MSCI A Clear View of Risk and Return

2013 Annual Meeting of Shareholders

May 1, 2013

Forward Looking Statements – Safe Harbor Statement

- This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond our control and that could materially affect actual results, levels of activity, performance, or achievements. For a discussion of risk and uncertainties that could materially affect actual results, levels of activity, performance or achievements, please see the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and its other reports filed with the SEC. The forward-looking statements included in this presentation represent the Company's view as of the date of the presentation. The Company assumes no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise.
- The information provided herein may include certain non-GAAP financial measures. The reconciliation of such measures to the comparable GAAP figures are included on pages 12-14 of this presentation.
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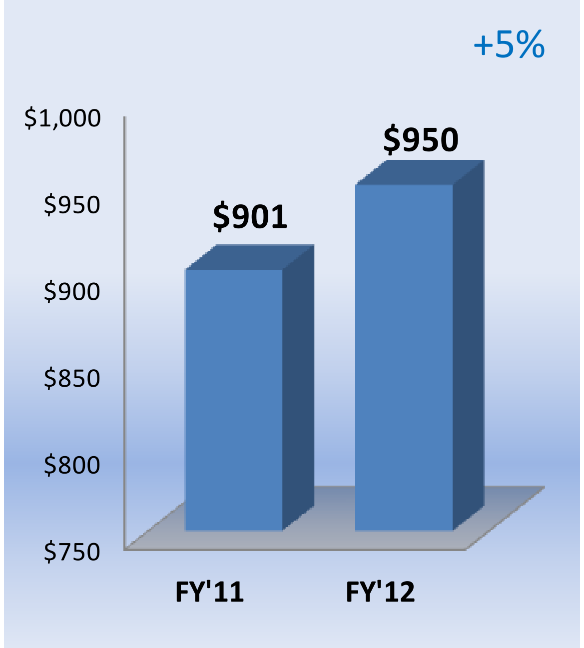
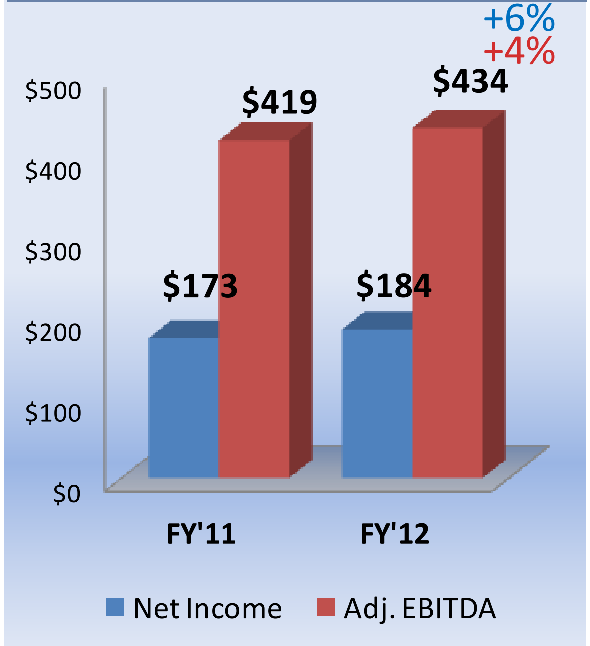
FY’12 Financial Highlights

($ in millions)

