

MSCI Inc.  
Form 424B2  
May 18, 2009  
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**The information in this prospectus supplement is not complete and may be changed. This prospectus supplement is not an offer to sell these securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.**

**Filed Pursuant to Rule 424(b)(2)  
Registration Statement File No. 333- 159311**

*PROSPECTUS SUPPLEMENT (Subject to Completion)*

*Issued May 18, 2009*

*(To Prospectus dated May 18, 2009)*

**27,708,653 SHARES**

**MSCI INC.**

**CLASS A COMMON STOCK**

*The selling stockholder identified in this prospectus supplement is offering 27,708,653 shares of class A common stock of MSCI Inc. The selling stockholder will receive all net proceeds from the sale of the shares of our class A common stock in this offering.*

*MSCI Inc.'s class A common stock is listed on the New York Stock Exchange under the symbol **MXB**. The last reported sale price of MSCI Inc.'s class A common stock on the New York Stock Exchange on May 15, 2009 was \$23.10 per share.*

*Investing in the class A common stock involves risks. See **Risk Factors** on page S-5.*

*PRICE \$ A SHARE*

	<i>Price to Public</i>	<i>Underwriting Discounts and Commissions</i>	<i>Proceeds to Selling Stockholder</i>
<i>Per Share</i>	\$	\$	\$
<i>Total</i>	\$	\$	\$

*Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.*

*The underwriters expect to deliver the shares of common stock to purchasers on \_\_\_\_\_, 2009.*

***MORGAN STANLEY***

*, 2009*

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This prospectus supplement updates information in the prospectus dated May 18, 2009. You should read this prospectus supplement in conjunction with the prospectus. This prospectus supplement is not complete without, and may not be delivered or used except in conjunction with, the prospectus, including any amendments or supplements to it. This prospectus supplement is qualified by reference to the prospectus, except to the extent that the information provided by this prospectus supplement supersedes information contained in the prospectus.

This prospectus supplement incorporates by reference important information. You should read the information incorporated by reference before deciding to invest in shares of our class A common stock and you may obtain this information incorporated by reference without charge by following the instructions under Where You Can Find More Information appearing below. All references in this prospectus supplement to MSCI, the company, we, us and our refer to MSCI Inc.

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You should rely only on the information contained or incorporated by reference in this prospectus supplement. We and the selling stockholder have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus supplement. The selling stockholder is offering to sell, and seeking offers to buy, shares of class A common stock only in jurisdictions where offers and sales are permitted. The information contained or incorporated by reference in this prospectus supplement is accurate only as of its date. Our business, financial condition, results of operations and prospects may have changed since that date.

We own or have rights to use trademarks, trade names and service marks that we use in conjunction with the operation of our business, including, but not limited to: @CREDIT, @ENERGY, @INTEREST, ACWI, Aegis, Alphabuilder, Barra, Barra One, BarraOne, Cosmos, EAFE, FEA, GICS, IndexMap, Market Impact Model, MSCI, ProStorage, StructureTool, TotalRisk, VaRdelta and VaRworks. All other trademarks, trade names and service marks included in this prospectus supplement are the property of their respective owners.

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**NOTICE TO INVESTORS**

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons). The shares of class A common stock are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such shares of class A common stock will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

In any EEA Member State that has implemented Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the Prospectus Directive), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

This prospectus supplement has been prepared on the basis that any offer of shares of class A common stock in any Member State of the European Economic Area (EEA) which has implemented the Prospectus Directive (2003/71/EC) (each, a Relevant Member State) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of shares of class A common stock. Accordingly any person making or intending to make any offer within the EEA of shares of class A common stock which are the subject of the placement contemplated in this prospectus supplement may only do so in circumstances in which no obligation arises for MSCI Inc. or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither MSCI Inc. nor the underwriters have authorized, nor do they authorize, the making of any offer (other than permitted public offers) of shares of class A common stock in circumstances in which an obligation arises for MSCI Inc. or the underwriters to publish a prospectus for such offer.

