UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from____________to____________

Commission file number 001-33812

MSCI INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**13-4038723**
(State or other jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification Number)**
7 World Trade Center **250 Greenwich Street, 49th Floor** **New York, New York**	**10007**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's telephone number, including area code: (212) 804-3900

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	**MSCI**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 24, 2024, there were 78,371,294 shares of the registrant's common stock, par value $0.01, outstanding.

FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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AVAILABLE INFORMATION

Our corporate headquarters is located at 7 World Trade Center, 250 Greenwich Street, 49th Floor, New York, New York, 10007, and our telephone number is (212) 804-3900. We maintain a website on the internet at www.msci.com. The contents of our website are not a part of or incorporated by reference in this Quarterly Report on Form 10-Q.

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). The SEC maintains a website that contains reports, proxy and information statements and other information that we file electronically with the SEC at www.sec.gov. We also make available free of charge, on or through our website, these reports, proxy statements and other information as soon as reasonably practicable following the time they are electronically filed with or furnished to the SEC. To access these, click on the "SEC Filings" link under the "Financial Information" tab found on our Investor Relations homepage (http://ir.msci.com).

We also use our Investor Relations homepage and our Corporate Responsibility homepage as channels of distribution of Company information. The information we post through these channels may be deemed material.

Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive email alerts and other information about us when you enroll your email address by visiting the "Email Alerts" section of our Investor Relations homepage at https://ir.msci.com/email-alerts. The contents of our website, including our Investor Relations homepage and Corporate Responsibility homepage, and our social media channels are not, however, a part of or incorporated by reference in this Quarterly Report on Form 10-Q.

FORWARD-LOOKING STATEMENTS

We have included in this Quarterly Report on Form 10-Q, and from time to time may make in our public filings, press releases or other public statements, certain statements that constitute forward-looking statements. In addition, our management may make forward-looking statements to analysts, investors, representatives of the media and others. These forward-looking statements are not historical facts and represent only MSCI's beliefs regarding future events, many of which, by their nature, are inherently uncertain and beyond our control. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these statements.

In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential" or "continue," or the negative of these terms or other comparable terminology. Statements concerning our financial position, business strategy and plans or objectives for future operations are forward-looking statements. 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 our actual results, levels of activity, performance or achievements. Such risks and uncertainties include those set forth under "Risk Factors" in Part I, Item 1A of the 2023 Annual Report on Form 10-K filed with the SEC on February 9, 2024. If any of these risks, uncertainties or other factors materialize, or if MSCI's underlying assumptions prove to be incorrect, actual results may vary significantly from what MSCI projected. Any forward-looking statement reflects our current views with respect to future events, levels of activity, performance or achievements and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. The forward-looking statements in this report speak only as of the time they are made and do not necessarily reflect our outlook at any other point in time. MSCI 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, except as required by law. Therefore, readers should carefully review the risk factors set forth in our Annual Report on Form 10-K and in other reports or documents we file from time to time with the SEC.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

MSCI INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(in thousands, except per share and share data)

	As of	
(unaudited)	**September 30, 2024**	**December 31, 2023**
ASSETS		
Current assets:		
Cash and cash equivalents (includes restricted cash of $3,909 and $3,878 at September 30, 2024 and December 31, 2023, respectively)	$ 500,979	$ 461,693
Accounts receivable (net of allowances of $4,363 and $3,968 at September 30, 2024 and December 31, 2023, respectively)	643,807	839,555
Prepaid income taxes	77,493	59,002
Prepaid and other assets	63,517	57,903
Total current assets	1,285,796	1,418,153
Property, equipment and leasehold improvements, net	62,317	55,920
Right of use assets	121,726	115,243
Goodwill	2,916,102	2,887,692
Intangible assets, net	931,428	956,234
Deferred tax assets	41,761	41,074
Other non-current assets	49,819	43,903
Total assets	$ 5,408,949	$ 5,518,219
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable	$ 8,748	$ 9,812
Income taxes payable	38,744	24,709
Accrued compensation and related benefits	179,041	219,456
Current portion of long-term debt	—	10,902
Other accrued liabilities	208,542	168,282
Deferred revenue	942,840	1,083,864
Total current liabilities	1,377,915	1,517,025
Long-term debt	4,484,773	4,496,826
Long-term operating lease liabilities	123,939	120,134
Deferred tax liabilities	61,281	27,028
Other non-current liabilities	112,039	96,970
Total liabilities	6,159,947	6,257,983
Commitments and Contingencies (see Note 8)		
Shareholders' equity (deficit):		
Preferred stock (par value $0.01; 100,000,000 shares authorized; no shares issued)	—	—
Common stock (par value $0.01; 750,000,000 common shares authorized; 134,079,131 and 133,817,332 common shares issued and 78,371,202 and 79,091,212 common shares outstanding at September 30, 2024 and December 31, 2023, respectively)	1,341	1,338
Treasury shares, at cost (55,707,929 and 54,726,120 common shares held at September 30, 2024 and December 31, 2023, respectively)	(6,960,512)	(6,447,101)
Additional paid in capital	1,660,793	1,587,670
Retained earnings	4,600,360	4,179,681
Accumulated other comprehensive loss	(52,980)	(61,352)
Total shareholders' equity (deficit)	(750,998)	(739,764)
Total liabilities and shareholders' equity (deficit)	$ 5,408,949	$ 5,518,219

See Notes to Condensed Consolidated Financial Statements (Unaudited)

MSCI INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

(unaudited)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Operating revenues	$ 724,705	$ 625,439	$ 2,112,619	$ 1,838,814
Operating expenses:				
Cost of revenues (exclusive of depreciation and amortization)	126,192	105,311	382,815	324,024
Selling and marketing	70,763	66,581	214,385	201,044
Research and development	38,584	31,438	120,182	92,901
General and administrative	41,561	36,826	137,958	113,527
Amortization of intangible assets	41,939	26,722	121,316	77,543
Depreciation and amortization of property, equipment and leasehold improvements	4,332	5,252	12,639	15,911
Total operating expenses	323,371	272,130	989,295	824,950
Operating income	401,334	353,309	1,123,324	1,013,864
Interest income	(5,217)	(10,314)	(17,375)	(31,079)
Interest expense	46,688	46,902	139,995	139,725
Other expense (income)	2,927	(935)	7,881	4,032
Other expense (income), net	44,398	35,653	130,501	112,678
Income before provision for income taxes	356,936	317,656	992,823	901,186
Provision for income taxes	76,035	57,997	189,210	155,974
Net income	$ 280,901	$ 259,659	$ 803,613	$ 745,212
Earnings per share:				
Basic	$ 3.58	$ 3.28	$ 10.18	$ 9.36
Diluted	$ 3.57	$ 3.27	$ 10.15	$ 9.32
Weighted average shares outstanding:				
Basic	78,499	79,116	78,925	79,580
Diluted	78,729	79,500	79,159	79,959

See Notes to Condensed Consolidated Financial Statements (Unaudited)

MSCI INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

(unaudited)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Net income	$ 280,901	$ 259,659	$ 803,613	$ 745,212
Other comprehensive income (loss):				
Foreign currency translation adjustments	12,899	(5,832)	9,102	1,046
Income tax effect	(1,039)	771	(827)	(660)
Foreign currency translation adjustments, net	11,860	(5,061)	8,275	386
Pension and other post-retirement adjustments	(28)	756	78	(1,338)
Income tax effect	23	(72)	19	141
Pension and other post-retirement adjustments, net	(5)	684	97	(1,197)
Other comprehensive income (loss), net of tax	11,855	(4,377)	8,372	(811)
Comprehensive income	$ 292,756	$ 255,282	$ 811,985	$ 744,401

See Notes to Condensed Consolidated Financial Statements (Unaudited)

MSCI INC.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIT)
(in thousands)

(unaudited)	Common Stock	Treasury Stock	Additional Paid in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 31, 2023	$ 1,338	$ (6,447,101)	$ 1,587,670	$ 4,179,681	$ (61,352)	$ (739,764)
Net income				255,954		255,954
Dividends declared ($1.60 per common share)				(129,444)		(129,444)
Dividends paid in shares			74			74
Other comprehensive income (loss), net of tax					(2,205)	(2,205)
Common stock issued	3					3
Shares withheld for tax withholding		(69,991)				(69,991)
Compensation payable in common stock			34,894			34,894
Common stock repurchased and held in treasury						—
Common stock issued to Directors and (held in)/released from treasury		(38)				(38)
Balance at March 31, 2024	1,341	(6,517,130)	1,622,638	4,306,191	(63,557)	(650,517)
Net income				266,758		266,758
Dividends declared ($1.60 per common share)				(127,304)		(127,304)
Dividends paid in shares			40			40
Other comprehensive income (loss), net of tax					(1,278)	(1,278)
Common stock issued						—
Shares withheld for tax withholding		(200)				(200)
Compensation payable in common stock			19,707			19,707
Common stock repurchased and held in treasury		(243,035)				(243,035)
Common stock issued to Directors and (held in)/released from treasury		1,346				1,346
Balance at June 30, 2024	$ 1,341	$ (6,759,019)	$ 1,642,385	$ 4,445,645	$ (64,835)	$ (734,483)
Net income				280,901		280,901
Dividends declared ($1.60 per common share)				(126,186)		(126,186)
Dividends paid in shares			8			8
Other comprehensive income (loss), net of tax					11,855	11,855
Common stock issued	—					—
Shares withheld for tax withholding and exercises		(761)				(761)
Compensation payable in common stock		—	18,400			18,400
Common stock repurchased and held in treasury		(200,724)				(200,724)
Common stock issued to Directors and (held in)/released from treasury		(8)				(8)
Balance at September 30, 2024	$ 1,341	$ (6,960,512)	$ 1,660,793	$ 4,600,360	$ (52,980)	$ (750,998)

See Notes to Condensed Consolidated Financial Statements (Unaudited)

MSCI INC.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIT)
(in thousands)

(unaudited)	Common Stock	Treasury Stock	Additional Paid in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 31, 2022	$ 1,336	$ (5,938,116)	$ 1,515,874	$ 3,473,192	$ (60,211)	$ (1,007,925)
Net income				238,728		238,728
Dividends declared ($1.38 per common share)				(111,986)		(111,986)
Dividends paid in shares			44			44
Other comprehensive income (loss), net of tax					2,775	2,775
Common stock issued	2					2
Shares withheld for tax withholding		(43,960)				(43,960)
Compensation payable in common stock			20,988			20,988
Common stock repurchased and held in treasury						—
Common stock issued to Directors and (held in)/released from treasury		(30)				(30)
Balance at March 31, 2023	1,338	(5,982,106)	1,536,906	3,599,934	(57,436)	(901,364)
Net income				246,825		246,825
Dividends declared ($1.38 per common share)				(110,383)		(110,383)
Dividends paid in shares	—		33			33
Other comprehensive income (loss), net of tax					791	791
Common stock issued	—					—
Shares withheld for tax withholding		(611)				(611)
Compensation payable in common stock			16,426			16,426
Common stock repurchased and held in treasury		(444,655)				(444,655)
Common stock issued to Directors and (held in)/released from treasury		(730)				(730)
Balance at June 30, 2023	$ 1,338	$ (6,428,102)	$ 1,553,365	$ 3,736,376	$ (56,645)	$ (1,193,668)
Net income				259,659		259,659
Dividends declared ($1.38 per common share)				(109,847)		(109,847)
Dividends paid in shares			30			30
Other comprehensive income (loss), net of tax					(4,377)	(4,377)
Common stock issued	—					—
Shares withheld for tax withholding and exercises		(871)				(871)
Compensation payable in common stock			18,047			18,047
Common stock repurchased and held in treasury		(18,039)				(18,039)
Common stock issued to Directors and (held in)/released from treasury		(30)				(30)
Balance at September 30, 2023	$ 1,338	$ (6,447,042)	$ 1,571,442	$ 3,886,188	$ (61,022)	$ (1,049,096)

See Notes to Condensed Consolidated Financial Statements (Unaudited)

MSCI INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Nine Months Ended September 30,	
(unaudited)	**2024**	**2023**
Cash flows from operating activities		
Net income	$ 803,613	$ 745,212
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of intangible assets	121,316	77,543
Stock-based compensation expense	72,235	55,375
Depreciation and amortization of property, equipment and leasehold improvements	12,639	15,911
Amortization of right of use assets	19,582	17,484
Amortization of debt origination fees	3,856	3,791
Loss on extinguishment of debt	1,510	—
Deferred taxes	32,085	(30,973)
Other adjustments	7,915	1,199
Changes in assets and liabilities:		
Accounts receivable	194,233	58,132
Prepaid income taxes	(17,882)	(17,654)
Prepaid and other assets	(6,179)	1,687
Other non-current assets	(579)	(4,837)
Accounts payable	(1,163)	(5,719)
Income taxes payable	14,063	11,425
Accrued compensation and related benefits	(38,461)	(25,599)
Other accrued liabilities	20,664	15,118
Deferred revenue	(146,357)	(43,571)
Long-term operating lease liabilities	(19,294)	(16,027)
Other non-current liabilities	(2,681)	(11,195)
Other	(121)	(226)
Net cash provided by operating activities	1,070,994	847,076
Cash flows from investing activities		
Capitalized software development costs	(59,648)	(50,080)
Capital expenditures	(19,515)	(18,942)
Cash paid for acquisitions, net of cash acquired	(27,467)	—
Other	(892)	(389)
Net cash used in investing activities	(107,522)	(69,411)
Cash flows from financing activities		
Repurchase of common stock held in treasury	(511,218)	(504,161)
Payment of dividends	(383,980)	(331,640)
Repayment of borrowings	(364,063)	(6,563)
Proceeds from borrowings	336,875	—
Payment of debt issuance costs	(3,739)	—
Net cash used in financing activities	(926,125)	(842,364)
Effect of exchange rate changes	1,939	(313)
Net increase (decrease) in cash, cash equivalents and restricted cash	39,286	(65,012)
Cash, cash equivalents and restricted cash, beginning of period	461,693	993,564
Cash, cash equivalents and restricted cash, end of period	$ 500,979	$ 928,552
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 124,963	$ 125,068
Cash paid for income taxes, net of refunds received	$ 161,423	$ 197,746
Supplemental disclosure of non-cash investing activities		
Property, equipment and leasehold improvements in other accrued liabilities	$ 3,153	$ 4,734
Supplemental disclosure of non-cash financing activities		
Cash dividends declared, but not yet paid	$ 1,173	$ 1,453

See Notes to Condensed Consolidated Financial Statements (Unaudited)

MSCI INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

1. INTRODUCTION AND BASIS OF PRESENTATION

MSCI Inc., together with its wholly owned subsidiaries (the "Company" or "MSCI") is a leading provider of critical decision support tools and solutions for the global investment community. Our mission-critical offerings help investors address the challenges of a transforming investment landscape and power better investment decisions. Leveraging our knowledge of the global investment process and our expertise in research, data and technology, we enable our clients to understand and analyze key drivers of risk and return and confidently and efficiently build more effective portfolios. Our products and services include indexes; portfolio construction and risk management tools; environmental, social and governance ("ESG") and climate solutions; and private asset data and analysis.

Basis of Presentation and Use of Estimates

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they should be read in conjunction with the audited consolidated financial statements and notes included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. If not materially different, certain note disclosures included therein have been omitted from these interim condensed consolidated financial statements.

In the opinion of management, all adjustments, which consist of normal recurring adjustments necessary for a fair statement of the interim consolidated financial statements, have been included. The results of operations for interim periods are not necessarily indicative of results for the entire year.

The Company's unaudited condensed consolidated financial statements are prepared in accordance with GAAP. The Company makes certain estimates and judgments that can affect the reported amounts of assets and liabilities as of the date of the unaudited condensed consolidated financial statements, as well as the reported amounts of operating revenues and expenses during the periods presented. Significant estimates and judgments made by management include such examples as assessment of impairment of goodwill and intangible assets and income taxes. The Company believes that estimates used in the preparation of these unaudited condensed consolidated financial statements are reasonable; however, actual results could differ materially from these estimates. Inter-company balances and transactions are eliminated in consolidation.

Concentrations

For the nine months ended September 30, 2024 and 2023, BlackRock, Inc. ("BlackRock") accounted for 10.1% and 10.1% of the Company's consolidated operating revenues, respectively. For the nine months ended September 30, 2024 and 2023, BlackRock accounted for 17.8% and 17.0% of the Index segment's operating revenues, respectively. No single customer represented 10.0% or more of operating revenues within the Analytics, ESG and Climate or All Other – Private Assets segments for the nine months ended September 30, 2024 and 2023.