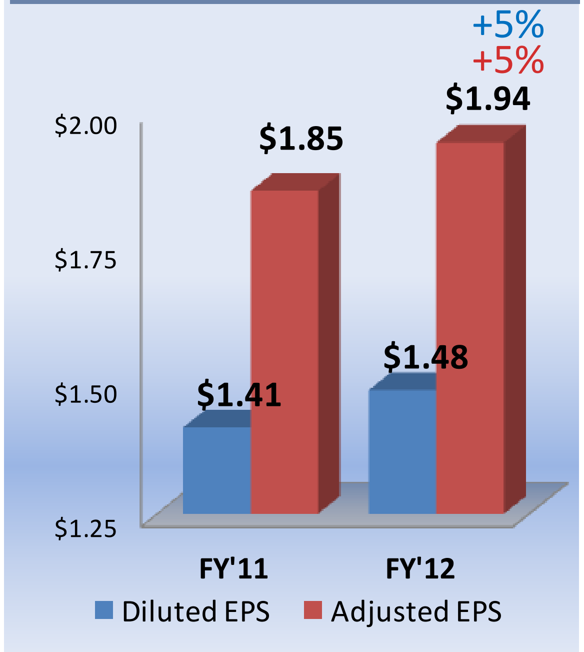
Operating Revenues



Net Income and Adj. EBITDA[1]



Diluted EPS and Adj. EPS[2]

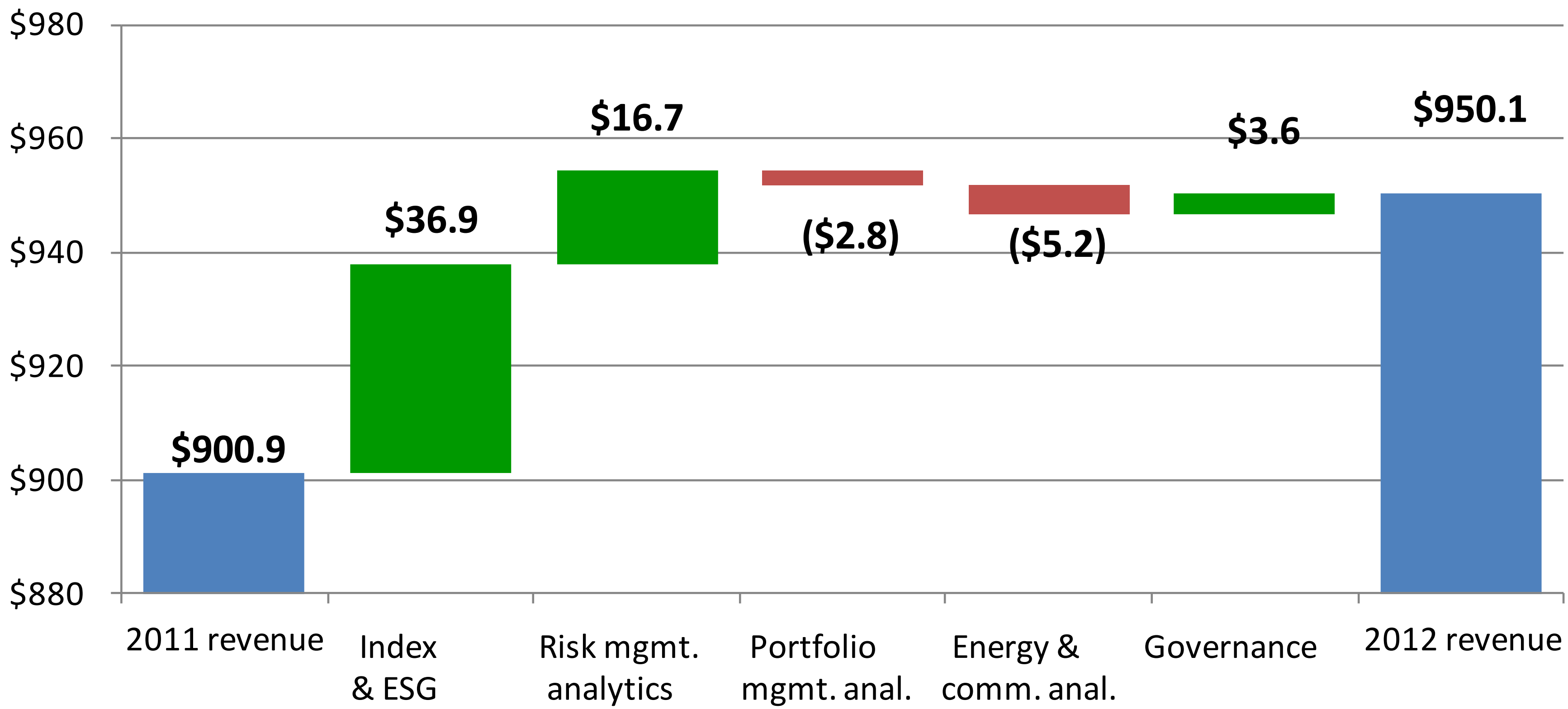


(1) Net income before provision for income taxes, depreciation and amortization, other net expense and income, lease exit charge, non-recurring stock-based compensation and restructuring costs. Please see pages 12-14 for reconciliation.

