
MOODY'S



Investor Presentation

4Q and Full Year 2015

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 2016 and other forward-looking statements in this presentation are made as of February 5, 2016, 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, risks and uncertainties include, but are not limited to, the current world-wide credit market disruptions and economic slowdown, which are affecting and could continue to affect the volume of debt and other securities issued in domestic and/or global capital markets; other matters that could affect the volume of debt and other securities issued in domestic and/or global capital markets, including credit quality concerns, changes in interest rates and other volatility in the financial markets; the level of merger and acquisition activity in the U.S. and abroad; the uncertain effectiveness and possible collateral consequences of U.S. and foreign government initiatives to respond to the current world-wide credit market disruptions and economic slowdown; concerns in the marketplace affecting Moody's credibility or otherwise affecting market perceptions of the integrity or utility of independent credit agency ratings; the introduction of competing products or technologies by other companies; pricing pressure from competitors and/or customers; the level of success of new product development and global expansion; the impact of regulation as an NRSRO, the potential for new U.S., state and local legislation and regulations, including provisions in the Financial Reform Act and regulations resulting from that Act; the potential for increased competition and regulation in the EU and other foreign jurisdictions; exposure to litigation related to Moody's rating opinions, as well as any other litigation, government and regulatory proceedings, investigations and inquiries to which the Company may be subject from time to time; provisions in the Financial Reform Act legislation modifying the pleading standards, and EU regulations modifying the liability standards, applicable to credit rating agencies in a manner adverse to credit rating agencies; provisions of EU regulations imposing additional procedural and substantive requirements on the pricing of services; the possible loss of key employees; failures or malfunctions of Moody's operations and infrastructure; any vulnerabilities to cyber threats or other cybersecurity concerns; the outcome of any review by controlling tax authorities of the Company's global tax planning initiatives; the outcome of those Legacy Tax Matters 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; exposure to potential criminal sanctions or civil remedies if the Company fails to comply with foreign and US laws and regulations that are applicable in the jurisdictions in which the Company operates, including sanctions laws, anti-corruption laws and local laws prohibiting corrupt payments to government officials; the impact of mergers, acquisitions or other business combinations and the ability of the Company to successfully integrate acquired businesses; currency and foreign exchange volatility; the level of future cash flows; the levels of capital investments; a decline in the demand for credit risk management tools by financial institutions; and other risk factors as discussed in the Company's annual report on Form 10-K for the year ended December 31, 2015 and in other filings made by the Company from time to time with the Securities and Exchange Commission.

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Overview of Moody's Corporation

MOODY'S

- » Leading global provider of credit rating opinions, insight and tools for financial risk measurement and management
- » Revenue of \$3.5 billion; operating income of \$1.5 billion

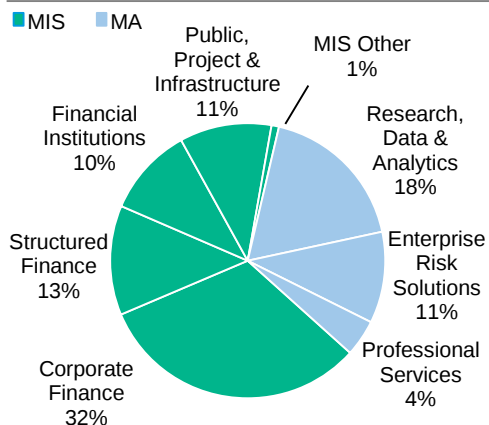
MOODY'S INVESTORS SERVICE

- » Independent provider of credit rating opinions and related information for over 100 years
- » 67% of total MCO revenue
- » 84% of total MCO operating income

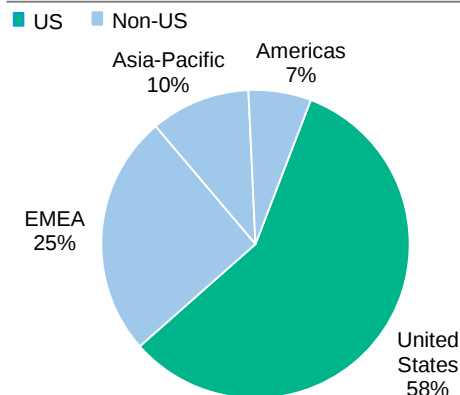
MOODY'S ANALYTICS

- » Research, data and software for financial risk analysis and related professional services
- » 33% of total MCO revenue
- » 16% of total MCO operating income

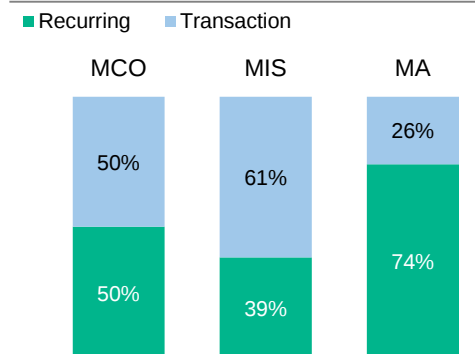
Revenue by Business



Revenue by Geography



Revenue by Type



Note: All figures on this page are for full year 2015

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Financial Overview

Secular Trends Continue to Provide Long-term Growth Opportunities Despite Near-term Macro Challenges

Debt market issuance driven by global GDP growth	Disintermediation of credit markets in both developed and emerging economies driving both issuance and demand for new products and services	Growth in Moody's Analytics driven by further penetration of MA's client base and expansion of bank and insurance risk regulatory requirements	MA and MIS pricing initiatives aligned with value; affected by business volumes and mix
~2-4%	~2-3%	~2-3%	~3-4%

Long-Term Revenue Growth Opportunity: High Single-Digit to Low Double-Digit % (on average)



Potential Selective Acquisitions*



Potential Operating Income Margin Expansion



Ongoing Share Repurchases*



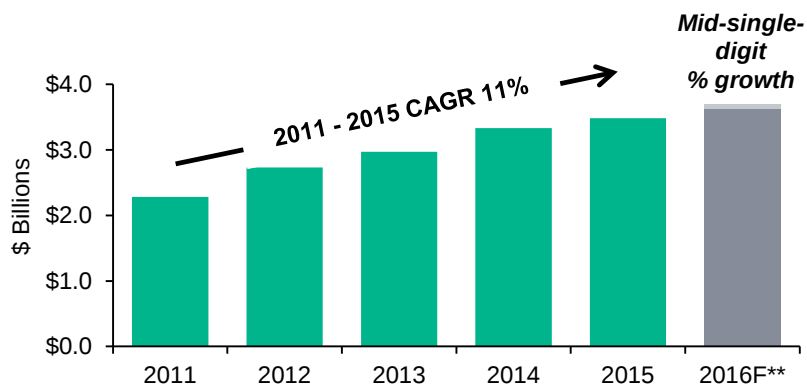
Long-Term EPS Growth Opportunity: Low-Teens to High-Teens % (on average)**

*Subject to market conditions and other ongoing capital allocation decisions.

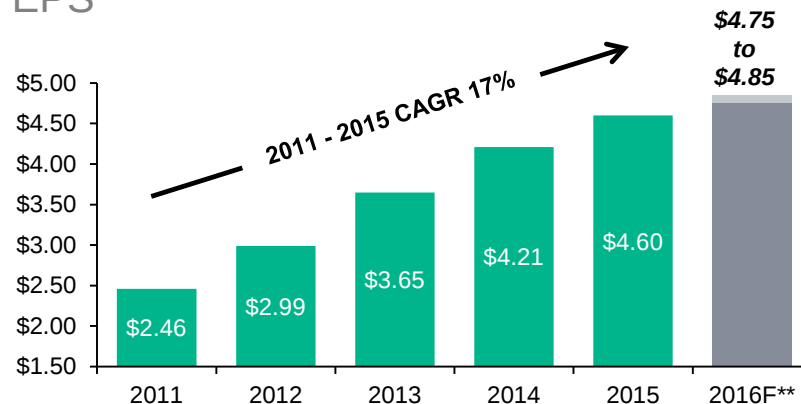
**Assumes no material change in effective tax rate, foreign exchange rates, leverage profile and/or capital allocation policy.

Moody's has Consistently Delivered Strong Performance

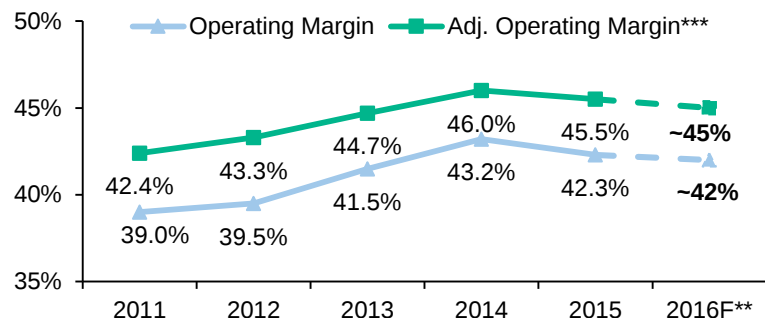
Revenue



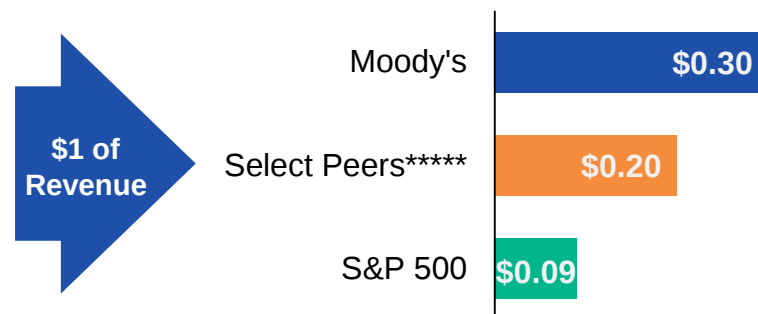
EPS*



Operating Margin Performance



5-year Average Free Cash Flow Conversion****



*2011-2015 represents non-GAAP EPS. 2016F represents GAAP EPS.

**Guidance as of February 5, 2016.

***Adjusted Operating Margin is a non-GAAP measure. See appendix for reconciliation from non-GAAP to GAAP.

**** As of February 2016, over last five available fiscal years. Free Cash Flow is a non-GAAP financial measure. Source: FactSet.

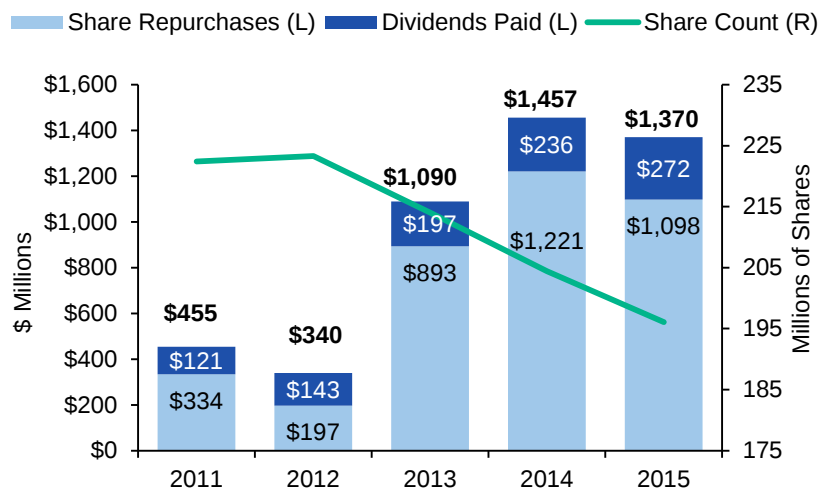
*****Includes CLGX, DNB, EXPN, FDS, IHS, MHFI, MORN, MSCI, TRI, VRSK.

Moody's has a Disciplined Approach to Capital Allocation

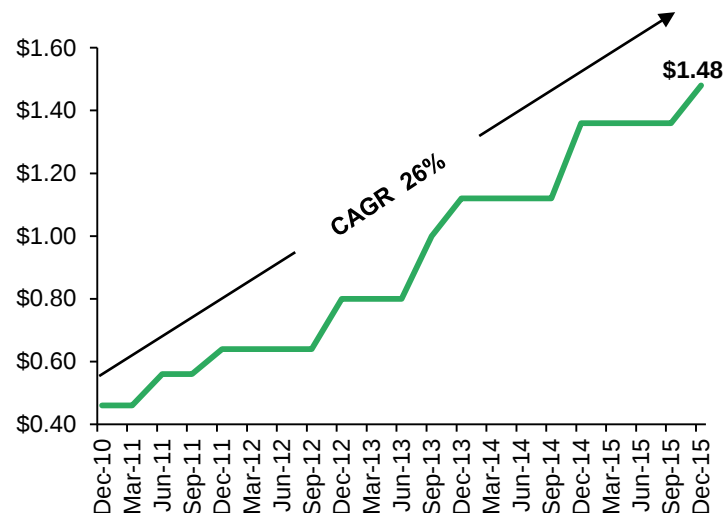
Investing in Growth Opportunities	
Reinvestment	Acquisitions
» Invest in existing businesses to support organic growth » FY 2016 capex guidance: \$125 - \$135 million*	» Aligned with strategy » Opportunistic; ideally able to use offshore cash

Return of Capital	
Dividends	Share Repurchases
» FY 2015 payout ratio is ~30%** » Dividend yield is 1.8% (as of 2/12/16)	» FY 2016 share repurchase guidance: ~\$1 billion*** » Average annualized net share count reduction of ~3% over the last 5 years

Share Repurchases and Dividends Paid



Annualized Dividend Per Share (Last 5 Years)



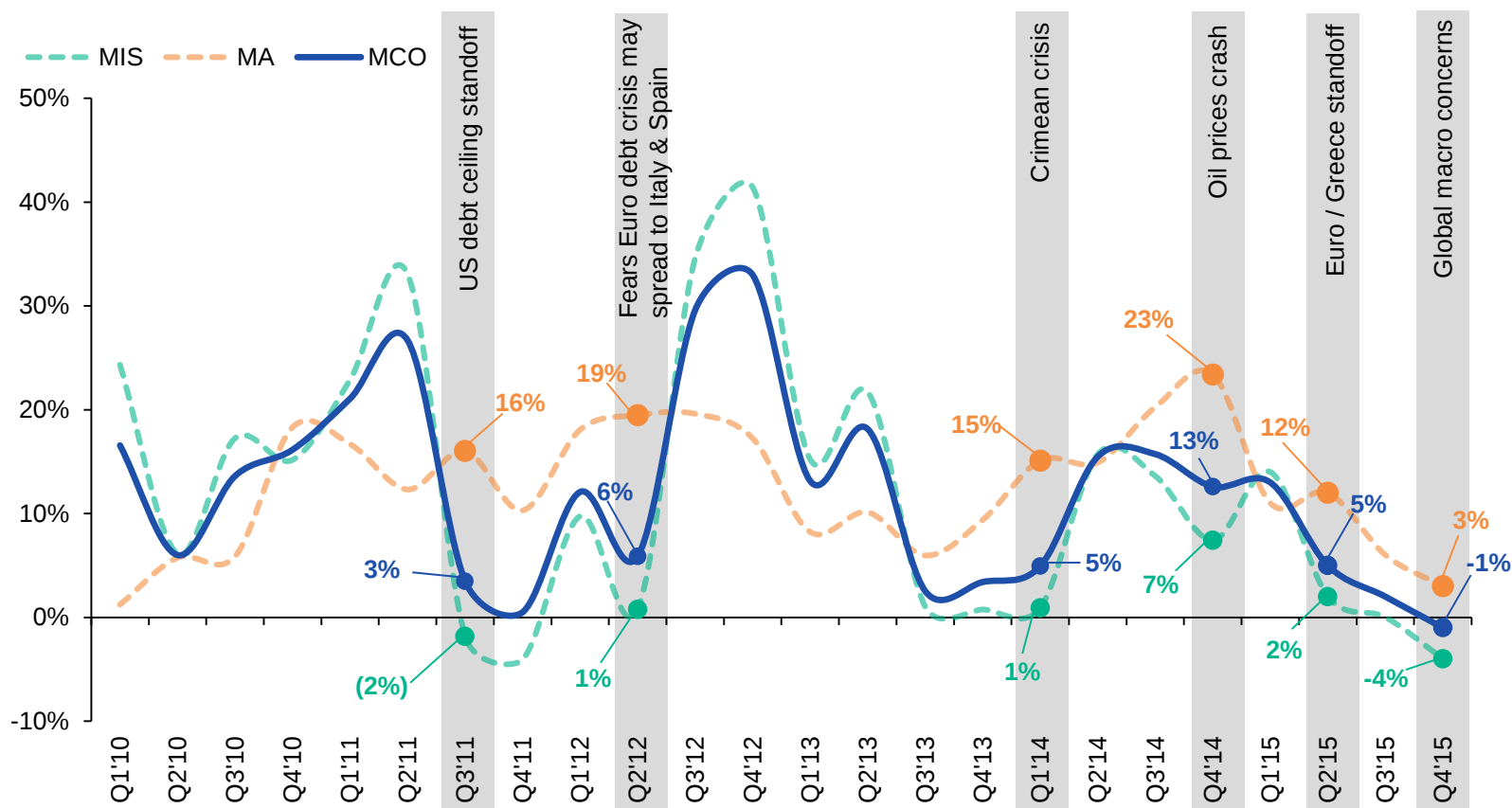
*Guidance as of February 5, 2016.

