,643	3,594
Adjusted EBITDA	**$ 404,644**	**$ 29,816**	**$ 434,460**	**$ 387,459**	**$ 31,281**	**$ 418,740**

Reconciliation of Operating Expenses

(Dollars in thousands)

	Three Months Ended			% Change from	
In thousands	December 31, 2012	December 31, 2011	September 30, 2012	December 31, 2011	September 30, 2012
Cost of services					
Compensation	$ 55,982	$ 50,132	$ 50,111	11.7%	11.7%
Non-recurring stock based compensation	255	443	267	(42.4%)	(4.5%)
Total compensation	$ 56,237	$ 50,575	$ 50,378	11.2%	11.6%
Non-compensation	17,735	18,546	16,448	(4.4%)	7.8%
Lease exit charge[1]	219	-	1,524	n/m	(85.6%)
Total non-compensation	17,954	18,546	17,972	(3.2%)	(0.1%)
Total cost of services	$ 74,191	$ 69,121	$ 68,350	7.3%	8.5%
Selling, general and administrative					
Compensation	$ 37,475	$ 34,672	$ 42,296	8.1%	(11.4%)
Non-recurring stock based compensation	126	701	359	(82.0%)	(64.9%)
Total compensation	$ 37,601	$ 35,373	$ 42,655	6.3%	(11.8%)
Non-compensation	19,321	19,136	18,515	1.0%	4.4%
Lease exit charge[1]	250	-	1,803	n/m	(86.1%)
Total non-compensation	19,571	19,136	20,318	2.3%	(3.7%)
Total selling, general and administrative	$ 57,172	$ 54,509	$ 62,973	4.9%	(9.2%)
Restructuring costs	-	125	-	n/m	n/m
Amortization of intangible assets	15,421	16,268	15,959	(5.2%)	(3.4%)
Depreciation and amortization of property, equipment and leasehold improvements	4,989	4,478	4,633	11.4%	7.7%
Total operating expenses	$ 151,773	$ 144,501	$ 151,915	5.0%	(0.1%)

Compensation	$ 93,457	$ 84,804	$ 92,407	10.2%	1.1%
Non-recurring stock-based compensation	381	1,144	626	(66.7%)	(39.1%)
Non-compensation expenses	37,056	37,682	34,963	(1.7%)	6.0%
Lease exit charge[1]	469	-	3,327	n/m	(85.9%)
Restructuring costs	-	125	-	n/m	n/m
Amortization of intangible assets	15,421	16,268	15,959	(5.2%)	(3.4%)
Depreciation and amortization of property, equipment and leasehold improvements	4,989	4,478	4,633	11.4%	7.7%
Total operating expenses	$ 151,773	$ 144,501	$ 151,915	5.0%	(0.1%)

[1]The third quarter and fourth quarter 2012 include a charge of $3.3 million and $0.5 million, respectively, associated with an occupancy lease exit resulting from the consolidation of MSCI's New York offices.