

MSCI INC.

HENRY FERNANDEZ, CHAIRMAN & CEO

June 5, 2019

FORWARD – LOOKING STATEMENTS

- This 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 and long-term targets. 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, 2018 filed with the Securities and Exchange Commission (“SEC”) on February 22, 2019 and in quarterly reports on Form 10-Q and current reports on Form 8-K filed or furnished 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 MSCI projected. Any forward-looking statement in this 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 presentation may not sum due to rounding.
- Percentage changes refer to the comparable period in 2018, unless otherwise noted.
- 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 assets under management (“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.

DRIVING THE GLOBAL INVESTMENT PROCESS

WHO WE ARE

7,000¹ Blue-Chip Clients in 85+ Countries

- Across investment and trading spectrum
- World's most sophisticated investors use our products and services

3,200 Talented Employees in 20+ Countries

- 200 researchers
- 1,500 technologists & data scientists
- 700 coverage & marketing professionals
- Unparalleled knowledge of the investment process

Must Have Products and Services

- Across asset classes for performance and risk
- \$1.5B run rate
- +10% YoY organic subscription run rate growth in 1Q19

Strong Performance and Inclusive Culture

- Global, multi-cultural workforce
- Driving innovation for industry leading solutions²

WHAT WE DO

Provide products and services that global investors can use to build **better portfolios** for a better world

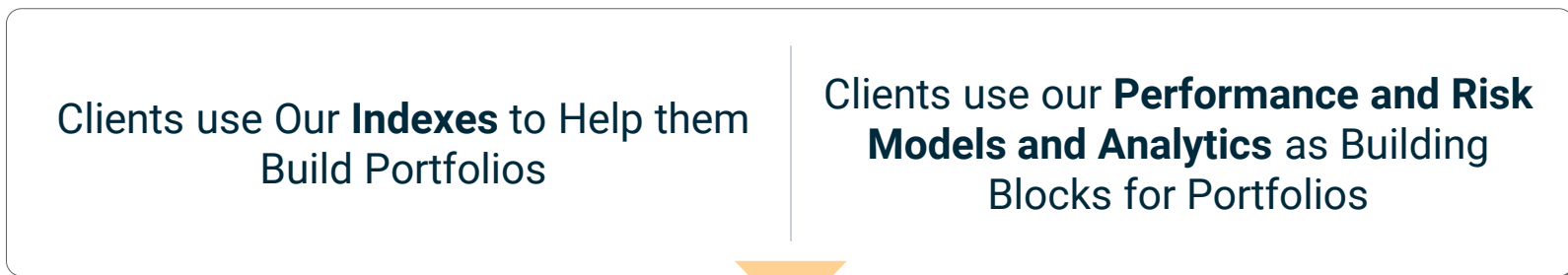


¹Number of clients based on the shipping address of the ultimate customer utilizing the product which counts affiliates, user locations, or business units within a single organization as separate clients.

²Unless otherwise noted, solutions throughout this presentation refers to the usage of our products and / or services by our clients to help them achieve their specific investment objectives.

POWERING BETTER INVESTMENT DECISIONS

CLIENT PORTFOLIO NEEDS



MSCI SOLUTIONS



CLIENTS ACROSS THE INVESTMENT PROCESS TURNING TO MSCI'S TOOLS FOR THEIR INVESTMENT NEEDS



CLIENT INVESTMENT PROCESS



MSCI TOOLS TO SUPPORT:

- Defining investable universes
- Allocating assets sustainably
- Creating investment programs/products
- Benchmarking performance
- Understanding and managing risk and performance
- Reporting to constituents
- Complying with regulations

HELPING CLIENTS ADAPT IN TRANSFORMING INDUSTRY

Investment Industry Trends

- Globalization
- Diversity
- Complexity
- Scalability
- Efficiency



Client Transformation



Public Assets	↔	Private Assets
Active Management	↔	Index-enabled
Absolute Returns	↔	Sustainable Returns
Developed Markets	↔	Emerging Markets
Home Country	↔	Global
Manager Selection	↔	Internal Management
Products	↔	Solutions