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### **SUMMARY**

*This summary highlights information contained or incorporated by reference in this prospectus supplement. This summary does not contain all of the information that you should consider before deciding to invest in our class A common stock. You should read this entire prospectus supplement carefully, including the information incorporated by reference in this prospectus supplement. See **Risk Factors** in our Annual Report on Form 10-K for the fiscal year ended November 30, 2008, incorporated by reference herein.*

### **MSCI**

#### **The Company**

We are a leading global provider of investment decision support tools, including indices and portfolio risk and performance analytics for use by institutions in managing equity, fixed income and multi-asset class portfolios. Our flagship products are our international equity indices marketed under the MSCI brand and our equity portfolio analytics marketed under the Barra brand. Our products are used in many areas of the investment process, including portfolio construction and optimization, performance benchmarking and attribution, risk management and analysis, index-linked investment product creation, asset allocation, investment manager selection and investment research.

Our clients include asset owners such as pension funds, endowments, foundations, central banks and insurance companies; institutional and retail asset managers, such as managers of pension assets, mutual funds, exchange traded funds ( ETFs ), hedge funds and private wealth; and financial intermediaries such as broker-dealers, exchanges, custodians and investment consultants. As of February 28, 2009, we had approximately 3,100 clients across 61 countries. We had 21 offices in 15 countries to help serve our diverse client base, with approximately 51% of our revenue from clients in the Americas, 32% in Europe, the Middle East and Africa ( EMEA ), 10% in Japan and 7% in Asia-Pacific (not including Japan), based on revenues for the three months ended February 28, 2009.

Our principal sales model is to license annual, recurring subscriptions to our products for use at specified locations by a given number of users for an annual fee paid up front. The substantial majority of our revenues comes from these annual, recurring subscriptions. Over time, as their needs evolve, our clients often add product modules, users and locations to their subscriptions, which results in an increase in our revenues per client. Additionally, a significant source of our revenues comes from clients who use our indices as the basis for index-linked investment products such as ETFs. These clients commonly pay us a license fee based on the investment product's assets. We also generate a limited amount of our revenues from certain exchanges that use our indices as the basis for futures and options contracts and pay us a license fee based on their volume of trades.

#### **Share Conversion**

We have two classes of common stock outstanding. As of the date of this prospectus supplement, Morgan Stanley owns 27,708,653.79 shares of our class B common stock, which represents approximately 65.7% of the combined voting power of all classes of voting stock. As of April 30, 2009, we had 72,391,427 shares of class A common stock outstanding, representing approximately 34.3% of the combined voting power of all classes of voting stock. Our class A common stock generally has fewer votes per share than our class B common stock. See **Description of MSCI Capital Stock Common Stock Voting Rights** in the accompanying prospectus.

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Morgan Stanley is selling class A common stock in this offering because its class B common stock will automatically convert into shares of our class A common stock when sold pursuant to this offering. See "Description of MSCI Capital Stock - Common Stock - Conversion" in the accompanying prospectus. Upon completion of this offering, Morgan Stanley will cease to own any shares of our class B common stock. Accordingly, upon completion of this offering we will have only one class of outstanding capital stock: class A common stock.

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**RELATIONSHIP WITH MORGAN STANLEY**

Following the completion of this offering, Morgan Stanley will no longer own any shares of our common stock and therefore will cease to own a majority of the total voting power of our common stock. This change in Morgan Stanley's ownership interest will affect certain of the rights, obligations and provisions contained in our agreements with Morgan Stanley and organizational documents, each as further described below.

**Agreements with Morgan Stanley**

*Services Agreement*

Our amended and restated services agreement with Morgan Stanley pursuant to which Morgan Stanley agreed to provide, directly or indirectly through its subsidiaries or subcontractors, services in the areas of human resources, information technology, accounting, legal and compliance, tax, office space leasing, corporate services, treasury and other services will terminate within six months of the completion of this offering. Since our initial public offering we have invested in expanding our own administrative functions and have replaced substantially all of these services ourselves or through third parties.