**Dividend payout ratio is defined as FY 2015 dividends per share/non-GAAP EPS.

***Guidance as of February 5, 2016 (subject to available cash, market conditions and other ongoing capital allocation decisions).

Revenue Growth by Quarter: MCO, MIS and MA

Year-over-Year % Change



Full Year 2016 Guidance as of February 5, 2016

» Revenue:	Mid-single-digit % growth range
» Operating Expenses:	Mid-single-digit % growth range
» Operating Margin:	Approximately 42%
» Adjusted Operating Margin*:	Approximately 45%
» Effective Tax Rate:	32% - 32.5%
» Earnings Per Share:	\$4.75 - \$4.85
» Share Repurchases:	Approximately \$1 billion (subject to available cash, market conditions and other ongoing capital allocation decisions)
» Capital Expenditures:	Approximately \$125 - \$135 million
» Depreciation & Amortization:	Approximately \$130 million
» Free Cash Flow*:	Approximately \$1.1 billion

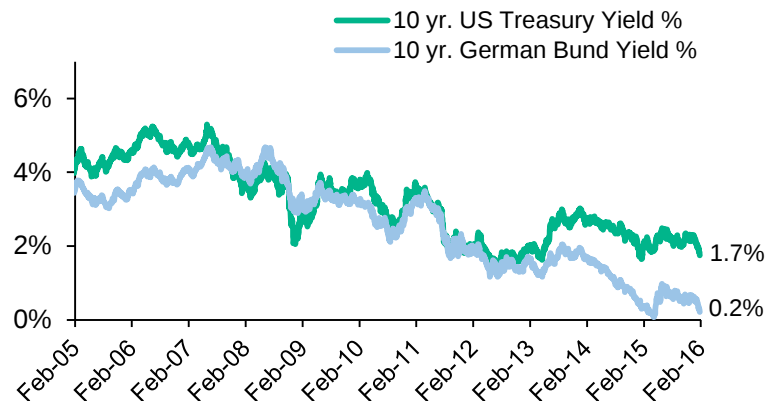
*Amount is a non-GAAP measure. See Appendix for a reconciliation of this non-GAAP measure to its comparable US GAAP measure.

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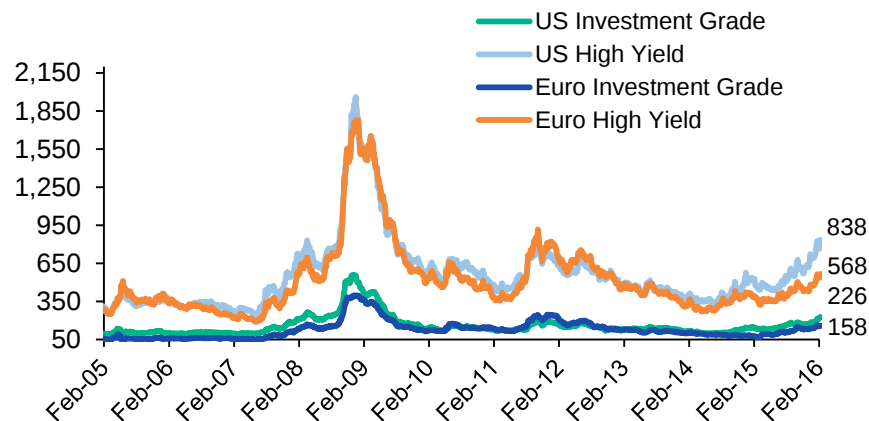
Capital Markets Overview

Macroeconomic Environment: Rates, Spreads and Yields

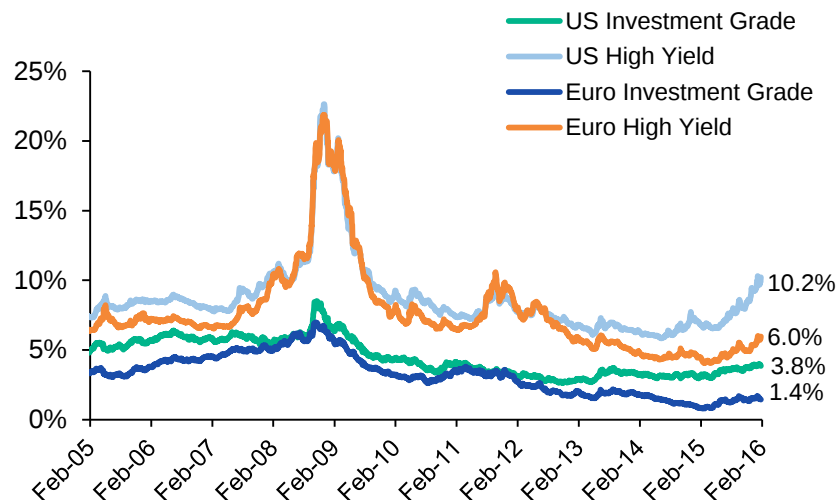
Interest Rates



Bond Spreads



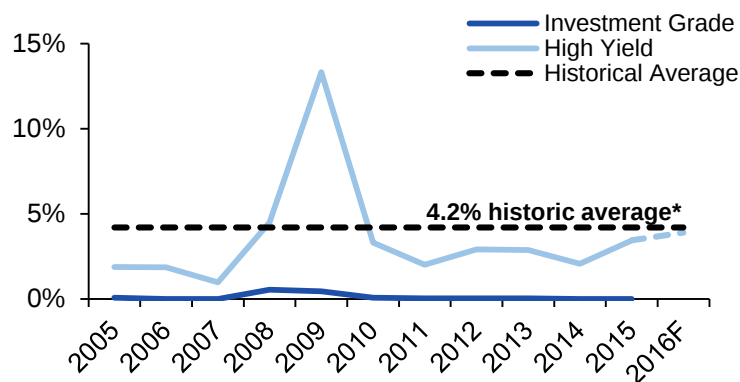
Bond Yields



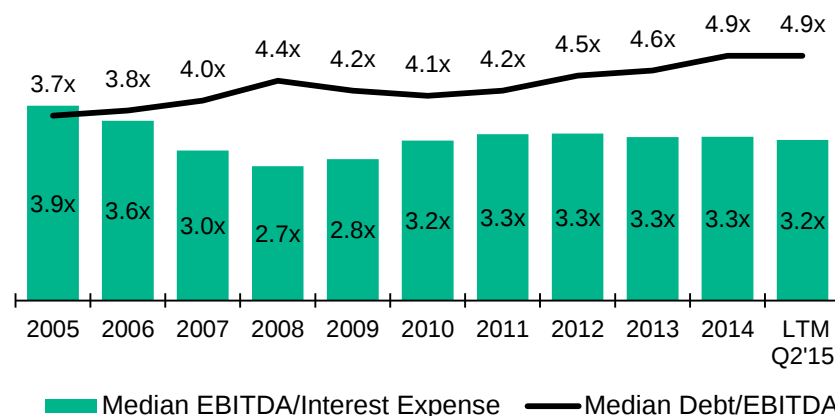
Source: Moody's Analytics, Barclays. Bond Spreads and Bond Yields are for non-financial corporates. Bond Yields represent yields to maturity. All data is through February 8, 2016.

Macroeconomic Environment: Default Rates and Credit Metrics

Default Rates for Global Corporate Rated Issuance



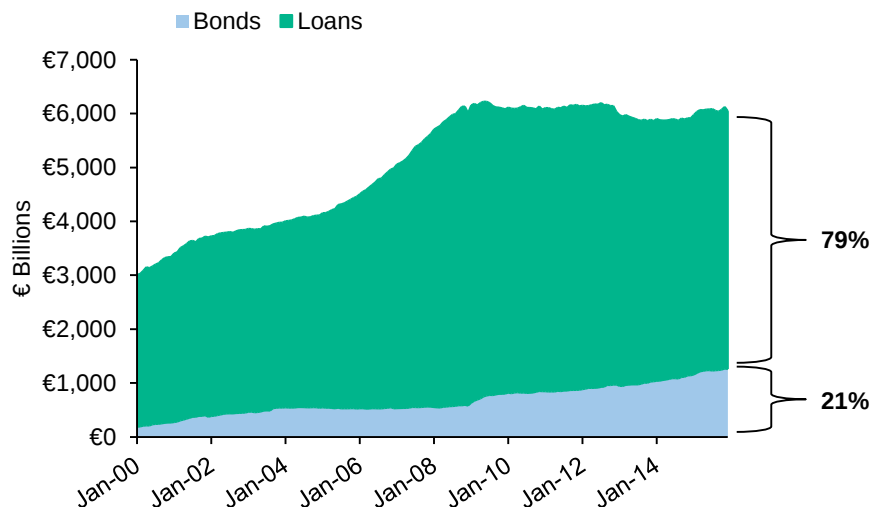
Credit Metrics: North America Speculative Grade Issuers



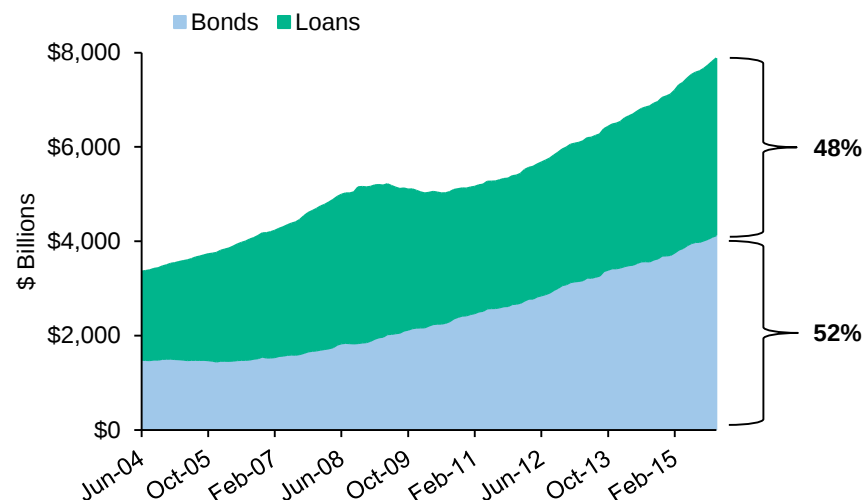
*Moody's global speculative grade default historical average of 4.2% since 1983.
Source: Moody's Investors Service. All data is for Moody's rated corporate debt.

Disintermediation of Capital Markets: Europe and US

European Non-Financial Corporate Bonds vs. Bank Loans Outstanding



US Non-Financial Corporate Bonds vs. Bank Loans Outstanding

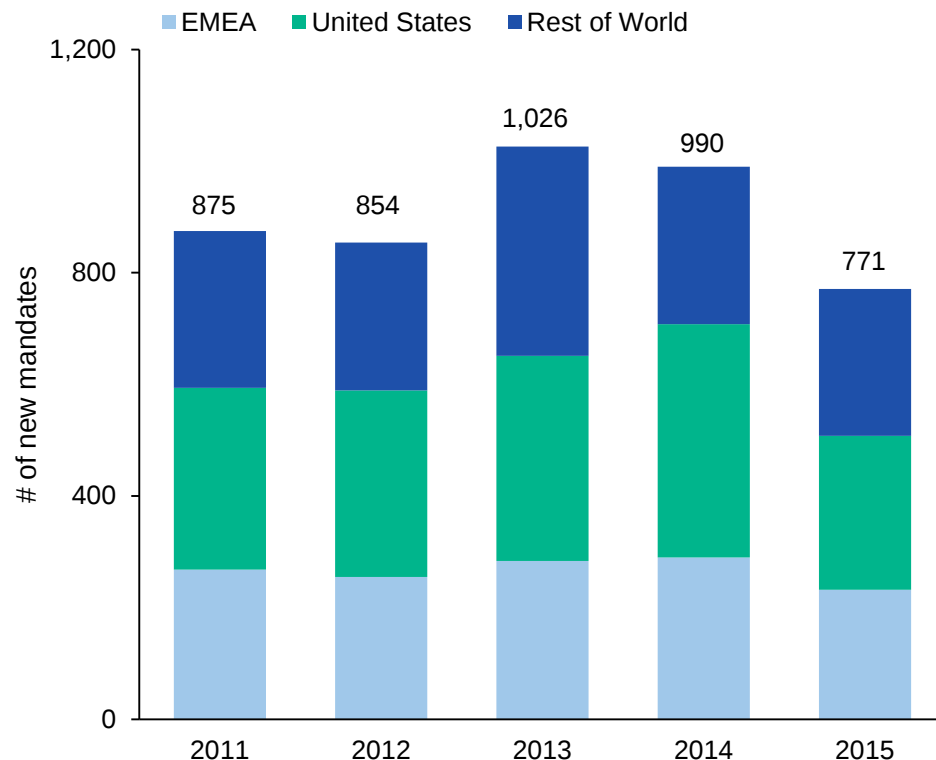


- » European companies have historically relied more on banks than their American counterparts, but are increasingly turning to the bond market
- » Full year 2015 Moody's rated European high yield bond and bank loan issuance was split approximately 50% / 50%, respectively

Sources: ECB, Federal Reserve, BarCap Indices. Europe bank loan data includes Eurozone and UK bank loans. Europe bond data includes euro and sterling denominated bonds. Data is through December 2015.

Disintermediation of Capital Markets: Moody's New Rating Mandates

Global New Rating Mandates*

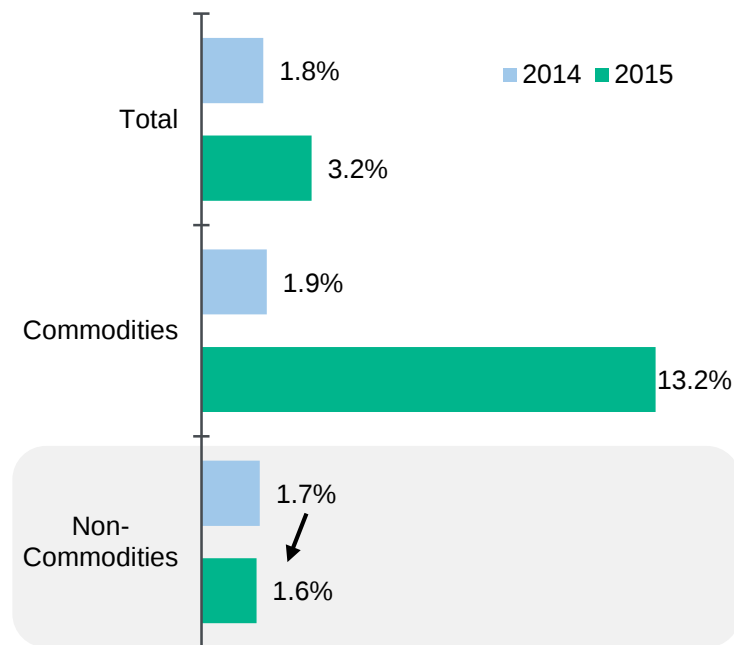


- » **In the US**, leveraged loan activity, which previously accounted for a significant percentage of new mandates, declined in 2015 vs. 2014
- » **In EMEA**, QE is mainly helping established issuers tap the market, crowding out new issuers
- » **The Rest of World** has been impacted from China's slowdown and increased volatility and macroeconomic risk

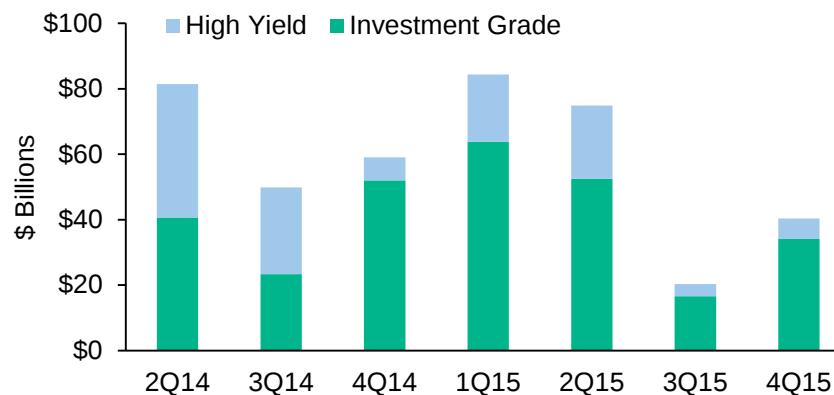
Source: Moody's Investors Service.
*Rated by Moody's Investors Service.

Commodities Sector: Default Rates, Issuance, and Debt Maturities

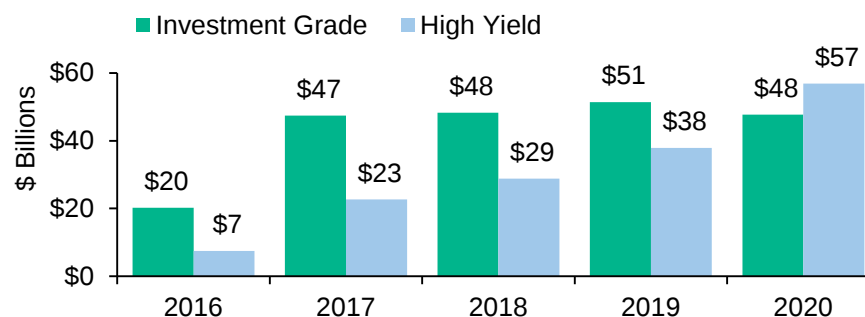
US Speculative Grade Default Rates*



Global Commodity Bond Issuance**



Debt Maturities: Global Moody's Rated Commodity Bonds ***



» The US speculative grade default rate dipped in 2015 excluding commodity sector defaults

*Source: Moody's Investors Service. Commodities sector includes Oil & Gas and Metals & Mining.