(2) For the purposes of calculating Adjusted EPS, the after-tax impact of non-recurring stock-based compensation, amortization of intangible assets, lease exit charge, debt repayment expenses and restructuring costs are excluded from the calculation of EPS. Please see pages 12-14 for reconciliation.

FY'12 Revenue Growth by Product

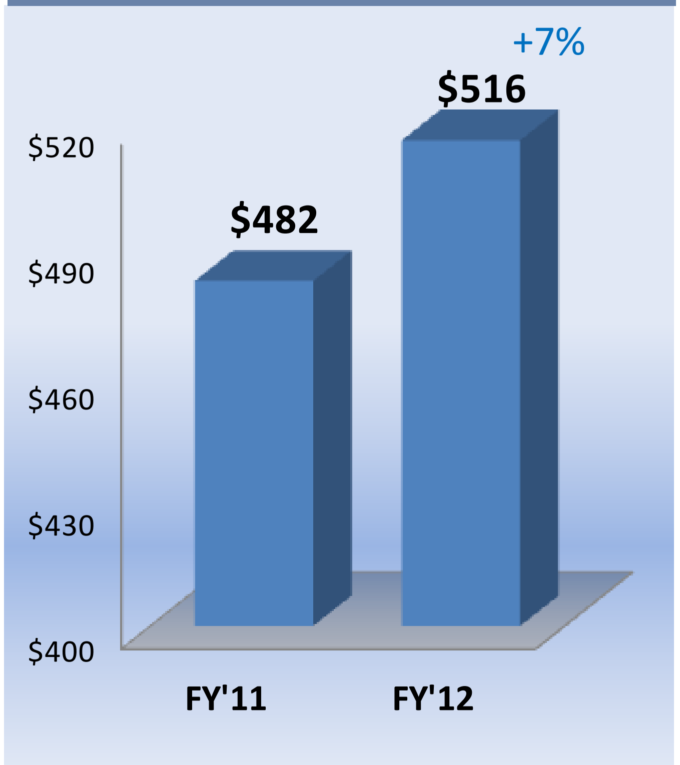
Fiscal Year 2012 Revenue Growth versus Fiscal Year 2011



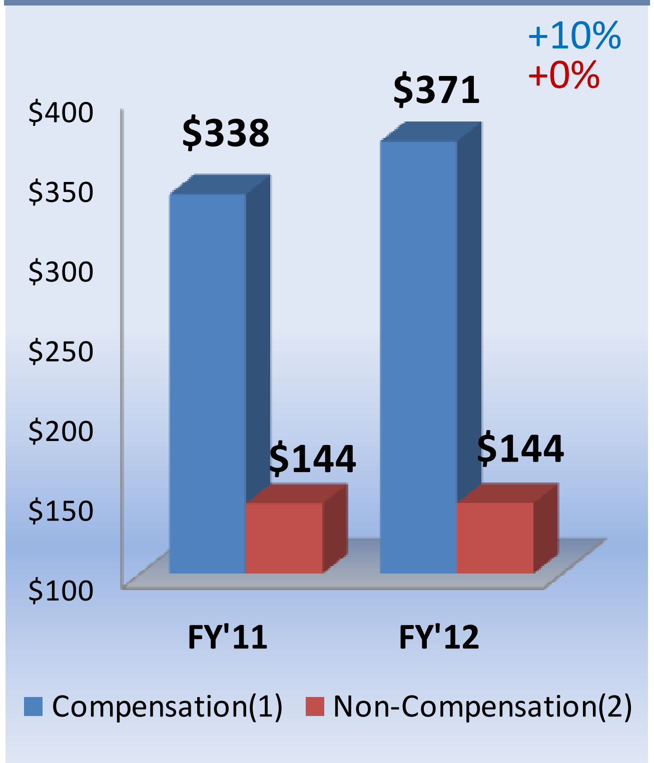
FY'12 Compensation and Non-Compensation Expenses[2,3]