► GROWTH OPPORTUNITIES IN NEW MARKETS

Owners of Assets ¹	(AUM)	(Trend)	Managers of Assets ¹	(AUM)	(Trend)
<i>Individuals (Wealth Management & Defined Contribution)</i>	\$41T	Advisory-based and Model Portfolios	<i>Fixed Income - Active</i>	\$25T	Investment Differentiation, Operational Efficiency, Indexation, ESG
<i>Defined Benefit</i>	\$23T	Internalizing and Private Asset Investing	<i>Equity - Active</i>	\$23T	
<i>Insurance</i>	\$23T	Solutions and Factors	<i>Equity - Index</i>	\$13T	
<i>Sovereign Wealth</i>	\$8T	ESG, Factors, Private Assets	<i>Private Equity, Real Estate & Private Credit</i>	\$7T	Transparency and Insights
<i>Endowment & Foundation</i>	\$1T	Private Assets	<i>Fixed Income - Index</i>	\$2T	Indexation, Factors, ESG

● Established Position for MSCI with Opportunity for Growth
 ● Newer High Growth Opportunity

¹Numbers based on company estimates and multiple third party reports.

HOW & WHY WE WIN

01

Differentiated value proposition with actionable client solutions, unique content and flexible technology

02

Delivering actionable solutions to our clients that help them build portfolios driven by our holistic approach

03

Research-driven content and insights underlying products and services to help power better investment decisions

04

Delivering next generation platform and technology to fully unlock value of MSCI content and help clients operate more efficiently

05

Well positioned as an all-weather franchise with a proven track record while continuing to innovate and increase the quality of execution

MSCI VALUE PROPOSITION

Powering Better Investment Decisions
through Relentless Innovation



**Actionable
Solutions**

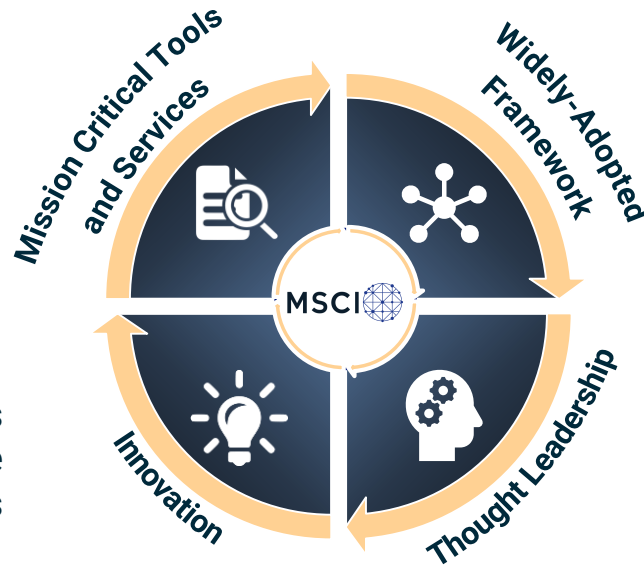
**Differentiated
Content**

**Flexible
Technology**

▶ ACTIONABLE SOLUTIONS: LEVERAGING OUR CENTRAL ROLE IN THE INVESTMENT PROCESS

Develop Increasing Role and Importance

Provide Unique Insights to Help Clients Achieve Investment Objectives



Receive Input and Feedback

Deliver More Effective Tools and Services to Help Clients Address their Needs

Continuous Innovative Capabilities

Foundational

Global Equity Indexes

Equity Factors

GICS
(Global Industry Classification Standard)

Fixed Income and Multi-asset Factors

Evolutionary

VaR
(Value at Risk)

Real Estate Benchmarks

Ongoing and Future

ESG
(Factor Classification Standard)

Private Asset Factor Models

DIFFERENTIATED CONTENT: A KEY INGREDIENT ACROSS ORGANIZATION

Differentiated Content Enables Us to:

- ✓ Establish industry frameworks
- ✓ Continue thought leadership on market and industry trends
- ✓ Set foundation for product development

