Investor Presentation

2Q 2012

AUGUST 7, 2012

Disclaimer

Certain statements contained in this presentation are forward-looking statements and are based on future expectations, plans and prospects for Moody's business and operations that involve a number of risks and uncertainties. Moody's outlook for 2012 and other forward-looking statements in this release are made as of July 26, 2012, and the Company disclaims any duty to supplement, update or revise such statements on a going-forward basis, whether as a result of subsequent developments, changed expectations or otherwise. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company is identifying certain factors that could cause actual results to differ, perhaps materially, from those indicated by these forward-looking statements. Those factors include, but are not limited to, the current world-wide credit market disruptions and economic slowdown, which is affecting and could continue to affect the volume of debt securities issued in domestic and/or global capital markets; other matters that could affect the volume of debt securities issued, including credit quality concerns, changes in interest rates and other volatility in the financial markets; the uncertain effectiveness and possible collateral consequences of U.S. and foreign government initiatives to respond to the economic slowdown; possible loss of market share through competition; introduction of competing products or technologies by other companies; pricing pressures from competitors and/or customers; the potential emergence of government-sponsored credit rating agencies; both proposed and recently adopted legislation and regulations in the U.S., EU, other foreign, state and local jurisdictions, including the Dodd-Frank Wall Street Reform and Consumer Protection Act; regulations relating to the oversight of credit rating agencies; provisions in the Dodd-Frank Act, and potential EU regulations, modifying the pleading and liability standards applicable to credit rating agencies in a manner adverse to rating agencies; possible judicial decisions in various jurisdictions regarding the status of and potential liabilities of credit rating agencies; the possible loss of key employees; the outcome of any review by controlling tax authorities of the Company's global tax planning initiatives; the outcome of those legacy tax and legal contingencies that relate to the Company, its predecessors and their affiliated companies for which Moody's has assumed portions of the financial responsibility; the outcome of other legal actions to which the Company, from time to time, may be named as a party; the ability of the Company to successfully integrate acquired businesses; a decline in the demand from financial institutions for credit risk management tools; and other risk factors as discussed in the Company's annual report on Form 10-K for the year ended December 31, 2011 and in other filings made by the Company from time to time with the Securities and Exchange Commission. This presentation includes certain non-GAAP financial measures as defined under SEC rules. As required by SEC rules, at the end of this slide presentation we have provided a reconciliation of those measures to the most directly comparable GAAP measures. A copy of this presentation, including the relevant reconciliation slides, is available on Moody's investor relations website http://ir.moodys.com.

Save the Date: Wednesday, September 12, 2012

- Moody's Corporation will host its Investor Day on Wednesday, September 12, 2012
- This event will feature presentations from Moody's management team and showcase important aspects of our business
- Further details will be provided on our investor relations website ir.moodys.com

Table of Contents

1. Corporate Overview
2. Financial Overview and Outlook
3. Macro Summary
4. Moody’s Investors Service (MIS)
5. Moody’s Analytics (MA)
6. Appendix

1 Corporate Overview

Overview of Moody's Corporation

MOODY'S

Leading global provider of credit rating opinions, insight and tools for credit risk measurement and management

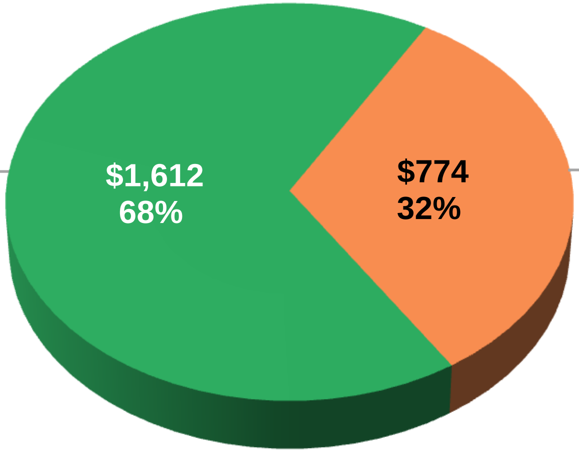
MOODY'S INVESTORS SERVICE

Independent provider of credit rating opinions and related information for over 100 years

MOODY'S ANALYTICS

Research, data and software for financial risk analysis and related professional services

Moody's
TTM Revenue: $2.4 billion*



($ millions)

* TTM as of June 30, 2012. Represents consolidated financials excluding intersegment royalty and eliminations.

Moody's Has Robust Opportunities for Strong Operating Performance

MCO BUSINESS TARGETS

Long-term revenue growth: Double-digit percent

Long-term operating margin: Above 40 percent

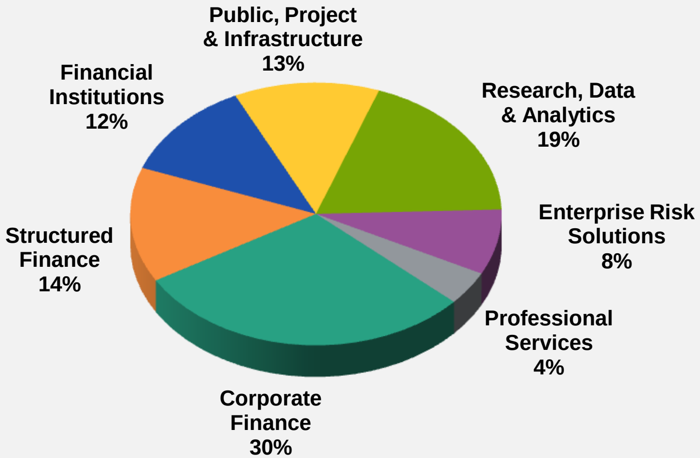
PRINCIPAL OPPORTUNITIES

- Debt market issuance driven by global GDP growth
- Disintermediation of credit markets
- Penetration of Moody's Analytics client base
- Expansion of bank and insurance regulatory requirements
- Pricing initiatives aligned with value

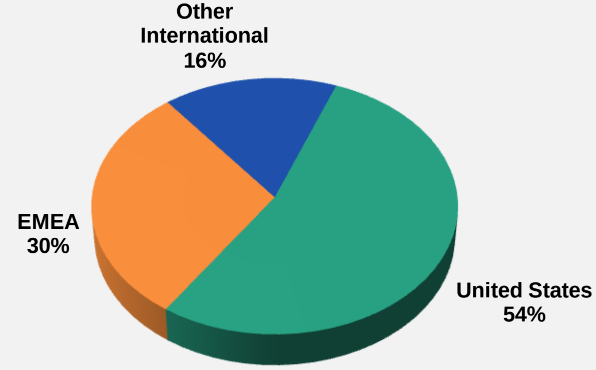
We strive to be the world's most respected authority serving credit-sensitive markets

Breadth of Moody's Businesses and Global Footprint Provide Diversification

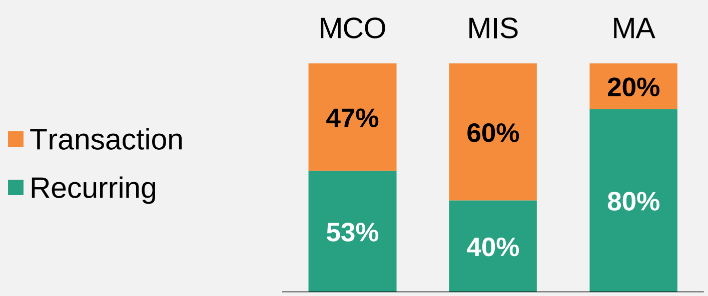
2Q 2012 REVENUE BY BUSINESS



2Q 2012 REVENUE BY GEOGRAPHY



2Q 2012 REVENUE BY TYPE



TRANSACTION AND RECURRING REVENUE

Moody's Investors Service

» **Transaction** revenue recognized when rating published

» **Recurring** revenue recognized ratably over security life

Moody's Analytics

» **Transaction** revenue recognized when service rendered

» **Recurring** revenue recognized ratably over contract period

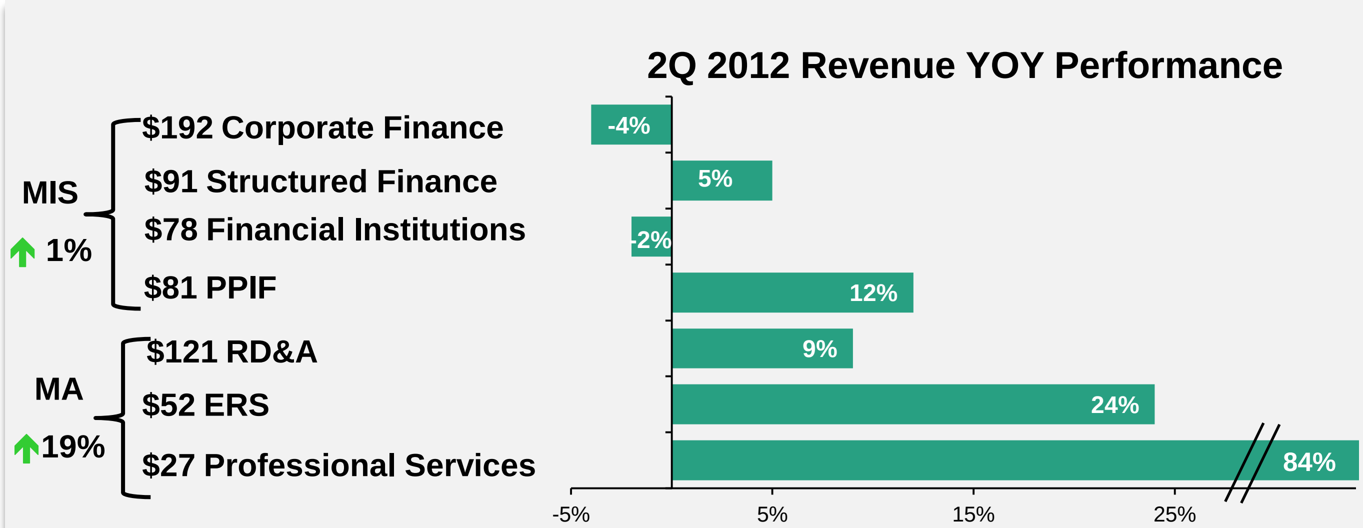
2 Financial Overview and Outlook

Solid Growth in Most Lines of Businesses at MIS in 1H 2012, Continued Strong Performance Across MA

($ millions)