($ in millions)

Total Adjusted EBITDA Expenses[1]



Comp[2] and Non-Comp[3] Expenses



(1) Adjusted EBITDA expense is defined as total operating expenses excluding non-recurring stock-based compensation expense, restructuring costs, lease exit charge, depreciation and amortization.

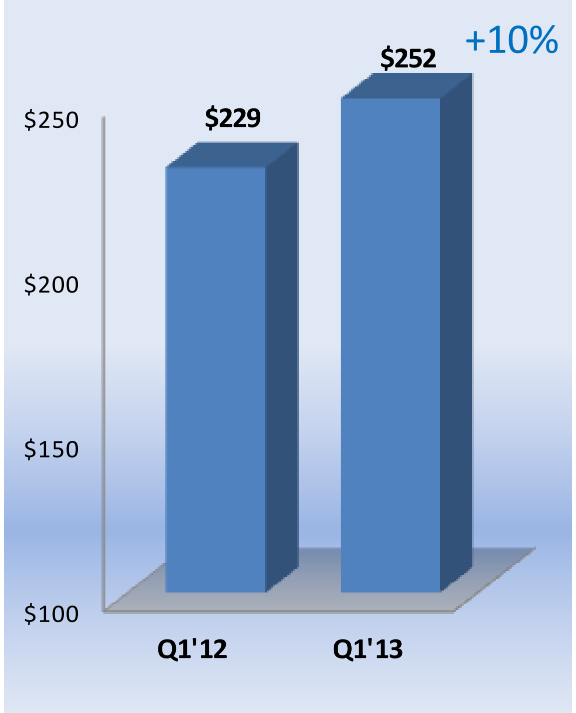
(2) Compensation expense excluding $1.8 million and $7.9 million of non-recurring stock-based compensation in FY'12 and FY'11, respectively.

(3) Non-compensation expense excluding depreciation, amortization, lease exit charge and restructuring costs totaling $85.7 million and $88.8 million in FY'12 and FY'11, respectively .

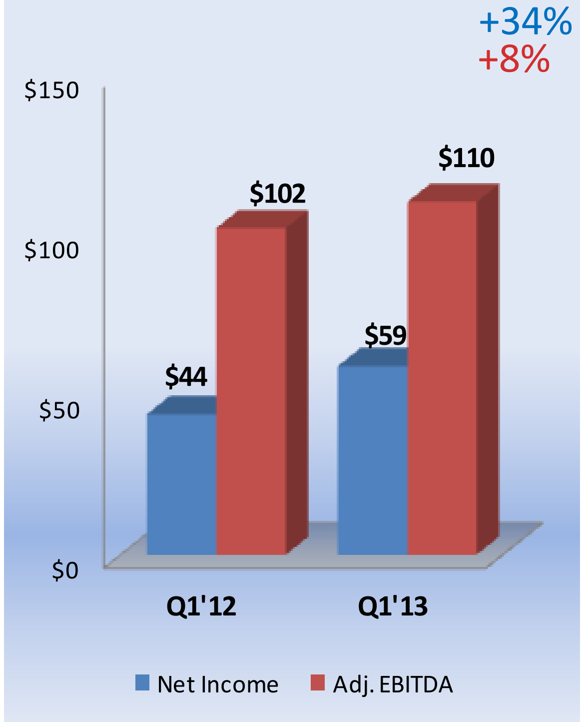
Q1’13 Financial Highlights

($ in millions)