**Source: Moody's Analytics. Commodities sector includes Oil & Gas and Metals & Mining.

***Source: FactSet. As of February 2016. Includes the following FactSet industry groups: Aluminum, Coal, Contract Drilling, Integrated Oil, Oil & Gas Pipelines, Oil & Gas Production, Oil Refining/Marketing, Oilfield Services/Equipment, Other Metals/Minerals, Precious Metals, and Steel.

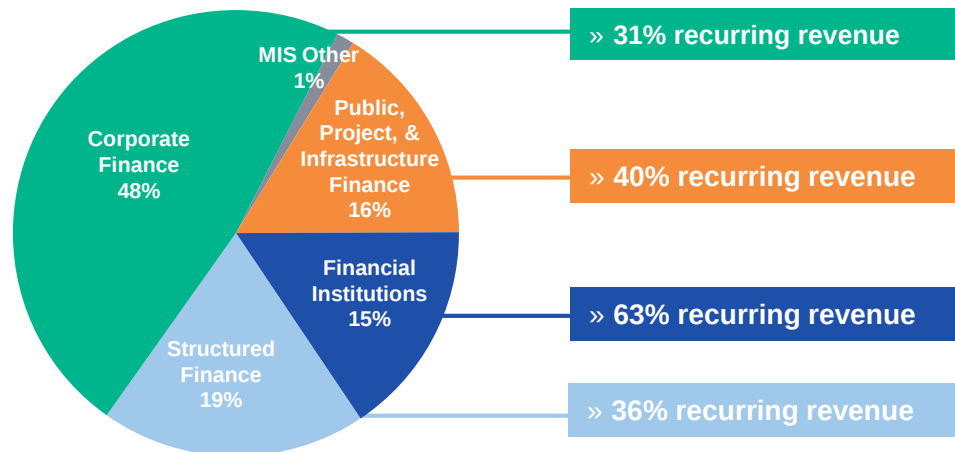
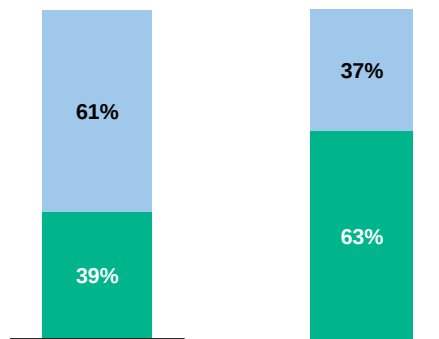
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Moody's Investors Service

Moody's Investors Service Financial Profile

FY15 Revenue: \$2.3 billion

■ Recurring ■ Transaction ■ US ■ Non-US

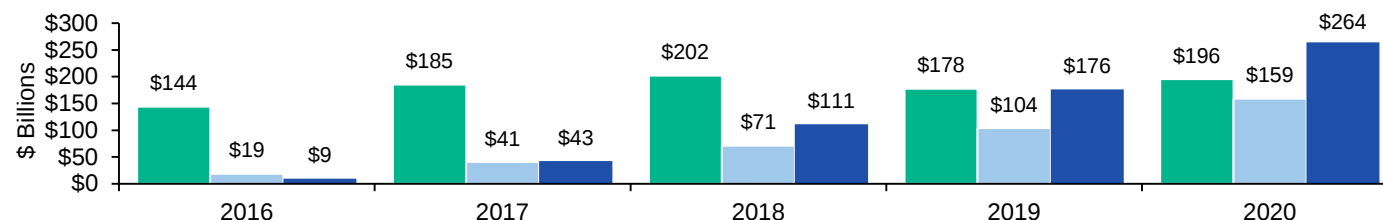


2016 Revenue Guidance as of February 5, 2016

Global	↑ mid-single-digit % range
US	↑ mid-single-digit % range
Non-US	↑ mid-single-digit % range
Corporate Finance	— flat
Financial Institutions	↑ mid-single-digit % range
Structured Finance	↑ high-single-digit % range
Public, Project & Infrastructure Finance	↑ high-single-digit % range

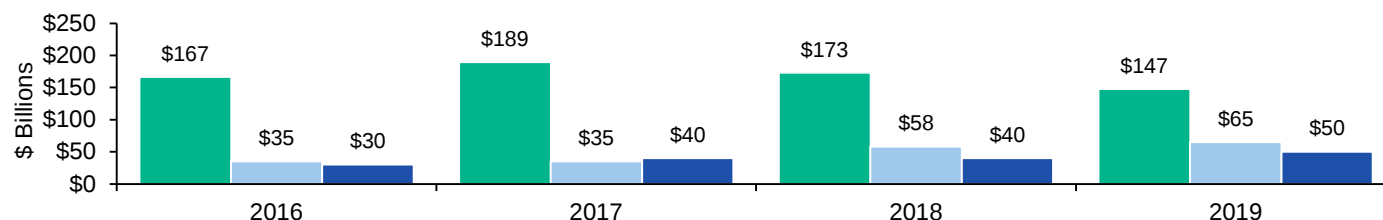
Non-Financial Corporates have Refunding Needs of Approximately \$3.4 Trillion*

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



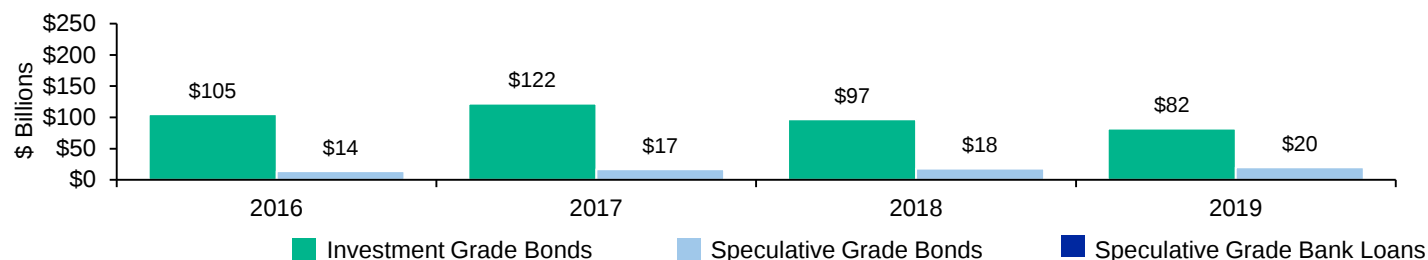
Source: Moody's Investors Service, February 2016. Note: Data represents US and Canadian Moody's rated corporate bonds and loans.

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



Source: Moody's Investors Service, July 2015.

Debt Maturities: Asia Pacific Moody's-Rated Corporate Entities

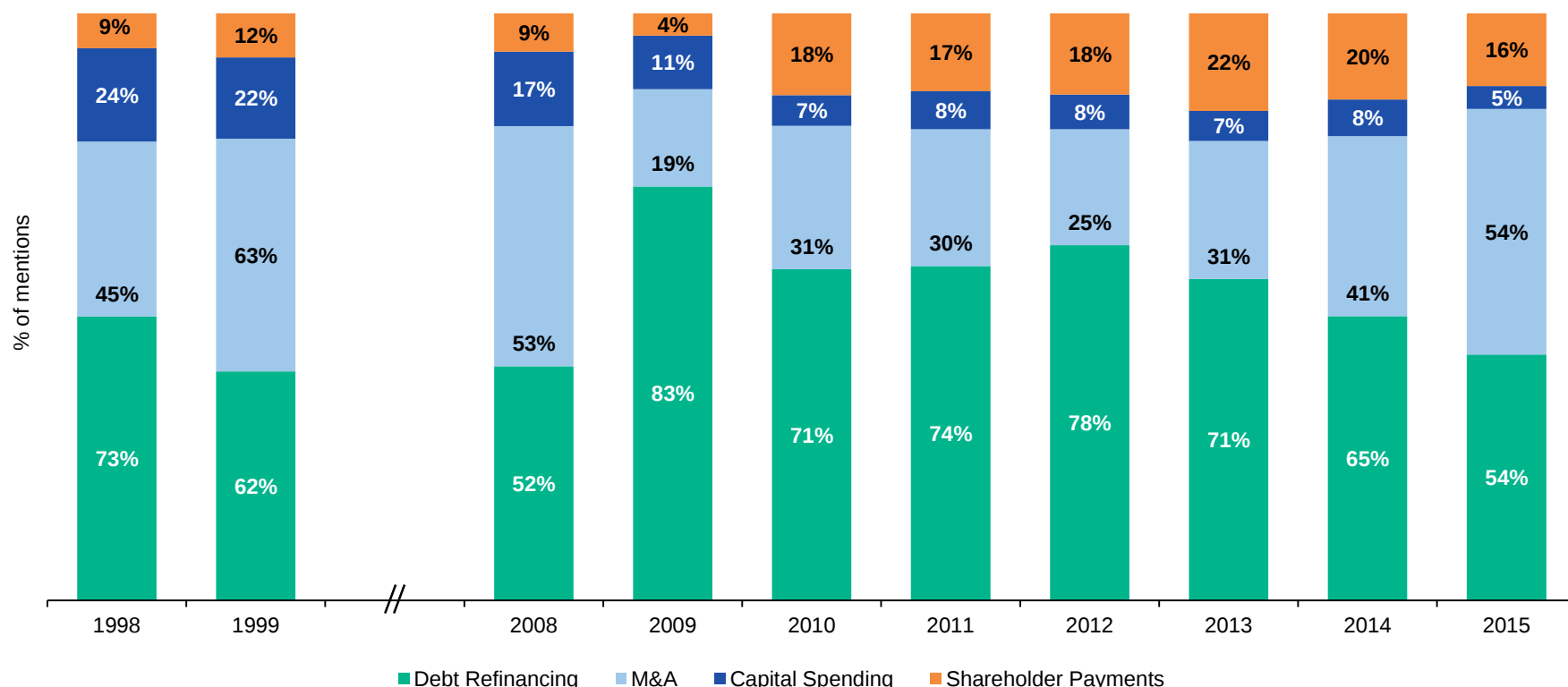


Sources: Moody's Investors Service and Bloomberg, July 2015. Note: Data represents rated and unrated bonds of rated corporate entities in Asia ex-Japan, Australia and New Zealand. Data does not include loans.

*Amount reflects total maturities identified in the above sourced reports.

M&A Activity has Increased as a Stated Use of Proceeds

Uses of Funds from USD High Yield Bonds and Bank Loans*



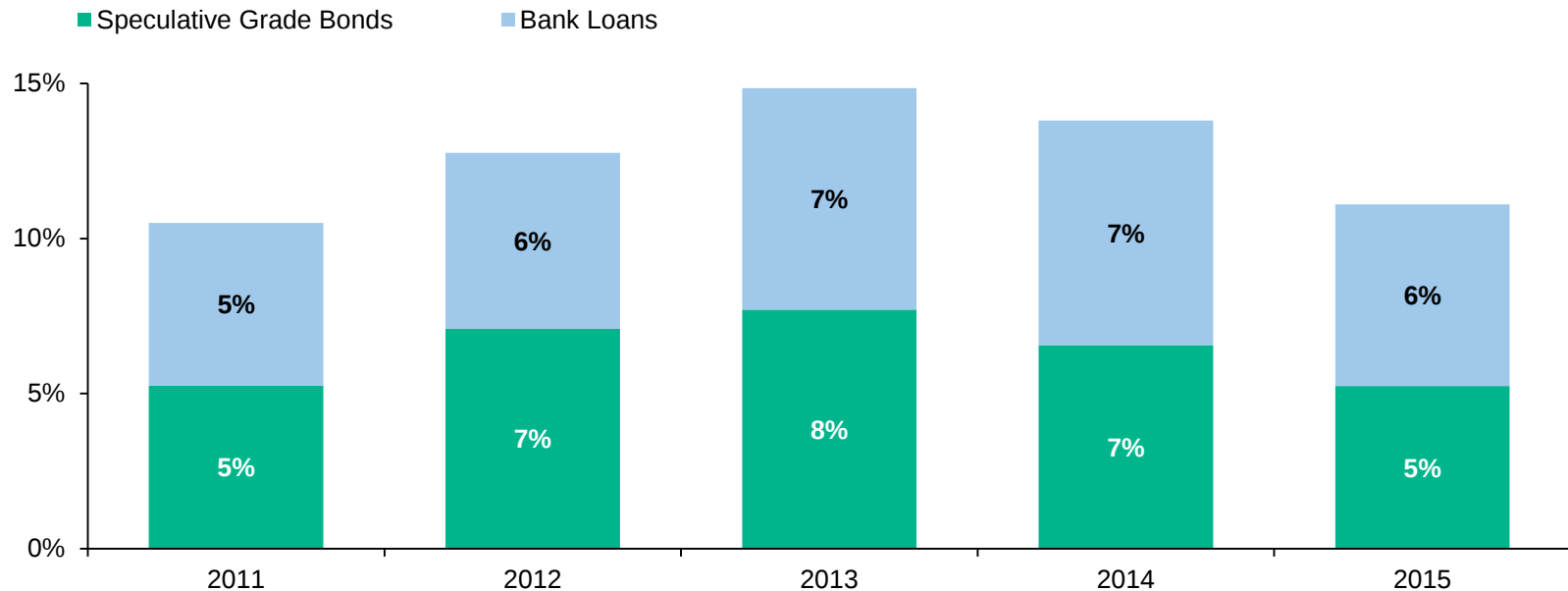
Source: Moody's Capital Markets Research Group (CMRG).

*% of mentions for each respective period in bond issue or bank loan program tranche documents. Excludes issues of less than \$25 million and general corporate purposes. An issue can have multiple purposes and, as a result, %'s do not sum to 100%.

Impact of Challenged Leveraged Finance Market

- » Wider credit spreads have precluded opportunistic refinancing and lower-rated spec grade issuers from coming to market
- » In 2015, HY bonds accounted for \$183 million or ~5% of MCO revenue. Bank loans accounted for \$204 million or ~6% of revenue

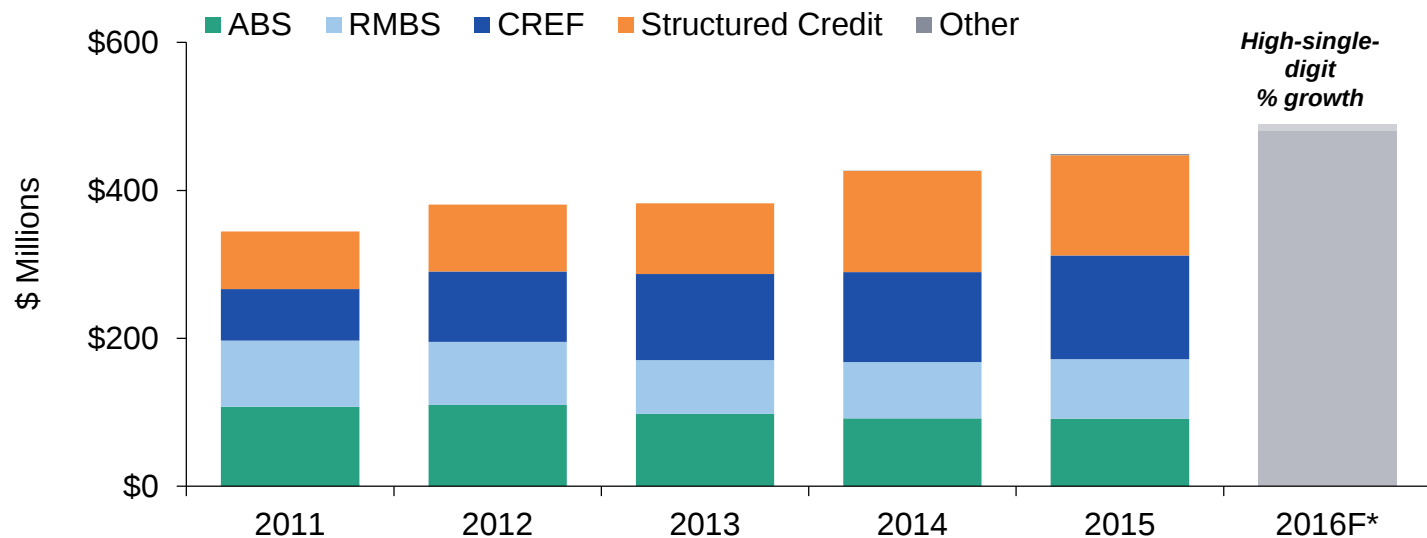
Speculative Grade Bonds and Bank Loans as a % of MCO Revenue



SFG: Expect FY 2016 Revenue Growth in the High-Single-Digit Percent Range

- » Elevated US CMBS maturity wall (2005-07 vintage deals)
- » Continued increases in US ABS issuance
- » European securitization continues to grow
- » Weaker CLO activity

Revenue By Year

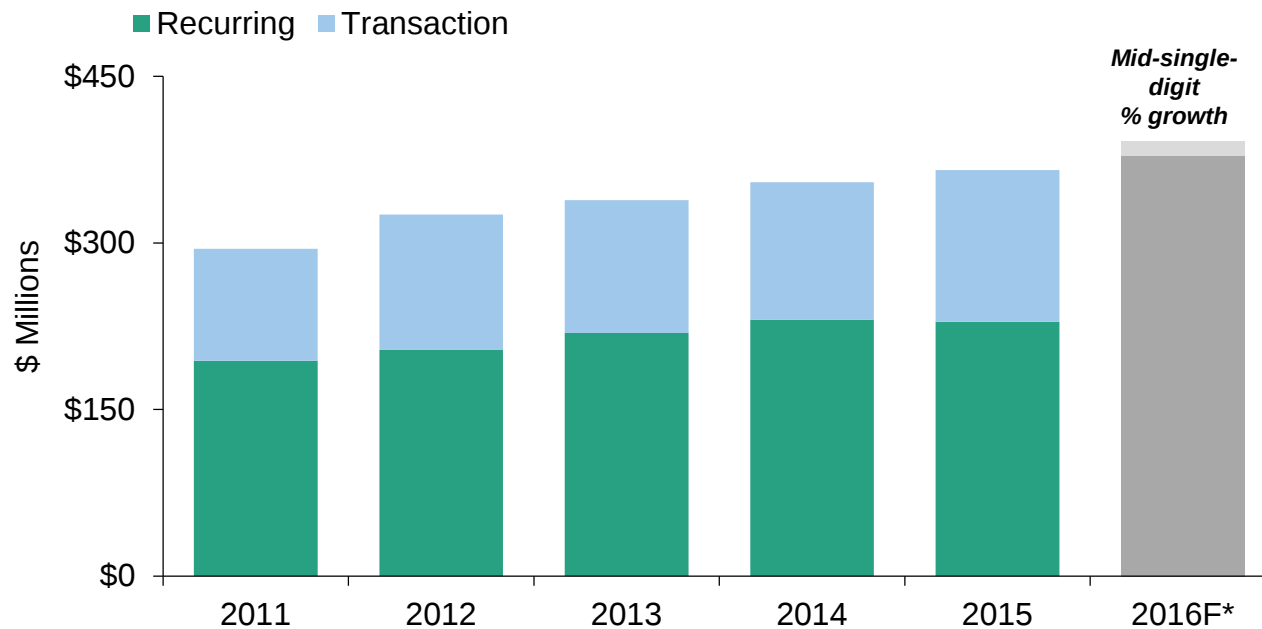


*Guidance as of February 5, 2016.