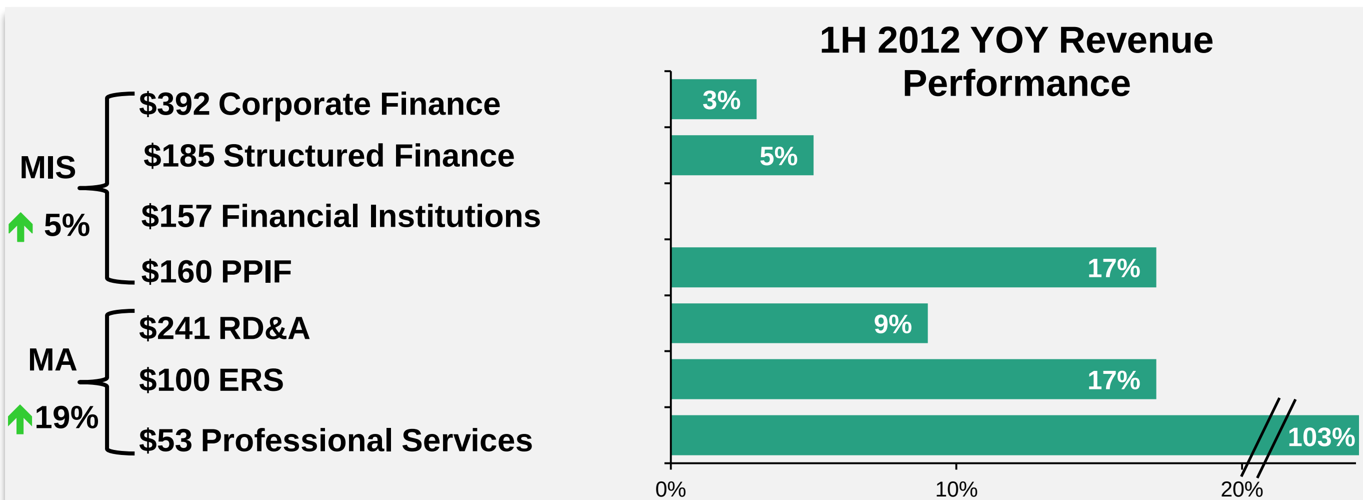
Moody's Total Revenue 2Q 2012: $641

MCO	↑ 6%
U.S.	↑ 9%
Non-U.S.	↑ 2%



Moody's Total Revenue YTD 2012: $1,288

MCO	↑ 9%
U.S.	↑ 12%
Non-U.S.	↑ 6%

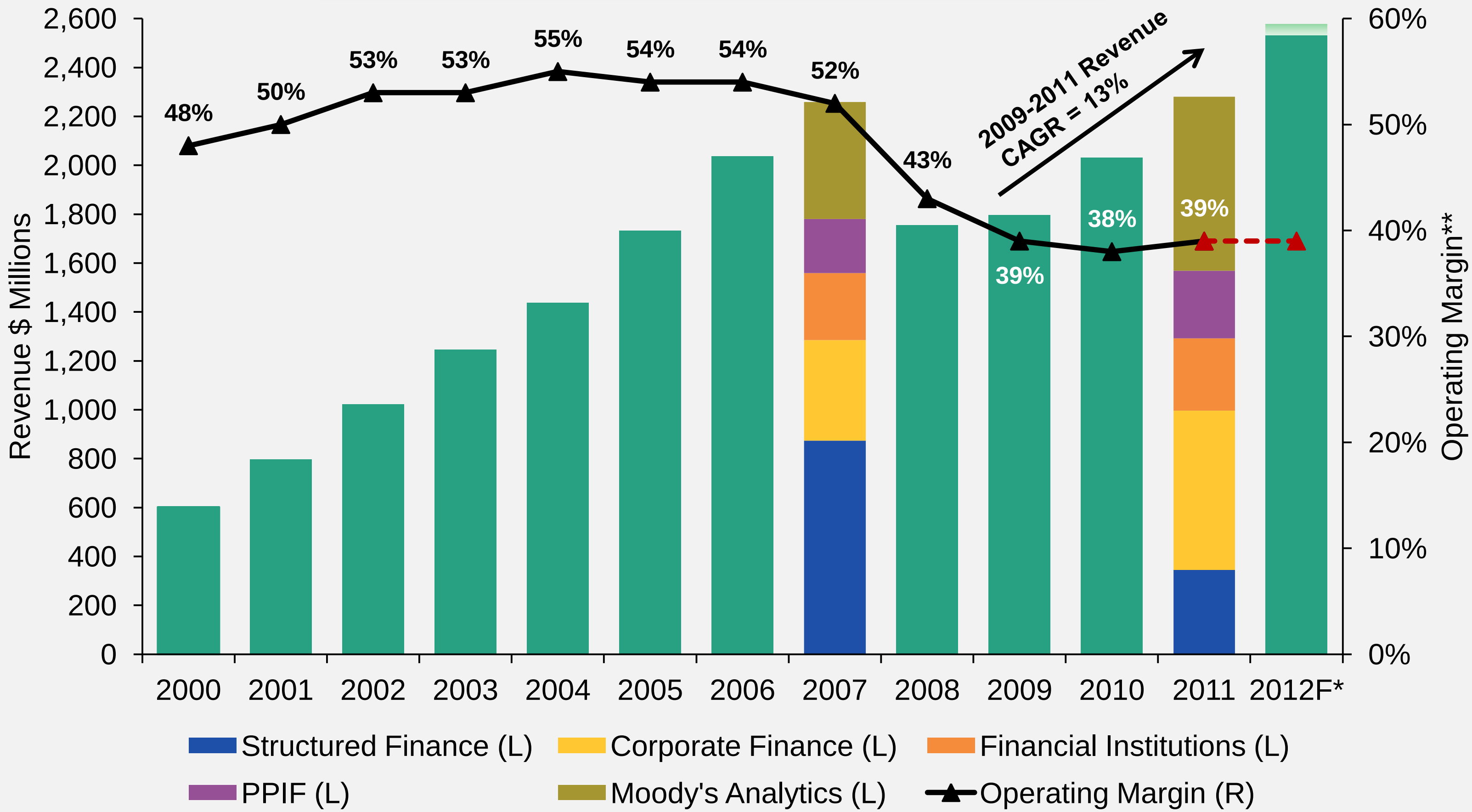


Resumed Double-Digit Revenue Growth Rate

2012 Guidance Range*

Revenue: ↑ low-double digit %

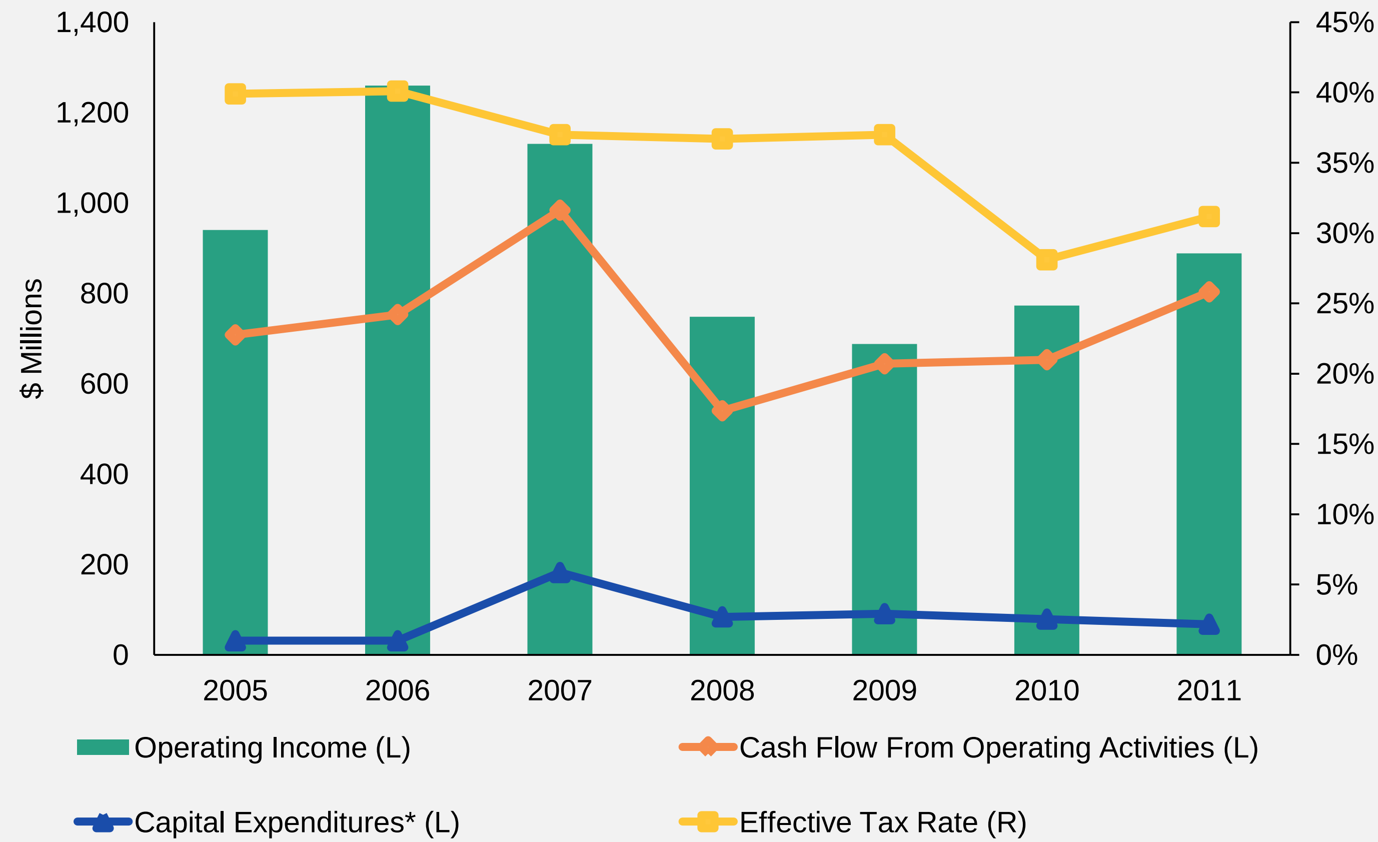
Operating Margin: ~39%



*Represents GAAP guidance provided on July 26, 2012

** Operating margin excludes the gain on sale of Moody's former NY headquarters building (2006); restructuring charges and related adjustments (2007-2009)

Solid Operating Metrics and Cash Flow Generation



» 2008-2011 CAGR: Cash Flow From Operating Activities: 14%

*2007-2010 figures include costs associated with build-out of New York and London offices

EPS Has Grown Faster Than Revenue

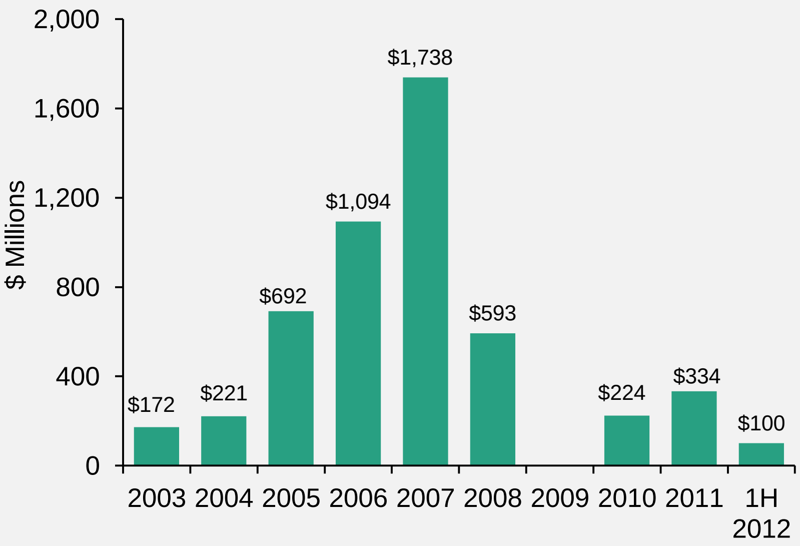
* 2012 EPS range represents GAAP guidance provided on July 26, 2012. Moody's still expects to be toward the upper end of the EPS guidance range.

Non-GAAP EPS excludes: certain legacy tax matters and adjustments (2005-2011); restructuring charges and related adjustments (2007-2009); the gain on sale of Moody's former NY headquarters building (2006). 2005 reflects impact of stock compensation expense determined as if FAS123 was adopted on its effective date. Both GAAP and non-GAAP EPS include $0.15 of tax benefits associated with foreign earnings and state taxes in 2010. 2011 GAAP EPS includes a legacy tax benefit of $0.03 in the second quarter of 2011, as well as other tax benefits totaling $0.09 in the second and third quarters of 2011. All figures adjusted to reflect 2-for-1 stock split effective May 2005.

Strong Commitment to Returning Cash to Shareholders

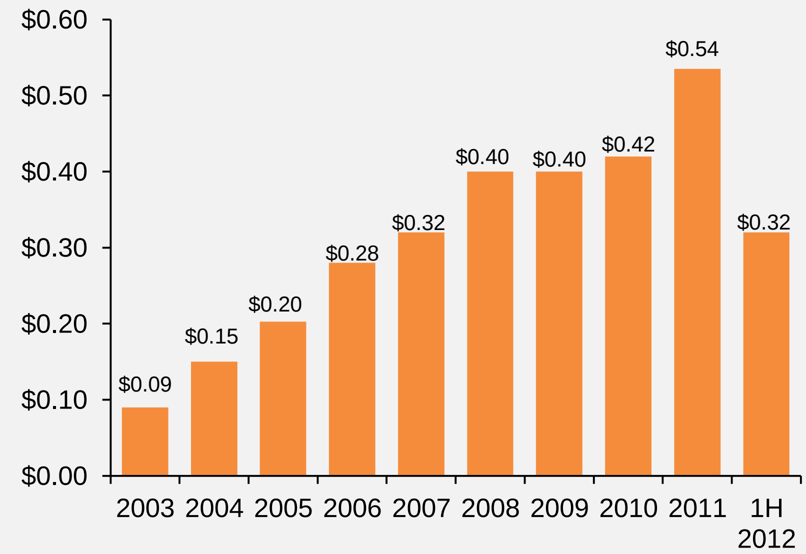
SHARE REPURCHASES

» *$0.8 billion of share repurchase authority remaining as of June 30, 2012*



DIVIDENDS PAID PER SHARE

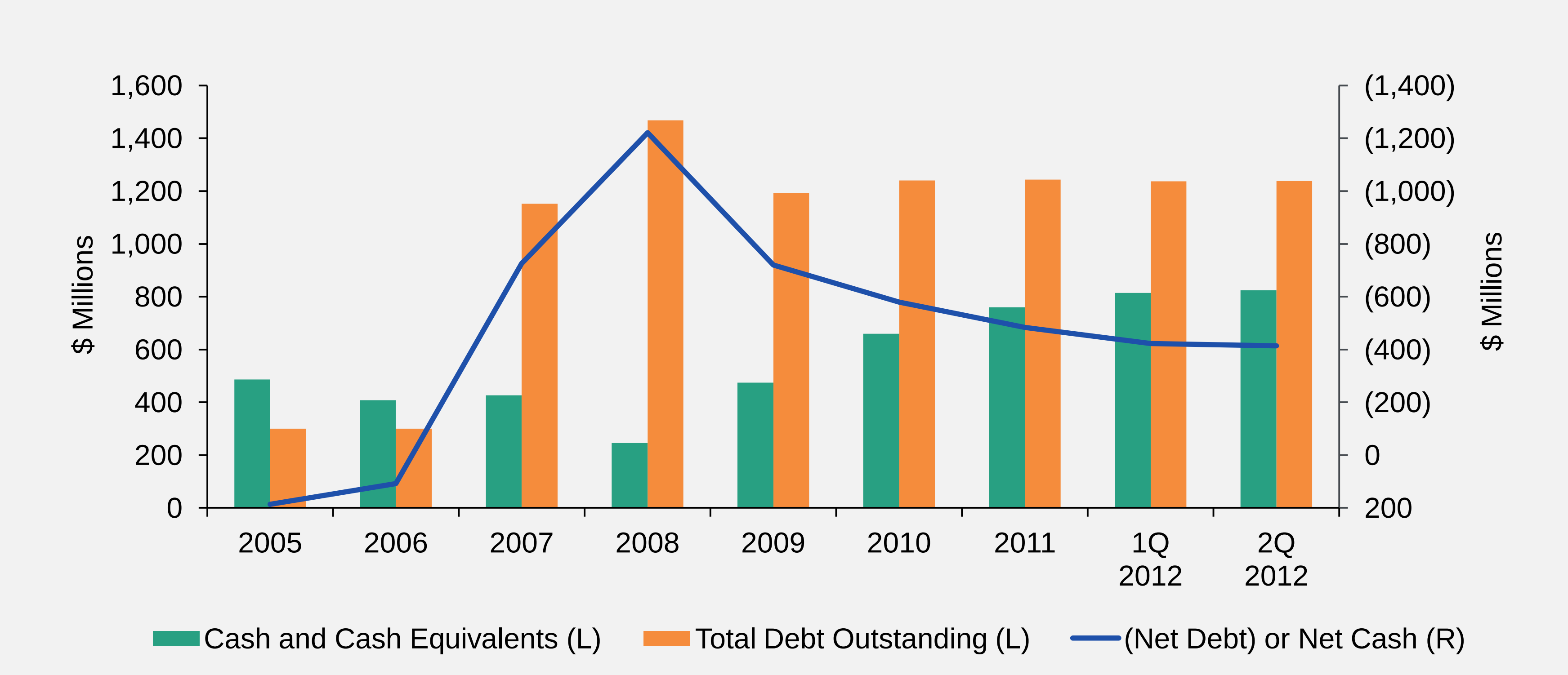
» *Current annualized dividend of $0.64, up 19% compared to the $0.54 paid in 2011*



» Repurchased 2.7 million shares for a total cost of $100 million in 2Q 2012

» Still expect full-year 2012 share repurchases of $200 million, subject to available cash, market conditions, and other, ongoing capital allocation decisions

Balance Sheet Remains Strong



- » Cash flow generation continues to be strong
- » As of June 30, 2012, approximately 85% of cash was held offshore
- » $1 billion of additional capacity available under revolving credit facility
- » No major debt repayment due until 2015

Full-Year 2012 Guidance as of July 26, 2012

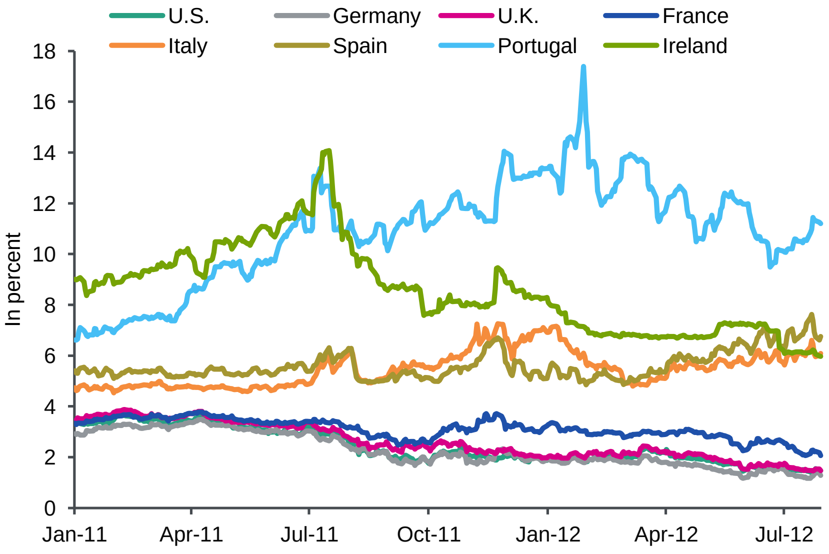
» **Revenue:**	↑ Low-double-digit % range
» **Operating Expenses:**	↑ Low-double-digit % range
» **Operating Margin:**	Approximately 39%
» **Effective Tax Rate:**	Approximately 33%
» **Earnings Per Share:**	In the range of \$2.62 - \$2.72; expecting to be toward the upper end of the range
» **Share Repurchase:**	Approximately \$200 million (subject to available cash, market conditions, and other, ongoing capital allocation decisions)
» **Capital Expenditures:**	Approximately \$60-70 million
» **Depreciation & Amortization:**	Approximately \$100 million
» **Incremental Compliance & Regulatory Expenses:**	\$10-15 million

3

Macro Summary

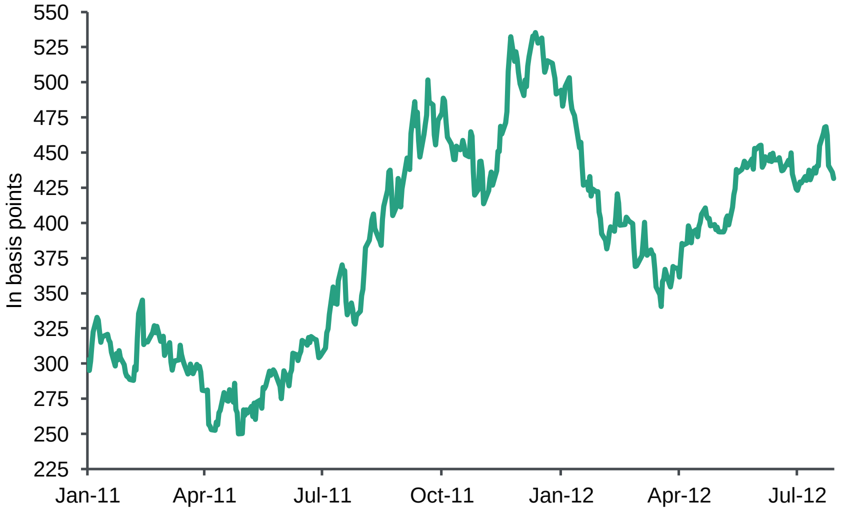
Challenging Environment for European Sovereigns and Banks

10-Year Government Bond Yields



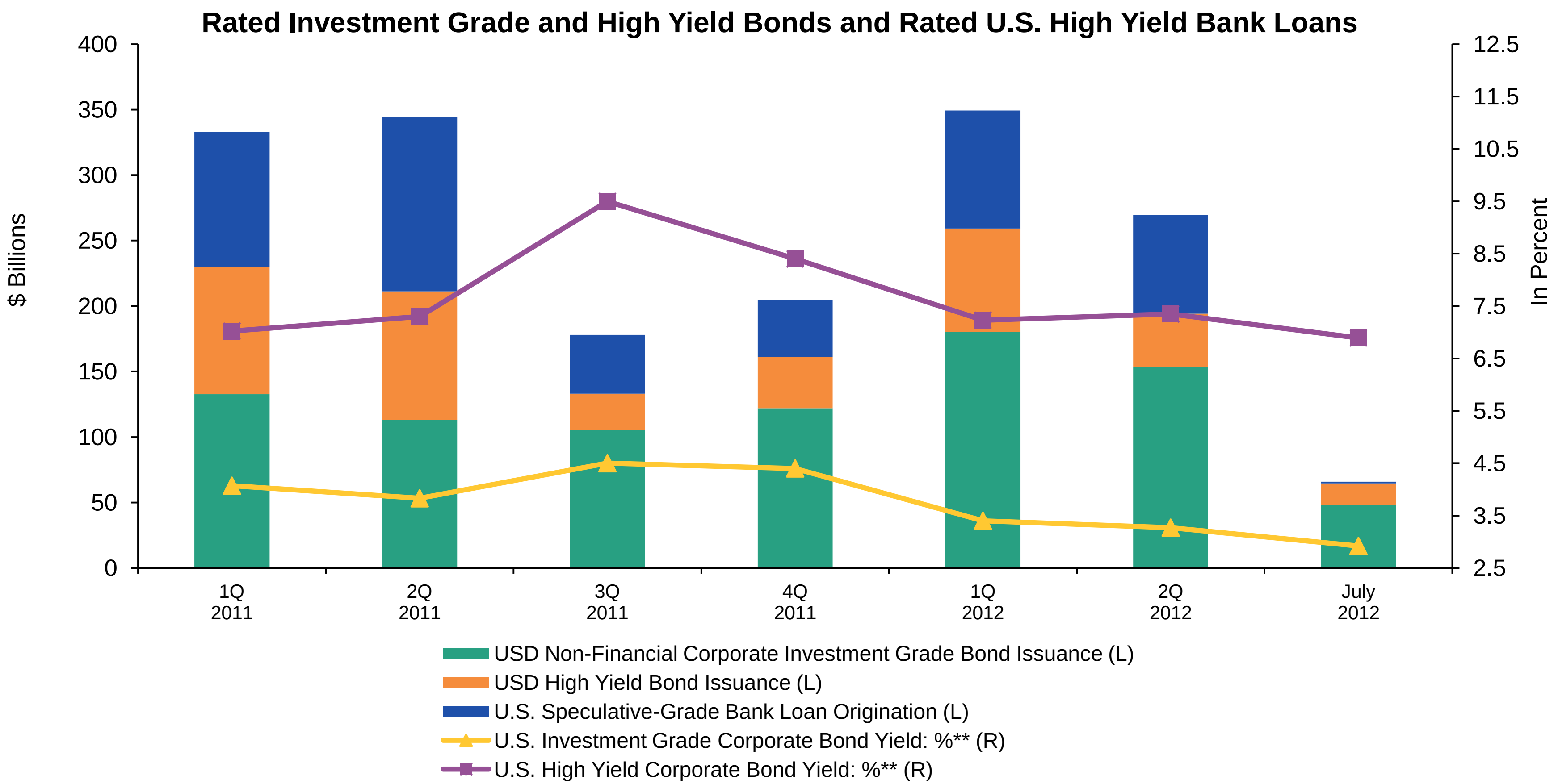
Source: Bloomberg, Moody's Analytics, data as of July 31, 2012