Allowance for Credit Losses

Changes in the allowance for credit losses from December 31, 2022 to September 30, 2024 were as follows:

(in thousands)	Amount
Balance as of December 31, 2022	$ 2,652
Addition to credit loss expense	2,196
Write-offs, net of recoveries	(880)
Balance as of December 31, 2023	$ 3,968
Addition to credit loss expense	2,377
Write-offs, net of recoveries	(1,982)
Balance as of September 30, 2024	$ 4,363

2. RECENT ACCOUNTING PRONOUNCEMENTS

In November 2023, the FASB issued Accounting Standards Update No. 2023-07 "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," or ASU 2023-07. The amendments in ASU 2023-07 aim to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 is effective for the Company's Annual Report on Form 10-K for the year ended December 31, 2024, and subsequent interim periods, with early adoption permitted. The adoption of ASU 2023-07 will expand our disclosures, and we do not expect the adoption of ASU 2023-07 to have a material impact on our consolidated financial statements.

In December 2023, the FASB issued Accounting Standards Update No. 2023-09 "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," or ASU 2023-09. The amendments in ASU 2023-09 aim to enhance the transparency and decision usefulness of income tax disclosures. ASU 2023-09 is effective for the Company's Annual Report on Form 10-K for the year ended December 31, 2025, with early adoption permitted. The Company is currently evaluating the impact of this update on disclosures within its consolidated financial statements.

3. REVENUE RECOGNITION

MSCI's operating revenues are reported by product type and each product type may have different timing for recognizing revenue. The Company's operating revenue types are recurring subscriptions, asset-based fees and non-recurring revenues. The Company also disaggregates operating revenues by segment.

The tables that follow present the disaggregated operating revenues for the periods indicated:

	For the Three Months Ended September 30, 2024				
	Segments				
(in thousands)	Index	Analytics	ESG and Climate	All Other - Private Assets	Total
Operating Revenue Types					
Recurring subscriptions	$ 223,945	$ 168,150	$ 81,536	$ 62,991	$ 536,622
Asset-based fees	168,622	—	—	—	168,622
Non-recurring	12,315	4,226	2,107	813	19,461
Total	$ 404,882	$ 172,376	$ 83,643	$ 63,804	$ 724,705

	For the Nine Months Ended September 30, 2024				
	Segments				
(in thousands)	Index	Analytics	ESG and Climate	All Other - Private Assets	Total
Operating Revenue Types					
Recurring subscriptions	$ 653,929	$ 490,829	$ 235,954	$ 190,434	$ 1,571,146
Asset-based fees	482,162	—	—	—	482,162
Non-recurring	39,855	11,508	5,428	2,520	59,311
Total	$ 1,175,946	$ 502,337	$ 241,382	$ 192,954	$ 2,112,619

	For the Three Months Ended September 30, 2023				
	Segments				
(in thousands)	Index	Analytics	ESG and Climate	All Other - Private Assets	Total
Operating Revenue Types					
Recurring subscriptions	$ 206,453	$ 151,269	$ 71,744	$ 35,531	$ 464,997
Asset-based fees	141,066	—	—	—	141,066
Non-recurring	14,603	2,999	1,294	480	19,376
Total	$ 362,122	$ 154,268	$ 73,038	$ 36,011	$ 625,439

(in thousands)	For the Nine Months Ended September 30, 2023 Segments Index	Analytics	ESG and Climate	All Other - Private Assets	Total
Operating Revenue Types					
Recurring subscriptions	$ 603,845	$ 443,276	$ 207,523	$ 111,292	$ 1,365,936
Asset-based fees	412,354	—	—	—	412,354
Non-recurring	47,621	7,943	3,792	1,168	60,524
Total	$ 1,063,820	$ 451,219	$ 211,315	$ 112,460	$ 1,838,814

The tables that follow present the change in accounts receivable, net of allowances, and current deferred revenue between the dates indicated:

(in thousands)	Accounts receivable, net of allowances	Deferred revenue
Opening (December 31, 2023)	$ 839,555	$ 1,083,864
Closing (September 30, 2024)	643,807	942,840
Increase/(decrease)	$ (195,748)	$ (141,024)

(in thousands)	Accounts receivable, net of allowances	Deferred revenue
Opening (December 31, 2022)	$ 663,236	$ 882,886
Closing (September 30, 2023)	603,266	837,479
Increase/(decrease)	$ (59,970)	$ (45,407)

The amounts of revenues recognized in the periods that were included in the opening current deferred revenue, which reflects contract liability amounts, were $209.9 million and $915.5 million for the three and nine months ended September 30, 2024, respectively, and $171.8 million and $798.0 million for the three and nine months ended September 30, 2023, respectively. The difference between the opening and closing balances of the Company’s deferred revenue was primarily driven by an increase in the amortization of deferred revenue to operating revenues, partially offset by an increase in billings. As of September 30, 2024 and December 31, 2023, the Company carried a long-term deferred revenue balance of $28.8 million and $28.8 million, respectively, in “Other non-current liabilities” on the Unaudited Condensed Consolidated Statement of Financial Condition.

For contracts that have a duration of one year or less, the Company has not disclosed either the remaining performance obligation as of the end of the reporting period or when the Company expects to recognize the revenue. The remaining performance obligations for contracts that have a duration of greater than one year and the periods in which they are expected to be recognized are as follows:

(in thousands)	As of September 30, 2024
First 12-month period	$ 912,103
Second 12-month period	567,796
Third 12-month period	258,819
Periods thereafter	172,423
Total	$ 1,911,141

4. EARNINGS PER COMMON SHARE

Basic earnings per share (“EPS”) is computed by dividing net income by the weighted average number of common shares outstanding during the period. Diluted EPS reflects the assumed conversion of all dilutive securities, including, when applicable, restricted stock units (“RSUs”), performance stock units (“PSUs”) and performance stock options (“PSOs”).

The following table presents the computation of basic and diluted EPS:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except per share data)	**2024**	**2023**	**2024**	**2023**
Net income	$ 280,901	$ 259,659	$ 803,613	$ 745,21
Basic weighted average common shares outstanding	78,499	79,116	78,925	79,58
Effect of dilutive securities:				
PSUs, RSUs and PSOs	230	384	234	37
Diluted weighted average common shares outstanding	78,729	79,500	79,159	79,95
Earnings per common share:				
Basic	$ 3.58	$ 3.28	$ 10.18	$ 9.3
Diluted	$ 3.57	$ 3.27	$ 10.15	$ 9.3

5. ACQUISITIONS

On October 2, 2023, the Company acquired the remaining 66.4% interest in The Burgiss Group, LLC (“Burgiss”) for $696.8 million in cash (the “step acquisition”). The Company’s existing 33.6% interest in Burgiss had a fair value at acquisition date of $353.2 million which resulted in a non-taxable gain of $143.0 million which the Company recognized during the three months ended December 31, 2023. The acquisition of Burgiss provides the Company with comprehensive data and deep expertise in private assets, enabling investors to evaluate fundamental information, measure and compare performance, understand exposures, manage risk, and conduct robust analytics.

The step acquisition has been accounted for as a business combination using the acquisition method of accounting and its results are reported within the Private Capital Solutions operating segment within the All Other – Private Assets reportable segment. With the step acquisition, the Company renamed the Burgiss operating segment to Private Capital Solutions. Prior to the step acquisition, Burgiss was accounted for as an equity-method investment. Therefore, MSCI did not recognize the proportionate share of Burgiss’ operating revenues, rather, the Company’s proportionate share of the income or loss of Burgiss was reported as a component of other (expense) income, net. A portion of Burgiss’s client agreements do not have automatic renewal clauses at the end of the subscription period. Due to the historically high retention rate, the expectation that a substantial portion of the client agreements will be renewed and the nature of the subscription service, the associated revenue is recorded as recurring subscription revenue.

The table below represents the final purchase price allocation to total assets acquired and liabilities assumed based on their respective estimated fair values as of October 2, 2023 and the associated estimated useful lives of acquired intangibles as of that date.

(in thousands)	Estimated Useful Life	Fair Value
Cash and cash equivalents		$ 5,397
Accounts receivable		25,839
Prepaid Income Taxes		72
Other current assets		4,201
Property, equipment and leasehold improvements, net		670
Right of use assets		3,443
Other non-current assets		487
Deferred revenue		(21,479)
Other current liabilities		(13,705)
Long-term operating lease liabilities		(2,525)
Intangible assets:		
Proprietary data	11 years	229,900
Customer relationships	21 years	179,900
Acquired technology and software	3 years	19,000
Trademarks	1 year	900
Goodwill		617,834
Net assets acquired		$ 1,049,934

The Company, with the assistance of third-party valuation experts, calculated the fair values of intangible assets using the relief from royalty method for proprietary data, acquired technology and software and trademarks and the multi-period excess earnings method for customer relationships. The significant assumptions used to estimate the fair value of the acquired intangible assets included forecasted cash flows, which were determined based on certain assumptions that included, among others, projected future revenues, and expected market royalty rates, technology obsolescence rates and discount rates. The weighted average amortization period of the acquired intangible assets was 14.8 years.

The recorded goodwill is primarily attributable to the expected synergies from the utilization of the acquired data as well as expanded market opportunities. Goodwill attributable to the acquisition is deductible for federal income tax purposes to the extent of consideration paid.

Revenue of Burgiss recognized within the consolidated financial statements was $27.0 million and $78.0 million for the three and nine months ended September 30, 2024, respectively.

On November 1, 2023, MSCI completed the acquisition of Trove Research Ltd (“Trove”), a carbon markets intelligence provider. Trove is a part of the ESG and Climate operating segment.

On January 2, 2024, MSCI completed the acquisition of Fabric RQ, Inc. (“Fabric”), a wealth technology platform specializing in portfolio design, customization and analytics for wealth managers and advisors. Fabric is a part of the Analytics operating segment. The contingent consideration related to Fabric is payable based upon the future product sales of the acquired business.

On April 16, 2024, MSCI completed the acquisition of Foxberry Ltd. (“Foxberry”), a front-office index technology platform. Foxberry is a part of the Index operating segment. The contingent consideration related to Foxberry is payable based upon the achievement of integration metrics related to the operation of the platform.

The Company recognizes the fair value of contingent consideration at the date of acquisition. The liability associated with any contingent consideration is remeasured to fair value at each reporting date subsequent to the acquisition and changes in the fair value are recorded in the Unaudited Condensed Consolidated Statements of Income.

The following table presents the preliminary acquired balances related to the acquisitions of Trove, Fabric and Foxberry:

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(in thousands, except weighted average amortization period of intangible asset)	Trove	Fabric	Foxberry
Acquisition Date	November 1, 2023	January 2, 2024	April 16, 2024
Cash payments	$ 37,465	$ 7,959	$ 20,945
Deferred payments	—	—	2,529
Contingent consideration liability	—	8,146	19,094
Aggregate purchase price	$ 37,465	$ 16,105	$ 42,568
Net tangible assets acquired (liabilities assumed)	$ (4,787)	$ (226)	$ 1,748
Intangible assets	7,705	11,300	22,500
Goodwill	34,547	5,031	18,320
Aggregate purchase price	$ 37,465	$ 16,105	$ 42,568
Weighted average amortization period of intangible assets (years)	13.0	9.1	7.9

The fair values of the contingent consideration were determined based on management estimates and assumptions which primarily include forecasted product sales, probability of achievement of certain integration targets and discount rates. The Company classifies these liabilities as Level 3 within the fair value hierarchy, as the measurement is based on inputs that are not observable in the market. As of September 30, 2024, the fair value of the contingent consideration was $28.2 million, of which $9.3 million is included in "Other accrued liabilities" and $18.9 million is included in "Other non-current liabilities" on the Unaudited Condensed Consolidated Statement of Financial Condition.

Changes in the Company's Level 3 financial liabilities for the three and nine months ended September 30, 2024 and 2023, respectively, were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2024	2023	2024	2023
Beginning balance	$ 27,746	$ —	$ —	$ —
Additions of contingent consideration[1]	—	—	27,240	—
Change in fair value	448	—	954	—
Payments	—	—	—	—
Ending Balance	$ 28,194	$ —	$ 28,194	$ —

(1) Reflects balance of contingent consideration at acquisition date fair value.

The recorded goodwill for Trove is primarily attributable to expected synergies from the utilization of the acquired data as well as expanded market opportunities. The recorded goodwill amounts for Fabric and Foxberry are primarily attributable to expected synergies from the utilization of the acquired technology platforms. Goodwill attributable to the acquisitions of Fabric, Trove and Foxberry are not deductible for federal income tax purposes.

Revenue of Trove, Fabric and Foxberry recognized within the Unaudited Condensed Consolidated Statement of Income was $1.1 million, $189 thousand and $207 thousand for the three months ended September 30, 2024, respectively. Revenue of Trove, Fabric and Foxberry recognized within the Unaudited Condensed Consolidated Statement of Income was $3.5 million, $526 thousand and $385 thousand for the nine months ended September 30, 2024, respectively.

6. PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS, NET

Property, equipment and leasehold improvements, net consisted of the following as of the dates indicated:

	As of	
(in thousands)	September 30, 2024	December 31, 2023
Computer & related equipment	$ 167,939	$ 192,008
Furniture & fixtures	15,980	16,169
Leasehold improvements	56,412	58,582
Work-in-process	1,646	897
Subtotal	241,977	267,656
Accumulated depreciation and amortization	(179,660)	(211,736)
Property, equipment and leasehold improvements, net	$ 62,317	$ 55,920

Depreciation and amortization expense of property, equipment and leasehold improvements was $4.3 million and $5.3 million for the three months ended September 30, 2024 and 2023, respectively.

Depreciation and amortization expense of property, equipment and leasehold improvements was $12.6 million and $15.9 million for the nine months ended September 30, 2024 and 2023, respectively.

7. GOODWILL AND INTANGIBLE ASSETS, NET

Goodwill

The following table presents goodwill by reportable segment:

(in thousands)	Index	Analytics	ESG and Climate	All Other - Private Assets	Total
Goodwill at December 31, 2023	$ 1,203,435	$ 290,976	$ 84,724	$ 1,308,557	$ 2,887,692
Acquisitions [(1)]	18,320	5,031	(365)	(582)	22,404
Foreign exchange translation adjustment	3,095	—	1,876	1,035	6,006
Goodwill at September 30, 2024	$ 1,224,850	$ 296,007	$ 86,235	$ 1,309,010	$ 2,916,102

(1) Reflects the impact of the acquisitions of Foxberry, Fabric, Trove and Burgiss.

The Company completed its annual goodwill impairment test as of July 1, 2024 on its Index, Analytics, ESG and Climate, Real Assets and Private Capital Solutions reporting units, which are also the Company's operating segments, and no impairments were noted. The Company performed a test for impairment and determined that it was more likely than not that the fair value of each reporting unit was greater than its carrying value. See Note 12, "Segment Information," for further descriptions of the operating segments.

Intangible Assets, Net

The following table presents the amount of amortization expense related to intangible assets by category for the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2024	2023	2024	2023
Amortization expense of acquired intangible assets	$ 26,066	$ 15,748	$ 77,226	$ 47,430
Amortization expense of internally developed capitalized software	15,873	10,974	44,090	30,113
Total amortization of intangible assets expense	$ 41,939	$ 26,722	$ 121,316	$ 77,543

The gross carrying and accumulated amortization amounts related to the Company's intangible assets were as follows:

	September 30, 2024			December 31, 2023		
(in thousands)	Gross intangible assets:	Accumulated amortization:	Net intangible assets:	Gross intangible assets:	Accumulated amortization:	Net intangible assets:
Customer relationships	$ 716,121	$ (369,817)	$ 346,304	$ 709,299	$ (340,248)	$ 369,051
Proprietary data	454,477	(96,417)	358,060	452,543	(64,694)	387,849
Acquired technology and software	258,108	(195,608)	62,500	228,785	(185,583)	43,202
Trademarks	209,090	(179,238)	29,852	209,090	(171,715)	37,375
Internally developed capitalized software	297,489	(162,777)	134,712	237,060	(118,303)	118,757
Total	$ 1,935,285	$ (1,003,857)	$ 931,428	$ 1,836,777	$ (880,543)	$ 956,234

The following table presents the estimated amortization expense for the remainder of the year ending December 31, 2024 and succeeding years:

Years Ending December 31, (in thousands)	Amortization Expense
Remainder of 2024	$ 43,292
2025	151,514
2026	115,881
2027	83,803
2028	70,413
Thereafter	466,525
Total	$ 931,428

8. DEBT

As of September 30, 2024, the Company had outstanding an aggregate of $4,200.0 million in senior unsecured notes (collectively, the "Senior Notes") and $311.9 million under the Revolving Credit Facility (as defined below) as presented in the table below:

(in thousands)	Maturity Date	Principal Amount Outstanding at September 30, 2024	Carrying Value at September 30, 2024	Carrying Value at December 31, 2023	Fair Value at September 30, 2024	Fair Value at December 31, 2023
Debt						
4.000% senior unsecured notes due 2029	November 15, 2029	$ 1,000,000	$ 994,455	$ 993,637	$ 969,260	$ 941,090
3.625% senior unsecured notes due 2030	September 1, 2030	900,000	896,083	895,587	845,694	815,526
3.875% senior unsecured notes due 2031	February 15, 2031	1,000,000	992,981	992,161	946,870	914,360
3.625% senior unsecured notes due 2031	November 1, 2031	600,000	595,345	594,852	552,696	529,458
3.250% senior unsecured notes due 2033	August 15, 2033	700,000	694,033	693,532	616,938	586,509
Variable rate Tranche A Term Loans due 2027	February 16, 2027	—	—	337,959	—	337,367
Variable rate revolving loan commitments[(1)]	January 26, 2029	311,875	311,875	—	310,316	—
Total debt		$ 4,511,875	$ 4,484,772	$ 4,507,728	$ 4,241,774	$ 4,124,310

(1) As of September 30, 2024, there were $4.3 million in unamortized deferred financing fees associated with the variable rate revolving loan commitments of which $1.0 million is included in "Prepaid and other assets," and $3.3 million is included in "Other non-current assets" on the Unaudited Condensed Consolidated Statement of Financial Condition.