FIG: Expect FY 2016 Revenue Growth in the Mid-Single-Digit Percent Range

- » Over 60% of FIG revenues are recurring
- » Strong pipeline of US insurance M&A deals

Revenue By Year

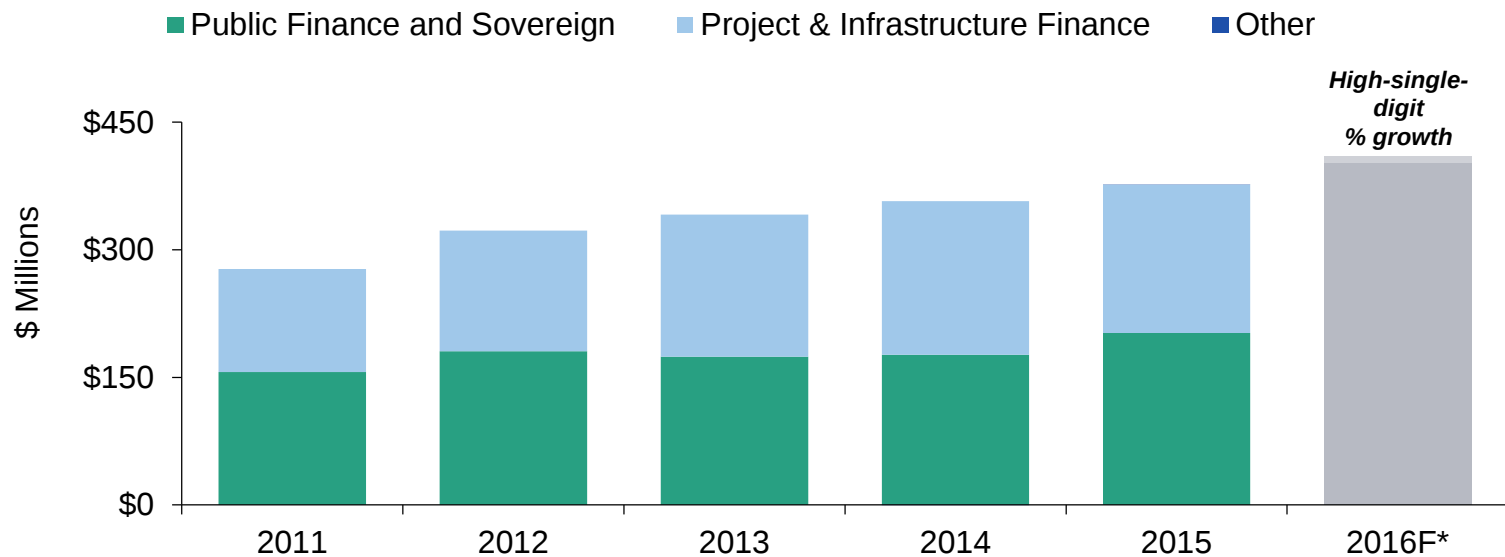


*Guidance as of February 5, 2016.

PPIF: Expect FY 2016 Revenue Growth in the High-Single-Digit Percent Range

- » Approximately 40% of PPIF revenues are recurring
- » Strength in project & infrastructure on refinancing and M&A, including deferred 2015 deals
- » Tougher comparable for US Public Finance

Revenue By Year

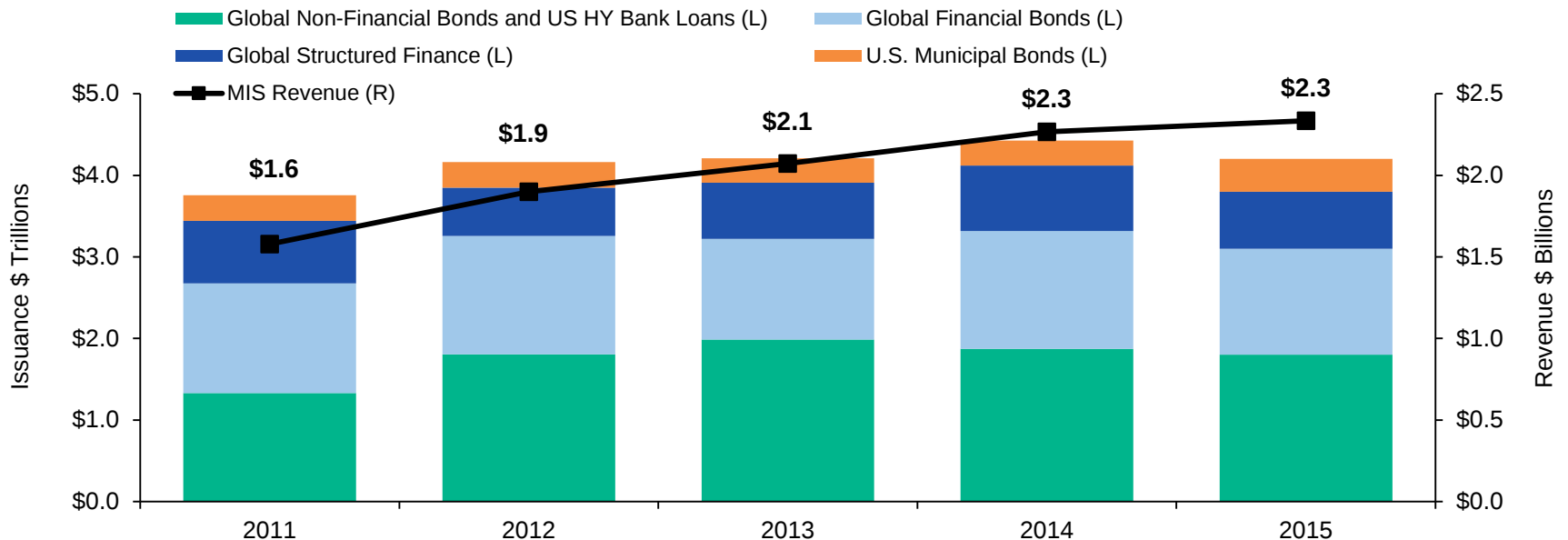


*Guidance as of February 5, 2016.

Issuance is not the Only Factor Driving MIS Revenue

MIS Revenue vs. Rated Issuance*

Year-over-Year Percent Change	2011	2012	2013	2014	2015	2011-2015 CAGR
Issuance	2%	11%	1%	5%	-5%	3%
Revenue	12%	20%	9%	9%	3%	10%



- » In addition to issuance activity levels, MIS revenue is impacted by (i) the mix of issuance activity, (ii) pricing and (iii) growth in monitored credits

*Rated global investment grade bonds, global high yield bonds, US high yield bank loans, global structured finance, and US municipal issuance.

Source: Moody's Capital Markets Research Group, Dealogic, AB Alert, CM Alert, Thomson SDC. US High Yield Bank Loans represent Moody's rated new US bank loan programs.

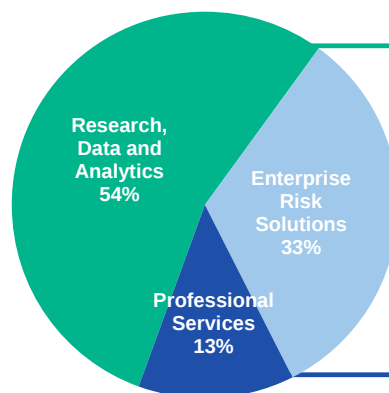
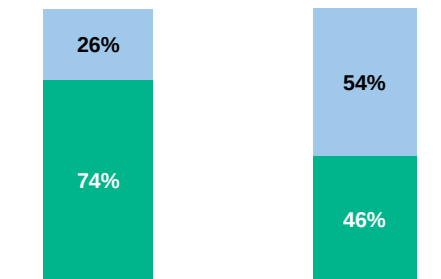
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Moody's Analytics

Moody's Analytics Financial Profile

FY15 Revenue: \$1.2 billion

■ Recurring ■ Transaction ■ US ■ Non-US



» > 95% recurring revenue
» 96% retention rate

» 61% recurring revenue

» Combination of one-off contracts and semi-recurring revenue

2016 Revenue Guidance as of February 5, 2016

Global	↑	mid-single-digit % range
US	↑	high-single-digit % range
Non-US	—	flat
Research, Data & Analytics	↑	mid-single-digit % range
Enterprise Risk Solutions	↑	low-single-digit % range
Professional Services	↓	low-single-digit % range

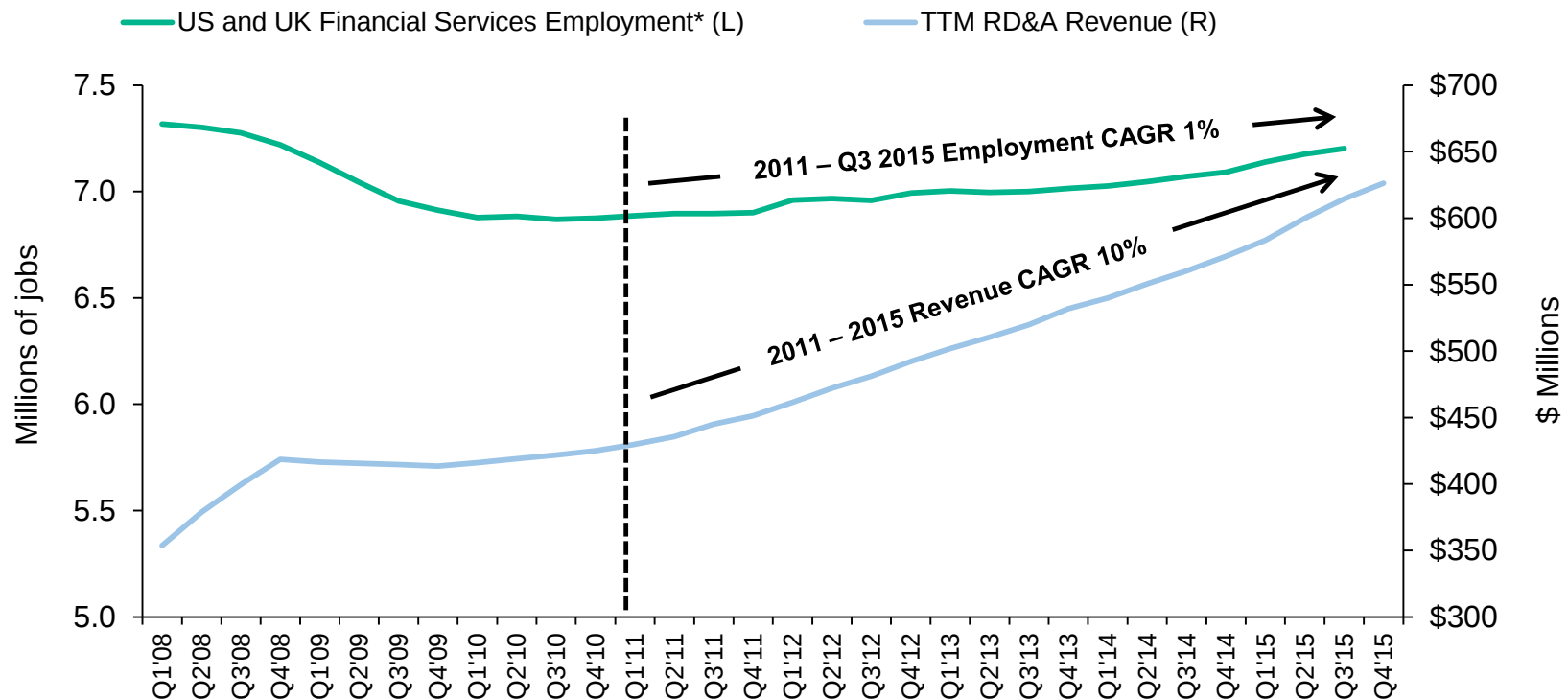
Operating Margin

» Expect operating margin to grow to the mid-20's percent range over the next several years



RD&A Revenue Has Grown Despite Flat Financial Services Employment

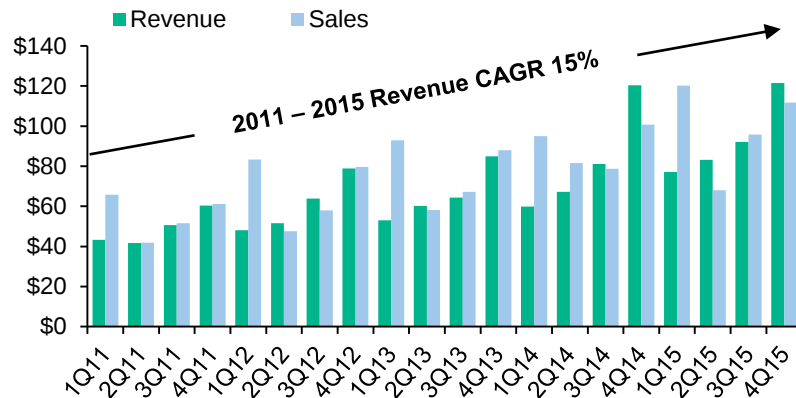
RD&A Revenue vs. Financial Services Employment



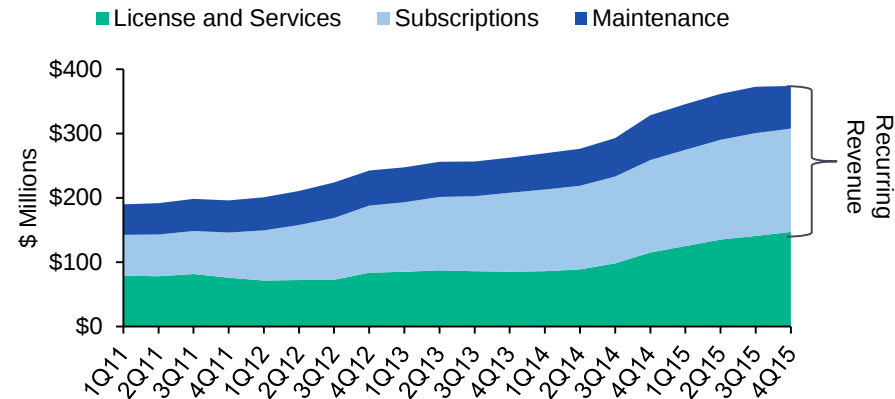
*Source: US Bureau of Labor Statistics and the UK Office for National Statistics. Available data through September 30, 2015.

ERS' Renewable Book Growing, but Revenue Remains Dependent on Project Timing

ERS: Quarterly Revenue and Sales



ERS TTM Revenue by Type



- » ERS revenue is driven by (1) regulation and accounting standards increasing in complexity; (2) evolution of risk management culture among customers; and (3) customers seeking return on investment and cost efficiencies
- » Reminder: While ~2/3 of ERS' revenue base is renewable, results are affected by large projects, the timing of which may impact sales, revenue and margin in any one period

Professional Services Overview

Knowledge process outsourcing

- » Leading provider of offshore research and analytic services
- » 2,400 employees; 9 delivery centers
- » 200+ institutional clients in global financial and corporate sectors



Certificates, designations & accreditations

- » Canada's leading provider of financial services education and designations
- » 270+ courses taken by 800,000+ financial professionals
- » Endorsed by the Investment Industry Regulatory Organization of Canada (IIROC), Canada's stock exchanges and Canada's securities regulatory commissions



Financial services training

- » Provider of global learning capabilities to banks, asset managers, regulators and non-bank financial institutions
- » Multiple delivery channels, including classroom instruction, web classes and e-learning
- » Signature Commercial Lending program available in universal and IFRS; translated and localized for several regions

5

Conclusion

Why Invest in Moody's?

