

MSCI FOURTH QUARTER AND FULL-YEAR 2018

Earnings Presentation

January 31, 2019

FORWARD – LOOKING STATEMENTS

- This earnings presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, our full-year 2019 guidance. These forward-looking 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 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. 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.
- 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, 2017 filed with the Securities and Exchange Commission (“SEC”) on February 26, 2018 and in quarterly reports on Form 10-Q and current reports on Form 8-K filed or furnished with the SEC (herein, referred to as “Public Filings”). If any of these risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what MSCI projected. Any forward-looking statement in this earnings presentation reflects MSCI’s current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to MSCI’s operations, results of operations, growth strategy and liquidity. 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.

OTHER INFORMATION

- Percentage changes and totals in this earnings presentation may not sum due to rounding.
- Percentage changes refer to the comparable period in 2017, unless otherwise noted.
- Gross sales include both recurring subscription and non-recurring sales as reported in Table 6: Sales and Retention Rate by Segment (unaudited) of the press release reporting MSCI's financial results for fourth quarter and full-year 2018.
- 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 two-thirds of the AUM are 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.

Q4'18 – FINANCIAL RESULTS¹

Exceptional Revenue Growth

Revenue Growth
(Recurring & Asset-Based Fees)

+8%
(9% & 4%)

Subscription Run Rate Growth
Reported / Organic

+7% / +10%

**Outstanding
EPS Growth**

Adjusted EPS
+14%

Continued Operational Efficiency

Adj. EBITDA Margin (Change in bps) /
Operating Margin (Change in bps)

**52.5% (+55 bps) /
47.0% (+91 bps)**

Adj. EBITDA Growth / Operating
Income Growth

+9% / +10%

Diluted EPS
+143%

Tax

Effective Tax Rate /
(YoY Reduction)

18.8%
(3,035 bps)

Capital Optimization

Share Repurchases (Q4 & Q1'19 QTD)

\$754.5 million
5.1 million shares
Avg. Price: \$147.71

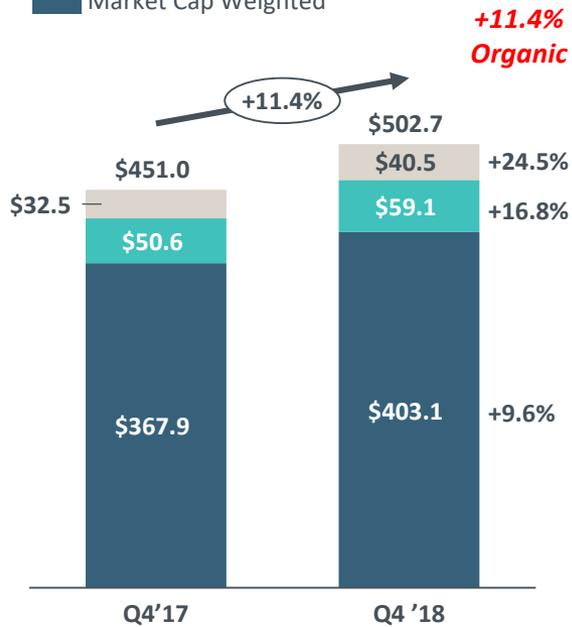
¹Percentage and other changes refer to Q4 2017 unless otherwise noted.

HIGH SUBSCRIPTION RUN RATE GROWTH

(US\$ in millions)

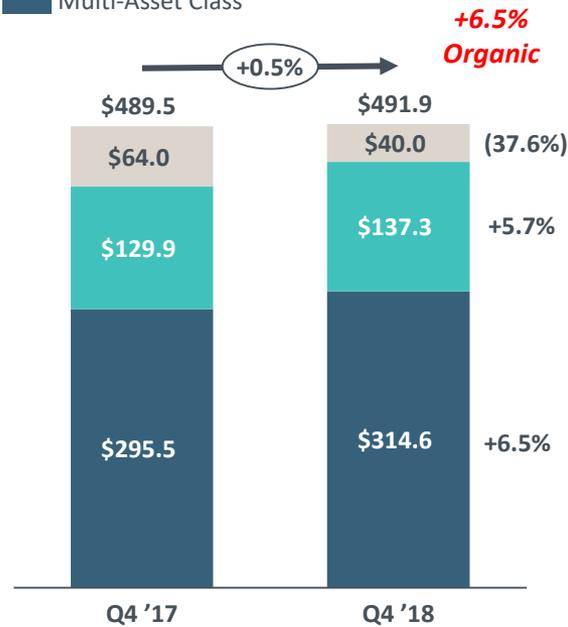
Index

- Factor & ESG
- Custom & Specialized
- Market Cap Weighted



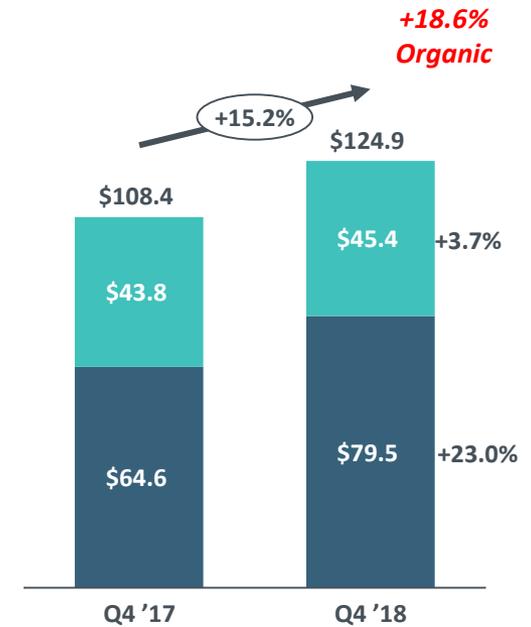
Analytics

- Other
- Equity
- Multi-Asset Class



All Other

- Real Estate
- ESG



Momentum Across All Client Segments

Best-In-Class Solutions¹ Driving Growth

Integrating ESG Across Entire Investment Process

¹Solutions refers to the usage of our products and / or services by our clients to help them achieve their specific investment objectives.

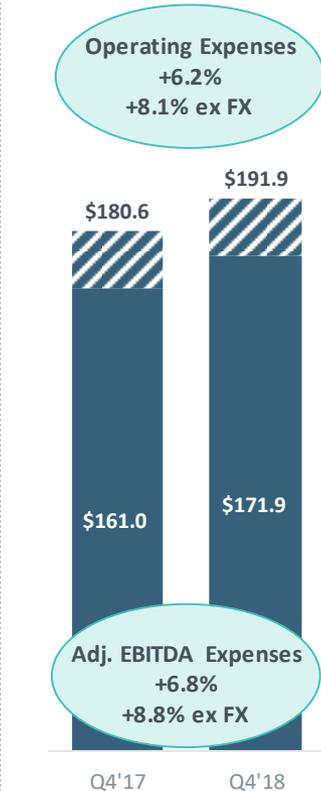
Q4'18 FINANCIAL SUMMARY

(US\$ in millions)