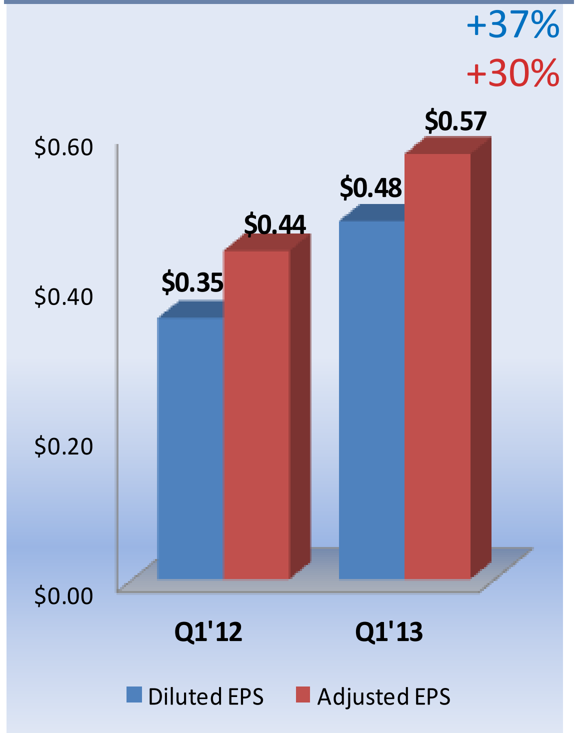
Operating Revenues



Net Income and Adj. EBITDA[1]



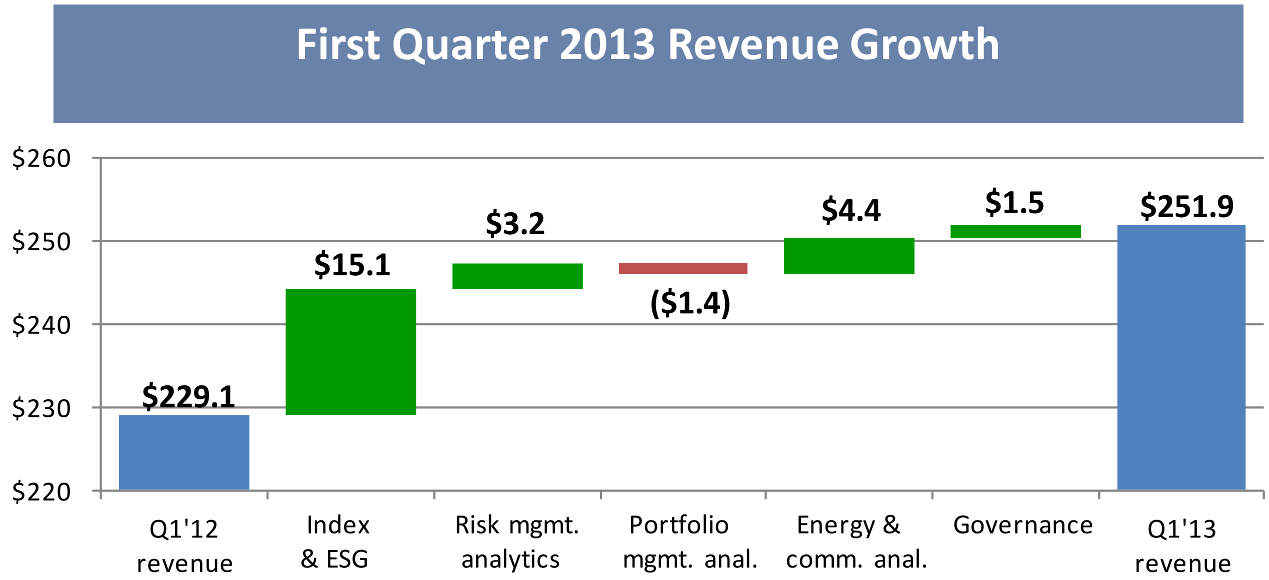
Diluted EPS and Adj. EPS[2]



(1) Net income before provision for income taxes, depreciation and amortization, other net expense and income, non-recurring stock-based compensation and restructuring costs. Please see pages 12-14 for reconciliation.