- » **We strive to be the world's most respected authority serving risk-sensitive financial markets**
- » **We have had strong revenue and earnings growth, as well as strong cash flow conversion**
 - 2011 – 2015 Revenue CAGR of 11%
 - 2011 – 2015 non-GAAP EPS* CAGR of 17%
 - 2011 – 2015 free cash flow conversion rate of ~30%
- » **We are committed to returning capital to our shareholders**
 - Current annualized dividend of \$1.48
 - Anticipate 2016 share repurchases of approximately \$1.0 billion**
- » **We will selectively invest in strategic growth opportunities**
 - Leverage brand to extend our relevance in financial markets
 - Expand our product offerings and geographic influence

*See appendix for reconciliation of non-GAAP EPS to GAAP EPS.

**Guidance as of February 5, 2016. Subject to market conditions and other ongoing capital allocation decisions.

Moody's Awards

Moody's received more than a dozen prestigious awards from industry journals around the world in 2015. Spanning both Moody's Investors Service and Moody's Analytics, this recognition helps expand Moody's position as a leader in the global capital markets and reflects the hard work and contributions of all our employees.

Moody's Investors Service



#1 US Credit
Rating Agency:
2012, 2013, 2014, 2015



Best Credit Rating Agency
in EMEA for High Yield &
Emerging Markets: 2015



Most Influential
Credit Rating Agency:
2013, 2014, 2015



Best Islamic
Rating Agency:
2015



Project Finance Firm
of the Year (USA):
2015



Best Islamic Finance
Rating Agency:
2015



#1 Asia Credit
Rating Agency:
2012, 2013, 2014, 2015



#1 US Rating Agency: 2015
#1 US Municipal Research
Team: 2014



Australia's Rating
Agency of the Year:
2014, 2015

Moody's Analytics



#1 Enterprise-Wide Credit
Risk Management and
#1 Economic and Regulatory
Risk Capital Calculation



Winner Enterprise
Stress Testing
Overall #7 out of 100



Best Solvency II Software
Best Economic Scenario
Generation Software



#1 Regulatory Capital
Calculation and Management
and #1 Economic Capital
Calculation and Management



Awarded for accuracy of US
home price forecasts for the
2011 Expectations for 2-Yr
Horizon (2013-2014)



Recognized as a Top
Solution Provider



Recognized as a Top
Solution Provider



Technology Vendor of
the Year, Non-bank



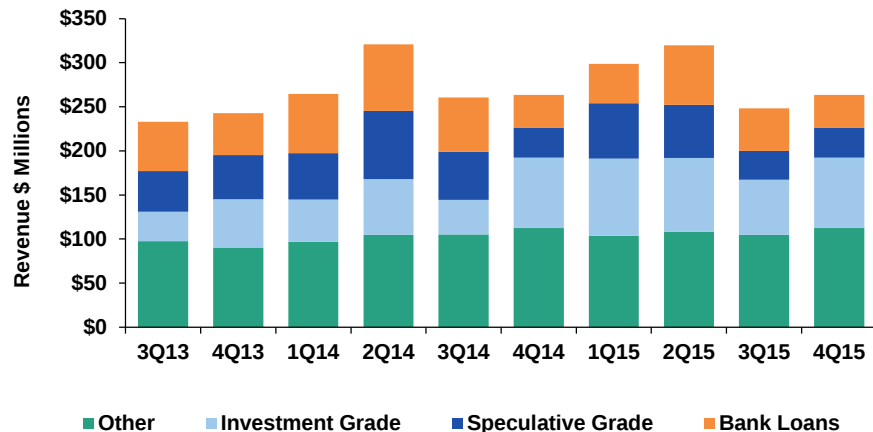
#1 Risk Management
Regulatory/Economic
Capital Calculation

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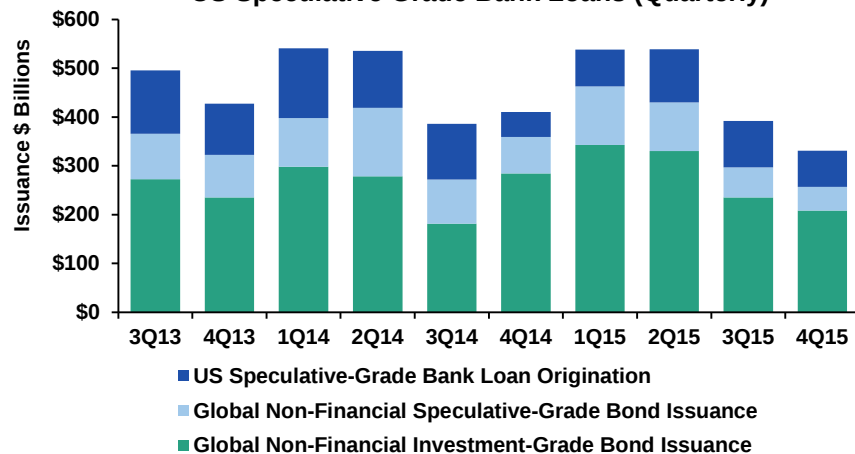
Appendix

Corporate Finance: Revenue and Issuance

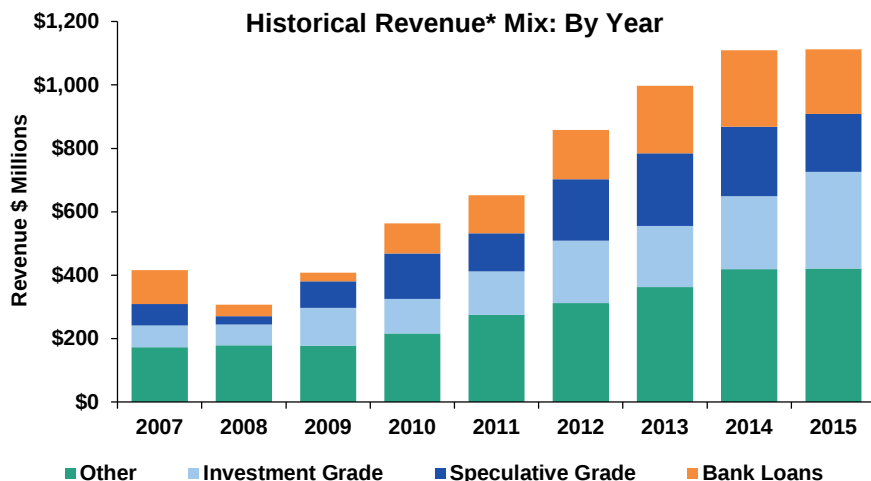
Historical Revenue* Mix: By Quarter



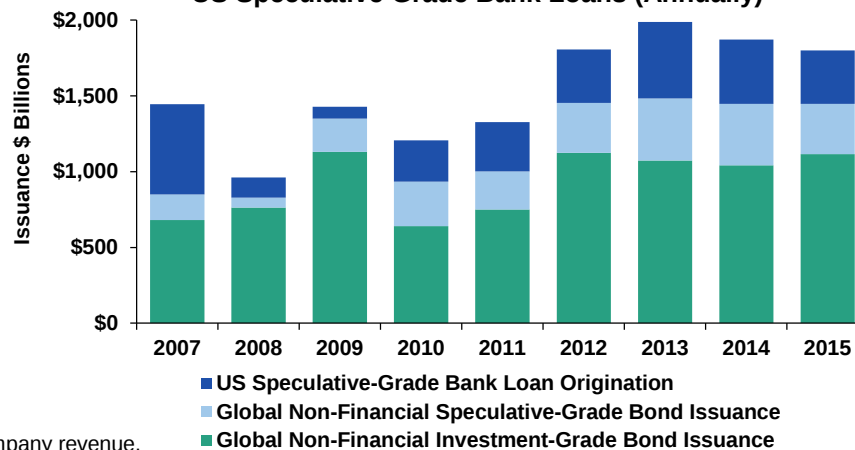
Global Rated Non-Financial Bonds and US Speculative Grade Bank Loans (Quarterly)***



Historical Revenue* Mix: By Year



Global Rated Non-Financial Bonds and US Speculative Grade Bank Loans (Annually)***



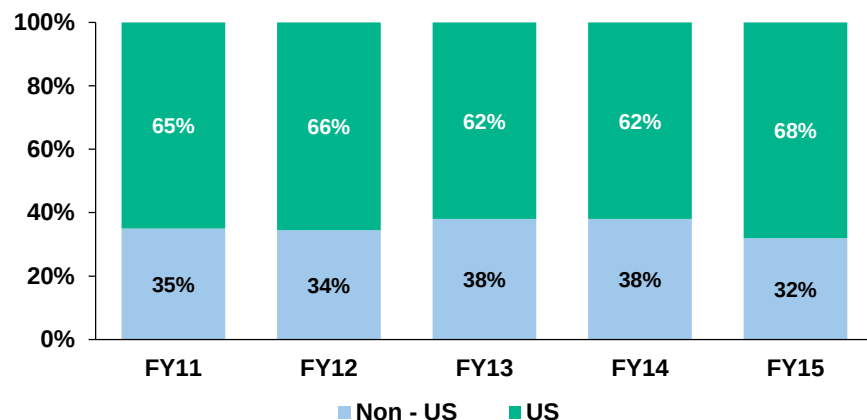
*Historical data has been adjusted to conform with current information and excludes intercompany revenue.

**Other includes: monitoring, CP, MTNs, and ICRA.

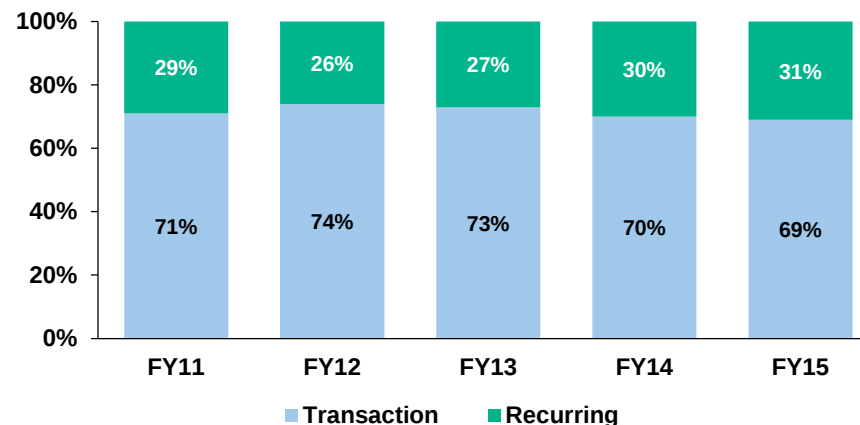
***Sources: Moody's Capital Markets Research Group, Dealogic; US Speculative-Grade Bank Loan Origination represents Moody's rated new US bank loan programs. Note: Debt issuance categories do not directly correspond to Moody's revenue categorization.

Corporate Finance: Revenue Diversification

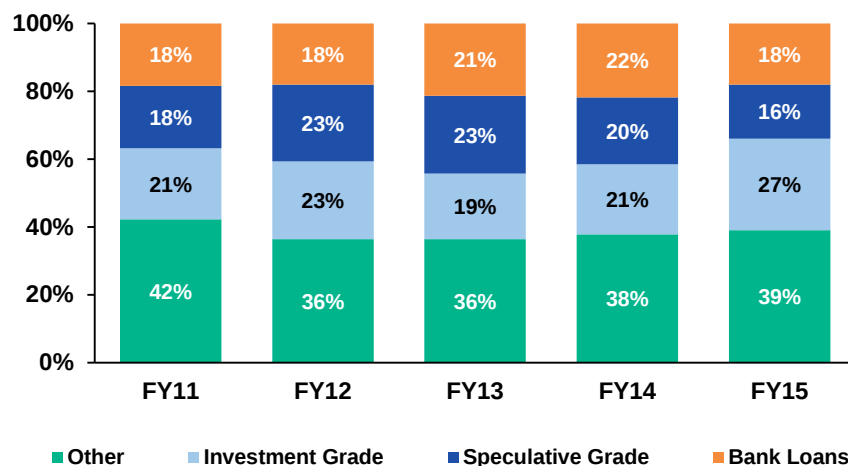
Revenue* Distribution: Geography



Revenue* Distribution: Recurring vs. Transaction



Revenue* Distribution: Product



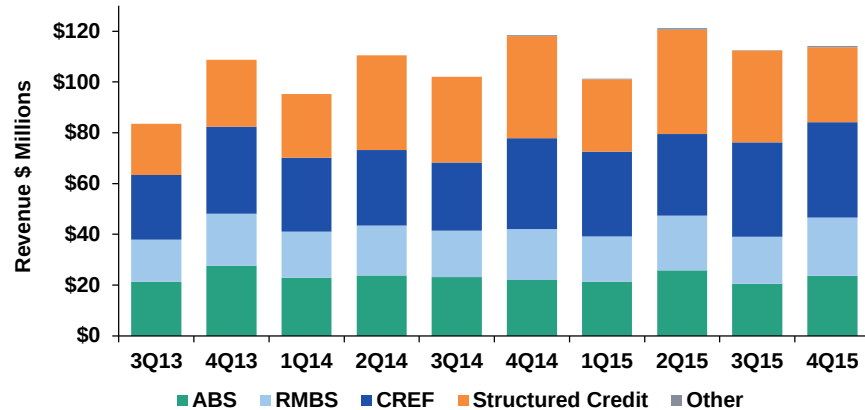
*Historical data has been adjusted to conform with current information and excludes intercompany revenue.

**Other includes: monitoring, CP, MTNs, and ICRA.

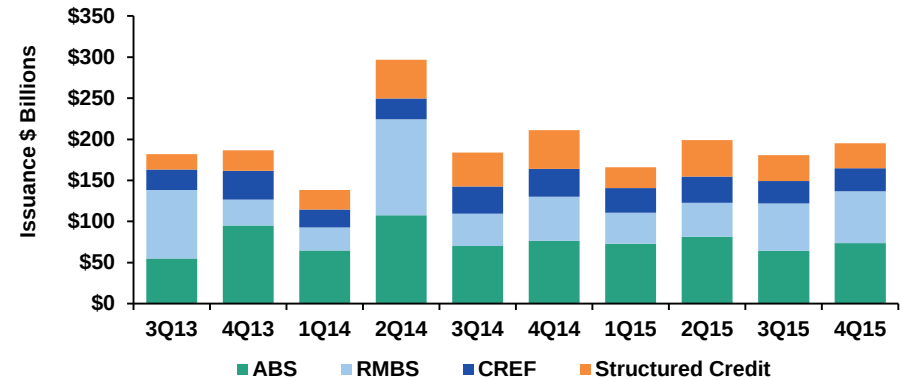
Percentages have been rounded and may not total to 100%.

Structured Finance: Revenue and Issuance

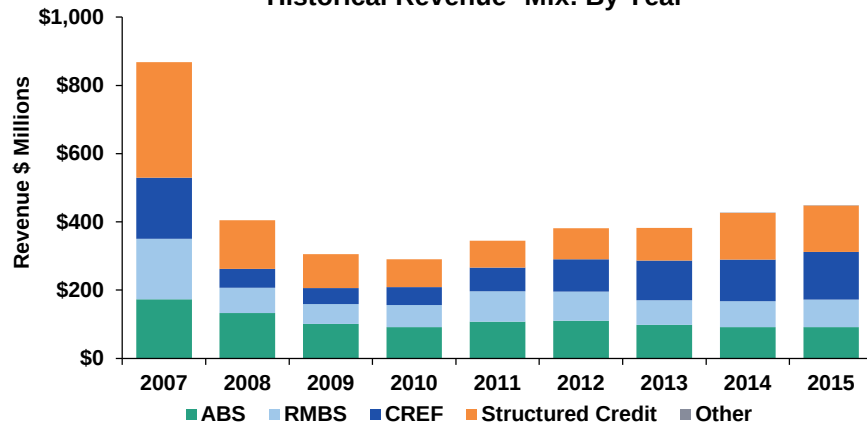
Historical Revenue* Mix: By Quarter



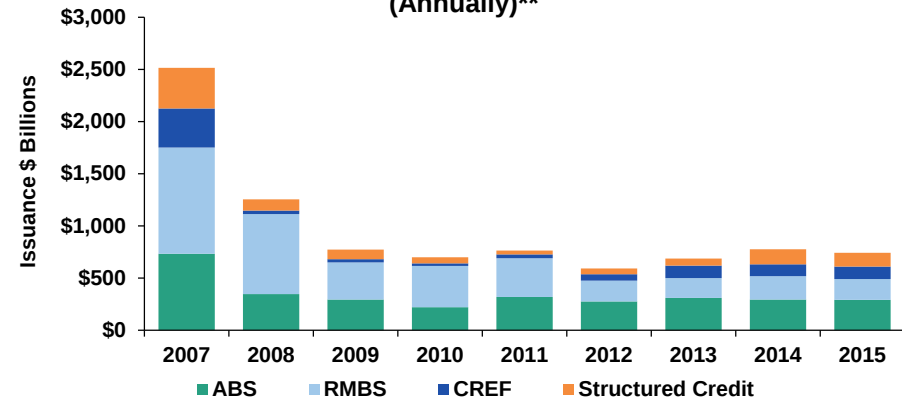
Global Rated Structured Finance (Quarterly)**



Historical Revenue* Mix: By Year



Global Rated Structured Finance (Annually)**



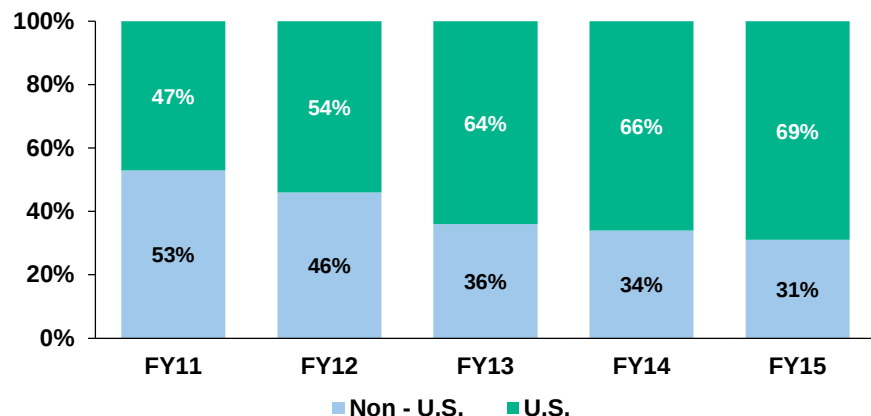
*Historical data has been adjusted to conform with current information and excludes intercompany revenue.