*License Agreement*

Our amended trademark license agreement with Morgan Stanley, which grants us an exclusive royalty-free license to use the Morgan Stanley trademark Morgan Stanley Capital International, will terminate upon completion of this offering. We have already transitioned our marketing to the MSCI trademark and no longer use the Morgan Stanley Capital International trademark. We own the MSCI trademark and plan to continue to use it after this offering.

*Separation Agreement*

In connection with this offering, we will enter into a separation agreement with Morgan Stanley pursuant to which we will agree to settle all intercompany amounts owed between us and Morgan Stanley within 90 days of the closing of this offering. Additionally, while we have obtained our own insurance policies and are now excluded from Morgan Stanley's insurance policies, the separation agreement will also govern certain insurance matters between us and Morgan Stanley. We do not expect this agreement to materially increase our expenses.

*Employee Matters Agreement*

We intend to enter into an Employee Matters Agreement with Morgan Stanley, which will govern certain employee related matters associated with our separation from Morgan Stanley. We do not expect this to have a material impact on our results of operations.



***Shareholders Agreement***

Our amended and restated shareholder agreement with Morgan Stanley will terminate upon completion of this offering (except for certain indemnification provisions), including (i) Morgan Stanley's right to purchase additional shares of class B common stock and appoint additional directors to our board of directors and (ii) certain restrictions on our actions, including restrictions on our ability to repurchase or redeem shares of our outstanding capital stock.

***Tax Sharing Agreement***

Prior to May 2, 2008, we filed federal income tax returns and certain other income tax returns with Morgan Stanley on a consolidated, combined or unitary basis under the provisions of our tax sharing agreement with Morgan Stanley. After May 2, 2008, we continued to file only certain state and local income tax returns with Morgan Stanley on such basis. As a result of this offering, we will no longer file any federal, state or foreign tax returns with Morgan Stanley on a consolidated, combined or unitary basis. We do not expect a material difference in our tax expense as a result of filing all of our tax returns on a separate stand-alone basis.

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### **Organizational Documents**

Morgan Stanley's ceasing to own at least 50% of the aggregate voting power of our outstanding voting stock following the completion of this offering will change certain of the corporate governance provisions set forth in our organizational documents.

Section 203 of the DGCL: We will be governed by the business combination provisions of Section 203 of the Delaware General Corporation Law, which prohibits a person who acquires more than 15% but less than 85% of all classes of our outstanding voting stock without the approval of our board of directors from merging or combining with us for a period of three years, unless the merger or combination is approved by a two-thirds vote of the shares not owned by such person.

Limits on written consents: Any action required or permitted to be taken by our shareholders must be effected at a duly called annual or special meeting of shareholders and may not be effected by any consent in writing in lieu of a meeting of such shareholders, subject to the rights of the holders of any series of preferred stock.

### **Board Composition**

Three members of our seven person board of directors, including our lead director, are employees of Morgan Stanley. We expect that one of the Morgan Stanley directors, Kenneth deRegt, will resign from our board of directors upon completion of this offering. The other two Morgan Stanley directors will remain on the board for a transition period after the completion of this offering. We expect to fill any vacancies on the board with individuals that meet the independence requirements of the NYSE.

In addition, upon completion of this offering we will no longer qualify as a controlled company for purposes of the exemptions from the NYSE corporate governance standards. As a result, we will be required to have at least one independent director on our nominating and compensation committees upon completion of this offering, a majority of independent directors on those committees within 90 days after the completion of this offering, and fully independent nominating and compensation committees and a majority independent board within one year of the completion of this offering. In order to be in compliance with these requirements upon completion of this offering, Rodolphe M. Vallee was appointed to our nominating and corporate governance committee. In addition, Benjamin F. duPont was appointed to our compensation committee on May 17, 2009. As a result, one member of our nominating and corporate governance committee and two of the four members of our compensation committee are independent. We intend to appoint additional directors meeting the NYSE independence requirements within the time periods required by the NYSE corporate governance standards.