Maturities of the Company’s principal debt payments as of September 30, 2024 are as follows:

Maturity of Principal Debt Payments (in thousands)		Amounts
Remainder of 2024	$	—
2025		—
2026		—
2027		—
2028		—
Thereafter		4,511,875
Total debt	$	4,511,875

Interest payments attributable to the Company’s outstanding indebtedness are due as presented in the following table:

	Interest payment frequency	First interest payment date
Senior Notes and Revolving Loan Commitments		
4.000% senior unsecured notes due 2029	Semi-Annual	May 15
3.625% senior unsecured notes due 2030	Semi-Annual	March 1
3.875% senior unsecured notes due 2031	Semi-Annual	June 1
3.625% senior unsecured notes due 2031	Semi-Annual	May 1
3.250% senior unsecured notes due 2033	Semi-Annual	February 15
Variable rate revolving loan commitments[(1)]	Variable	February 26

(1) The first payment occurred on February 26, 2024.

The fair market value of the Company’s debt obligations represent Level 2 valuations. The Company utilized the market approach and obtained security pricing from a vendor who used broker quotes and third-party pricing services to determine fair values.

Credit Agreement. Since November 20, 2014, the Company has maintained a revolving credit agreement with a syndicate of banks. On January 26, 2024, the Company entered into a Second Amended and Restated Credit Agreement (the “Credit Agreement”), amending and restating in its entirety the Company’s prior Amended and Restated Credit Agreement (the “Prior Credit Agreement”). The Credit Agreement makes available to the Company an aggregate of $1,250.0 million of revolving loan commitments under a revolving credit facility (the “Revolving Credit Facility”), which may be drawn until January 26, 2029. At the closing of the Credit Agreement, the Company drew $336.9 million on the Revolving Credit Facility and primarily used the proceeds to prepay all senior unsecured Tranche A Term Loans (the “Tranche A Term Loans”) under the term loan A facility (the “TLA Facility”) under the Prior Credit Agreement. The obligations under the Credit Agreement are general unsecured obligations of the Company. The prepayment of the Tranche A Term Loans and the entry into the Credit Agreement resulted in an approximately $1.5 million loss on extinguishment related to unamortized debt issuance costs during the three months ended March 31, 2024. The loss on extinguishment was recorded in “Other expense (income)” on the Unaudited Condensed Consolidated Statement of Income.

In September 2024, the Company repaid $25.0 million of the outstanding balance of the revolving loans under the Revolving Credit Facility, such that $311.9 million of the revolving loans were outstanding at September 30, 2024.

Interest on the revolving loans under the Credit Agreement accrues, at a variable rate, based on the secured overnight funding rate (“SOFR”) or the alternate base rate (“Base Rate”), plus, in each case, an applicable margin to be determined based on the credit ratings of the Company’s senior, unsecured long-term debt and will be due on each Interest Payment Date (as defined in the Credit Agreement). So long as the credit rating for the Company’s senior, unsecured long-term debt is set at BBB-/BBB- by each of S&P and Fitch, respectively, the applicable margin is 0.50% for Base Rate loans, and 1.50% for SOFR loans. At September 30, 2024, the interest rate on the revolving loans under the Revolving Credit Facility was 6.45%.

Interest on the Tranche A Term Loans under the TLA Facility accrued, at a variable rate, based on the secured overnight funding rate (“SOFR”) or the alternate base rate (“Base Rate”), plus, in each case, an applicable margin and was due on each Interest Payment Date (as defined in the Prior Credit Agreement). The applicable margin was calculated by reference to the Company’s Consolidated Leverage Ratio (as defined in the Credit Agreement) and ranged between 1.50% to 2.00% for SOFR loans, and 0.50% to 1.00% for Base Rate loans.

In connection with the closings of the Senior Notes offerings, entry into the Prior Credit Agreement and the subsequent amendments thereto and entry into the Credit Agreement, the Company paid certain financing fees which, together with the existing fees related to prior credit facilities, are being amortized over their related lives. At September 30, 2024, $31.4 million of the deferred financing fees and premium remain unamortized, $1.0 million of which is included in "Prepaid and other assets," $3.3 million of which is included in "Other non-current assets" and $27.1 million of which is included in "Long-term debt" on the Unaudited Condensed Consolidated Statement of Financial Condition.

9. LEASES

The components of lease expense (income) of the Company's operating leases are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2024**	**2023**	**2024**	**2023**
Operating lease expenses	$ 9,339	$ 7,278	$ 24,133	$ 21,570
Variable lease costs	275	1,022	1,894	2,843
Short-term lease costs	228	108	667	547
Sublease income	(904)	(1,276)	(2,650)	(3,827)
Total lease costs	$ 8,938	$ 7,132	$ 24,044	$ 21,133

Maturities of the Company's operating lease liabilities as of September 30, 2024 are as follows:

Maturity of Lease Liabilities (in thousands)	**Operating Leases**
Remainder of 2024	$ 6,361
2025	32,553
2026	30,361
2027	23,945
2028	23,175
Thereafter	52,631
Total lease payments	$ 169,026
Less: Interest	(19,622)
Present value of lease liabilities	$ 149,404
Other accrued liabilities	$ 25,465
Long-term operating lease liabilities	$ 123,939

Weighted-average remaining lease term and discount rate for the Company's operating leases are as follows:

	As of	
Lease Term and Discount Rate	**September 30, 2024**	**December 31, 2023**
Weighted-average remaining lease term (years)	6.29	7.04
Weighted-average discount rate	3.99 %	3.66 %

Other information related to the Company's operating leases are as follows:

Other Information (in thousands)	Nine Months Ended September 30, 2024	2023
Operating cash flows used for operating leases	$ 23,882	$ 22,918
Right of use assets obtained in exchange for new operating lease liabilities	$ 26,926	$ 8,896

10. SHAREHOLDERS' EQUITY (DEFICIT)

Return of capital

On July 28, 2022, the Board of Directors authorized a stock repurchase program (the "2022 Repurchase Program") for the purchase of up to $1,000.0 million worth of shares of MSCI's common stock in addition to the $539.1 million of authorization then remaining under a previously existing share repurchase program that was replaced by, and incorporated into, the 2022 Repurchase Program for a total of $1,539.1 million of stock repurchase authorization available under the 2022 Repurchase Program.

Share repurchases made pursuant to the 2022 Repurchase Program may take place in the open market or in privately negotiated transactions from time to time based on market and other conditions. This authorization may be modified, suspended or terminated by the Board of Directors at any time without prior notice. As of September 30, 2024, there was $405.4 million of available authorization remaining under the 2022 Repurchase Program.

The following table provides information with respect to repurchases of the Company's common stock made on the open market:

Nine months ended (in thousands, except per share data)	Average Price Paid Per Share	Total Number of Shares Repurchased	Dollar Value of Shares Repurchased[1]
September 30, 2024	$ 500.52	880	$ 440,265
September 30, 2023	$ 468.26	980	$ 458,721

(1) The values in this column exclude the 1% excise tax incurred on share repurchases pursuant to the Inflation Reduction Act. Any excise tax incurred is recognized as part of the cost of the shares acquired in the Unaudited Condensed Consolidated Statement of Shareholders' Equity (Deficit).

The following table presents dividends declared per common share as well as total amounts declared, distributed and deferred for the periods indicated:

(in thousands, except per share data)	Dividends Per Share	Declared	Distributed	(Released)/Deferred
2024				
Three Months Ended March 31,	$ 1.60	$ 129,444	$ 131,378	$ (1,934)
Three Months Ended June 30,	1.60	127,304	126,958	346
Three Months Ended September 30,	1.60	126,185	125,763	422
Total	$ 4.80	$ 382,933	$ 384,099	$ (1,166)
2023				
Three Months Ended March 31,	$ 1.38	$ 111,986	$ 112,189	$ (203)
Three Months Ended June 30,	1.38	110,383	110,147	236
Three Months Ended September 30,	1.38	109,847	109,408	439
Total	$ 4.14	$ 332,216	$ 331,744	$ 472

Common Stock

The following table presents activity related to shares of common stock issued and repurchased during the nine months ended September 30, 2024:

	Common Stock Issued	Treasury Stock	Common Stock Outstanding
Balance at December 31, 2023	133,817,332	(54,726,120)	79,091,212
Dividend payable/paid	61	—	61
Common stock issued	252,637	—	252,637
Shares withheld for tax withholding	—	(119,861)	(119,861)
Shares repurchased under stock repurchase programs	—	—	—
Shares issued to directors	67	(67)	—
Balance at March 31, 2024	134,070,097	(54,846,048)	79,224,049
Dividend payable/paid	—	—	—
Common stock issued	779	—	779
Shares withheld for tax withholding	—	(359)	(359)
Shares repurchased under stock repurchase programs	—	(499,224)	(499,224)
Shares issued to directors	4,941	19,499	24,440
Balance at June 30, 2024	134,075,817	(55,326,132)	78,749,685
Dividend payable/paid	—	—	—
Common stock issued	3,301	—	3,301
Shares withheld for tax withholding	—	(1,387)	(1,387)
Shares repurchased under stock repurchase programs	—	(380,397)	(380,397)
Shares issued to directors	13	(13)	—
Balance at September 30, 2024	134,079,131	(55,707,929)	78,371,202

11. INCOME TAXES

The Company’s provision for income taxes was $189.2 million and $156.0 million for the nine months ended September 30, 2024 and 2023, respectively.

The effective tax rate of 19.1% for the nine months ended September 30, 2024 reflects the Company’s estimate of the effective tax rate for the period and was impacted by certain favorable discrete items totaling $12.4 million, primarily related to $15.9 million of excess tax benefits recognized on share-based compensation vested during the period, partially offset by $3.5 million related to prior-year items.

The effective tax rate of 17.3% for the nine months ended September 30, 2023 reflects the Company’s estimate of the effective tax rate for the period and was impacted by certain favorable discrete items totaling $19.8 million, primarily related to $11.4 million of excess tax benefits recognized on share-based compensation vested during the period and $8.4 million related to prior-year items.

The Company is under or open to examination by the IRS and other tax authorities in certain jurisdictions, including foreign jurisdictions, such as the United Kingdom, Switzerland and India, and states in the United States in which the Company has significant operations, such as New York and California. The tax years currently under or open to examination vary by jurisdiction but include years from 2008 onwards.

The Company regularly assesses the likelihood of additional assessments in each of the taxing jurisdictions in which it files income tax returns. The Company has established unrecognized tax benefits that the Company believes are adequate in relation to the potential for additional assessments. Once established, the Company adjusts unrecognized tax benefits only when more information is available or when an event occurs necessitating a change. Based on the current status of income tax audits, the Company believes it is reasonably possible that the total amount of unrecognized benefits may decrease by approximately $22.1 million in the next twelve months as a result of the resolution of prior-year items.

During the three and nine months ended September 30, 2024, the Company's unrecognized tax benefits increased by $0.1 million and $2.2 million, respectively.

12. SEGMENT INFORMATION

The Company has five operating segments: Index, Analytics, ESG and Climate, Real Assets and Private Capital Solutions, which are presented as the following four reportable segments: Index, Analytics, ESG and Climate and All Other – Private Assets. During the year ended December 31, 2023, the Company renamed the Burgiss operating segment to Private Capital Solutions. The operating segments of Real Assets and Private Capital Solutions do not individually meet the segment reporting thresholds and have been combined and presented as part of All Other – Private Assets reportable segment.

The Index operating segment offers equity and fixed income indexes. The indexes are used in many areas of the investment process, including for developing indexed financial products (e.g., Exchange Traded Funds ("ETFs"), mutual funds, annuities, futures, options, structured products and over-the-counter derivatives), performance benchmarking, portfolio construction and rebalancing, and asset allocation.

The Analytics operating segment offers risk management, performance attribution and portfolio management content, applications and services that provide clients with an integrated view of risk and return and tools for analyzing market, credit, liquidity, counterparty and climate risk across all major asset classes, spanning short-, medium- and long-term time horizons. Clients access Analytics tools and content through MSCI's proprietary applications and application programming interfaces, third-party applications or directly through their own platforms. Additionally, the Analytics operating segment also provides various managed services to help clients operate more efficiently, including consolidation of client portfolio data from various sources, review and reconciliation of input data and results, and customized reporting.

The ESG and Climate operating segment offers products and services that help institutional investors understand how ESG and climate considerations can impact the long-term risk and return of their portfolio and individual security-level investments. In addition, the ESG and Climate operating segment provides data, ratings, research and tools to help investors navigate increasing regulation, meet new client demands and better integrate ESG and climate elements into their investment processes.

The Real Assets operating segment offers data, benchmarks, return-analytics, climate assessments and market insights for tangible assets such as real estate and infrastructure. In addition, Real Assets performance and risk analytics range from enterprise-wide to property-specific analysis. The Real Assets operating segment also provides business intelligence products to real estate owners, managers, developers and brokers worldwide.

Prior to the step acquisition of Burgiss on October 2, 2023, the Company's ownership interest in Burgiss was classified as an equity-method investment. Therefore, prior to the acquisition of Burgiss, the All Other – Private Assets segment did not include the Company's proportionate share of operating revenues and Adjusted EBITDA related to Burgiss. The Company's proportionate share of the income or loss from its equity-method investment in Burgiss was not a component of Adjusted EBITDA as it was reported as a component of other (expense) income, net. Following the acquisition, the consolidated results of Burgiss were included in the Company's Private Capital Solutions operating segment.

The Private Capital Solutions operating segment offers a suite of tools to help private asset investors across mission-critical workflows, such as sourcing terms and conditions, evaluating operating performance of underlying portfolio companies, managing risk and other activities supporting private capital investing.

The Chief Operating Decision Maker ("CODM") measures and evaluates reportable segments based on segment operating revenues as well as Adjusted EBITDA and other measures. The Company excludes the following items from segment Adjusted EBITDA: provision for income taxes, other expense (income), net, depreciation and amortization of property, equipment and leasehold improvements, amortization of intangible assets and, at times, certain other transactions or adjustments, including certain acquisition-related integration and transaction costs, that the CODM does not consider for the purposes of making decisions to allocate resources among segments or to assess segment performance. Although these amounts are excluded from segment Adjusted EBITDA, they are included in reported consolidated net income and are included in the reconciliation that follows.

The following table presents operating revenues by reportable segment for the periods indicated:

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Operating revenues				
Index	$ 404,882	$ 362,122	$ 1,175,946	$ 1,063,820
Analytics	172,376	154,268	502,337	451,219
ESG and Climate	83,643	73,038	241,382	211,315
All Other - Private Assets	63,804	36,011	192,954	112,460
Total	$ 724,705	$ 625,439	$ 2,112,619	$ 1,838,814

The following table presents segment profitability and a reconciliation to net income for the periods indicated:

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Index Adjusted EBITDA	$ 314,148	$ 277,672	$ 898,898	$ 808,424
Analytics Adjusted EBITDA	90,287	71,781	244,171	197,710
ESG and Climate Adjusted EBITDA	29,989	25,440	75,010	66,114
All Other - Private Assets Adjusted EBITDA	16,278	11,396	46,151	36,076
Total reportable segment profitability	450,702	386,289	1,264,230	1,108,324
Amortization of intangible assets	41,939	26,722	121,316	77,543
Depreciation and amortization of property, equipment and leasehold improvements	4,332	5,252	12,639	15,911
Acquisition-related integration and transaction costs[1]	3,097	1,006	6,951	1,006
Operating income	401,334	353,309	1,123,324	1,013,864
Other expense (income), net	44,398	35,653	130,501	112,678
Provision for income taxes	76,035	57,997	189,210	155,974
Net income	$ 280,901	$ 259,659	$ 803,613	$ 745,212

(1) Represents transaction expenses and other costs directly related to the acquisition and integration of acquired businesses, including professional fees, severance expenses, regulatory filing fees and other costs, in each case that are incurred no later than 12 months after the close of the relevant acquisition.

