

New Australian Equity Model Provides Portfolio Managers with Insight on Risk and Return

MSCI Launches Barra Australia Equity Model (AUE4)

Sydney – May 14, 2012 – MSCI Inc. (NYSE: MSCI), a leading provider of investment decision support tools worldwide, announced today the launch of the Barra Australia Equity Model (AUE4), designed to rapidly adjust to market trends and shocks while providing portfolio managers with a more intuitive understanding of what is driving risk and returns in the Australian equity market.

Chief investment officers, portfolio managers, researchers and risk managers working with Australian equity portfolios can now benefit from enhanced style factors that provide detailed forecasts for long-only or long-short portfolios alike. By incorporating the new Volatility Regime Adjustment methodology, which calibrates volatility forecasts to current levels, Barra AUE4 provides more responsive model forecasts, improved risk and performance analysis and insight into the investment process.

Senior Portfolio Manager, Todd Kennedy, of Plato Investment Management Limited in Australia said, “The new Barra AUE4 model gives us a risk management tool that adapts to changing market volatility automatically. This allows us to build investment strategies that deliver an expected amount of active risk, and ensures that we make good on the risk targets despite changing market conditions.”

“The addition of new risk factors gives us insights into sources of portfolio risk not previously available such as currency risk, an important driver of earnings in Australia for many companies. Beta and residual volatility risk factors give us new tools to construct low volatility strategies that have excellent defensive characteristics in crisis periods,” he added.

“AUE4 provides an important advancement in risk model design and construction,” said Peter Zangari, Managing Director of Equity Portfolio Management Analytics at MSCI. “Equity risk models help our clients identify key sources of risk in their portfolios. As such, they help guide investment. MSCI is always focused on what’s coming next, what our clients’ needs are and what’s happening in the marketplace. This helps us continue to build next-generation models and innovate.”

For more information on the Barra AUE4 Equity Model, please visit msci.com.

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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 approximately 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; 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 June 30, 2011, based on eVestment, Lipper and Bloomberg data

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

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