Key Focus Areas

Global Equity Investing

Multi-Asset Class Investing
(Factor, Fixed Income, Private)

ESG

RESEARCH-DRIVEN CONTENT

Powering Solutions Across All Segments

Index

Analytics

ESG

Real Estate

▶ FLEXIBLE TECHNOLOGY: CREATING VALUE FOR CLIENTS

Leveraging Technology to:

- ✓ Take **data quality** to the next level
- ✓ Drive **integration** and **efficiencies** to **accelerate product innovation**
- ✓ Facilitate more **efficient distribution** of our content

Key Focus Areas

MSCI Platform Solution

Advanced Technologies
(Data Science, Machine Learning, Natural Language Processing)

Accelerating Automation

A World-Class Engineering Culture

Agile



Client Centric



Partnership & Collaboration



Learning Culture

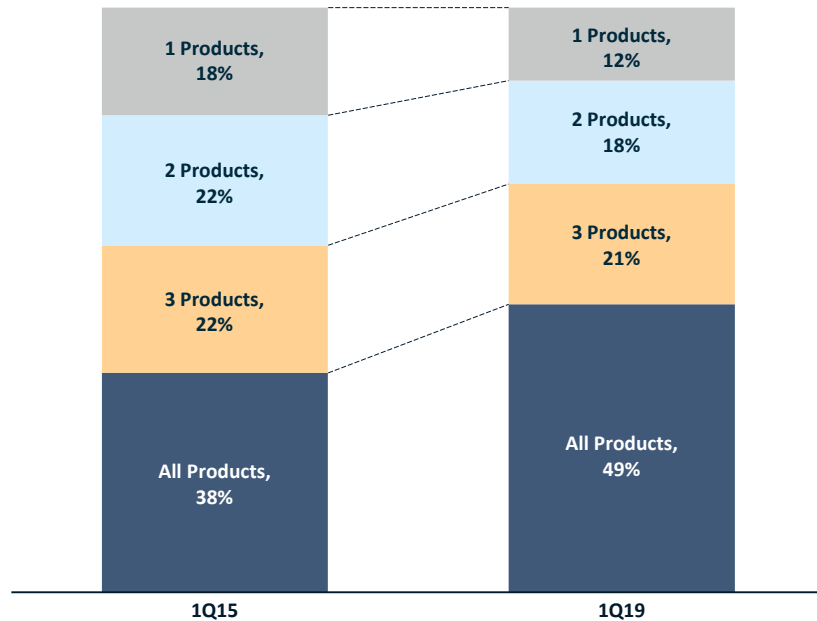


Streamlined Processes

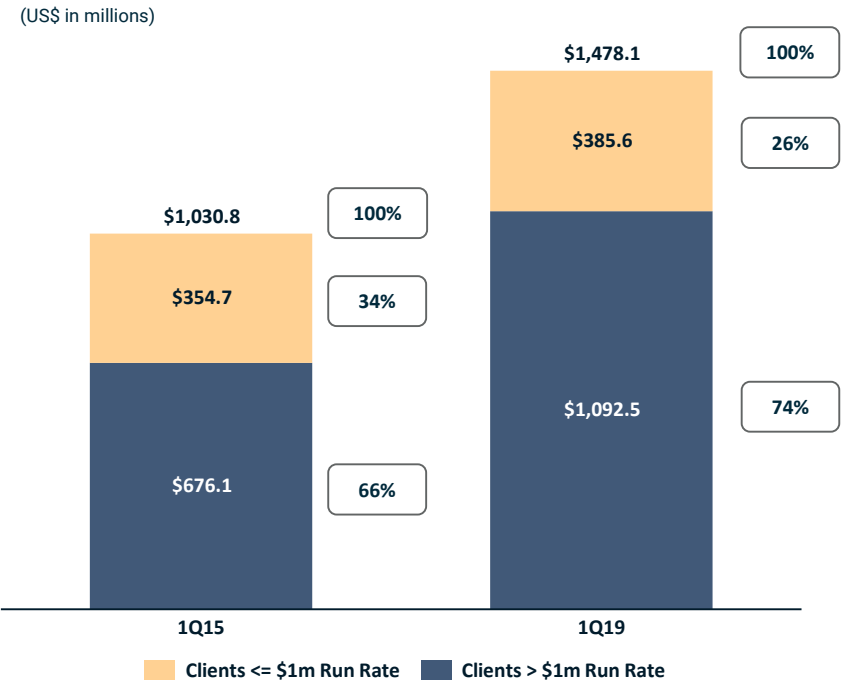


HELPING CLIENTS WITH MORE SOLUTIONS

Products¹ Purchased by Clients²
% of Total Run Rate



Run Rate by Client² Size



- Enhanced go-to-market strategy combined with our broad capabilities across content, technology and actionable solutions driving growth
- Continue to establish strong strategic partnerships through deepening relationships with key decision makers

¹Refers to products sold by our Index, Analytics, ESG and Real Estate segments.

²As of March 31, 2019, we had over 7,000 clients across more than 85 countries. To calculate the number of clients, we use the shipping address of the ultimate customer utilizing the product which counts affiliates, user locations, or business units within a single organization as separate clients. If we aggregate all related clients under their respective parent entity, the number of clients would be over 4,000, as of March 31, 2019. Run Rates above are based on parent entity.