**Table of Contents****THE OFFERING**

Class A common stock offered by the selling stockholder	27,708,653 shares
Common stock outstanding before this offering:	
Class A common stock	72,391,427 shares
Class B common stock	27,708,653.79 shares
Total	100,100,080.79 shares
Common stock outstanding immediately after this offering:	
Class A common stock	100,100,080 shares
Class B common stock	0 shares
Total	100,100,080 shares
Use of proceeds	The selling stockholder will receive all net proceeds from the sale of the shares of our class A common stock in this offering. MSCI will not receive any of the proceeds from the sale of shares of our class A common stock by the selling stockholder.
Dividend policy	We do not intend to pay dividends on our class A common stock (the common stock ). See Dividend Policy.
Controlling shareholder	Currently, Morgan Stanley owns 100% of the outstanding shares of our class B common stock. Upon completion of this offering, Morgan Stanley will cease to own any shares of our common stock. For information regarding the relationship between Morgan Stanley and us, see Summary Relationship with Morgan Stanley.
Risk factors	You should read the Risk Factors section of this prospectus supplement for a discussion of factors that you should consider carefully before deciding to invest in shares of our class A common stock.
New York Stock Exchange symbol	MXB

Unless we indicate otherwise, all information in this prospectus supplement excludes 12,857,709 shares of class A common stock reserved for issuance pursuant to our equity incentive compensation plan and our independent directors' equity compensation plan.

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**RISK FACTORS**

Investing in our class A common stock involves a high degree of risk. You should carefully consider all the information set forth in this prospectus supplement, the accompanying prospectus and incorporated by reference herein before deciding to invest in shares of our class A common stock. In particular, we urge you to consider carefully the factors set forth under the headings **Risk Factors** and **Forward-Looking Statements** in our Annual Report on Form 10-K for the fiscal year ended November 30, 2008, incorporated by reference herein.

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**USE OF PROCEEDS**

The selling stockholder will receive all net proceeds from the sale of the shares of our class A common stock in this offering. We will not receive any of the proceeds from the sale of shares of our class A common stock by the selling stockholder.

**DIVIDEND POLICY**

We do not intend to pay any dividends in the foreseeable future and intend to retain all available funds for use in the operation and expansion of our business, including growth through acquisitions. In addition, our Credit Facility contains restrictions on the payment of dividends. See Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources in our Annual Report on Form 10-K for the fiscal year ended November 30, 2008 and in our Quarterly Report on Form 10-Q for the quarter ended February 28, 2009, each incorporated by reference herein.

**Table of Contents****PRICE RANGE OF CLASS A COMMON STOCK**

Our class A common stock has traded on the New York Stock Exchange under the symbol **MXB** since November 15, 2007. The following table sets forth the high and low intraday sales prices per share of our common stock, as reported by the New York Stock Exchange, for the periods indicated.

	<b>Price Range</b>	
	<b>High</b>	<b>Low</b>
<b>2007</b>		
Quarter ended November 30, 2007 <sup>(1)</sup>	\$ 29.49	\$ 22.06
<b>2008</b>		
Quarter ended February 29, 2008	38.40	24.74
Quarter ended May 31, 2008	37.75	23.29
Quarter ended August 31, 2008	38.05	28.05
Quarter ended November 30, 2008	30.01	11.06
<b>2009</b>		
Quarter ended February 28, 2009	18.81	14.20
Quarter ended May 31, 2009 (through May 15, 2009)	24.08	12.61

(1) Our class A common stock began trading on November 15, 2007.

The closing sale price of our class A common stock, as reported by the New York Stock Exchange, on May 15, 2009 was \$23.10. As of March 31, 2009, there were approximately 28 holders of record of our class A common stock.

Our class B common stock is neither listed nor publicly traded. As of March 31, 2009, there was one holder of record of our class B common stock. Upon completion of this offering there will be no outstanding shares of class B common stock.

**Table of Contents****CAPITALIZATION**

The following table sets forth our cash and cash equivalents and capitalization as of February 28, 2009:

This table should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the financial statements and notes thereto set forth in our Annual Report on Form 10-K for the fiscal year ended November 30, 2008 and our Quarterly Report on Form 10-Q for the quarter ended February 28, 2009, each incorporated by reference.