(2) For the purposes of calculating Adjusted EPS, the after-tax impact of non-recurring stock-based compensation, amortization of intangible assets and restructuring costs are excluded from the calculation of EPS. Please see pages 12-14 for reconciliation.

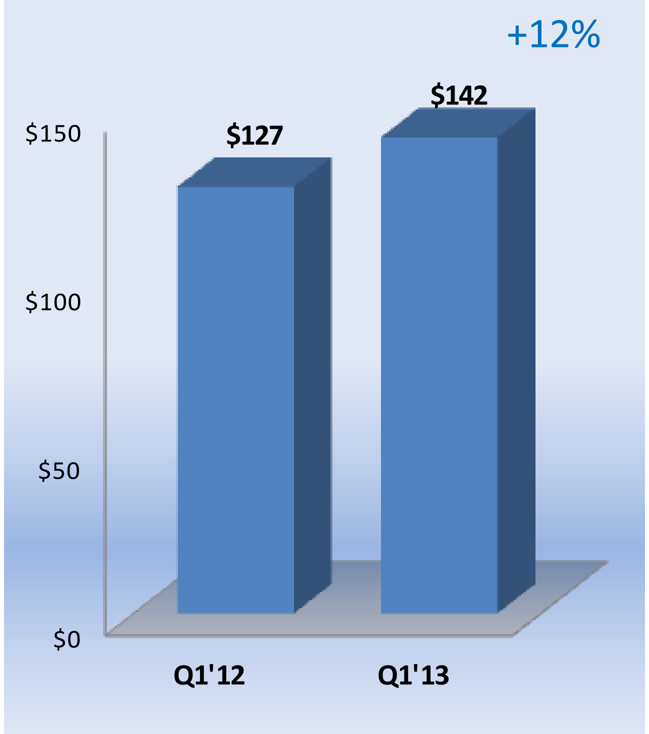
Q1’13 Revenue Growth by Product



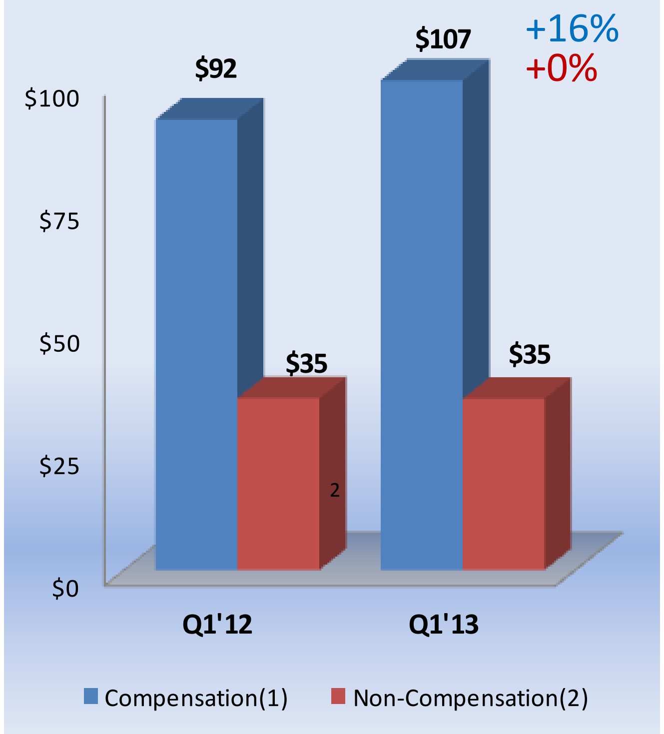
Q1’13 Comp and Non-Comp Expenses[1,2]

($ in millions)

Total Adjusted EBITDA Expenses[1]



Comp[2] and Non-Comp[3] Expenses



(1) Adjusted EBITDA expense is defined as total operating expenses excluding non-recurring stock-based compensation expense, restructuring costs, depreciation and amortization.

(2) Compensation expense excluding non-recurring stock-based compensation of $0.0 million and $0.6 million in Q1’13 and Q1’12, respectively.