European Bank CDS Spreads



Source: Markit, Moody's Analytics, data as of July 31, 2012. Represents an average of European bank CDS spreads

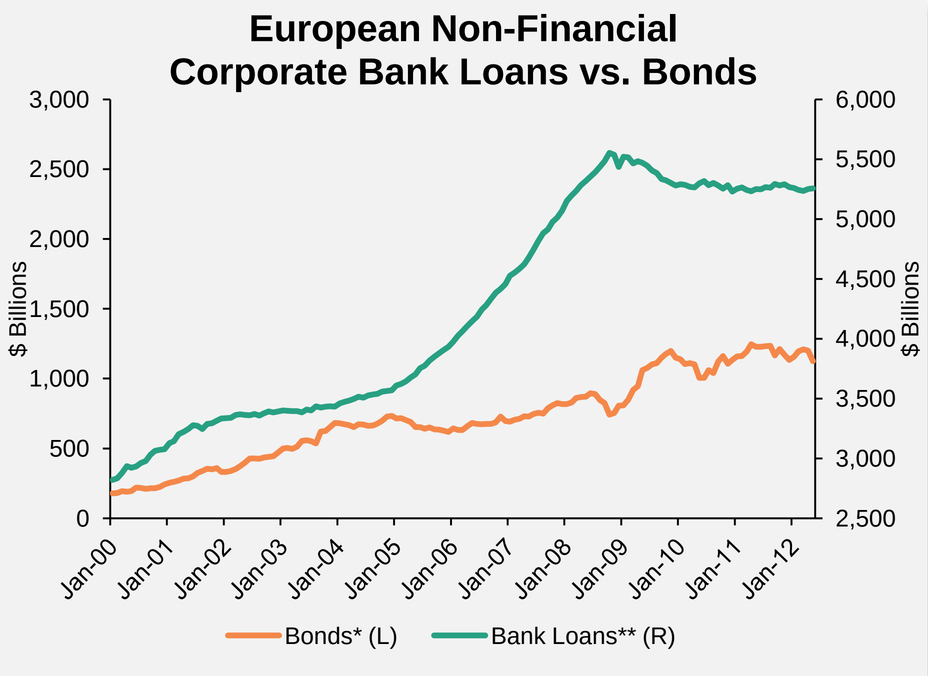
U.S. Issuance Overview*

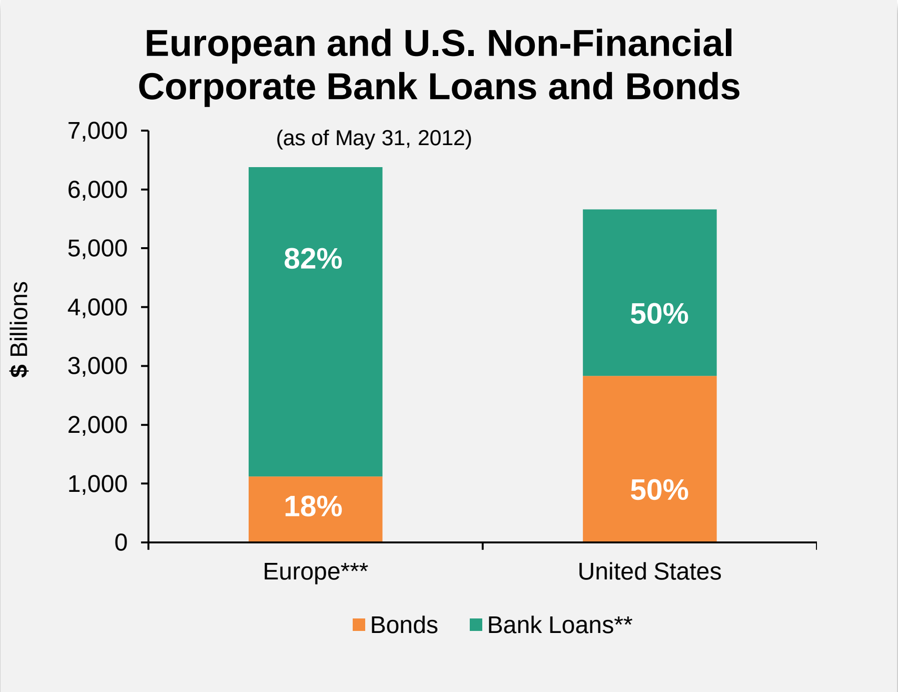


» Average U.S. investment grade corporate bond yield at record low

Source: Dealogic, Barclays Capital, Moody's Capital Markets Research Group. U.S. Bank Loan issuance represents Moody's rated new U.S. bank loan programs
* Debt issuance categories do not directly correspond to Moody's revenue categorization
**% yield on last day of each respective time period

European Capital Markets Have Room For Growth

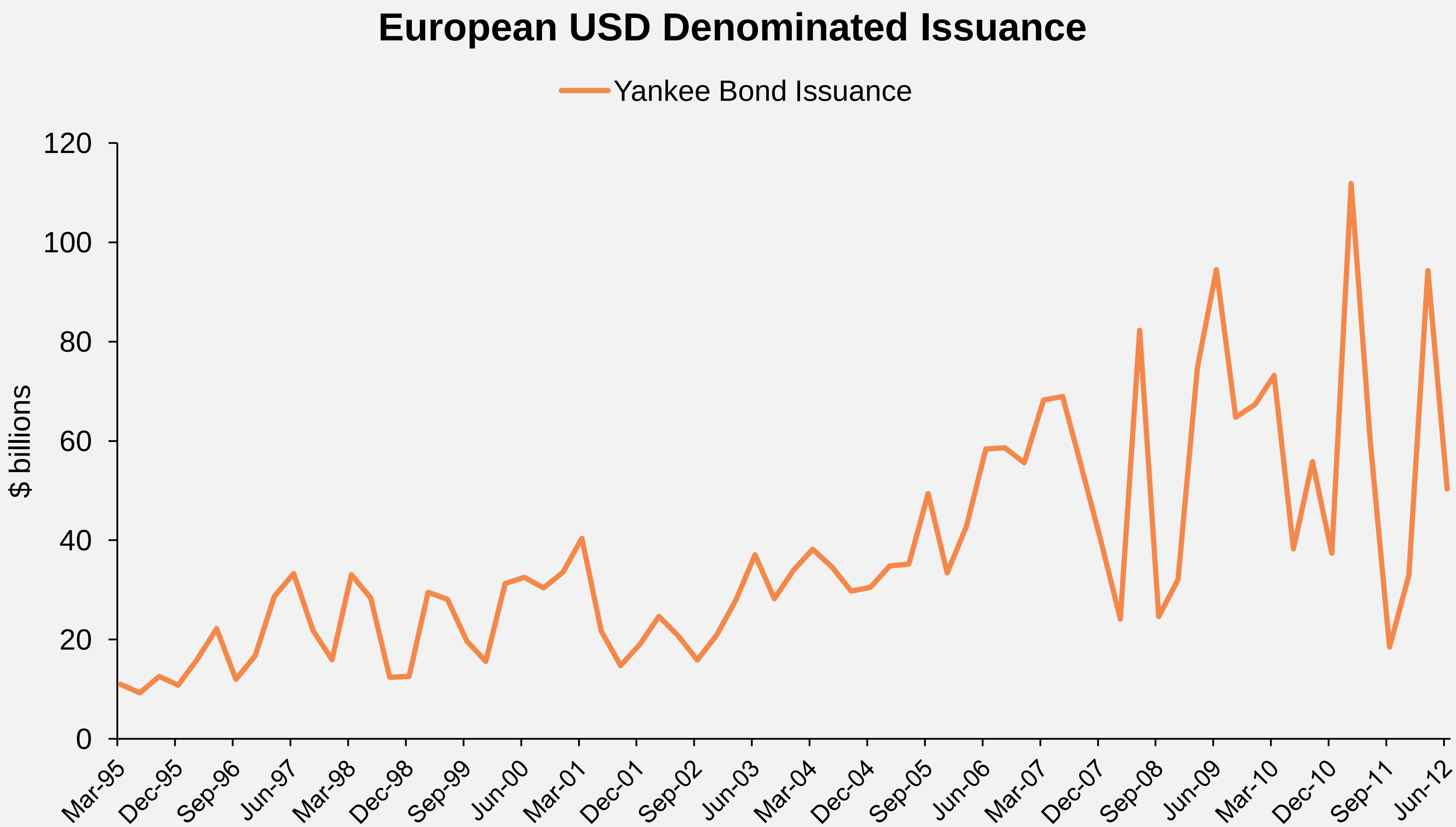




- January 2000-May 2012 CAGR: Bonds: 16%, Loans: 5%
- Historically, European companies have relied more on banks than their American counterparts
- According to Dealogic, in the first half of 2012 European companies raised more money from the bond markets than from bank loans

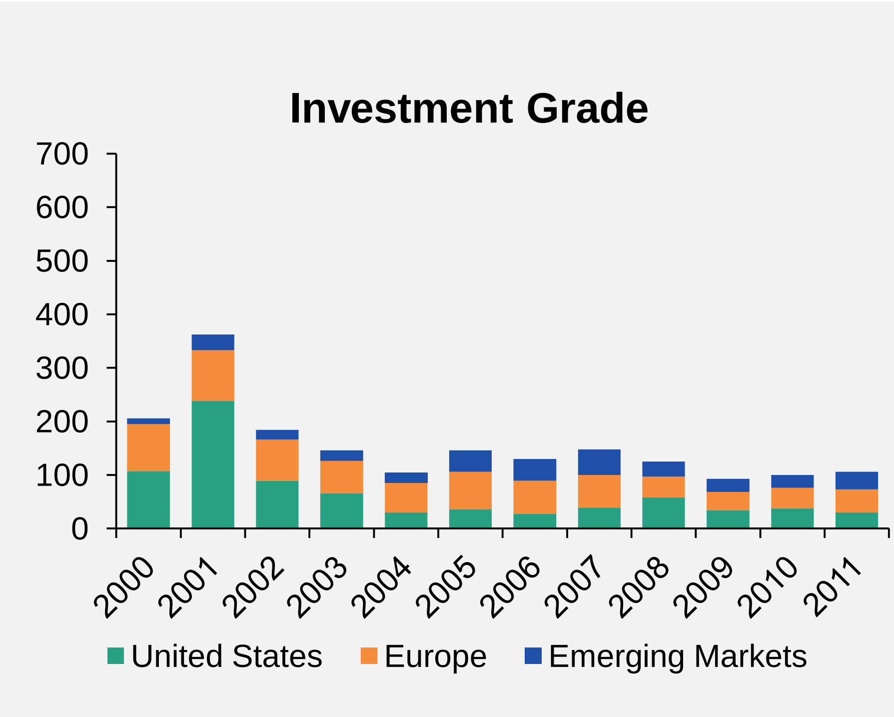
Source: Federal Reserve, ECB, Barcap Indices, Moody's Capital Markets Research Group; Data as of May 31, 2012.
* Includes Investment Grade and High Yield euro and sterling denominated debt.
Includes Eurozone and UK bank loans. * European bond data represents euro and sterling denominated debt. European loan data represents Eurozone and UK bank loans.

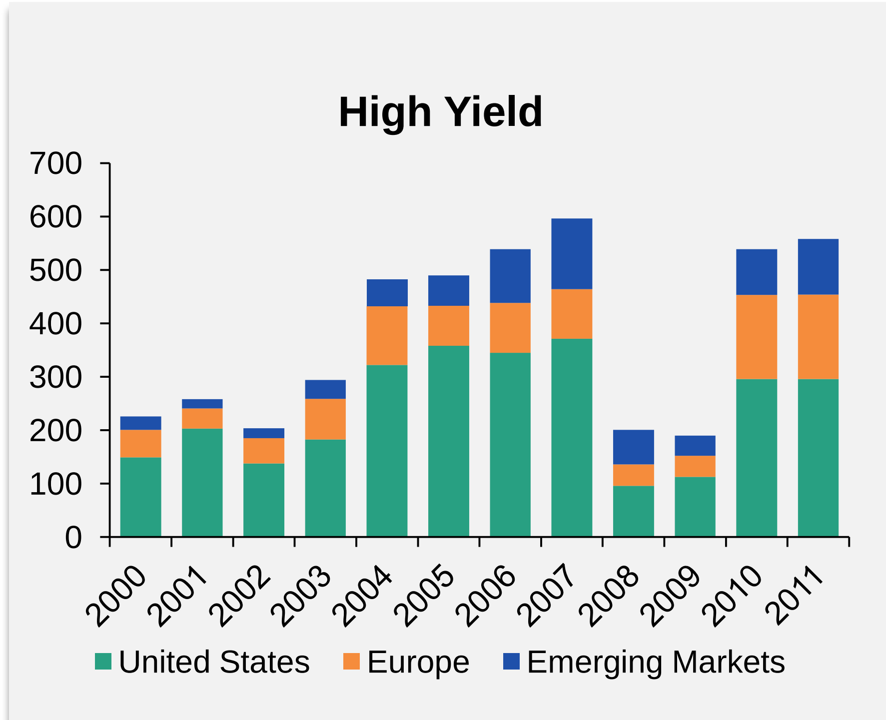
European Corporates Issuing in the USD Market



* Includes investment grade and high yield corporate bond issuance (financial and non-financial)
Source: Dealogic, Moody's Capital Markets Research Group. Data as of 2Q 2012.

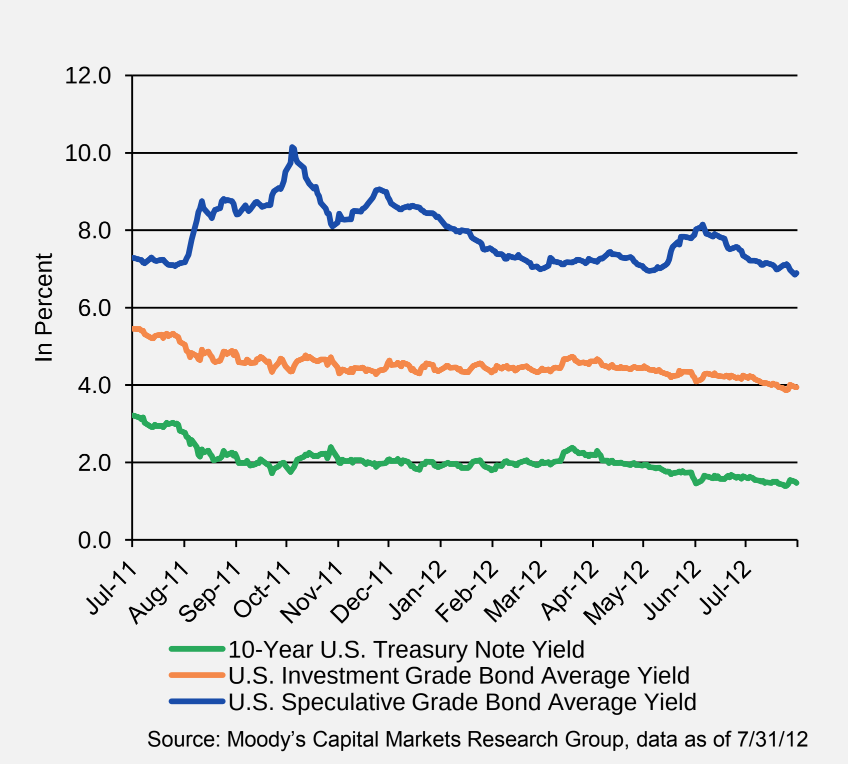
Newly Rated Corporate Issuers* Across Global Markets