	<b>As of February 28, 2009</b> <b>(in thousands, except share</b> <b>and per share amounts)</b>
Cash and cash equivalents	\$ 276,881
Total debt	\$ 396,274
Shareholders' equity:	
Class A common stock, \$0.01 par value per share, 500 million shares authorized, 72,394,375 shares issued and 72,364,734 shares outstanding; class B common stock, \$0.01 par value, 250 million shares authorized, 27,708,653.79 shares issued and outstanding <sup>(1)</sup>	1,001
Treasury stock, 29,641 shares	(791)
Additional paid-in capital	302,292
Accumulated other comprehensive income	(8,260)
Retained earnings	18,936
Total shareholders' equity	313,178
Total capitalization	\$ 709,452

- (1) As of April 30, 2009 there were 72,391,427 shares of our class A common stock outstanding. Upon completion of this offering there will be 100,100,080 shares of our class A common stock issued and outstanding; and zero shares of our class B common stock issued and outstanding.

**Table of Contents****PRINCIPAL AND SELLING STOCKHOLDER**

Currently, Morgan Stanley owns 27,708,653.79 shares, or 100% of our outstanding class B common stock, of which 27,708,653 shares are being offered for sale and sold by Morgan Stanley pursuant to this prospectus supplement and which will automatically convert into class A common stock when sold pursuant to this prospectus supplement. Upon completion of this offering, Morgan Stanley will cease to own any shares of our common stock.

From time to time, affiliates of Morgan Stanley have provided, and continue to provide, investment banking and other services to MSCI. See Relationship with Morgan Stanley herein and Business Arrangements Between Morgan Stanley and Us in our Annual Report on Form 10-K for the fiscal year ended November 30, 2008, incorporated by reference herein. The shares of class A common stock offered for sale pursuant to this prospectus supplement may be offered by and for the account of Morgan Stanley and any pledgees, donees, assignees and transferees or successors-in-interest of Morgan Stanley.

The principal executive offices of Morgan Stanley are located at 1585 Broadway, New York, New York, 10036.

The following table sets forth information regarding the ownership of class B common stock and class A common stock of the selling stockholder and the shares of our class A common stock being offered for sale under this prospectus supplement by the selling stockholder. The number of shares outstanding and the percentages of beneficial ownership are based on 27,708,653.79 shares of class B common stock and 72,391,427 shares of class A common stock issued and outstanding as of April 30, 2009.

Name of Beneficial Owner	Common Stock Owned Before the Offering				Number of Shares of Class A Common Stock That May Be Offered Hereby	Common Stock To Be Owned After the Offering			
	Class A Common Stock		Class B Common Stock			Class A Common Stock		Class B Common Stock	
	Number	Percent	Number	Percent		Number	Percent	Number	Percent
Morgan Stanley			27,708,653.79	100% <sup>(1)</sup>	27,708,653 <sup>(2)</sup>				

(1) Represents approximately 65.7% of the combined voting power of all classes of common stock.

(2) The remaining .79 shares of class A common stock held by Morgan Stanley will be purchased for cash and cancelled by MSCI Inc.



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**MATERIAL U.S. FEDERAL TAX CONSIDERATIONS FOR NON-U.S. HOLDERS OF COMMON STOCK**

The following discussion is a summary of the material U.S. federal income and estate tax considerations that may be relevant to you if you become a beneficial owner of our class A common stock and you are not a citizen or resident of the United States, a U.S. domestic corporation, or a person that would otherwise be subject to U.S. federal income tax on a net income basis in respect of such common stock. The summary deals only with shares of class A common stock that will be held as capital assets and does not purport to deal with all possible tax consequences of purchasing, owning, and disposing of our class A common stock. In particular, the summary does not address the tax consequences that may be applicable to persons in special tax situations, including persons that will hold shares of our common stock in connection with a U.S. trade or business or a U.S. permanent establishment or persons who hold more than 5% of our common stock. You should consult your own tax advisers about the tax consequences of the purchase, ownership, and disposition of our class A common stock in light of your own particular circumstances, including the tax consequences under state, local, foreign, and other tax laws and the possible effects of any changes in applicable tax laws.