STRONG DEMAND ACROSS ESTABLISHED & NEWER CLIENT SEGMENTS

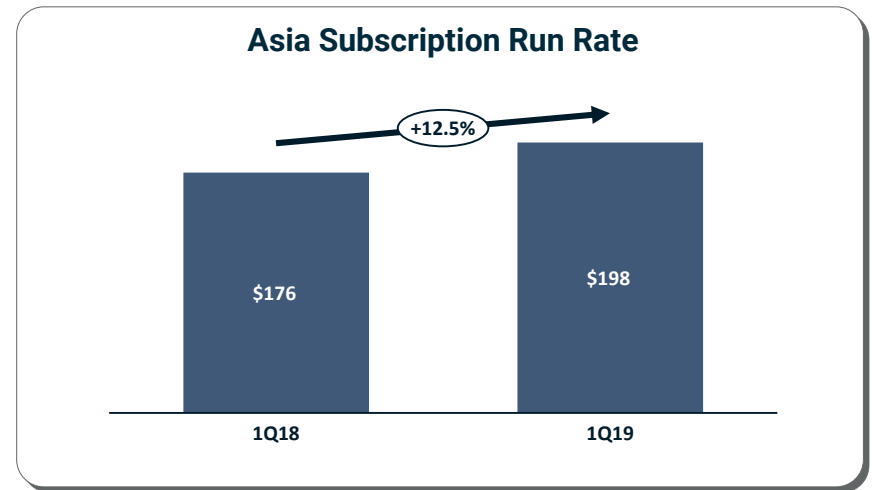
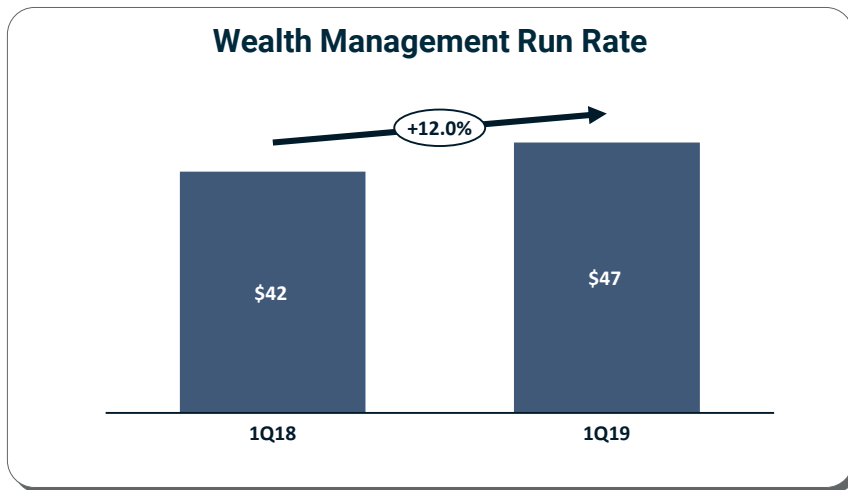
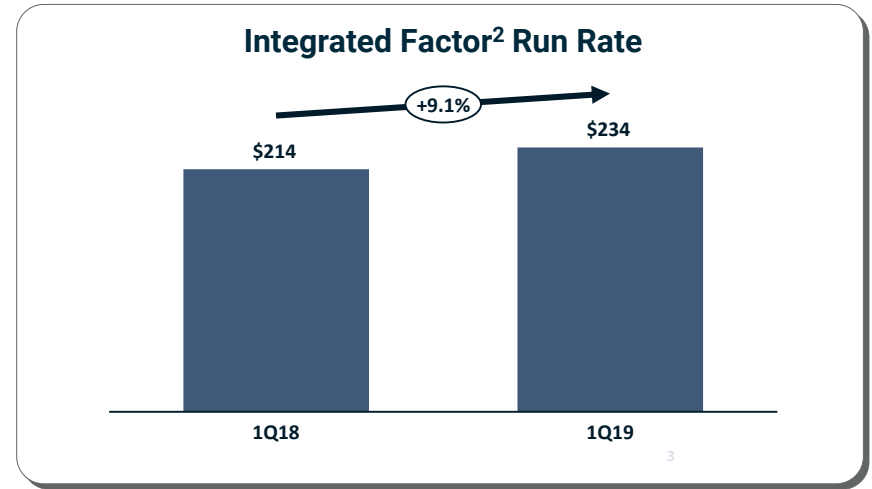
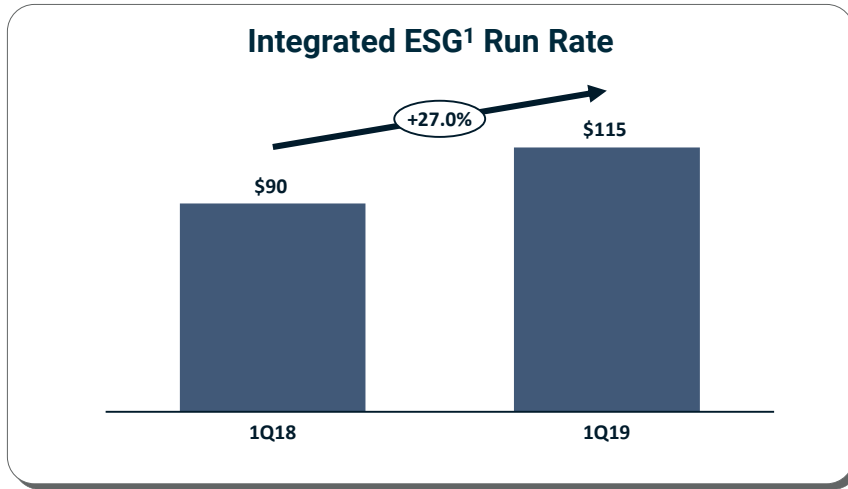
(US\$ in millions)

	Client Segment	1Q19 Sub. RR ¹	1Q19 Organic YoY Growth %	Growth Driver
Established Client Segments	Asset Management	\$652	10%	<ul style="list-style-type: none"> Strong demand for ACWI and increasing focus on risk management
	Asset Owners & Consultants	\$114	12%	<ul style="list-style-type: none"> Greater insourcing, and focus on performance attribution and risk management
Growth Client Segments	Broker Dealers	\$229	10%	<ul style="list-style-type: none"> Custom products used as the basis of structured products
	Hedge Funds	\$101	10%	<ul style="list-style-type: none"> Expanding use cases, incorporating products as part of strategy and arbitrage
	Wealth Management	\$47	13%	<ul style="list-style-type: none"> More institutional approach to portfolio construction and risk management
	TOTAL	\$1,143	10%	

¹Sub.: Subscription; RR: Run Rate.