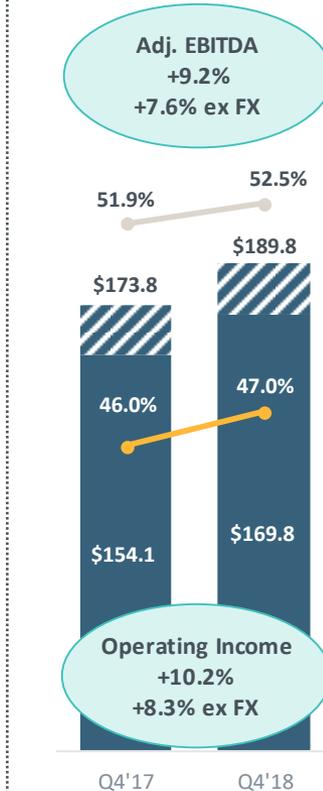
Operating Revenue



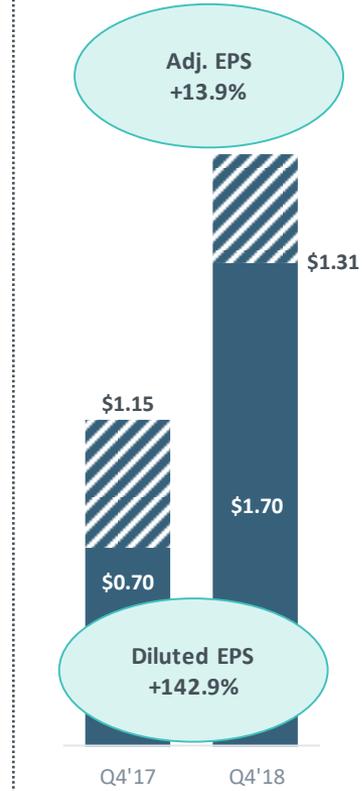
Operating Expenses



Operating Income



Earnings Per Share



Cash Generation



■ = Recurring + Non-Recurring Revenue
 ■ = Asset-Based Fees Revenue

▨ = Depreciation and Amortization

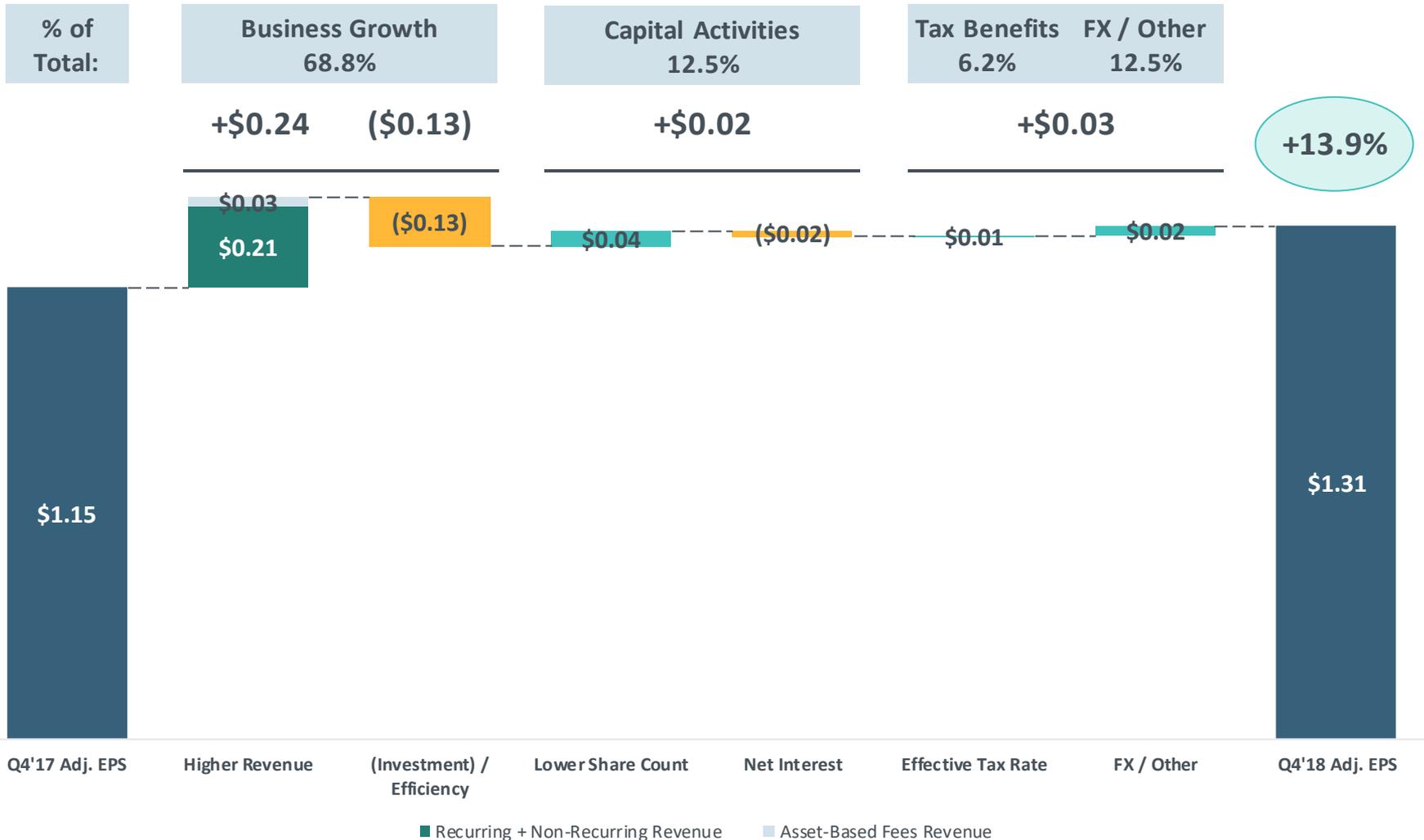
▨ = Depreciation and Amortization
 —●— = Adj. EBITDA Margin
 —●— = Operating Margin

▨ = Reflects the per diluted share addback/reduction of items consistent with our definition of adjusted EPS as defined on slide 28.

▨ = Capex

¹ex divestitures refers to excluding the impact of the divestitures of Financial Engineering Associates, Inc. ("FEA") and Investor Force Holdings, Inc. ("InvestorForce")

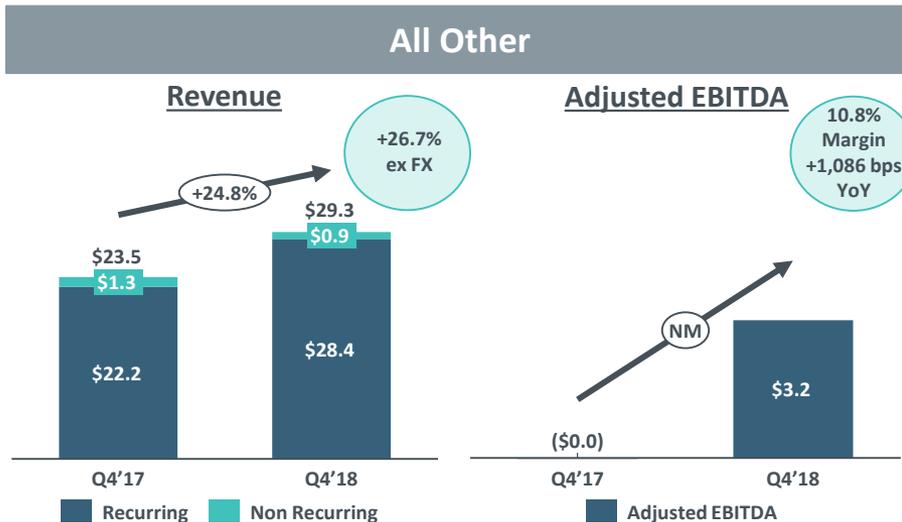
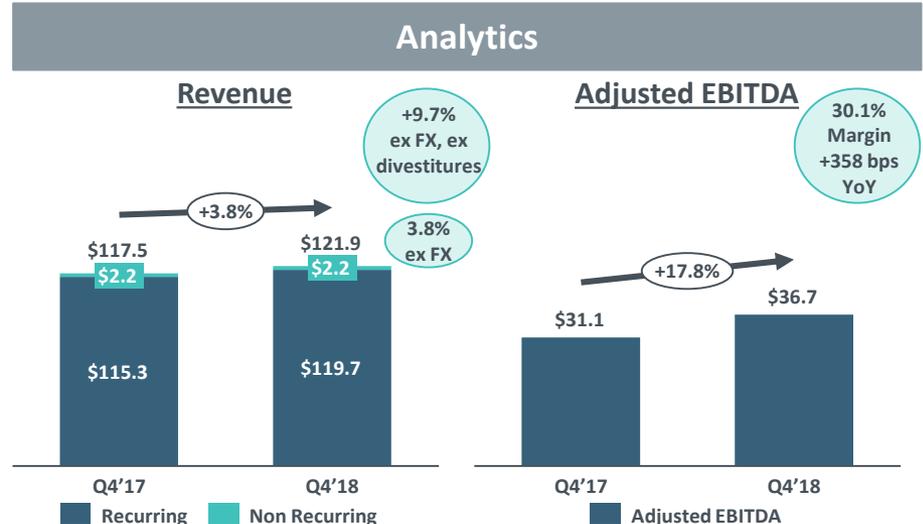
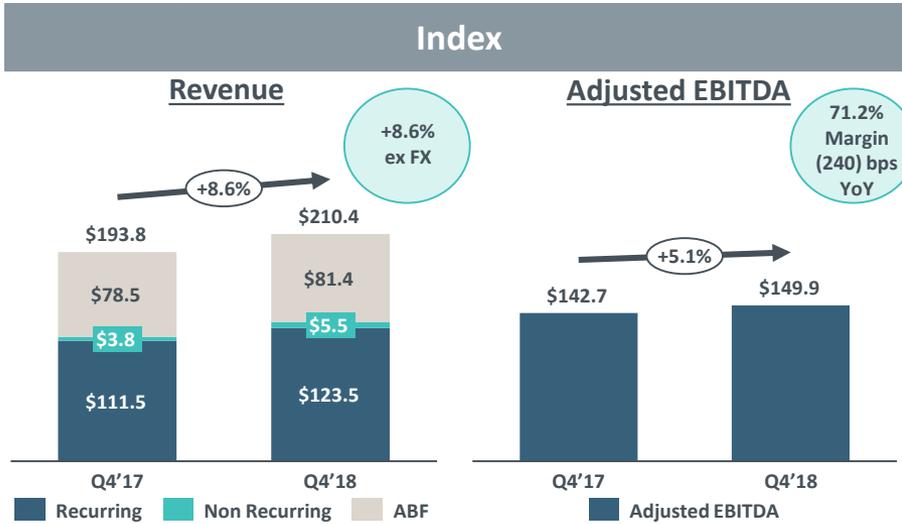
ADJUSTED EPS GROWTH