**Sources: AB Alert, CM Alert, Moody's Corporation. Debt issuance categories do not directly correspond to Moody's revenue categorization.

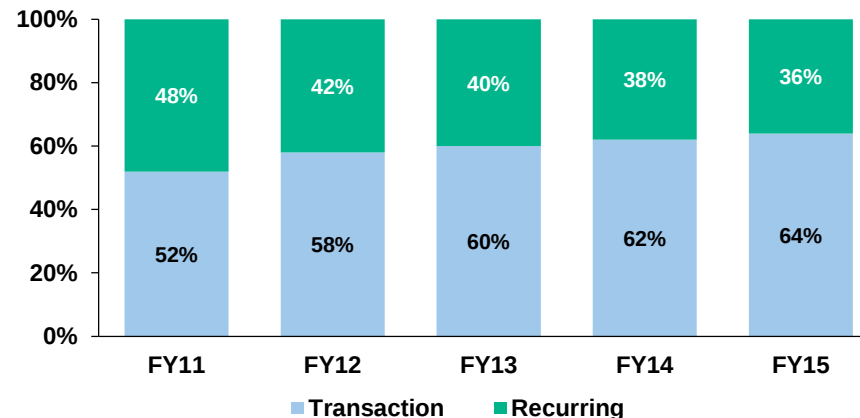
Notes: ABS (Asset Backed Securitization) includes asset-backed commercial paper and long-term asset-backed securities. RMBS (Residential Mortgage Backed Securitization) includes covered bonds. CREF (Commercial Real Estate Finance) includes commercial mortgage-backed securities, real estate finance, and commercial real estate CDOs. Structured Credit includes CLOs and CDOs.

Structured Finance: Revenue Diversification

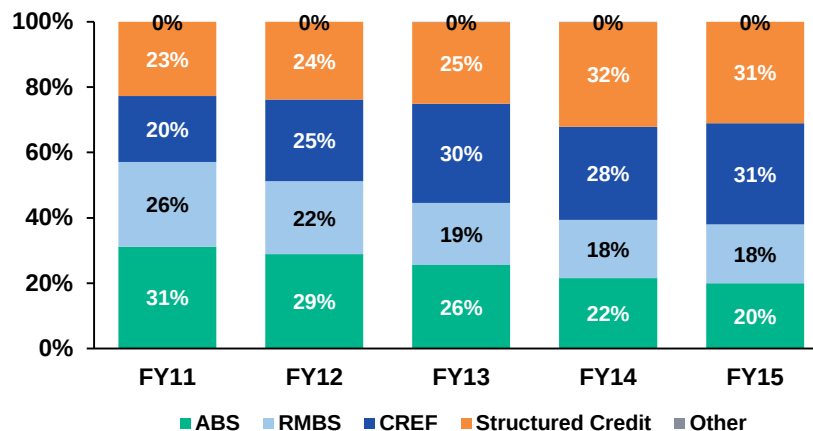
Revenue* Distribution: Geography



Revenue* Distribution: Recurring vs. Transaction



Revenue* Distribution: by Product

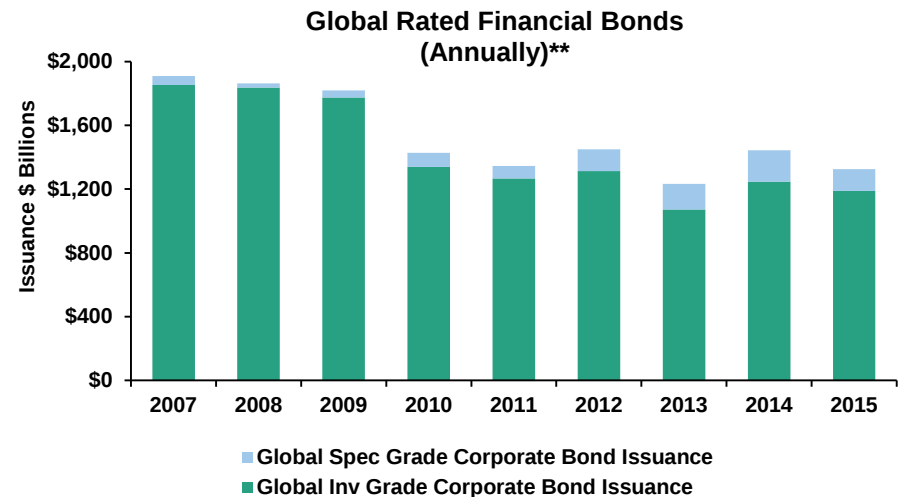
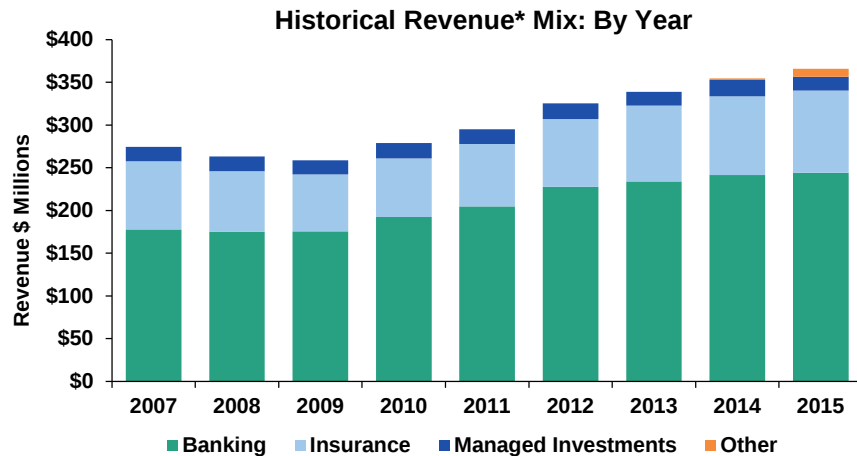
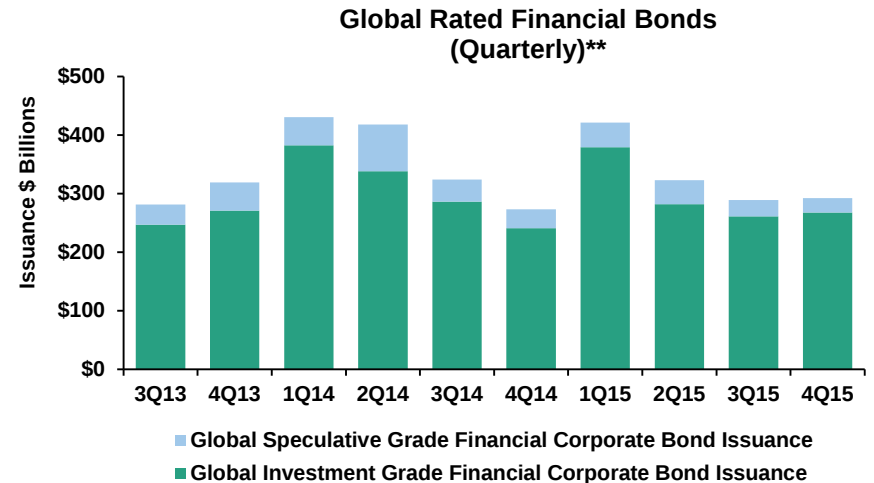
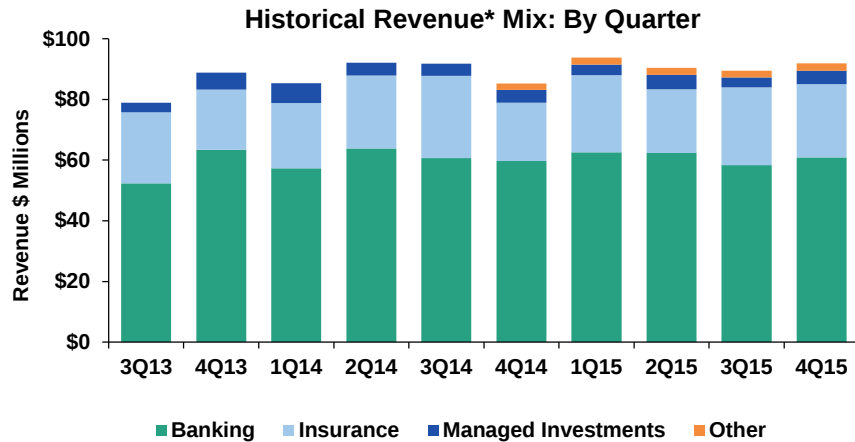


*Historical data has been adjusted to conform with current information and excludes intercompany revenue.

Percentages have been rounded and may not total to 100%.

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Financial Institutions: Revenue and Issuance

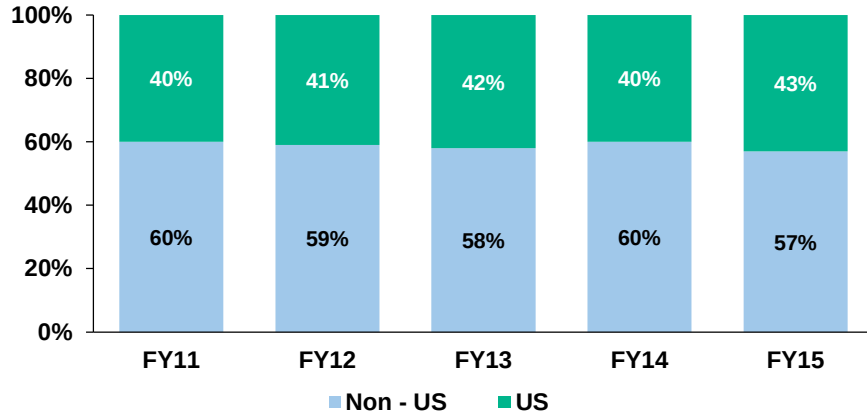


*Historical data has been adjusted to conform with current information and excludes intercompany revenue.

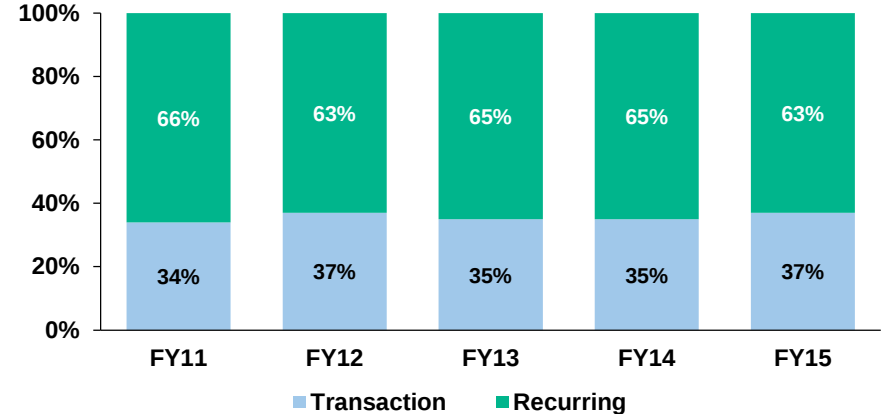
**Sources: Moody's Capital Markets Research Group, Dealogic. Note: Debt issuance categories do not directly correspond to Moody's revenue categorization.

Financial Institutions: Revenue Diversification

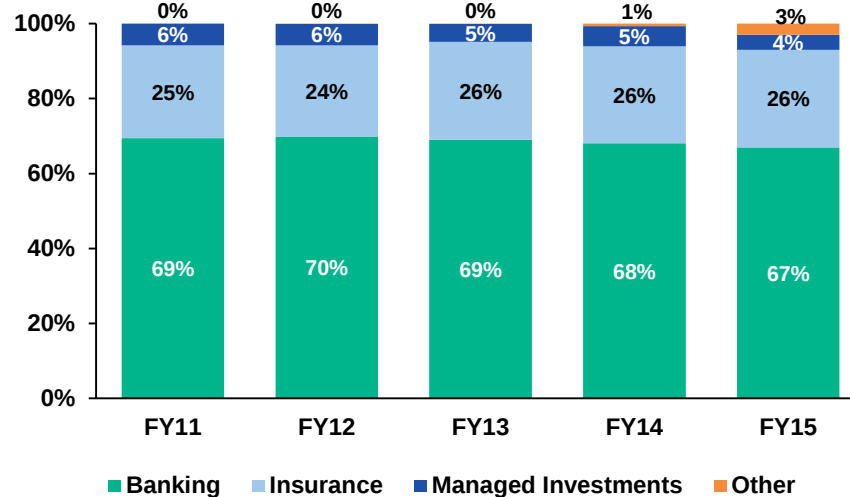
Revenue* Distribution: Geography



Revenue* Distribution: Recurring vs. Transaction

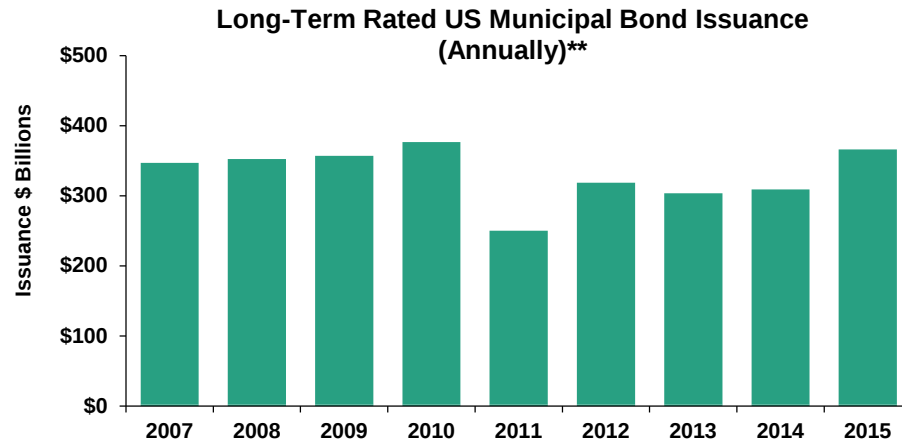
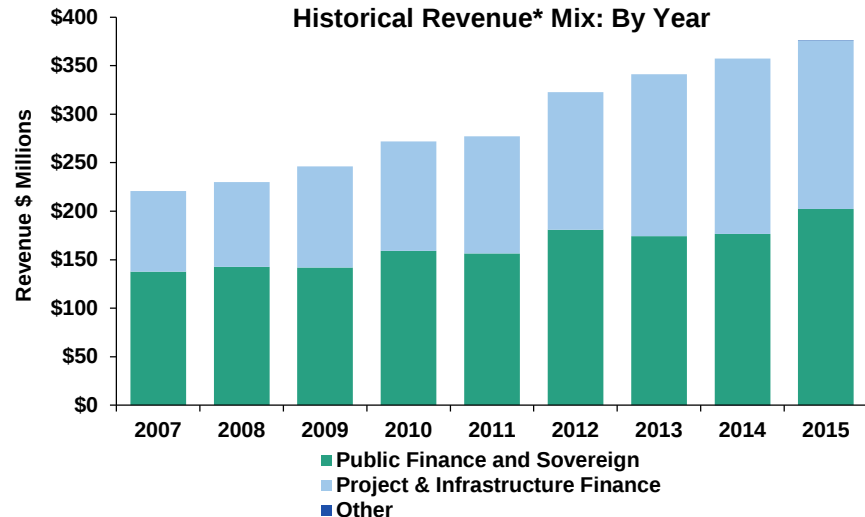
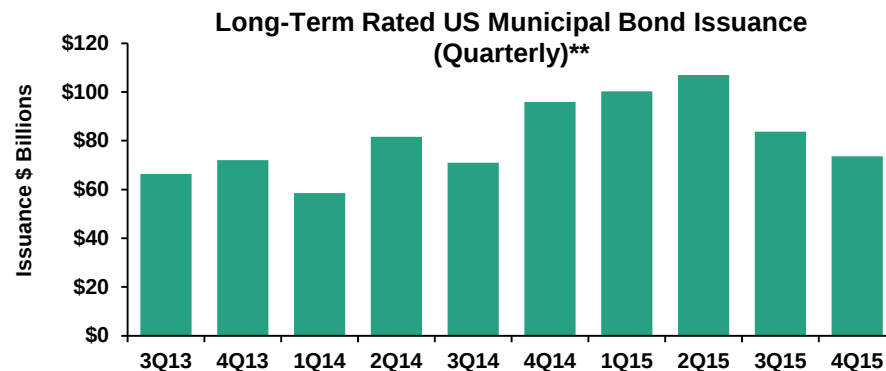
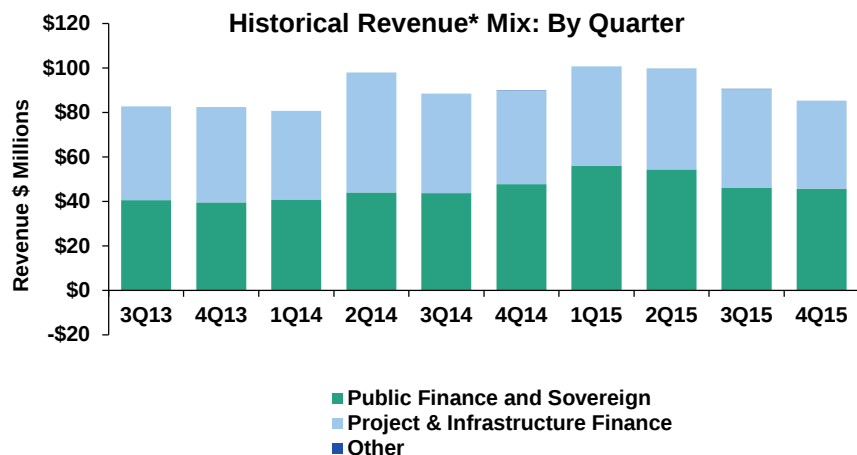


Revenue* Distribution: Product



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Percentages have been rounded and may not total to 100%.