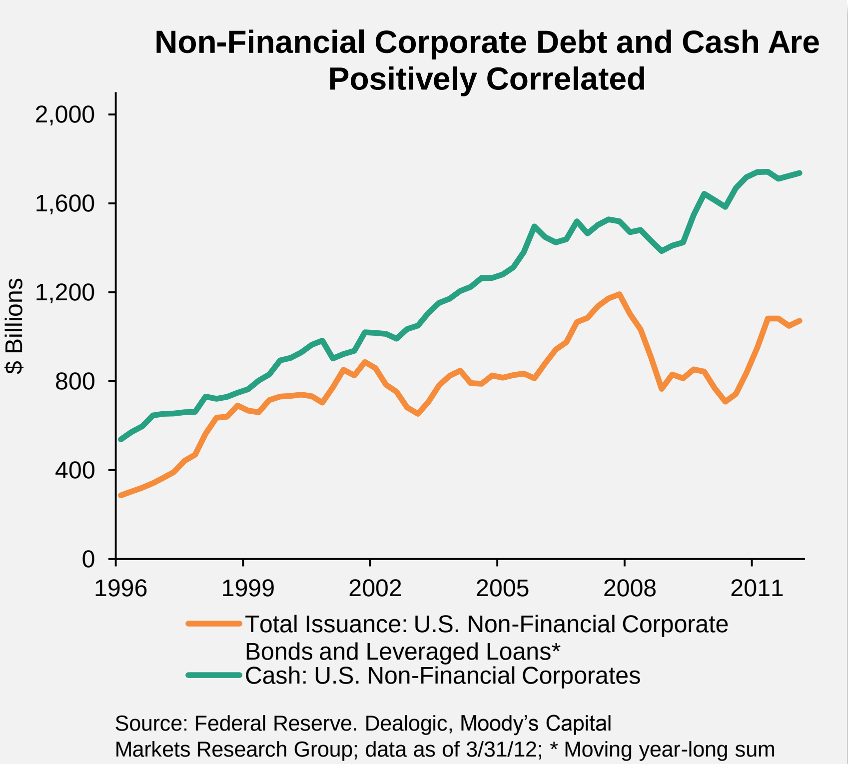




Source: Moody's Investors Service
* Rated by Moody's Investors Service. Annual count of newly rated non-financial corporate issuers

Corporates Continue to Issue Debt Despite Record Cash Holdings



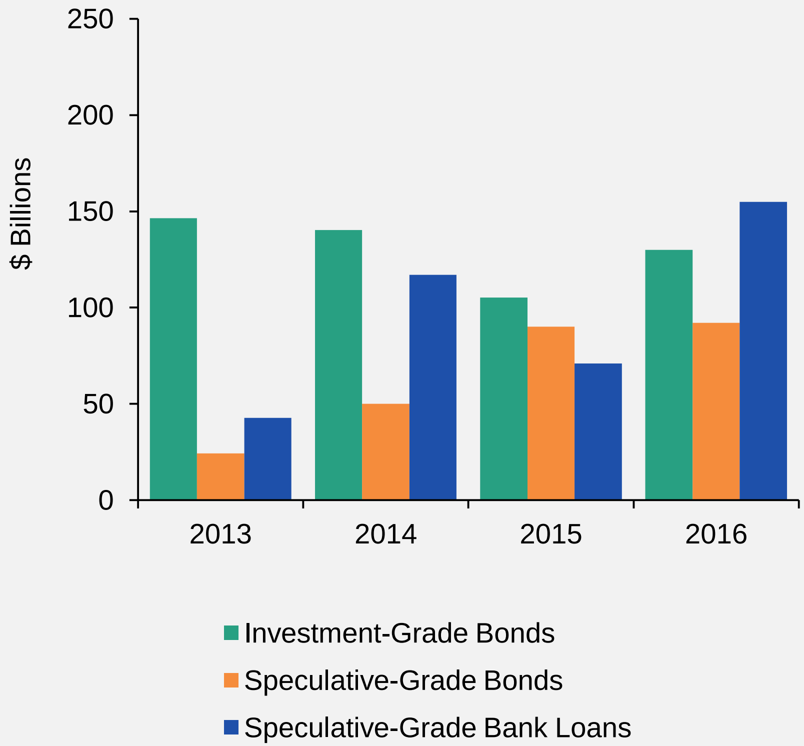


- 10-Year U.S. treasury note yield and U.S. investment grade bond average yields are near historic lows
- On August 1, 2012, the Federal Reserve stated it currently anticipates that economic conditions are "likely to warrant exceptionally low levels for the federal funds rate at least through late 2014"
- As of December 31, 2011, it is estimated that U.S. companies hold close to $700 billion in cash overseas, or more than half of their $1.24 trillion cash stockpile,** requiring many of them to continue to tap the capital markets

**Source: Moody's Investors Service

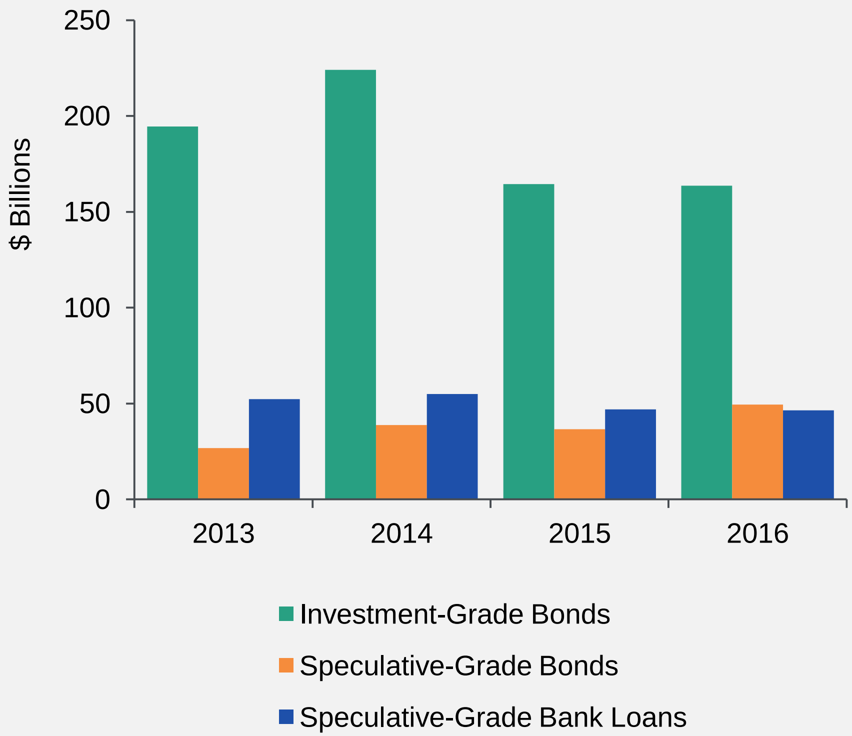
Significant Refunding Needs Remain

Debt Maturities: U.S. Moody's-Rated Corporate Bonds and Loans



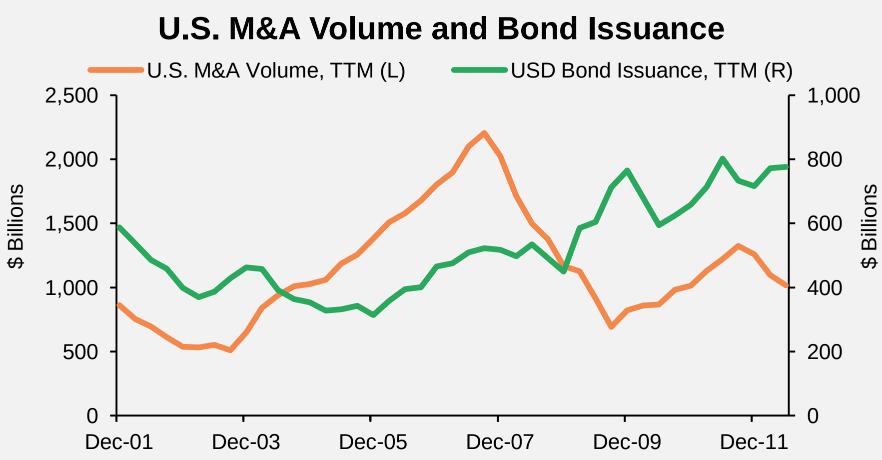
Source: Moody's Investors Service, February 2012

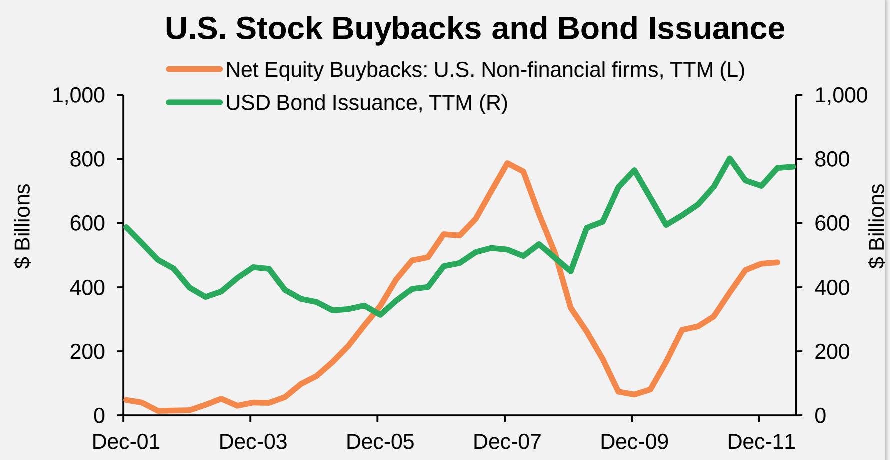
Debt Maturities: EMEA Moody's-Rated Corporate Bonds and Loans

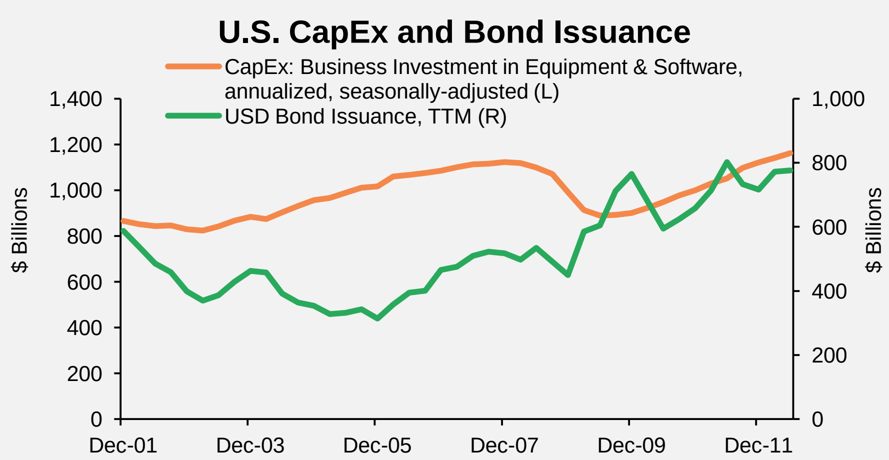


Source: Moody's Investors Service, July 2012

Financing for M&A, Equity Buybacks and Capital Expenditures Contributes to Issuance

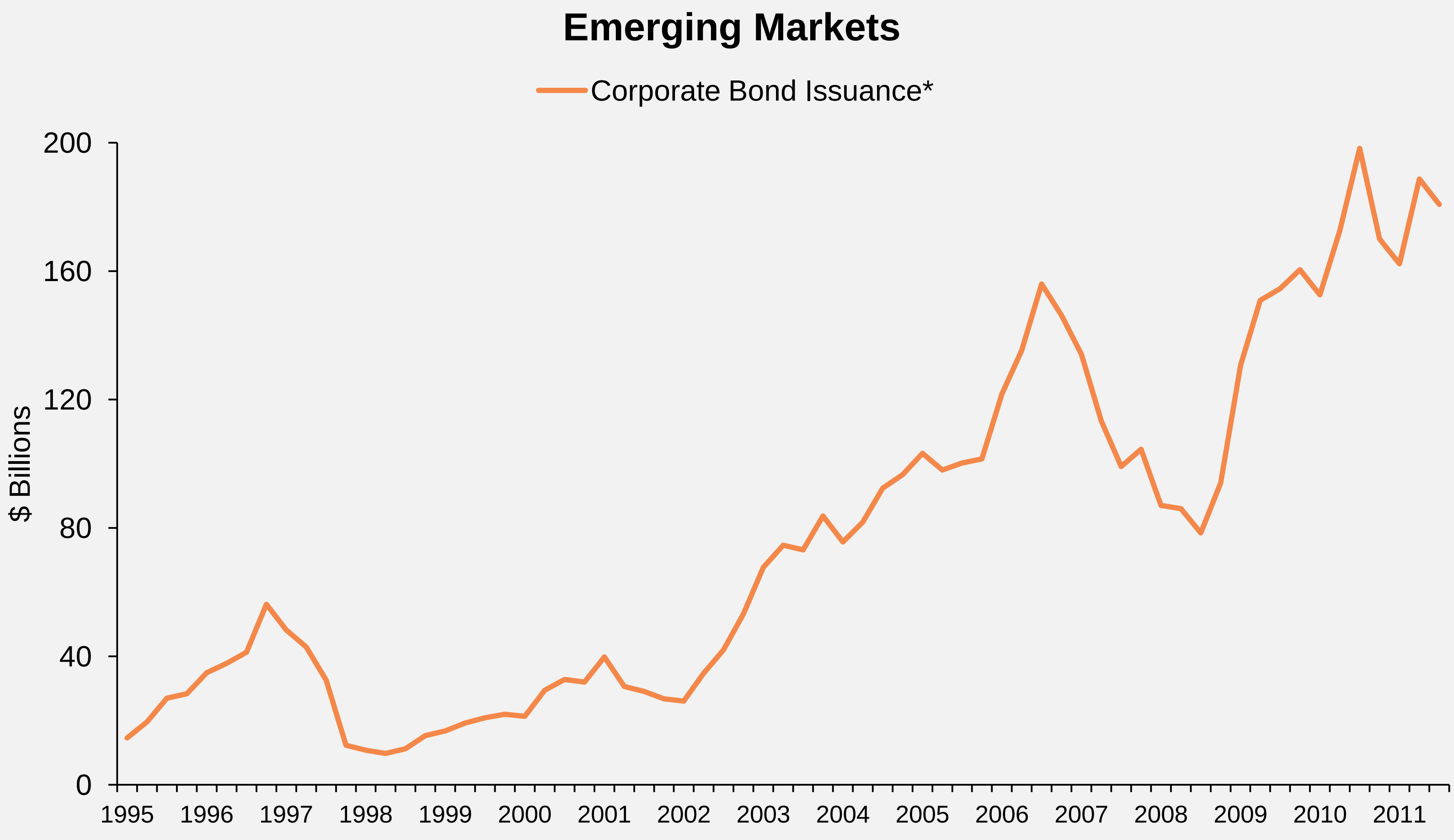






Source: Moody's Capital Markets Research Group. U.S. M&A Volume, USD Bond Issuance and U.S. CapEx as of 6/30/12. U.S. Stock Buybacks as of 3/31/12.

Small, But Growing Emerging Market Bond Issuance

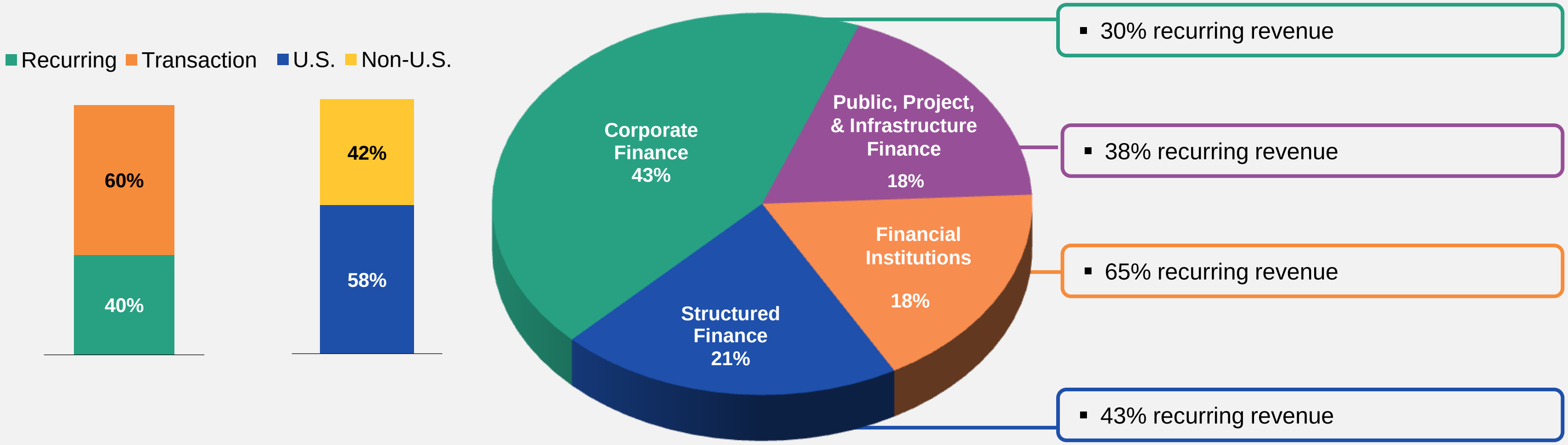


*Moving 12 month sum; includes rated investment grade and high yield corporate bond issuance (financial and non-financial)
Source: Dealogic, Moody's Capital Markets Research Group. Data as of 2Q 2012.