SEGMENT RESULTS

Q4'18 SEGMENT RESULTS

(US\$ in millions)



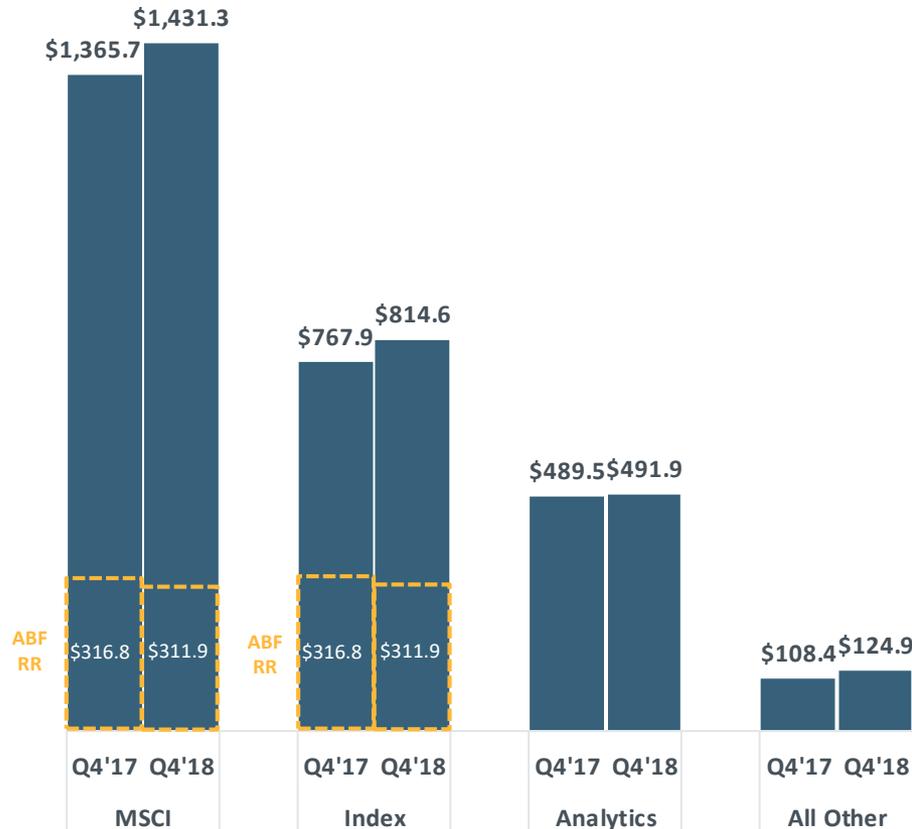
- ### Q4 Drivers
- Demand across all client segments remains robust, driving strong recurring subscription revenue growth
 - ABF revenue growth moderating due to lower AUM
 - Continue executing strategy while maintaining disciplined approach to investments

Q4 OPERATING METRICS

(US\$ in millions)

YoY Run Rate Growth

Total RR ¹ (Reported)	+4.8%	+6.1%	+0.5%	+15.2%
Sub. RR ¹ (organic)	+10.0%	+11.4%	+6.5%	+18.6%



¹Sub.: Subscription; RR: Run Rate.

YoY Recurring Sales Growth



YoY Recurring Net New Sales Growth

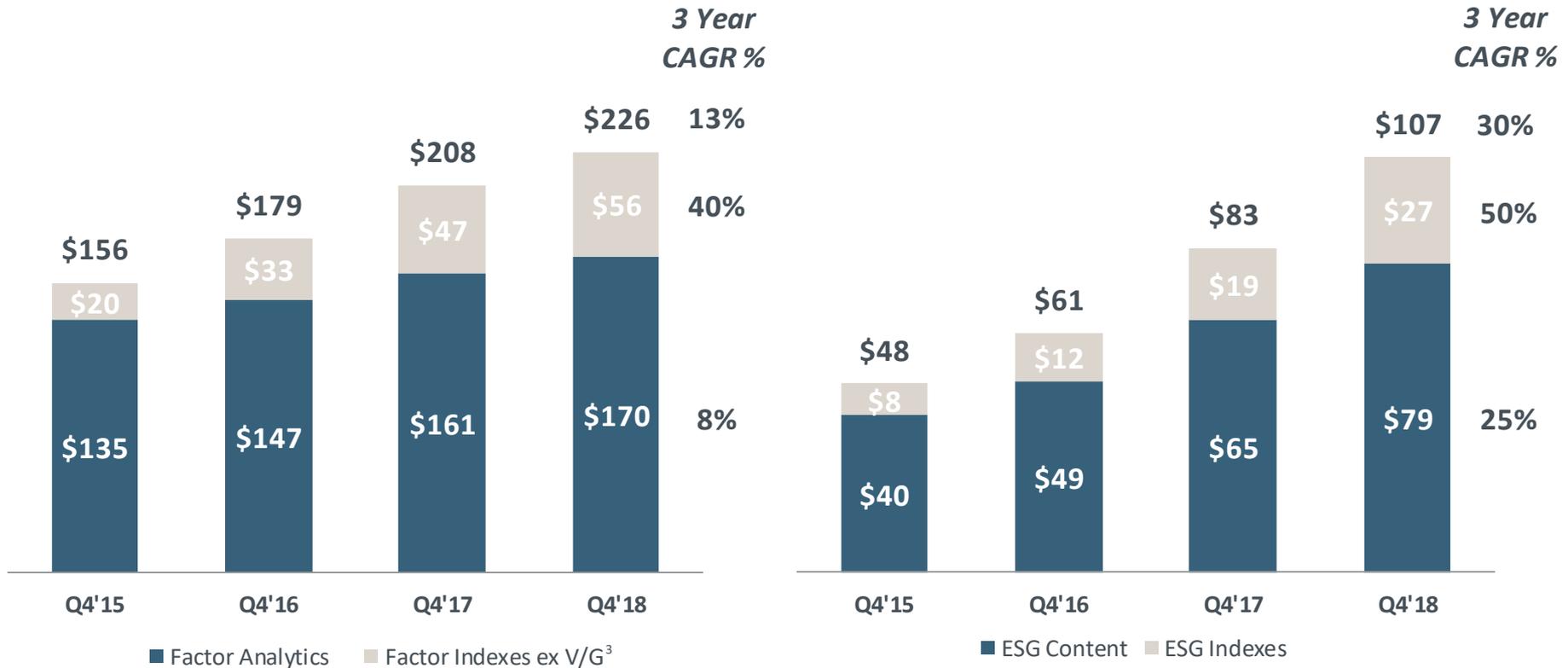


INTEGRATED FACTOR AND ESG RUN RATE TRENDS

(US\$ in millions)

Factor Index and Analytics Run Rate Growth¹

ESG Content and ESG Index Run Rate Growth²



¹Factor Index Run Rate includes Factor related Index subscription and asset-based fees Run Rate, and Factor Analytics Run Rate includes Factor module Run Rate in the Analytics segment.

