

Towers Watson Selects MSCI's RiskMetrics HedgePlatform

New York – February 5, 2013 – [MSCI](#) Inc. (NYSE: MSCI), a leading provider of investment decision support tools, announced today that [Towers Watson](#), a leading global investment consultant, will include MSCI's RiskMetrics [HedgePlatform](#) into some of its hedge fund advisory and investment processes. As part of the agreement Towers Watson will use HedgePlatform to evaluate and monitor individual investment managers with reports based on hedge fund positions, complementing its existing suite of risk tools and enhancing hedge fund risk reports to its clients.

“Demand for position-based risk analytics of hedge fund investments continues to rise, evidenced by the growth MSCI's risk analytics business has seen over the last 12 months – from adding two of the world's top 20 pension funds as HedgePlatform clients, to this most recent agreement with Towers Watson,” said **Roveen Bhansali, Managing Director and Head of Risk Management Analytics** for MSCI. “This increased demand reflects the confluence of two recent trends: increased allocation to alternative investments and increased desire to implement more comprehensive risk management processes, not only of alternative investments, but of total investments programs. MSCI is well placed to meet this demand given our multi-asset class risk analytics tools, our long history with our institutional clients and our ability to integrate positions of hedge fund investments with traditional and other alternative investments. We look forward to continuing to invest in this growing market segment and helping our clients as their investment needs evolve.”

Damien Loveday, Global head of Hedge Fund research at Towers Watson, said: “We are continuously strengthening our level of monitoring and risk management processes in this area and the addition of MSCI's RiskMetrics HedgePlatform will support this endeavour. Having used RiskMetrics' analysis tools for a number of years and working with MSCI for the past year to develop the proposition, we have found innovative views of risk which will allow us to perform even more due diligence, monitoring, portfolio construction, and risk management for hedge fund investments to the benefit of our clients. The use of analytic tools such as this has been important in developing our Hedge Fund business and this particular platform provides extra transparency which we view as key to assessing hedge fund investments.”

Towers Watson's investment business has over 750 associates worldwide and assets under advisory of over USD\$2 trillion. Its specialist hedge fund team manage direct hedge fund portfolios for clients and has assets under advice in this area of over USD\$20 billion.

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About MSCI

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

The company's flagship product offerings are: the MSCI indices with close to USD 7 trillion estimated to be benchmarked to them on a worldwide basis¹; Barra multi-asset class factor models, portfolio risk and performance analytics; RiskMetrics multi-

asset class market and credit risk analytics; IPD real estate information, indices and analytics; MSCI ESG (environmental, social and governance) Research screening, analysis and ratings; ISS governance research and outsourced proxy voting and reporting services; FEA valuation models and risk management software for the energy and commodities markets; and CFRA forensic accounting risk research, legal/regulatory risk assessment, and due-diligence. MSCI is headquartered in New York, with research and commercial offices around the world.

¹As of March 31, 2012, as published by eVestment, Lipper and Bloomberg in September, 2012

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

Media Enquiries:

Jo Morgan, MSCI, London	+ 44.20.7618.2224
Kristin Meza, MSCI, New York	+ 1.212.804.5330
Sally Todd Christian Pickel, MHP Communications, London	+ 44.20.3128.8515

MSCI Global Client Service:

EMEA Client Service	+ 44.20.7618.2222
Americas Client Service	1.888.588.4567 (toll free)/+ 1.212.804.3901
Asia Pacific Client Service	+ 852.2844.9333

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