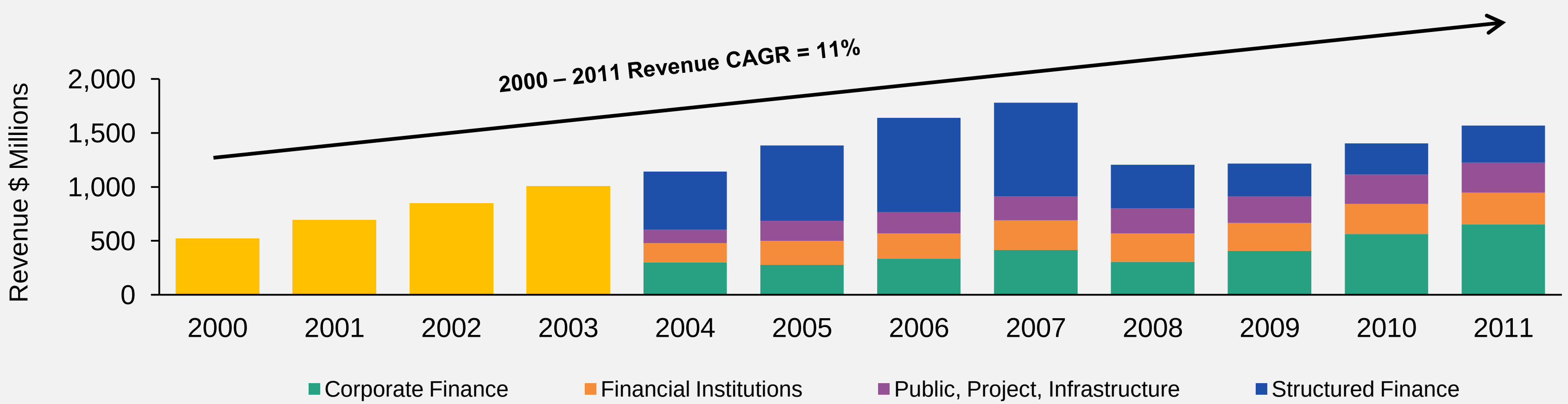
4 Moody's Investors Service

Moody's Investors Service Financial Profile

2Q12 Revenue: $441.2 million[1]

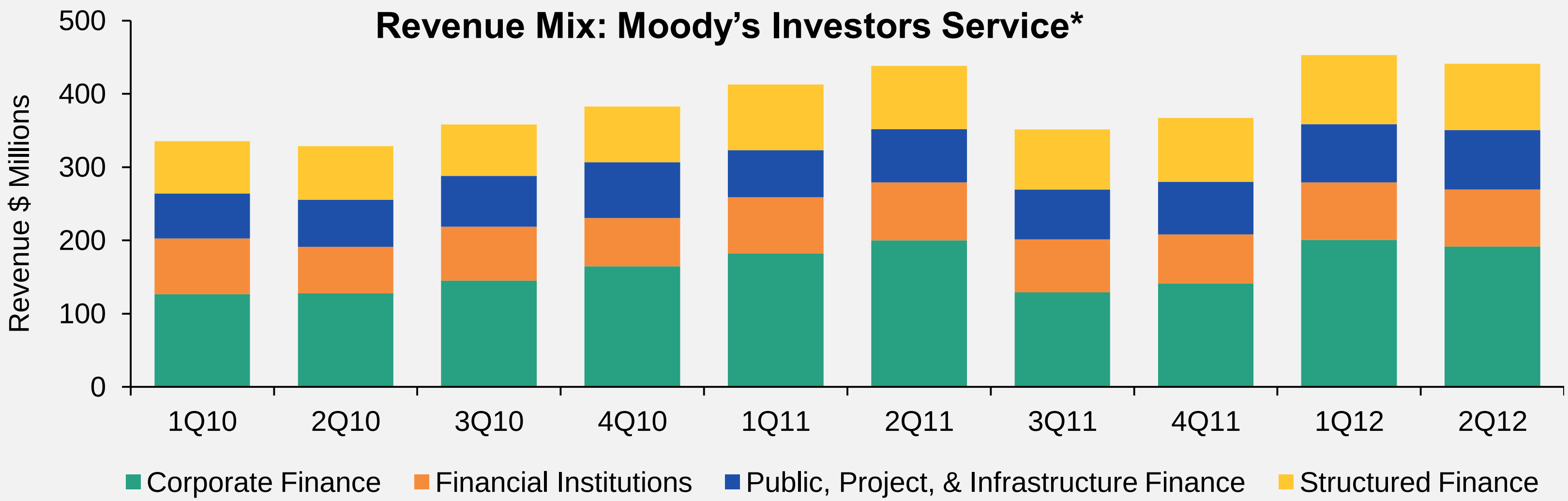


Revenue History[1] [2]



(1) Excludes intersegment royalty revenues. (2) Prior to 2008, data excludes MIS research revenue. 2004 – 2008 line of business data has been adjusted to conform with current information.

Strength in Public and Structured Finance Issuance Drove 2Q 2012 Revenue Growth



* Historical data has been adjusted to conform with current information

- Corporate finance speculative-grade bond and bank loan issuance was down in 2Q 2012 against a near-record prior-year period
- Financial institutions revenue has a large recurring component and is relatively inelastic to issuance due to predominance of frequent-issuer contracts with larger financial institutions
- Growth in 2Q 2012 U.S. public finance driven by continued low interest rates, strong refunding volume, and pent up capital demand
- Structured finance growth in 2Q 2012 driven by increased CLO activity and continued strength in ABS issuance in the U.S.

Regional Regulatory Developments

United States: *(the following developments are related to the Dodd-Frank Act)*

- SEC is expected to adopt final rules relevant to NRSROs by year-end 2012
- SEC study about the feasibility of establishing an alternative system for allocating credit rating assignments for structured finance products is expected to be completed by year-end 2012

European Union:

- Moody's received its EU registration by ESMA in October 2011
- In November 2011, the European Commission released new regulatory reform proposals for the rating agency industry (CRA3)
- The European legislative process requires that the European Parliament and the Council of Finance Ministers each produce its own version of the text, and then enter into discussions with the Commission
- In May and June 2012, the Council and the Parliament, respectively, finalized their positions on CRA3. We expect the necessary compromise discussions to continue through the autumn months and for CRA3 to be finalized before year-end 2012

CRA3

Oct 2011
Draft European Commission proposal reported in media

Nov 2011
European Commission formally publishes the proposal

Feb 2012
European Parliament begins amendment process

May 2012
European Council of Finance Ministers agrees on its amendments to the Commission's text

Jun 2012
European Parliament agrees on its amendments to the Commission's text

Discussions among Commission, Council and Parliament – agreement on common text

***Estimated* Year End 2012**
CRA3 adopted?

Moody's Views on the European Commission's Proposal

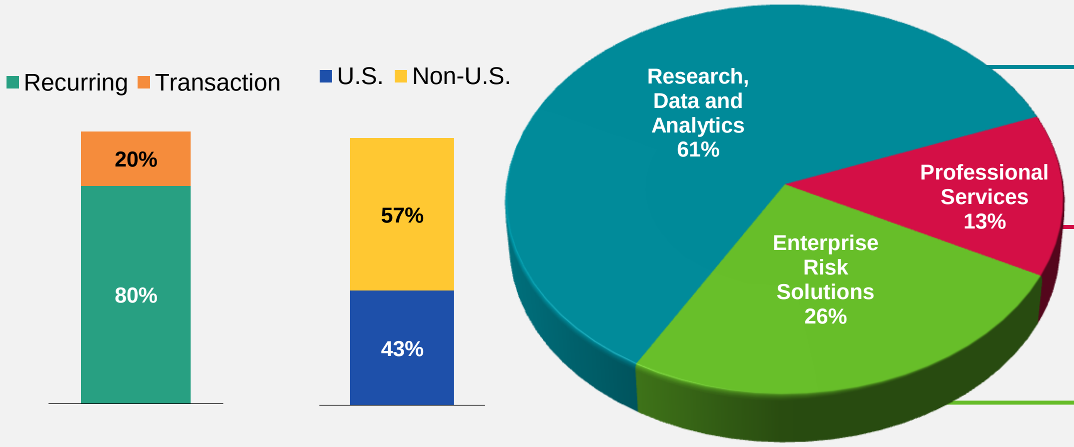
- Moody's agrees with some of CRA3's components as introduced by the Commission
- Moody's is concerned that other parts of the proposal, as introduced by the Commission, such as mandatory rotation of credit rating agencies, would not further the objective of increasing rating quality and would instead be damaging to Europe's capital markets
- Moody's continues discussions with various decision makers and market participants regarding the impact of CRA3 as the debate develops

5

Moody’s Analytics

Moody's Analytics Financial Profile

2Q12 Revenue: $199.6 million[1]

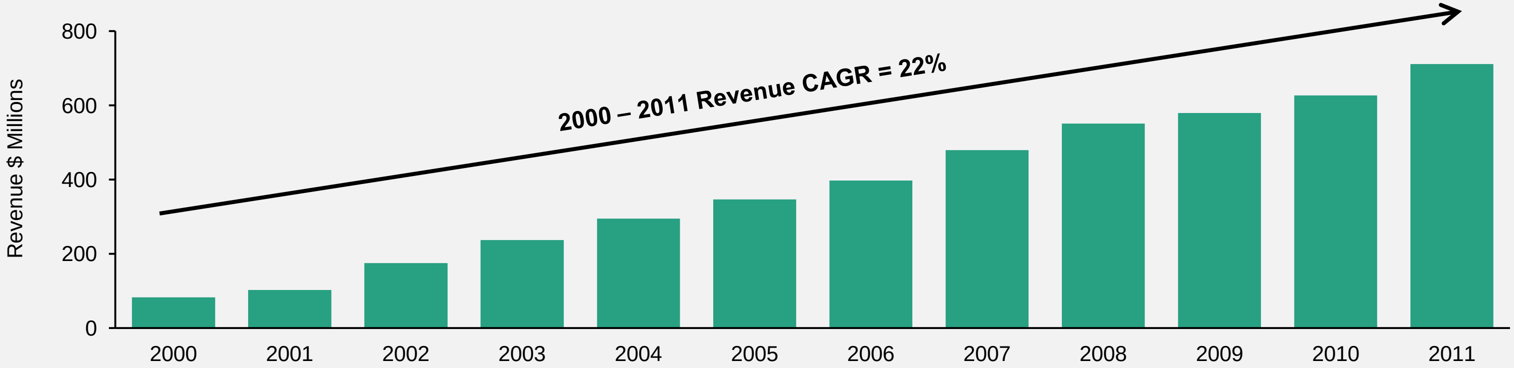


- ~100% recurring revenue
- 90%+ renewal rates
- Highly profitable

- Combination of one-off contracts and semi-recurring revenue
- Good prospects in new markets

- ~65% recurring revenue
- Double-digit long term revenue growth
- Margin expansion with growth in scale

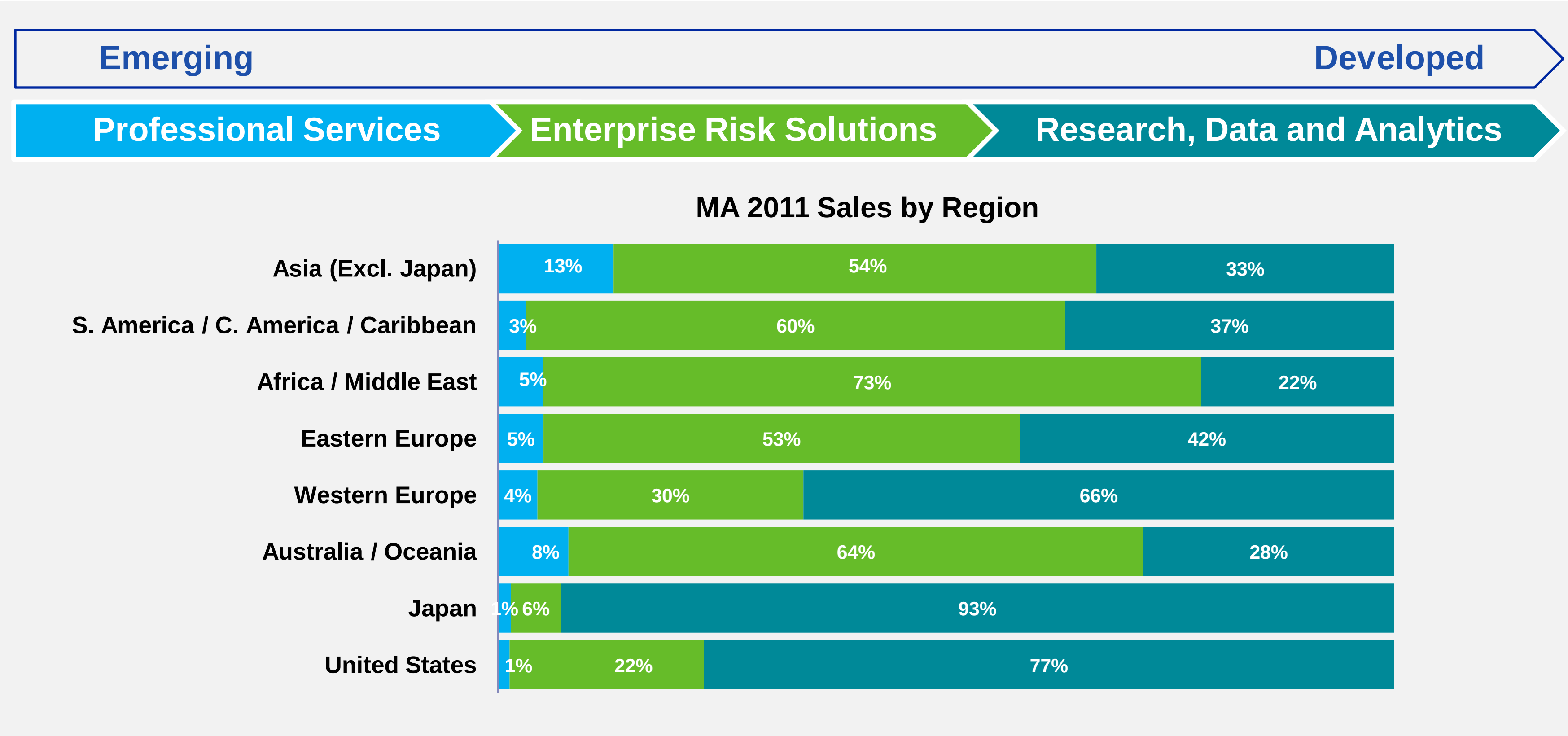
Revenue History [1][2]



(1) Excludes intersegment license revenues. (2) Prior to 2008, data reflects MIS research revenue and Moody's KMV revenue. 2004 - 2011 data also includes revenue from acquisitions.

Relevant to Financial Markets at All Stages of Development

» Moody’s Analytics enables us to increase our presence in emerging markets, selling products and services before debt capital markets are fully mature



Moody's Analytics Extends Its Reach Into Attractive Adjacencies

Acquisitions

Moody's Investors Service — Credit Research

- **2002** K·M·V — Quantitative Credit Analysis
- **2005** Economy·com — Economic & Consumer Analytics
- **2006** Wall Street Analytics — Structured Analytics
- **2008** Fermat — Enterprise Risk Management
- **2010** CSI — Financial Services Training & Certification
- **2011** Copal Partners — Knowledge Process Outsourcing
- **2011** barrie+hibbert — Insurance Analytics

» Financial information focus is key to our long-term growth

» We take a methodical approach, based on long-term growth prospects, margins and competitive landscape, to fully assess attractiveness of potential acquisitions

Recognized Leader by Customers and 3rd Parties

Risk Magazine *Firms of the Future*

» Featured among 7 other technology vendors as a "Firm of the Future" that will be most influential over the next five years

Risk Magazine Reader's Choice Technology Rankings

» **#1** Basel III ERM Compliance

» **#1** Regulatory Risk Capital Calculation

» **#1** Regulatory Compliance and Reporting

AsiaRisk Magazine Reader's Choice Technology Rankings

» **#1** Economic Capital Calculation and Management

» **#2** Liquidity Risk Management

Waters Magazine Rankings

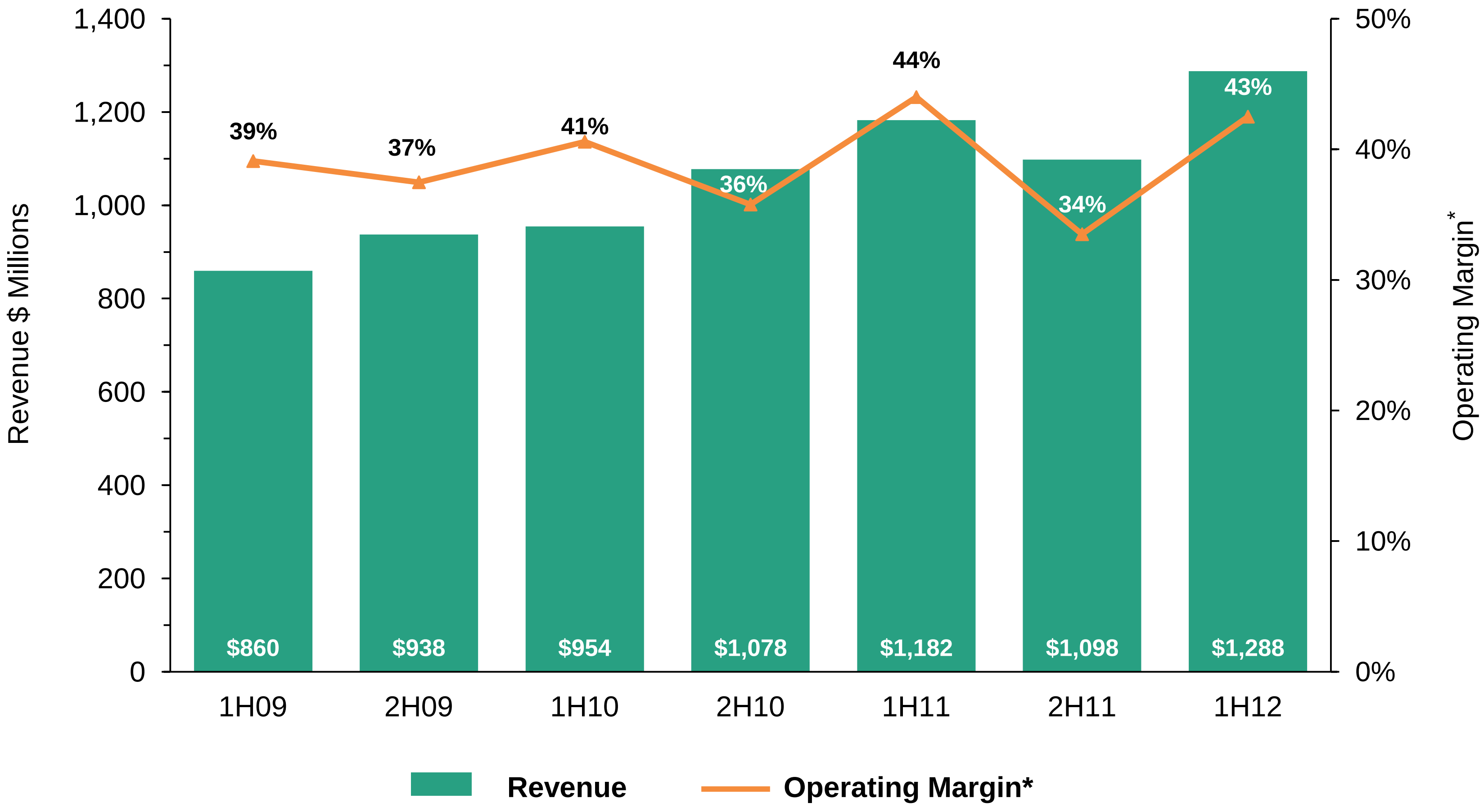
» Best Credit Risk Solution Provider 3 years in a row