**Dividends**

Any dividends that you receive with respect to our class A common stock will be subject to U.S. federal withholding tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. In order to claim the benefits of an income tax treaty, you will generally be required to provide a certification of your entitlement to treaty benefits on IRS Form W-8BEN.

**Sale, Exchange, or Other Disposition**

Any gain that you realize upon a sale, exchange, or other disposition of our class A common stock will generally not be subject to U.S. federal income tax unless you are an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

**Proposed Legislation**

The Obama Administration has recently proposed legislation that would limit the ability of non-U.S. investors to claim relief from U.S. withholding tax in respect of dividends paid on stock issued by U.S. corporations, if such investors hold the stock through a non-U.S. intermediary that is not a qualified intermediary. The Administration's proposals also would impose a withholding tax on the gross proceeds of the sale of securities effected through a non-U.S. intermediary that is not a qualified intermediary and that is not located in a jurisdiction with which the United States has a comprehensive income tax treaty having a satisfactory exchange of information provision. A non-U.S. investor generally would be permitted to claim a refund to the extent any tax withheld exceeded the investor's actual tax liability. The full details of these proposals have not yet been made public, although the Administration's summary of the proposals indicates that they are not intended to disrupt ordinary and customary market transactions. It is unclear whether, or in what form, these proposals may be enacted. You are encouraged to consult your own tax advisers regarding the possible implications of the Administration's proposals on your income in respect of the class A common stock.

**Estate Tax**

If you are an individual, shares of our class A common stock that you own or are treated as owning at the time of your death will be included in your gross estate for U.S. federal estate tax purposes and may be subject to U.S. federal estate tax unless an applicable estate tax treaty otherwise provides.

**Backup Withholding**

In general, you will not be subject to any U.S. federal backup withholding tax on dividends that you receive with respect to our class A common stock if you provide a certification of your status as a non-U.S. person on

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IRS Form W-8BEN or otherwise establish an exemption. In addition, no backup withholding will generally be required with respect to the proceeds of a sale of our class A common stock that you make within the United States or through certain U.S. and U.S.-related financial intermediaries if the payor receives such a certification or you otherwise establish an exemption. If you do not provide a certification of your status as a non-U.S. person on IRS Form W-8BEN or otherwise establish an exemption, U.S. federal backup withholding tax will apply to such dividends and sales proceeds. The amount of any backup withholding from a payment to you will be allowed as a credit against your U.S. federal income tax liability and may entitle you to a refund, provided that the required information is timely furnished to the IRS.

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**UNDERWRITERS**

Under the expected terms and subject to the conditions contained in an underwriting agreement to be dated the date of this prospectus supplement, the underwriters named below, for whom Morgan Stanley & Co. Incorporated is acting as sole representative, have severally agreed to purchase, and the selling stockholder has agreed to sell to them, severally, the number of shares indicated below:

Name	Number of Shares
Morgan Stanley & Co. Incorporated	
<b>Total</b>	<b>27,708,653</b>

The underwriters are offering the shares of class A common stock subject to their acceptance of the shares from the selling stockholder and subject to prior sale. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of class A common stock offered by this prospectus supplement are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of class A common stock offered by this prospectus supplement if any such shares are taken.

The underwriters initially propose to offer part of the shares of class A common stock directly to the public at the public offering price listed on the cover page of this prospectus supplement and part to certain dealers at a price that represents a concession not in excess of \$ \_\_\_\_\_ per share under the public offering price. After the initial offering of the shares of common stock, the offering price and other selling terms may from time to time be varied by the representative.

Our class A common stock is listed on the New York Stock Exchange under the symbol **MXB**.

We, our executive officers, certain of our directors and certain of our stockholders have agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated on behalf of the underwriters, subject to certain exceptions, we and they will not, during the period ending 60 days after the date of this prospectus supplement:

offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock; or

enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common stock;

whether any such transaction described above is to be settled by delivery of common stock or such other securities, in cash or otherwise.

