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MSCI Announces New License for MSCI ACWI Investable Market Indices

NEW YORK--(BUSINESS WIRE)-- MSCI Inc. (NYSE: MSCI), a leading provider of investment decision support tools worldwide, including indices, portfolio risk and performance analytics and corporate governance services, announced that its MSCI ACWI IMI ex US, MSCI EAFE IMI and MSCI Emerging Markets IMI Indices will serve as the basis for the international equity components of iShares' Core Series of Exchange Traded Funds (ETFs). The iShares Core Series, the launch of which was announced on October 15, 2012, is a suite of products offering a family of domestic and international equity and U.S. fixed income ETFs. Included in the launch are three international equity ETFs: iShares Core MSCI Total International Stock ETF, iShares Core MSCI Emerging Markets ETF, and iShares Core MSCI EAFE ETF.

Baer Pettit, Managing Director and Head of MSCI's Index Business, said, "We are delighted that iShares has chosen MSCI indices as the basis for this exciting new series of ETFs. The licensing of these indices will enable iShares to further broaden its product offering beyond ETFs based on our standard family of indices. We look forward to continuing to work with iShares in the future."

Mark Wiedman, Managing Director and Global Head of iShares, said, "All three iShares Core international equity ETFs track segments of the flagship MSCI ACWI Investable Market Index (IMI), providing investors access to some of the broadest exposure available in the global equity universe today. MSCI is the predominant choice of professional investors and we're pleased to deepen our relationship with them through the introduction of these new products using their indexes to help deliver high quality portfolio construction to all investors small and large."

iShares selection of MSCI further broadens the range of MSCI indices linked to iShares ETFs. Many of iShares' existing ETFs, including such large ETFs as iShares MSCI Emerging Markets ETF and iShares MSCI EAFE ETF, track indices from MSCI's standard family. The standard family of indices is comprised of global large and mid-cap equities, and a number of indices within the standard family, such as MSCI EAFE, MSCI Emerging Markets and MSCI Europe, are among the world's mostly broadly followed by institutional investors. While MSCI's licensing fees for use of its ACWI IMI indices as the basis of the Core Series ETFs are lower than its current blended average licensing fee with iShares, the terms of MSCI's licenses with respect to existing ETFs were not amended.

The MSCI ACWI Investable Market Index (IMI) captures large, mid and small cap representation across 24 Developed Markets (DM) and 21 Emerging Markets (EM) countries. The index is comprehensive, targeting coverage of approximately 99% of the global equity investment opportunity set, with a strong emphasis on liquidity, investability and replicability. MSCI indices are reviewed quarterly with the objective of reflecting changes in the underlying equity markets in a timely manner, while limiting undue index turnover.

About MSCI

MSCI Inc. is a leading provider of investment decision support tools to investors globally, including asset managers, banks, hedge funds and pension funds. MSCI products and services include indices, portfolio risk and performance analytics, and governance tools.

The company's flagship product offerings are: the MSCI indices with approximately USD 7 trillion estimated to be benchmarked to them on a worldwide basis¹; Barra multi-asset class factor models, portfolio risk and performance analytics; RiskMetrics multi-asset class market and credit risk analytics; ISS governance research and outsourced proxy voting and reporting services; and FEA valuation models and risk management software for the energy and commodities markets. MSCI is headquartered in New York, with research and commercial offices around the world. MSCI#IR

1 As of June 30, 2011. Estimate based on eVestment, Lipper and Bloomberg data

For further information on MSCI, please visit our web site at www.msci.com

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to future events or to future financial performance and 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

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Other factors that could materially affect actual results, levels of activity, performance or achievements can be found in MSCI's Annual Report on Form 10-K for the fiscal year ended December 31, 2011 and filed with the Securities and Exchange Commission (SEC) on February 29, 2012, and in quarterly reports on Form 10-Q and current reports on Form 8-K filed with the SEC. If any of these risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what we projected. Any forward-looking statement in this release reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We assume 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.

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