Chartis RiskTech 100

» **#1** in Credit Risk overall

6 Appendix

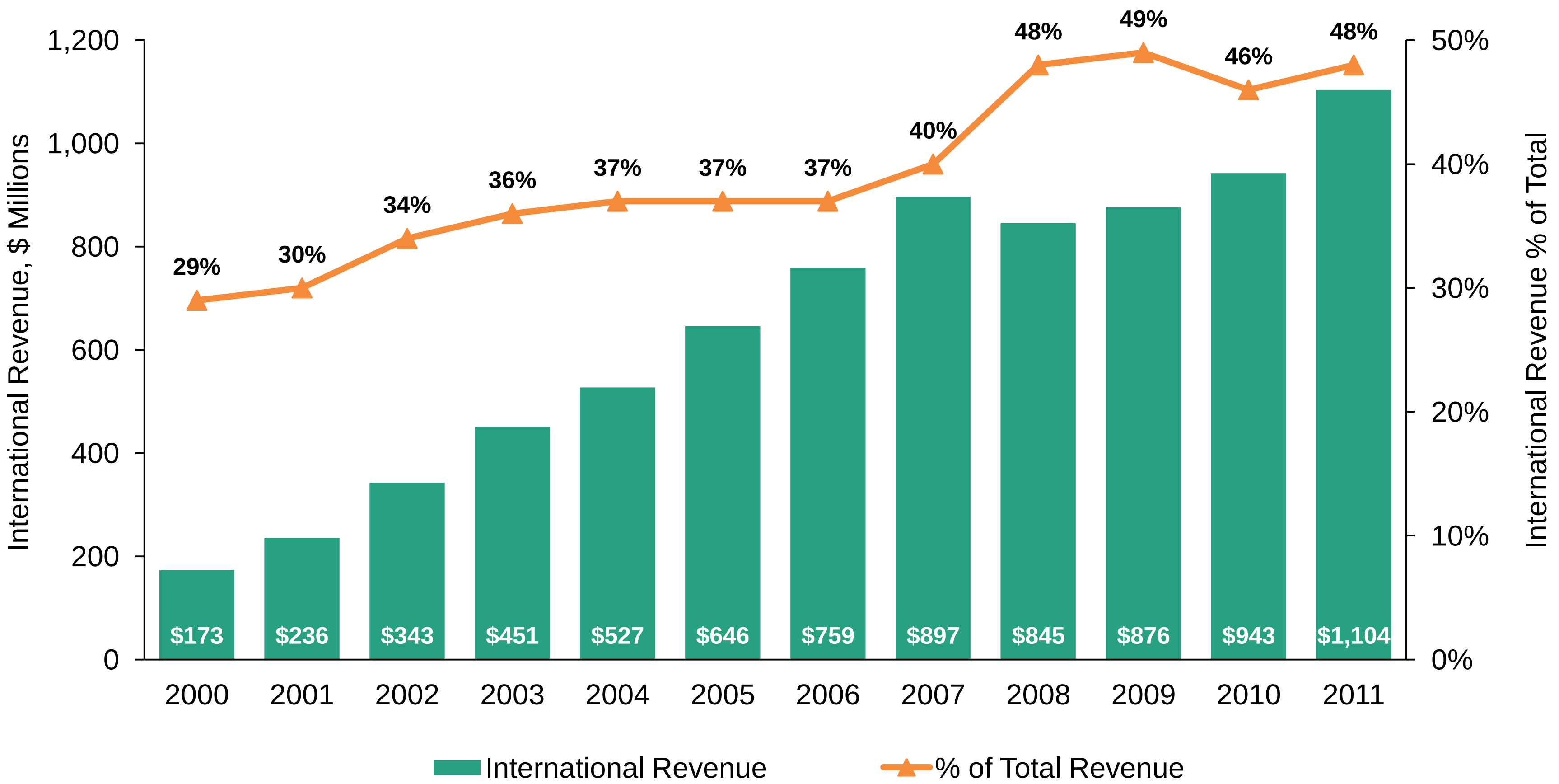
Revenue and Operating Margin by Half



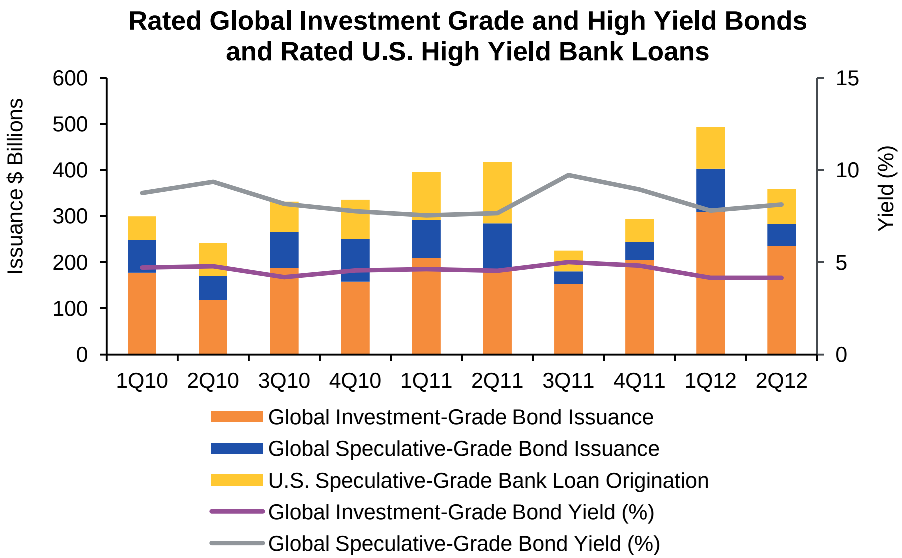
* Operating margin excludes restructuring charges and related adjustments

Moody's International Growth

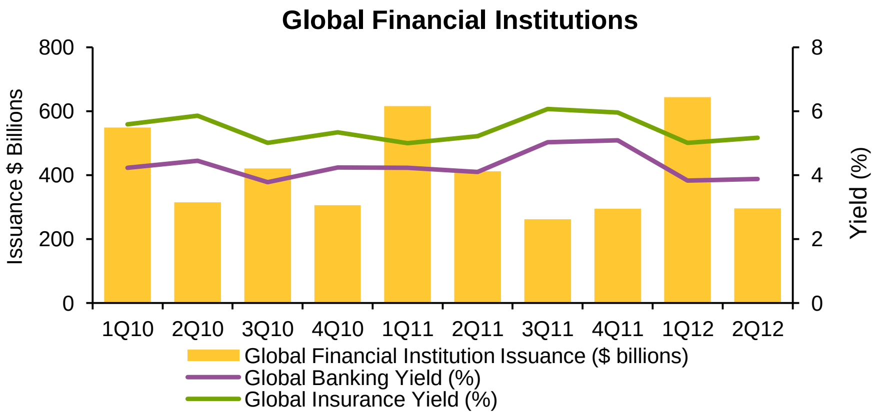
2000-2011 INTERNATIONAL REVENUE CAGR = 18%



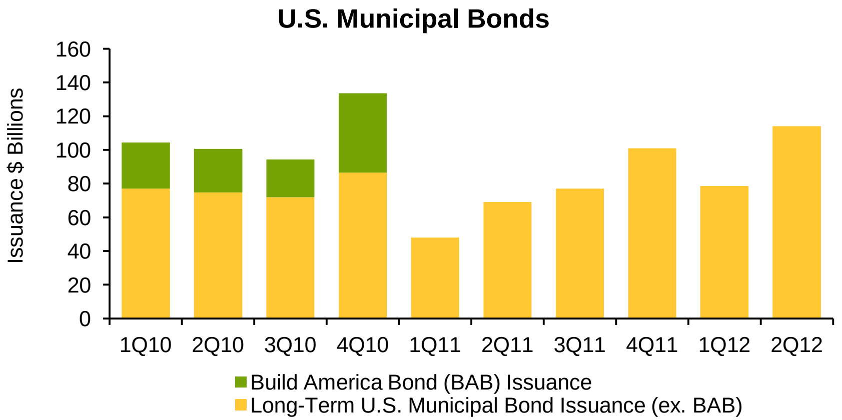
Issuance* and Yields: By Quarter



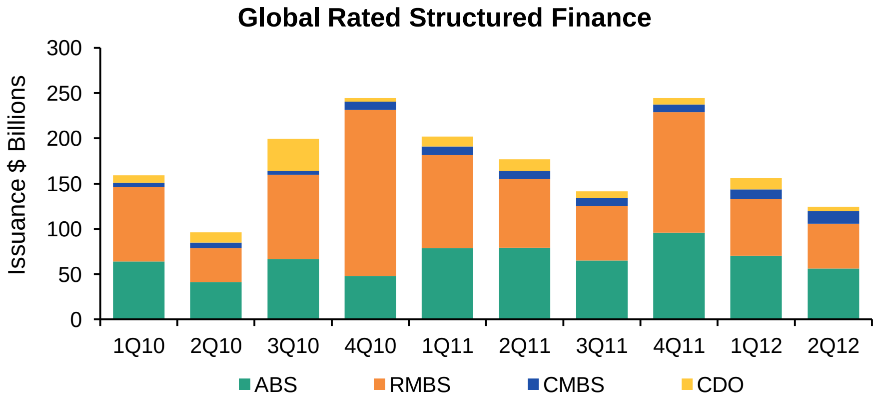
Source: Moody's Capital Markets Research Group, Dealogic, Barclay's Capital; Investment-Grade and Speculative-Grade Bond issuance includes financial and non-financial corporates; U.S. Speculative-Grade Bank Loan Origination issuance represents Moody's rated new U.S. bank loan programs



Source: Moody's Capital Markets Research Group, Dealogic, Barclay's Capital



Source: Bond Buyer

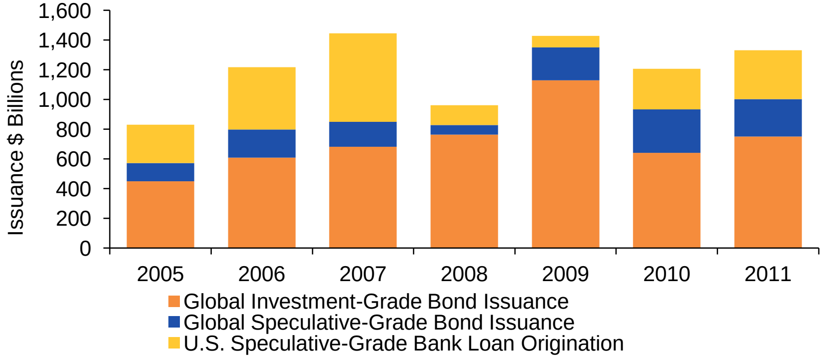


Source: AB Alert, CM Alert, Moody's Corporation

*Debt issuance categories do not directly correspond to Moody's revenue categorization

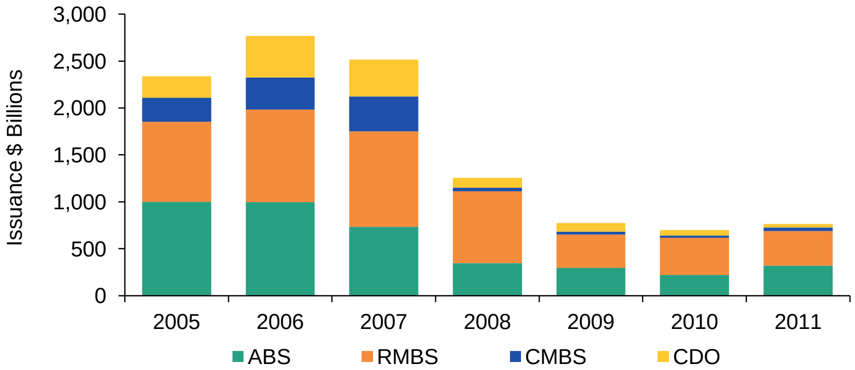
Issuance*: By Year

Global Investment Grade and High Yield Bonds and U.S. Bank Loans



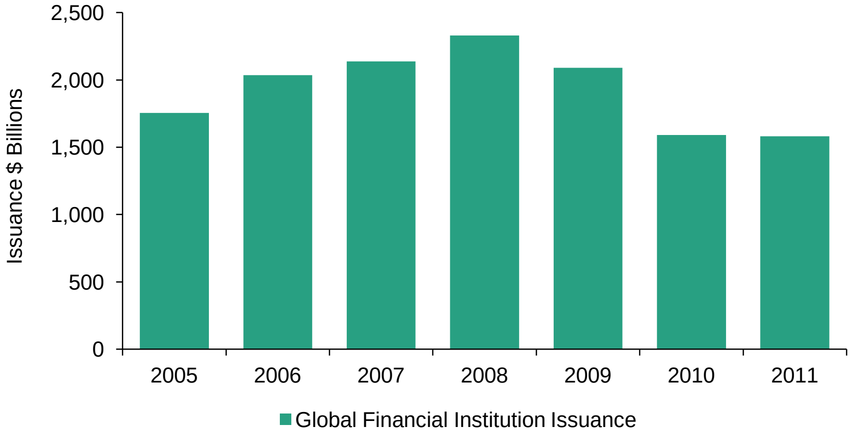
Source: Moody's Capital Markets Research Group, Dealogic; Investment-Grade and Speculative-Grade Bond issuance includes financial and non-financial corporates; U.S. Speculative-Grade Bank Loan Origination issuance represents rated new U.S. bank loan programs

Global Rated Structured Finance



Source: AB Alert, CM Alert, Moody's Corporation

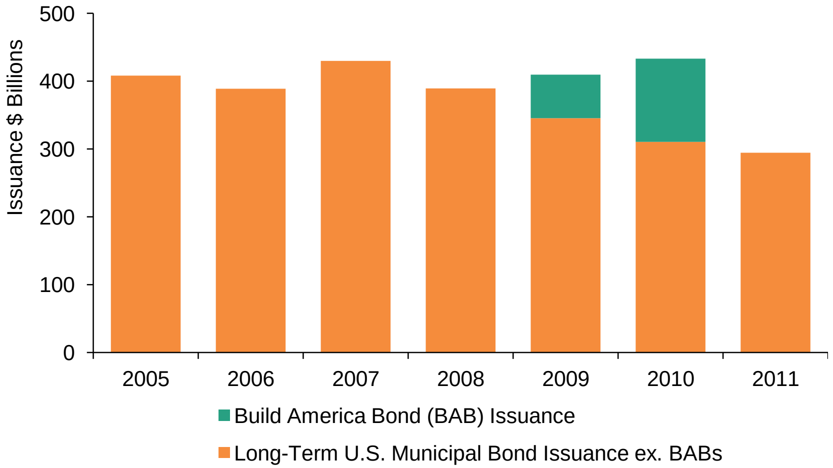
Global Financial Institutions



Source: Moody's Capital Markets Research Group, Dealogic

*Debt issuance categories do not directly correspond to Moody's revenue categorization

