



MSCI Inc. Files Annual Report on Form 10-K

Company Increases Tax Provision for Fiscal 2007

NEW YORK, Feb 28, 2008 (BUSINESS WIRE) -- MSCI Inc. (NYSE: MXB), a leading provider of investment decision support tools, including indices and portfolio risk and performance analytics, announced today that it has filed its annual report on Form 10-K for the fiscal year ended November 30, 2007. Included in the audited consolidated financial statements is a \$6.0 million increase in the income tax provision for fourth quarter and full year 2007 from previously announced results.

While finalizing its consolidated financial statements, the Company determined that its fourth quarter tax provision would need to be increased from the \$9.9 million previously reported in its earnings announcement to \$15.9 million, impacting the Company's financial results as summarized below:

-- Fiscal year 2007 net income was reduced from \$87.1 million (\$1.03 per diluted share) to \$81.1 million (\$0.96 per diluted share).

-- Fiscal fourth quarter 2007 net income was reduced from \$24.2 million (\$0.28 per diluted share) to \$18.2 million (\$0.21 per diluted share).

The additional provision had no impact on the Company's previously reported operating income or adjusted EBITDA for fiscal 2007.

The increased income tax provision is composed primarily of two parts. The majority reflects increased taxes for the period 1999 through 2007 as a result of a recent settlement entered into by Morgan Stanley with New York State and New York City tax authorities. As it relates to the Company, the settlement requires Morgan Stanley to include MSCI in its combined New York State and City tax returns through 2007. Beginning in fiscal 2008, MSCI must be included in the combined New York State tax return by statute, and as a result, the Company expects its effective tax rate to be marginally higher in future periods, as long as MSCI is an affiliate of Morgan Stanley.

The other component is the establishment of additional tax reserves related to the potential disallowance of certain Research and Experimental tax credits previously allocated to MSCI.

About MSCI Inc.

MSCI Inc. is a leading provider of investment decision support tools to investment institutions worldwide. MSCI Inc. products include indices and portfolio risk and performance analytics for use in managing equity, fixed income and multi-asset class portfolios.

The company's flagship products are the MSCI International Equity Indices, which are estimated to have over US \$3 trillion benchmarked to them, and the Barra risk models and portfolio analytics, which cover 56 equity and 46 fixed income markets. MSCI Inc. is headquartered in New York, with research and commercial offices around the world. Morgan Stanley, a global financial services firm, is the majority shareholder of MSCI Inc. MXB#IR

For further information on MSCI Inc. or our products please visit www.msclub.com.

SOURCE: MSCI Inc.

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