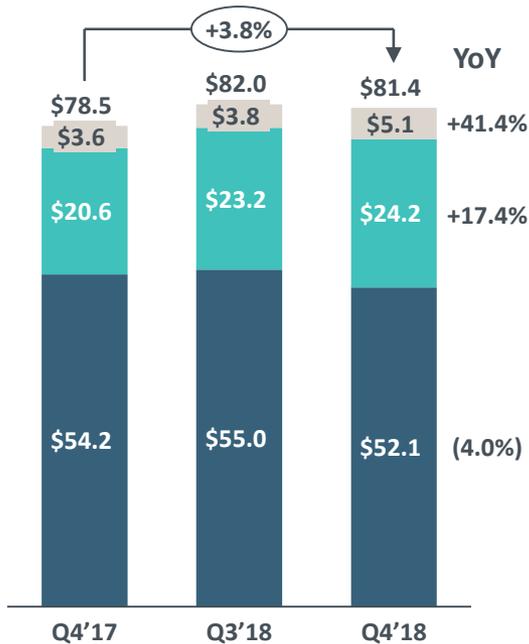
²ESG Content includes ESG segment Run Rate, and ESG Index includes ESG related Index subscription and asset-based fees Run Rate.

³V/G: Traditional value and growth product Run Rate for Indexes.

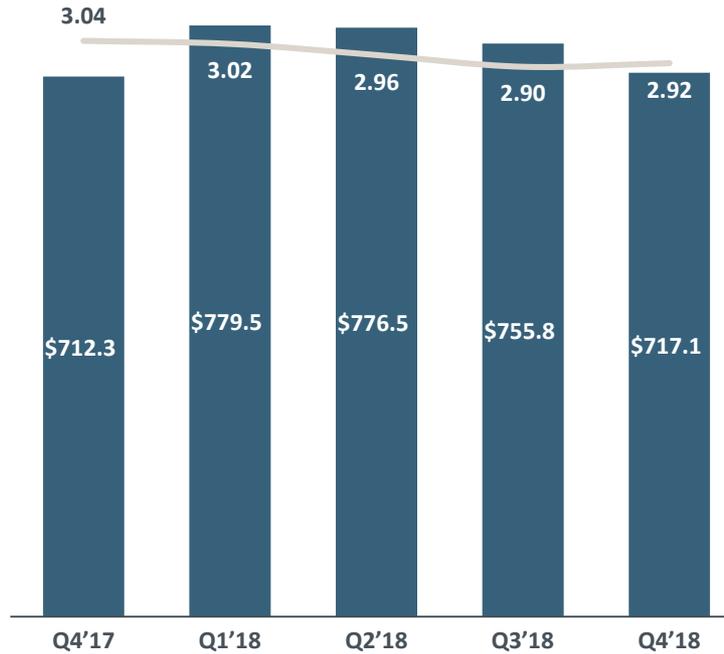
INDEX SEGMENT – ASSET-BASED FEES DETAIL

(US\$ in millions, except AUM in billions and Average BPS)

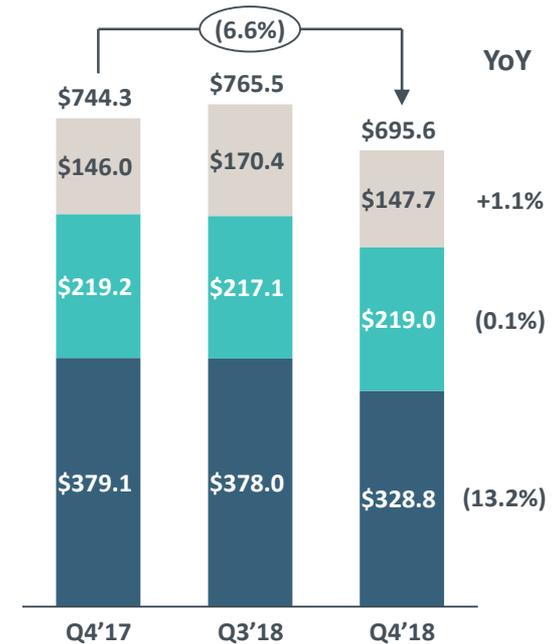
ABF Revenue



Quarterly Avg. AUM and Avg. BPS¹ of ETFs Linked to MSCI Indexes



Quarter-End AUM by Market Exposure² of ETFs Linked to MSCI Indexes



¹Average BPS based on Run Rate and period-end AUM in ETFs linked to MSCI Indexes.

²US = ETFs linked to MSCI indexes, the majority of whose weight is comprised of securities in MSCI Developed Market (DM) countries, primarily or exclusively in the US.

DM ex US = ETFs linked to MSCI indexes, the majority of whose weight is comprised of securities in MSCI DM countries other than the US.

EM = ETFs linked to MSCI indexes, the majority of whose weight is comprised of securities that are not in MSCI DM countries.

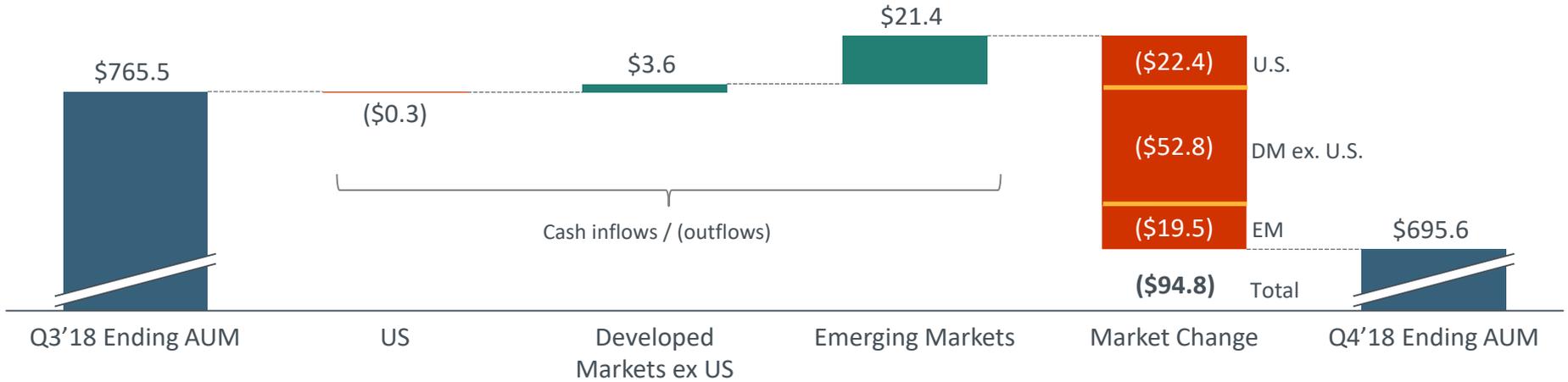
Prior periods have been reclassified to conform to the current period classification.

Note: The AUM in ETFs also include AUM in Exchange Traded Notes, the value of which is less than 1.0% of the AUM amounts presented.