Public, Project and Infrastructure: Revenue and Issuance

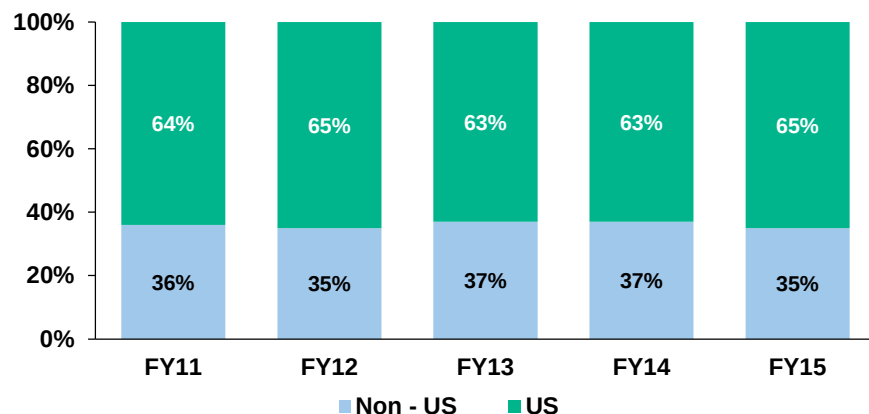


*Historical data has been adjusted to conform with current information and excludes intercompany revenue.

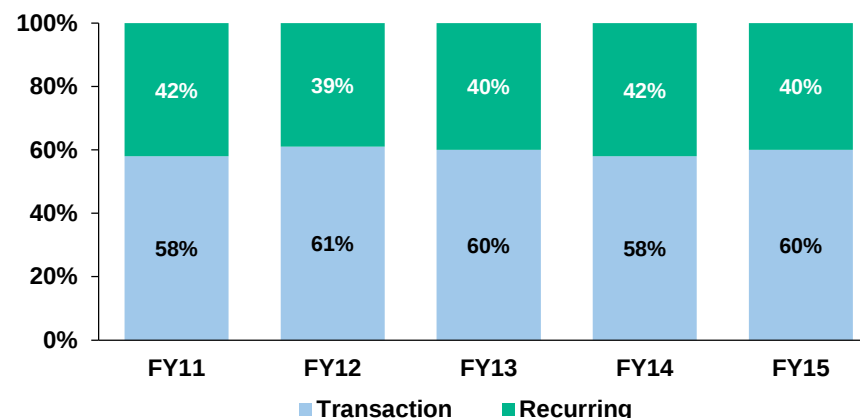
**Sources: Thomson SDC, Moody's Corporation. Note: Debt issuance categories do not directly correspond to Moody's revenue categorization.

Public, Project and Infrastructure: Revenue Diversification

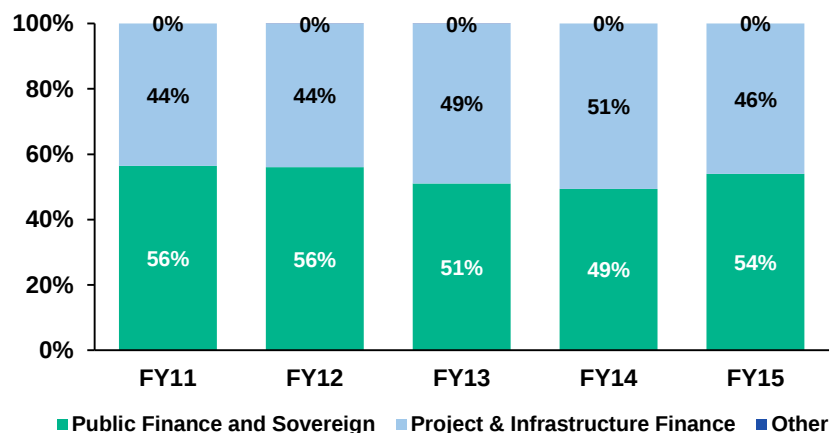
Revenue* Distribution: Geography



Revenue* Distribution: Recurring vs. Transaction

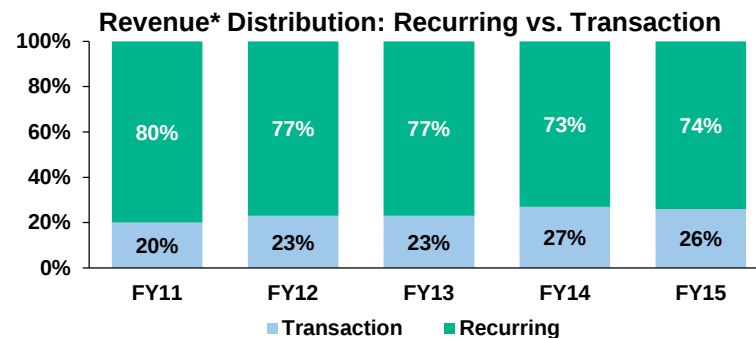
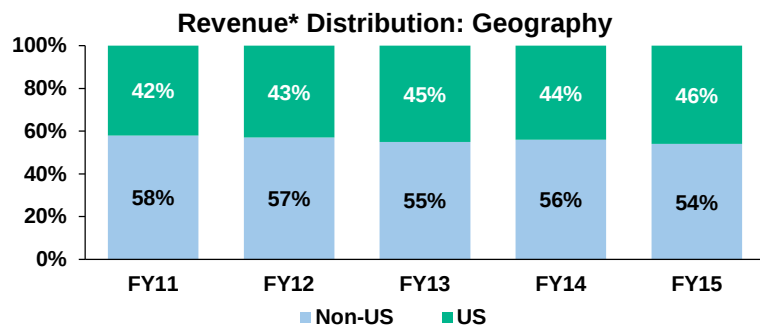
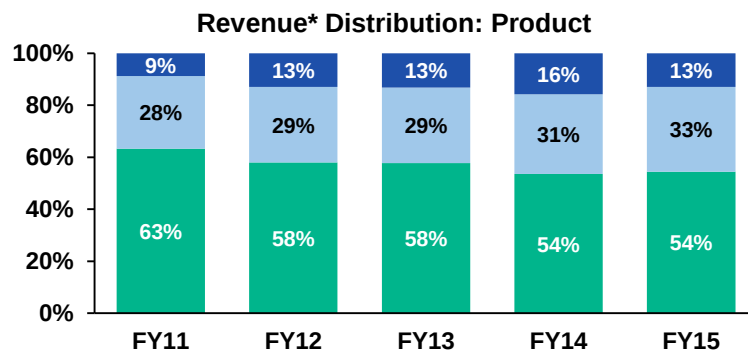
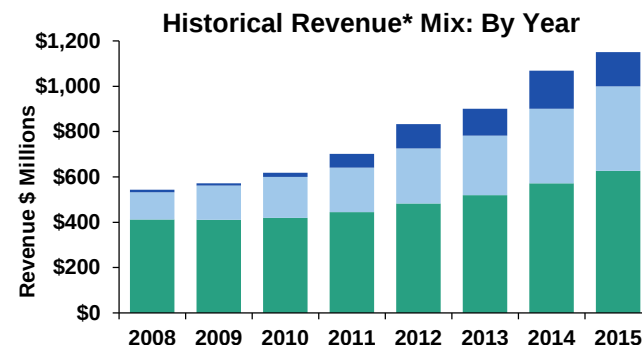
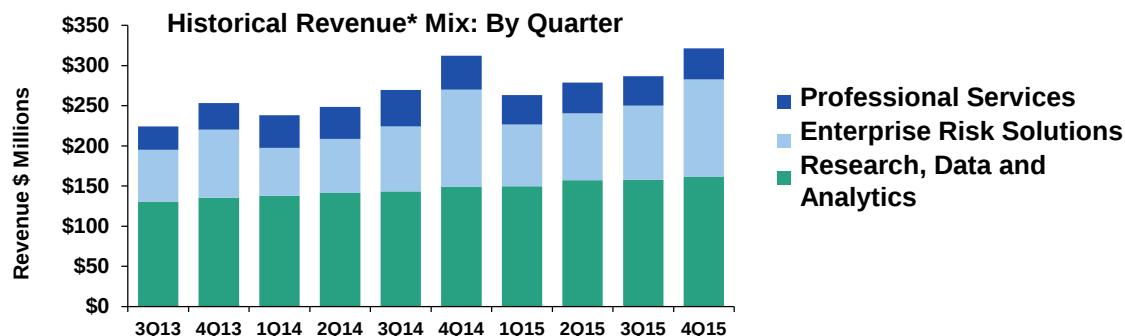


Revenue* Distribution: Product



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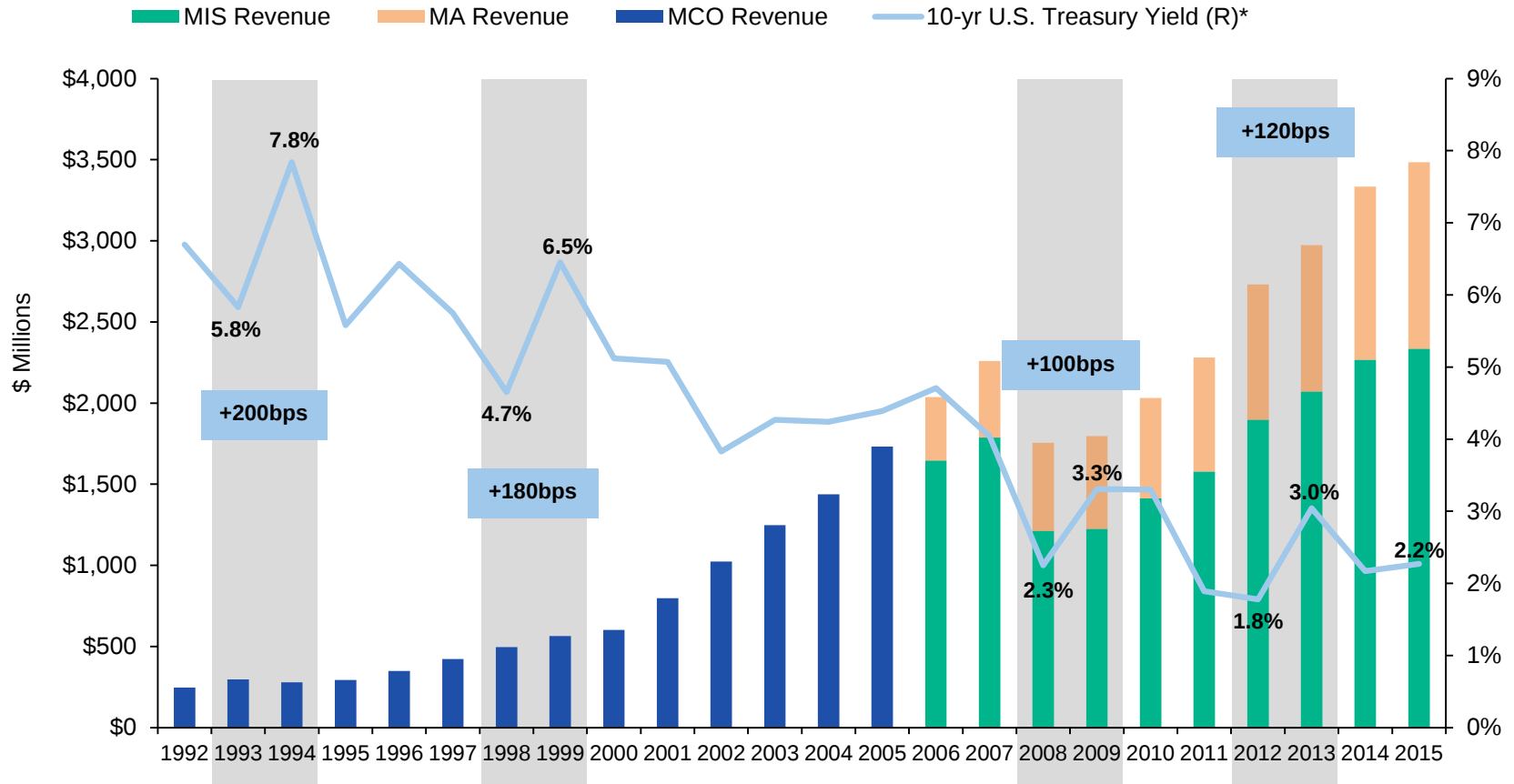
Moody's Analytics: Financial Overview



*Historical data has been adjusted to conform with current information and excludes intercompany revenue. Percentages have been rounded and may not total to 100%.

Historically, Rising Rates have not had a Significant Impact on Moody's Revenue

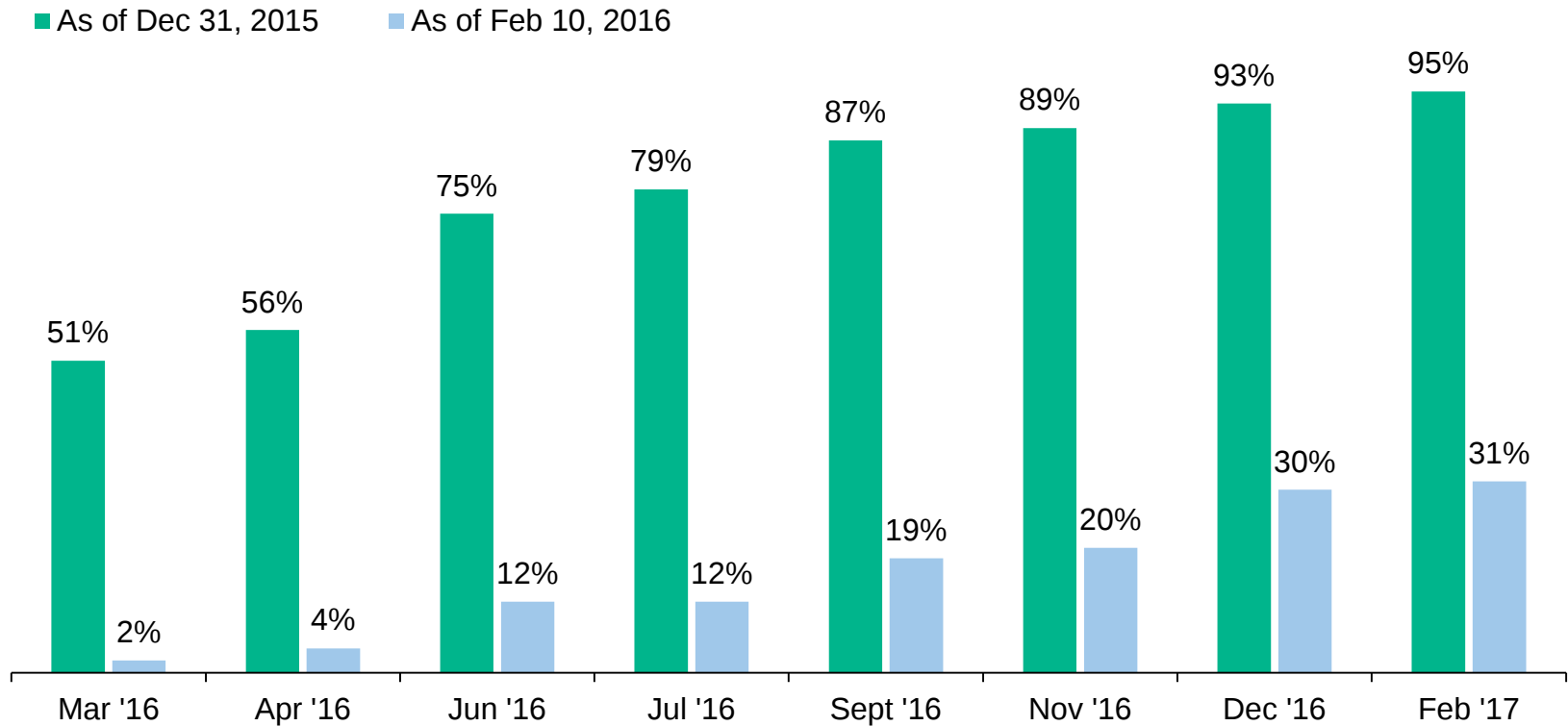
MCO Revenue and Interest Rates



*10-yr Treasury Yields are represented by the rate at the end-of-period. Source: www.treasury.gov