Operating revenues by geography are primarily based on the shipping address of the ultimate customer utilizing the product. The following table presents operating revenues by geographic area for the periods indicated:

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Operating revenues				
Americas:				
United States	$ 297,577	$ 246,089	$ 868,695	$ 740,939
Other	32,631	28,243	95,976	83,353
Total Americas	330,208	274,332	964,671	824,292
Europe, the Middle East and Africa ("EMEA"):				
United Kingdom	122,384	105,036	351,922	296,388
Other	157,739	142,826	466,701	420,996
Total EMEA	280,123	247,862	818,623	717,384
Asia & Australia:				
Japan	28,833	24,956	84,377	75,258
Other	85,541	78,289	244,948	221,880
Total Asia & Australia	114,374	103,245	329,325	297,138
Total	$ 724,705	$ 625,439	$ 2,112,619	$ 1,838,814

Long-lived assets consist of property, equipment and leasehold improvements, right of use assets and internally developed capitalized software, net of accumulated depreciation and amortization. The following table presents long-lived assets by geographic area on the dates indicated:

(in thousands)	As of September 30, 2024	As of December 31, 2023
Long-lived assets		
Americas:		
United States	$ 241,336	$ 204,238
Other	8,484	11,585
Total Americas	249,820	215,823
EMEA:		
United Kingdom	18,033	18,403
Other	20,955	22,072
Total EMEA	38,988	40,475
Asia & Australia:		
Japan	1,004	1,321
Other	28,943	31,507
Total Asia & Australia	29,947	32,828
Total	$ 318,755	$ 289,126

13. SUBSEQUENT EVENTS

On October 28, 2024, the Board of Directors declared a quarterly cash dividend of $1.60 per share for the three months ending December 31, 2024 (“fourth quarter 2024”). The fourth quarter 2024 dividend is payable on November 29, 2024 to shareholders of record as of the close of trading on November 15, 2024.

On October 28, 2024, the Board of Directors authorized an additional stock repurchase program for the purchase of up to $1.5 billion worth of shares of MSCI’s common stock (together with the $405.4 million of authorization then remaining under the 2022 Repurchase Program, the “2024 Repurchase Program”). Share repurchases made pursuant to the 2024 Repurchase Program may take place in the open market or in privately negotiated transactions from time to time based on market and other conditions. This authorization may be modified, suspended or terminated by the Board of Directors at any time without prior notice.

Subsequent to September 30, 2024, the Company repaid $125.0 million of the outstanding balance of the revolving loans under the Revolving Credit Facility.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of the financial condition and results of operations should be read in conjunction with the condensed consolidated financial statements and related notes included elsewhere in this Form 10-Q and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (the "Form 10-K"). This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in "Item 1A.—Risk Factors," in our Form 10-K.

Except as the context otherwise indicates, the terms "MSCI," the "Company," "we," "our" and "us" refer to MSCI Inc., together with its subsidiaries.

Overview

We are a leading provider of critical decision support tools and solutions for the global investment community. Our mission-critical offerings help investors address the challenges of a transforming investment landscape and power better investment decisions. Leveraging our knowledge of the global investment process and our expertise in research, data and technology, we enable our clients to understand and analyze key drivers of risk and return and confidently and efficiently build more effective portfolios. The Company has five operating segments: Index, Analytics, ESG and Climate, Real Assets and Private Capital Solutions (formerly Burgiss), which are presented as the following four reportable segments: Index, Analytics, ESG and Climate and All Other – Private Assets.

During the year ended December 31, 2023, we renamed the The Burgiss Group, LLC ("Burgiss") operating segment to Private Capital Solutions. The operating segments of Real Assets and Private Capital Solutions do not individually meet the segment reporting thresholds and have been combined and presented as part of the All Other – Private Assets reportable segment.

Our growth strategy includes: (a) extending leadership in research-enhanced content across asset classes, (b) leading the enablement of ESG and climate investment integration, (c) enhancing distribution and content-enabling technology, (d) expanding solutions that empower client customization, (e) strengthening client relationships and growing into strategic partnerships with clients and (f) executing strategic relationships and acquisitions with complementary data, content and technology companies. For more information about our Company's operations, see "*Item 1: Business*" in our Form 10-K.

As of September 30, 2024, we served approximately 6,900[1] clients in more than 95 countries.

Our principal business model is generally to license annual, recurring subscriptions for the majority of our Index, Analytics and ESG and Climate products and services for a fee due in advance of the service period. Private Assets products are also licensed annually through subscriptions, which are generally recurring, for a fee which is paid either in advance when products are generally delivered ratably over the subscription period or in arrears after the product is delivered. A portion of our fees comes from clients who use our indexes as the basis for index-linked investment products. Such fees are primarily based on a client's assets under management ("AUM"), trading volumes and fee levels.

In evaluating our financial performance, we focus on revenue and profit growth. This includes evaluating results based on generally accepted accounting principles in the United States ("GAAP"), as well as non-GAAP measures, for the Company as a whole and by operating segment.

We present revenues disaggregated by types and by segments, which represent our major product lines. We also review expenses by activity, which provides more transparency into how resources are being deployed. In addition, we utilize operating metrics including Run Rate, subscription sales and Retention Rate to manage and assess performance and to provide deeper insights into the recurring portion of our business.

In the discussion that follows, we provide certain variances excluding the impact of foreign currency exchange rate fluctuations and acquisitions. Foreign currency exchange rate fluctuations reflect the difference between the current period results as reported compared to the current period results recalculated using the foreign currency exchange rates in effect for the comparable prior period. While operating revenues adjusted for the impact of foreign currency fluctuations includes asset-based fees that have been adjusted for the impact of foreign currency fluctuations, the underlying AUM, which is the primary component of asset-based fees, is not adjusted for foreign currency fluctuations. Approximately three-fifths of the AUM is invested in securities denominated in currencies other than the U.S. dollar, and accordingly, any such impact is excluded from the disclosed foreign currency-adjusted variances.

(1) Represents the aggregate of all related clients under their respective parent entity. At acquisition, we align an acquired company's client count to our methodology.

A material portion of our revenues is concentrated in some of our largest clients. For the nine months ended September 30, 2024, our largest client organization by revenue, BlackRock, accounted for 10.1% of our consolidated operating revenues. 96.1% of the operating revenues from BlackRock come from fees based on the assets in BlackRock's ETFs and non-ETF products that are based on our indexes.

The discussion of our results of operations for the three and nine months ended September 30, 2024 and 2023 are presented below. The results of operations for interim periods may not be indicative of future results.

Factors Affecting the Comparability of Results

Acquisitions of Burgiss, Trove, Fabric and Foxberry

On October 2, 2023, the Company acquired the remaining 66.4% interest in Burgiss for $696.8 million in cash. The Company's existing 33.6% interest had a fair value at acquisition date of $353.2 million which resulted in a non-taxable gain of $143.0 million for the three months ending December 31, 2023.

Prior to the acquisition, the Company's ownership interest in Burgiss was classified as an equity-method investment. Therefore, the All Other – Private Assets segment did not include the Company's proportionate share of operating revenues and Adjusted EBITDA related to Burgiss. The Company's proportionate share of the income or loss from its equity-method investment in Burgiss was reported as a component of other (expense) income, net.

Following the acquisition, the consolidated results of Burgiss are included in the Company's Private Capital Solutions operating segment (formerly known as Burgiss), which is combined and presented as part of the All Other – Private Assets reportable segment. See Note 5, "Acquisitions," and Note 12, "Segment Information" of the Notes to the Consolidated Financial Statements included herein for additional information on the acquisition of Burgiss.

On November 1, 2023, MSCI completed the acquisition of Trove Research Ltd ("Trove"), a carbon markets intelligence provider for approximately $37.5 million in cash. Trove is a part of the ESG and Climate operating segment.

On January 2, 2024, MSCI completed the acquisition of Fabric RQ, Inc. ("Fabric"), a wealth technology platform specializing in portfolio design, customization and analytics for wealth managers and advisors for approximately $8.0 million in cash and contingent consideration with an acquisition date fair value of $8.1 million that is payable based on future sales of Fabric's products. Fabric is a part of the Analytics operating segment.

On April 16, 2024, MSCI completed the acquisition of Foxberry Ltd. ("Foxberry"), a front-office index technology platform for approximately $23.5 million in cash and contingent consideration with an acquisition date fair value of $19.1 million that is payable based upon the achievement of metrics related to the operation of the platform. Foxberry is a part of the Index operating segment. We collectively refer to the acquisitions of Burgiss, Trove, Fabric and Foxberry as the "recent acquisitions".

Critical Accounting Policies and Estimates

We describe our significant accounting policies in Note 1, "Introduction and Basis of Presentation," of the Notes to Consolidated Financial Statements included in our Form 10-K. There have been no significant changes in our accounting policies since the end of the fiscal year ended December 31, 2023 or critical accounting estimates applied in the fiscal year ended December 31, 2023, except as described below.

Goodwill

We recognize goodwill in business combination transactions when the purchase price exceeds the fair value of the acquired net tangible and separately identifiable intangible assets. We test goodwill for impairment annually on July 1 or when interim triggers arise. The test for impairment was performed at the reporting unit level, and we used an equal weighting of the income approach and the market approach to estimate the fair value of each reporting unit.

The income approach requires significant judgement in estimating future cash flows, including assumptions, amongst others, about revenue growth rates and operating margins, and the selection of an appropriate discount rate, which reflects the reporting unit's cost of capital. Forecasted future cash flows are estimated based on a combination of historical experience and assumptions regarding future growth and profitability of each reporting unit. Discount rates are selected for each reporting unit being valued based on each reporting unit's estimated weighted-average cost of capital. The weighted-average cost of capital is estimated based on both the capital structure that we believe a market participant would utilize as well as the discount rates of guideline public companies that have similar characteristics to each reporting unit being valued, adjusted for the risk inherent in each reporting unit. Terminal growth rates are selected based on growth rates used during the reporting unit's forecast period in combination with economic conditions. The market approach utilizes valuation multiples of revenue and cash flows derived from guideline public companies that have similar characteristics to each reporting unit being valued. Selecting appropriate guideline companies, valuation multiples and other key assumptions such as revenue growth rates and discount rates requires significant management judgment, and changes to these estimates could materially impact the fair value determination of each reporting unit. We perform sensitivity analyses around key assumptions in order to assess the reasonableness of the assumptions and the impact on the estimated fair value.

Impairment occurs when the estimated fair value of the reporting unit is below the carrying value. As of July 1, 2024, all reporting units had fair values exceeding their carrying values. As a result, no goodwill impairment was recorded as of this date.

We completed our annual goodwill impairment test as of July 1, 2024 on our Index, Analytics, ESG and Climate, Real Assets and Private Capital Solutions reporting units, which are also our operating segments. As of July 1, 2024, the fair value of all reporting units exceeded their respective carrying values. At September 30, 2024, the carrying value of goodwill within the Private Capital Solutions reporting unit was $617.8 million. As of July 1, 2024, and given the recent step acquisition of Burgiss on October 2, 2023, the fair value of the Private Capital Solutions reporting unit exceeded its carrying value by approximately 10%, making it vulnerable to potential future impairment. If we experience a prolonged or severe period of weakness in the business environment, financial markets, the performance of one or more of our recently acquired companies or reporting units, or our common stock price, or if economic conditions differ significantly from management's assumptions, our goodwill could be impaired in the future, which may be material to our results of operations and financial position.

For all of our reporting units, individually, a hypothetical decrease in revenue growth rates by 100 basis points or a hypothetical 100 basis point increase in the weighted average cost of capital would not result in an impairment.

Results of Operations

Operating Revenues

Our operating revenues are grouped by the following types: recurring subscriptions, asset-based fees and non-recurring. We also group operating revenues by major product or reportable segment as follows: Index, Analytics, ESG and Climate, and All Other – Private Assets.

The following table presents operating revenues by type for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Recurring subscriptions	$ 536,622	$ 464,997	15.4 %	$ 1,571,146	$ 1,365,936	15.0 %
Asset-based fees	168,622	141,066	19.5 %	482,162	412,354	16.9 %
Non-recurring	19,461	19,376	0.4 %	59,311	60,524	(2.0 %)
Total operating revenues	$ 724,705	$ 625,439	15.9 %	$ 2,112,619	$ 1,838,814	14.9 %

Total operating revenues increased 15.9% for the three months ended September 30, 2024. Adjusting for the impact of foreign currency exchange rate fluctuations and recent acquisitions, total operating revenues would have increased 11.1%.

Operating revenues from recurring subscriptions increased 15.4% for the three months ended September 30, 2024, driven by growth in All Other - Private Assets products, which increased $27.5 million, or 77.3%, which included $26.7 million of Burgiss revenue; Index products, which increased $17.5 million, or 8.5%; Analytics products, which increased $16.9 million, or 11.2%, and ESG and Climate products, which increased $9.8 million, or 13.6%. Adjusting for the impact of foreign currency exchange rate fluctuations and recent acquisitions, operating revenues from recurring subscriptions would have increased 9.0%.

Operating revenues from asset-based fees increased 19.5% for the three months ended September 30, 2024, primarily driven by growth in revenues from ETFs linked to MSCI equity indexes and non-ETF indexed funds linked to MSCI indexes. Operating revenues from ETFs linked to MSCI equity indexes and non-ETF indexed funds linked to MSCI indexes increased by 19.7% and 21.1%, respectively, primarily driven by an increase in average AUM. Operating revenues from exchange traded futures and options contracts linked to MSCI indexes increased by 11.3%, driven by volume increases.

Total operating revenues increased 14.9% for the nine months ended September 30, 2024. Adjusting for the impact of foreign currency exchange rate fluctuations and recent acquisitions, total operating revenues would have increased 10.4%.

Operating revenues from recurring subscriptions increased 15.0% for the nine months ended September 30, 2024, driven by growth in All Other - Private Assets products, which increased $79.1 million, or 71.1%, which included $77.1 million of Burgiss revenue; Index products, which increased $50.1 million, or 8.3%; Analytics products, which increased $47.6 million, or 10.7%; and

ESG and Climate products, which increased $28.4 million, or 13.7%. Adjusting for the impact of foreign currency exchange rate fluctuations and recent acquisitions, operating revenues from recurring subscriptions would have increased 9.0%.

Operating revenues from asset-based fees increased 16.9% for the nine months ended September 30, 2024, primarily driven by growth in revenues from ETFs linked to MSCI equity indexes and non-ETF indexed funds linked to MSCI indexes. Operating revenues from ETFs linked to MSCI equity indexes and non-ETF indexed funds linked to MSCI indexes increased by 17.9% and 19.4%, respectively, primarily driven by an increase in average AUM.

The following table presents the value of AUM in ETFs linked to MSCI equity indexes and the sequential change of such assets as of the end of each of the periods indicated:

	Period Ended						
	2023				2024		
(in billions)	March 31,	June 30,	September 30,	December 31,	March 31,	June 30,	September 30,
AUM in ETFs linked to MSCI equity indexes(1), (2)	$ 1,305.4	$ 1,372.5	$ 1,322.8	$ 1,468.9	$ 1,582.6	$ 1,631.9	$ 1,761.8
Sequential Change in Value							
Market Appreciation/(Depreciation)	$ 75.1	$ 48.4	$ (56.1)	$ 130.5	$ 92.8	$ 21.2	$ 111.3
Cash Inflows	7.4	18.7	6.4	15.6	20.9	28.1	18.6
Total Change	$ 82.5	$ 67.1	$ (49.7)	$ 146.1	$ 113.7	$ 49.3	$ 129.9

The following table presents the average value of AUM in ETFs linked to MSCI equity indexes for the periods indicated:

	2023				2024		
(in billions)	March	June	September	December	March	June	September
AUM in ETFs linked to MSCI equity indexes(1), (2)							
Quarterly average	$ 1,287.5	$ 1,333.8	$ 1,376.5	$ 1,364.9	$ 1,508.8	$ 1,590.6	$ 1,677.0
Year-to-date average	$ 1,287.5	$ 1,310.7	$ 1,332.6	$ 1,340.7	$ 1,508.8	$ 1,549.7	$ 1,592.1

(1) The historical values of the AUM in ETFs linked to our equity indexes as of the last day of the month and the monthly average balance can be found under the link "AUM in ETFs Linked to MSCI Equity Indexes" on our Investor Relations homepage at *http://ir.msci.com*. This information is updated mid-month each month. Information contained on our website is not deemed part of or incorporated by reference into this Quarterly Report on Form 10-Q or any other report filed with the SEC. The AUM in ETFs also includes AUM in Exchange Traded Notes, the value of which is less than 1.0% of the AUM amounts presented.

(2) The value of AUM in ETFs linked to MSCI equity indexes is calculated by multiplying the equity ETF net asset value by the number of shares outstanding.