The restrictions described in the above paragraph do not apply to:

transactions by any person other than us relating to shares of common stock or other securities acquired in open market transactions after completion of this offering; provided that no filing under the Exchange Act shall be required or shall be voluntarily made in connection with such transaction (other than a filing on Form 4 after the expiration of the lock-up period or on a Form 5 made when required);

the sale of shares of class A common stock to the underwriters pursuant to this offering;

shares issued upon the exercise of options granted under employee stock option plans existing as of the date of this prospectus supplement;

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grants of employee stock options or restricted stock in accordance with the terms of a plan in effect on the date of this prospectus supplement;

up to 10,006,989 shares (or options, warrants or convertible securities relating to common shares) issued in connection with bona fide mergers or acquisitions, joint ventures, commercial relationships or other strategic transactions, provided that the shares (or options, warrants or convertible securities relating to the common shares) so issued are subject to the restrictions described above for the remainder of the 60-day restricted period and possible extension of such period described below;

the transfer of shares of common stock by any person other than us (i) pursuant to a will, other testamentary document or applicable laws of descent, (ii) as a bona fide gift, (iii) to a family member or trust or (iv) to any affiliates; provided that, in each case, the transferee agrees to be bound in writing by the terms of the lock-up agreement prior to such transfer and no filing by any party (donor, donee, transferor or transferee) under the Exchange Act shall be required or shall be voluntarily made in connection with such transfer (other than a filing on a Form 4 after the expiration of the lock-up period or on a Form 5 made when required) and such transfer does not involve a disposition for value;

the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of common stock, provided that such plan does not provide for the transfer of common stock during the restricted period; and

the issuance of class A common stock upon conversion of outstanding shares of class B common stock.

Additionally, our executive officers and certain of our directors have agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated on behalf of the underwriters, they will not, during the period ending 60 days after the date of this prospectus supplement, make any demand for, or exercise any right with respect to, the registration of any shares of class A common stock or any security convertible into or exercisable or exchangeable for class A common stock.

The following table shows the per share and total underwriting discounts and commissions the selling stockholder is to pay to the underwriters in connection with this offering.

	<b>Paid by Selling Stockholder</b>
Per Share	\$
Total	\$

In order to facilitate the offering of the class A common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the class A common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase under the underwriting agreement, creating a naked short position. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the class A common stock in the open market after pricing that could adversely affect investors who purchase in the offering. As an additional means of facilitating the offering, the underwriters may bid for, and purchase, shares of class A common stock in the open market to stabilize the price of the class A common stock. The underwriting syndicate may also reclaim selling concessions allowed to an underwriter or a dealer for distributing the class A common stock in the offering, if the syndicate repurchases previously distributed class A common stock to cover syndicate short positions or to stabilize the price of the common stock. These activities may raise or maintain the market price of the common stock above independent market levels or prevent or retard a decline in the market price of the class A common stock. The underwriters are not required to engage in these activities, and may end any of these activities at any time.

## Edgar Filing: MSCI Inc. - Form 424B2

From time to time, Morgan Stanley & Co. Incorporated and some of the other underwriters have provided, and continue to provide, investment banking services to MSCI. On November 14, 2007, we entered into the Credit Facility with certain affiliates of Morgan Stanley & Co. Incorporated and some of the other underwriters.

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See *Business Arrangements Between Morgan Stanley and Us Credit Facility* in our Annual Report on Form 10-K for the fiscal year ended November 30, 2008. We engaged an affiliate of Morgan Stanley & Co. Incorporated and Banc of America Securities LLC as joint lead arrangers for the Credit Facility.

The underwriters have agreed to reimburse MSCI and the selling stockholder for certain of their expenses incurred in connection with the offering of the common stock.