STRATEGIC GROWTH OPPORTUNITIES

(US\$ in millions)



¹Integrated ESG includes ESG segment Run Rate, and ESG related Index subscription and asset-based fees Run Rate; ²Integrated Factor Run Rate includes Factor module Run Rate in the Analytics segment, and Factor related Index subscription and asset-based fees Run Rate excluding traditional value and growth product Run Rate for Indexes.

FULL YEAR 2019 GUIDANCE

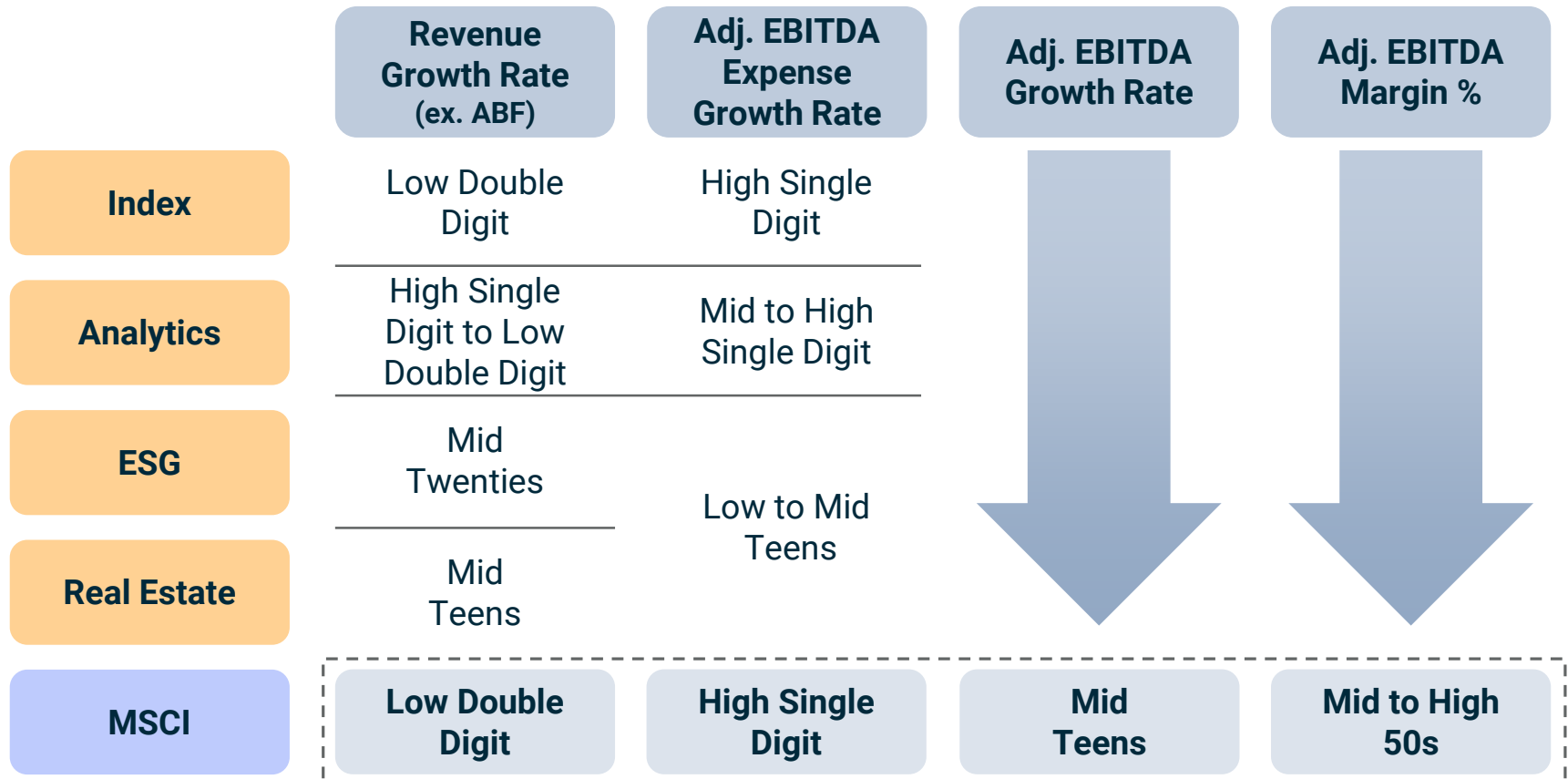
(US\$ in millions)