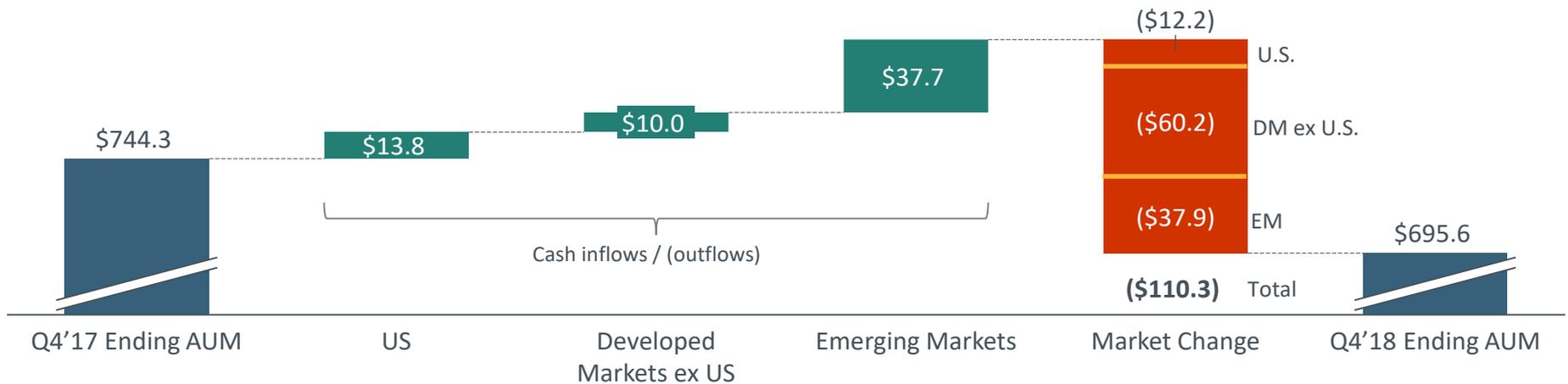
Q4 & FY'18 AUM DRIVERS: MSCI-LINKED EQUITY ETFs

(US\$ in billions)

Q4'18 Sequential Change in AUM



FY'18 Change in AUM



CAPITAL, LIQUIDITY AND GUIDANCE

CAPITAL AND LIQUIDITY

Capital Position (As of 12/31/18)

(US\$ in millions)

Total Cash **\$904**

Total Debt¹ **\$2,600**

Net Debt¹ **\$1,696**

Total Debt / Adj. EBITDA **3.4x**

Net Debt / Adj. EBITDA **2.2x**

Continued Capital Discipline

Return of Capital

- Repurchased \$925.0 million of shares at average price of \$148.34 as of December 31, 2018, year-to-date.
- \$0.8 billion remains under board authorization as of December 31, 2018.

Excess Cash

- Strong balance sheet provides optionality
- Disciplined and consistent approach to deployment

¹Excludes deferred financing fees of \$24.5 million as of December 31, 2018.

FULL YEAR 2019 GUIDANCE

(US\$ in millions)

	2018 Actual	2019 Guidance	YoY Variance
Operating Expenses	\$747	\$772 to \$800	3% to 7%
Adjusted EBITDA Expenses ¹	\$662	\$685 to \$705	3% to 6%
Interest Expense	\$133	\$144	\$11
Effective Tax Rate ²	19.4%	11.5% - 14.5%	(7.9%) to (4.9%)
Net Cash Provided by Operating Activities	\$613	\$600 to \$630	(\$13) to \$17
Capex	(\$49)	(\$55) to (\$45)	(\$6) to \$4
Free Cash Flow	\$564	\$545 to \$585	(\$19) to \$21

¹Excludes the estimated payroll tax impact from the vesting in the three months ending March 31, 2019 of the multi-year PSU awards granted to executives in 2016 (the "Multi-Year PSUs").

²Includes the estimated income tax windfall benefit related to the vesting of the Multi-Year PSUs which is expected to reduce the 2019 effective tax rate by 8.5 to 9.5 percentage points.

APPENDIX

FY'18 – FINANCIAL RESULTS¹

Exceptional Revenue Growth

Revenue Growth
(Recurring & Asset-Based Fees)

+13%

(10% & 22%)

Subscription Run Rate Growth
Reported / Organic

+7% / +10%

**Outstanding
EPS Growth**

Adjusted EPS

+34%

Continued Operational Efficiency

Adj. EBITDA Margin (Change in bps) /
Operating Margin (Change in bps)

53.9% (+209 bps) /

47.9% (+240 bps)

Adj. EBITDA Growth / Operating
Income Growth

+17% / +18%

Diluted EPS

+71%

Tax

Effective Tax Rate /
(YoY Reduction)

19.4%

(1,553 bps)

Capital Optimization

Share Repurchases (FY 2018)

\$925.0 million

6.2 million shares

Avg. Price: \$148.34

¹Percentage and other changes refer to FY 2017 unless otherwise noted.

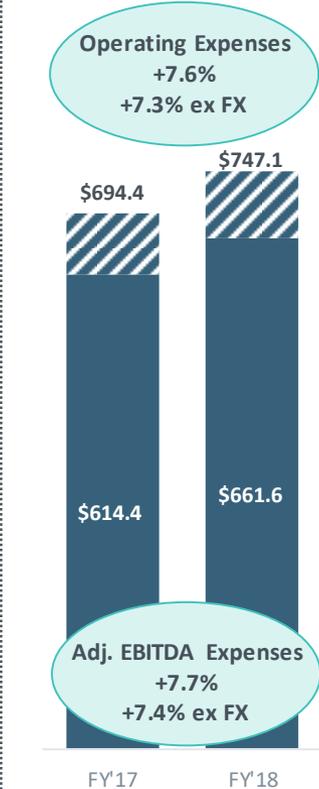
FY'18 FINANCIAL SUMMARY

(US\$ in millions)

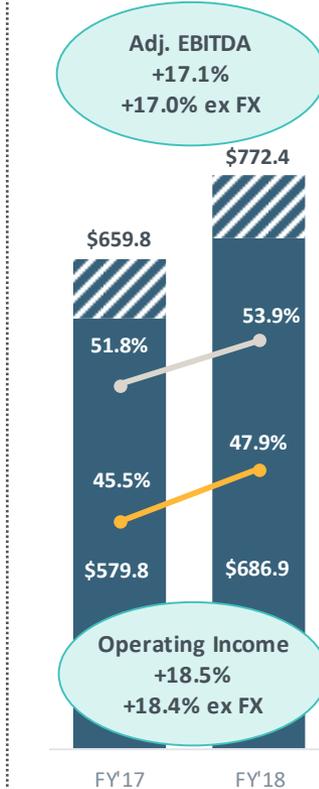
Operating Revenue



Operating Expenses



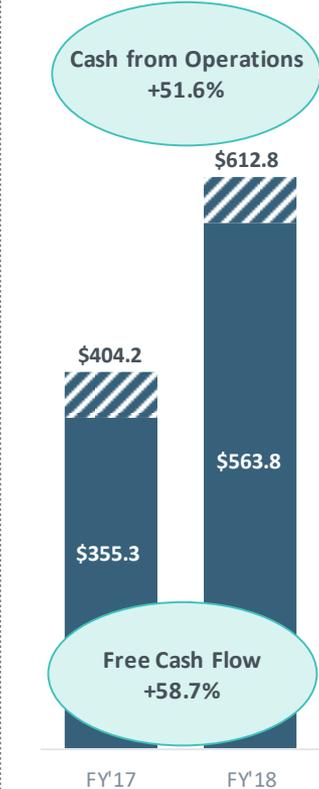
Operating Income



Earnings Per Share



Cash Generation



■ = Recurring + Non-Recurring Revenue
 ■ = Asset-Based Fees Revenue

▨ = Depreciation and Amortization

▨ = Depreciation and Amortization
 ● = Adj. EBITDA Margin
 ● = Operating Margin

▨ = Reflects the per diluted share addback/reduction of items consistent with our definition of adjusted EPS as defined on slide 28.