(3) Non-compensation expense excluding depreciation, amortization and restructuring costs totaling $19.6 million and $20.3 million in Q1’13 and Q1’12, respectively.

Capital Allocation

Key Principles of MSCI Capital Allocation

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

2012 Net Cash from Operations	**$347 million**
2012 Significant Non-Operating Cash Out-Flows	
Capital Expenditures	$45 million
Acquisition of IPD	$125 million
Debt Repayments	$224 million
Accelerated Share Repurchase	$100 million

Q1'13 Net Cash from Operations	**$71 million**
Q1'13 Selected Non-Operating Cash Out-Flows	
Capital Expenditures	$5 million
Acquisition of InvestorForce	$23 million
Debt Repayments	$26 million

Remaining 2013-2014 Share Repurchase Authorization	up to $200 million

Q1'13 Summary Balance Sheet

In thousands	As of March 31, 2013	As of December 31, 2012
Cash and cash equivalents	$ 263,029	$ 183,309
Short-term investments	-	70,898
Trade receivables, net of allowances	166,915	153,557
Deferred revenue	$ 350,470	$ 308,022
Current maturities of long-term debt	43,106	43,093
Long-term debt, net of current maturities	785,856	811,623

Total Cash & Investments

$263M

Total Debt

$829M

Use of Non-GAAP Financial Measures

- MSCI has presented supplemental non-GAAP financial measures as part of this presentation. A reconciliation is provided that reconciles each non-GAAP financial measure with the most comparable GAAP measure. The presentation of non-GAAP financial measures should not be considered as alternative measures for the most directly comparable GAAP financial measures. These measures are used by management to monitor the financial performance of the business, inform business decision making and forecast future results.
- Adjusted EBITDA is defined as net income before provision for income taxes, other net expense and income, depreciation and amortization, non-recurring stock-based compensation expense, lease exit charge and restructuring costs.
- Adjusted Net Income and Adjusted EPS are defined as net income and EPS, respectively, before provision for non-recurring stock-based compensation expenses, amortization of intangible assets, lease exit charge, restructuring costs and the accelerated amortization or write off of deferred financing and debt discount costs as a result of debt repayment (debt repayment and refinancing expenses), as well as for any related tax effects.
- We believe that adjustments related to the lease exit charge, restructuring costs and debt repayment and refinancing expenses are useful to management and investors because it allows for an evaluation of MSCI's underlying operating performance. Additionally, we believe that adjusting for non-recurring stock-based compensation expenses, debt repayment and refinancing expenses and depreciation and amortization may help investors compare our performance to that of other companies in our industry as we do not believe that other companies in our industry have as significant a portion of their operating expenses represented by these items. We believe that the non-GAAP financial measures presented in this earnings release facilitate meaningful period-to-period comparisons and provide a baseline for the evaluation of future results.
- Adjusted EBITDA, Adjusted net income and Adjusted EPS are not defined in the same manner by all companies and may not be comparable to other similarly titled measures of other companies.

Reconciliation of Adjusted EBITDA to Net Income

		Fiscal Year Ended		Three Months Ended	
In thousands		December 31, 2012	December 31, 2011	March 31, 2013	March 31, 2012
Net Income		$ 184,238	$ 173,454	$ 58,937	$ 43,966
Plus:	Provision for income taxes	105,171	89,959	24,614	24,273
Plus:	Other expense (income), net	57,527	58,585	6,976	12,740
Operating income		**$ 346,936**	**$ 321,998**	**$ 90,527**	**$ 80,979**
Plus:	Non-recurring stock-based compensation	1,781	7,918	-	582
Plus:	Depreciation and amortization of property, equipment and leasehold improvements	18,700	19,425	5,080	4,416
Plus:	Amortization of intangible assets	63,298	65,805	14,486	15,959
Plus:	Lease exit charge	3,796	-	-	-
Plus:	Restructuring costs	(51)	3,594	-	(29)
Adjusted EBITDA		**$ 434,460**	**$ 418,740**	**$ 110,093**	**$ 101,907**
	Margin	*45.7%*	*46.5%*	*43.7%*	*44.5%*