The average value of AUM in ETFs linked to MSCI equity indexes for the three months ended September 30, 2024, was up $300.5 billion, or 21.8%. For the nine months ended September 30, 2024, the average value of AUM in ETFs linked to MSCI equity indexes was up $259.5 billion, or 19.5%.

The following table presents operating revenues by reportable segment and revenue type for the periods indicated:

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	% Change	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	% Change
Operating revenues:						
Index						
Recurring subscriptions	$ 223,945	$ 206,453	8.5 %	$ 653,929	$ 603,845	8.3 %
Asset-based fees	168,622	141,066	19.5 %	482,162	412,354	16.9 %
Non-recurring	12,315	14,603	(15.7 %)	39,855	47,621	(16.3 %)
Index total	404,882	362,122	11.8 %	1,175,946	1,063,820	10.5 %
Analytics						
Recurring subscriptions	168,150	151,269	11.2 %	490,829	443,276	10.7 %
Non-recurring	4,226	2,999	40.9 %	11,508	7,943	44.9 %
Analytics total	172,376	154,268	11.7 %	502,337	451,219	11.3 %
ESG and Climate						
Recurring subscriptions	81,536	71,744	13.6 %	235,954	207,523	13.7 %
Non-recurring	2,107	1,294	62.8 %	5,428	3,792	43.1 %
ESG and Climate total	83,643	73,038	14.5 %	241,382	211,315	14.2 %
All Other - Private Assets						
Recurring subscriptions	62,991	35,531	77.3 %	190,434	111,292	71.1 %
Non-recurring	813	480	69.4 %	2,520	1,168	115.8 %
All Other - Private Assets total	63,804	36,011	77.2 %	192,954	112,460	71.6 %
Total operating revenues	$ 724,705	$ 625,439	15.9 %	$ 2,112,619	$ 1,838,814	14.9 %

Refer to the section titled “Segment Results” that follows for further discussion of segment revenues.

Operating Expenses

We group our operating expenses into the following activity categories:

- Cost of revenues;
- Selling and marketing;
- Research and development (“R&D”);
- General and administrative (“G&A”);
- Amortization of intangible assets; and
- Depreciation and amortization of property, equipment and leasehold improvements.

Costs are assigned to these activity categories based on the nature of the expense or, when not directly attributable, an estimated allocation based on the type of effort involved. Cost of revenues, selling and marketing, R&D and G&A all include both compensation as well as non-compensation related expenses.

The following table presents operating expenses by activity category for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	2024	2023	% Change	2024	2023	% Change
Operating expenses:						
Cost of revenues	$ 126,192	$ 105,311	19.8 %	$ 382,815	$ 324,024	18.1 %
Selling and marketing	70,763	66,581	6.3 %	214,385	201,044	6.6 %
Research and development	38,584	31,438	22.7 %	120,182	92,901	29.4 %
General and administrative	41,561	36,826	12.9 %	137,958	113,527	21.5 %
Amortization of intangible assets	41,939	26,722	56.9 %	121,316	77,543	56.4 %
Depreciation and amortization of property, equipment and leasehold improvements	4,332	5,252	(17.5 %)	12,639	15,911	(20.6 %)
Total operating expenses	$ 323,371	$ 272,130	18.8 %	$ 989,295	$ 824,950	19.9 %

Total operating expenses increased 18.8% for the three months ended September 30, 2024. Adjusting for the impact of foreign currency exchange rate fluctuations, the increase would have been 18.9%.

Total operating expenses increased 19.9% for the nine months ended September 30, 2024. Adjusting for the impact of foreign currency exchange rate fluctuations, the increase would have been 19.9%.

Cost of Revenues

Cost of revenues expenses consist of costs related to the production and servicing of our products and services and primarily includes related information technology costs, including data center, cloud service, platform and infrastructure costs; costs to acquire, produce and maintain market data information; costs of research to support and maintain existing products; costs of product management teams; costs of client service and consultant teams to support customer needs; as well as other support costs directly attributable to the cost of revenues including certain human resources, finance and legal costs.

Cost of revenues increased 19.8% for the three months ended September 30, 2024, reflecting increases across all reportable segments. The change was driven by increases in compensation and benefits costs, primarily relating to higher wages and salaries, incentive compensation and benefits costs as a result of increased headcount, as well as increases in non-compensation costs reflecting higher professional fees, information technology and market data costs.

Cost of revenues increased 18.1% for the nine months ended September 30, 2024, reflecting increases across all reportable segments. The change was driven by increases in compensation and benefits costs, primarily relating to higher wages and salaries, incentive compensation and benefits costs as a result of increased headcount, as well as increases in non-compensation costs reflecting higher information technology, professional fees and market data costs.

Selling and Marketing

Selling and marketing expenses consist of costs associated with acquiring new clients or selling new products or product renewals to existing clients and primarily includes the costs of our sales and marketing teams, as well as costs incurred in other departments associated with acquiring new business, including product management, research, technology and sales operations.

Selling and marketing expenses increased 6.3% for the three months ended September 30, 2024, reflecting increases across the All Other - Private Assets and Index reportable segments, partially offset by decreases in the Analytics and ESG and Climate reportable segments. The change was driven by increases in compensation and benefits costs, primarily relating to higher wages and salaries as a result of increased headcount, as well as increases in non-compensation costs reflecting higher marketing costs.

Selling and marketing expenses increased 6.6% for the nine months ended September 30, 2024, reflecting increases across the All Other - Private Assets and Index reportable segments, partially offset by decreases in the ESG and Climate and Analytics reportable segments. The change was driven by increases in compensation and benefits costs, primarily relating to higher incentive compensation and wages and salaries as a result of increased headcount, as well as increases in non-compensation costs reflecting higher marketing costs.

Research and Development

R&D expenses consist of costs to develop new, or enhance existing, products and the costs to develop new or enhanced technologies and service platforms for the delivery of our products and services and primarily include the costs of development, research, product management, project management and the technology support directly associated with these activities.

R&D expenses increased 22.7% for the three months ended September 30, 2024, reflecting increases across all reportable segments. The change was driven by increases in compensation and benefits costs, relating to higher wages and salaries and incentive compensation costs as a result of increased headcount, partially offset by increased capitalization of costs related to internally developed software projects.

R&D expenses increased 29.4% for the nine months ended September 30, 2024, reflecting increases across all reportable segments. The change was primarily driven by increases in compensation and benefits costs, relating to higher wages and salaries and incentive compensation costs as a result of increased headcount, partially offset by increased capitalization of costs related to internally developed software projects.

General and Administrative

G&A expenses consist of costs primarily related to finance operations, human resources, office of the CEO, legal, corporate technology, corporate development, acquisition integration, changes in the fair value of contingent consideration and certain other administrative costs that are not directly attributed to a product or service, but are instead allocated to G&A expenses.

G&A expenses increased 12.9% for the three months ended September 30, 2024, reflecting increases across the All Other - Private Assets, and ESG and Climate reportable segments, partially offset by decreases in the Index and Analytics reportable segments. The change was primarily driven by increases in non-compensation costs primarily relating to higher occupancy costs and higher professional fees.

G&A expenses increased 21.5% for the nine months ended September 30, 2024, reflecting increases across all reportable segments. The change was driven by increases in non-compensation costs, reflecting higher transaction costs related expenses due to the recent acquisitions, professional fees and information technology costs, as well as increases in compensation and benefits costs, relating to higher wages and salaries, incentive compensation and benefits costs as a result of increased headcount.

The following table presents operating expenses using compensation and non-compensation categories, rather than using activity categories, for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Compensation and benefits	$ 194,809	$ 171,815	13.4 %	$ 618,421	$ 527,566	17.2 %
Non-compensation expenses	82,291	68,341	20.4 %	236,919	203,930	16.2 %
Amortization of intangible assets	41,939	26,722	56.9 %	121,316	77,543	56.4 %
Depreciation and amortization of property, equipment and leasehold improvements	4,332	5,252	(17.5 %)	12,639	15,911	(20.6 %)
Total operating expenses	$ 323,371	$ 272,130	18.8 %	$ 989,295	$ 824,950	19.9 %

Compensation and Benefits

A significant portion of the incentive compensation component of operating expenses is based on the achievement of a number of financial and operating metrics. In a scenario where operating revenue growth and profitability moderate, incentive compensation would be expected to decrease accordingly.

We had 6,118 employees as of September 30, 2024, compared to 5,005 employees as of September 30, 2023, reflecting a 22.2% growth in the number of employees which is primarily related to recent acquisitions. Continued growth of our emerging market centers around the world is an important factor in our ability to manage and control the growth of our compensation and benefits costs. As of September 30, 2024, 68.5% of our employees were located in emerging market centers compared to 66.5% as of September 30, 2023.

Compensation and benefits costs increased 13.4% and 17.2%, for the three and nine months ended September 30, 2024, driven by an increase in wages and salaries, incentive compensation and benefits costs due to headcount growth, partially offset by increased capitalization of expenses related to internally developed software projects. Adjusting for the impact of foreign currency exchange rate fluctuations and recent acquisitions, compensation and benefits costs would have increased by 2.7% and increased by 6.1%, respectively, for the three and nine months ended September 30, 2024.

Non-Compensation Expenses

Fixed costs constitute a significant portion of the non-compensation component of operating expenses. The discretionary non-compensation component of operating expenses could, however, be reduced in the near-term in a scenario where operating revenue growth moderates.

Non-compensation expenses increased 20.4% for the three months ended September 30, 2024, driven by higher professional fees, market data costs, information technology, marketing costs, transaction and integration costs related to recent acquisitions and recruiting costs.

Non-compensation expenses increased 16.2% for the nine months ended September 30, 2024, driven by higher professional fees, information technology, transaction and integration costs related to recent acquisitions, market data costs and travel and entertainment costs. Adjusting for the impact of foreign currency exchange rate fluctuations and recent acquisitions, non-compensation expenses would have increased by 8.5% and increased by 6.1%, respectively, for the three and nine months ended September 30, 2024.

Amortization of Intangible Assets

Amortization of intangible assets expense relates to definite-lived intangible assets arising from past acquisitions and capitalization of internally developed software projects recognized over their estimated useful lives.

Amortization of intangible assets expense increased 56.9% and 56.4% for the three and nine months ended September 30, 2024, respectively, primarily driven by higher amortization recognized on acquired intangible assets from recent acquisitions and higher amortization of internal use software.

Depreciation and Amortization of Property, Equipment and Leasehold Improvements

Depreciation and amortization of property, equipment and leasehold improvements consists of expenses related to depreciating or amortizing the cost of computer and related equipment, leasehold improvements, software and furniture and fixtures over the estimated useful life of the assets.

Depreciation and amortization of property, equipment and leasehold improvements decreased 17.5% and 20.6% for the three and nine months ended September 30, 2024, respectively, primarily driven by lower depreciation on computer and related equipment.

Total Other Expense (Income), Net

The following table shows our other expense (income), net for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Interest income	$ (5,217)	$ (10,314)	(49.4 %)	$ (17,375)	$ (31,079)	(44.1 %)
Interest expense	46,688	46,902	(0.5 %)	139,995	139,725	0.2 %
Other expense (income)	2,927	(935)	(413.0 %)	7,881	4,032	95.5 %
Total other expense (income), net	$ 44,398	$ 35,653	24.5 %	$ 130,501	$ 112,678	15.8 %

Total other expense (income), net increased 24.5% for the three months ended September 30, 2024, primarily driven by lower interest income reflecting lower average cash balances and the impact of foreign currency exchange rate fluctuations.

Total other expense (income), net increased 15.8% for the nine months ended September 30, 2024, primarily driven by lower interest income, reflecting lower average cash balances as well as loss on extinguishment related to unamortized debt issuance costs associated with the prepayment of the Tranche A Term Loans and the entry into the Credit Agreement and the impact of foreign currency exchange rate fluctuations.

Income Taxes

The following table shows our income tax provision and effective tax rate for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Provision for income taxes	$ 76,035	$ 57,997	31.1 %	$ 189,210	$ 155,974	21.3 %
Effective tax rate	21.3 %	18.3 %	16.4 %	19.1 %	17.3 %	10.4 %

The effective tax rate of 21.3% for the three months ended September 30, 2024 reflects the Company's estimate of the effective tax rate for the period and was impacted by certain unfavorable discrete items totaling $3.6 million, primarily related to prior-year items.

The effective tax rate of 18.3% for the three months ended September 30, 2023 reflects the Company's estimate of the effective tax rate for the period and was impacted by certain favorable discrete items totaling $3.4 million, primarily related to $3.2 million of prior-year items.

The effective tax rate of 19.1% for the nine months ended September 30, 2024 reflects the Company's estimate of the effective tax rate for the period and was impacted by certain favorable discrete items totaling $12.4 million, related to $15.9 million of excess tax benefits recognized on share-based compensation vested during the period partially offset by $3.5 million related to prior-year items.

The effective tax rate of 17.3% for the nine months ended September 30, 2023 reflects the Company's estimate of the effective tax rate for the period and was impacted by certain favorable discrete items totaling $19.8 million, related to $11.4 million of excess tax benefits recognized on share-based compensation vested during the period and $8.4 million related to prior-year items.

Net Income

The following table shows our net income for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Net income	$ 280,901	$ 259,659	8.2 %	$ 803,613	$ 745,212	7.8 %

As a result of the factors described above, net income increased 8.2% for the three months ended September 30, 2024, and increased 7.8% for the nine months ended September 30, 2024.

Weighted Average Shares and Common Shares Outstanding

The following table shows our weighted average shares outstanding for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Weighted average shares outstanding:						
Basic	78,499	79,116	(0.8 %)	78,925	79,580	(0.8 %)
Diluted	78,729	79,500	(1.0 %)	79,159	79,959	(1.0 %)

The following table shows our common shares outstanding for the periods indicated:

	As of		
(in thousands)	**September 30, 2024**	**December 31, 2023**	**% Change**
Common shares outstanding	78,371	79,091	(0.9 %)

The decrease in weighted average shares and common shares outstanding for the three and nine months ended September 30, 2024 primarily reflects the impact of share repurchases made pursuant to the Company’s stock repurchase program.

Adjusted EBITDA

“Adjusted EBITDA,” a non-GAAP measure used by management to assess operating performance, is defined as net income before (1) provision for income taxes, (2) other expense (income), net, (3) depreciation and amortization of property, equipment and leasehold improvements, (4) amortization of intangible assets and, at times, (5) certain other transactions or adjustments, including, when applicable, impairment related to sublease of leased property and certain acquisition-related integration and transaction costs.

“Adjusted EBITDA expenses,” a non-GAAP measure used by management to assess operating performance, is defined as operating expenses less depreciation and amortization of property, equipment and leasehold improvements and amortization of intangible assets and, at times, certain other transactions or adjustments, including, when applicable, impairment related to sublease of leased property and certain acquisition-related integration and transaction costs.

“Adjusted EBITDA margin” is defined as Adjusted EBITDA divided by operating revenues.

Adjusted EBITDA, Adjusted EBITDA expenses and Adjusted EBITDA margin are believed to be meaningful measures for management to assess the operating performance of the Company because they adjust for significant one-time, unusual or non-recurring items as well as eliminate the accounting effects of certain capital spending and acquisitions that do not directly affect what management considers to be the Company’s ongoing operating performance in the period. All companies do not calculate adjusted EBITDA, adjusted EBITDA expenses and adjusted EBITDA margin in the same way. These measures can differ significantly from company to company depending on, among other things, long-term strategic decisions regarding capital structure, the tax jurisdictions in which companies operate and capital investments. Accordingly, the Company’s computation of the Adjusted EBITDA, Adjusted EBITDA margin and Adjusted EBITDA expenses measures may not be comparable to similarly titled measures computed by other companies.

The following table presents non-GAAP Adjusted EBITDA for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Operating revenues	$ 724,705	$ 625,439	15.9 %	$ 2,112,619	$ 1,838,814	14.9 %
Adjusted EBITDA expenses	274,003	239,150	14.6 %	848,389	730,490	16.1 %
Adjusted EBITDA	$ 450,702	$ 386,289	16.7 %	$ 1,264,230	$ 1,108,324	14.1 %
Operating margin %	55.4 %	56.5 %		53.2 %	55.1 %	
Adjusted EBITDA margin %	62.2 %	61.8 %		59.8 %	60.3 %	

The change in Adjusted EBITDA margin reflects changes in the rate of growth of Adjusted EBITDA expenses as compared to the rate of growth of operating revenues, driven by the factors previously described.