U.S. Municipal Bonds

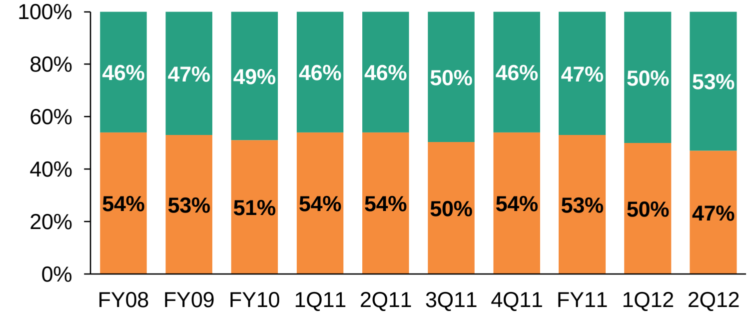


Source: Bond Buyer

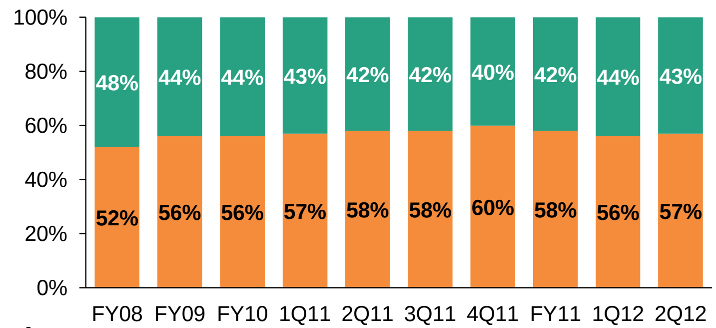
Revenue Distribution: By Geography

MIS: Corporate Finance

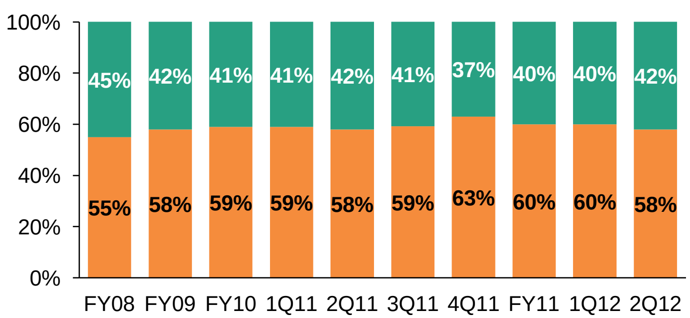
MIS: Structured Finance



Moody's Analytics



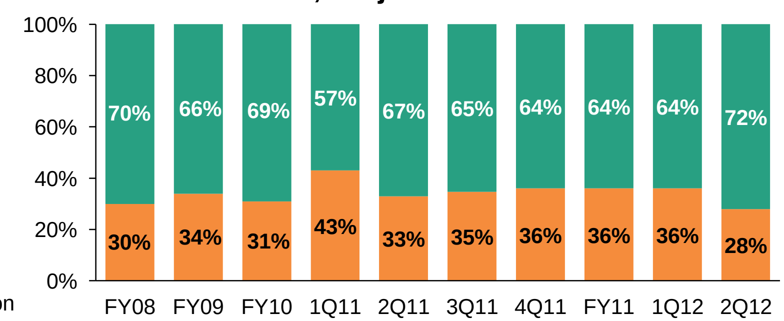
MIS: Financial Institutions



U.S. Non-U.S.

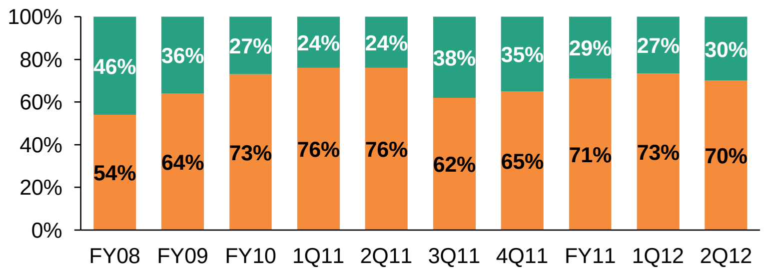
Historical data has been adjusted to conform with current information

MIS: Public, Project & Infrastructure Finance

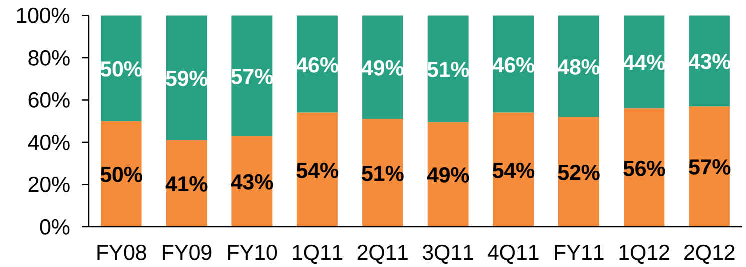


Revenue Distribution: Recurring vs. Transaction

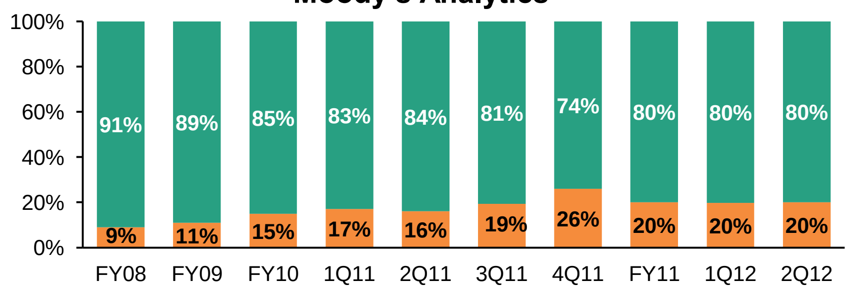
Corporate Finance



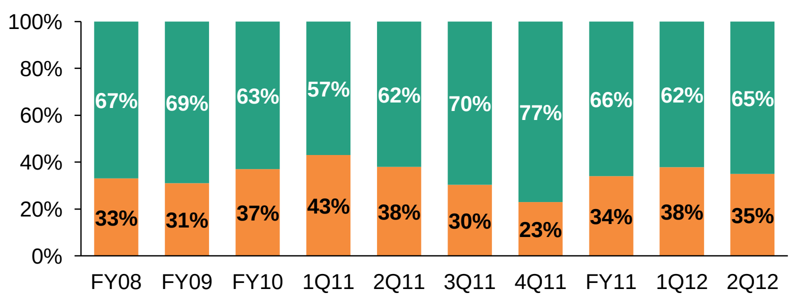
Structured Finance



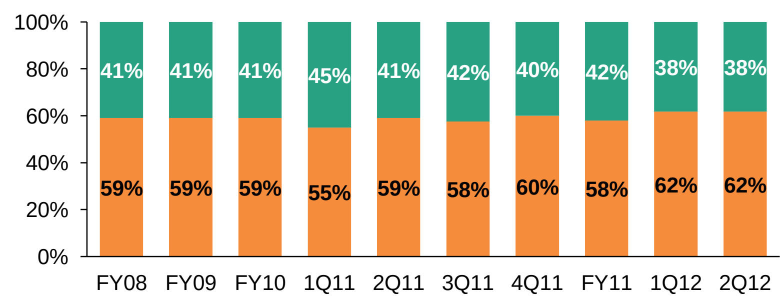
Moody's Analytics



Financial Institutions



Public, Project & Infrastructure Finance

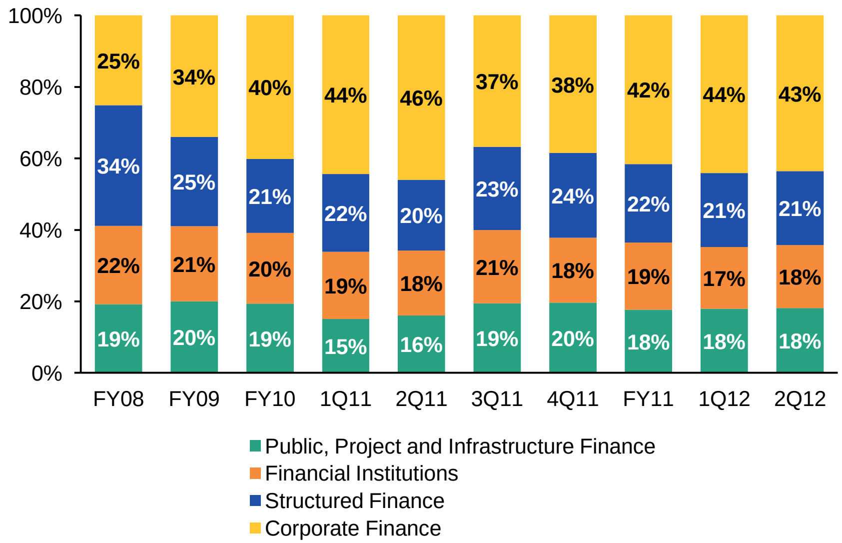


Recurring **Transaction**

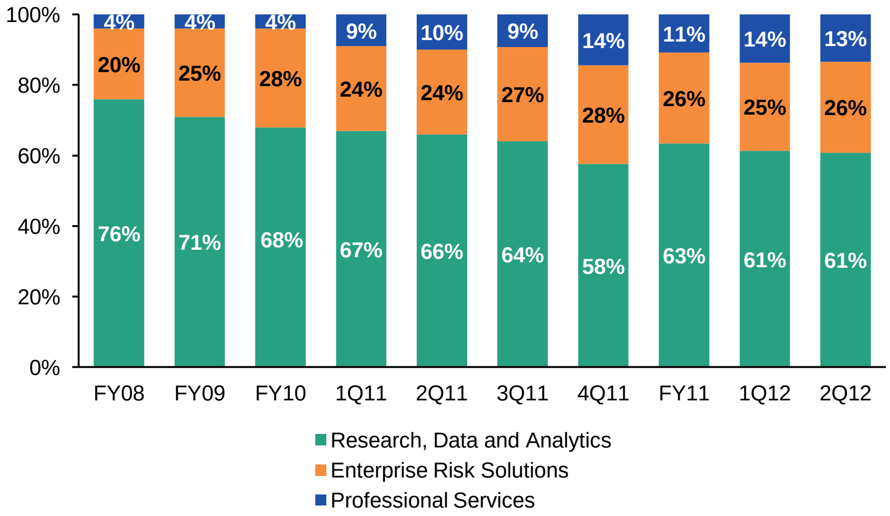
Historical data has been adjusted to conform with current information

Revenue Distribution: By MIS Line of Business and MA Segment

Moody's Investors Service



Moody's Analytics

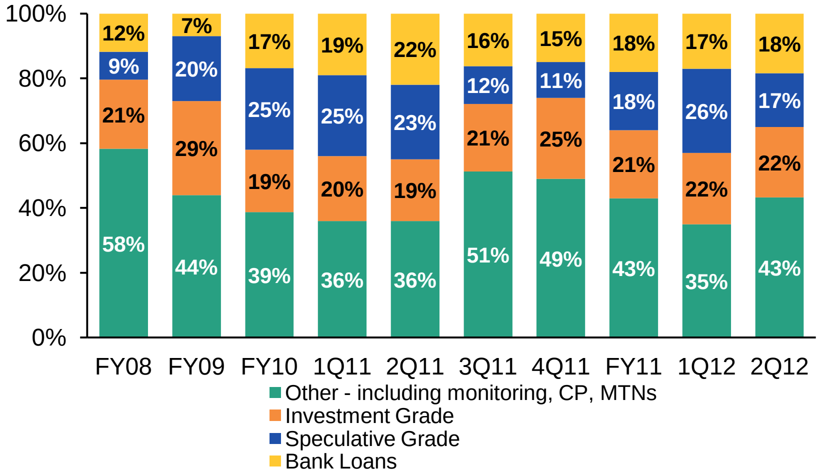


Historical data has been adjusted to conform with current information

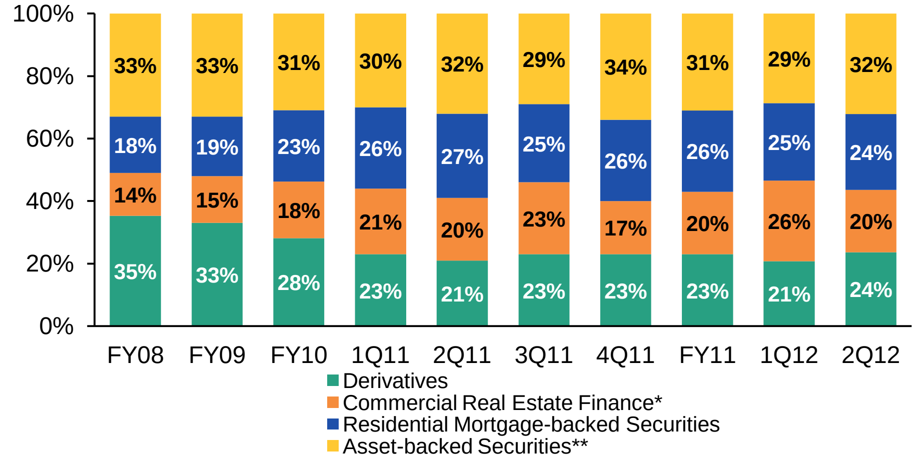
Represents revenue for MIS excluding intersegment royalty

Revenue Distribution: By MIS Product / Asset Class

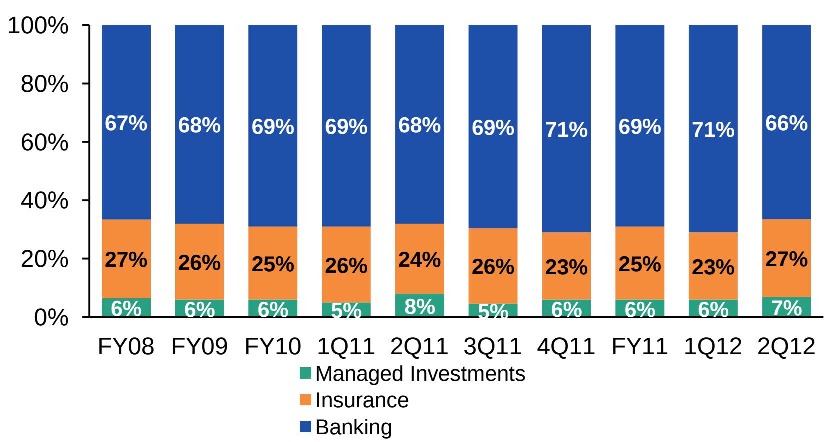
Corporate Finance Revenue by Product



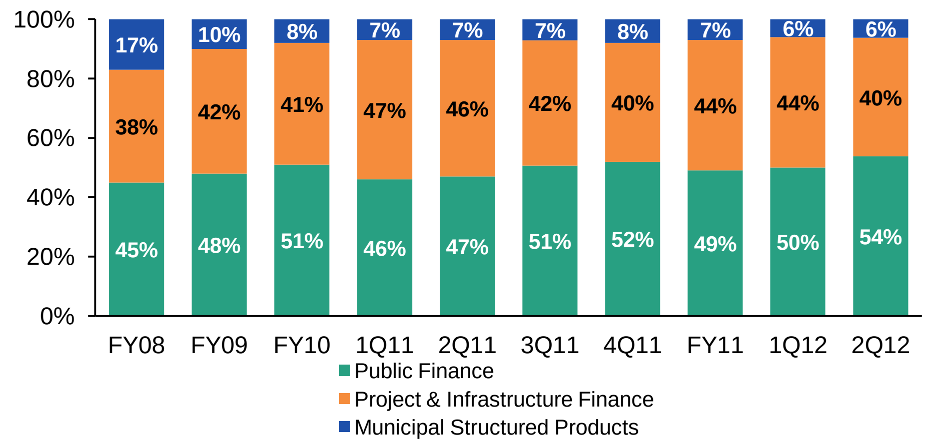
Structured Finance Revenue by Asset Class



Financial Institutions Revenue by Product



Public, Project & Infrastructure Revenue by Product



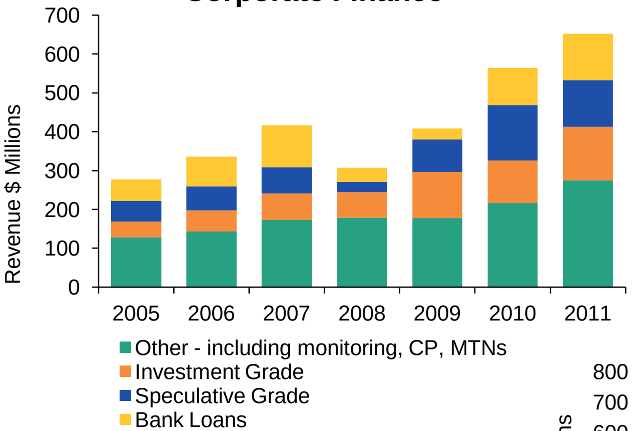
Historical data has been adjusted to conform with current information

* CREF includes commercial mortgage-backed securities, real estate finance, and commercial real estate CDOs

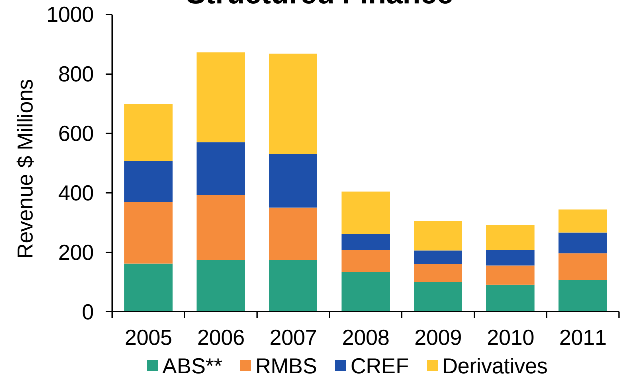
** ABS includes asset-backed commercial paper and long-term asset-backed securities

Historical Revenue Mix*

Corporate Finance

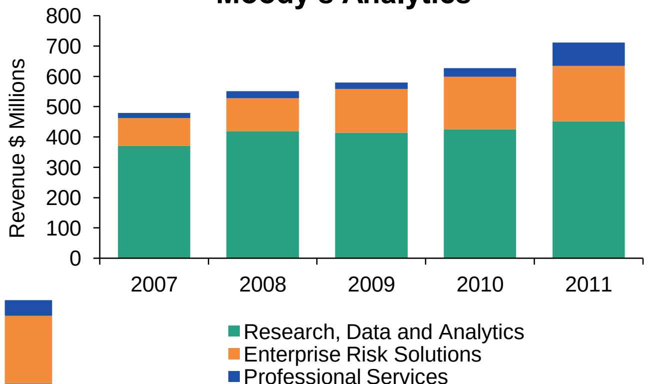


Structured Finance

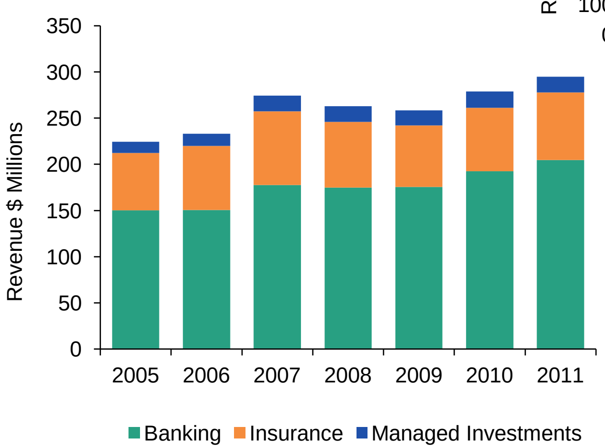


**ABS includes asset-backed commercial paper and long-term asset-backed securities. CREF includes commercial mortgage-backed securities, real estate finance, and commercial real estate CDOs.