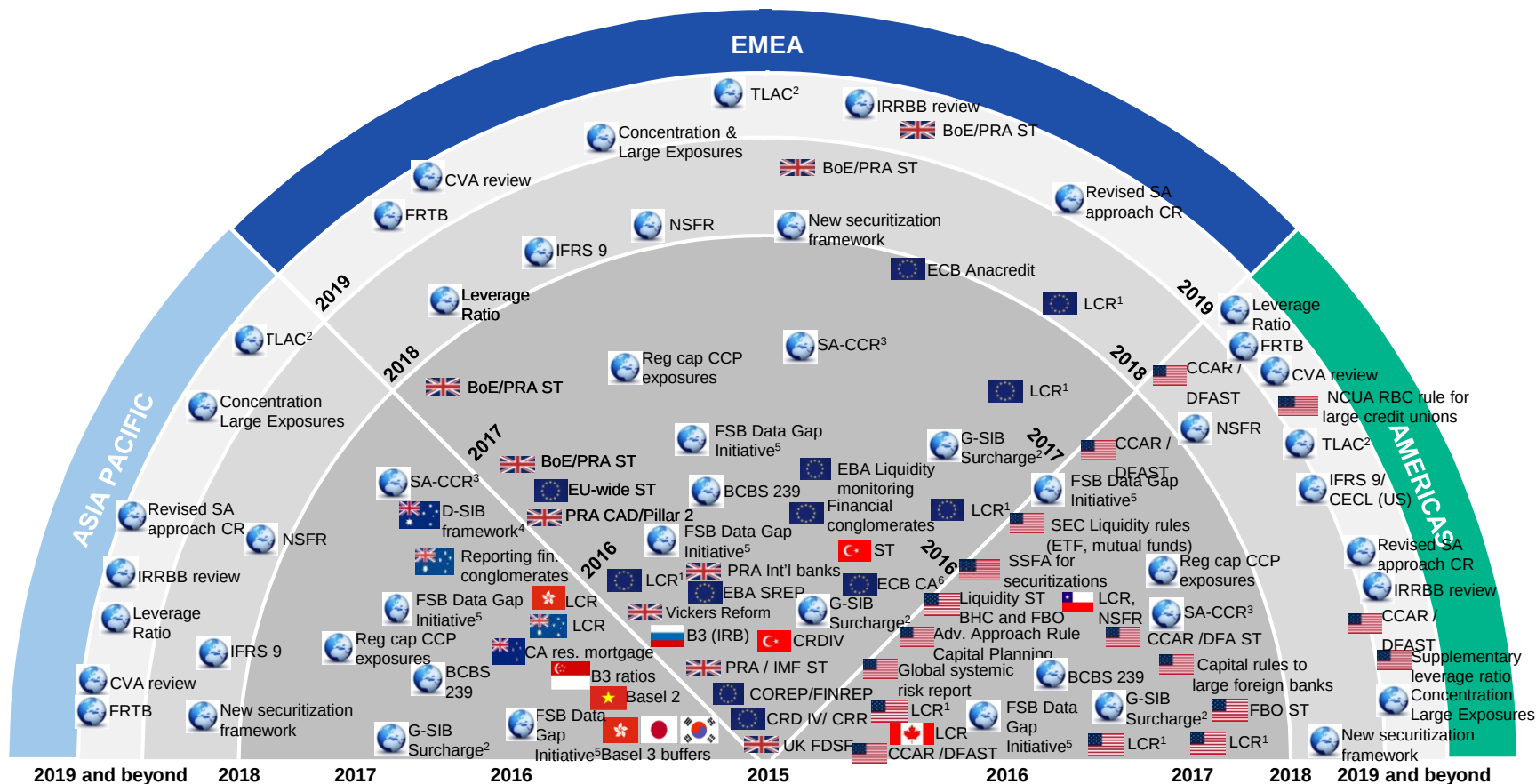
Market Expectations for Pace of Fed Rate Hikes Have Declined

Probability of Rate Hike at Future Fed Meetings



Source: Bloomberg. Implied probability.

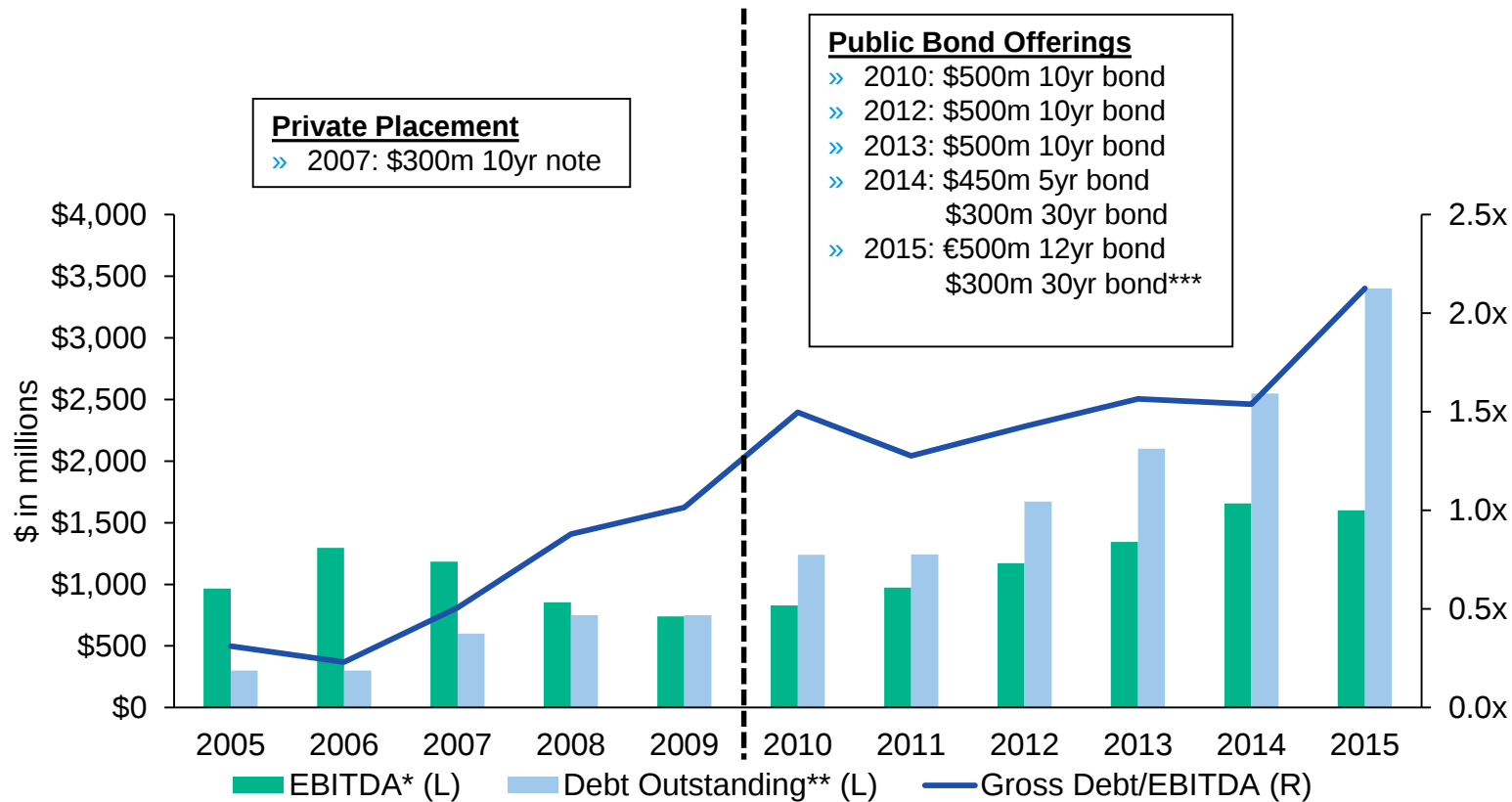
Moody's Analytics Global Banking Regulatory Radar



Source: Moody's Analytics market research as of January 2016.

1. The implementation of the LCR in the EU will be: 60% in 2015, 70% in 2016, 80% in 2017 and 100% in 2018. In the US, advanced-approach banks will have to meet 80% of the LCR by January 1, 2015 and 100% of the ratio by Jan. 2017.
2. The G-SIB surcharge will expand the conservation buffer, subject to a 3 year phase in period. G-SIBs will be required to hold a minimum Total Loss-Absorbing Capacity" (TLAC) between 16% and 20% from 2019.
3. The new standardized approach (SA-CCR) replaces both the Current Exposure Method (CEM) and the Standardized Method (SM) in the capital adequacy framework.
4. Regulatory framework for domestic systemically important banks in Australia.
5. Phase 2 will be implemented in 2015 and will focus on liquidity and Phase 3 will be implemented in 2016 and will focus on additional balance sheet data. banks (G-SIBs).
6. In 2015 the ECB will conduct a comprehensive assessment with 9 European banks.

Moody's is a Seasoned Capital Markets Issuer



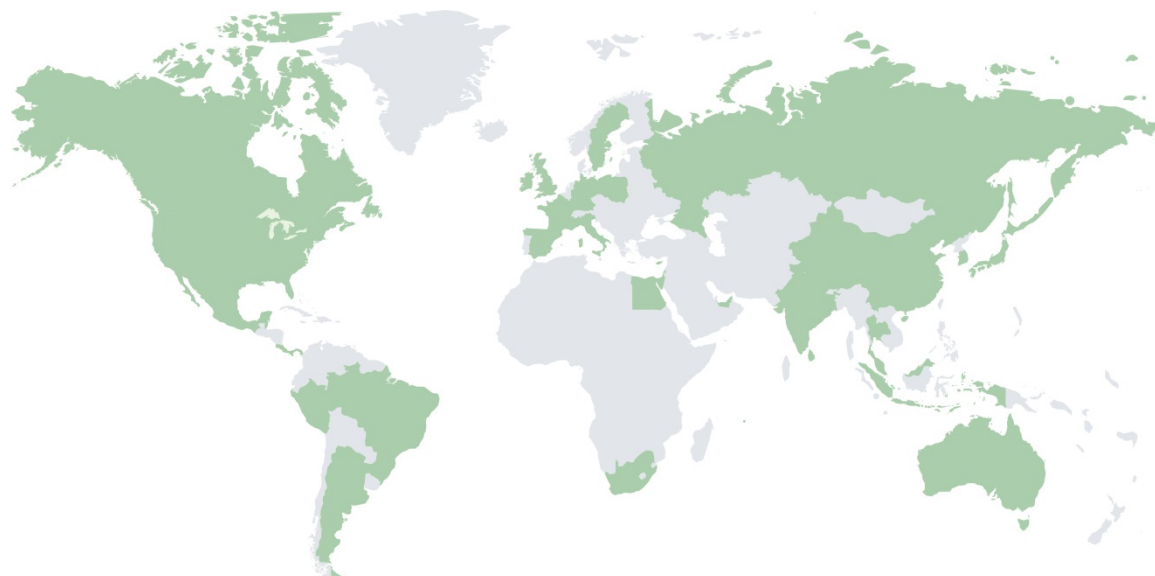
- » Successfully issued across the maturity curve and in multiple currencies
- » Initial maturities ranging from 5-year to 30-year
- » Debt denominated in USD and EUR

*Amount is a non-GAAP measure. See Appendix for a reconciliation of this non-GAAP measure to its comparable US GAAP measure.

**Debt outstanding at end of period.

***On November 13, 2015, Moody's issued \$300 million of 5.25% senior unsecured notes due 2044 in a reopening of its existing series of such notes.

Moody's Global Presence



Americas

Argentina	Mexico
Brazil	Panama
Canada	Peru
Costa Rica	United States

Europe, Middle East & Africa

Cyprus	Poland
Czech Republic	Russia
Egypt	South Africa
France	Spain
Germany	Sweden
Ireland	Switzerland
Israel	UAE
Italy	United Kingdom
Mauritius	

Asia-Pacific

Australia	Malaysia
China	Nepal
Hong Kong	Singapore
India	Sri Lanka
Japan	Thailand
Korea	

Affiliates (Moody's Ownership)

China – CCXI (49%)
 Egypt – MERIS (40%)
 India – ICRA (50.06%)
 Israel – Midroog (51%)
 Korea – Korea Investors Service (50%)
 Russia – MIRA (51%)

2015	3,365 US employees	+	7,005 non-US employees	=	10,370 total employees*
2014	3,138 US employees	+	6,746 non-US employees	=	9,884 total employees**

*As of December 31, 2015.

**As of December 31, 2014.

Reconciliation of Non-GAAP Financial Measures to GAAP

Adjusted Operating Income and Adjusted Operating Margin Reconciliation

(in \$ millions)	2011	2012	2013	2014	2015
As Reported Operating Income	\$888.4	\$1,077.4	\$1,234.6	\$1,439.1	\$1,473.4
Operating Margin	39.0%	39.5%	41.5%	43.2%	42.3%
Add Adjustment:					
Depreciation & Amortization	79.2	93.5	93.4	95.6	113.5
Restructuring	-	-	-	-	-
Goodwill Impairment Charge	-	12.2	-	-	-
Adjusted Operating Income	<u>\$967.6</u>	<u>\$1,183.1</u>	<u>\$1,328.0</u>	<u>\$1,534.7</u>	<u>\$1,586.9</u>
Adjusted Operating Margin	42.4%	43.3%	44.7%	46.0%	45.5%

Moody's Corporation Operating Margin Guidance Reconciliation

	2016F*
Projected Operating Margin - GAAP	Approximately 42%
Projected impact from Depreciation & Amortization	Approximately 3%
Projected Adjusted Operating Margin	<u>Approximately 45%</u>

*Guidance as of February 5, 2016.

Reconciliation of Non-GAAP Financial Measures to GAAP (cont.)

Moody's Corporation Free Cash Flow Reconciliation

(in \$ millions)	2011	2012	2013	2014	2015	2016F*
Cash Flow from Operations	\$ 803.3	\$ 823.1	\$ 926.8	\$ 1,018.6	\$1,153.6	Approximately \$1.2 billion
<i>Less Adjustment:</i>						
Capital Expenditures	\$ 67.7	\$ 45.0	\$ 42.3	\$ 74.6	\$89.0	Approximately \$125 - \$135 million
Free Cash Flow	\$ 735.6	\$ 778.1	\$ 884.5	\$ 944.0	\$1,064.6	Approximately \$1.1 billion
Cash Flow used in Investing Activities	\$ (267.6)	\$ (50.2)	\$ (261.9)	\$ (564.9)	\$ (92.4)	
Cash Flow provided by (used in) Financing Activities	\$ (417.7)	\$ 202.6	\$ (498.8)	\$ (1,064.5)	\$ (461.0)	

*Guidance as of February 5, 2016.

Reconciliation of Non-GAAP Financial Measures to GAAP (cont.)

Moody's Corporation EPS Reconciliation

	2011	2012	2013	2014	2015	2016F*
Diluted EPS - GAAP	\$2.49	\$3.05	\$3.60	\$4.61	\$4.63	\$4.75 - \$4.85
Legacy Tax	(0.03)	(0.06)	(0.09)	(0.03)	(0.03)	-
Impact of litigation settlement	-	-	0.14	-	-	-
ICRA Gain	-	-	-	(0.37)	-	-
Diluted EPS – Non-GAAP	\$2.46	\$2.99	\$3.65	\$4.21	\$4.60	\$4.75 - \$4.85

Note: Table may not sum to total due to rounding.

*Guidance as of February 5, 2016.

Reconciliation of Non-GAAP Financial Measures to GAAP (cont.)

Moody's Corporation EBITDA Reconciliation

(\$ Millions)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net Income attributable to Moody's	\$753.9	\$701.5	\$457.6	\$402.0	\$507.8	\$571.4	\$690.0	\$804.5	\$988.7	\$941.3
Provision for Income Taxes	\$506.6	\$415.0	\$268.2	\$239.1	\$201.0	\$261.8	\$324.3	\$353.4	\$455.0	\$430.0
Interest Expense, Net	(\$3.0)	\$24.3	\$52.2	\$33.4	\$52.5	\$62.1	\$63.8	\$91.8	\$116.8	\$115.1
Depreciation & Amortization	\$39.5	\$42.9	\$75.1	\$64.1	\$66.3	\$79.2	\$93.5	\$93.4	\$95.6	\$113.5
EBITDA	<u>\$1,297.0</u>	<u>\$1,183.7</u>	<u>\$853.1</u>	<u>\$738.6</u>	<u>\$827.6</u>	<u>\$974.5</u>	<u>\$1,171.6</u>	<u>\$1,343.1</u>	<u>\$1,656.1</u>	<u>\$1,599.9</u>

Note: Table may not sum to total due to rounding.

Website: <http://ir.moody's.com>

Email: ir@moody's.com



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