Reconciliation of Net Income to Adjusted EBITDA and Operating Expenses to Adjusted EBITDA Expenses

The following table presents the reconciliation of net income to Adjusted EBITDA for the periods indicated:

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	% Change	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	% Change
Net income	$ 280,901	$ 259,659	8.2 %	$ 803,613	$ 745,212	7.8 %
Provision for income taxes	76,035	57,997	31.1 %	189,210	155,974	21.3 %
Other expense (income), net	44,398	35,653	24.5 %	130,501	112,678	15.8 %
Operating income	401,334	353,309	13.6 %	1,123,324	1,013,864	10.8 %
Amortization of intangible assets	41,939	26,722	56.9 %	121,316	77,543	56.4 %
Depreciation and amortization of property, equipment and leasehold improvements	4,332	5,252	(17.5 %)	12,639	15,911	(20.6 %)
Acquisition-related integration and transaction costs (1)	3,097	1,006	207.9 %	6,951	1,006	591.0 %
Consolidated Adjusted EBITDA	$ 450,702	$ 386,289	16.7 %	$ 1,264,230	$ 1,108,324	14.1 %
Index Adjusted EBITDA	314,148	277,672	13.1 %	898,898	808,424	11.2 %
Analytics Adjusted EBITDA	90,287	71,781	25.8 %	244,171	197,710	23.5 %
ESG and Climate Adjusted EBITDA	29,989	25,440	17.9 %	75,010	66,114	13.5 %
All Other - Private Assets Adjusted EBITDA	16,278	11,396	42.8 %	46,151	36,076	27.9 %
Consolidated Adjusted EBITDA	$ 450,702	$ 386,289	16.7 %	$ 1,264,230	$ 1,108,324	14.1 %

(1) Represents transaction expenses and other costs directly related to the acquisition and integration of acquired businesses, including professional fees, severance expenses, regulatory filing fees and other costs, in each case that are incurred no later than 12 months after the close of the relevant acquisition.

The following table presents the reconciliation of operating expenses to Adjusted EBITDA expenses for the periods indicated:

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	% Change	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	% Change
Total operating expenses	$ 323,371	$ 272,130	18.8 %	$ 989,295	$ 824,950	19.9 %
Amortization of intangible assets	41,939	26,722	56.9 %	121,316	77,543	56.4 %
Depreciation and amortization of property, equipment and leasehold improvements	4,332	5,252	(17.5 %)	12,639	15,911	(20.6 %)
Acquisition-related integration and transaction costs (1)	3,097	1,006	207.9 %	6,951	1,006	591.0 %
Consolidated Adjusted EBITDA expenses	$ 274,003	$ 239,150	14.6 %	$ 848,389	$ 730,490	16.1 %
Index Adjusted EBITDA expenses	90,734	84,450	7.4 %	277,048	255,396	8.5 %
Analytics Adjusted EBITDA expenses	82,089	82,487	(0.5 %)	258,166	253,509	1.8 %
ESG and Climate Adjusted EBITDA expenses	53,654	47,598	12.7 %	166,372	145,201	14.6 %
All Other - Private Assets Adjusted EBITDA expenses	47,526	24,615	93.1 %	146,803	76,384	92.2 %
Consolidated Adjusted EBITDA expenses	$ 274,003	$ 239,150	14.6 %	$ 848,389	$ 730,490	16.1 %

(1) Represents transaction expenses and other costs directly related to the acquisition and integration of acquired businesses, including professional fees, severance expenses, regulatory filing fees and other costs, in each case that are incurred no later than 12 months after the close of the relevant acquisition.

Segment Results

Index Segment

The following table presents the results for the Index segment for the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
(in thousands)	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Operating revenues:						
Recurring subscriptions	$ 223,945	$ 206,453	8.5 %	$ 653,929	$ 603,845	8.3 %
Asset-based fees	168,622	141,066	19.5 %	482,162	412,354	16.9 %
Non-recurring	12,315	14,603	(15.7 %)	39,855	47,621	(16.3 %)
Operating revenues total	404,882	362,122	11.8 %	1,175,946	1,063,820	10.5 %
Adjusted EBITDA expenses	90,734	84,450	7.4 %	277,048	255,396	8.5 %
Adjusted EBITDA	$ 314,148	$ 277,672	13.1 %	$ 898,898	$ 808,424	11.2 %
Adjusted EBITDA margin %	77.6 %	76.7 %		76.4 %	76.0 %	

Index operating revenues increased 11.8% for the three months ended September 30, 2024, primarily driven by strong growth in higher asset-based fees and higher recurring subscription revenue, partially offset by lower non-recurring revenues. Adjusting for the impact of the acquisition of Foxberry and foreign currency exchange rate fluctuations, Index operating revenues would have increased 11.8%.

Operating revenues from recurring subscriptions increased 8.5% for the three months ended September 30, 2024, primarily driven by growth from market cap-weighted and factor, ESG and climate Index products.

Operating revenues from asset-based fees increased 19.5% for the three months ended September 30, 2024, primarily driven by growth in revenues from ETFs linked to MSCI equity indexes and non-ETF indexed funds linked to MSCI indexes. Operating revenues from ETFs linked to MSCI equity indexes and non-ETF indexed funds linked to MSCI indexes increased by 19.7% and 21.1%, respectively, primarily driven by an increase in average AUM. Operating revenues from exchange traded futures and options contracts linked to MSCI indexes increased by 11.3%, driven by volume increases.

Index segment Adjusted EBITDA expenses increased 7.4% for the three months ended September 30, 2024, primarily driven by higher non-compensation expenses across cost of revenues, selling and marketing, and G&A expense activity categories, partially offset by a decrease in the R&D expense activity category. The increase in non-compensation expenses was primarily driven by higher professional fees and marketing costs. The increase was also driven by higher compensation expenses in R&D, cost of revenues, and selling and marketing expense activity categories, partially offset by the G&A expense activity category. The increase in compensation expenses was driven by higher wages and salaries and incentive compensation costs. Adjusting for the impact of the acquisition of Foxberry and foreign currency exchange rate fluctuations, Index segment Adjusted EBITDA expenses would have increased by 6.4%.

Index operating revenues increased 10.5% for the nine months ended September 30, 2024, primarily driven by strong growth from asset-based fees and recurring subscriptions, partially offset by a decrease in non-recurring revenue. Adjusting for the impact of the acquisition of Foxberry and foreign currency exchange rate fluctuations, Index operating revenues would have increased 10.7%.

Operating revenues from recurring subscriptions increased 8.3% for the nine months ended September 30, 2024, primarily driven by growth from market cap-weighted and factor, ESG and climate index products.

Operating revenues from asset-based fees increased 16.9% for the nine months ended September 30, 2024, primarily driven by strong growth in revenues from ETFs linked to MSCI equity indexes and non-ETF indexed funds linked to MSCI indexes. Operating revenues from ETFs linked to MSCI equity indexes and non-ETF indexed funds linked to MSCI indexes increased by 17.9% and 19.4%, respectively, primarily driven by an increase in average AUM.

Index segment Adjusted EBITDA expenses increased 8.5% for the nine months ended September 30, 2024, primarily driven by higher compensation expenses across all expense activity categories. The increase reflects higher incentive compensation and wages and salaries. The increase was also driven by non-compensation expenses across the cost of revenues, G&A, and selling and marketing expense activity categories, partially offset by the R&D expense activity category. This increase was primarily due to higher professional fees and transaction fees related to the acquisition of Foxberry. Adjusting for the impact of the acquisition of Foxberry and foreign currency exchange rate fluctuations, Index segment Adjusted EBITDA expenses would have increased by 7.5%.

Analytics Segment

The following table presents the results for the Analytics segment for the periods indicated:

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	% Change	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	% Change
Operating revenues:						
Recurring subscriptions	$ 168,150	$ 151,269	11.2 %	$ 490,829	$ 443,276	10.7 %
Non-recurring	4,226	2,999	40.9 %	11,508	7,943	44.9 %
Operating revenues total	172,376	154,268	11.7 %	502,337	451,219	11.3 %
Adjusted EBITDA expenses	82,089	82,487	(0.5 %)	258,166	253,509	1.8 %
Adjusted EBITDA	$ 90,287	$ 71,781	25.8 %	$ 244,171	$ 197,710	23.5 %
Adjusted EBITDA margin %	52.4 %	46.5 %		48.6 %	43.8 %	

Analytics operating revenues increased 11.7% for the three months ended September 30, 2024, primarily driven by growth from recurring subscriptions related to both Multi-Asset Class and Equity Analytics products, which also benefited from subscription revenue impacted by client implementations. The increase was also driven by an increase in non-recurring revenues driven by one-time deals related to both Multi-Asset Class and Equity products as well as a number of implementations which were completed in the quarter. Adjusting for the impact of the acquisition of Fabric and foreign currency exchange rate fluctuations, Analytics operating revenues would have increased 11.7%.

Analytics segment Adjusted EBITDA expenses decreased 0.5% for the three months ended September 30, 2024, primarily driven by lower compensation expenses across the selling and marketing and G&A expense activity categories, partially offset by higher compensation expenses across the R&D and cost of revenues expense activity categories. The decrease was primarily driven by increased capitalization of expenses related to internally developed software projects. Adjusting for the impact of the acquisition of Fabric and foreign currency exchange rate fluctuations, Analytics segment Adjusted EBITDA expenses would have decreased 1.6%.

Analytics operating revenues increased 11.3% for the nine months ended September 30, 2024, primarily driven by growth from recurring subscriptions related to both Multi-Asset Class and Equity Analytics products, which also benefited from subscription revenue impacted by client implementations. The increase was also driven by an increase in non-recurring revenues driven by one-time deals related to both Multi-Asset Class and Equity products as well as a number of implementations which were completed during the year. Adjusting for the impact of the acquisition of Fabric and foreign currency exchange rate fluctuations, Analytics operating revenues would have increased 11.6%.

Analytics segment Adjusted EBITDA expenses increased 1.8% for the nine months ended September 30, 2024, primarily driven by higher non-compensation expense across cost of revenues, selling and marketing, and G&A expense activity categories, partially offset by a decrease in the R&D expense activity category. The increase reflects higher professional fees and information technology costs. The increase was also driven by higher compensation expenses across R&D, cost of revenues and G&A expense activity categories, partially offset by lower compensation expenses in the selling and marketing expense activity category. The increase was primarily driven by higher incentive compensation costs, partially offset by increased capitalization of expenses related to internally developed software projects. Adjusting for the impact of the acquisition of Fabric and foreign currency exchange rate fluctuations, Analytics segment Adjusted EBITDA expenses would have increased 0.7%.

ESG and Climate Segment

The following table presents the results for the ESG and Climate segment for the periods indicated:

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	% Change	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	% Change
Operating revenues:						
Recurring subscriptions	$ 81,536	$ 71,744	13.6 %	$ 235,954	$ 207,523	13.7 %
Non-recurring	2,107	1,294	62.8 %	5,428	3,792	43.1 %
Operating revenues total	83,643	73,038	14.5 %	241,382	211,315	14.2 %
Adjusted EBITDA expenses	53,654	47,598	12.7 %	166,372	145,201	14.6 %
Adjusted EBITDA	$ 29,989	$ 25,440	17.9 %	$ 75,010	$ 66,114	13.5 %
Adjusted EBITDA margin %	35.9 %	34.8 %		31.1 %	31.3 %	

ESG and Climate operating revenues increased 14.5% for the three months ended September 30, 2024, primarily driven by growth from recurring subscriptions related to Ratings, Climate and Screening products. Adjusting for the impact of the acquisition of Trove and foreign currency exchange rate fluctuations, ESG and Climate operating revenues would have increased 11.0%.

ESG and Climate segment Adjusted EBITDA expenses increased 12.7% for the three months ended September 30, 2024, primarily driven by higher compensation expenses across R&D, cost of revenues and G&A expense activity categories, partially offset by a decrease in the selling and marketing expense activity category. The increase reflects higher wages and salaries and incentive compensation costs. The increase is also driven by higher non-compensation expenses across all expense activity categories. The increase reflects higher professional fees. Adjusting for the impact of the acquisition of Trove and foreign currency exchange rate fluctuations, ESG and Climate segment Adjusted EBITDA expenses would have increased 4.6%.

ESG and Climate operating revenues increased 14.2% for the nine months ended September 30, 2024, primarily driven by growth from recurring subscriptions related to Ratings, Climate and Screening products. Adjusting for the impact of the acquisition of Trove and foreign currency exchange rate fluctuations, ESG and Climate operating revenues would have increased 10.7%.

ESG and Climate segment Adjusted EBITDA expenses increased 14.6% for the nine months ended September 30, 2024, primarily driven by higher compensation expense across R&D, cost of revenues and G&A expense activity categories, partially offset by lower compensation expense in selling and marketing expense activity category. The increase reflects higher wages and salaries, incentive compensation, and benefits costs. Adjusting for the impact of the acquisition of Trove and foreign currency exchange rate fluctuations, ESG and Climate segment Adjusted EBITDA expenses would have increased 6.1%.

All Other – Private Assets Segment

The following table presents the results for the All Other – Private Assets segment for the periods indicated:

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	% Change	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	% Change
Operating revenues:						
Recurring subscriptions	$ 62,991	$ 35,531	77.3 %	$ 190,434	$ 111,292	71.1 %
Non-recurring	813	480	69.4 %	2,520	1,168	115.8 %
Operating revenues total	63,804	36,011	77.2 %	192,954	112,460	71.6 %
Adjusted EBITDA expenses	47,526	24,615	93.1 %	146,803	76,384	92.2 %
Adjusted EBITDA	$ 16,278	$ 11,396	42.8 %	$ 46,151	$ 36,076	27.9 %
Adjusted EBITDA margin %	25.5 %	31.6 %		23.9 %	32.1 %	

All Other – Private Assets operating revenues increased 77.2% for the three months ended September 30, 2024, primarily driven by revenues attributable to the step acquisition of Burgiss. Adjusting for the impact of the step acquisition of Burgiss and foreign currency exchange rate fluctuations, All Other – Private Assets operating revenues would have increased 1.0%.

All Other – Private Assets segment Adjusted EBITDA expenses increased 93.1% for the three months ended September 30, 2024, driven by higher compensation and non-compensation expenses across all expense activity categories, primarily due to the step acquisition of Burgiss. Adjusting for the impact of the step acquisition of Burgiss and foreign currency exchange rate fluctuations, All Other - Private Assets segment Adjusted EBITDA expenses would have decreased 5.5%.

All Other – Private Assets operating revenues increased 71.6% for the nine months ended September 30, 2024, primarily driven by revenues attributable to the step acquisition of Burgiss. Adjusting for the impact of the step acquisition of Burgiss and foreign currency exchange rate fluctuations, All Other – Private Assets operating revenues would have increased 1.7%.

All Other – Private Assets segment Adjusted EBITDA expenses increased 92.2% for the nine months ended September 30, 2024, driven by higher compensation and non-compensation expenses across all expense activity categories, primarily due to the step acquisition of Burgiss. Adjusting for the impact of the step acquisition of Burgiss and foreign currency exchange rate fluctuations, All Other - Private Assets segment Adjusted EBITDA expenses would have decreased 5.1%.

Operating Metrics

Run Rate

"Run Rate" estimates at a particular point in time the annualized value of the recurring revenues under our client license agreements ("Client Contracts") for the next 12 months, assuming all Client Contracts that come up for renewal, or reach the end of the committed subscription period, are renewed and assuming then-current currency exchange rates, subject to the adjustments and exclusions described below. For any Client Contract where fees are linked to an investment product's assets or trading volume/fees, the Run Rate calculation reflects, for ETFs, the market value on the last trading day of the period, for futures and options, the most recent quarterly volumes and/or reported exchange fees, and for other non-ETF products, the most recent client-reported assets. Run Rate does not include fees associated with "one-time" and other non-recurring transactions. In addition, we add to Run Rate the annualized fee value of recurring new sales, whether to existing or new clients, when we execute Client Contracts, even though the license start date, and associated revenue recognition, may not be effective until a later date. We remove from Run Rate the annualized fee value associated with products or services under any Client Contract when we (i) have received a notice of termination, non-renewal or an indication the client does not intend to continue their subscription during the period and (ii) have determined that such notice evidences the client's final decision to terminate or not renew the applicable products or services, even though such termination or non-renewal may not be effective until a later date.

Changes in our recurring revenues typically lag changes in Run Rate. The actual amount of recurring revenues we will realize over the following 12 months will differ from Run Rate for numerous reasons, including:

- fluctuations in revenues associated with new recurring sales;
- modifications, cancellations and non-renewals of existing Client Contracts, subject to specified notice requirements;
- differences between the recurring license start date and the date the Client Contract is executed due to, for example, contracts with onboarding periods or fee waiver periods;
- fluctuations in asset-based fees, which may result from changes in certain investment products' total expense ratios, market movements, including foreign currency exchange rates, or from investment inflows into and outflows from investment products linked to our indexes;
- fluctuations in fees based on trading volumes of futures and options contracts linked to our indexes;
- price changes or discounts;
- revenue recognition differences under U.S. GAAP, including those related to the timing of implementation and report deliveries for certain of our products and services;
- fluctuations in the number of hedge funds for which we provide investment information and risk analysis to hedge fund investors;
- fluctuations in foreign currency exchange rates; and
- the impact of acquisitions and divestitures.