Reconciliation of Adjusted Net Income and Adjusted EPS

In thousands, except per share data		Fiscal Year Ended December 31, 2012	Fiscal Year Ended December 31, 2011	Three Months Ended March 31, 2013	Three Months Ended March 31, 2012
Net Income		$ 184,238	$ 173,454	$ 58,937	$ 43,966
Plus:	Non-recurring stock-based compensation	1,781	7,918	-	582
Plus:	Amortization of intangible assets	63,298	65,805	14,486	15,959
Plus:	Debt repayment and refinancing expenses	20,639	6,404	-	-
Plus:	Lease exit charge	3,796	-	-	-
Plus:	Restructuring costs	(51)	3,594	-	(29)
Less:	Income tax effect	(32,510)	(29,913)	(4,268)	(5,873)
Adjusted net income		**$ 241,191**	**$ 227,262**	**$ 69,155**	**$ 54,605**
Diluted EPS		**$ 1.48**	**$ 1.41**	**$ 0.48**	**$ 0.35**
Plus:	Non-recurring stock-based compensation	$ 0.01	$ 0.06	$ -	$ 0.01
Plus:	Amortization of intangible assets	$ 0.51	$ 0.54	$ 0.12	$ 0.13
Plus:	Debt repayment and refinancing expenses	$ 0.17	$ 0.05	$ -	$ -
Plus:	Lease exit charge	$ 0.03	$ -	$ -	$ -
Plus:	Restructuring costs	$ -	$ 0.03	$ -	$ -
Less:	Income tax effect	$ (0.26)	$ (0.24)	$ (0.03)	$ (0.05)
Adjusted EPS		**$ 1.94**	**$ 1.85**	**$ 0.57**	**$ 0.44**

Reconciliation of Operating Expenses

In thousands	Fiscal Year Ended December 31, 2012	Fiscal Year Ended December 31, 2011	Three Months Ended March 31, 2013	Three Months Ended March 31, 2012
Cost of services				
Compensation	$ 215,134	$ 199,447	$ 61,149	$ 53,549
Non-recurring stock based compensation	884	3,150	-	268
Total compensation	$ 216,018	$ 202,597	$ 61,149	$ 53,817
Non-compensation	70,314	74,550	19,036	18,474
Lease exit charge[1]	1,743	-	-	-
Total non-compensation	72,057	74,550	19,036	18,474
Total cost of services	$ 288,075	$ 277,147	$ 80,185	$ 72,291
Selling, general and administrative				
Compensation	$ 156,288	$ 138,722	$ 45,656	$ 38,492
Non-recurring stock based compensation	897	4,768	-	314
Total compensation	$ 157,185	$ 143,490	$ 45,656	$ 38,806
Non-compensation	73,945	69,482	15,975	16,630
Lease exit charge[1]	2,053	-	-	-
Total non-compensation	75,998	69,482	15,975	16,630
Total selling, general and administrative	$ 233,183	$ 212,972	$ 61,631	$ 55,436
Restructuring costs	(51)	3,594	-	(29)
Amortization of intangible assets	63,298	65,805	14,486	15,959
Depreciation and amortization of property, equipment and leasehold improvements	18,700	19,425	5,080	4,416
Total operating expenses	$ 603,205	$ 578,943	$ 161,382	$ 148,073
Compensation	$ 371,422	$ 338,169	$ 106,805	$ 92,041
Non-recurring stock-based compensation	1,781	7,918	-	582
Non-compensation expenses	144,259	144,032	35,011	35,104
Lease exit charge[1]	3,796	-	-	-
Restructuring costs	(51)	3,594	-	(29)
Amortization of intangible assets	63,298	65,805	14,486	15,959
Depreciation and amortization of property, equipment and leasehold improvements	18,700	19,425	5,080	4,416
Total operating expenses	$ 603,205	$ 578,943	$ 161,382	$ 148,073

[1]Full year 2012 included charges of $3.8 million associated with an occupancy lease exit resulting from the consolidation of our New York offices.