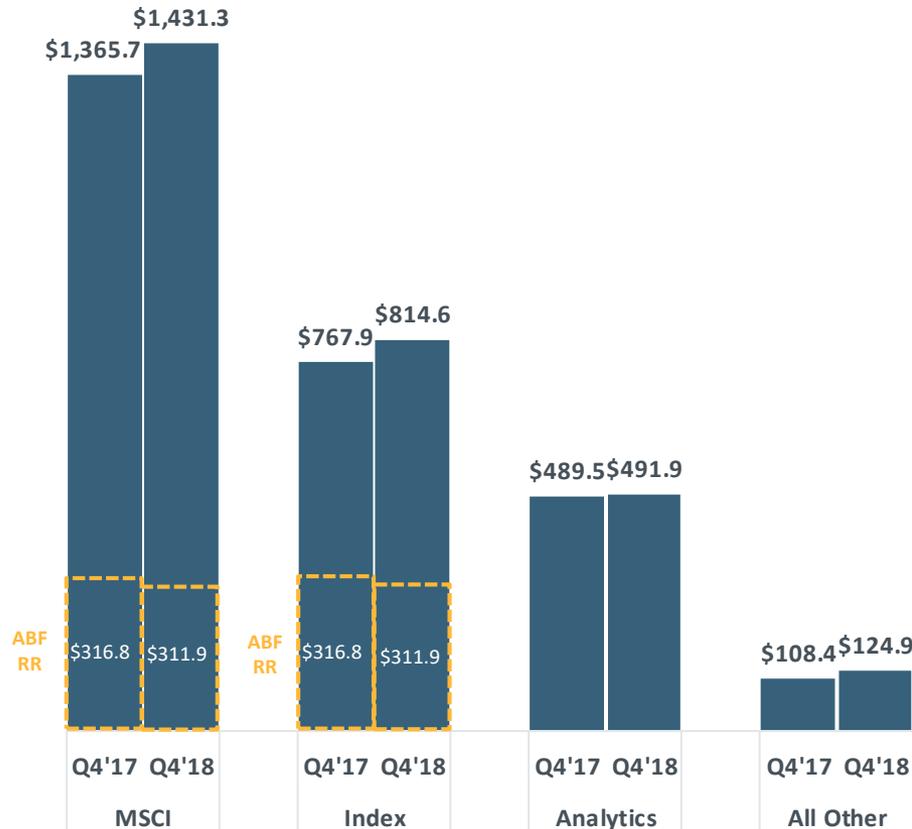
▨ = Capex

STRONG 2018 OPERATING METRICS

(US\$ in millions)

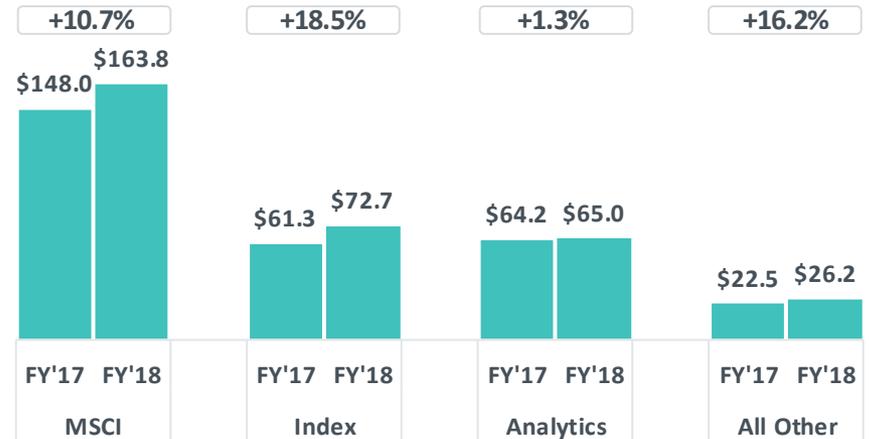
YoY Run Rate Growth

Total RR ¹ (Reported)	+4.8%	+6.1%	+0.5%	+15.2%
Sub. RR ¹ (organic)	+10.0%	+11.4%	+6.5%	+18.6%



¹Sub.: Subscription; RR: Run Rate.

YoY Recurring Sales Growth



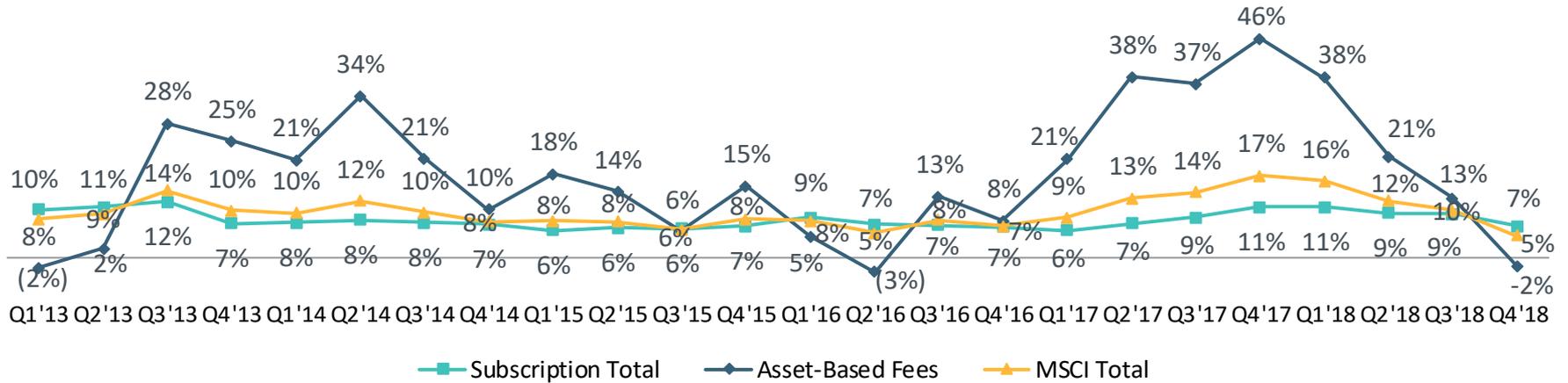
YoY Recurring Net New Sales Growth



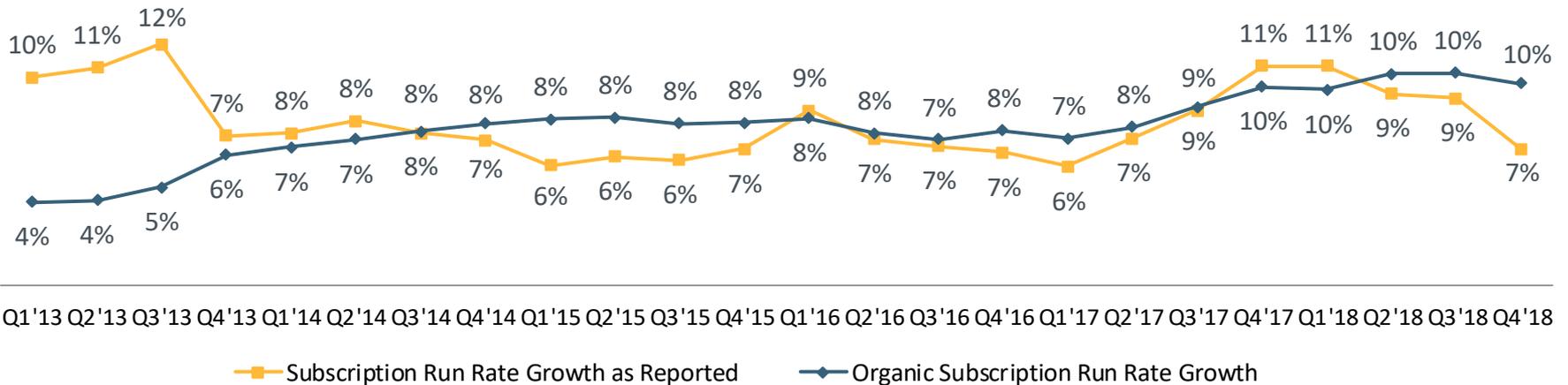
Recurring Subscription Run Rate Continues To Deliver Robust Growth