The following table presents Run Rates by reportable segment as of the dates indicated and the growth percentages over the periods indicated:

	As of		
(in thousands)	September 30, 2024	September 30, 2023	% Change
Index:			
Recurring subscriptions	$ 906,803	$ 835,334	8.6 %
Asset-based fees	683,462	545,548	25.3 %
Index total	1,590,265	1,380,882	15.2 %
Analytics	691,333	639,462	8.1 %
ESG and Climate	344,015	297,297	15.7 %
All Other - Private Assets	268,577	150,749	78.2 %
Total Run Rate	$ 2,894,190	$ 2,468,390	17.3 %
Recurring subscriptions total	$ 2,210,728	$ 1,922,842	15.0 %
Asset-based fees	683,462	545,548	25.3 %
Total Run Rate	$ 2,894,190	$ 2,468,390	17.3 %

Total Run Rate increased 17.3%, driven by a 15.0% increase from recurring subscriptions and a 25.3% increase from asset-based fees. Adjusting for the impact of recent acquisitions and foreign currency exchange rate fluctuations, recurring subscriptions Run Rate would have increased 8.0%.

Run Rate from Index recurring subscriptions increased 8.6%, primarily driven by growth from market cap-weighted and custom Index products and special packages. The increase reflected growth across all regions. Adjusting for the impact of the acquisition of Foxberry and foreign currency exchange rate fluctuations, Index Run Rate would have increased 8.5%.

Run Rate from Index asset-based fees increased 25.3%, primarily driven by higher AUM in both ETFs linked to MSCI equity indexes and non-ETF indexed funds linked to MSCI indexes.

Run Rate from Analytics products increased 8.1%, primarily driven by growth in both Multi-Asset Class and Equity Analytics products, and reflected growth across all regions and client segments. Adjusting for the impact of the acquisition of Fabric and foreign currency exchange rate fluctuations, Analytics Run Rate would have increased 7.1%.

Run Rate from ESG and Climate products increased 15.7%, driven by strong growth in Ratings, Climate and Screening products with contributions across all regions and client segments. Adjusting for the impact of the acquisition of Trove and foreign currency exchange rate fluctuations, ESG and Climate Run Rate would have increased 11.2%.

Run Rate from All Other - Private Assets increased 78.2%, and included $110.1 million associated with Burgiss. Excluding the impact of the step acquisition of Burgiss, the growth was primarily driven by Index Intel products. Adjusting for the impact of the step acquisition of Burgiss and foreign currency exchange rate fluctuations, All Other - Private Assets Run Rate would have increased 2.4%.

Sales

Sales represents the annualized value of products and services clients commit to purchase from MSCI and will result in additional operating revenues. Non-recurring sales represent the actual value of the customer agreements entered into during the period and are not a component of Run Rate. New recurring subscription sales represent additional selling activities, such as new customer agreements, additions to existing agreements or increases in price that occurred during the period and are additions to Run Rate. Subscription cancellations reflect client activities during the period, such as discontinuing products and services and/or reductions in price, resulting in reductions to Run Rate. Net new recurring subscription sales represent the amount of new recurring subscription sales net of subscription cancellations during the period, which reflects the net impact to Run Rate during the period.

Total gross sales represent the sum of new recurring subscription sales and non-recurring sales. Total net sales represent the total gross sales net of the impact from subscription cancellations.

The following table presents our recurring subscription sales, cancellations and non-recurring sales by reportable segment for the periods indicated:

(in thousands)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	% Change	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	% Change
Index						
New recurring subscription sales	$ 25,271	$ 23,978	5.4 %	$ 80,081	$ 80,156	(0.1 %)
Subscription cancellations	(9,862)	(7,402)	33.2 %	(34,876)	(22,617)	54.2 %
Net new recurring subscription sales	$ 15,409	$ 16,576	(7.0 %)	$ 45,205	$ 57,539	(21.4 %)
Non-recurring sales	$ 13,883	$ 14,679	(5.4 %)	$ 44,687	$ 54,365	(17.8 %)
Total gross sales	$ 39,154	$ 38,657	1.3 %	$ 124,768	$ 134,521	(7.3 %)
Total Index net sales	$ 29,292	$ 31,255	(6.3 %)	$ 89,892	$ 111,904	(19.7 %)
Analytics						
New recurring subscription sales	$ 20,780	$ 18,787	10.6 %	$ 56,137	$ 50,751	10.6 %
Subscription cancellations	(10,307)	(7,543)	36.6 %	(28,001)	(24,094)	16.2 %
Net new recurring subscription sales	$ 10,473	$ 11,244	(6.9 %)	$ 28,136	$ 26,657	5.5 %
Non-recurring sales	$ 7,293	$ 3,206	127.5 %	$ 13,812	$ 8,734	58.1 %
Total gross sales	$ 28,073	$ 21,993	27.6 %	$ 69,949	$ 59,485	17.6 %
Total Analytics net sales	$ 17,766	$ 14,450	22.9 %	$ 41,948	$ 35,391	18.5 %
ESG and Climate						
New recurring subscription sales	$ 9,333	$ 12,124	(23.0 %)	$ 39,361	$ 38,497	2.2 %
Subscription cancellations	(5,575)	(2,639)	111.3 %	(17,496)	(7,331)	138.7 %
Net new recurring subscription sales	$ 3,758	$ 9,485	(60.4 %)	$ 21,865	$ 31,166	(29.8 %)
Non-recurring sales	$ 2,345	$ 1,532	53.1 %	$ 6,852	$ 4,066	68.5 %
Total gross sales	$ 11,678	$ 13,656	(14.5 %)	$ 46,213	$ 42,563	8.6 %
Total ESG and Climate net sales	$ 6,103	$ 11,017	(44.6 %)	$ 28,717	$ 35,232	(18.5 %)
All Other - Private Assets						
New recurring subscription sales	$ 9,959	$ 4,788	108.0 %	$ 29,877	$ 14,746	102.6 %
Subscription cancellations	(4,610)	(3,153)	46.2 %	(15,112)	(8,634)	75.0 %
Net new recurring subscription sales	$ 5,349	$ 1,635	227.2 %	$ 14,765	$ 6,112	141.6 %
Non-recurring sales	$ 520	$ 262	98.5 %	$ 2,361	$ 1,069	120.9 %
Total gross sales	$ 10,479	$ 5,050	107.5 %	$ 32,238	$ 15,815	103.8 %
Total All Other - Private Assets net sales	$ 5,869	$ 1,897	209.4 %	$ 17,126	$ 7,181	138.5 %
Consolidated						
New recurring subscription sales	$ 65,343	$ 59,677	9.5 %	$ 205,456	$ 184,150	11.6 %
Subscription cancellations	(30,354)	(20,737)	46.4 %	(95,485)	(62,676)	52.3 %
Net new recurring subscription sales	$ 34,989	$ 38,940	(10.1 %)	$ 109,971	$ 121,474	(9.5 %)
Non-recurring sales	$ 24,041	$ 19,679	22.2 %	$ 67,712	$ 68,234	(0.8 %)
Total gross sales	$ 89,384	$ 79,356	12.6 %	$ 273,168	$ 252,384	8.2 %
Total net sales	$ 59,030	$ 58,619	0.7 %	$ 177,683	$ 189,708	(6.3 %)

A significant portion of MSCI's operating revenues are derived from subscriptions or licenses of products and services, which are provided over contractually-agreed periods of time that are subject to renewal or cancellation at the end of current contract terms.

Retention Rate

The following table presents our Retention Rate by reportable segment for the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Index[1]	95.4%	96.2%	94.6%	96.1%
Analytics[1]	93.8%	95.1%	94.4%	94.8%
ESG and Climate[1]	93.0%	96.0%	92.7%	96.3%
All Other - Private Assets[1]	92.7%	91.3%	92.0%	92.1%
Total[1]	94.2%	95.4%	93.9%	95.4%

(1) Retention rate for Index excluding the impact of the acquisition of Foxberry was 95.5% and 94.6% for the three and nine months ended September 30, 2024, respectively. Retention rate for Analytics excluding the impact of the acquisition of Fabric was 93.8% and 94.4% for the three and nine months ended September 30, 2024, respectively. Retention rate for ESG and Climate excluding the impact of the acquisition of Trove was 93.4% and 92.9% for the three and nine months ended September 30, 2024, respectively. Retention rate for All Other – Private Assets excluding the impact of the step acquisition of Burgiss was 92.2% and 90.7% for the three and nine months and year ended September 30, 2024, respectively. Total retention rate excluding the impact of the acquisitions of Foxberry, Fabric, Trove, and Burgiss was 94.4% and 94.0% for three and nine months and year ended September 30, 2024, respectively.

Retention Rate is an important metric because subscription cancellations decrease our Run Rate and ultimately our future operating revenues over time. The annual Retention Rate represents the retained subscription Run Rate (subscription Run Rate at the beginning of the fiscal year less actual cancels during the year) as a percentage of the subscription Run Rate at the beginning of the fiscal year.

The Retention Rate for a non-annual period is calculated by annualizing the cancellations for which we have received a notice of termination or for which we believe there is an intention not to renew or discontinue the subscription during the non-annual period, and we believe that such notice or intention evidences the client's final decision to terminate or not renew the applicable agreement, even though such termination or non-renewal may not be effective until a later date. This annualized cancellation figure is then divided by the subscription Run Rate at the beginning of the fiscal year to calculate a cancellation rate. This cancellation rate is then subtracted from 100% to derive the annualized Retention Rate for the period.

Retention Rate is computed by operating segment on a product/service-by-product/service basis. In general, if a client reduces the number of products or services to which it subscribes within a segment, or switches between products or services within a segment, we treat it as a cancellation for purposes of calculating our Retention Rate except in the case of a product or service switch that management considers to be a replacement product or service. In those replacement cases, only the net change to the client subscription, if a decrease, is reported as a cancel. In the Analytics and the ESG and Climate operating segments, substantially all product or service switches are treated as replacement products or services and netted in this manner, while in our Index and Real Assets operating segments, product or service switches that are treated as replacement products or services and receive netting treatment occur only in certain limited instances. In addition, we treat any reduction in fees resulting from a down-sell of the same product or service as a cancellation to the extent of the reduction. We do not calculate Retention Rate for that portion of our Run Rate attributable to assets in index-linked investment products or futures and options contracts, in each case, linked to our indexes.

Retention Rate is generally higher during the first three quarters and lower in the fourth quarter, as the fourth quarter is traditionally the largest renewal period in the year.

Liquidity and Capital Resources

We require capital to fund ongoing operations, internal growth initiatives and acquisitions. Our primary sources of liquidity are cash flows generated from our operations, existing cash and cash equivalents and credit capacity under our existing credit facility. In addition, we believe we have access to additional funding in the public and private markets. We intend to use these sources of liquidity to, among other things, service our existing and future debt obligations, fund our working capital requirements for capital expenditures, investments, acquisitions and dividend payments, and make repurchases of our common stock. In connection with our business strategy, we regularly evaluate acquisition and strategic partnership opportunities. We believe our liquidity, along with other financing alternatives, will provide the necessary capital to fund these transactions and achieve our planned growth.

Senior Notes and Credit Agreement

As of September 30, 2024, we had an aggregate of $4,200.0 million in Senior Notes outstanding. In addition, under the Credit Agreement, we had as of September 30, 2024 an aggregate of $311.9 million in outstanding borrowings under the revolving credit facility. See Note 8, “Debt” and Note 13, “Subsequent Events”, of the Notes to Condensed Consolidated Financial Statements (Unaudited) included herein for additional information on our outstanding indebtedness and revolving credit facility.

On January 26, 2024, we entered into a Second Amended and Restated Credit Agreement (the “Credit Agreement”) amending and restating in its entirety the Prior Credit Agreement. The Credit Agreement makes available an aggregate of $1,250.0 million of revolving loan commitments under the Revolving Credit Facility, which may be drawn until January 26, 2029. The Revolving Credit Facility under the Credit Agreement was drawn at closing in an amount sufficient to prepay all term loans outstanding under the TLA Facility under the Prior Credit Agreement. The obligations under the Credit Agreement are general unsecured obligations of the Company.

The Senior Notes and the Prior Credit Agreement were previously fully and unconditionally, and jointly and severally, guaranteed by our direct or indirect wholly owned domestic subsidiaries that account for more than 5% of our and our subsidiaries’ consolidated assets, other than certain excluded subsidiaries (the “subsidiary guarantors”). Upon the closing of the Credit Agreement on January 26, 2024, the subsidiary guarantors’ were released from their guarantees under the Prior Credit Agreement and the indentures governing our Senior Notes (the “Indentures”).

The Indentures among us and Computershare, National Association, as trustee and successor to Wells Fargo Bank, National Association, contain covenants that limit our and our subsidiaries’ ability to, among other things, incur liens, enter into sale/leaseback transactions and consolidate, merge or sell all or substantially all of our assets, and that limit the ability of our subsidiaries to incur certain indebtedness. The Credit Agreement also contains covenants that limit our and our subsidiaries’ ability to, among other things, incur liens, enter into sale/leaseback transactions and consolidate, merge or sell all or substantially all of our assets, and that limit the ability of our subsidiaries to incur certain indebtedness.

The Credit Agreement and the Indentures also contain customary events of default, including those relating to non-payment, breach of representations, warranties or covenants, cross-default and cross-acceleration, and bankruptcy and insolvency events, and, in the case of the Credit Agreement, invalidity or impairment of loan documentation, change of control and customary ERISA defaults in addition to the foregoing. None of the restrictions detailed above are expected to impact our ability to effectively operate the business.

The Credit Agreement also requires us and our subsidiaries to achieve financial and operating results sufficient to maintain compliance with the following financial ratios on a consolidated basis through the termination of the Credit Agreement: (1) the maximum Consolidated Leverage Ratio (as defined in the Credit Agreement) measured quarterly on a rolling four-quarter basis not to exceed 4.25:1.00 (or 4.50:1.00 for four fiscal quarters following a material acquisition) and (2) the minimum Consolidated Interest Coverage Ratio (as defined in the Credit Agreement) measured quarterly on a rolling four-quarter basis of at least 4.00:1.00. As of September 30, 2024, our Consolidated Leverage Ratio was 2.39:1.00 and our Consolidated Interest Coverage Ratio was 9.79:1.00.

Share Repurchases

The following table provides information with respect to repurchases of the Company's common stock pursuant to open market repurchases:

Nine months ended (in thousands except per share data)	Average Price Paid Per Share	Total Number of Shares Repurchased	Dollar Value of Shares Repurchased[(1)]
September 30, 2024	$ 500.52	880	$ 440,265
September 30, 2023	$ 468.26	980	$ 458,721

(1) The values in this column exclude the 1% excise tax incurred on share repurchases. Any excise tax incurred is recognized as part of the cost of the shares acquired in the Unaudited Condensed Consolidated Statement of Shareholders' Equity (Deficit).

As of September 30, 2024, there was $405.4 million of available authorization remaining under the 2022 Repurchase Program. This authorization may be modified, suspended or terminated by the Board of Directors at any time without prior notice.

Cash Dividends

On October 28, 2024, the Board of Directors declared a quarterly cash dividend of $1.60 per share for the three months ending December 31, 2024. The fourth quarter 2024 dividend is payable on November 29, 2024 to shareholders of record as of the close of trading on November 15, 2024.

Cash Flows

The following table presents the Company's cash and cash equivalents, including restricted cash, as of the dates indicated:

	As of	
(in thousands)	September 30, 2024	December 31, 2023
Cash and cash equivalents (includes restricted cash of $3,909 and $3,878 at September 30, 2024 and December 31, 2023, respectively)	$ 500,979	$ 461,693

We typically seek to maintain minimum cash balances globally of approximately $225.0 million to $275.0 million for general operating purposes. As of September 30, 2024 and December 31, 2023, $244.0 million and $285.2 million, respectively, of the Company's cash and cash equivalents were held by foreign subsidiaries. Repatriation of some foreign cash may be subject to certain withholding taxes in local jurisdictions and other distribution restrictions. We believe the global cash and cash equivalent balances that are maintained will be available to meet our global needs whether for general corporate purposes or other needs, including acquisitions or expansion of our products.

We believe that global cash flows from operations, together with existing cash and cash equivalents and funds available under our existing revolving credit facility and our ability to access bank debt, private debt and the capital markets for additional funds, will continue to be sufficient to fund our global operating activities and cash commitments for investing and financing activities, such as material capital expenditures and share repurchases, for at least the next 12 months and for the foreseeable future thereafter. In addition, we expect that foreign cash flows from operations, together with existing cash and cash equivalents, will continue to be sufficient to fund our foreign operating activities and cash commitments for investing activities, such as material capital expenditures, for at least the next 12 months and for the foreseeable future thereafter.