	2018 Actual	2019 Guidance	YoY Variance
Operating Expenses	\$747	\$775 - \$800	4% - 7%
Adjusted EBITDA Expenses¹	\$662	\$685 - \$705	3% - 6%
Interest Expense	\$133	\$144	\$11
Effective Tax Rate²	19.4%	9.0% - 12.0%	(10.4%) - (7.4%)
Net Cash Provided by Operating Activities	\$613	\$600 - \$630	(\$13) - \$17
Capex	(\$49)	(\$55) - (\$45)	(\$6) - \$4
Free Cash Flow	\$564	\$545 - \$585	(\$19) - \$21

¹Excludes the payroll tax impact from the vesting in the three months ending March 31, 2019 of the Multi-Year PSUs.

²Includes the income tax windfall benefit related to the vesting of the Multi-Year PSUs which reduced the 2019 effective tax rate by ~11 percentage points. The previous effective tax rate guidance was expected to be in the range of 11.5% to 14.5%.

LONG-TERM TARGETS



APPENDIX

RECONCILIATION OF ADJUSTED EBITDA EXPENSES TO OPERATING EXPENSES (UNAUDITED)

In thousands	Year Ended	Full-Year
	Dec. 31, 2018	2019 Outlook ⁽¹⁾
Index adjusted EBITDA expenses	\$ 227,622	
Analytics adjusted EBITDA expenses	336,294	
All Other adjusted EBITDA expenses	97,635	
Consolidated adjusted EBITDA expenses	661,551	\$685,000 - \$705,000
Multi-year PSU payroll tax expense	-	15,389
Amortization of intangible assets	54,189	
Depreciation and amortization of property, equipment and leasehold improvements	31,346	75,000 - 80,000
Total operating expenses	\$ 747,086	\$775,389 - \$800,389

¹We 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 (UNAUDITED)

In thousands	Year Ended	Full-Year
	Dec. 31, 2018	2019 Outlook ⁽¹⁾
Net cash provided by operating activities	\$ 612,762	\$600,000 - \$630,000
Capital expenditures	(30,257)	
Capitalized software development costs	(18,704)	
Capex	(48,961)	(55,000 - 45,000)
Free cash flow	\$ 563,801	\$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

	Year Ended
	Dec. 31,
	2018
Effective tax rate	19.37%
Tax Reform impact on effective tax rate	1.31%
Adjusted tax rate	20.68%

USE OF NON-GAAP FINANCIAL MEASURES

- MSCI has presented supplemental non-GAAP financial measures as part of this presentation. Reconciliations are provided in slides 20-22 above that reconcile each non-GAAP financial measure with the most comparable GAAP measure. The non-GAAP financial measures presented in this presentation should not be considered as alternative measures for the most directly comparable GAAP financial measures. The non-GAAP financial measures presented in this presentation 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 (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 the impact related to the vesting of the Multi-Year PSUs.
- “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, including the impact related to the vesting of the Multi-Year PSUs.
- “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) and the impact related to the vesting of the Multi-Year PSUs.
- “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 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 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 and the impact related to the vesting of the Multi-Year PSUs.
- 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 the non-GAAP financial measures presented in this presentation facilitate meaningful period-to-period comparisons and provide a baseline for the evaluation of future results.
- Adjusted EBITDA expenses, adjusted EBITDA, 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. 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 these measures may not be comparable to similarly titled measures computed by other companies.

USE OF OPERATING METRICS

- MSCI has presented supplemental key operating metrics as part of this presentation, including Run Rate, subscription sales and cancellations, non-recurring sales and Retention Rate.
- Retention Rate is an important metric because subscription cancellations decrease our Run Rate and ultimately our 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 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 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 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 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. 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.
- 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 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 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.