Q1'13 – Q4'18 YoY RUN RATE GROWTH TREND

YoY Run Rate Growth as Reported

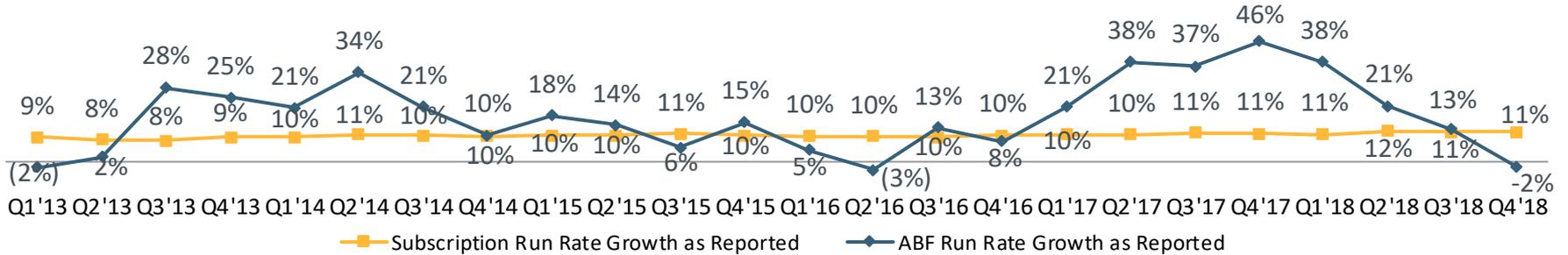


YoY Subscription Run Rate Growth as Reported vs. Organic Growth

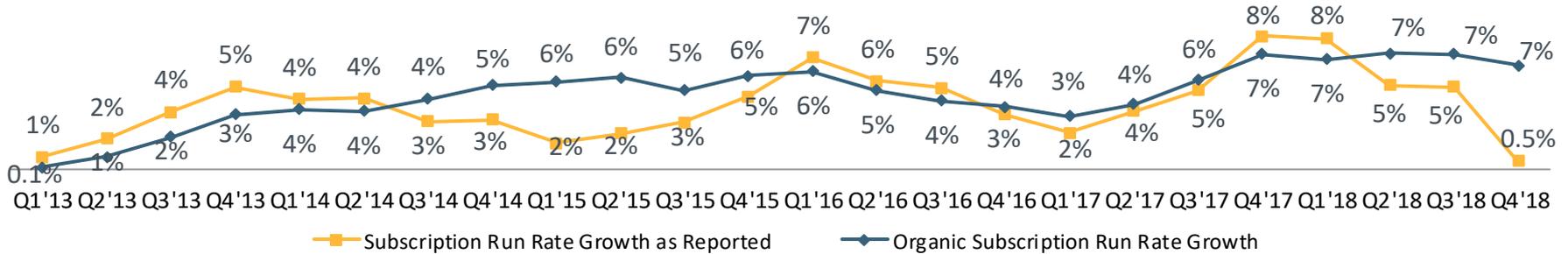


Q1'13 – Q4'18 YoY SEGMENT RUN RATE GROWTH TREND

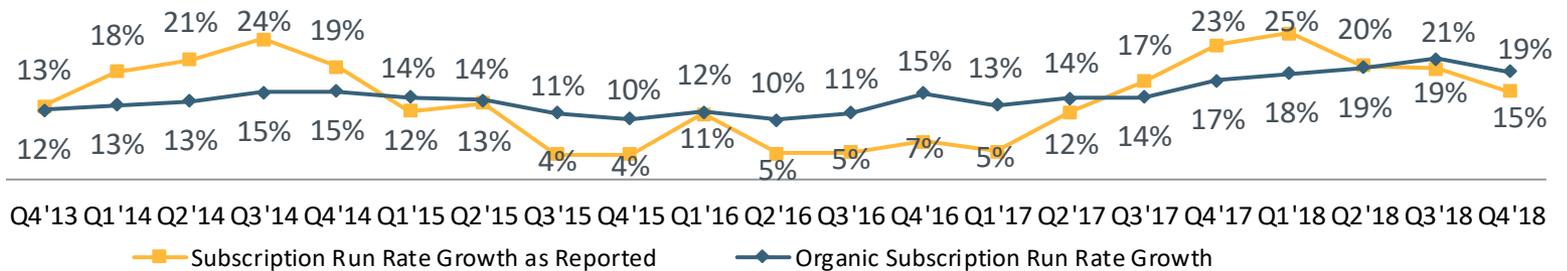
Index



Analytics



All Other



RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME

In thousands	Three Months Ended			Year Ended	
	Dec. 31, 2018	Dec. 31, 2017 ⁽¹⁾	Sep. 30, 2018	Dec. 31, 2018	Dec. 31, 2017 ⁽¹⁾
Index adjusted EBITDA	\$ 149,930	\$ 142,702	\$ 154,477	\$ 607,853	\$ 522,241
Analytics adjusted EBITDA	36,679	31,141	37,046	143,645	125,624
All Other adjusted EBITDA	3,153	(26)	4,014	20,935	11,892
Consolidated adjusted EBITDA	189,762	173,817	195,537	772,433	659,757
Amortization of intangible assets	11,633	11,560	11,681	54,189	44,547
Depreciation and amortization of property, equipment and leasehold improvements	8,311	8,118	7,453	31,346	35,440
Operating income	169,818	154,139	176,403	686,898	579,770
Other expense (income), net	(17,471)	27,179	29,557	57,002	112,871
Provision for income taxes	35,157	62,358	23,014	122,011	162,927
Net income	\$ 152,132	\$ 64,602	\$ 123,832	\$ 507,885	\$ 303,972

¹As a result of the adoption of recent accounting guidance, the Company has restated its adjusted EBITDA by excluding \$0.2 million and \$0.6 million of non-service related pension costs from adjusted EBITDA expenses for the three months and full-year ended December 31, 2017, respectively.

RECONCILIATION OF NET INCOME AND DILUTED EPS TO ADJUSTED NET INCOME AND ADJUSTED EPS

	Three Months Ended			Year Ended	
	Dec. 31, 2018	Dec. 31, 2017	Sep. 30, 2018	Dec. 31, 2018	Dec. 31, 2017
In thousands, except per share data					
Net income	\$ 152,132	\$ 64,602	\$ 123,832	\$ 507,885	\$ 303,972
Plus: Amortization of acquired intangible assets	8,746	9,238	8,999	43,981	39,157
Less: Gain on sale of Alacra (not tax-effected)	—	—	—	—	(771)
Less: Gain on sale of FEA (not tax-effected)	—	—	(10)	(10,646)	—
Less: Gain on sale of InvestorForce	(46,595)	—	—	(46,595)	—
Less: Valuation Allowance released related to InvestorForce disposition	—	—	(7,758)	(7,758)	—
Less: Tax Reform adjustments	(6,671)	34,500	—	(8,272)	34,500
Less: Income tax effect	9,390	(1,922)	(1,884)	1,678	(10,772)
Adjusted net income	\$ 117,002	\$ 106,418	\$ 123,179	\$ 480,273	\$ 366,086
Diluted EPS	\$ 1.70	\$ 0.70	\$ 1.36	\$ 5.66	\$ 3.31
Plus: Amortization of acquired intangible assets	0.10	0.10	0.10	0.49	0.43
Less: Gain on sale of Alacra (not tax-effected)	-	-	-	-	(0.01)
Less: Gain on sale of FEA (not tax-effected)	-	-	-	(0.12)	-
Less: Gain on sale of InvestorForce	(0.52)	-	-	(0.52)	-
Less: Valuation Allowance released related to InvestorForce disposition	-	-	(0.08)	(0.09)	-
Plus: Tax Reform adjustments	(0.07)	0.37	-	(0.09)	0.38
Less: Income tax effect	0.10	(0.02)	(0.03)	0.02	(0.13)
Adjusted EPS	\$ 1.31	\$ 1.15	\$ 1.35	\$ 5.35	\$ 3.98

RECONCILIATION OF ADJUSTED EBITDA EXPENSES TO OPERATING EXPENSES

In thousands	Three Months Ended			Year Ended		Full-Year
	Dec. 31, 2018	Dec. 31, 2017 ⁽¹⁾	Sep. 30, 2018	Dec. 31, 2018	Dec. 31, 2017 ⁽¹⁾	2019 Outlook ⁽²⁾
Index adjusted EBITDA expenses	\$ 60,503	\$ 51,072	\$ 55,717	\$ 227,622	\$ 196,718	
Analytics adjusted EBITDA expenses	85,256	86,369	82,852	336,294	332,645	
All Other adjusted EBITDA expenses	26,167	23,521	23,828	97,635	85,052	
Consolidated adjusted EBITDA expenses	171,926	160,962	162,397	661,551	614,415	\$685,000 - \$705,000
Payroll taxes from vesting of Multi-Year PSUs	-	-	-	-	-	12,000 - 15,000
Amortization of intangible assets	11,633	11,560	11,681	54,189	44,547	
Depreciation and amortization of property, equipment and leasehold improvements	8,311	8,118	7,453	31,346	35,440	75,000 - 80,000
Total operating expenses	\$ 191,870	\$ 180,640	\$ 181,531	\$ 747,086	\$ 694,402	\$772,000 - \$800,000

¹As a result of the adoption of recent accounting guidance, the Company has restated its adjusted EBITDA by excluding \$0.2 million and \$0.6 million of non-service related pension costs from adjusted EBITDA expenses for the three months and full-year ended December 31, 2017, respectively.