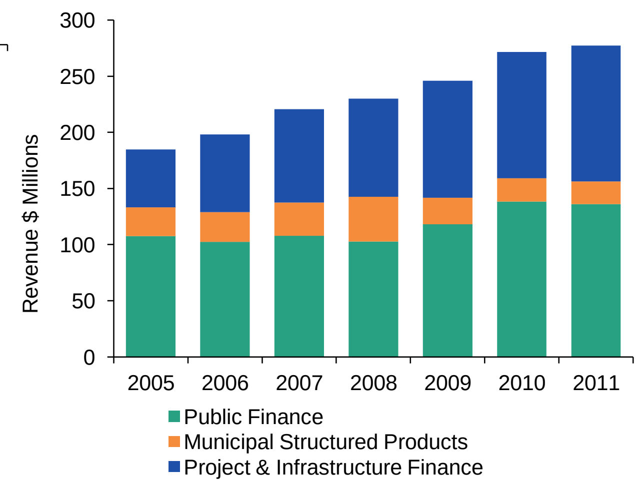
Moody's Analytics



Financial Institutions



Public, Project and Infrastructure



*Historical data has been adjusted to conform with current information.

Moody's Analytics Helps Financial Institutions Manage Risk

RESEARCH, DATA & ANALYTICS (RDA)

- MIS research & data
- MIS ratings feeds
- Quantitative credit metrics (EDFs)
- Economic research, data & models
- Structured finance analytics & data

28,000 Subscribers

Demand Drivers

- Expansion of credit market activity among financial institutions customers
  - Headcount growth
  - Asset class exposures
  - Geographic expansion

Covers 11,000 corporate issuers, 22,000 public finance issuers and 14,000 structured finance deals

Investment solutions for **debt capital markets** professionals

ENTERPRISE RISK SOLUTIONS (ERS)

- Credit assessment and origination
- Portfolio management
- Balance sheet management
- Regulatory compliance
- Custom consulting projects (regulatory and risk scoring models)

1,400+ Clients

Demand Drivers

- New regulatory requirements (e.g., Basel III, Solvency II)
- Adoption of global best practices in developing markets
- Systems upgrades in developed markets

Unique capabilities to monitor and implement country-specific regulatory developments as they emerge

Risk management solutions for **lending organizations**

PROFESSIONAL SERVICES

- Financial services in-house training, seminars, e-learning, and professional certifications
- Outsourced research and analysis

55,000 Trainees/Year

Demand Drivers

- Regulatory requirements for validating and strengthening banks' risk management infrastructure
- Securities markets evolution, especially in emerging economies

170+ courses ; we help world's leading financial institutions train their workforce

Workforce solutions - training/ education and staffing - for **financial market participants**

Moody's Analytics' offerings strengthen and build upon Moody's brand

Moody's Analytics Market Position and Strategy By Segment

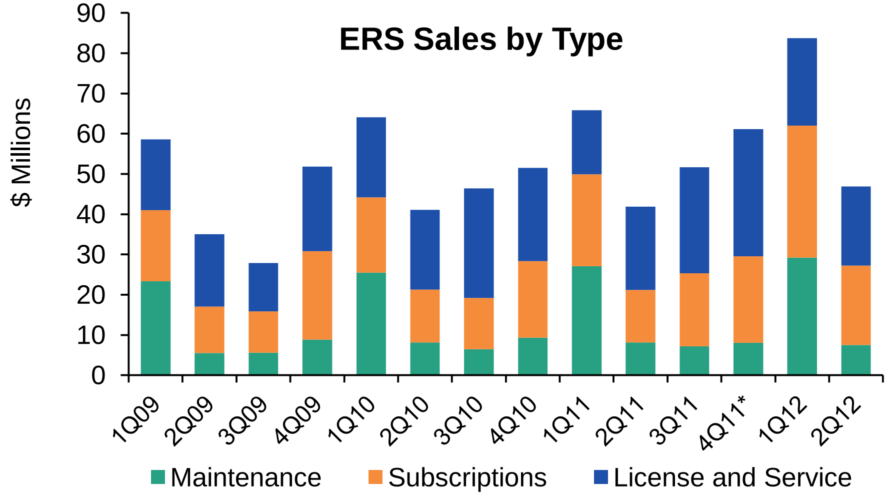
	COMPETITIVE ADVANTAGE	PEER GROUP*	STRATEGIC GOAL
RESEARCH, DATA & ANALYTICS (RD&A)	» Exclusive distributor of rating agency content » Multiple perspectives on credit analysis	» Equifax » Factset Research Systems » McGraw-Hill Financial	» Capture larger "share of wallet" via product extensions to grow faster than typical mid-single digit growth
ENTERPRISE RISK SOLUTIONS (ERS)	» Expertise in models, process and compliance combined with industrial-strength software platform	» IBM » SunGard » Oracle » Internal builds	» Reach several hundred million dollars in revenue within next few years
PROFESSIONAL SERVICES	» Training programs provide unrivalled content, expertise and breadth of delivery channels » CSI is the exclusive provider of mandatory securities licensing education	» Blackrock Solutions » Fair Isaac Corp » McGraw-Hill Financial	» Education and advisory services provide "entry-level" offering for new customers in emerging markets » Over time, cross-sell big ticket software solutions and high margin research subscriptions

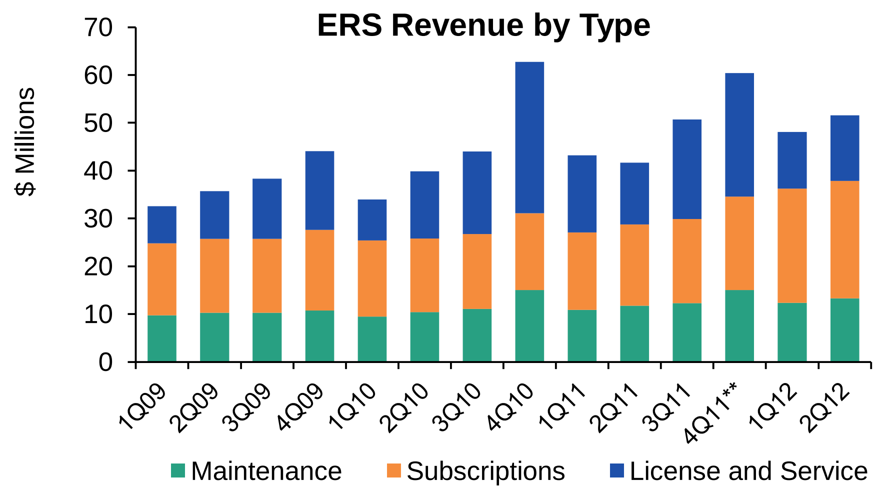
Moody's Analytics provides a unique product portfolio

» MA peers include companies with similar business models that sell to similar segments but none with an identical product portfolio

* Peer group list is not comprehensive.

Enterprise Risk Solutions Metrics





- Maintenance and subscription revenue is recurring and represents approximately two-thirds of total
  - Renewed annually and recognized over annual contract periods
- License and service revenue is one-time
  - Recognized as implementation projects are completed
  - Sales provide 12-24 months visibility into revenue
- Seasonal pattern
  - Sales strongest in Q1 and Q4 due to corporate budget cycle
  - Revenue strongest in Q4, driven by prior year's Q4 sales and customer requirements for year-end project completion
- Quarter-to-quarter revenue results can be uneven, reflecting "lumpiness" in revenue recognition as large projects are completed
  - Expect smoother revenue as increased scale leads to higher proportion of recurring revenue from maintenance on installed base

*Does not include 2011 Barrie and Hibbert sales. **Includes revenue from Barrie and Hibbert

Enterprise Risk Solutions Helps Lending Institutions Answer Key Risk-Related Questions

Question	ERS Solution
Should we make this loan?	Spread counterparty financial data Run default probability and loss-given-default to assign or validate risk score Track progress of loan origination through workflow tool
What impact does this exposure have on our portfolio?	Manage industry & regional exposures; implement limit-setting Identify risk contribution of exposures within the portfolio Calculate capital consumption and economic capital
How can we comply with regulatory guidelines?	Meet country-by-country reporting requirements for credit and liquidity risk, under Basel and Solvency regulations
How should we manage our balance sheet?	Provide essential monitoring of balance-sheet risk across a wide range of assets and liabilities in the banking book Conduct stress testing for idiosyncratic or systemic crises

Regulatory Uncertainty Continues to Weigh on New Securitization Conditions

ADOPTED	**FAS 166/167**	Requirement to consolidate ABCP on sponsor bank's balance sheet may lead to lower outstanding levels of ABCP when combined with potentially higher regulatory capital costs. Also affects credit card safe harbor provisions.
	Dodd-Frank Act	Requires retention of an unhedged and untransferable 5% credit risk of SF securities, potentially dampening U.S. SF issuance. This may cause the SPV to stay on securitizer's balance sheet under FAS 167 if the securitizer manages the SPV in a way that substantially affects its performance.
	FDIC "safe harbor" treatment	Limited issuance impact.
	Basel II	Materially increases bank capital requirements and strengthens bank capital adequacy and liquidity, as it triples capital requirements for resecuritizations in banking book.
PROPOSED	**Basel III**	Basel III will add an additional minimum leverage ratio and liquidity ratios, requiring banks to hold sufficient high-quality assets.
	Revised SEC Regulation AB	Increases disclosure and may reduce issuance volume. For example, it may require originators in some asset classes to file loan-level information with the SEC.
	FASB/IASB joint financial instruments accounting projects	Requires some debt instruments (*e.g.*, fixed income securities) to be marked to fair value, but FASB has indicated that consumer financing activities (*e.g.*, loans held to earn a return) may be carried at amortized cost. May create disincentive to hold securitized assets if they have to be marked to fair value, but conversely also may incentivize banks to securitize more of their loan portfolios.

Moody's Global Presence

Moody's Global Staffing

- More than 1,400 analysts
- Approximately 6,500 employees
- Presence in 28 countries

	U.S.	Non-U.S.	Total
6/30/2012	2,531	3,955	6,486
6/30/2011	2,349	2,200	4,549

Reconciliation of Non-GAAP Financial Measures to GAAP

Earnings Per Share[a]	2011	2010	2009	2008	2007	2006	2005
GAAP diluted EPS as reported	**$2.49**	**$2.15**	**$1.69**	**$1.87**	**$2.58**	**$2.58**	**$1.84**
Non-GAAP adjustments[b]:							
Impact of expensing stock-based compensation[c]	-	-	-	-	-	-	(0.02)
Impact of restructuring	-	-	0.05	(0.01)	0.11	-	
Impact of legacy tax items	(0.03)	(0.02)	(0.04)	(0.04)	(0.19)	(0.01)	(0.03)
Impact of gain on sale of building	-	-	-	-	-	(0.32)	-
Non-GAAP diluted EPS	**$2.46**	**$2.13**	**$1.70**	**$1.82**	**$2.50**	**$2.25**	**$1.79**
Shares used in diluted EPS calculation (millions)	**229.4**	**236.6**	**237.8**	**245.3**	**272.2**	**291.9**	**305.6**

(a) Adjusted for May 2005 2-for-1 stock split
(b) Non-GAAP EPS adjustments may differ from figures disclosed in earnings releases due to rounding
(c) Represents the EPS impact of expensing stock-based compensation determined as if FAS123 was adopted on its effective date

Operating Margin	4Q11	3Q11	2Q11	1Q11	4Q10	3Q10	2Q10	1Q10	4Q09	3Q09	2Q09	1Q09
GAAP Operating Margin (As Reported)	**30%**	**37%**	**45%**	**43%**	**35%**	**37%**	**40%**	**41%**	**37%**	**38%**	**42%**	**36%**
Restructuring	-	-	-	-	-	-	-	-	-	1%	-	3%
Non-GAAP Operating Margin	**30%**	**37%**	**45%**	**43%**	**35%**	**37%**	**40%**	**41%**	**37%**	**39%**	**42%**	**39%**

2008 Revenue MIS Business Line Reclassification

in $millions

Reporting as per 2008 filings	1Q	2Q	3Q	4Q	FY08**
Structured Finance	$ 107.2	$ 120.1	$ 97.7	$ 92.2	$ 417.2
Corporate Finance	71.5	97.4	75.0	56.6	300.5
Financial Institutions	64.0	72.1	64.4	56.5	257.0
Public, Project & Infrastructure Finance	55.5	66.2	59.7	48.6	230.0
Total Moody's Investors Service*	**298.2**	**355.8**	**296.8**	**253.9**	**1,204.7**
Total Moody's Analytics	**132.5**	**131.8**	**136.6**	**149.8**	**550.7**
Total Moody's Corporation	**$ 430.7**	**$ 487.6**	**$ 433.4**	**$ 403.7**	**$ 1,755.4**

Reclass for 2008 and 2009 Business Change: Managed Investments, Credit Estimates					
Structured Finance	$ (4.8)	$ (4.5)	$ (2.0)	$ (1.2)	$ (12.5)
Corporate Finance	1.8	1.6	2.0	1.1	6.5
Financial Institutions	3.0	3.0	-	-	6.0
Public, Project & Infrastructure Finance	-	-	-	-	-
Total Moody's Investors Service	**-**	**-**	**-**	**-**	**-**
Total Moody's Analytics	-	-	-	-	-
Total Moody's Corporation	$ -	$ -	$ -	$ -	$ -

2009 (Current) Business Line Reporting	1Q	2Q	3Q	4Q	FY08
Structured Finance	$ 102.4	$ 115.6	$ 95.7	$ 91.0	$ 404.7
Corporate Finance	73.3	99.0	77.0	57.7	307.0
Financial Institutions	67.0	75.1	64.4	56.5	263.0
Public, Project & Infrastructure Finance	55.5	66.2	59.7	48.6	230.0
Total Moody's Investors Service*	**298.2**	**355.9**	**296.8**	**253.8**	**1,204.7**
Total Moody's Analytics	**132.5**	**131.8**	**136.6**	**149.8**	**550.7**
Total Moody's Corporation	**$ 430.7**	**$ 487.7**	**$ 433.4**	**$ 403.6**	**$ 1,755.4**

* Excludes intersegment royalty

** FY08 "Reporting as per 2008 filings" represents cumulative total of 10Q filings

In August 2008, the global managed investments ratings group which was previously part of Structured Finance, was moved to the Financial Institutions business. In 2009, credit estimates was moved to Corporate Finance.

2009 Moody's Analytics Revenue Reclassification

in $millions

Reporting as per filings in year	**2008**	**2009**
Subscriptions	$ 475.9	n/a
Software	49.2	n/a
Professional Services	25.6	n/a
Total Moody's Analytics	**$ 550.7**	**n/a**

Reclass for 2009 Realignment*:		
Subscriptions	$ (57.2)	n/a
Software	59.6	n/a
Professional Services	(2.4)	n/a
Total Moody's Analytics	$ -	n/a

2009 (Current) Reporting	**2008**	**2009**
Research, Data and Analytics	$ 418.7	$ 413.6
Enterprise Risk Solutions	108.8	145.1
Professional Services	23.2	20.8
Total Moody's Analytics	**$ 550.7**	**$ 579.5**

*During the fourth quarter of 2009 the Moody's Analytics ("MA") groupings were realigned and renamed to reflect the reporting unit structure for the MA segment at December 31, 2009. Pursuant to this realignment the Subscriptions grouping was renamed Research, Data and Analytics and the Software grouping was renamed Risk Management Software. The revised groupings classify certain subscription-based risk management software revenue and advisory services relating to software sales to the redefined Risk Management Software grouping. Risk Management Software was renamed Enterprise Risk Solutions during the first quarter of 2012.

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Website: http://ir.moodys.com

Email: ir@moodys.com

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