The estimated offering expenses, in addition to any underwriting discounts and commissions that will be paid by the selling stockholder, are approximately \$1.0 million, which includes legal, accounting and printing costs and various other fees associated with registering the class A common stock. Pursuant to our amended and restated shareholders agreement with Morgan Stanley, Morgan Stanley has agreed to pay the registration expenses for this offering, which includes legal, accounting, printing and various other fees associated with registering the class A common stock.

MSCI, the selling stockholder and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

Because MSCI Inc. and Morgan Stanley are affiliates of Morgan Stanley & Co. Incorporated, Morgan Stanley & Co. Incorporated is deemed to have a conflict of interest under Rule 2720 of the Financial Industry Regulatory Authority (FINRA). When a FINRA member with a conflict of interest participates as an underwriter in a public offering, the FINRA rules generally require that the public offering price may be no higher than that recommended by a qualified independent underwriter as defined by FINRA. Because a bona fide independent market (as defined in Rule 2720 of the FINRA) exists for the class A common shares, a qualified independent underwriter is not required to be appointed; however, the offering will be conducted in accordance with all other applicable provisions of the FINRA rules.

## **Selling Restrictions**

### ***European Economic Area***

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a *Relevant Member State*), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the *Relevant Implementation Date*) it has not made and will not make an offer of shares of class A common stock to the public in that Member State prior to the publication of a prospectus in relation to the shares of class A common stock which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that an offer to the public in that Relevant Member State of any shares of class A common stock may be made at any time with effect from and including the Relevant Implementation Date under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) at any time to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;



## Edgar Filing: MSCI Inc. - Form 424B2

(b) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than \$43,000,000 and (3) an annual net turnover of more than \$50,000,000, as shown in its last annual or consolidated accounts;

(c) by the underwriters to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or

(d) at any time in any other circumstances which do not require the publication by us of a prospectus pursuant to Article 3 of the Prospectus Directive.

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For the purposes of the above, the expression an offer of shares of class A common stock to the public in relation to any shares of class A common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares of class A common stock to be offered so as to enable an investor to decide to purchase or subscribe the shares of class A common stock, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

This European Economic Area selling restriction is in addition to any other selling restrictions set out in this prospectus supplement.

*United Kingdom*

Each underwriter has represented and agreed that it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) received by it in connection with the issue or sale of the shares of class A common stock in circumstances in which Section 21(1) of such Act does not apply to the issuer and it has complied and will comply with all applicable provisions of such Act with respect to anything done by it in relation to any shares of class A common stock in, from or otherwise involving the United Kingdom.

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**VALIDITY OF COMMON STOCK**

The validity of the issuance of the shares of common stock offered hereby will be passed upon for us by Davis Polk & Wardwell, New York, New York and by Cleary Gottlieb Steen & Hamilton LLP, for the underwriters.

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**EXPERTS**

The consolidated financial statements incorporated in this prospectus supplement by reference from the Company's Annual Report on Form 10-K, and the effectiveness of MSCI Inc.'s internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports (which report on the consolidated financial statements expresses an unqualified opinion and includes an explanatory paragraph on the adoption of Statement of Financial Accounting Standards, No. 158, Employers Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R)), which are incorporated herein by reference. Such consolidated financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited interim financial information for the periods ended February 28, 2009 and February 29, 2008 which is incorporated herein by reference, Deloitte & Touche LLP, an independent registered public accounting firm, have applied limited procedures in accordance with the standards of the Public Company Accounting Oversight Board (United States) for a review of such information. However, as stated in their report included in the Company's Quarterly Reports on Form 10-Q for the quarter ended February 28, 2009 and incorporated by reference herein, they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their report on the unaudited interim financial information because the report is not a report or a part of the Registration Statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.

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**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any document that we file at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet website that contains reports, proxy statements and other information about issuers, like us, that file electronically with the SEC. The address of that site is [www.sec.gov](http://www.sec.gov).

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus supplement. The information incorporated by reference is considered to be a part of this document, except for any information superseded by information that is included directly in this document or incorporated by reference subsequent to the date of this document.

This prospectus supplement incorporates by reference the documents listed below and any future filings that MSCI makes with the Securities and Exchange Commission under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (other than information in th