Net Cash Provided by (Used In) Operating, Investing and Financing Activities

	Nine Months Ended September 30,	
(in thousands)	**2024**	**2023**
Net cash provided by operating activities	$ 1,070,994	$ 847,076
Net cash (used in) investing activities	(107,522)	(69,411)
Net cash (used in) provided by financing activities	(926,125)	(842,364)
Effect of exchange rate changes	1,939	(313)
Net increase (decrease) in cash, cash equivalents and restricted cash	$ 39,286	$ (65,012)

Cash Flows From Operating Activities

Cash flows from operating activities consist of net income adjusted for certain non-cash items and changes in assets and liabilities. The year-over-year change was primarily driven by higher cash collections from customers and lower cash paid for income taxes, partially offset by higher payments for cash expenses.

Our primary uses of cash from operating activities are for the payment of cash compensation expenses, income taxes, interest expenses, technology costs, professional fees, market data costs and office rent. Historically, the payment of cash for compensation and benefits is at its highest level in the first quarter when we pay discretionary employee compensation related to the previous fiscal year.

Cash Flows From Investing Activities

The year-over-year change was primarily driven by the acquisitions of Fabric and Foxberry and higher capitalized software development costs.

Cash Flows From Financing Activities

The year-over-year change was primarily driven by the repayment of outstanding balances under our Revolving Credit Facility and higher dividend payments.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Foreign Currency Risk

We are subject to foreign currency exchange fluctuation risk. Exchange rate movements can impact the U.S. dollar-reported value of our revenues, expenses, assets and liabilities denominated in non-U.S. dollar currencies or where the currency of such items is different than the functional currency of the entity where these items were recorded.

We generally invoice our clients in U.S. dollars; however, we invoice a portion of our clients in Euros, British pounds sterling, Japanese yen and a limited number of other non-U.S. dollar currencies. For the nine months ended September 30, 2024 and 2023, 16.6% and 17.0%, respectively, of our revenues are subject to foreign currency exchange rate risk and primarily included clients billed in foreign currency as well as U.S. dollar exposures on non-U.S. dollar foreign operating entities. Of the 16.6% of non-U.S. dollar exposure for the nine months ended September 30, 2024, 42.2% was in Euros, 32.9% was in British pounds sterling and 17.7% was in Japanese yen. Of the 17.0% of non-U.S. dollar exposure for the nine months ended September 30, 2023, 41.7% was in Euros, 32.5% was in British pounds sterling and 17.6% was in Japanese yen.

Revenues from asset-based fees represented 22.8% and 22.4% of operating revenues for the nine months ended September 30, 2024 and 2023, respectively. While a substantial portion of our asset-based fees are invoiced in U.S. dollars, the fees are based on the assets in investment products, of which approximately three-fifths are invested in securities denominated in currencies other than the U.S. dollar. Accordingly, declines in such other currencies against the U.S. dollar will decrease the fees payable to us under such licenses. In addition, declines in such currencies against the U.S. dollar could impact the attractiveness of such investment products resulting in net fund outflows, which would further reduce the fees payable under such licenses.

We are exposed to additional foreign currency risk in certain of our operating costs. Approximately 41.8% and 43.4% of our operating expenses for the nine months ended September 30, 2024 and 2023, respectively, were denominated in foreign currencies, the significant majority of which were denominated in British pounds sterling, Indian rupees, Euros, Hungarian forints, Mexican pesos and Swiss francs.

We have certain monetary assets and liabilities denominated in currencies other than local functional amounts, and when these balances are remeasured into their local functional currency, either a gain or a loss results from the change of the value of the functional currency as compared to the originating currencies. We manage foreign currency exchange rate risk, in part, through the use of derivative financial instruments comprised principally of forward contracts on foreign currency which are not designated as hedging instruments for accounting purposes. The objective of the derivative instruments is to minimize the impact on the income statement of the volatility of amounts denominated in certain foreign currencies. We recognized total foreign currency exchange losses of $5.0 million and $2.9 million for the nine months ended September 30, 2024 and 2023, respectively.

Item 4. Controls and Procedures

Our Chief Executive Officer and Chief Financial Officer have evaluated our disclosure controls and procedures, as defined in Rule 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act"), as of the end of the period covered by this report, and have concluded that these disclosure controls and procedures are effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time specified in the SEC's rules and forms. These disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended September 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

Various lawsuits, arbitrations, claims, government inquiries, requests for information, regulatory investigations, examinations, inspections, other proceedings and subpoenas have been or may be instituted or asserted against the Company in the ordinary course of business. While the potential losses could be substantial, due to uncertainties surrounding the potential outcomes, management cannot currently reasonably estimate the possible loss or range of loss that may arise from these matters. Consequently, it is possible that MSCI's business, operating results, financial condition or cash flows in a particular period could be materially affected by these matters. However, based on facts currently available, we believe that the disposition of matters that are currently pending or asserted will not, individually or in the aggregate, have a material effect on MSCI's business, operating results, financial condition or cash flows.

Item 1A. Risk Factors

For a discussion of the risk factors affecting the Company, see "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for fiscal year ended December 31, 2023.

There have been no material changes to the risk factors and uncertainties known to the Company and disclosed in the Company's Form 10-K for the fiscal year ended December 31, 2023, that, if they were to materialize or occur, would, individually or in the aggregate, have a material effect on MSCI's business, operating results, financial condition or cash flows.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds and Issuer Purchases of Equity Securities

There were no unregistered sales of equity securities during the three months ended September 30, 2024.

The table below presents information with respect to purchases made by or on behalf of the Company of its shares of common stock during the three months ended September 30, 2024.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased[(1)]	Average Price Paid Per Share[(2)]	Total Number of Shares Purchased As Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs[(3)]
July 1, 2024 - July 31, 2024	151,620	$ 504.62	151,361	$ 527,786,000
August 1, 2024 - August 31, 2024	210,822	$ 533.04	210,269	$ 415,710,000
September 1, 2024 - September 30, 2024	19,355	$ 549.16	18,767	$ 405,412,000
Total	381,797	$ 522.57	380,397	$ 405,412,000

(1) Includes, when applicable, (i) shares purchased by the Company on the open market under the stock repurchase program; (ii) shares withheld to satisfy tax withholding obligations on behalf of employees that occur upon vesting and delivery of outstanding shares underlying restricted stock units; and (iii) shares held in treasury under the MSCI Inc. Non-Employee Directors Deferral Plan. The value of shares withheld to satisfy tax withholding obligations was determined using the fair market value of the Company's common stock on the date of withholding, using a valuation methodology established by the Company.

(2) Excludes 1% excise tax incurred on share repurchases.

(3) See Note 10, "Shareholders' Equity (Deficit)," of the Notes to the Unaudited Condensed Consolidated Financial Statements included herein for further information regarding our stock repurchase program.

Item 5. Other Information

During the three months ended September 30, 2024, none of the Company's directors or officers, as defined in Section 16 of the Exchange Act, adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K of the Exchange Act.

Item 6. Exhibits

EXHIBIT INDEX

	Exhibit Number	Description
	3.1	Third Amended and Restated Certificate of Incorporation (filed as Exhibit 3.1 to the Company's Form 10-Q (File No. 001-33812), filed with the SEC on May 4, 2012 and incorporated by reference herein)
	3.2	Amended and Restated Bylaws (filed as Exhibit 3.2 to the Company's Form 10-K (File No. 001-33812), filed with the SEC on February 9, 2024 and incorporated by reference herein)
†	10.1	MSCI Inc. Executive Committee Stock Ownership Guidelines
*	31.1	Rule 13a-14(a) Certification of the Chief Executive Officer
*	31.2	Rule 13a-14(a) Certification of the Chief Financial Officer
**	32.1	Section 1350 Certification of the Chief Executive Officer and the Chief Financial Officer
*	101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
*	101.SCH	Inline XBRL Taxonomy Extension Schema Document
*	101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
*	101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
*	101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
*	101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
*	104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.
** Furnished herewith.
† Indicates a management compensation plan, contract or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: October 31, 2024

MSCI INC.
(Registrant)

By: /s/ Andrew C. Wiechmann

Andrew C. Wiechmann
Chief Financial Officer
(Principal Financial Officer)

Exhibit 10.1

MSCI INC.

Executive Committee Stock Ownership Guidelines

The Compensation, Talent and Culture Committee (the “**Committee**”) of the Board of Directors of MSCI Inc. (the “**Company**”) has adopted these Executive Committee Stock Ownership Guidelines (the “**Ownership Guidelines**”), effective January 1, 2019 (the “**Effective Date**”), to further align the interests of the Company’s Executive Committee members with those of the Company’s stockholders and further promote sound corporate governance. Capitalized terms used but not defined in the Ownership Guidelines will have the meanings set forth in the MSCI Inc. 2016 Omnibus Incentive Plan (together with any successor plan, the “**Plan**”).

1. **Minimum Ownership Requirements**. Each Executive Committee member (each, an “**Executive**”) is required, within five years following the date of such Executive’s appointment to the Executive Committee (or, if later, five years following the Effective Date), to own a target number of Eligible Shares (as defined below), having an aggregate value equal to the multiple of his or her annual base salary indicated in the table below, based upon his or her position.

Position*	Multiple of Base Salary
Chief Executive Officer	12X
President	12X
Other Management Committee Members	8X
All Other Executive Committee Members	4X

**An Executive who holds more than one title indicated above will be expected to satisfy the highest applicable ownership requirement.*

Each Executive shall be subject to these Ownership Guidelines for as long as he or she continues to serve on the Executive Committee. If an Executive is or becomes in compliance with the Ownership Guidelines on the Effective Date or any time thereafter, he or she may not take any action that would result in noncompliance with the Ownership Guidelines.

If an Executive becomes subject to an increased ownership requirement due to a promotion, the Executive will be expected to meet the higher ownership amount within five years from the effective date of the promotion (the “**Transition Period**”). For the avoidance of doubt, the Executive will remain subject to the original minimum ownership requirement during any such Transition Period.

If an Executive becomes subject to an increased minimum ownership requirement due to an increase in his or her base salary, the Executive will still be expected to meet the increased minimum ownership requirement within five years of the Effective Date or five years following his or her first appointment to the Executive Committee, whichever is later (i.e., there is no Transition Period).

2. **Retention Requirements**.

Until the Executive ceases to serve on the Executive Committee, such Executive shall be required to retain a number of Shares equivalent to, in the aggregate 25% of the "**Net Shares**" resulting from the vesting, settlement or exercise, as applicable, of all stock options, restricted stock units ("**RSUs**"), performance stock units ("**PSUs**") and other equity Awards granted to such Executive under the Plan after the later of (i) the date such Executive becomes a member of the Executive Committee and (ii) January 1, 2022 (the "**Covered Award Share Retention Requirement**").

In addition to the Covered Award Share Retention Requirement, until the Executive has satisfied the applicable minimum ownership requirement, such Executive is required to retain at least 50% of the Net Shares resulting from the vesting, settlement or exercise, as applicable, of all stock options, RSUs, PSUs or other equity Awards granted to such Executive under the Plan.

For these purposes, "**Net Shares**" means the number of Shares that would remain if the Shares underlying the equity awards are sold or withheld by the Company to (i) pay the exercise price of a stock option, (ii) satisfy any tax withholding obligations upon the vesting, settlement or exercise, as applicable, of the equity awards (assuming a tax rate of 50%) or (iii) satisfy any other applicable transaction costs.

Shares (and the Executive's rights with respect to Shares) subject to the retention requirements of the Ownership Guidelines (including the Covered Award Share Retention Requirement) shall not, directly or indirectly, be sold, transferred, encumbered, alienated, exchanged, pledged, assigned, hypothecated, hedged, made subject to execution, attachment or similar process, or in any manner be subject to puts or calls or otherwise disposed of, whether voluntarily or involuntarily, and whether by operation of law or otherwise, other than by will or by the laws of descent and distribution. Notwithstanding the foregoing, subject to the prior approval of the Committee in its discretion, Shares subject to the retention requirements of the Ownership Guidelines may be transferred by the Executive for estate planning purposes to any trust or other estate planning vehicle established and controlled by such Executive, *provided* that such trust or other estate planning vehicle shall remain subject to the retention requirements of the Ownership Guidelines.

3. **Shares Included in Ownership Calculation**. Shares eligible to be counted towards the satisfaction of the minimum ownership requirements under these Ownership Guidelines consist of the following (collectively, the "**Eligible Shares**"):

A. Shares beneficially owned individually, either directly or indirectly (including Shares held through a broker in individual brokerage accounts and Shares owned indirectly through a trust);
B. Shares beneficially owned jointly with, or separately by, immediate family members residing in the same household, either directly or indirectly; and
C. Shares underlying unvested RSUs.

For the avoidance of doubt, unexercised stock options and unvested performance Awards will not be counted as "Eligible Shares" for purposes of the minimum ownership requirements under these Ownership Guidelines.

4. **Valuation**. Compliance with the Ownership Guidelines will be measured for each Executive on an annual basis on a date to be determined by the Committee. Compliance with the minimum ownership requirements under these Ownership Guidelines will be calculated using the closing price of a Share as reported on the principal stock market or exchange on which the Shares are quoted or traded on the last trading day of the first fiscal quarter of the calendar year immediately preceding the applicable compliance measurement date. The Committee may take into consideration decreases in stock prices in determining whether an Executive is in compliance with these Ownership Guidelines

5. **Compliance and Exceptions**.

The Committee shall evaluate whether any exceptions should be made for any Executive who, due to unique financial circumstances, would incur a hardship by complying with these Ownership Guidelines. The Committee may, in its discretion, modify or waive for a reasonable time these Ownership Guidelines, or develop an alternative stock ownership plan, in each case, taking into account individual, Company and market circumstances, as appropriate.

The Committee may consider, in its discretion, whether any actions should be taken in the event of an Executive's failure to meet, or in unique circumstances, to show sustained progress towards meeting, these Ownership Guidelines (including, without limitation, actions with respect to the specific terms and value of future equity incentive awards granted to the Executive and/or appropriate levels of the Executive's compensation).

6. **Additional Requirements**.

In accordance with procedures adopted by the Company from time to time, prior to entering into any transaction to dispose of Shares, each Executive shall certify in writing to the Head of Global Compensation and Benefits that he or she is in compliance with these Ownership Guidelines.

From time to time, the Committee may impose other stock ownership or retention requirements on Executives pursuant to the terms of an Award. For instance, the Company has included additional retention requirements with respect to certain PSUs. Executives should carefully review the terms of individual Awards for any applicable stock ownership or retention requirements.

7. Trading Prohibition.

Executives are subject to applicable federal and state laws and Company policy restricting trading on material non-public or "inside" information. These laws and rules may also limit the ability of an Executive to buy or sell Shares from time to time. Affiliates of the Company may also be subject to reporting obligations and potential "short-swing" profit liability under Section 16 of the Securities Exchange Act of 1934, as amended. Any resales of Shares by an affiliate must typically be made in accordance with the volume, manner of sale, notice and other requirements of Rule 144 of the Securities Act of 1933, as amended.

Compliance with these Ownership Guidelines is in addition to, not in lieu of, compliance with any other applicable laws or Company policies.

8. Administration, Modification and Interpretation.

The Committee shall be responsible for monitoring the application of these Ownership Guidelines. The Committee may delegate ministerial administrative duties to one or more officers or employees of the Company, as determined in its sole discretion.

At least annually, management shall provide the Committee with a report on the status of each Executive's compliance with the Ownership Guidelines.

The Committee reserves the right to interpret, change, amend, modify or terminate these Ownership Guidelines at any time and from time to time, as determined in its sole discretion.

Adopted by the Compensation, Talent and Culture Committee on December 10, 2018, as amended on April 30, 2019, January 25, 2022, and October 30, 2024 (effective January 1, 2025).

Exhibit 31.1

SECTION 302 CERTIFICATION

I, Henry A. Fernandez, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of MSCI Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: October 31, 2024

/s/ Henry A. Fernandez
Henry A. Fernandez
Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

SECTION 302 CERTIFICATION

I, Andrew C. Wiechmann, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of MSCI Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2024

/s/ Andrew C. Wiechmann

Andrew C. Wiechmann
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In accordance with 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, Henry A. Fernandez, Chairman and Chief Executive Officer of MSCI Inc. (the “Registrant”) and Andrew C. Wiechmann, Chief Financial Officer of the Registrant, each hereby certifies that, to the best of his/her knowledge:

1. The Registrant’s Quarterly Report on Form 10-Q for the period ended September 30, 2024 (the “Periodic Report”), to which this Certification is attached as Exhibit 32.1, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition of the Registrant at the end of the period covered by the Periodic Report and results of operations of the Registrant for the periods covered by the Periodic Report.

Date: October 31, 2024

/s/ Henry A. Fernandez	/s/ Andrew C. Wiechmann
Henry A. Fernandez Chairman and Chief Executive Officer (Principal Executive Officer)	Andrew C. Wiechmann Chief Financial Officer (Principal Financial Officer)