Moody's To Acquire Majority Interest In Argentine Credit Ratings Agency

Combination Will Provide Market With More Than 300 Ratings

Buenos Aires, May 11, 2001 - Moody's Investors Service announced today that it has executed a stock purchase agreement to acquire a majority equity interest in Magister, a leading Buenos Aires-based business risk analysis and credit ratings agency. Subject to regulatory approvals and certain conditions contained in the stock purchase agreement, the transaction is expected to close within the next few weeks.

Moody's also owns an interest in Humphreys Argentina and has announced that once the Magister acquisition has been completed, it will merge the two agencies to form a new entity to be called Moody's Latin America S.A. The process of merging the two entities will be completed with the finalization of all appropriate corporate and regulatory approvals.

Moody's Latin America, which will be headed by Mr. Daniel Rúas, will provide more than 300 ratings on Argentine institutions and securities including banks, corporate debt, structured finance transactions, and municipalities and provinces. Douglas Elespe, currently the President of Magister, will serve as a Senior Managing Director of the company and will be directing Moody's Latin America's business development efforts throughout the Southern Cone. Mr. Ruas will report to Mr. Elespe.

"This consolidation of two strong local agencies into Moody's Latin America establishes Moody's as the leading rating agency in Argentina and provides us with a good platform for enhancing our services throughout the region," said David Moniz, Moody's Managing Director for Latin America. "This is a clear demonstration of our long term commitment to providing high quality credit ratings and research services to this market."

Once the Magister acquisition has been completed, Humphreys Argentina and Magister will coordinate all activities and services in order to provide the same rating service, until both companies are merged into Moody's Latin America.

"This transaction is consistent with our strategy to be a major player in the region," said Elespe. "This merger will expand our research and ratings business and enhance the ability to provide local content together with a broader perspective and know-how of one of the most prestigious rating agencies in the world. We think everybody should be pleased with the value and benefits for the market, issuers and investors of this association."

Moody's Investors Service, a subsidiary of Moody's Corporation (NYSE:MCO), is the leading provider of credit ratings, research and analysis covering debt instruments and securities in the global capital markets. The company, with offices in New York, Tokyo, London, Paris, Sydney, San Francisco, Frankfurt, Dallas, Madrid, Toronto, Hong Kong, Singapore, Limassol, São Paulo, Milan, Buenos Aires and Mexico City issues ratings on more than 4,200 corporations and 68,000 public finance debt securities issued by corporations and governments in more than 100 nations. www.moodys.com

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