²We have not provided a line-item reconciliation for adjusted EBITDA expenses to total operating expenses for this future period because we do not provide guidance on the individual reconciling items between total operating expenses and adjusted EBITDA expenses.

RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW

In thousands	Three Months Ended			Year Ended		Full-Year
	Dec. 31, 2018	Dec. 31, 2017	Sep. 30, 2018	Dec. 31, 2018	Dec. 31, 2017	2019 Outlook ⁽¹⁾
Net cash provided by operating activities	\$ 173,175	\$ 143,153	\$ 143,825	\$ 612,762	\$ 404,158	\$600,000 - \$630,000
Capital expenditures	(17,188)	(15,736)	(8,590)	(30,257)	(33,177)	
Capitalized software development costs	(5,589)	(4,863)	(4,517)	(18,704)	(15,640)	
Capex	(22,777)	(20,599)	(13,107)	(48,961)	(48,817)	(55,000 - 45,000)
Free cash flow	\$ 150,398	\$ 122,554	\$ 130,718	\$ 563,801	\$ 355,341	\$545,000 - \$585,000

¹We have not provided a line-item reconciliation for free cash flow to net cash from operating activities for this future period because we do not provide guidance on the individual reconciling items between net cash from operating activities and free cash flow.

RECONCILIATION OF EFFECTIVE TAX RATE TO ADJUSTED TAX RATE

	Three Months Ended			Year Ended	
	Dec. 31, 2018	Dec. 31, 2017	Sep. 30, 2018	Dec. 31, 2018	Dec. 31, 2017
Effective tax rate	18.77%	49.12%	15.67%	19.37%	34.90%
Tax Reform impact on effective tax rate	3.56%	(27.18%)	—%	1.31%	(7.39%)
Adjusted tax rate	<u>22.33%</u>	<u>21.94%</u>	<u>15.67%</u>	<u>20.68%</u>	<u>27.51%</u>

USE OF NON-GAAP FINANCIAL MEASURES

- MSCI has presented supplemental non-GAAP financial measures as part of this earnings presentation. Reconciliations are provided in slides 23-27 above that reconcile each non-GAAP financial measure with the most comparable GAAP measure. The non-GAAP financial measures presented in this earnings presentation should not be considered as alternative measures for the most directly comparable GAAP financial measures. The non-GAAP financial measures presented in this earnings presentation are used by management to monitor the financial performance of the business, inform business decision-making and forecast future results.
- “Operating revenues ex-FX and ex-divestitures” is defined as operating revenues excluding the impact of foreign currency exchange and the operating revenues attributable to divested businesses for the comparable prior year period.
- “Adjusted EBITDA” 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.
- “Adjusted EBITDA expenses” 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.
- “Adjusted net income” and “adjusted EPS” are defined as net income and diluted EPS, respectively, before the after-tax impact of the amortization of acquired intangible assets, the impact of divestitures, the impact of Tax Reform adjustments (except for amounts associated with active tax planning implemented as a result of Tax Reform) and, at times, certain other transactions or adjustments.
- “Adjusted tax rate” is defined as the effective tax rate excluding the impact of Tax Reform adjustments (except for amounts associated with active tax planning implemented as a result of Tax Reform).
- “Capex” is defined as capital expenditures plus capitalized software development costs.
- “Free cash flow” is defined as net cash provided by operating activities, less Capex.
- We believe operating revenues ex-FX and ex-divestitures are meaningful measures of the operating performance of MSCI because they adjust for the impact of foreign currency exchange and exclude the impact of operating revenues attributable to divested businesses for the comparable prior year period, providing insight to our core operating performance for the period(s) presented.
- We believe adjusted EBITDA and adjusted EBITDA expenses are meaningful measures of the operating performance of MSCI because they adjust for significant one-time, unusual or non-recurring items as well as eliminate the accounting effects of capital spending and acquisitions that do not directly affect what management considers to be our core operating performance in the period.
- We believe adjusted net income and adjusted EPS are meaningful measures of the performance of MSCI because they adjust for the after-tax impact of significant one-time, unusual or non-recurring items as well as eliminate the accounting effects of acquisitions that do not directly affect what management considers to be our core performance in the period. From time to time, we may present normalized adjusted EBITDA expense that takes into account one-time discretionary investments and incremental severance, if material or helpful.
- We believe that free cash flow is useful to investors because it relates the operating cash flow of MSCI to the capital that is spent to continue and improve business operations, such as investment in MSCI’s existing products. Further, free cash flow indicates our ability to strengthen MSCI’s balance sheet, repay our debt obligations, pay cash dividends and repurchase shares of our common stock.
- We believe that adjusted tax rate is useful to investors because it increases the comparability of period-to-period results by adjusting for the estimated net impact of Tax Reform.
- We believe that the non-GAAP financial measures presented in this earnings presentation facilitate meaningful period-to-period comparisons and provide a baseline for the evaluation of future results.
- Operating revenues ex-FX and ex-divestitures, adjusted EBITDA expenses, adjusted EBITDA, adjusted net income, adjusted EPS, adjusted tax rate, Capex and free cash flow are not defined in the same manner by all companies and may not be comparable to similarly-titled non-GAAP financial measures of other companies.

USE OF OPERATING METRICS

- MSCI has presented supplemental key operating metrics as part of this earnings presentation, including Run Rate, subscription sales and cancellations, non-recurring sales and Retention Rate.
- Retention Rate for a 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 during the 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 notice is not effective until a later date. This annualized cancellation figure is then divided by the subscription Run Rate at the beginning of the year to calculate a cancellation rate. This cancellation rate is then subtracted from 100% to derive the annualized Retention Rate for the period. Retention Rate is computed by 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 reporting purposes, 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 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 Estate 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-sale of the same product or service as a cancellation to the extent of the reduction. This definition of Retention Rate was revised and was previously provided beginning with our earnings release, dated August 2, 2018, to describe our methodology for calculating cancellations. We believe this methodology has been applied in all material respects in calculating cancellation rates reported in the prior periods covered in our Form 10-K for the year ended December 31, 2017 and in our Form 10-Q for the quarters ended March 31, 2018, June 30, 2018, and September 30, 2018, and accordingly, we do not believe changes to those previously reported cancellation rates are required. Beginning in second quarter 2018, "Aggregate Retention Rate" is referred to as "Retention 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 are renewed and assuming then-current currency exchange rates, subject to the adjustments and exclusions described elsewhere in our Public Filings. 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 with respect to which we have received a notice of termination or non-renewal during the period and have determined that such notice evidences the client's final decision to terminate or not renew the applicable products or services, even though such notice is not effective until a later date.
- "Organic subscription Run Rate growth" is defined as the period over period Run Rate growth, excluding the impact of changes in foreign currency and the first year impact of any acquisitions. It is also adjusted for divestitures. Changes in foreign currency are calculated by applying the currency exchange rate from the comparable prior period to current period foreign currency denominated Run Rate.

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